

# Monthly Newsletter April 2026

## Unemployment rate in the UK

5.2%

## Average weekly earnings

3.8%

(Excluding bonuses. A decrease by 0.4% compared to last month's rate)

## Job vacancies

-0.8%

Early estimates in December 2025 to February 2026 suggest a decrease of 6,000 (0.8%) to 721,000, compared with September to November 2025. **Total estimated vacancies were down by 76,000 (9.5%) in December 2025 to February 2026 from the level of a year ago, decreasing in 15 of the 18 industry sectors.**

## UK job market softens

The UK job market is showing signs of softening, with payroll numbers falling by 49,000 and vacancies dipping. Businesses attribute the decline to higher taxes and increased regulation.

## Hiring intentions fall in February

UK business hiring optimism has reached its lowest point in nearly 15 years due to rising employment costs and workers' rights reforms. Reports from BDO and KPMG suggest that demand for both permanent and temporary workers continued to decline in February.

## UK retail jobs hit record low

383,000

The number of UK retail jobs has dropped by 383,000 over the past decade, hitting a record low of 2.8 million. Industry leaders warn this erodes a traditional entry point for young people into the workforce. High employment costs and planned reforms risk further reducing the flexible roles that younger workers rely on.

## Primark boosts wages for 27,000 staff

£13.00

The minimum wage for these workers will rise to £13.00. The company noted that as retail becomes more demanding, their colleagues play an increasingly vital role in business success.

## Tesco boosts pay for thousands

£13.28 → £14.55

Nationally

London

Tesco is investing £200m to raise hourly wages for shop and fulfilment workers by 5.1%, placing Tesco's rates above the new national minimum wage. The supermarket also introduced new benefits, including paid leave for staff affected by domestic abuse.

## Hybrid working is now a standard expectation

30%

Hybrid working is now a standard expectation among employees, with nearly 30% considering it a top benefit.

68%

of employees say benefits impact their loyalty, however many feel their current packages fall short of market standards.

## Why performance reviews need a makeover:

A Gallup poll revealed that only 2% of Chief Human Resources Officers believe current performance systems are effective. This highlights a widespread need for organisations to rethink how they evaluate and support staff development.

## Households' confidence in job security hits six-month low

Despite this, people remain optimistic about the year ahead, particularly with regards to housing market stability. Experts warn that volatility in commodity markets due to Middle East tensions could further damage financial perceptions.

## Government launches menopause and gender pay gap action plans

From next month, large companies can voluntarily publish action plans, with the government aiming to make these mandatory by spring 2027. The initiative, supported by groups like the Fawcett Society, aims to boost women's participation and productivity through inclusive workplace adjustments.

## DEI: British employers with over 250 staff to be required to report ethnicity and disability pay gaps

87%

of respondents support this move to increase transparency and tackle workplace barriers. Government officials and business leaders believe that targeted, employer-led action will promote inclusion and improve long-term performance.

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## EARLY CAREERS

### PwC plans to hire more graduates



PwC UK boss Marco Amitrano has announced plans to increase graduate intake, clarifying that previous cuts were due to the economy rather than for younger workers, describing new hires as eager to learn and keen to work in the office or at client sites.

### Labour's cash boost for youth jobs

The government is pledging £1bn to create 200,000 jobs through grants for businesses that hire young people. Employers will receive £3,000 for hiring long-term unemployed 18-to-24-year-olds, while small firms will get £2,000 for new apprentices.

### Steep rise in young Britons citing ill health for joblessness

The number of jobless young people in the UK citing health problems has risen by 70% in a decade. Mental health issues and autism are the most common reasons given for being unable to work.

### Young people in London can't find a job

**25%** London is facing a youth joblessness crisis, with one in four 16-to-24-year-olds currently looking for work. The capital's job market is particularly vulnerable to AI, which tends to favour senior roles and penalise entry-level candidates.

## STRATEGY: We need more plumbers and fewer lawyers in AI era

BlackRock CEO Larry Fink argues that society must rebalance its perception of skilled trades versus traditional corporate careers like banking or law. He suggested that the historic push for everyone to attend college was "overdone" and has led to a shortage of essential workers. Fink believes careers as plumbers or electricians can be just as strong and prestigious as those in the financial sector.

## TECHNOLOGY

### BMW to trial humanoid robots at German factory



BMW will introduce two AI-powered humanoid robots at its Leipzig factory to autonomously move components. Developed by Hexagon, these robots can make their own decisions and replace their own batteries in 30 seconds. While the move increases automation, BMW currently has no plans to reduce its workforce because of the robots.

### Deloitte report highlights gap between AI ambitions and organisational readiness

Deloitte's 2026 report finds that most organisations lack the structural foundations to deliver on their AI ambitions. Although 60% of executives use AI for decisions, only 5% believe they are managing it effectively. The report warns that outdated governance models and a lack of trust frameworks are hindering progress.

### World Bank targets AI-resilient sectors to boost jobs

The World Bank has identified tourism, healthcare, and renewable energy as the sectors most resilient to AI-driven job loss. The lender is working with governments to boost job creation in these fields to address a global jobs crisis. Officials believe that in these specific areas, AI will enhance rather than replace human employment.

### Why recruiters are making interviews 'AI-free zones'?

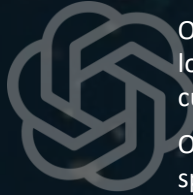
Distrust of AI is leading some recruiters to ban the technology during the hiring process to prevent cheating. Companies are introducing new obstacles in application forms and increasing the use of AI screening tools to verify candidate authenticity. This shift reflects a growing concern about the integrity of AI-assisted applications.

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## JOB CUTS

<b>Groupe SEB</b>	2,100 jobs	Total workforce, globally
<b>BrewDog</b>	500 jobs	Closing 38 venues after rescue deal
<b>Proximus</b>	1,200 jobs	By 2030, total workforce
<b>Kuehne+Nagel</b>	2,000 jobs	Globally, due to cost savings
<b>Morgan Stanley</b>	2,500 jobs	Investment banking & wealth management
<b>Bank of England</b>	446 jobs	Due to cost savings
<b>Volkswagen</b>	<b>50,000 jobs</b>	Germany, by 2030
<b>Porsche</b>	3,900 jobs	By 2030, due to decline in profit
<b>Close Brothers</b>	600 jobs	Due to cost savings
<b>Nordea</b>	1,500 jobs	Tech modernization and push for efficiency
<b>ING</b>	1,250 jobs	Operational jobs worldwide
<b>HSBC</b>	20,000 jobs	<u>IN CONSIDERATION</u>
<b>IKEA</b>	800 jobs	Sweden, Netherlands
<b>Select Fashion</b>	Liquidation, closing all 30 remaining stores	
<b>KPMG</b>	720 jobs	UK audit business and advisory arm
<b>BASF</b>	Relocating jobs from Germany to Asia	

## INVESTMENTS: OpenAI



OpenAI is making London its largest research hub outside the United States. The expansion builds on the work of a local team currently comprising 30 researchers focused on AI breakthroughs. The company highlighted the UK's culture of cross-disciplinary collaboration as a key reason for this investment.

OpenAI also plans to nearly double its global workforce from 4,500 to 8,000 by the end of 2026. The company is specifically recruiting specialists for "technical ambassadorship" to help corporate customers better integrate its tools.

## EUROPE

### Amazon to invest €18bn more in Spain to expand data centres and AI

Amazon plans to invest an additional €18bn in Spain to expand data centre infrastructure and advance AI innovation. This move brings Amazon's total investment in the country to €33.7bn and is expected to support up to 30,000 jobs by 2035.

### Luxembourg finance firms are increasingly turning to India

Luxembourg's financial sector is increasingly offshoring roles to Global Capability Centres in India to manage costs and scale operations. While 90% of local institutions outsourced activities in 2023, recruiters warn this trend narrows entry-level roles for local graduates.

### Luxembourg's industrial companies plan to hire 3,000 workers over next two years

Of these roles, over 1,700 will be newly created positions, with a heavy focus on industrial and process-related jobs. There is a notable shift in demand towards bachelor's degree holders, who are expected to make up over a third of future hires.

### Stellantis pushes European white-collar workers back to the office full-time

The plan, starting in France, Italy, and Germany, reverses previous policies that allowed staff to work in the office as little as 1.5 days per week. Unions have opposed the move, arguing it undermines a decade of progress in workplace agility and creates a climate of concern.

### Stress-related work absences soar in the Netherlands

Stress-related sick days in the Netherlands have increased by 43% over five years, particularly among women aged 25 to 45. Last year, women took twice as many sick days as men, often due to the combined pressures of heavy workloads and life changes like pregnancy.

# Key Trends for April 2026



## **The Accelerated Shift to AI-Driven Workforce Reductions**

A dominant theme across the EMEA region is the large-scale reduction of workforces specifically to accommodate AI efficiency. Major institutions like HSBC, Proximus, and Nordea are planning to cut thousands of roles as they pivot to automated processes and "Nordic-wide value chains." This represents a transition from AI as an experimental tool to a primary driver of corporate restructuring and cost-saving strategies.



## **The Vulnerability of Entry-Level Roles**

The job market is becoming increasingly hostile for young graduates and new entrants. Offshoring to India by Luxembourg firms, the record low in retail employment, and AI's tendency to reward seniority are all "cracking the career ladder". This trend is creating a "jobless generation" in major hubs like London, where nearly 25% of young people are struggling to find work.



## **The Growing Gap Between Corporate Ambition and Reality**

While 60% of executives are already using AI in decision-making, a mere 5% believe they are doing so effectively. Deloitte's research highlights a significant lack of cultural and structural readiness, with many firms failing to consider the impact of technology on their employees. This suggests that while job cuts are happening now, the promised efficiency gains may be delayed by outdated governance and lack of trust.



## **The Resurgence of Skilled Trades and Practical Roles**

As white-collar roles in banking and law face disruption from AI, there is a strategic call to revalue "hand-based" professions. BlackRock's Larry Fink and the World Bank both emphasise that sectors like plumbing, healthcare, and renewable energy are more AI-resilient than traditional office-based paths. This indicates a potential major shift in educational and career priorities for the next decade.



## **The Impact of Policy on Employment Costs**

UK businesses are actively reducing staff and raising prices in direct response to government policy changes, including National Insurance hikes and minimum wage increases. These rising input costs are forcing companies to choose between profitability and headcount, often resulting in a pivot toward automation to mitigate payroll expenses. This creates a "precarious" market where job security is at its lowest in months.