



2013 - “GAME CHANGING YEAR” FOR THE UK JOBS MARKET

MANPOWER EMPLOYMENT OUTLOOK SURVEY REVEALS JOBS MARKET SET FOR BEST YEAR SINCE 2007

- **Finance and Business Services boosted by the housing market recovery**
- **Retail sector set for best year for jobs since 2008**
- **North East hiring intentions bounce back after ‘desolate’ summer**

10 SEPTEMBER 2013: The UK’s Employment Outlook is set to end the year in its best position for six years, according to ManpowerGroup, the world leader in innovative workforce solutions. With an Outlook of +6%, employers across the UK are looking to take on staff in the fourth quarter of 2013, demonstrating that the jobs market is showing continued consistency, supporting the economic recovery.

The Manpower Employment Outlook Survey is based on responses from 2,104 UK employers. It asks whether employers intend to hire additional workers or reduce the size of their workforce in the coming economic 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. The National Seasonally Adjusted Net Employment Outlook of +6%¹ indicates sustained optimism in the UK jobs market, building on the third quarter of 2013 when the Outlook was +5% and ensuring that 2013 finishes with the strongest fourth-quarter forecast since before the financial crisis.

“The jobs market has suddenly become the hottest economic indicator in town thanks to the forward guidance issued by Mark Carney, the new Governor of the Bank of England,” said ManpowerGroup Solutions, UK Managing Director, James Hick. “Our survey shows that it’s going to take a while before we get to a situation where 750,000 new jobs are created, which will trigger a review of interest rates. But it also reveals that 2013 has been a game changing year for the UK jobs market in a number of key sectors.”

Finance and Business Services employers are out and out showing the most confident signs of hiring, reporting an Outlook of +16%. Hick continues: “Whilst the big banks have a new spring in their step, with Lloyds Banking Group and RBS poised to return to the market and Barclays about to embark on a big fundraising initiative, curiously job creation in the sector is actually all about fixing the mistakes of the past and avoiding problems in the future.”

“Firstly there’s the issue of mis-selling. At the beginning of 2013 we estimated that 20,000 new jobs had been created by the big banks for the sole purpose of servicing PPI claims. It looked like the issue was fading away but that was before this summer when we saw the likes of Barclays and Lloyds massively raise the amount of money set aside to deal with PPI claims. Victims of the latest mis-selling scandal, this time of CPP credit card insurance policies, will receive their share from a pot of nearly £1.5 billion. When added to the £1.5 billion recently set

¹ Unless otherwise stated, all figures reported are based on seasonally adjusted data.

aside for dealing with PPI claims, this brings the bill for mis-selling to £3 billion in the last few weeks alone. This will undoubtedly translate into jobs.”

“Looking to the future we see further finance jobs in the pipeline. Take the mortgage market: new rules being introduced from next April will mean that anyone selling a mortgage will need to hold a relevant mortgage qualification. We expect financial institutions to gear up for this by taking on staff with the necessary skills. With the housing market emerging from the doldrums, and the introduction of the Help to Buy scheme, this should be a ripe area for jobs in 2014.”

2013 has also been a transformative year for the High Street and our survey shows the Retail sector forecast is up at +3% this quarter. James Hick again: “It’s incredible to think that at the turn of the year we had a series of big names like Comet, Blockbuster and HMV collapsing into administration and yet amazingly employers in the Retail sector have reported their most optimistic year since 2007.”

“HMV is a good case in point, the business has emerged from collapse and they’re now looking to take on staff to work in stores in places like Birmingham. Of course retailers don’t just need staff in stores. As the shift to online shopping continues we’ve noticed a rise in demand for “lifestyle couriers”, self-employed drivers who deliver goods ordered online to people’s homes in their local area. This is supporting and transforming both the retail and the parcel industries. What’s more these are jobs that don’t require extensive training. Such roles appeal to retired people and also parents who want the flexibility to work around the school day.”

Perhaps the most surprising finding of this quarter is the regional breakdown. Whilst it has long been common to read about the strength of the jobs market in London (+3%) and the South East (+7%) in the run up to and beyond the Olympics, the region that sticks out right now is the North East with a positive score of +10%.

“It would be foolish to say that the North East is in for a jobs boom, but the region has been unfairly labelled this summer as ‘desolate’ when there are some signs of optimism,” says James Hick. “For example the energy company npower is hiring for its contact centres in the region right now and we’ve also seen a number of engineering companies in the North East recruiting project managers and skilled staff for offshore wind turbine projects. In fact, employers in the Utilities sector in our survey report an upbeat Outlook of +13% this time round.”

“It’s not just employers in the North East who are expressing more optimism. In fact, those in the North West also show positivity. The region’s Outlook of +14% is the strongest forecast in 6 years. Employers in the East of England expect a similarly steady hiring pace and also report an Outlook of +14%. Scotland has shown steady signs of improvement ending this year on a +4%. Employers in just two regions record a negative score this time round with Yorkshire and Humberside on -3% and Northern Ireland also on -3%. Employers in Northern Ireland have not reported a positive Outlook at any point in the last year.

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 manpower.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 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 66,000 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) is the world leader in innovative workforce solutions that ensure the talent sustainability of the world's workforce for the good of companies, communities, countries, and individuals themselves. Specialising in solutions that help organisations achieve business agility and workforce flexibility, ManpowerGroup leverages its 65 years of world of work expertise to create the work models, design the people practices and access the talent sources its clients need for the future. From staffing, recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organisations in a world where talentism is the dominant economic system. Every day, ManpowerGroup connects more than 630,000 people to work and builds their experience and employability through its relationships with 400,000 clients across 80 countries and territories. ManpowerGroup's suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™ and Right Management®. ManpowerGroup was named one of the World's Most Ethical Companies for the third consecutive year in 2013, confirming our position as the most trusted brand in the industry. Learn more about how ManpowerGroup can help you win in the Human Age at manpowergroup.co.uk and manpowergroup.com

About Manpower UK

Manpower is the global leader in contingent and permanent recruitment workforce solutions. It is part of ManpowerGroup, the world leader in innovative workforce solutions, 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 55 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 manpower.co.uk