

15 July 2019



UK “heading for a recession” says REED chairman

- Job vacancies advertised on reed.co.uk have fallen by over two per cent year-on-year in Q2
- Hospitality and education are hardest hit, with annual declines of 24% and 10% respectively
- Health & social care and IT were silver linings as demand in both sectors continues to grow

James Reed, Chairman of REED, Britain’s leading recruitment firm, has issued the UK’s next Prime Minister a jobs market storm warning culminating in a recession following new data from reed.co.uk’s Job Index.

The data reveals a slowdown in the UK labour market as political and economic uncertainty rumbles on. The number of advertised vacancies fell by 2.3 per cent in Q2 2019, compared to the same quarter last year. This is the largest percentage drop on REED.co.uk since 2010.

High streets and schools are bearing the brunt of the downturn in demand. The hospitality and catering sector saw the steepest annual decline, with new job vacancies 24% down compared to Q2 2018, followed by education which saw a 10% drop.

Driven by an ageing population and increasing demand for skilled workers, the health and social care sector saw the largest growth in jobs advertised, surging 29% year-on-year.

The second-largest uptick was in information technology, which enjoyed a 6% annual increase as the digital revolution gathers pace.

Across the UK, the regions with the biggest year-on-year growth were Northern Ireland (+31%), Scotland (+11.2%) and Wales (+3%). Meanwhile, East Anglia (-8.7%) and West Midlands (-8.7%) have seen the largest fall in available vacancies compared with Q2 last year.

Commenting on the figures, James Reed, Chairman of REED, said:

“Worrying storm clouds are forming around the UK’s job market. The largest fall in jobs since 2010 on the REED website is a clear sign that the canary has fallen off its perch and that we are heading for a recession.

“The next Prime Minister will come to captain an economy with fewer job opportunities amid a national economic slowdown.

“A fiscal stimulus is required to kick-start the British economy. By providing targeted corporate tax cuts and giving British workers the pay rise they deserve, the economy can be supercharged back from the brink and job opportunities can begin picking up again.

“Johnson or Hunt, the next Prime Minister has a mammoth task ahead of them. Brexit won’t be their only headache, stimulating the economy to avoid a recession should also be a priority.”

-ENDS-

Notes to Editors

For further information, contact reed@thephagroup.com

About REED

REED is the largest family owned recruitment company in the world with an annual turnover of £1.2 billion

REED was founded in 1960 by, Sir Alec Reed, and is now a global recruitment company, with more than 3,500 employees working in 180 locations around the world.

James Reed first joined the company in 1992 after graduating from Harvard Business School. Since then REED has more than quadrupled in size, while [reed.co.uk](https://www.reed.co.uk) – the first site of its kind, established in 1995 – is now the #1 job site in the UK and Europe.

REED was recently recognised by Glassdoor as the highest-ranking recruitment company to work for in the UK, whilst James Reed was separately awarded at the 2018 Employee Choice Awards as one of the Top UK CEO's.

REED receives 50 million job applications every year and has helped more than 140,000 long-term unemployed people get back into work. James was appointed Chief Executive in 1997 and Chairman in 2004.

About the Reed Job Index

The Reed Job Index tracks the number of new job opportunities on offer compared to the previous month and against a baseline of 100. Data is analysed across every major industry sector and UK region and trends highlighted in a monthly report.

Data for the index is compiled from [reed.co.uk](https://www.reed.co.uk), the UK's leading job site, which everyday lists over 250,000 job opportunities from 12,000 recruiters across 13 key career sectors throughout the UK.

Reed Job Index figures are released at the start of each month and give an accurate and timely snapshot of the UK's job market.