



UNDER STRICT EMBARGO:

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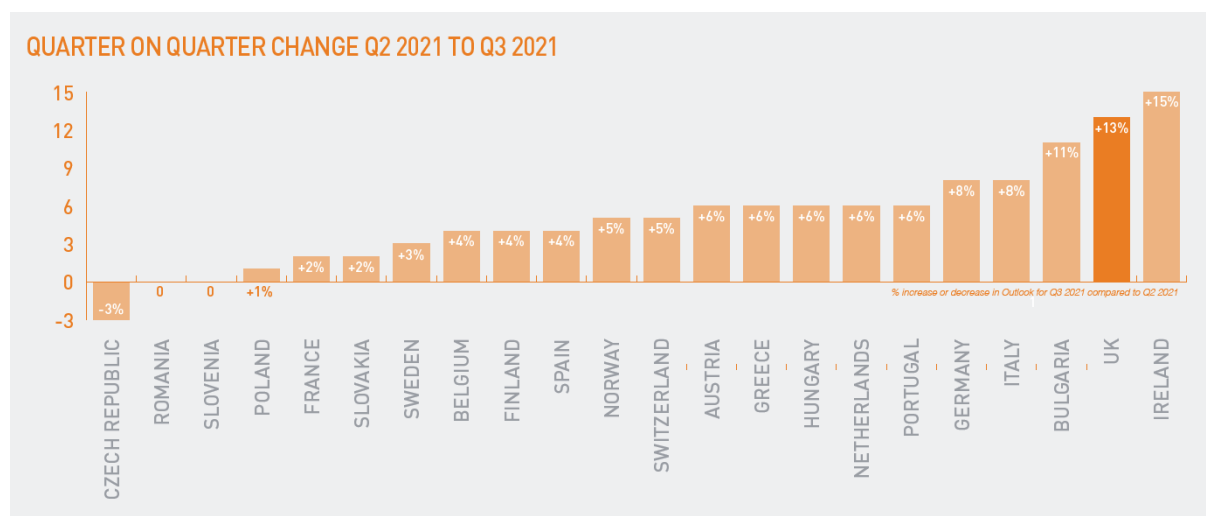
BIGGEST BOUNCE IN UK JOBS OUTLOOK IN 20 YEARS

- **UK jobs Outlook increased by the biggest margin in Europe bar Ireland**
- **Hospitality and retail lead the jobs resurgence**
- **UK now facing one of the largest talent shortages in the world**

LONDON, 8 JUNE 2021: Easing lockdown restrictions have resulted in a dramatic increase in UK employers hiring intentions, according to the latest ManpowerGroup Employment Outlook Survey. The national Outlook is +8%, a six-year high and a 13-point increase quarter on quarter, the strongest growth of any European country bar Ireland. Sectors like Retail and Hospitality, and Finance and Business Services, have all seen double digit increases and lead this resurgence in the UK employment market. The boom in hiring means the UK now faces an acute talent shortage that could hinder its post COVID recovery.

The ManpowerGroup Employment Outlook Survey is based on responses from 1,764 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 indicator by both the Bank of England and the UK Government.

Chris Gray, Director, ManpowerGroup UK says: “After the weakest twelve months for the UK’s jobs Outlook in 30 years, employers are raring to get back to normal and capture the wave of pent-up consumer demand. The employment Outlook has seen the sharpest quarter on quarter increase since 2002 and the largest year on year record to date. Much of this is likely to be companies making up for hiring freezes and redundancies undertaken over the past 12-months. The dramatic growth in hiring intentions among small (15%) and mid-sized (19%) businesses – so often the real engines of economic growth – is a shot in the arm for UK plc.”



Finance and business services is up 13 points to +8%. The sector hit an all-time low of -17% in mid-2020, so this represents a huge turnaround. Similarly, manufacturing has jumped up from -4% in Q2, 2021 to +5% for the coming quarter and is another of the strongest performers. It's now at its highest level since Q2, 2019. Gray again: "Changing consumer behaviour has been a boon for many businesses. We know all about soaring demand for things like bikes, fresh coffee, and hair products. But it's had a major impact on niche industries too. Hot tub sales, for example, are really on the boil. One firm, Blue Whale, which previously only had factories and sites as far north as Nottingham are now opening two in Scotland. Strong hiring among these mid-sized manufacturers is helping to spur the jobs recovery."

The fortunes of the retail and hospitality sector have also been transformed; up 15 points to 8%, from -7% last quarter and from an all-time low of -13% in Q1 2021. Hotels and restaurants in particular are reporting an enormous turnaround. Last quarter the outlook was -18%. This time it is +26%, an unprecedented 44-point swing.

Gray again: "Sectors like hospitality have never experienced anything like this sudden snapback in hiring. The war for talent is hotting up. Employers are desperate to hire experienced chefs, waiting staff, retail workers and more, not least many due to post-Brexit skills shortages in many of these roles. ManpowerGroup's latest Talent Shortage Survey shows that the proportion of employers struggling to fill certain skills has more than doubled, from 35% in 2019 to 77% in 2021. Three-quarters of employers are currently struggling to meet skills shortages – which is the highest in Europe and one of the highest globally."

Gray continues: "The skills shortage has also had an impact on pay. In the logistics sector, we're seeing wages for drivers increase by as much as 20%. The shortage is being felt for several reasons, many drivers have not returned as a result of Brexit and fears surrounding the next milestone in the UK's exit from the EU on the 30th of June this will get worse. Furthermore, driver training was stalled for many months as a result of the pandemic. The issue for logistics businesses is that they are at their limit of what they can offer drivers without pushing the costs onto their clients, as an example, supermarkets which would then have to push this on to their consumers. The shortage has gone up by 30% over the course of the pandemic, meaning there are tens of thousands of driver vacancies at the moment."

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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.

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.