

BCC: UK labour market in good health

Commenting on the labour market statistics for February 2017, released today by the Office for National Statistics, Suren Thiru, Head of Economics at the British Chambers of Commerce (BCC), said:

“Overall, with employment levels rising and unemployment still falling, the latest figures confirm that the UK jobs market is in good health.

“It remains likely that even if economic conditions become more subdued over the near-term, the underlying resilience of the UK’s jobs market will help ensure that we don’t see a marked deterioration in recruitment. Our own survey data suggests that hiring expectations have improved, although firms continue to report considerable difficulties in recruiting the right staff.

“With pay growth slowing slightly, the differential between price increases and wage growth continues to close. If this trend persists earnings in real terms could be squeezed, stifling consumer spending, which is an important determinant of UK growth.

“A key priority for the upcoming Budget must be to support firms looking to recruit and grow their business. This includes tackling the high up-front taxes and costs of doing business in the UK, which weigh heavily on companies regardless of their stage in the economic cycle, performance or ability to pay.”

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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