



CAUTIOUS OPTIMISM AS JOB LISTINGS IMPROVE OR STABILISE ACROSS MANY SECTORS

- Job listings on reed.co.uk for August continue upward trajectory
- However, London lagging behind the rest of the UK
- Construction and estate agency sectors leading job recovery stats
- Retail declines after period of growth – but Christmas on the horizon offers hope
- Hospitality sector displays growth for three consecutive months

As the end of the furlough scheme edges ever closer, the number of job postings has continued to climb month on month, according to the latest Keep Britain Working Job Index.

Figures from the job site Reed.co.uk show that the monthly increase in jobs posted, which started in May, has been replicated over the summer months and is now at its strongest level since March.

Overall, the majority of the 36 sectors covered by Index are reported to be back to or above 50% of where they were in January. This is a move in the right direction, albeit from a low base, and hopefully signals that a slow and cautious recovery is underway in the jobs market. It also reflects the current sluggish return to previous levels of business activity, as organisations come to terms with new and more restrictive operating environments.

James Reed, co-founder of Keep Britain Working and chairman of REED, said: “As seen in the last couple of months, Britain’s job market is slowly beginning to emerge from the shadow of the unprecedented challenges presented by the lockdown. However, recovery is slow and the looming furlough deadline and the potential for a tidal wave of job losses in October is rapidly approaching. Our data together with GDP and ONS figures demonstrate that the much hoped for V-shaped recovery is likely to be far more nuanced for the economy



in general, and the job market prospects of sectors will continue to show winners and losers to various degrees.

“As I have previously mentioned, there is a major concern for the young and the low paid in this economic recovery. The rising average salaries we are seeing for jobs advertised are falsely inflated because of the removal of lower paid jobs, not higher salaries being paid. As companies embark on price wars to win back customers there is real concern that wages could face a downward pressure. If we are to have a level, sustainable economy that works for everyone then jobs must be created in all sections of society and the tax burden must be evenly shared. Until that happens we will not be on the true road to recovery.”

Sectors on the up

Construction and estate agency sectors are leading the way in terms of a job market response with both showing strong gains in the last month compared to other sectors. Previously mothballed construction sites have recommenced with stronger levels of activity returning and estate agents are benefitting from increased consumer demand linked to the Stamp Duty holiday announced by the Government.

Construction showed an increase of 11 percentage points since July, while estate agencies saw even larger growth with a rise of 17 percentage points. Both have rebounded well from the lows of March and April. Hopefully, with the Stamp Duty holiday extended to the end of March 2021, this momentum, built on the back of improved consumer demand to move home, will continue to fuel a jobs fightback.

Likewise, the hospitality sector, which experienced a drastic and sudden downturn in activity following lockdown, has shown signs of a positive trajectory over the past three months with August's jump fuelled by the Eat Out to Help Out scheme funded by the Chancellor. It will be interesting to gauge the follow-on effect once the scheme ends and if consumers tempted to venture out to pubs and restaurants will continue to do so once the financial incentive is removed.



Other sectors showing stable or slight jobs growth over the past month include accountancy, banking, engineering, IT telecoms, legal, automotive, and purchasing.

Rhys Harris, associate director – engineering, process & construction at fellow Keep Britain Working member, Morson Group:

“Clear gains in the construction and property market is also mirrored in our own data at Morson, with contractor numbers doubling within our construction & civil infrastructure markets since April. Growing demand for blue, and white, collar workers, from bricklayers through to site managers and quantity surveyors, provides a major boost to the UK economy. The PM’s promise to ‘Build, Build Build’ and put jobs and infrastructure at the centre of the country’s growth is a sensible step to get the economy moving again. The construction industry contributed up to 10 per cent of GDP in pre-COVID figures and its swathes of major players and their supply chains – many of whom are SMEs and family businesses – provide a vital contribution to our recovery.

“At its peak, the pandemic was fast-moving and largely unpredictable, with many employers now recognising the importance of having a strategic outlook on the procurement of talent in a bid to regain control of their workforce, provide access to key worker information and deliver cost efficiencies – particularly those with large contractor populations. Without a managed service provider (MSP) to deploy the correct corporate governance and compliance processes, an organisation lacks key management information and the ability to efficiently flex and scale their talent acquisition function; with the looming IR35 private sector reforms and Brexit only adding more fuel to the fire in what is the ‘perfect storm’.

“Employers need to reassess how they build pipelines which reach, recruit and retain the best workers, whilst developing and deploying a strong employer value proposition (EVP) that defines who they are and delivers exceptional candidate journeys. There are unprecedented numbers of active candidates in the construction market – levels that we may never see again in our lifetime – which provides a unique opportunity for organisations to cut through the noise, lock in the best talent and put themselves ahead of their competitors.”



And those struggling

On the flip side, the well documented volatility and jobs churn in the retail sector continues dominate the headlines. After a couple of months of growth, progress has stalled, and the retail jobs index shows a return to the level last seen in May. With retail businesses having to deal with implementing COVID-safe shopping environments and current low levels of consumer confidence, the sector will be pinning its hopes on Christmas as the next big opportunity to kickstart a return.

Consumer research indicates that traditional occasions such as Bonfire Night and Halloween will not be celebrated to the same degree this year and that they are focussing on the festive period instead. The retail sector certainly hopes so.

Salaries holding their own despite pressure

The August index also shows a shift in pay. A trend of increasing average pay through June and July has continued into August. The average salary advertised is now 12 percentage points higher than in January. The index finds that this is not because of an increase in salary, but a removal of lower paid jobs from the market. There is concern that there could be a downward pressure on wages as a consequence of price wars to get consumer attention, as we have seen with food outlets continuing to offer discounts after the Eat Out to Help Out government scheme has ended and major grocery chains embarking on widespread price cuts.

Social care, logistics, scientific, hospitality and banking were among those sectors offering higher average salaries over the past month. This also demonstrates that businesses are still looking for managerial and strategic roles to steer the ship through troubled waters. We are also seeing the remit of these roles expanding as companies ask for senior experience at a lower level.



Market demand remains the big concern for businesses

In an exclusive survey conducted by Keep Britain Working, businesses picked out 'demand in the market' as their number one challenge going forward. Even for companies that have seen business levels improve during the pandemic, the prospect of maintaining market demand was the biggest concern as they assessed the future. In a sign that many are battenning down the hatches intent on seeing the current crisis pass, only 21% of companies questioned said they have 'investigated new customers or markets' in recent months, and just over one in ten organisations said they intend to seek help for their marketing and sales planning.

Notes

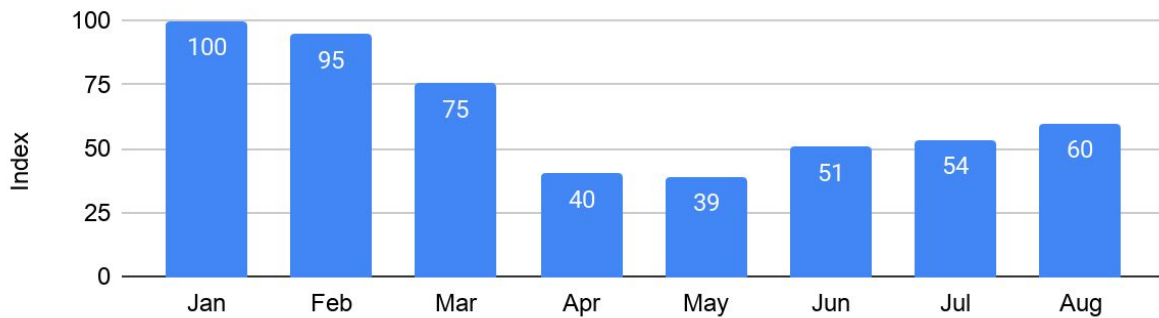
- Each month the Keep Britain Working Index tracks the number of job opportunities, salaries on offer and applications per job against a baseline of 100 set in January 2020.
- The Index is based on data from the UK's largest job board, reed.co.uk, which everyday lists over 100,000 job opportunities from 10,000 recruiters across 37 career sectors throughout the UK.
- The Index is compiled by data drawn from online job vacancies and jobseeker activity on reed.co.uk.
- reed.co.uk is part of REED Global, the international recruitment group of companies
- All data is for Permanent roles advertised on reed.co.uk
- How to read the data - an index of 94 shows that the data for the month in question is 6% down on the baseline month (January 2020, index = 100).
- The index has been seasonally adjusted to reflect the seasonal changes in the recruitment market since January 2010, with the index date being taken from January 2020. This means we will be able to compare month to month, without the need to factor in usual seasonal effects i.e. Easter, Christmas and the New Year.



Job index

Jobs posted

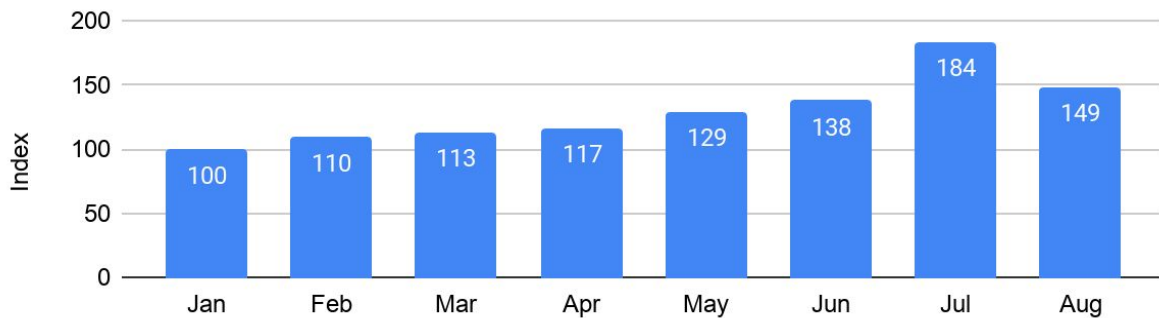
Index 100 = Jan20. All indices adjusted to account for seasonal variations



Applications Index

Applications per vacancy

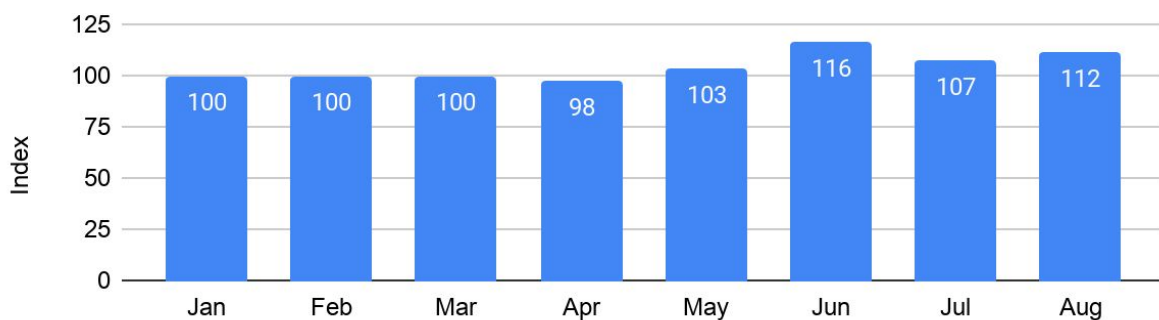
Index 100 = Jan20. All indices adjusted to account for seasonal variations



Salary index

Average Salary per job

Index 100 = Jan20. All indices adjusted to account for seasonal variations



Index 100 = £34,388 (Jan'20)



Job Count by Sector

All indices adjusted to account for seasonal variations

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Accountancy	100	95	67	21	21	30	35	36
Accountancy (Qualified)	100	90	67	28	28	34	44	44
Admin & Secretarial & PA	100	96	58	14	12	18	24	26
Apprenticeships	100	118	88	35	32	48	47	44
Banking	100	109	76	40	42	52	83	85
Charity & Voluntary	100	88	57	18	20	29	338	249
Construction & Property	100	98	72	24	25	36	51	62
Customer Service	100	94	64	17	29	28	30	32
Education	100	102	91	62	59	67	80	78
Energy	100	95	68	27	24	32	54	52
Engineering	100	95	73	27	26	33	42	45
Estate Agency	100	102	62	15	21	45	53	70
Financial Services	100	94	70	28	28	42	51	51
FMCG	100	91	77	39	43	52	61	62
General Insurance	100	103	81	33	28	42	48	51
Graduate Training & Internships	100	51	67	12	13	15	14	15
Health Medicine	100	89	108	136	83	109	80	135
Hospitality Catering	100	89	50	14	13	12	18	26
Human Resources	100	94	61	21	23	28	34	39
IT Telecoms	100	92	78	41	40	50	55	57
Legal	100	99	70	22	19	26	37	43
Leisure & Tourism	100	87	93	57	84	64	100	70
Manufacturing	100	97	73	32	34	44	53	61
Marketing PR	100	93	55	16	18	26	30	30
Media Digital Creative	100	94	58	16	21	24	31	32
Motoring Automotive	100	85	54	7	32	28	34	39
Purchasing	100	97	66	26	28	38	43	44
Recruitment Consultancy	100	99	59	9	9	14	19	22
Retail	100	90	67	15	27	44	47	40
Sales	100	96	60	13	14	22	29	32
Scientific	100	98	78	50	54	68	217	75
Security & Safety	100	81	70	36	39	39	46	50
Social Care	100	102	153	221	216	301	141	245
Strategy Consultancy	100	95	65	31	90	70	104	97
Training	100	94	68	53	44	64	65	87
Transport & Logistics	100	95	91	27	34	47	68	67



Average Applications per Job by Sector

All indices adjusted to account for seasonal variations

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Accountancy	100	106	104	119	199	240	279	248
Accountancy (Qualified)	100	110	110	124	200	250	259	239
Admin & Secretarial & PA	100	103	110	130	216	290	304	280
Apprenticeships	100	165	82	97	108	110	129	195
Banking	100	111	106	104	168	187	161	106
Charity & Voluntary	100	102	111	142	196	201	24	41
Construction & Property	100	103	104	112	192	237	222	165
Customer Service	100	101	103	139	220	254	293	269
Education	100	112	100	99	150	148	138	135
Energy	100	107	106	107	153	181	169	210
Engineering	100	108	106	114	177	242	240	218
Estate Agency	100	93	104	102	198	191	315	273
Financial Services	100	102	114	120	184	209	223	225
FMCG	100	107	107	120	180	203	221	209
General Insurance	100	119	116	118	186	236	271	262
Graduate Training & Internships	100	132	143	200	398	403	606	508
Health Medicine	100	118	111	102	124	97	146	75
Hospitality Catering	100	94	92	142	188	217	238	157
Human Resources	100	94	98	111	169	224	216	187
IT Telecoms	100	108	112	121	144	167	197	176
Legal	100	94	97	115	275	197	220	179
Leisure & Tourism	100	155	124	108	43	53	52	61
Manufacturing	100	116	118	137	184	191	212	180
Marketing PR	100	105	116	141	257	269	292	280
Media Digital Creative	100	103	112	150	218	205	260	239
Motoring Automotive	100	97	99	118	237	225	277	295
Purchasing	100	100	100	119	186	210	222	271
Recruitment Consultancy	100	136	145	188	356	401	585	466
Retail	100	109	113	152	197	170	180	145
Sales	100	102	107	128	245	304	351	310
Scientific	100	115	96	95	107	140	50	104
Security & Safety	100	158	106	159	134	143	208	160
Social Care	100	109	70	47	48	45	81	48
Strategy Consultancy	100	122	140	157	166	156	151	98
Training	100	90	83	100	104	167	138	101
Transport & Logistics	100	153	163	220	311	355	342	244



Average Salary by Sector

All indices adjusted to account for seasonal variations

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Accountancy	100	101	103	109	107	107	108	104
Accountancy (Qualified)	100	101	102	105	104	103	99	98
Admin & Secretarial & PA	100	101	103	113	118	110	105	105
Apprenticeships	100	97	94	112	94	82	124	96
Banking	100	98	100	115	99	112	90	101
Charity & Voluntary	100	103	107	131	125	111	148	139
Construction & Property	100	100	101	103	100	99	99	98
Customer Service	100	100	100	105	111	112	104	110
Education	100	98	100	102	100	99	97	98
Energy	100	99	98	104	113	119	102	108
Engineering	100	102	104	112	108	106	103	102
Estate Agency	100	96	102	124	123	114	109	103
Financial Services	100	99	104	122	127	116	108	107
FMCG	100	99	96	102	101	99	97	97
General Insurance	100	102	106	127	125	118	120	111
Graduate Training & Internships	100	94	97	97	92	98	96	101
Health Medicine	100	102	93	81	92	122	107	129
Hospitality Catering	100	102	101	103	83	124	103	114
Human Resources	100	102	102	113	114	117	107	106
IT Telecoms	100	97	99	102	101	101	98	100
Legal	100	96	98	123	117	113	112	113
Leisure & Tourism	100	98	102	104	111	99	114	110
Manufacturing	100	102	102	108	111	101	98	97
Marketing PR	100	101	103	118	113	114	112	106
Media Digital Creative	100	98	101	112	109	109	106	100
Motoring Automotive	100	99	99	98	100	101	103	102
Purchasing	100	102	106	115	112	108	105	106
Recruitment Consultancy	100	106	100	102	112	113	120	114
Retail	100	102	105	110	116	105	123	124
Sales	100	101	105	131	121	110	110	106
Scientific	100	102	102	115	106	103	117	121
Security & Safety	100	106	103	114	102	106	111	115
Social Care	100	100	85	74	101	152	119	135
Strategy Consultancy	100	100	102	116	88	99	89	83
Training	100	105	100	94	107	126	99	94
Transport & Logistics	100	105	102	109	100	108	105	110



Job Count by Region

All indices adjusted to account for seasonal variations

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
East Anglia	100	95	104	103	79	68	67	85
East Midlands	100	93	74	37	36	59	59	74
North East England	100	95	70	30	31	36	43	41
North West England	100	89	74	39	46	73	63	85
London	100	97	76	37	38	53	53	58
South East England	100	100	63	20	23	23	29	41
South West England	100	90	69	45	44	46	46	51
West Midlands Region	100	94	75	40	38	51	50	59
Yorkshire and Humberside	100	92	77	45	43	58	52	68
Wales	100	92	81	46	42	56	136	72
Scotland	100	97	78	36	40	54	54	62
Northern Ireland	100	97	76	34	37	56	56	69

*likely to be an anomaly

Average Applications per Job by Region

All indices adjusted to account for seasonal variations

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
East Anglia	100	102	79	61	65	106	144	114
East Midlands	100	112	112	124	129	124	173	128
North East England	100	107	112	121	162	177	208	193
North West England	100	107	106	123	98	69	123	88
London	100	111	108	113	133	143	191	160
South East England	100	69	93	121	171	280	295	140
South West England	100	106	110	128	115	122	205	129
West Midlands Region	100	104	104	112	124	137	203	154
Yorkshire and Humberside	100	104	101	107	120	124	186	141
Wales	100	114	103	111	126	112	67	104
Scotland	100	107	109	107	122	128	157	132
Northern Ireland	100	110	111	118	138	138	182	124

Average Salary by Region

All indices adjusted to account for seasonal variations

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
East Anglia	100	97	85	65	80	112	102	100
East Midlands	100	101	101	109	106	125	109	119
North East England	100	99	102	111	107	109	106	110
North West England	100	103	104	108	113	132	108	129
London	100	101	102	109	110	119	108	113
South East England	100	96	99	107	106	119	102	105
South West England	100	99	100	105	105	124	107	111
West Midlands Region	100	101	101	97	106	121	109	116
Yorkshire and Humberside	100	102	101	91	103	127	110	118
Wales	100	98	98	101	104	118	132	119
Scotland	100	100	100	102	108	119	111	114
Northern Ireland	100	100	101	106	109	120	108	117



Further analysis - 'white collar' workers / office workers

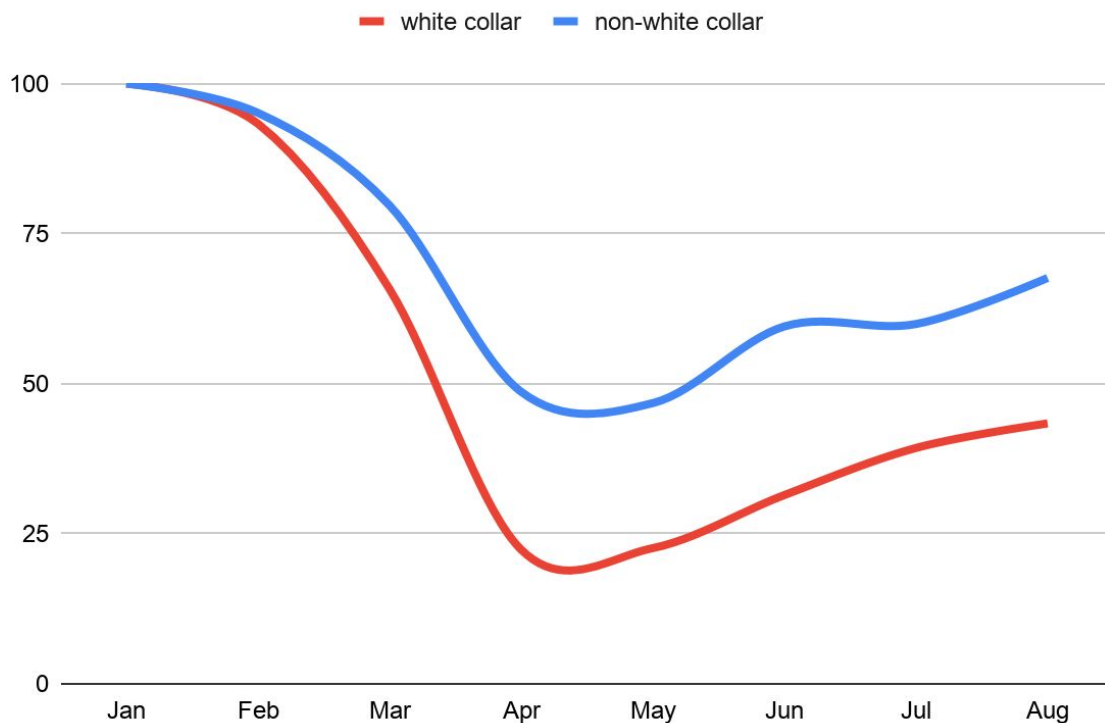
a 'white collar' occupation is defined as an Occupation that includes ANY of the following words:

account, admin, advisor, agent, analyst, audit, buyer, clerk, consultant, credit, data, developer, director, executive, finance, hr, legal, office, payroll, professional, sales, seller, solicitor

Job index - white collar vs. non-white collar (as defined above)

Job posted - 'white collar' workers

index 100 = Jan 2020 (adjusted to account for seasonal variation)



source: Keep Britain Working Job Index / reed.co.uk



Further analysis - Government initiatives

- Stamp duty holiday - 8th July 2020 -31st March 2021
- Eat Out to Help Out - August

Select industries that could have been impacted by Government initiatives

