



UK HIRING IN BEST EVER HEALTH AFTER JABS BOOST

- Employment Outlook at record high
- Hiring returns to the capital as London's Outlook bounces 53 points year-on-year
- Over a quarter of employers set to increase wages to attract and retain talent

London, 14 September: Employers in the UK have ambitious plans to increase their headcount at a record rate as they enter the fourth quarter, according to the latest ManpowerGroup Employment Outlook Survey. As London powers ahead of other regions, the national Outlook is at an all-time high of +32%, a 39-point increase compared to Q4 2020 as the UK adapts to life post-lockdown. Similarly, all sectors have swung back from negative Outlooks in 2020 to record highs for this coming quarter.

The ManpowerGroup Employment Outlook Survey is based on responses from 2,033 UK employers. The research asks employers in the UK if they intend to hire additional workers, maintain current headcount or reduce the size of their workforce in the coming quarter (October to December). It is the most comprehensive, forward-looking employment survey of its kind and is used as a key economic indicator by both the Bank of England and the UK Government. This coming quarter, a record, half of all employers (50%) intend to increase headcounts.

“The labour market has roared back to life for the fourth quarter, and it has topped last quarter's already record Outlook to hit +32%,” said Chris Gray, Director, ManpowerGroup UK. “This follows the rapid vaccine rollout across the UK and the end of restrictions this summer. However, the market is still reeling from Brexit and the turmoil of the last 18 months and demand for talent is fast outstripping supply. The economic rebound and growth in hybrid working means employees are being more selective about where they choose to work and are being presented with far greater opportunities than before. It's a perfect storm.”

Gray continues: “More than a quarter of employers in the UK are increasing wages as an incentive to fill roles, however we need to see a comparable rise in productivity to sustain these wage bumps. Some are turning to other benefits to entice new workers, we're seeing many offer joining bonuses, additional annual leave, enhanced training opportunities and hybrid working options – such as employees selecting their own shifts. These non-financial incentives are particularly popular in industries such as hospitality and retail where profit margins don't allow significant wage increases. Some of these changes aren't sustainable as a long-term solution to the talent gap. Employers need to think carefully about their potential to upskill and reskill workers in preparation for potential ongoing talent supply issues.”

London's Outlook was the lowest of all regions in Q4 of 2020 (-13%), however businesses in the capital now have one of the highest Outlooks at +40%, a 53 percentage-point increase

year-on-year. The Outlook in London correlates with the finance and business services sector as the industry's intention to hire is also breaking records, with an Outlook of +46%.

Gray continues: "As London represents a quarter of the UK's economic output, strong hiring intentions in the capital bodes well for the economy as a whole. Although a third of employers plan to offer hybrid working, people are returning to offices, amid an expected rise in hybrid home / office work in Q4, as a third of employers plan to offer flexible working locations. Employers across London are anticipating this shift, with coffee shops, restaurants and retailers all expecting a surge in footfall which goes hand in hand with increased demand for staff."

Elsewhere in the UK, firms are similarly keen to increase headcounts in the coming quarter, many are trying to hire their way out of a backlog caused by the last 18 months of turmoil. Gray added: "Take the Utility sector, reporting a huge surge in hiring, up 38 percentage points to +46% for the coming quarter."

"What we're hearing from our clients in this sector is that UK homeowners have been reticent to let people into their homes during the course of the multiple lockdowns, meaning meter readings and upgrades have been put on pause. With restrictions now relaxed energy companies are pushed to meet the backlog before the end of the year and turning to temporary staff to meet demand. Yet across the UK temporary roles are just as hard to fill as permanent ones, as a result 42% of employers are changing their terms and offering a 'choose your own shift pattern' to remain competitive."

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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 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.

The methodology used to collect the data for the Employment Outlook changed for Q4 2021. Respondents in prior quarters were contacted via telephone. With the shift to remote working and much higher reliance on the internet, survey responses are now being collected online. Respondents are members of double opt-in online panels and are incentivised to complete the survey. The question asked and the respondent profile remains unchanged. Size of organisation and sector are standardised across all countries to allow international comparisons.

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 58,000 employers across 43 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 hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantially more value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity - as a best place to work for Women, Inclusion, Equality and Disability and in 2021 ManpowerGroup was named one of the World's Most Ethical Companies for the 12th year - all confirming our position as the brand of choice for in-demand talent.