

# Cities Outlook 2023

## Deep Dive Series

### Scotland

Valentine Quinio | Centre for Cities

[#CitiesOutlook2023](#)

[@valentinequinio](#) [@centreforcities](#)

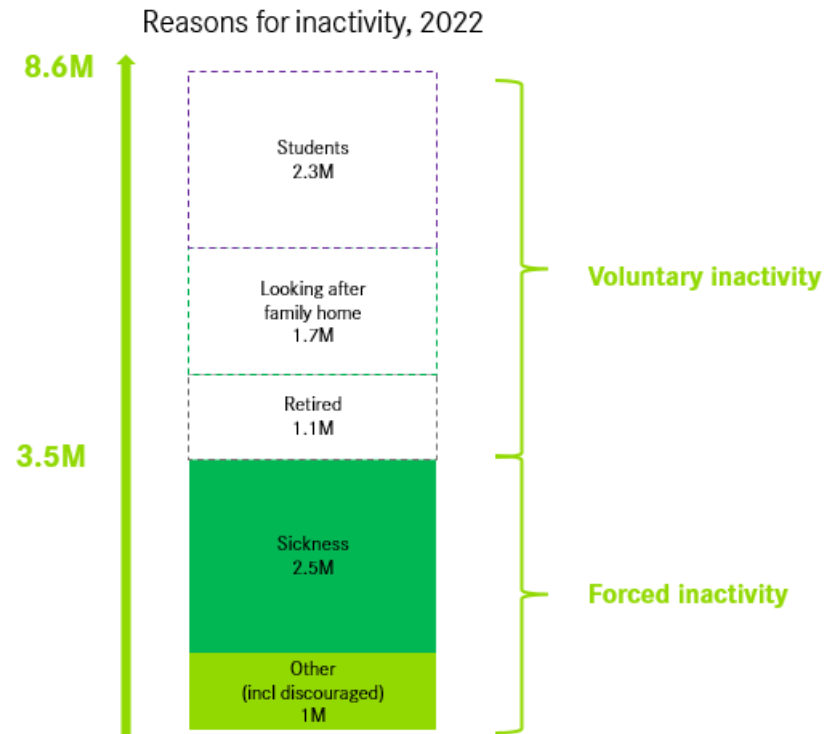


# The national picture: an army of missing workers

Historically low unemployment

- A total of **1.2 million** people are unemployed
- The lowest it's been since the **1970s**

Hide high levels of 'forced inactivity'



Source: ONS

Resulting in high hidden unemployment

**Hidden unemployment**



**Unemployment**

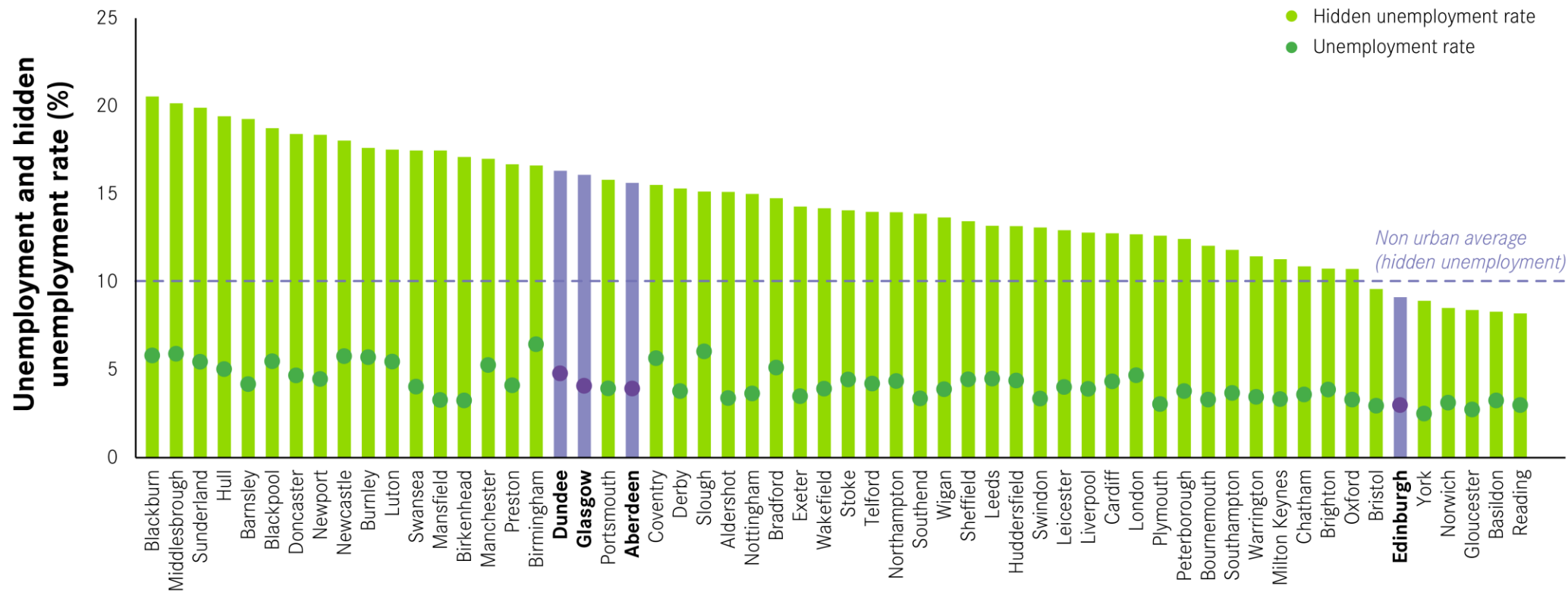


**Forced inactivity**

More than triples unemployment numbers to **4.7 million**

# The regional picture: with the exception of Edinburgh, Scottish cities have hidden unemployment relatively higher than the rest of the country

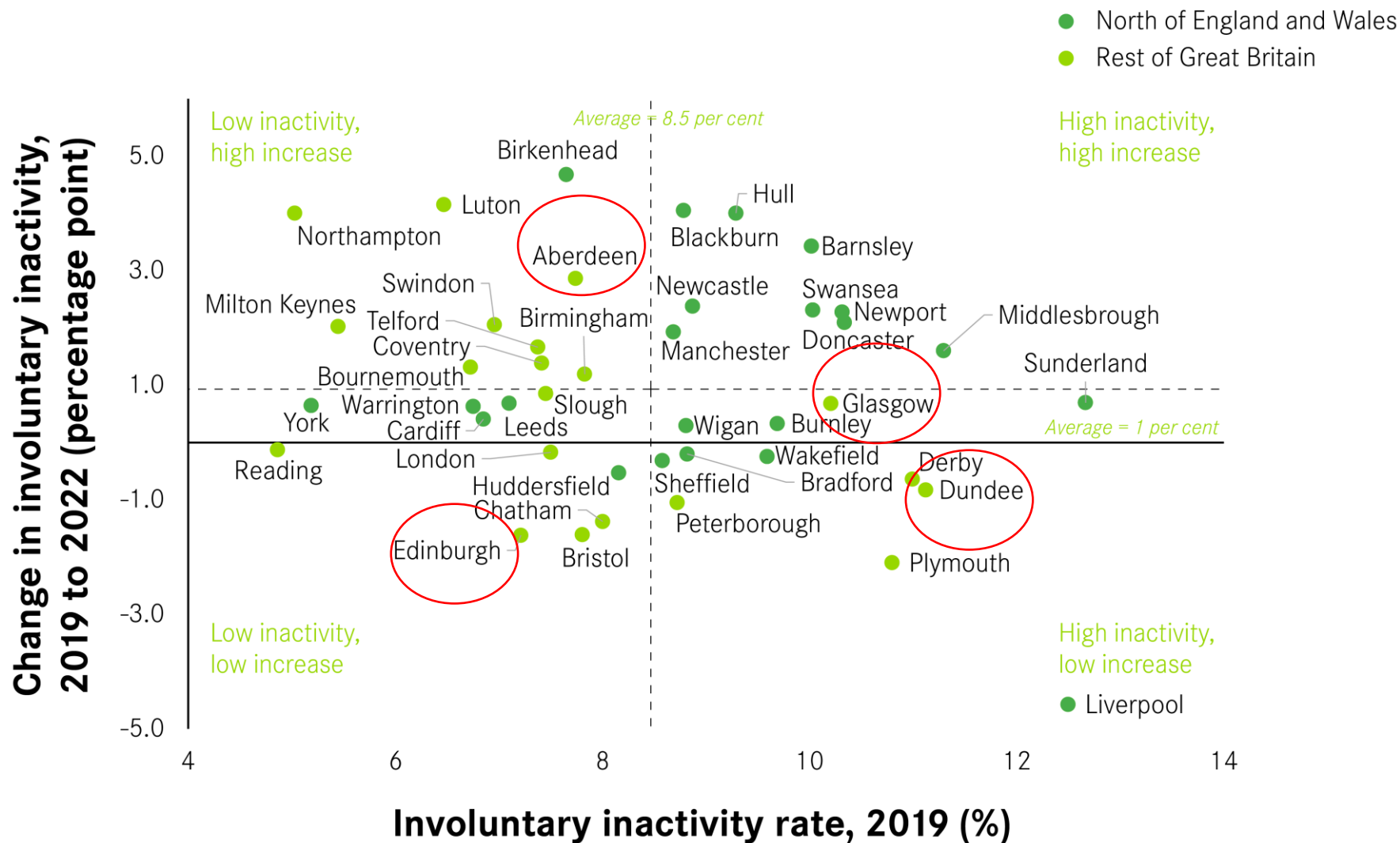
Unemployment and hidden unemployment, June 2022



- In total, there are about 350,000 ‘forced inactive’ and nearly 450,000 hidden unemployed across Scotland
- Including those ‘forced inactive’ moves the unemployment rate from 3.6% to 14.9%

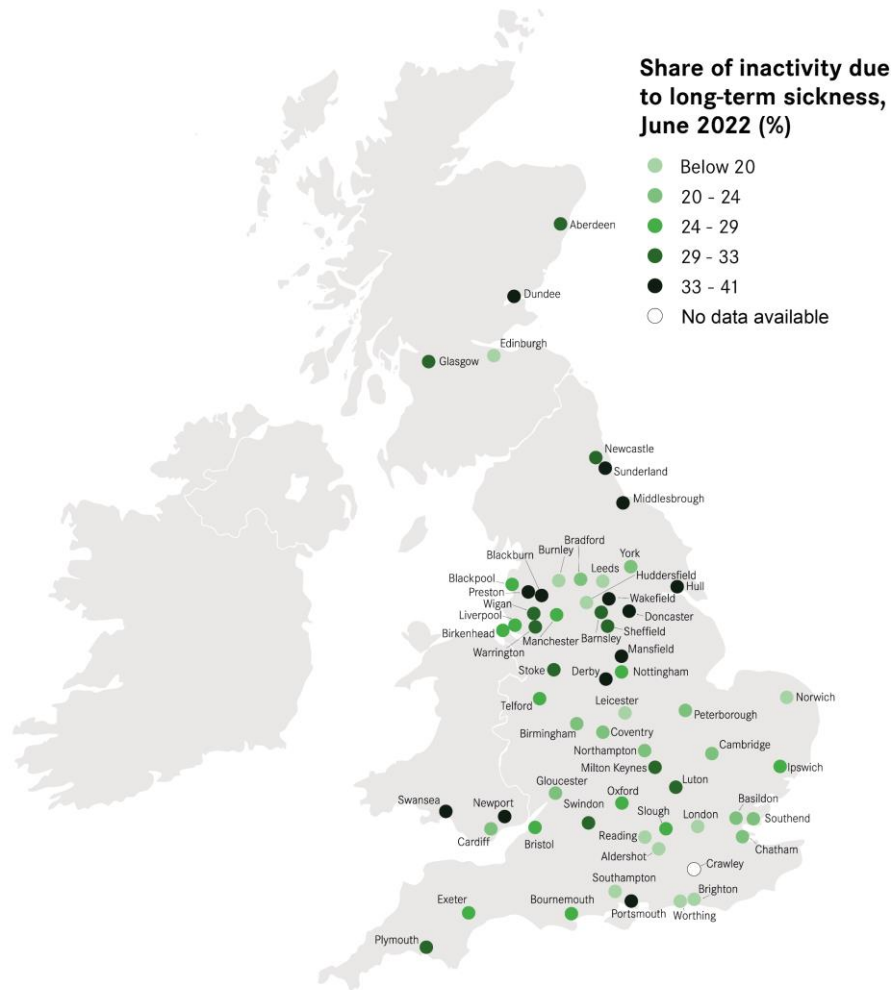
# Looking at changes in inactivity levels since the onset of Covid shows a complex picture across Scottish cities

## Involuntary inactivity in 2019 and change to 2022



# Two reasons why Scotland has relatively higher hidden unemployment levels

## Poor health is more of an issue



## The fundamentals of the economy are weaker

**8%** of people have **no formal qualifications**, compared to less than **5%** across the Greater South East

**10%** of jobs are **private-knowledge services** against **19%** in the South-East

It is both a supply issue, with more low-skilled workers who are disadvantaged in the labour market

## Hidden unemployment and share of low skilled workers



... and demand side issue. Cities like Glasgow and Dundee aren't facing a labour shortage, but a job shortage

## Job postings and hidden unemployment





## A quick word on Outlook chapter 3- Centre for Cities' annual health check of UK cities

---

More data on Centre for Cities' data tool

<https://www.centreforcities.org/data-tool/#graph=map&city=show-all>