

## MANPOWERGROUP PAY LEAGUE 2014: WEST MIDLANDS

- West Midlands pay is rising faster than the national average, but there are sharp local contrasts across the region
- Growing West Midlands pay gap between men and women
- Long hours don't always mean higher rewards: Stoke workers might work more hours than those in Solihull but they earn less

People in Sandwell earn on average £9,000 a year less than those in Solihull but still end up working two weeks a year longer. 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. ManpowerGroup is one of the region's biggest recruiters with clients such as Jaguar Land Rover based in Solihull.

The best-paid towns in the West Midlands region are Warwick, Solihull and Rugby, where average annual pay is over £30,000. Meanwhile at the other end of the table people in places like Sandwell, Walsall and Redditch can expect to earn an average of £21,000 a year. Those in the region's biggest cities, Birmingham and Coventry, earn on average around £24,000 a year, compared to the national average of £27,200.

Despite earning less, workers in places like Sandwell are working just as hard if not harder than their counterparts in more affluent areas. Based on the average number of hours they work each week, employees in Sandwell work on average two weeks a year more than those living in areas such as Solihull.

Whilst the gap in pay from one town to another in the West Midlands is large, there is more encouraging news from the region as a whole. Across the West Midlands average annual pay – up 4.2% – has risen three times faster than across the UK as a whole, where pay has increased 1.6%.

James Hick, UK Managing Director of ManpowerGroup Solutions, says: "There are reasons for workers in the West Midlands to have a spring in their step. We've known for a while that the employment prospects for people in this part of the UK have been above average but pay has been a lagging indicator. Pay levels are starting to rise across the region and that should help drive the economic recovery in Birmingham and the surrounding areas as confidence continues to return."

"From our experience in the West Midlands, we have certainly noticed in recent weeks that while some companies are still being cautious regarding pay, candidates are coming back stronger in demanding and negotiating higher salaries."

Despite government attempts to bring down the gap in pay between men and women, it seems that as far as the West Midlands goes, the gap is getting wider. In the last year average hourly pay for men in the West Midlands rose by 3.1%, but for women it went up by just 1.9%.

"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," continues James Hick.

"Our analysis shows that regional pay in industries such as Manufacturing has performed solidly, with average pay increasing 4.4% in the last year. Skilled trades in metalworking and electronics have also done very well, with pay increasing by 4.7% annually – three times above the national average. The West Midlands has a long heritage as a powerhouse in these industries, so this is good news for the region. But it also means that pay growth disproportionately benefits men. With the rebound we're starting to see in the Construction industry – another sector where men far outnumber women – this trend could well continue."

The data also suggest that the West Midlands is a buoyant market for highly skilled candidates in the fields of science, engineering and technology. The average salary in these roles is £38,500 a year, several thousand pounds a year more than similar skilled professionals tend to earn in Wales or the East Midlands.

James Hick again: "Demand for professionals in IT, science and technology has increased sharply in recent years. Competition for talent is intensifying – it's increasingly common for top candidates to get counter-offers from their current employers, who are desperate to keep their best people. Given the talent shortages in these areas, it's no surprise that wage growth has followed. Candidates with in-demand skills can now earn thousands of pounds a year more than professionals in fields like healthcare and education. As the technology that drives our economy becomes increasingly sophisticated, more and more employers in the West Midlands are depending on people with real technical expertise to stay ahead."

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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.