



NORTH EAST JOB OPTIMISM WOBBLER AS ARTICLE 50 APPROACHES

MANPOWERGROUP EMPLOYMENT OUTLOOK SURVEY REVEALS SLIGHT FALL IN NORTH EAST EMPLOYMENT OPTIMISM

- **Outlook of +5% for the region**
- **Opportunities available in call centres and technical roles**
- **Employers looking to apprenticeships and other on-the-job training to make up for talent shortages**

14 MARCH 2017: Employment optimism in the North East has fallen slightly in the weeks leading up to Article 50 being triggered according to ManpowerGroup, the world's workforce experts. The Outlook for the region is down one point to +5%, matching the national average.

The ManpowerGroup Employment Outlook Survey is based on responses from 2,119 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.

Amanda White, Head of Specialist Markets for Manpower, said: "Employment in the region has held fairly steady as we approach the triggering of Article 50. The region's employers have recorded a slight fall in optimism, but we have seen much bigger falls elsewhere in the country.

"Despite the slight fall in optimism, the region has some real bright spots so job-seekers should be optimistic. Investment in infrastructure and new building projects in Newcastle and elsewhere in the region is fueling job creation in the construction sector, but skills shortages remain a huge problem. Bricklayers are in such high demand that they can earn more than £50K a year in the Tyne and Wear. Employers are reacting to the twin challenges of a skills shortage and an ageing workforce by providing more funding for apprenticeships.

"We're seeing lots of new opportunities in the region's call centres and employers are continuing to compete to find candidates for more technical roles. Jobseekers are increasingly reluctant to commute long distances, so employers are having to dig deep into local talent pools to find the people they need. Some employers are becoming more open to taking on staff with less relevant experience and offering on-the-job training."

Nationally, private sector hiring has dropped to its weakest level since Q1 2014. Employers in six of the nine sectors surveyed reported a falling Outlook. The overall Net Employment Outlook, which includes both public and private sector employers, has dropped two points to +5%.

Mark Cahill, ManpowerGroup UK Managing Director: "The impending trigger of Article 50 is clearly affecting confidence in the jobs market. The private sector plans to hire at its slowest

rate since 2014 (+4%), with only construction, manufacturing and transport and communications planning to hire at previous levels. The employment rate is at its highest level since records began in 1971, but if you lift the bonnet to look at the engine of the economy, job creation has slowed and employers are becoming more cautious. The companies which have powered Britain's economy through the immediate post-referendum period are easing off the gas."

All but five regions report falling Outlooks for the coming three months compared to the previous quarter. The biggest fallers are the two strongest Remain-supporting areas of the UK: Scotland, down 11 points to -3% and London, down five points to +3%. The West Midlands, the South West and Yorkshire & the Humber all fell three points to +5%. The South East is down one point to +4%. Northern Ireland and the North West are the only risers, both up three points to +7% and +6%, respectively. Three other regions report unchanged Outlooks: the East (+9%) is still the most optimistic region ahead of the East Midlands (+8%), while Wales (+2%) reports the second weakest outlook in the UK.

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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 manpowergroup.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 43 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 ManpowerGroup 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 over 58,000 employers in 43 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's workforce expert, creating innovative workforce solutions for nearly 70 years. As workforce experts, we connect more than 600,000 people to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's

Most Ethical Companies for the sixth consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup makes powering the world of work humanly possible: www.manpowergroup.com.