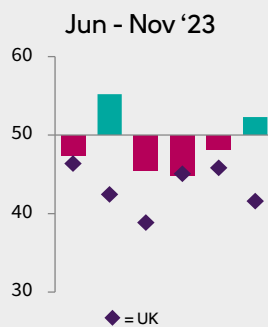


Royal Bank of Scotland Report on Jobs

Hiring activity increases slightly across Scotland

Scotland Permanent Placements Index



Key findings

Fresh rises in permanent placements and temp billings

Sharp decline in permanent staff supply

Starting salaries and temp wages continue to increase

The latest Royal Bank of Scotland Report on Jobs survey pointed to a renewed rise in hiring activity across Scotland in November. Mild expansions were signalled for both permanent placements and temp billings amid reports of successful recruitment campaigns and the commencement of projects at clients. In terms of labour supply, November data signalled divergent trends. While permanent staff availability fell due to increased hesitancy among workers to move roles given the uncertain economic climate, temp candidate availability expanded for the second month running, in part fuelled by redundancies. Meanwhile, overall pay pressures remained strong, with employers reportedly raising starting salaries and wages to attract suitable workers amid ongoing skills shortages.

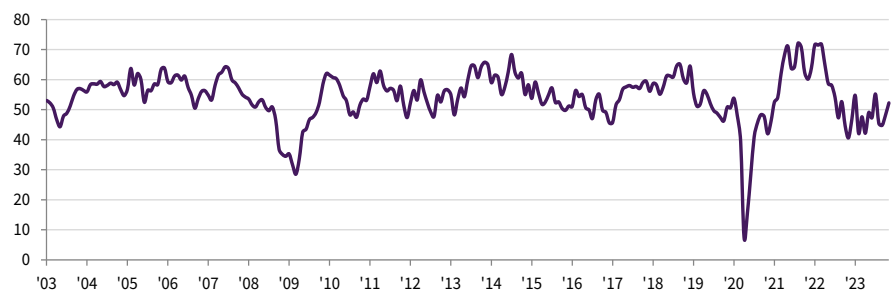
Sebastian Burnside, Chief Economist at Royal Bank of Scotland, commented:

"Recruitment activity across Scotland improved slightly in the penultimate month of 2023. Successful recruitment drives and the commencement of projects at clients supported increases in both permanent placements and temp billings during the penultimate month. The fresh and broad-based upturn in hiring contrasted with a downturn across the UK as whole, with permanent staff recruitment particularly weak at the UK level. It is difficult to know whether the increases can be sustained in December and into the coming year, however, given the fall in overall vacancies."

"In terms of pay, a lack of suitably-skilled candidates often led employers to bump up their pay offers to attract the right talent, making it a good time for job seekers if they wish to secure a better paid role."

Scotland Permanent Placements Index

sa, >50 = growth since previous month



Contents

- [About the report](#)
- [Placements](#)
- [Labour supply](#)
- [Pay pressures](#)
- [Demand for permanent staff](#)
- [Demand for temporary staff](#)
- [Contact](#)

About the Scotland Report on Jobs

The Royal Bank of Scotland Report on Jobs is compiled by S&P Global from responses to questionnaires sent to a panel of around 70 Scottish recruitment and employment consultancies.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Permanent Placements Index, calculated from responses to the question "Is the number of people placed in permanent jobs higher, the same or lower than one month ago?".

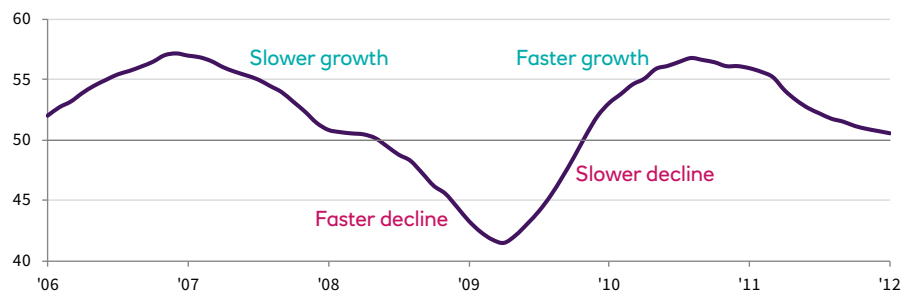
Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

November data were collected 09-24 November 2023.

For further information on the survey methodology, please contact economics@spglobal.com.

Index interpretation

50.0 = no change since previous month



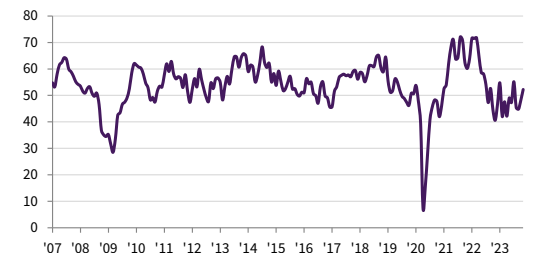
Staff placements

Permanent placements rise for the first time in four months

Following three consecutive months of decline, Scottish recruiters registered a renewed rise in permanent staff appointments during November. The rate of growth was modest, but nevertheless contrasted with a steep downturn at the UK level. Anecdotal evidence linked the rise in permanent placements to a relative improvement in demand in some sectors and successful recruitment campaigns.

Permanent Placements Index
sa, >50 = growth since previous month

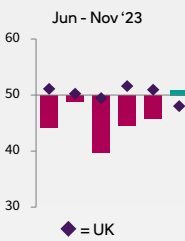
52.3
Nov '23



Permanent Placements Index
Jun - Nov '23



Temporary Billings Index
Jun - Nov '23



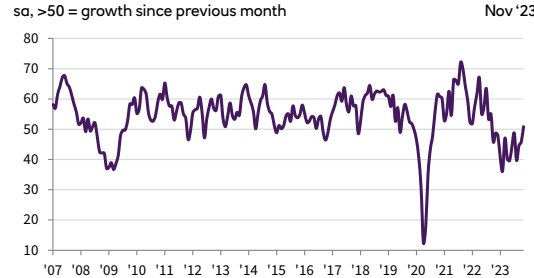
Fresh rise in temp billings

Temporary staff billings rose slightly across Scotland during November. Nonetheless, the upturn ended a 13-month period of decline. Surveyed recruiters noted that the commencement of new projects led to an increase in billings received from contract workers.

Meanwhile, a fresh contraction in temp billings was recorded across the UK as a whole.

Temporary Billings Index
sa, >50 = growth since previous month

50.9
Nov '23



Labour supply

Permanent staff availability falls sharply in November

The availability of candidates to fill permanent vacancies decreased further in November, thereby extending the current sequence of decline which began in February 2021. The respective seasonally adjusted index ticked up slightly from October but continued to signal a sharp drop in permanent candidate numbers. Growing hesitancy amongst workers to switch roles and a general lack of suitable candidates were linked to the latest reduction in availability.

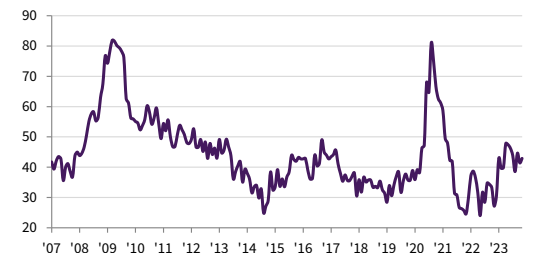
However, permanent staff supply expanded further at the UK level, and at a rate that was the most pronounced since December 2020.

Supply of temporary candidates improves solidly in November

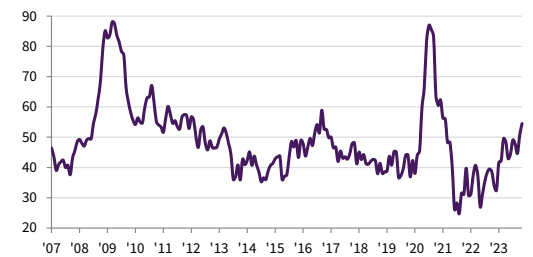
After rising for the first time in over two-and-a-half-years in October, Scottish recruiters recorded another expansion of temp candidate supply in November. Moreover, the rate of growth gathered pace and was strong overall. Redundancies were linked by some panel members to the latest expansion of short-term worker supply.

That said, the rate of growth in the availability of temp staff across Scotland was slower than the UK-wide trend.

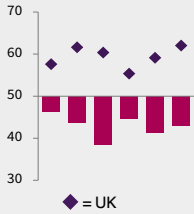
Permanent Candidate Availability Index **42.9**
sa, >50 = growth since previous month Nov '23



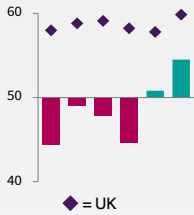
Temporary Candidate Availability Index **54.5**
sa, >50 = growth since previous month Nov '23



Permanent Candidate Availability Index
Jun - Nov '23



Temporary Candidate Availability Index
Jun - Nov '23



Pay pressures

Average starting salaries rise again

A steep rise in permanent starting salaries was recorded across Scotland during November, thereby extending the current run of salary growth to three years. The rate of inflation accelerated after easing slightly in October and remained historically sharp overall. Recruiters noted that businesses were willing to pay higher salaries to attract the right talent amid ongoing skills shortages.

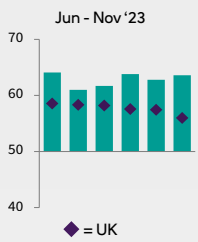
Starting salaries in Scotland increased at a quicker pace than that seen across the UK as a whole for the sixth month running.

Sharp rise in temp wages

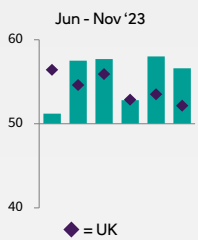
Adjusted for seasonal factors, the Temporary Wages Index registered above the neutral 50.0 mark in November, to stretch the current period of temp pay growth to three years. The rate of increase softened from October, but remained sharp overall and was stronger than the series average. Scottish recruiters noted that the higher cost of living and competition for scarce staff had pushed up temp pay rates.

Temp wages also increased at the UK level, but at a weaker pace than seen in Scotland.

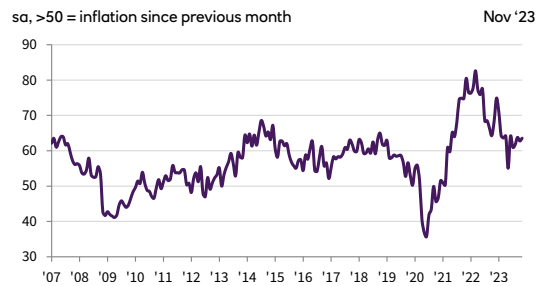
Permanent Salaries Index



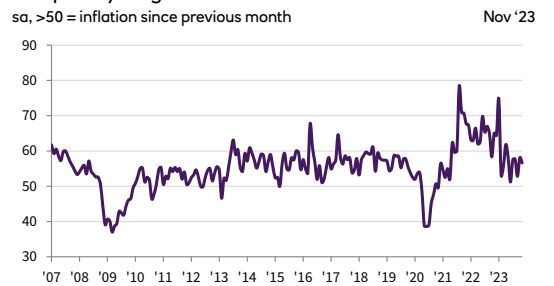
Temporary Wages Index



Permanent Salaries Index



Temporary Wages Index



Demand for permanent staff

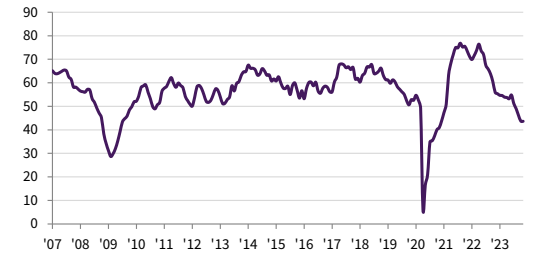
Sustained decrease in permanent vacancies

The Permanent Vacancies Index is derived from eight sectoral indices of the demand for permanent staff at recruitment consultancies. The Index is a weighted average of the eight individual sector indices.

According to Scottish recruitment consultancies, demand for permanent staff fell for the fourth month running in November. The rate of contraction quickened fractionally from that seen in October and was the strongest in three years. Moreover, the downturn in demand for permanent workers in Scotland was steeper than that seen at the UK level.

All of the eight monitored employment categories bar Nursing/Medical/Care registered a fall in vacancies. Executive & Professional recorded the strongest reduction overall.

Permanent Vacancies Index **43.7**
 sa, >50 = growth since previous month **Nov '23**



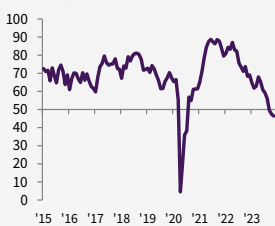
Permanent Vacancies Index by sector

Rank	Sector	Oct-23	Nov-23
1	Nursing/Medical/Care	56.5	55.8
2	Hotel & Catering	47.2	47.2
3	IT & Computing	47.5	46.4
4	Engineering & Construction	44.7	45.2
5	Blue Collar	48.9	43.0
6	Accounts & Financial	45.5	42.1
7	Secretarial & Clerical	37.5	40.9
8	Executive & Professional	39.3	40.1

Permanent vacancies by sector

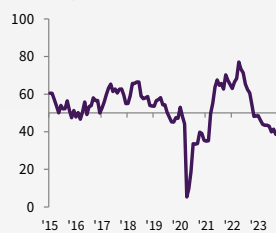
IT & Computing

sa, >50 = growth since previous month



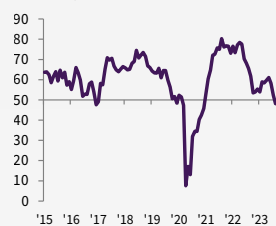
Executive & Professional

sa, >50 = growth since previous month



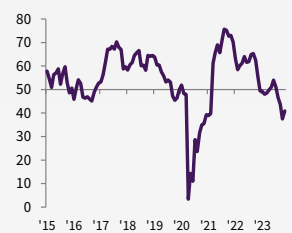
Accounting & Financial

sa, >50 = growth since previous month



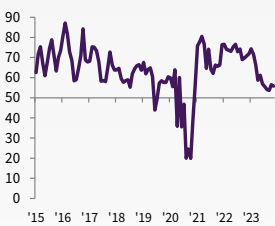
Secretarial & Clerical

sa, >50 = growth since previous month



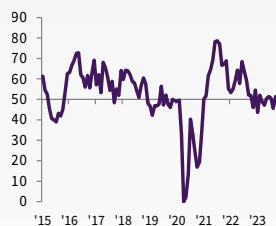
Nursing, Medical & Care

sa, >50 = growth since previous month



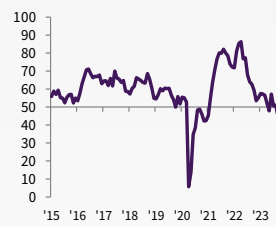
Hotel & Catering

sa, >50 = growth since previous month



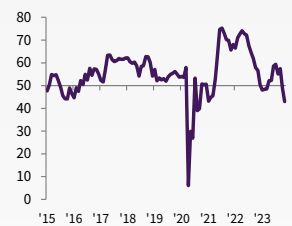
Engineering & Construction

sa, >50 = growth since previous month



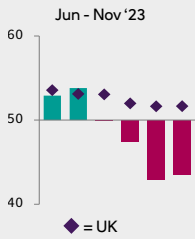
Blue Collar

sa, >50 = growth since previous month



Demand for temporary staff

Temporary Vacancies Index
Jun - Nov '23



Temp staff vacancies fall sharply in November

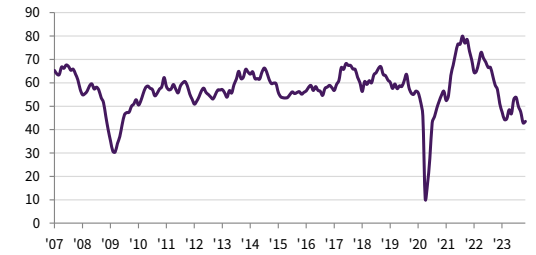
The Temporary Vacancies Index is derived from eight sectoral indices of the demand for temporary staff at recruitment consultancies. The Index is a weighted average of the eight individual sector indices.

A fourth consecutive monthly deterioration in demand for temporary staff was recorded across Scotland during November. The pace of contraction was sharp despite easing since October. Meanwhile, temp vacancies expanded modestly across the UK as a whole.

At the sector level, Executive & Professional recorded the fastest reduction in temp vacancies, followed by Secretarial & Clerical.

Temporary Vacancies Index
sa, >50 = growth since previous month

43.5
Nov '23



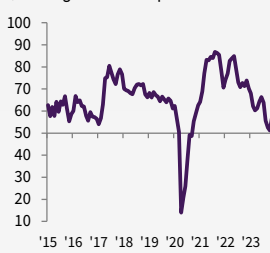
Temporary Vacancies Index by sector

Rank	Sector	Oct-23	Nov-23
1	IT & Computing	51.2	57.2
2	Hotel & Catering	47.2	46.6
3	Blue Collar	50.6	44.6
4	Nursing/Medical/Care	47.4	44.3
5	Engineering & Construction	33.5	42.8
6	Accounts & Financial	38.1	40.4
7	Secretarial & Clerical	38.4	36.1
8	Executive & Professional	35.6	34.3

Temporary vacancies by sector

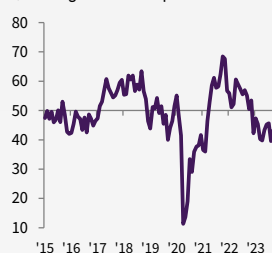
IT & Computing

sa, >50 = growth since previous month



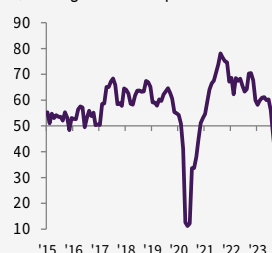
Executive & Professional

sa, >50 = growth since previous month



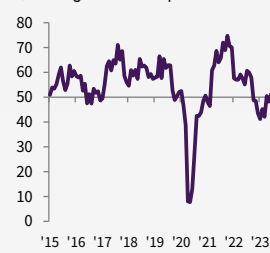
Accounting & Financial

sa, >50 = growth since previous month



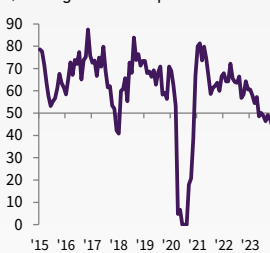
Secretarial & Clerical

sa, >50 = growth since previous month



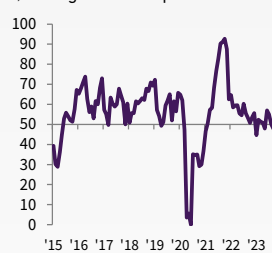
Nursing, Medical & Care

sa, >50 = growth since previous month



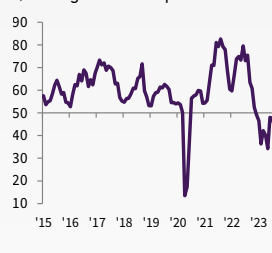
Hotel & Catering

sa, >50 = growth since previous month



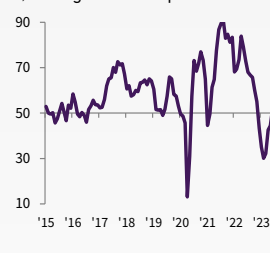
Engineering & Construction

sa, >50 = growth since previous month



Blue Collar

sa, >50 = growth since previous month



Index summary

Scotland

sa, 50 = no change over previous month

	Permanent Placements	Temporary Billings	Permanent Availability	Temporary Availability	Permanent Salaries	Temporary Wages	Permanent Vacancies	Temporary Vacancies
Jun '23	47.4	44.2	46.2	44.4	64.1	51.2	54.8	52.9
Jul '23	55.2	48.8	43.8	49.0	61.0	57.5	51.2	53.8
Aug '23	45.5	39.7	38.5	47.8	61.7	57.7	49.0	49.9
Sep '23	44.8	44.5	44.6	44.6	63.8	52.8	46.2	47.5
Oct '23	48.2	45.8	41.4	50.8	62.8	58.0	43.8	42.9
Nov '23	52.3	50.9	42.9	54.5	63.6	56.6	43.7	43.5

Contact

Jonathan Rennie
Regional Media & Campaigns Manager
Royal Bank of Scotland
+44 7769 932 102
jonathan.ennie@natwest.com

Maryam Baluch
Economist
S&P Global Market Intelligence
+44 134 432 7213
maryam.baluch@spglobal.com

Sabrina Mayeen
Corporate Communications
S&P Global Market Intelligence
+44 796 744 7030
sabrina.mayeen@spglobal.com

About Royal Bank of Scotland

Royal Bank of Scotland has paved the way in banking ever since it was established in 1727. From the world's first overdraft, and the first house purchase loan by a UK bank, to the first fully-fledged internet banking service and mobile banking app the bank has a history of making life easier for its customers.

The bank has commitment to retain its close connections with the Scottish communities it serves.

About REC

The REC is the voice of the recruitment industry, speaking up for great recruiters. We drive standards and empower recruitment businesses to build better futures for their candidates and themselves. We are champions of an industry which is fundamental to the strength of the UK economy. Find out more about the Recruitment & Employment Confederation at www.rec.uk.com.

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the data. Royal Bank of Scotland uses the above marks under licence.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.