Embargoed until 0001 (UK) 14 November 2025

KPMG and REC, UK Report on Jobs

Temp billings increase for first time in 16 months

45.2

PERMANENT PLACEMENTS INDEX OCT '25

50.2

TEMPORARY BILLINGS INDEX

OCT '25

Slight rise in temp billings...

...while permanent placements fall at weaker pace

Starting salaries increase marginally and temp pay stagnates

Commenting on the latest survey results, Jon Holt, Group Chief Executive and UK Senior Partner KPMG, said:

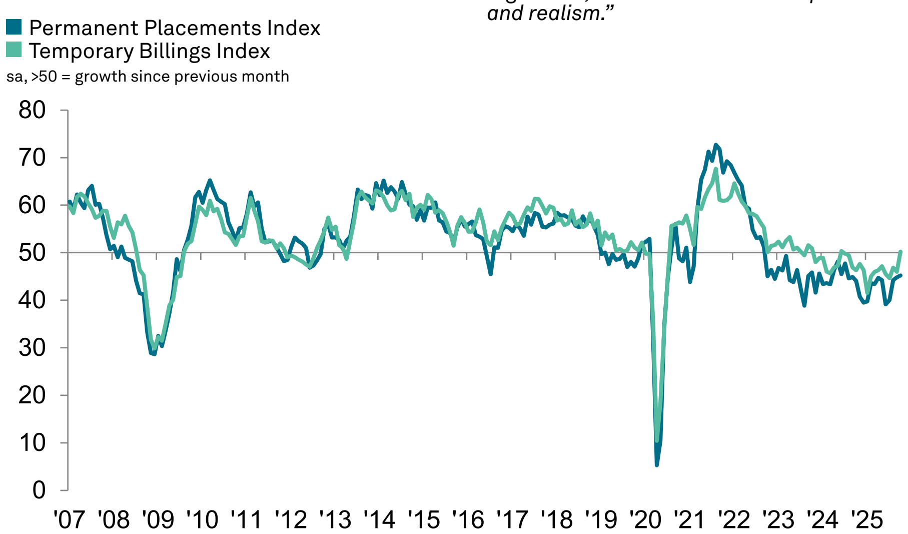
"Economic uncertainty continues to weigh heavy on business, but further stabilisation in the jobs market last month indicates that a Budget that builds business confidence, could be a catalyst for renewed hiring.

"We know from our recent CEO Outlook that chief execs remain upbeat about their growth prospects, and the rise in temporary hiring indicates that opportunities are increasing – there just aren't enough strong signals currently for bosses to commit to building their workforce on a more permanent basis. As we expect both interest rates and inflation to fall further in 2026, we may finally see hiring start to grow more steadily."

Neil Carberry, REC Chief Executive, said:

"Today's data reflects the more positive outlook we have been hearing from recruiters since the start of the autumn. They aren't exuberant – this is just a more stable market. With temporary hiring edging into growth and a better permanent hiring number than we have seen for some time, we can hope that the long period of retrenchment we saw last into the summer, is starting to ebb away. But we have been here before – there was a similar mood in the jobs market before the Chancellor's Halloween Budget last year. The huge surprise increase in payroll taxes then shocked the market and we have seen the results of that, as businesses predicted then, in higher unemployment and redundancy. As we go into Budget 2025, there can be no repeat. If Government cares about growth, as it claims, measures must stoke business investment, not deter it.

"The report today is the best we have seen since the summer of 2024. There is a broader base of demand forming, from accounting and finance to logistics and IT roles. The Budget must give employers confidence to invest, with a focus on unlocking potential through delivering on skills reform, supporting business investment and reforming the approach to the Employment Rights Bill, which needs a dose of practicality and realism."



The KPMG and REC, UK Report on Jobs is compiled by S&P Global from responses to questionnaires sent to a panel of around 400 UK recruitment and employment consultancies.

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1 Executive summary

The Report on Jobs is unique in providing the most comprehensive guide to the UK labour market, drawing on original survey data provided by recruitment consultancies and employers to provide the first indication each month of labour market trends.

The main findings for October are:

Fresh rise in temp billings, while perm placements fall at slower rate

October survey data signalled a relative improvement in recruitment conditions across the UK, with temp billings rising for the first time since June 2024, while permanent staff appointments fell at a weaker pace. Though marginal, the uptick in temp billings contrasted with a solid reduction in September. The decline in permanent placements, though marked, was the softest recorded in 15 months. Recruiters frequently mentioned that uncertainty over the economic outlook and the upcoming government Budget continued to weigh on hiring decisions.

Vacancies continue to fall sharply

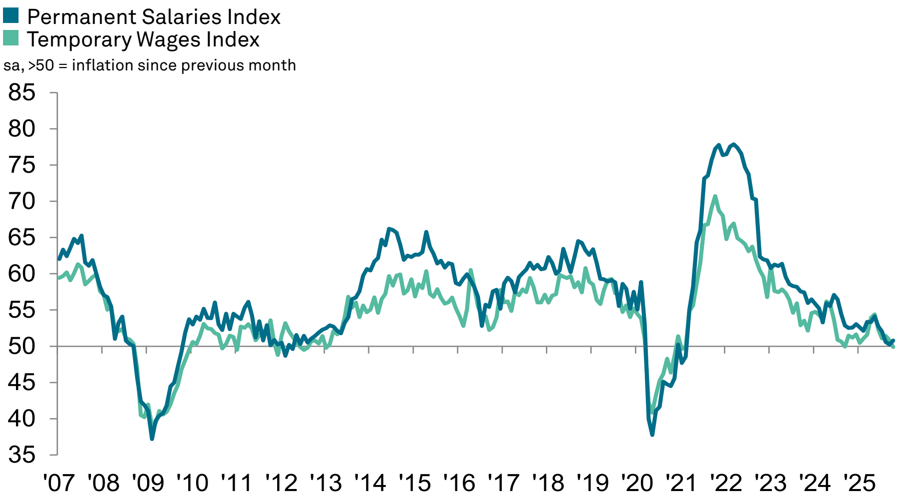
UK recruitment consultancies signalled a further marked reduction in demand for staff at the start of the fourth quarter. This was despite the rate of decline easing to the softest in three months. Data broken down by job type indicated that permanent vacancies continued to fall at a steeper rate than temporary roles.

Further substantial increase in supply of candidates

The number of people seeking new roles continued to rise at a historically sharp rate in October, despite growth easing for the second straight month. Moreover, the increase in candidate numbers was among the steepest seen since late-2020, when the pandemic drove a rapid rise in the supply of labour. Steep upturns were seen for both permanent and temporary staff availability, which were in turn linked to redundancies and fewer job opportunities.

Pay pressures remain weak

A combination of lower demand for workers and rising supply meant that pay pressures remained weak in October. Starting salaries for permanent staff rose only marginally, with the rate of inflation lifting only slightly from September's more than four-and-a-half year low. At the same time, temp pay was broadly stagnant following a one-year period of growth.



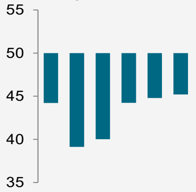
2 Staff Appointments

Recruitment consultancies report on the number of people placed in permanent jobs each month, and their revenues (billings) received from placing people in temporary or contract positions at employers.

An index reading above 50 signals a higher number of placements/billings than the previous month. Readings below 50 signal a decline compared with the previous month.

Permanent Placements Index

May - Oct '25
sa, >50 = growth



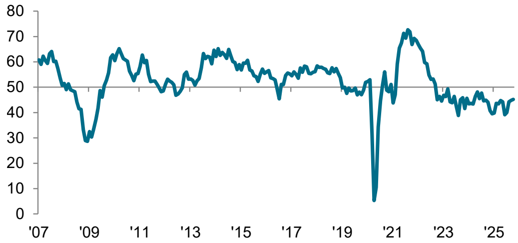
Decline in permanent placements moderates again in October

As has been the case since October 2022, permanent staff appointments across the UK declined at the start of the final quarter of 2025. That said, the rate of reduction eased for the fourth straight month and, though marked, was the softest seen since July 2024. Where lower placements were reported, recruiters frequently linked this to uncertainty around the economic outlook and upcoming government Budget, which often led employers to delay recruitment plans. Greater staffing costs - most notably from higher National Insurance contributions - had also impacted hiring decisions, according to panellists.

Permanent staff appointments declined across all four monitored areas of England, with the North of England seeing the steepest rate of contraction.

Permanent Placements Index

sa, >50 = growth since previous month



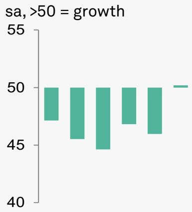
Permanent Placements Index

sa, >50 = growth since previous month

	UK	London	South	Midlands	North
May '25	44.2	43.7	36.2	50.4	44.8
Jun '25	39.1	37.3	36.7	43.1	43.5
Jul '25	40.0	38.8	37.6	43.3	42.8
Aug '25	44.2	46.9	36.1	48.9	43.9
Sep '25	44.8	45.2	43.3	46.6	45.0
Oct '25	45.2	46.7	45.8	45.2	44.3

Temporary Billings Index

May - Oct '25
sa, >50 = growth

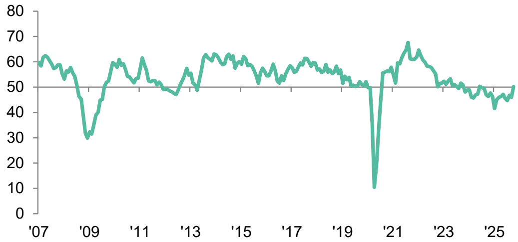


Marginal rise in temp billings

Adjusted for seasonal influences, the Temporary Billings Index posted above the neutral 50.0 value to signal a renewed increase in billings received from the employment of short-term staff in October. Though only marginal, it marked the first expansion since June 2024. A number of monitored recruiters indicated that a preference for temporary staff over permanent workers to fill roles had helped to lift billings. That said, relatively subdued overall demand for staff amid a weaker economic climate had dampened the rate of growth. A solid and accelerated increase in temp billings was seen in the Midlands, while a marginal rise was recorded in the North of England. London and the South of England meanwhile registered notably softer reductions.

Temporary Billings Index

sa, >50 = growth since previous month



Temporary Billings Index

sa, >50 = growth since previous month

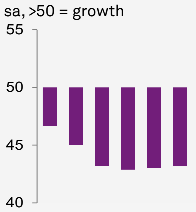
	UK	London	South	Midlands	North
May '25	47.1	49.6	41.3	51.3	47.2
Jun '25	45.5	45.8	42.8	50.2	45.9
Jul '25	44.6	41.3	46.1	45.8	45.5
Aug '25	46.8	48.5	41.6	50.7	46.9
Sep '25	46.0	43.4	41.7	53.1	51.0
Oct '25	50.2	49.1	48.9	54.0	50.2

3 Vacancies

Recruitment consultants are asked to specify whether the demand for staff from employers has changed on the previous month, thereby providing an indicator of the number of job vacancies.

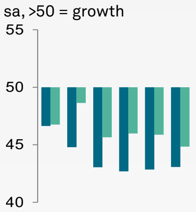
Total Vacancies Index

May - Oct '25
sa, >50 = growth



Permanent
Temporary

May - Oct '25
sa, >50 = growth



Demand for staff continues to weaken

At 43.2 in October, the seasonally adjusted Total Vacancies Index increased slightly from 43.0 in September, but remained well below the crucial 50.0 no-change threshold to signal a further reduction in demand for staff. Overall vacancies have now fallen throughout the past two years.

Permanent & temporary vacancies

Data broken down by job type signalled further marked falls in demand for both permanent and temporary workers at the start of the fourth quarter. Permanent vacancies continued to fall at a steeper rate than that seen for temporary staff, despite the latter seeing the most pronounced contraction for six months.

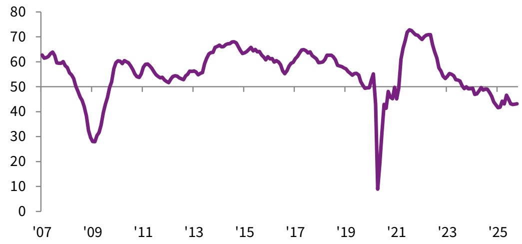
Public & private sector vacancies

Recruiters indicated a broad-based reduction in staff demand across both the private and public sectors.

The public sector recorded the quickest reduction in vacancies for both permanent and temporary workers. The softest decline in vacancies was meanwhile signalled for temporary workers in the private sector.

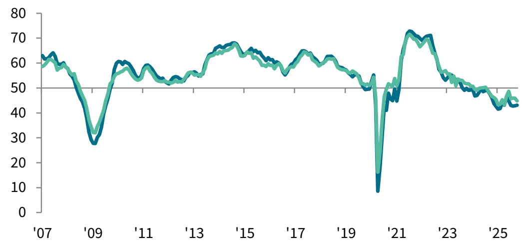
Total Vacancies Index

sa, >50 = growth since previous month



Permanent Vacancies Index
Temporary Vacancies Index

sa, >50 = growth since previous month



Vacancy Index summary

sa, >50 = growth since previous month. *Not seasonally adjusted.

		Permanent			Temporary		
	Total	Total	Private*	Public*	Total	Private*	Public*
May '25	46.6	46.6	47.8	41.1	46.8	47.9	41.2
Jun '25	45.0	44.8	46.1	38.5	48.6	49.5	44.5
Jul '25	43.2	43.0	43.7	37.7	45.7	50.7	39.4
Aug '25	42.9	42.7	42.6	42.7	46.0	46.6	41.8
Sep '25	43.0	42.8	44.5	38.8	45.9	49.5	41.2
Oct '25	43.2	43.1	47.6	39.7	44.8	48.5	43.1

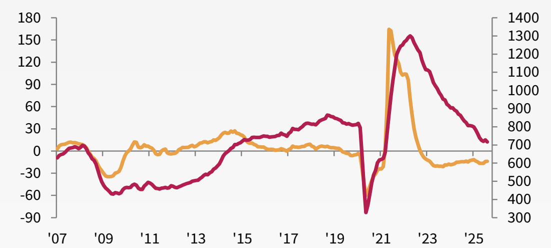
Official data: UK job vacancies

Latest official labour market data published by the Office for National Statistics (ONS) indicated a further decline in overall vacancies in the three months to September. That said, the latest reduction (9,000) was the smallest recorded since the three months to February.

Nevertheless, the sustained fall in demand for staff pushed down the total number of vacancies to 717,000, which was the lowest level seen in nearly four-and-a-half years.

UK job vacancies

%yr/yr, 3mma
'000s



Source: Office for National Statistics via S&P Global Market Intelligence.

4 Vacancies by sector

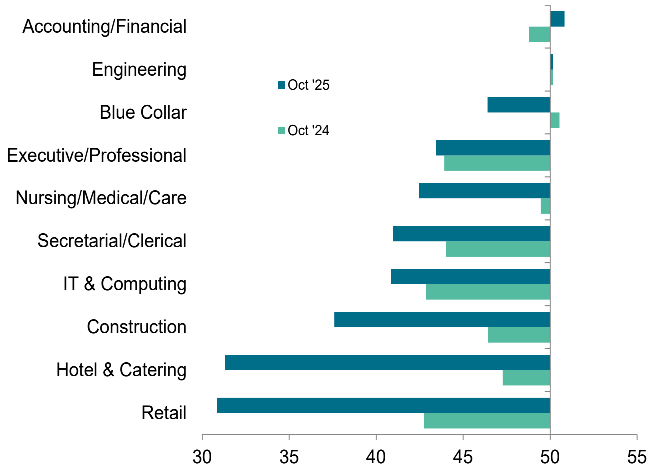
Recruitment consultancies are requested to compare the demand for staff according to sector with the situation one month ago.

Permanent vacancies

Demand for permanent workers increased across the Accounting/Financial and Engineering sectors in October, but fell elsewhere. The steepest reductions in permanent vacancies were once again seen in the Retail and Hotel & Catering categories.

Permanent Vacancies Index

sa, >50 = growth since previous month.

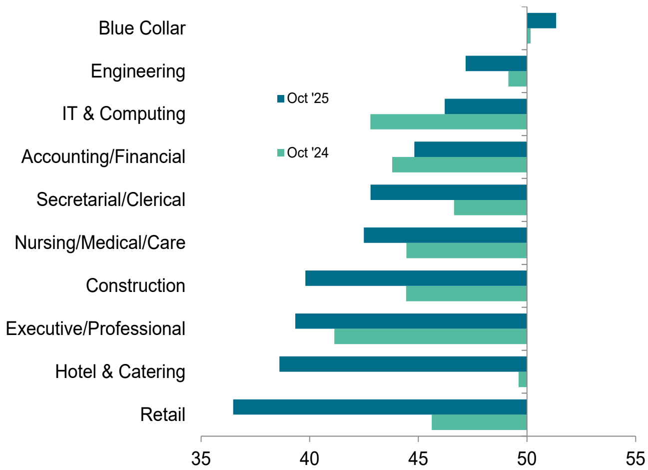


Temporary vacancies

The only sector to see increased demand for short-term staff in October was Blue Collar. Across the nine sectors that saw vacancies decline, the most pronounced fall was in Retail, while Engineering saw the softest reduction in demand.

Temporary Vacancies Index

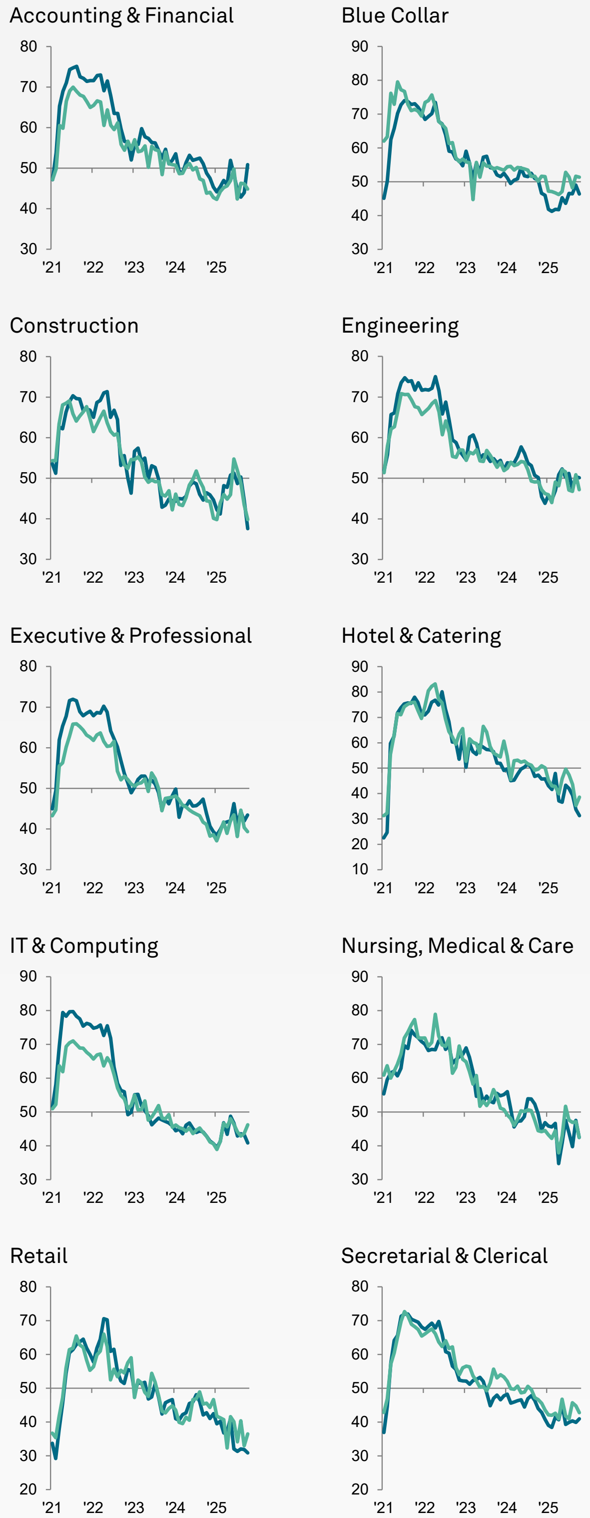
sa, >50 = growth since previous month.



Vacancy index by sector

Permanent Temporary

sa, >50 = growth since previous month

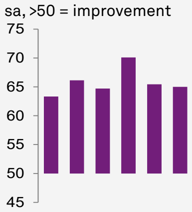


5 Staff availability

Recruitment consultants are asked to report whether availability of permanent and temporary staff has changed on the previous month. An overall indicator of staff availability is also calculated.

Total Staff Availability Index

May - Oct '25
sa, >50 = improvement



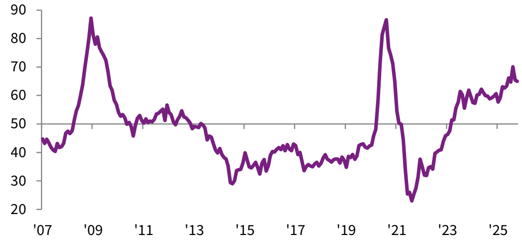
Availability of workers continues to rise at robust pace

At 65.0 in October, the seasonally adjusted Total Staff Availability Index fell from 65.4 in September but still posted well above the neutral 50.0 threshold to signal a substantial increase in the number of candidates seeking jobs. Furthermore, the reading remained one of the highest seen since late-2020, when the pandemic drove a sharp upturn in staff supply.

Overall worker availability has now risen in each of the past 32 months, with marked increases seen for both permanent and temporary staff.

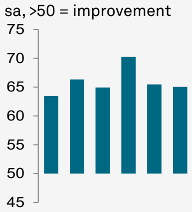
Total Staff Availability Index

sa, >50 = improvement since previous month



Permanent Staff Availability Index

May - Oct '25
sa, >50 = improvement

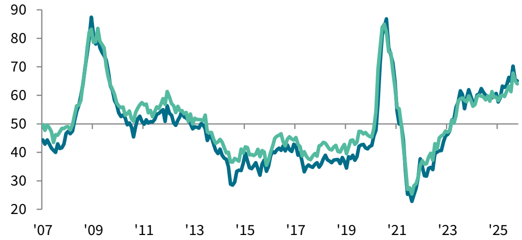


Upturn in permanent labour supply eases only slightly

October survey data signalled a sustained upturn in the availability of workers seeking permanent roles, thereby stretching the current sequence of expansion to 32 months. Approximately four times as many recruiters recorded higher permanent labour supply (41%) compared to those that noted a reduction (10%), with the latest increase attributed to a combination of redundancies and fewer job opportunities. Although easing for the second straight month, the rate of growth was nevertheless among the quickest recorded since late 2020. Softer increases in permanent candidate supply were seen in all monitored English areas bar London.

Permanent Staff Availability Index
Temporary Staff Availability Index

sa, >50 = improvement since previous month



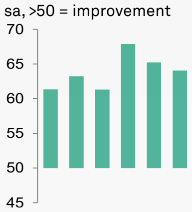
Permanent Staff Availability Index

sa, >50 = improvement since previous month

	UK	London	South	Midlands	North
May '25	63.5	60.6	63.3	62.4	65.3
Jun '25	66.3	65.5	67.6	65.3	64.1
Jul '25	64.9	65.3	63.6	65.1	66.3
Aug '25	70.2	71.4	70.5	67.1	73.1
Sep '25	65.5	62.1	67.4	64.9	67.3
Oct '25	65.1	66.2	66.5	63.0	65.4

Temporary Staff Availability Index

May - Oct '25
sa, >50 = improvement



Slower, but still rapid expansion in temporary candidate numbers

Recruitment consultancies across the UK signalled that growth of temporary labour supply eased further from August's post-pandemic peak, but remained rapid overall. According to anecdotal evidence, fewer contract roles, hiring freezes and company layoffs had pushed up temporary candidate numbers.

Across the four monitored English areas, the steepest increase in temporary staff availability was seen in the South of England, while the slowest was in the North of England.

Temporary Staff Availability Index

sa, >50 = improvement since previous month

	UK	London	South	Midlands	North
May '25	61.3	63.0	62.6	60.2	58.0
Jun '25	63.2	62.8	67.0	62.5	56.1
Jul '25	61.3	61.7	60.2	59.9	62.0
Aug '25	67.9	70.2	66.5	61.0	69.4
Sep '25	65.2	62.3	67.6	63.3	65.2
Oct '25	64.1	64.1	66.2	66.0	60.4

6 Demand for skills

Recruitment consultancies are invited to specify any areas in which they have encountered skill shortages during the latest month.

Skills in short supply: Permanent staff

Accounting/Financial
- ACCA
- Accountants
- Accounts Payable
- Assistant Accountant
- Auditors
- CIMA
- Credit Controllers
- Credit Risk
- Entry Level Accountancy
- Estimators
- Finance
- Finance Assistants
- Finance Business Partner
- Financial Crime
- Management Accountants
- Part Qualified Credit Control
- Payroll
- Practice Accountant
- Practice Accounting
- Tax & Audit
- Tax Accountant
- Taxation
- Transactional Finance

Blue Collar
- Assembly Technicians
- Blue Collar
- Cleaners
- Drivers
- Electricians
- Forklift Drivers
- HVAC
- LGV 1 Drivers
- LGV 2 Drivers
- Machine Operators
- Production
- Refrigeration
- Warehouse Operatives
- Welders

Construction
- Architectural Tech
- Building Service Engineers
- Civil & Structural Engineers
- Civil Engineer
- Construction
- Construction Project Managers
- Construction Sales
- Construction Site Managers
- Engineers E&I
- Part 2 Architect Asst.
- Quantity Surveyors
- Surveyors
- Technical Construction

Engineering
- Commissioning Engineers
- Design Engineers
- Design Engineers M&E
- Electrical Design Engineer
- Electrical Engineers
- Electronics Design Engineer
- Energy Process Engineers
- Engineers
- Engineers M&E
- FM Engineers
- Gas Engineers
- Mechanical Engineers
- Mechanical Field Fitters
- Project Engineers
- Senior Electronic Engineers
- Service Engineers
- Specialist Engineering
- Technicians
- Toolmaker

Executive/Professional
- Business Development
- Digital Marketing
- Directors
- Energy & Renewables
- Human Resources
- Legal Secretarial
- Management
- Managing Director
- Marketing
- Mid-Management
- Mid-Senior Management
- Professional Roles
- Quality Assurance
- Real Estate
- Recruitment Consultants
- Research
- Solicitors

Hotel/Catering
- Hospitality

IT/Computing
- AI/ML Engineers
- Augmented Reality
- Automation Testers
- CAD
- CAD Modellers
- CNC
- Cyber Security
- Data Engineers
- Data Professionals
- Data Scientists
- Digital
- Embedded Software Design
- IT
- IT Architecture
- IT Infrastructure
- Senior IT Engineers
- Software
- Software Architects
- Software Developers
- Software Engineers
- Technical Roles
- Technology

Nursing/Medical/Care
- Carers
- Life Sciences (Sales)
- Medical
- Social Workers

Secretarial/Clerical
- Administration
- Business Support
- Receptionist

Other
- Buyers
- Customer Service
- Field Sales
- Health & Safety
- Logistics
- New Home Sales
- Operations
- Project Management (R&D)
- Sales
- Sales (FMCG)
- Sales Negotiators
- Sales Progressors
- Security
- Security Cleared
- STEM
- Team Leaders
- Technical Sales (Electronics)
- Telesales
- Transport Planners
- White Collar

Skills in short supply: Temporary staff

Accounting/Financial
- Accountants
- Accounts Payable
- Auditors
- Credit Controllers
- Finance
- Payroll

Blue Collar
- Assembly Operative
- Assembly Technicians
- Blue Collar
- Carpenters
- CNC Miller
- Drivers
- FLT Operators
- Forklift Drivers
- HGV Drivers
- Industrials
- Labour
- LGV 1 Drivers
- LGV 2 Drivers
- Machine Operators
- Mechanical Assemblers
- Operatives
- Plater
- Production
- Security Guards
- VNA FLT Drivers
- Warehouse Operatives
- Welders

Construction
- Architectural Tech
- Civil & Structural Engineers
- Construction
- Labourers
- Quantity Surveyors
- Skilled Trades

Engineering
- Commissioning Engineers
- Design Engineers
- Design Engineers M&E
- Electrical Design Engineer
- Electrical Engineers
- Engineers
- Engineers M&E
- Gas Engineers
- Maintenance Engineers
- Mechanical Engineers
- Project Engineers

Executive/Professional
- Business Analysts
- Human Resources
- Quality Assurance

IT/Computing
- AI/ML Engineers
- AI/ML Project Managers
- Automation Testers
- CNC
- Cyber Security
- Data Architect
- Data Engineers
- DevOps IT Engineers
- Electronics/Hardware Engineers
- IT
- IT Generalists
- IT Infrastructure
- Senior IT Engineers
- Software
- Software Developers
- Software Engineers
- Technical Managers
- Technology

Nursing/Medical/Care
- Carers
- Healthcare Assistants
- Nurses
- Social Workers

Secretarial/Clerical
- Administration

Other
- Agricultural
- Customer Service
- Logistics
- New Home Sales
- Sales Directors
- Security Cleared
- Teachers
- Team Leaders

Skills in excess supply: Permanent staff

Accounting/Financial
- Accountants
- CFOs
- Credit Controllers
- Finance
- Finance Directors
- Interim Finance

Blue Collar
- Blue Collar
- Industrials
- Production
- Site Managers
- Warehouse Operatives

Construction
- Labourers

Engineering
- Graduate Engineers

Executive/Professional
- Business Analysts
- C-suite
- HR Manager
- Human Resources
- Management
- Managing Director
- Marketing
- Marketing Director
- Marketing Managers
- Mid-Senior Management
- Project Managers
- Recruitment Consultants
- Senior Level Management
- Senior Management

IT/Computing
- Analysts
- BIM Modellers
- C#
- Entry Level IT
- IT
- IT Administrators
- IT Analysts
- IT Directors
- IT Infrastructure
- IT Management
- IT Support All Levels
- Software Sales
- Technical Roles

Nursing/Medical/Care
- Research Scientist
- Support Workers
- Ultrasound Staff

Secretarial/Clerical
- Administration
- Business Support
- Clerical
- Executive Assistants

Other
- Customer Service
- Customer Support
- Document Controller
- General Managers
- Graduates
- Immigration Specialists
- Programme Manager
- Property Lettings
- Public Sector General
- Sales

Skills in excess supply: Temporary staff

Blue Collar
- Blue Collar
- Food Processing
- Industrials
- Manufacturing Operatives
- Production
- Production Operators
- Riggers
- Site Managers
- Warehouse Operatives

Construction
- Bricklayers
- Construction
- Construction Project Managers
- Labourers
- Landscaper

Engineering
- Engineering Directors
- Engineering
- Draughtsperson
- Graduate Engineers

Executive/Professional
- Business Analysts
- Director (Manufacturing)
- HR Manager
- HR Qualified
- Procurement
- Project Managers

Hotel/Catering
- Hospitality

IT/Computing
- Analysts
- CAD Technicians
- IT Directors
- IT Support All Levels
- Software Developers
- Technical Support

Secretarial/Clerical
- Administration
- Project Specialists

Other
- Customer Service
- Logistics
- Programme Manager
- Sales
- Traffic Marshall

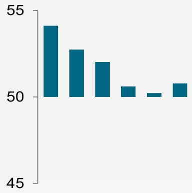
Note : Skills can be reported as being both in short supply and excess supply as we survey various recruitment agencies across the country, so there is geographical variation as well as the possibility of candidates with particular skills being concentrated in certain areas.

7 Pay pressures

The recruitment industry survey tracks both the average salaries awarded to people placed in permanent jobs each month, as well as average hourly rates of pay for temp/contract staff.

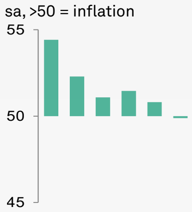
Permanent Salaries Index

May - Oct '25
sa, >50 = inflation



Temporary Wages Index

May - Oct '25
sa, >50 = inflation



Starting salary inflation remains marginal in October

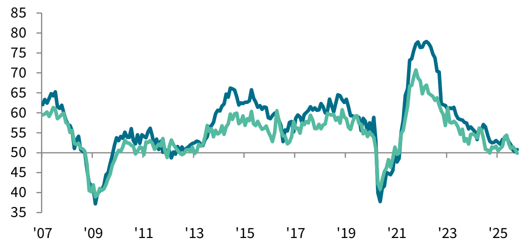
Salaries awarded to new permanent staff across the UK continued to increase at the start of the final quarter. The rate of inflation quickened slightly from September's more than four-and-a-half-year low, but remained marginal and well below the series average. Recruiters often commented on raising pay to secure high calibre candidates. However, there were also frequent reports of salaries levelling off or even falling due to weaker market conditions and pressure on client budgets. Salaries rose in the Midlands and London, but fell in the North and South of England.

Temp pay rates broadly stagnate

The seasonally adjusted Temporary Wages Index posted fractionally below the neutral 50.0 level in October to signal broadly stagnant pay for short-term workers. This ended a one-year period of wage growth. Surveyed recruiters often noted that less demand for staff and increased candidate availability had dampened pay pressures.

Trends diverged across the four monitored English areas, with temp wages rising across London and the Midlands, but falling in the North and South of England.

Permanent Salaries Index
Temporary Wages Index
sa, >50 = inflation since previous month



Permanent Salaries Index
sa, >50 = inflation since previous month

	UK	London	South	Midlands	North
May '25	54.1	56.9	51.2	54.2	53.8
Jun '25	52.7	53.6	51.0	53.4	51.1
Jul '25	52.0	51.6	50.4	50.8	53.7
Aug '25	50.6	51.6	47.0	56.8	47.6
Sep '25	50.2	51.8	48.5	54.1	49.0
Oct '25	50.8	51.3	49.8	52.5	47.3

Temporary Wages Index
sa, >50 = inflation since previous month

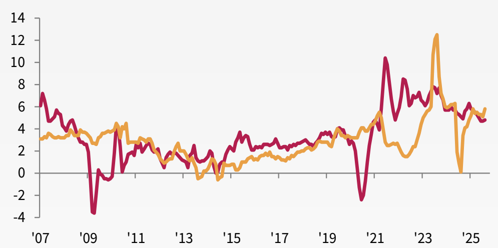
	UK	London	South	Midlands	North
May '25	54.4	52.8	54.4	55.8	56.2
Jun '25	52.3	52.7	52.8	51.0	48.1
Jul '25	51.1	52.9	48.1	50.6	52.3
Aug '25	51.5	57.5	48.6	51.7	49.5
Sep '25	50.8	52.8	49.4	53.7	48.6
Oct '25	49.9	52.5	48.1	51.8	49.4

Official data: UK average weekly earnings

Official data from the ONS pointed to a further year-on-year increase in average weekly earnings in the three months to August. The rate of growth (5%) was slightly stronger than that seen in the three months to July (4.8%) and was strong in the context of historical data.

The public sector was a key driver of the acceleration of wider earnings growth. The latest data indicated that public sector pay increased 5.8% compared to a year ago. Meanwhile, private sector earnings growth ticked up slightly to 4.8% in the latest period.

UK average weekly earnings private public
%yr/yr, 3mma



Source: Office for National Statistics via S&P Global Market Intelligence.

8 Special feature

This section features data from the Recruitment and Employment Confederation

Evolving Hiring Patterns and Market Confidence

As 2025 draws to a close, the UK labour market shows signs of steadying after a turbulent two years. The latest ONS and REC data highlight a pattern of cautious optimism. Hiring activity remains muted but appears to be stabilising, whilst employers' confidence in their own hiring decisions has improved. For recruiters, this means the year has been defined by slower markets but growing indications that employers are beginning to plan ahead again.

The UK employment rate stood at 75.1% in June to August 2025, slightly down on the quarter but higher than a year ago. The number of vacancies fell by 9,000 (1.3%) to 717,000 in the three months to September, marking the thirty-ninth consecutive quarterly fall. Vacancies declined in half of all industry sectors, while nominal pay growth slowed to 4.7% and real total pay rose by just 0.8%. For recruiters, the continued fall in vacancies combined with easing pay growth has meant tougher competition for roles, with clients becoming more selective and budget conscious.

Employer confidence in hiring and investment improved to net +6% over the summer, even as confidence in the wider economy remained subdued at net –19%, according to September's REC Jobs Outlook. Short-term permanent hiring intentions climbed to net +18%, and medium-term sentiment rose to net +20%, led by optimism in London and among larger private-sector organisations. Sentiment in the Midlands and North, however, remained more restrained. This has meant client demand has been uneven across the country, with larger clients pushing ahead with plans while smaller firms remain cautious.

November's Report on Jobs 2025 reinforces this picture of cautious stabilisation. Temporary billings increased, although it was only marginal, it marked the first rise since June 2024. Permanent placements continued to decline, as they have since late 2022, but the rate of reduction eased for the fourth consecutive month to the slowest since July 2024. Recruiters frequently linked lower hiring to uncertainty around the economic outlook and the upcoming Budget, as well as higher staffing costs such as National Insurance contributions. Continued hesitancy among clients has prolonged decision timelines and made relationship management key to maintaining business flow.

By contrast, temporary billings recorded a marginal rise, marking the first expansion since June 2024. Many firms preferred short-term hires to manage workloads without making long-term commitments. This trend has translated into sustained demand for temporary and contract work, particularly in Blue Collar and Industrial sectors, as clients prioritise flexibility.

Overall, 2025 has been a year of recalibration. Hiring remains cautious, but confidence and activity are slowly building after a difficult 18 months. The challenge heading into 2026 will be to stay close to clients, anticipate where growth will return first, and position themselves to capture new demand as confidence strengthens.

REC members have access to expert advice, exclusive labour market data and tailored support at every stage of their journey, from start-up to growth and beyond. Join us to access the tools, insights, and guidance your business needs to succeed.

9 Scotland's labour market

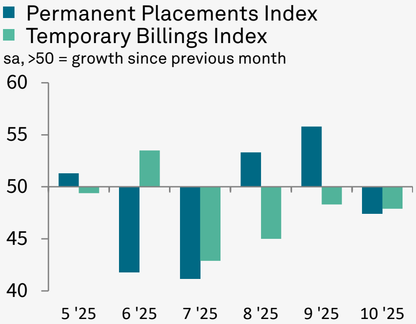
Fresh decline in permanent placements in October

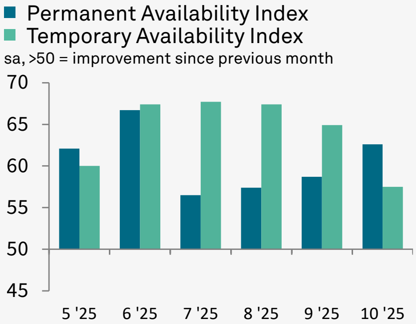
This section contains the latest data and findings from the Scottish companies participating in the UK Jobs survey.

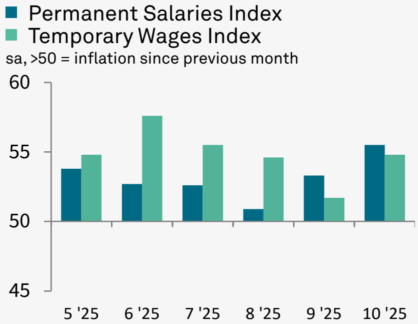
The number of people placed into permanent roles across Scotland fell for the first time in three months in October. The rate of contraction was relatively mild, however. Temp billings meanwhile fell for the fourth straight month, with the pace of reduction similar to that seen in September and modest.

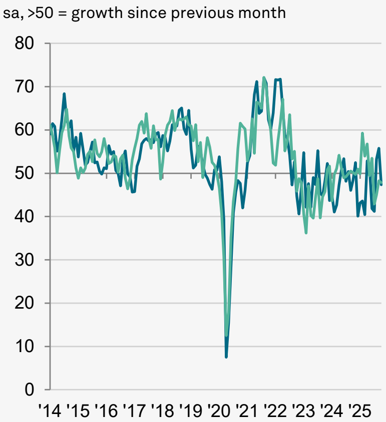
Starting salaries awarded to new permanent joiners in Scotland increased again at the start of the fourth quarter, and to the greatest extent since February. Recruiters also registered stronger growth in temp pay, with the rate of wage inflation the steepest seen in three months.

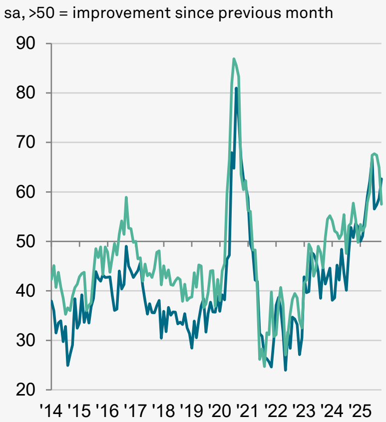
Divergent trends were signalled for staff availability in Scotland, with permanent labour supply rising at a sharp pace that was the quickest in four months, while growth in temp candidate numbers moderated. Though marked, the latest upturn in short-term staff availability was the weakest recorded since March.

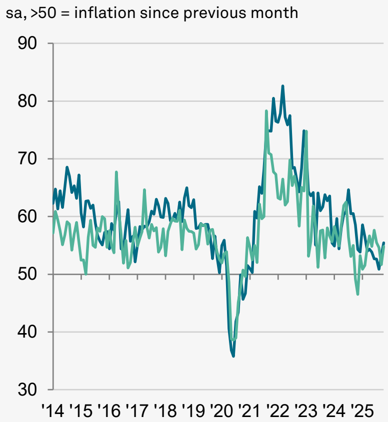












Scotland Jobs Index summary
sa, 50 = no change over previous month

	Permanent Placements	Temporary Billings	Permanent Availability	Temporary Availability	Permanent Salaries	Temporary Wages
05 '25	51.3	49.4	62.1	60.0	53.8	54.8
06 '25	41.8	53.5	66.7	67.4	52.7	57.6
07 '25	41.2	42.9	56.5	67.7	52.6	55.5
08 '25	53.3	45.0	57.4	67.4	50.9	54.6
09 '25	55.8	48.3	58.7	64.9	53.3	51.7
10 '25	47.4	47.9	62.6	57.5	55.5	54.8

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Methodology
The KPMG and REC, UK Report on Jobs is compiled by S&P Global from responses to questionnaires sent to a panel of around 400 UK 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.

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.

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

Survey Dates
Data were collected 9-27 October 2025.

About S&P Global
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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. www.spglobal.com.

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KPMG LLP, a UK limited liability partnership, operates across the UK with approximately 17,000 partners and staff. The UK firm recorded a revenue of £2.99 billion in the year ended 30 September 2024.

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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.

Produced in association with REC.