

FIFE LABOUR MARKET UPDATE - OCTOBER 2026

This quarterly update reports on the performance of Fife’s labour market presenting the latest data on **People in Work** (rates of employment, the number of employees and earnings); **People Out of Work** (unemployment and inactivity rates along with the number of people in Fife claiming out-of-work benefits); and the number and type of **Job Postings**.

PEOPLE IN WORK

1.0 Employment Rate

As shown in Table 1, during the 12 months to June 2026, an estimated **72.2% of people aged 16 to 64 years in Fife were in work**. This was lower than the employment rate during the same period the previous year (75.3%), and lower than the rate prior to the pandemic in 2019/20 (73.7%).

In comparison, the estimated Scottish employment rate (74.4%) was slightly higher than the previous year but also lower than before the pandemic.

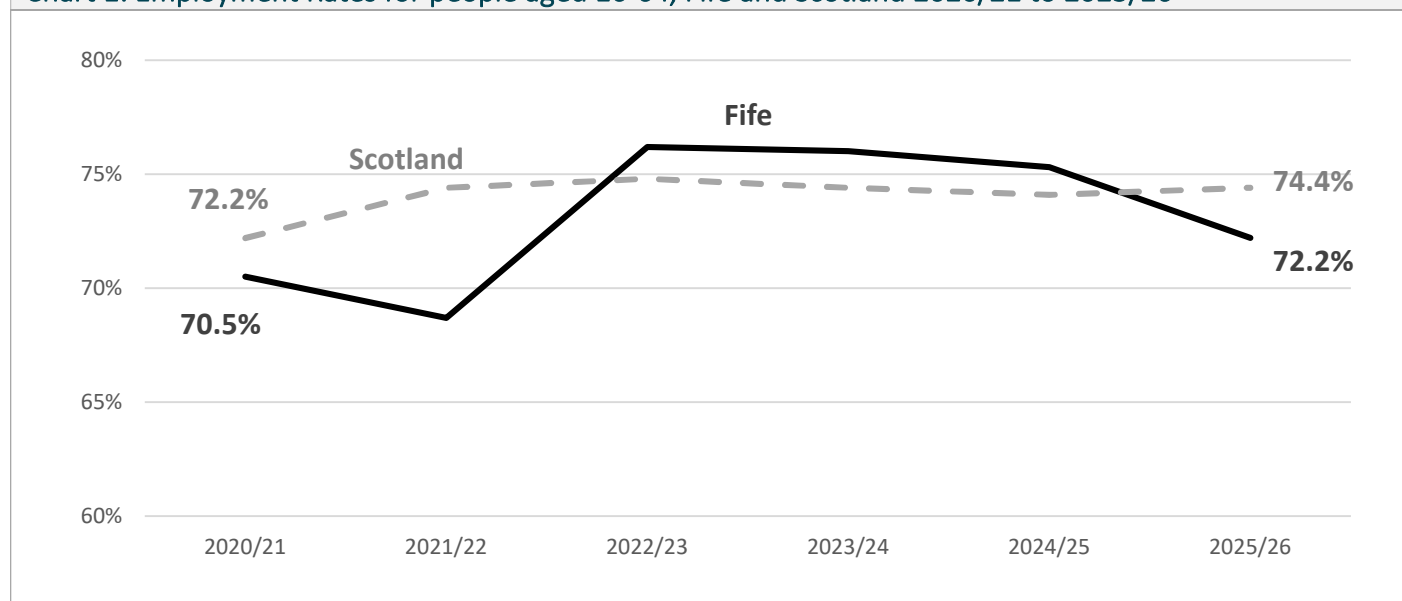
Fife’s employment rate fell to below the Scottish rate after having been higher in 2022/23, 2023/24 and 2024/25 (Chart 1). It is also more volatile than the Scottish rate, which could be related to the fact that Fife estimates are less robust than those for Scotland due to smaller sample sizes at the sub-national level.

Table 1: Percentage of people aged 16-64 in work in Fife and Scotland

	Employment Rate Jul 2025 - Jun 2026	Annual Change (2024/25 – 2025/26)		Difference with pre-pandemic rate (2019 – 2025/26)	
Fife	72.2%	-3.1 pp	↓	-1.5 pp	↓
Scotland	74.4%	+0.3 pp	↑	-0.4 pp	↓

Source: Annual Population Survey, Jul-Jun datasets, Office for National Statistics. The changes shown represent the difference in percentage points (pp) between the latest rates and the rates for previous periods.

Chart 1: Employment Rates for people aged 16-64, Fife and Scotland 2020/21 to 2025/26



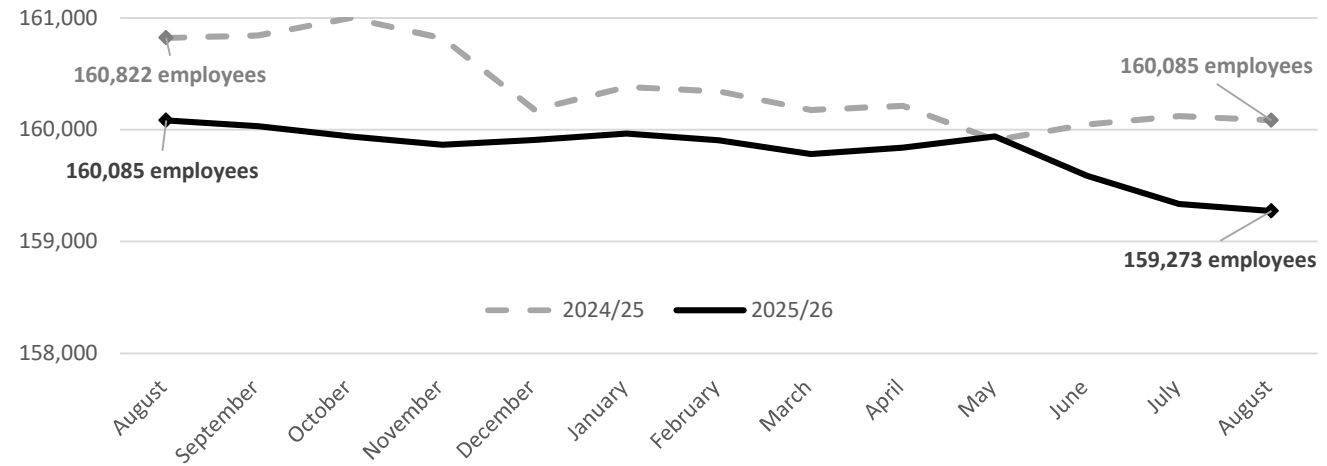
Source: Annual Population Survey, Jul-Jun datasets, Office for National Statistics .

2.0 The Number of Payrolled Employees

In August 2026, there were an estimated **159,273 payrolled employees in Fife**, -812 (or -0.5%) fewer than the same period the previous year (August 2025). Between August 2025 and August 2026, the number of payrolled employees in Scotland as a whole fell at a similar rate (-0.4%).

The number of payrolled employees in Fife fell each month between May and August 2026 unlike the same period in 2025 when the number of payrolled employees increased slightly over the same period (Chart 2).

Chart 2: Number of payrolled employees living in Fife 2024/25 and 2025/26



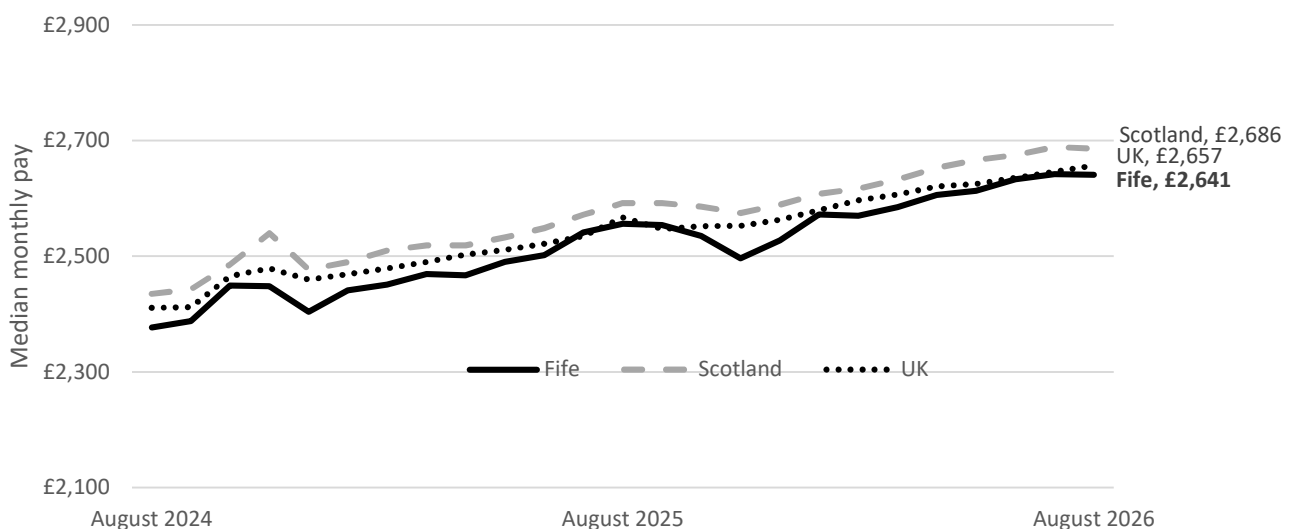
Source: Earnings and Employment from Pay As You Earn Real Time Information, seasonally adjusted, Office for National Statistics. The data are based on where employees live and not the location of their work.

3.0 HMRC EARNINGS

The latest estimates for August 2026 indicate that median monthly pay for payrolled employees in Fife was £2,641, an increase of 3.3% in nominal terms compared with the same period the previous year. This is similar to the annual growth in median monthly pay for payrolled employees in Scotland (+3.6%) and the UK (+3.5%) over the same period.

The latest estimated Fife median monthly pay is lower than those for Scotland and the UK (Chart 3).

Chart 3: Median Monthly Pay, Fife, Scotland and UK, August 2024 to August 2026, seasonally adjusted



Source: Earnings and Employment from Pay As You Earn Real Time Information, seasonally adjusted, Office for National Statistics. The data are based on where employees live and not the location of their work. Figures for August 2026 are likely to be revised.

PEOPLE NOT IN WORK

4.0 Unemployment Rate

In the 12 months to June 2026, Fife's unemployment rate was higher than the same period the previous year and higher than the unemployment rate for Scotland as a whole. An estimated 7,700 people aged 16 and over were estimated to be unemployed in Fife over this period.

Table 2: Percentage of economically active residents aged over 16 who are without a job but are actively seeking or waiting to start a job

	Unemployment Rate Jul 2025 – Jun 2026	Annual Change (2024/25 – 2025/26)		Difference with pre-pandemic rate (2019 – 2025/26)	
Fife	4.2%	+0.5 pp	↑	+0.5 pp	↑
Scotland	4.0%	+0.4 pp	↑	+0.5 pp	↑

Source: Model-Based Estimates of Unemployment, Jul-Jun datasets, Office for National Statistics. The changes shown represent the difference in percentage points (pp) between the latest rate and the rates for previous periods.

5.0 Economic Inactivity Rate

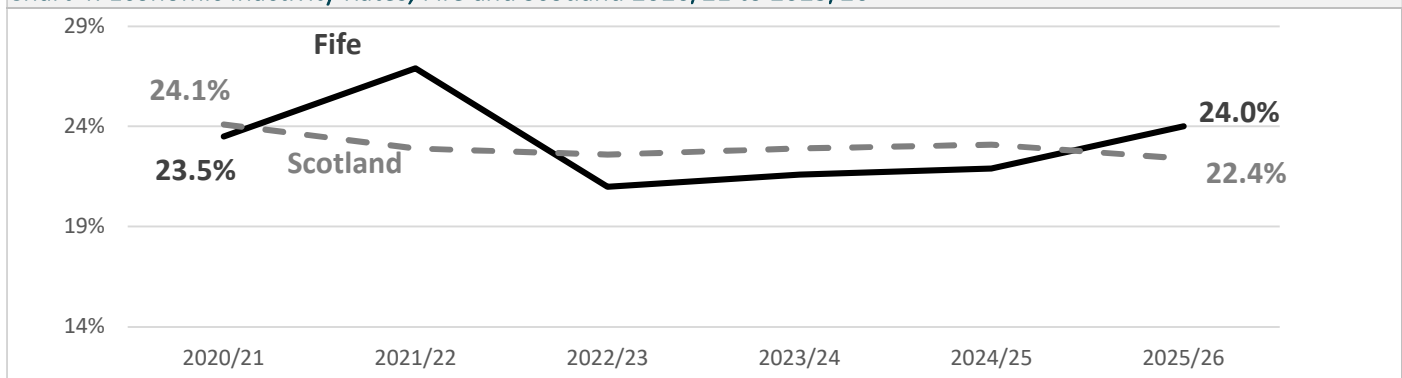
An estimated 55,500 people in Fife, **24.0% of the area's working age population**, were 'economically inactive'¹ during the year ending June 2026. This is more people than the same period the previous year (49,500) and more than in 2019, prior to the Covid pandemic (53,100). Fife's economic inactivity rate rose above the Scottish rate in 2025/26 after falling below it in 2022/23, 2023/24 and 2024/25 (Chart 4). Fife's rate is also more volatile than the Scottish rate, which could be related to the fact that Fife estimates are less robust than those for Scotland due to smaller sample sizes at the sub-national level.

Table 3: Percentage of working age (16-64) residents who are neither working nor seeking or available to work

	Economic Inactivity Rate Jul 2025 – Jun 2026	Annual Change (2024/25 – 2025/26)		Difference with pre-pandemic rate (2019-2025/26)	
Fife	24.0%	+2.1 pp	↑	+0.8 pp	↑
Scotland	22.4%	-0.7 pp	↓	-0.1 pp	↓

Source: Annual Population Survey, Jul-Jun datasets, Office for National Statistics. The changes shown represent the difference in percentage points (pp) between the latest inactivity rate and the rates for previous periods.

Chart 4: Economic Inactivity Rates, Fife and Scotland 2020/21 to 2025/26



Source: Annual Population Survey, Jul-Jun datasets, Office for National Statistics.

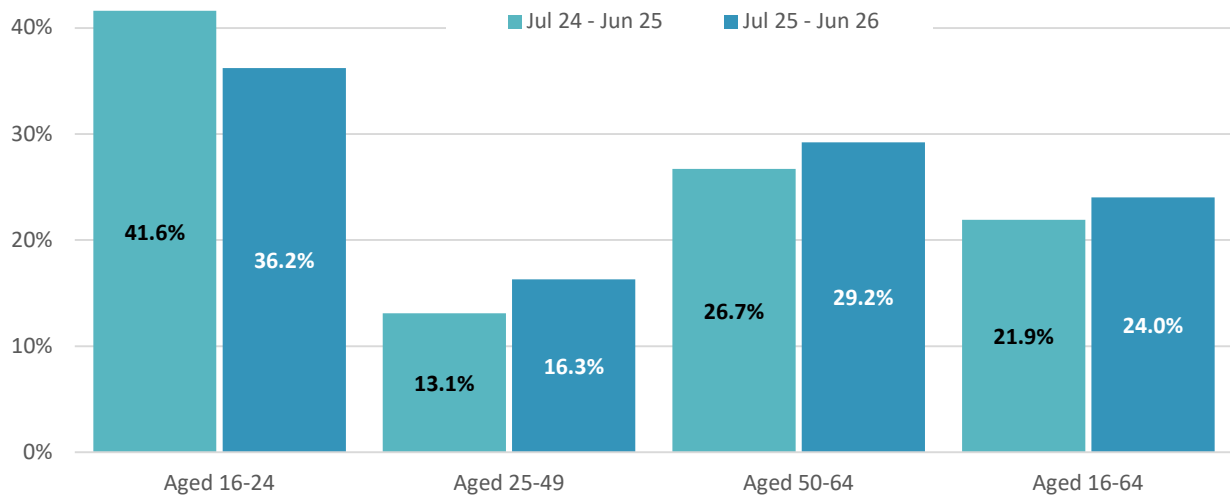
¹ Those who are economically inactive are people aged 16 and over without a job who have not sought work in the last four weeks and/or who are not available to start work in the next two weeks, ie they are neither employed nor unemployed. Economic inactivity estimates at the Fife level should be viewed with caution due to small sample sizes.

5.1 Economic Inactivity Rate by Age

The 16-24 age group had the highest rate of economic inactivity (36.2%) and the 25-49 age group the lowest (16.3%) during the 12 months to June 2026 (Chart 5).

Between 2024/25 and 2025/26, the proportion of people aged 16-24 who were economically inactive fell, whilst all other age groups saw inactivity increase.

Chart 5: Economic inactivity rates in Fife by age group, 2024/25 and 2025/26



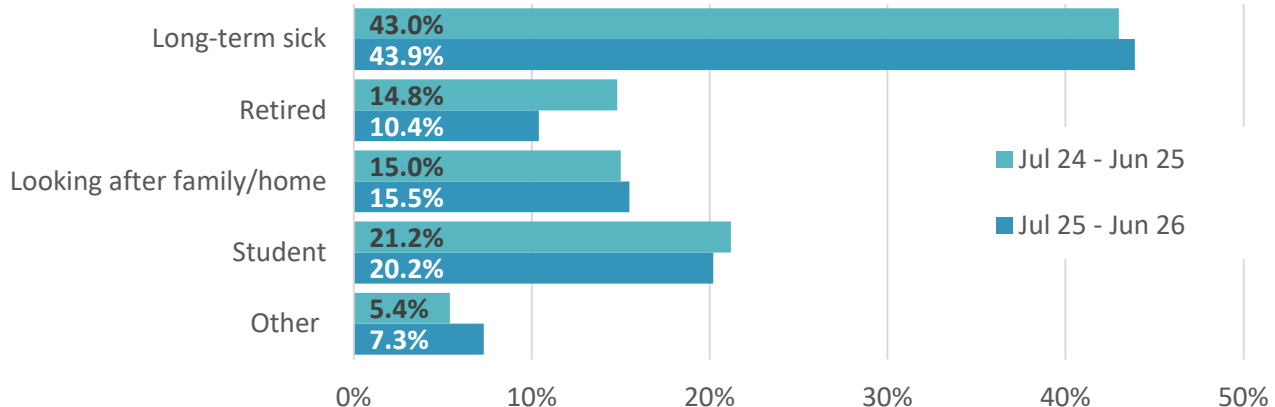
Source: Annual Population Survey, Jul-Jun datasets, Office for National Statistics. These estimates should be viewed with caution due to small sample sizes at the Fife level.

5.2 Economic Inactivity Rate by Reason for Inactivity

Long-term ill-health was the main reason given for not being in employment or seeking work in Fife. In the 12 months to June 2026, 43.9% of inactive people aged 16 to 64 (an estimated 24,300 people) gave their reason for being inactive as 'long-term sick or disabled' (Chart 6). This was higher than the Scottish rate (33.7%) and more people than the same period the previous year (an estimated 21,300 people).

Between 2024/25 and 2025/26, the number and proportion of those with caring responsibilities also increased while the number and proportion of people inactive due to retirement fell.

Chart 6: Reasons for Economic Inactivity in Fife, 2024/25 and 2025/26



Source: Annual Population Survey, Jul-Jun datasets, Office for National Statistics. These estimates should be viewed with caution due to small sample sizes at the Fife level.

6.0 Claimants of Out-of-Work Benefits (Claimant Count)

The information in this section is based estimates of the number of people claiming unemployment-related benefits collected by the Office for National Statistics (ONS) in its Claimant Count dataset. Due to the provisional nature of the latest monthly statistics (for September 2026), the average claimant counts and claimant rates for the last quarter (July - September 2026) are given for sections 6.2 – 6.6. All data are rounded to the nearest five and totals may not therefore equal the sums of breakdowns.

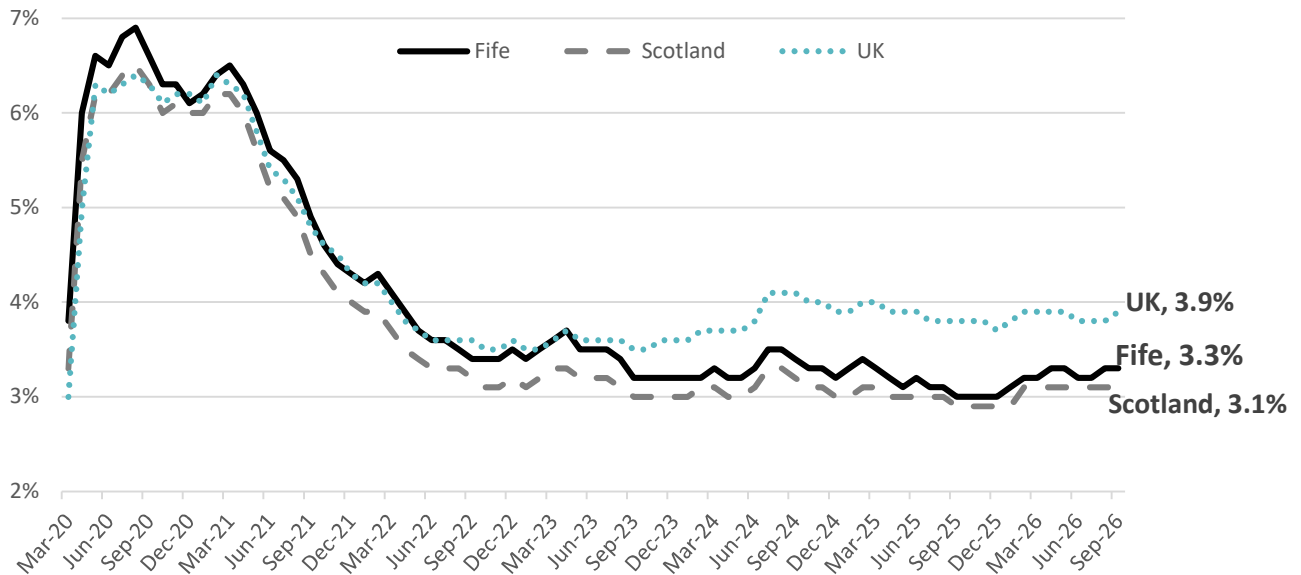
6.1 Fife, Scotland & UK Claimant Rates March 2020 - September 2026

After falling significantly in 2021 and 2022, the number and rate of people claiming out-of-work benefits in Fife has remained fairly steady. (Chart 7).

In September 2026, Fife's claimant rate was 3.3% with an estimated 7,495 people claiming out-of-work benefits in the region.

Fife's claimant rate has been below the 2019 pre-pandemic rate of 3.8% since May 2022. Fife's claimant rates are consistently higher than the rates for Scotland as a whole, but are below the UK rates.

Chart 7: Percentage of working age (16-64) residents claiming out-of-work benefits – Fife, Scotland and UK, March 2020 to September 2026



Source: ONS Claimant Count.

6.2 Profile of Fife's Out-of-Work Benefit Claimants

6.2.2 Age Profile

The 16-24 year old age group had the highest average claimant rate (4.4%) (Table 5).

There were more out-of-work benefit claimants in all age groups compared to the same period a year ago. The 25-49 and 50-64 year old age groups were the only age groups to have fewer claimants than the previous quarter (Apr-Jun).

Table 5: Age Profile of Claimants, July-September 2026

	Average Claimant Rate	Average Claimant Count	Claimant Count - quarterly change		Claimant Count – annual change	
16-24 year olds claiming benefits	4.4%	1,790	+75	↑	+240	↑
25-49 year olds claiming benefits	3.7%	4,085	-35	↓	+110	↑
50-64 year olds claiming benefits	1.9%	1,520	-40	↓	+90	↑
65+ year olds claiming benefits	0.2%	130	+15	↑	+20	↑
All people aged 16+ claiming benefits	3.3%	7,525	+15	↑	+460	↑

Source: ONS Claimant Count. The change represents the difference between the average claimant count for the latest quarter (Jul-Sep 2026), the previous quarter (Apr-Jun 2026) and previous year (Jul-Sep 2025).

6.2.3 Gender Profile

Fife's male claimant rate (3.9%) was significantly higher than the female rate (2.6%) (Table 6).

Both genders saw claimant numbers increase over the quarter and year.

Table 6: Gender Profile of Claimants, July-September 2026

	Average Claimant Rate	Average Claimant Count	Claimant Count - quarterly change		Claimant Count - annual change	
Female claimants	2.6%	3,150	+10	↑	+245	↑
Male claimants	3.9%	4,375	+5	↑	+215	↑

Source: ONS Claimant Count. The change represents the difference between the average claimant count for the latest quarter (Jul-Sep 2026), the previous quarter (Apr-Jun 2026) and previous year (Jul-Sep 2025).

6.3 Breakdown of Claimants by Fife's Local Committee Areas²

The city of Dunfermline was the only part of Fife to see claimant rates and numbers increase compared to the previous quarter.

In all areas claimant rates were higher than a year ago apart from in North East Fife.

The Kirkcaldy Area had the highest number and rate of people claiming out-of-work benefits; North East Fife and South & West Fife had the lowest.

Table 7: The average number and rate of out-of-work benefit claimants by Local Committee Area, Jul-Sep 2026

	Claimant Count	Claimant Rate	Quarterly rate change		Annual rate change	
Cowdenbeath	1,035	4.1%	0.0		+0.2	
Dunfermline	1,050	2.7%	+0.1		+0.4	
Glenrothes	1,015	3.4%	0.0		+0.2	
Kirkcaldy	1,805	4.8%	0.0		+0.2	
Levenmouth	1,040	4.5%	0.0		+0.3	
North East Fife	830	1.8%	-0.1		-0.1	
South & West Fife	755	2.5%	-0.1		+0.1	
Fife	7,525	3.3%	0.0		+0.2	

Source: ONS Claimant Count. The change represents the difference in percentage points between the average claimant rates for the latest quarter (Jul-Sep 2026), the previous quarter (Apr-Jun 2026) and previous year (Jul-Sep 2025).

6.4 Breakdown by Gender and Local Committee Area

The number and rate of men claiming out-of-work benefits were both higher than the number and rate of women in all areas of Fife.

The greatest difference was in Levenmouth followed by the Cowdenbeath and Kirkcaldy Areas. The difference was lowest in South & West Fife.

Table 8: Average Claimant Counts and Rates by Gender, July-September 2026

	Female Claimant Count	Female Claimant Rate	Male Claimant Count	Male Claimant Rate
Cowdenbeath	420	3.2%	615	5.0%
Dunfermline	430	2.2%	620	3.2%
Glenrothes	440	2.8%	575	3.9%
Kirkcaldy	740	3.9%	1,065	5.8%
Levenmouth	420	3.5%	615	5.5%
North East Fife	370	1.6%	455	2.1%
South & West Fife	325	2.1%	425	2.9%

Source: ONS Claimant Count.

² Fife Council's seven [Area Committees](#).

6.5 Breakdown by Age and Local Committee Area

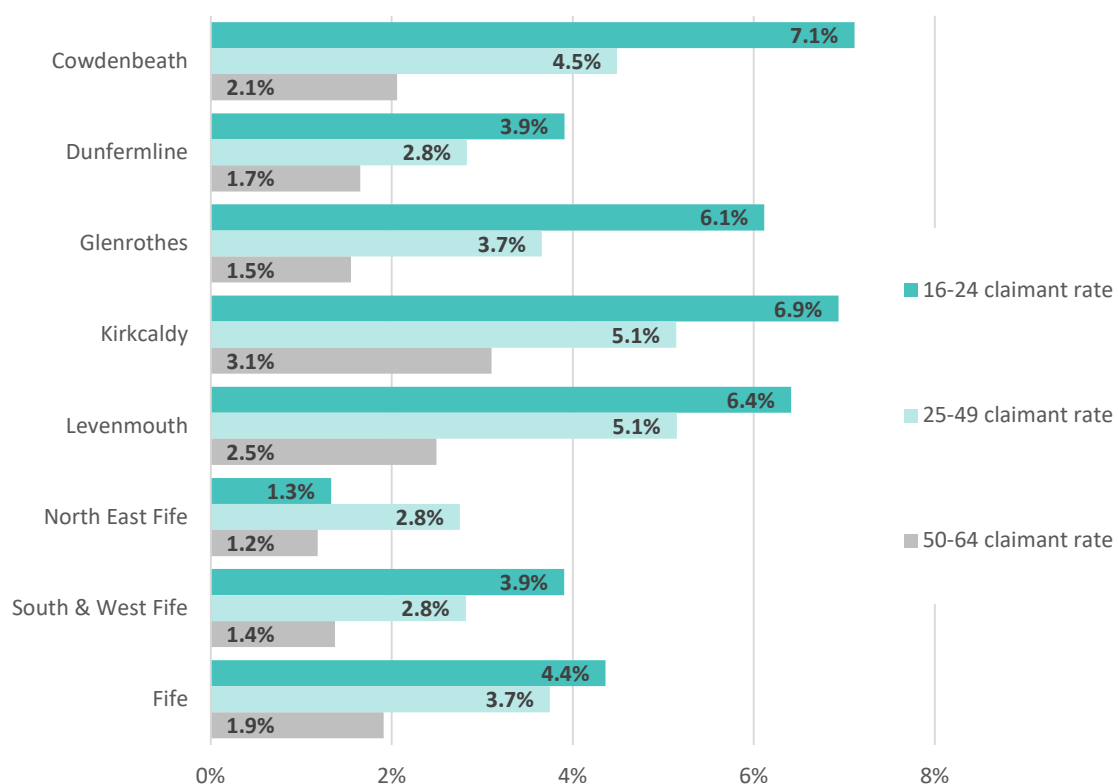
In all parts of Fife, with the exception of North East Fife, **16-24 year olds had the highest rate of people claiming out-of-work benefits** of the three main working age groups (Chart 8).

In the Glenrothes and Kirkcaldy Areas and Levenmouth, over 6% of young people aged 16-24 years were claiming out-of-work benefits; in the Cowdenbeath area over 7% were claimants.

North East Fife had a particularly low 16-24 year old claimant rate (1.2%).

Dunfermline, North East Fife and South & West Fife had the lowest claimant rates for people aged 25-49 years (2.8%).

Chart 8: Average Claimant Rates by Age Group, July-September 2026



Source: ONS Claimant Count, Jul-Sep 2026 average rates.

6.6 Breakdown of Claimants by Electoral Ward

Kirkcaldy Central, Kirkcaldy East and Buckhaven, Methil & Wemyss Villages remained the electoral wards with the highest claimant rates in Fife.

Table 9: Electoral Wards with the Highest and Lowest Claimant Rates in Fife, July-September 2026

WARDS WITH THE HIGHEST CLAIMANT RATES		WARDS WITH THE LOWEST CLAIMANT RATES	
Kirkcaldy Central	6.7%	East Neuk & Landward	2.1%
Kirkcaldy East	5.6%	Inverkeithing & Dalgety Bay	2.1%
Buckhaven, Methil & Wemyss Villages	5.5%	St Andrews	0.8%

Source: ONS Claimant Count, Jul-Sep 2026 average rates.

JOB POSTINGS³

7.0 Number and Type of Job Postings

There were 9,294 unique postings for jobs in Fife between July and September 2026. This was -3% or 354 fewer job postings than the previous quarter (April - June 2026) but 17.2% more than between July and September 2025.

The median advertised salary was £14.49 per hour.

Employment Activities⁴ saw the largest number of job postings followed by Human Health Activities (Table 10).

Care Workers & Home Carers were the most posted occupation followed by Cleaners & Domestics. (Table 11).

Table 10: Top Posting Industries

Industry	Number of unique job postings Jul-Sep 2026
Employment activities ⁴	1,650
Human health activities	696
Public administration and defence; compulsory social security	607
Retail trade, except of motor vehicles and motorcycles	519
Food and beverage service activities	434
Education	401
Residential care activities	354
Manufacture of other transport equipment	238
Services to buildings and landscape activities	203
Accommodation	202

Source: Lightcast. Industries defined using 2-digit Standard Industrial Classification (SIC) code definitions.

Table 11: Top Posted Occupations

Occupation (Standard Occupational Classification)	Number of unique job postings Jul-Sep 2026
Care Workers and Home Carers	448
Cleaners and Domestics	398
Chefs	314
Sales Related Occupations (not elsewhere classified)	282
Kitchen and Catering Assistants	214
Sales and Retail Assistants	209
Other Registered Nursing Professionals	164
Customer Service Occupations (not elsewhere classified)	163
Delivery Persons & Van Salespersons	150
Managers and Directors in Retail and Wholesale	143

Source: Lightcast.

³ Job postings are job vacancies that employers advertise online.

⁴ Employment Activities = activities of employment placement agencies & other human resources provision.

DATA SOURCES

The data used in this update come from the following sources:

Annual Population Survey

The Office for National Statistics' (ONS) Annual Population Survey (APS) provides data on employment, unemployment and economic inactivity.

Data are obtained from a sample survey and are therefore subject to some error. In addition, over the last several years, and particularly since the pandemic, sample sizes have fallen dramatically. The ONS states that although the APS estimates are robust at a national (Scottish) level, there are concerns with the quality of estimates for smaller groups of the population, for example local authority level estimates. Users are therefore advised to note the increased uncertainty around the estimates for employment, unemployment and economic inactivity.

Earnings and Employment from Pay As You Earn Real Time Information, seasonally adjusted

This Office for National Statistics dataset provides earnings and employment statistics from Pay As You Earn (PAYE) Real Time Information (RTI) at the UK, NUTS 1,2 and 3 areas and local authorities each month - [Earnings and employment from Pay As You Earn Real Time Information, seasonally adjusted - Office for National Statistics](#). The data are based on where employees live rather than the location of their work and are official statistics in development.

Claimant Count

Claimant counts and claimant rates given in this update are based on experimental data collected by the Office for National Statistics. The claimant count represents the number of people claiming Jobseeker's Allowance plus the number of people on Universal Credit who are required to search for work and are available for work.

Universal Credit replaces six legacy benefits and tax credits (including Jobseeker's Allowance and Income-related Employment and Support Allowance) and was fully introduced in Fife on 6 January 2017 after initially going live in the region in April 2016.

Universal Credit requires more people to look for work than was the case for legacy benefits; new claimants who are waiting on or appealing Work Capability Assessments are also required to look for work. In addition, from May 2024, the Department for Work and Pensions rolled out an increase in the administrative earnings threshold for full work search conditionality.

The claimant count dataset is still classified by the ONS as experimental statistics. These figures are also not seasonally adjusted so that each month's figures will be influenced by seasonal effects. Please note that care should therefore be taken when analysing and interpreting the figures.

For more information and to access all the labour market statistics from official sources for the UK visit www.nomisweb.co.uk.

Job Postings

[Lightcast](#) provides detailed local labour market insights and job posting analytics to enable the identification of trends across industries and regions to see what skills are in demand.

For further information about the content of this publication, or to request any bespoke economic information, please contact fifemeansbusiness@fife.gov.uk

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