



ManpowerGroup™

FLOODS GIVE UK JOBS MARKET UNEXPECTED BOOST

MANPOWER EMPLOYMENT OUTLOOK SURVEY REVEALS EVERY SECTOR OF THE UK ECONOMY PLANNING TO HIRE FOR THE FIRST TIME SINCE 2008

- **National Outlook of +6% in Q2 2014**
- **Construction firms planning to recruit for the first time in six years**
- **Big Business hiring at strongest level in a decade**

11 MARCH 2014: The UK's Employment Outlook has been given a boost by the dreadful weather experienced across the country in the winter months, according to ManpowerGroup, the world leader in innovative workforce solutions. With an Outlook of +6%, employers across the UK intend to take on staff in the second quarter of 2014 as the economic recovery gathers momentum. And for the first time since 2008 employers in every sector are intending to hire.

The Manpower Employment Outlook Survey is based on responses from 2,112 UK employers. It asks whether employers intend to hire additional workers or reduce the size of their workforce in the coming quarter. It is the most comprehensive, forward-looking employment survey of its kind and is used as a key economic statistic by both the Bank of England and the UK government. The national Seasonally Adjusted Net Employment Outlook of +6%¹ indicates that the jobs market is marginally up on the first quarter of 2014 when the Outlook was +5%.

“The UK jobs market has reached a turning point. Whilst the overall outlook has been consistently positive now for a number of quarters, it's actually been six years since the employers we've interviewed have reported positive hiring plans in every single sector. In particular, the Construction forecast has been in negative territory since 2008 and was one of the sectors hardest hit by the recession, but with a score of +2% up from -6% last quarter, it has really bounced back. At last we can confidently say that the jobs market is starting to fire on all cylinders.” said ManpowerGroup UK Managing Director Mark Cahill.

Whilst government schemes like Help to Buy have undoubtedly given Construction a much needed shot in the arm, ManpowerGroup believes that the bad weather experienced across the UK throughout the winter could be responsible for the sector's leap into positive territory. Cahill continues: “With over 6000 properties flooded, and an average repair bill of £30,000-£40,000, the beneficiaries of all this extra work will be builders who are already being called in to repair homes. Even in areas where flooding has been less of a problem, the persistent and heavy rain will have highlighted problems with roofs that need fixing, and that should help boost demand for the sector. We could be talking about an economic gain of about quarter of a billion pounds to this industry alone.”

It's not just the Construction sector that may see a pickup from the floods. Utilities is another strong performer (+10%). The combination of floods and high winds left many people without power. Mark Cahill again, “The energy companies that operate the networks have had to bring in

¹ Unless otherwise stated, all figures reported are based on seasonally adjusted data.

extra engineers in recent weeks to restore power. The same companies are now having to take on extra staff to deal with both customer service issues and compensation claims. Looking ahead into next year, smart metering will soon be with us and we know from our conversations with the big utility firms that they are planning to take on more people to facilitate this roll out of new technology.” Elsewhere Agriculture Forestry and Fishing (+15%) has seen a big rise this time round. The need to hire extra labour to deal with flooded fields and ruined crops may be a factor to explain this strong performance.

Whilst UK businesses of all sizes are hiring, what is particularly interesting this quarter is the strong message emanating from large firms. Big businesses are more optimistic now (+17%) than at any time in the last decade. Mark Cahill: “Larger firms can afford to invest in initiatives such as graduate recruitment schemes and apprenticeships in a way that others simply can’t. There are long term benefits to be gained from big business hiring, such as training, which helps both job seekers and their future employers. A great example of this is BT which, in recent weeks, has pledged to create more than a thousand new apprentice and graduate jobs. After a sustained period of record youth unemployment, 2014 is promising to be the best year for young people and graduates in a long time.”

“The regional perspective for the second quarter of 2014 is also striking. Whilst London (+5%) stands in line with the overall national picture, the bright spots on our survey come from the places you’d least expect them such as the North East (+11%) and Wales (+12%). Many have tried to write off the North East’s prospects – it was only last summer that the area was famously written off in Parliament as being ‘desolate’ but if you look at its performance in our survey, it’s been a good year for the region. We’re even expanding our own operations in the North East with the opening of a new regional hub in Newcastle.”

The least optimistic forecast this time round is reported by employers in Northern Ireland. With a score of -4% it is the only part of the United Kingdom which does not indicate positive hiring intentions for the second quarter of 2014.

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NOTES TO EDITORS

A 'Net Employment Outlook' is calculated by subtracting those employers who plan to reduce staffing levels from those who plan to hire staff. A positive result indicates that more employers plan to increase rather than decrease staffing levels; a negative result reflects the opposite. [% increase - % decrease]

Commentary and full details on every sector and region can be found in the survey report at manpower.co.uk/meos, or by calling the Press Office on 0207 404 5959/ manpower@brunswickgroup.com

For international comparisons and visual library with graphs, visit manpowergroup.com

Commentary is based on seasonally adjusted data where available. Full survey results for each of the 42 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at www.manpowergroup.com/meos. In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>

Note that in Quarter 2 2008, the Survey adopted the TRAMO-SEATS model for seasonal adjustment of data. As a result, you may notice some seasonally adjusted data points change slightly from previous reports. This model is recommended by the Eurostat department of the European Union and the European Central Bank, and is widely used internationally.

About the Survey

The world leader in innovative workforce solutions, ManpowerGroup releases the Manpower Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling nearly 66,000 employers in 42 countries and territories. The survey serves as a bellwether of labour market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine where labour markets are headed.

About ManpowerGroup

ManpowerGroup™ (NYSE: MAN) is the world leader in innovative workforce solutions that ensure the talent sustainability of the world's workforce for the good of companies, communities, countries, and individuals themselves. Specialising in solutions that help organisations achieve business agility and workforce flexibility, ManpowerGroup leverages its 65 years of world of work expertise to create the work models, design the people practices and access the talent sources its clients need for the future. From staffing, recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organisations in a world where talentism is the dominant economic system. Every day, ManpowerGroup connects more than 630,000 people to work and builds their experience and employability through its relationships with 400,000 clients across 80 countries and territories. ManpowerGroup's suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™ and Right Management®. ManpowerGroup was named one of the World's Most Ethical Companies for the third consecutive year in 2013, confirming our position as the most trusted brand in the industry. Learn more about how ManpowerGroup can help you win in the Human Age at www.manpowergroup.co.uk and www.manpowergroup.com

About Manpower UK

Manpower is the global leader in contingent and permanent recruitment workforce solutions. It is part of ManpowerGroup, the world leader in innovative workforce solutions, which creates and delivers high-impact solutions that enable clients to achieve their business goals and enhance their competitiveness.

With a network of 300 offices in cities across the country, Manpower has provided organisations in the UK with a continuum of staffing solutions from the incidental to the strategic for 55 years, working with businesses such as BT, IBM, Royal Mail and Xerox to help them win.

In the Human Age, where talent has replaced access to capital as the key competitive differentiator, Manpower UK leverages its trusted brand to develop a deep talent pool, providing clients with access to the people they need, fast.

Manpower UK creates powerful connections between organisations and the talent they need to enhance their competitiveness and unleash their workforce potential. By creating these powerful connections, we help everybody achieve more than they imagined, and power the world of work.

For more information, see www.manpower.co.uk