

MANPOWERGROUP PAY LEAGUE 2015: YORKSHIRE AND THE HUMBER

- Annual pay in Selby, the best paid local area, is more than £8,000 a year higher than Hull (the region's lowest paid)
- Drop in private sector pay underlines the need for a Northern Powerhouse
- Manufacturing pay rising well above the national average
- Gender pay divide in Yorkshire and the Humber narrowing

There is a huge pay gap between the best and worst paid workers living in Yorkshire and the Humber with people living in Selby the best paid, earning £8,000 more than those living fewer than 40 miles down the road in Kingston upon Hull. ManpowerGroup's analysis reveals full time workers living in Selby earn £32,600 annually, whereas workers living in Kingston upon Hull receive an average of £24,300 per annum.

That's one of the findings of the ManpowerGroup *Yorkshire and the Humber* Pay League, the latest in a series of regional insights into UK pay trends from ManpowerGroup, the world leader in innovative workforce solutions. ManpowerGroup's analysis is based on the most recent Annual Survey of Hours and Earnings from the Office of National Statistics.

Over the last year, average annual pay for those living in the region fell by 0.8% – compared to the 0.6% increase recorded across the UK as a whole. At £29,000, average full time annual pay in Yorkshire and the Humber was £4,500 less than the UK average of £33,500.

The findings show significant pay gaps between the region's cities and a mixed picture when compared with other cities in the Northern Powerhouse. With average salaries of £30,600, full time workers in Leeds earn £2,700 more than their counterparts in Sheffield (£27,900), and £3,600 more than those in Bradford (£27,000). Average pay in Leeds also outshines the other major cities in the North, with salaries in Liverpool standing at an average of £29,200 and those in Manchester at £28,900. Average full time salaries in Rotherham (£27,700) and Wakefield (£27,000) lag further behind.

Pay in the private sector fell by 1%, while public sector pay increased 1% despite continuing austerity measures. The results show the challenge faced by the region in establishing a Northern Powerhouse driven by private sector growth.

Amanda White, Operations Manager at Manpower, comments, "Despite the current rhetoric around the Northern Powerhouse and the drive to make Yorkshire and the Humber thrive, pay in the region is heading in the wrong direction and outside of Leeds many of our cities are lagging behind their counterparts elsewhere in the north of England. It's vital our region creates more and better-paid private sector jobs, so investment is more urgent than ever."

At 3.2%, full time pay growth in the region's manufacturing sector was well above the national average, reaching £31,200. In contrast, average pay in the service sector fell by 0.8%, to £28,200.

Amanda White continues, "Traditional industries such as manufacturing are thriving, with workers enjoying healthy pay rises thanks to investment in knowledge-based growth sectors such as advanced manufacturing in Sheffield and Leeds. The region's service sector employees are not yet enjoying the same pay growth. However, Leeds is bucking this trend. It has identified the professional services and creative and digital industries as its future growth engines, and we're seeing more demand for service sector candidates as large corporates invest in digital programmes and IT projects. This is also good news for salaries."

"There is also reason for optimism in Hull, currently languishing at the bottom of the Pay League. Companies are beginning to recognise and invest in the city's potential, ahead of 2017, when it takes the title of UK City of Culture. Take Siemens, which recently announced that its wind turbine factory at Alexandra Dock is set to open ahead of schedule in September 2016. The project is expected to create up to 1,000 jobs. Many of these roles are in the IT sector and we hope to see this boost to the Northern Powerhouse replicated elsewhere in the region", adds Amanda White.

ManpowerGroup's analysis has also revealed that the marked pay gap between the region's men and women is closing. While men in full time work still earn more than their female counterparts (£14.62 an hour, compared to £13.09), women saw their pay rise by 1.1% last year whereas men's pay fell by 1.3%.

Amanda White again: "There has traditionally been a difference in pay between men and women in Yorkshire and the Humber, linked to the prevalence of male-dominated roles and industries in the region, however, this gap is shrinking. As our cities look to diversify into new sectors, and the booming manufacturing sector succeeds in attracting greater numbers of women, we hope that this will herald a further narrowing of the gender pay gap."

For further information, please contact:

Brunswick – Helen Smith / Rebecca Lum 020 7404 5959

Email: <u>manpower@brunswickgroup.com</u>

About ManpowerGroup UK

For 65 years, ManpowerGroup has been dedicated to enriching people's lives with quality employment and training opportunities. Together, our comprehensive family of brands offers the full spectrum of workforce solutions needed to address the complex challenges businesses face. ManpowerGroup's suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™ and Right Management®. From contingent and permanent recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organisations.

ManpowerGroup UK has more than 30,000 people on assignment in any given week and through 300 locations, services the needs of 5,000 employers each year.

In 2014, ManpowerGroup was named one of the World's Most Ethical Companies for the fourth consecutive year, confirming our position as the most trusted brand in the industry.

For more information, see www.manpowergroup.co.uk

About the ManpowerGroup Pay League

ManpowerGroup's Pay League analysis is based on data from the Annual Survey of Hours and Earnings (ASHE). ASHE is based on a one per cent sample of employee jobs taken from HM Revenue & Customs (HMRC) PAYE records, collated and analysed by the Office for National Statistics (ONS). The data does not include self-employed workers. The latest data was published in November 2014, reflecting the tax year 2013-2014. Full data tables can be found on the ONS website.