

## **HIRING CONFIDENCE IN THE NORTH WEST DIPS IN THE SHADOW OF THE GENERAL ELECTION**

### **MANPOWERGROUP EMPLOYMENT OUTLOOK SURVEY REVEALS THAT HIRING CONFIDENCE HAS BEEN SHAKEN IN RECENT MONTHS**

- **Outlook of +3% for the region, down 3 points**
- **Manufacturing and logistics are important source of employment**
- **Amazon fulfilment centre in Warrington expected to create 1,200 jobs**

**13 JUNE 2017:** In the first employment survey to be published since the General Election, confidence among employers in the North West has dropped by three points to +3% this quarter, according to ManpowerGroup, the world's workforce experts. This drop leaves the region's Outlook trailing the national average.

The ManpowerGroup Employment Outlook Survey is based on responses from 2,109 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: "Having outperformed all other regions for hiring confidence last quarter on the back of a prospective manufacturing boom, confidence in the North West has taken a dip. It has been a turbulent few months, with the triggering of Article 50 and last week's General Election, so it is hardly surprising that this has impacted hiring plans."

"We are seeing some big recruitment for contact centres in the region and in Warrington, an Amazon fulfilment centre is expected to create 1,200 jobs, including operations managers, engineers, HR and IT specialists. This will build on existing regional strength in warehouse and logistics employment. Manufacturing continues to create jobs in the region, including warehouse and chemical operatives. We are seeing strong demand too for salespeople and for people with foreign language skills."

"Although some of these metrics paint a positive picture for the region, the availability of suitable candidates is proving challenging for employers, with the best candidates often interviewing for multiple roles before choosing the most attractive offer. There is a need for companies to tap into new pools of talent to satisfy demand, as well as employing a broader range of sourcing strategies to reach both candidates that are actively looking, as well as those who could be convinced to join an organisation for the right offer."

Nationally, companies are demonstrating cautious optimism with an Outlook of +5%, despite a triple whammy of uncertainty over the last few months - a snap election, the triggering of Article 50, and weak economic data for the first half of 2017. Whilst on first glance the election

uncertainty might appear unhelpful to employers, ManpowerGroup believes that the shock result could offer hope for businesses who had feared the impact of a hard Brexit on hiring.

James Hick, ManpowerGroup Solutions Managing Director: “You might have expected hiring confidence to have taken a real hit, but employers have been standing firm. However, unquestionably they feared the outcome of a hard Brexit on the jobs market. The election result throws into question the Conservative commitment to slash immigration to the “tens of thousands” and double the levy on non-EU workers to £2,000. The simple truth is that some sectors will stall without skilled workers from overseas, which could result in the UK economy entering a tailspin.”

Hick continues: “People might be surprised to learn that in the last year 80,000 Bulgarians and Romanians entered the UK workforce, while the size of the UK-born workforce did not increase at all<sup>1</sup> – demonstrating just how accustomed we have become to a steady stream of labour from overseas. Slamming the door shut will leave us seriously exposed.”

It is a diverse picture across the regions this quarter. While Yorkshire and Humber is top of the regional charts, London is also riding high, with a five point jump this quarter, to +8%. It's a mixed picture in the west: the West Midlands is up four points to +9%. But the South West is down three points to +1% (its lowest level in since 2014), and the North West is also down three points to +3%. In the east of the country it's also a pretty uneven picture: the North East and East of England are both in line with the national average (+5%) whereas the South East is up five points to +9%, but the East Midlands has slipped to +3%, its least optimistic outlook in over six years. Northern Ireland (+4%) and Scotland (+2%) are both below the national average and Wales is at the bottom of the regional table with an Outlook of 0%, the lowest level for the country since 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 [manpowergroup.co.uk/meos](http://manpowergroup.co.uk/meos), or by calling the Press Office on 0207 404 5959/ [manpower@brunswickgroup.com](mailto:manpower@brunswickgroup.com)

For international comparisons and visual library with graphs, visit [manpowergroup.com](http://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](http://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>

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<sup>1</sup> Office for National Statistics, UK labour market statistical bulletin, May 2017.

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/employmentbycountryofbirthandnationalityemp06>

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:

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