

'Knowledge economy' growth fuelling spike in demand for professional talent in North East England

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- Permanent vacancies increase 33% year-on-year
- Salaries remain stable with notable sector exceptions

The Association of Professional Staffing Companies (APSCo) is reporting that the North East of England has 33% more vacancies advertised online compared to the same time last year. Its latest research comes as the Treasury's GDP growth forecast* for the UK economy now stands at 3.1%, still significantly higher than the 1.8% expected at the beginning of the year.

All professional sectors reporting strong growth

Beneath this headline figure, the latest data from APSCo reveals that growth in the professional staffing market in the North East continues to climb across all of the trade association's core sector groups. Permanent vacancies across engineering, finance & accounting, IT and media & marketing are up year-on-year (33%, 51%, 36% and 32% respectively). This strong growth is in keeping with the latest Knowledge Economy Index report which reveals that the North East region is the fastest growing in the UK.

The Index suggests that the strong growth in the region has been driven largely by investment and innovation, along with a sharp rise in start-up businesses. This is in keeping with latest data from APSCo member, Venn Group, which reveals that there has been a huge spike in demand for corporate finance professionals over the past three months which is a good indicator of growth in the economy.

Salaries remain stable with some notable sector exceptions

APSCo's data shows that median salaries across all professional sectors have remained stable year-on-year (0.7%). This is in keeping with recent reports from the Bank of England which suggest that it now expects average growth in salaries to be just 1.25% this year. Despite this, however, there have been noticeable exceptions - the most impressive growth was seen in the IT and engineering sectors (10% and 3% respectively). This hike in remuneration levels is indicative of employers paying attractive salaries to source the required skill sets for their businesses across two arenas which are subject to ongoing skills shortages.

Moya Rylands, Member Relationship Manager at APSCo comments:

"Our data clearly shows that the North of England is performing particularly strongly and, perhaps unlike recent years, outperforming all other regions in terms of jobs growth. As a trade body which represents professional staffing companies throughout the UK, our Manchester office in particular has noticed an increase in activity from our northern members. Perhaps the one dark cloud on the horizon though is a critical skills shortage in certain sectors. And whilst attractive salaries are on offer to entice highly skilled professionals, there is only so long this can go on for before demand simply

outstrips supply.”

Ends

About APSCo

APSCo is the membership body that is dedicated to representing professional recruitment in the UK. It was formed to give all firms involved in the recruitment of professional talent who have a commitment to excellence, the specialist support and distinctive voice they need to be successful. It gives candidates and employers a trusted badge of quality whilst providing member firms with an innovative range of services designed for them by recruitment experts. These services, combined with its growing international profile, commitment to Corporate Social Responsibility and opportunities for professional networking give APSCo members a unique opportunity to develop their businesses and gain competitive advantage (<http://www.apsco.org>).

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