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MANPOWERGROUP PAY LEAGUE 2014: NORTH EAST

- North East's manufacturing workers see big pay rises
- Region's pay is rising faster than the national average
- Workers in Stockton are the highest paid while Middlesbrough is bottom of the league – and Newcastle workers earn more than those in Sunderland

Pay in the North East is growing faster than the UK national average, with wages for the region's 100,000 manufacturing workers rising at more than double the overall regional average. That's one of the findings of the ManpowerGroup Pay League, a new series of local insights into UK pay trends from ManpowerGroup, the world leader in innovative workforce solutions.

ManpowerGroup's analysis is based on the Annual Survey of Hours and Earnings from the Office of National Statistics.

Average pay across the North East rose 2.1% – faster than across the UK as a whole, where pay has increased 1.6%. However, at an average of £23,400, annual pay in the North East is still nearly £4,000 lower than the UK average of £27,200.

While the overall trend is that pay is rising, there is a marked contrast between the fortunes of workers in some of the North East's key sectors.

Manufacturing jobs account for 11% of the region's workforce – around 100,000 jobs – and workers in this sector enjoyed a sharp pay rise of 5.4% last year. Manufacturing workers earn an average of £29,900, making them some of the best paid employees in the region.

However, workers in the region's largest sector, health and social work – who represent nearly 1 in 5 of those employed in the region – saw pay fall by 5.6% last year, to an average of £22,700.

Jason Greaves, Operations Director of Manpower UK, comments, "The fall in pay in health and social work could be due to the focus on hiring staff at lower pay grades following several years of job cuts, particularly in management. In contrast, companies in the region's manufacturing sector are looking to expand and need a range of roles to support this. While we are seeing strong demand for technical and engineering skills, these employers are also creating opportunities for administrative staff. And when roles are under-supplied, workers can negotiate better salaries, which is helping to push manufacturing pay up."

Strong pay growth in the manufacturing sector – and the fall in health and social work pay - are contributing to an increasing pay gap between the region’s men and women. Average annual pay for men in full-time work rose 2.8% to £30,800, while women saw their pay rise 1.4%, to £25,000.

Jason Greaves again: “An important reason for this growing gender divide is that many of the roles and industries which have thrived in the region in recent years still tend to be male-dominated, so it follows that the sharp pay rises in this sector will be enjoyed by more men than women. However, we are encouraged by some moves in the sector to support female workers, such as establishing ‘return to work’ programmes to encourage more women back into employment after taking time off to start families. In contrast, around three times as many women compared to men are employed in health and social work, so falling pay in the sector hits women hardest.”

The data also suggest that those living in Stockton-on-Tees are the region’s best paid, earning just over £25,000 annually – £5,000 a year more than employees in Middlesbrough. In the Tyne-Wear pay derby, average pay in Newcastle (£24,200) has nudged ahead of that in Sunderland (£22,100).

Jason Greaves, says: “There are many reasons for workers in the North East to feel optimistic about their pay as it is heading in the right direction, and we hope that this will help drive the economic recovery in the North East. There are a number of great vacancies in the region right now, including call centre and warehouse opportunities with large national employers.”

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About ManpowerGroup UK

For 65 years, ManpowerGroup has been dedicated to enriching people’s lives with quality employment and training opportunities. Together, our comprehensive family of brands offers the full spectrum of workforce solutions needed to address the complex challenges businesses face. ManpowerGroup’s suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™ and Right Management®. From contingent and permanent recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organisations.

ManpowerGroup UK has more than 30,000 people on assignment in any given week and through 300 locations, services the needs of 5,000 employers each year.

In 2014, ManpowerGroup was named one of the World’s Most Ethical Companies for the fourth consecutive year, confirming our position as the most trusted brand in the industry.

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

About the ManpowerGroup Pay League

ManpowerGroup's Pay League analysis is based on data from the Annual Survey of Hours and Earnings (ASHE). ASHE is based on a one per cent sample of employee jobs taken from HM Revenue & Customs (HMRC) PAYE records, collated and analysed by the Office for National Statistics (ONS). The data does not include self-employed workers. The latest data was published in December 2013 and full data tables can be found on the ONS website.