

INVESTMENT IN NORTH EAST BOOSTS JOB PROSPECTS

MANPOWER EMPLOYMENT OUTLOOK SURVEY REVEALS HIRING INTENTIONS IN THE NORTH EAST FALL BELOW NATIONAL AVERAGE

- **Employment Outlook of +6% for the North East**
- **Talent shortages in Newcastle creating competition between employers**
- **Darlington and Sunderland benefitting from new investment in the region**

8 MARCH 2016: Investment in the North East is helping the region's employers to keep hiring according to Manpower, the world's workforce experts. At +6%, hiring intentions in the North East are below the national average of +7% and three points down on the last quarter, but remain firmly in positive territory.

The Manpower Employment Outlook Survey is based on responses from 2,100 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, Operations Manager at Manpower, said: "While the Outlook has fallen this quarter, it remains positive and there are definitely some opportunities for job seekers in the region. Demand for temporary workers has slowed, but companies are keen to hire permanent workers, especially engineers, IT professionals, car mechanics and financial account managers, all sectors where firms are struggling to find skilled professionals."

"We've seen some cautious optimism in Newcastle. Headcount in manufacturing, a major source of employment in the area, remains frozen, but competition for commercial candidates remains high. Firms really have to scarp for the best talent, especially for entry-level sales and marketing roles, specialist mechanics and electrical engineers. Employers in Darlington are also optimistic, in part because of the opening of the new Hitachi Rail facility in Newton Aycliffe. There's good news for Wearside with further investment from Rolls Royce, along with positive new car sales figures boosting Nissan's production facility, meaning more opportunities for workers."

Nationally, hiring intentions among Britain's employers in the first half of 2016 are at their strongest level since 2007. The national seasonally adjusted Net Employment Outlook is at +7% for the second consecutive quarter, a start to the year not seen for nearly a decade. But there are questions about whether this demand for talent can be fulfilled if Britain votes to leave the European Union.

James Hick, ManpowerGroup Solutions Managing Director: "British businesses continue to create the job opportunities that have helped get Britain back to work since the 2008 financial crisis. But while there's clearly the demand for workers, we also need to protect the supply of talent. Employers of all shapes and sizes rely on the free movement of people inside Europe to find the skills they need. The latest employment statistics showed that of the 521,000 jobs created in the last 12 months, 215,000 of these were filled by people from elsewhere in the EU. Let's be realistic: we simply won't be able to replace overnight the skills these people bring to the UK if we

leave the EU, and it's our economy that will suffer. Unemployment is at its lowest level since 2006 – it's unrealistic to suggest there's enough slack in the labour market out there to fill these jobs."

The West Midlands (+9%), the East (+10%), London (+10%), and the South West (+10%) all stand above the national average. The South East (+5%) and the East Midlands (+7%) both report falls from Q1 2016. The Outlooks in Wales (+3%) and Scotland (+6%) are in positive territory, while Northern Ireland reports its most positive outlook since 2007, at +8%. The picture in the north of England is mixed, with the North West (+2%) joining the North East below the national average, while Yorkshire & the Humber matches the national average at +7%.

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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 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 59,000 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) has been the world's workforce expert, creating innovative workforce solutions, for nearly 70 years. As workforce experts, we connect more than 600,000 men and women 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.

About Manpower UK

Manpower is the global leader in contingent and permanent recruitment workforce solutions. It is part of ManpowerGroup, the world's workforce expert, 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 nearly 60 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