

News Release

MARKET SENSITIVE INFORMATION
EMBARGOED UNTIL: 00:01 (UK) May 9th 2017

Report on Jobs: Scotland

Recruiters report sharp increase in staff placements in April

Key points:

- Sharp rises in both permanent placements and temporary billings
- Growth in temporary staff demand reaches near-ten year high
- Staff availability declines at steeper rate

Summary:

The latest Markit Report on Jobs signalled the steepest increase in the number of people placed in permanent jobs by Scottish recruitment consultancies since July 2015. Concurrently, permanent starting salaries grew sharply, reversing a slight easing in inflation during March. The positive trends spread to the temporary jobs market, as Scottish recruitment consultancies noted a sharper increase in temp billings. Furthermore, growth in demand for both permanent and temporary staff reached multi-year highs in April.

Sharp increase in staff appointments

The latest survey data signalled that the trend of growing permanent staff placements continued for the third month running in April. Furthermore, the rate of expansion was the fastest for 21 months. Faster growth of permanent placements in Scotland contrasted with a slowdown recorded across the UK as a whole.

Temp billings received by Scottish recruiters likewise increased sharply in April, with the latest rise the steepest since August 2014.

Demand for staff strengthens

April's survey showed a marked rise in demand for permanent staff across Scotland. Notably, the increase was the fastest seen in over three years

and above the UK average.

At the same time, temporary job openings rose at the quickest rate since July 2007, to mark the strongest upturn in short-term staff demand for nearly ten years.

Candidate availability worsens

The availability of workers fell further in April. Moreover, latest survey data signalled the sharpest deterioration in the availability of permanent staff in nine months. Scottish temporary candidate availability meanwhile declined at the quickest pace in nearly two years.

Pay growth accelerates

Starting salaries for staff placed in permanent roles in Scotland rose sharply at the start of the second quarter. Moreover, the rate of salary inflation matched February's five-month high.

Hourly pay rates for temporary/contract workers also rose at an accelerated pace in April. The latest increase in temp pay was the strongest for a year and sharper than the UK average.

Continues....

Comments:**REC Chief Executive Kevin Green says:**

“The resurgence of the Scottish jobs market continues for the third month running. Demand for temporary staff is at the highest level recorded in almost ten years as employers seek to manage Brexit uncertainty and meet consumer demand. News that starting salaries for permanent roles are increasing will also be welcome – there’s a lot to feel good about north of the border.”

“Declining candidate availability is a threat to this success, because employers are struggling to bring in the skills they need. If British business is to thrive then whichever party forms a government after 8 June needs to address the ever-shrinking pool of suitable candidates by investing in skills and career advice for UK jobseekers, as well as safeguarding access to the workers we need from abroad. It is vital that the future immigration system is agile enough to reflect and adapt to evolving labour market needs.”

For further information, please contact:

REC

Liz Banks / Alasdair Reynolds, REC Press Office, 0207 009 2157 / 2192

Supported by Speed Communications – Kerry Grove kerry.grove@speedcomms.com, 0117 906 4517

IHS Markit (technical/data queries):

Sam Teague, Economist, Telephone 01491 461018 / sam.teague@ihsmarkit.com

Note to Editors:

This report, compiled by Markit, is based on a monthly survey of around 100 recruitment and employment consultants, and provides up-to-date information on Scottish labour market trends and is seasonally adjusted.

The information in this report is directly comparable with the REC Report on Jobs survey for the UK, which uses an identical methodology. The REC index for the UK has a strong track record of accurately anticipating changes in unemployment, employment and average earnings.

All Index numbers are calculated from the percentages of respondents reporting an improvement, no change or decline. These indices vary between 0 and 100 with reading of exactly 50.0 signalling no change on the previous month. Readings above 50 signal an increase or improvement; readings below 50 signal a decline or deterioration. Reasons given by survey respondents for any changes are analysed to provide insight into the causes of movements in the indices and are also used to adjust for expected seasonal variations.

IHS Markit do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from IHS Markit. Please contact economics@ihsmarkit.com.

A regional Report on Jobs series is now available comprising five regional reports tracking labour market trends across the Midlands, the North of England, the South of England, Scotland and London. The reports are designed to provide a comprehensive and up-to-date guide to labour market trends and the data are directly comparable with the UK Report on Jobs.

About the Recruitment & Employment Confederation

Dorset House, First Floor, 27-45 Stamford Street, London, SE1 9NT. Tel: 020 7009 2100

Jobs transform lives, which is why we are building the best recruitment industry in the world. As the professional body for recruitment we're determined to make businesses more successful by helping them secure the people they need. We are absolutely passionate and totally committed in this pursuit for recruiters, employers, and the people they hire. Find out more about the Recruitment & Employment Confederation at www.rec.uk.com

About IHS Markit

IHS Markit (Nasdaq: INFO) is a world leader in critical information, analytics and expertise to forge solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 key business and government customers, including 85 percent of the Fortune Global 500 and the world's leading financial institutions. Headquartered in London, IHS Markit is committed to sustainable, profitable growth.

IHS Markit is a registered trademark of IHS Markit Ltd. All other company and product names may be trademarks of their respective owners © 2017 IHS Markit Ltd. All rights reserved.

© Copyright in the Report on Jobs, including the Report on Jobs survey data, is owned by IHS Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without IHS Markit's prior consent. IHS Markit 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 IHS Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. IHS Markit is a registered trade mark of IHS Markit Ltd.