

BCC comments on labour market statistics December 2017

Commenting on the labour market statistics released today by the Office for National Statistics, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“While the UK unemployment rate remains historically low, the second successive drop in UK employment suggests that labour market conditions are moderating a little. However, the drop in both UK unemployment and employment was at least partly due to the rise in people who are now classed as economically inactive.

“The latest data also confirms that the UK labour market continues to face a number of key challenges. While it picked up slightly, pay growth continues to lag behind price growth, which is stifling consumer spending, a key driver of UK economic growth.

“Significantly, the rise in the number of vacancies is a further indication of the persisting skills shortage faced by business, which undermines the UK’s growth prospects.

“With UK economic conditions likely to become more sluggish over the near term, it is vital that more is done to support firms looking to recruit and grow their business, including tackling the high up-front taxes and costs of doing business in the UK.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

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