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LONDON JOBS MARKET SLOWS AS FINANCE SECTOR CUTS JOBS

- **Brexit concerns hit jobs market in the capital**
- **Employment Outlook in London drops two points to just +1% for the quarter ahead**
- **Finance and business services confidence falls into negative territory for only the second time in more than a decade**

12 MARCH 2019: The London jobs market is continuing to roll back for the second consecutive quarter, with confidence down to just +1%. This is according to the latest Employment Outlook Survey from ManpowerGroup which has revealed the impact of impending uncertainty around Brexit on the capital's key sectors.

The Finance and Business Services sector has dipped into negative territory for only the second time in the last decade, with an Outlook of -1%. With an average outlook of just +2% over the past year, the sector has recorded its least optimistic year since the depths of the financial crisis in 2009.

The ManpowerGroup Employment Outlook Survey is based on responses from 2,142 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.

Chris Gray, director at ManpowerGroup, comments, "This is one of the most cautious jobs markets that we've seen in the capital since the crash in 2009. With so much uncertainty surrounding the UK's exit from the EU, employers are holding back on their resource planning until they have more clarification. Much of London's fortunes can be attributed to the bellwether Finance and Business Services sector, yet this has continued to slump this quarter, with much talk of banks moving operations out of London in preparation for Brexit.

"The end of banks hiring to manage PPI claims and other is also now starting to filter. A massive £30bn has already been paid out requiring enormous amounts of administration and creating tens of thousands of jobs. Now we are getting to the end of this era, banks are seeing a huge boost in profits – Lloyds, Barclays, HSBC and RBS made a combined profit of £23.9bn last year – and the pipeline of compliance and customer service jobs that have boosted the sector over the past few years is drying up."

Chris continues: "This is not to say that it is all doom and gloom in London: we're seeing a continued demand for drivers to meet the growth in home shopping and delivery. These roles are usually based around the outside of the Capital. We're also seeing continued demand for customer service roles in a range of businesses. And our clients in the leisure and hospitality sectors are also taking on staff. However, employers are certainly taking a more cautious view – they're more likely to make a temporary hire than a permanent appointment at the moment."

The forecast for the rest of the country is equally subdued. Ten out of the UK's 12 regions reported a fall in confidence since last quarter, causing the national average to slip from +5%

to +4%. Hiring intentions outside of London are increasingly conservative heading into Spring almost across the board, including the East (down nine points to +3%), Wales (down nine points to 0%), the South West (down seven points to +1%) and North East (down five points to 0%). The only regions bucking this trend are the South East, which rebounded from a negative outlook of -2% in Q1 2019 to +5%, and Scotland, which is sluggish but unchanged at +2%.

-ENDS-

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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 020 7592 1200 / manpowergroup@brands2life.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 59,000 employers in 44 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), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for nearly 70 years. In 2019, ManpowerGroup was named one of Fortune's Most Admired Companies for the seventeenth year and one of the World's Most Ethical Companies for the ninth year in 2018, confirming our position as the most trusted and admired brand in the industry See how ManpowerGroup is powering the future of work: www.manpowergroup.com