

CBI/Harvey Nash employment trends survey 2012

Press briefing charts preview
Wednesday 30 May

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Foreword by Katja Hall



This chartbook provides the key data from the spring 2012 CBI/Harvey Nash employment trends survey. The full results – and report – will be published later in the summer, but given the changeable economic situation we wanted to release the key results as early as possible.

The overall picture we can take from these responses is of a private sector that is growing slowly and unevenly, with a conservative approach to hiring and pay reflecting the uncertain economic environment and search for competitiveness. The net balance of firms growing is +12%, compared to +17% last autumn.

One of the key things the government can do to pep up firms' appetite for hiring is to reduce the regulatory burdens they currently face when taking on staff flexibly. The Agency Workers Regulations introduced in October 2011 are a good place to start, but more supply-side measures can be taken, complemented by measures to encourage firms to take on younger workers.

Respondents tell us there are limiting factors, but that for many of them the Youth Contract is a positive step in the right direction.

There were 319 respondents to this survey, representing firms of all sizes and sectors, with those firms employing more than 1.9 million employees.

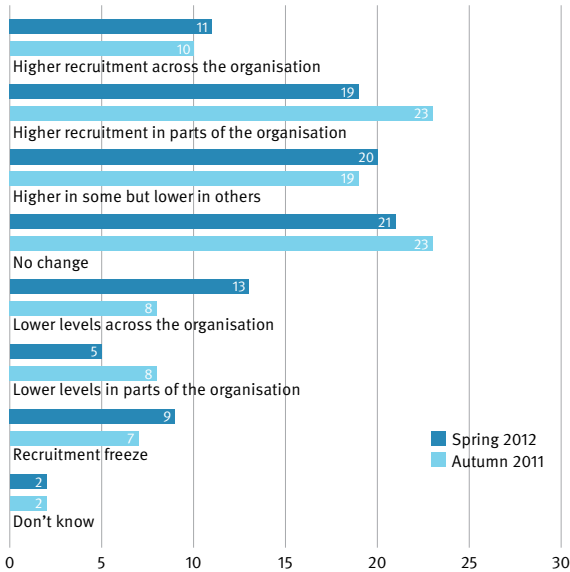
A handwritten signature in black ink that reads "Katja Hall". The signature is written in a cursive, flowing style.

Katja Hall

CBI chief policy director

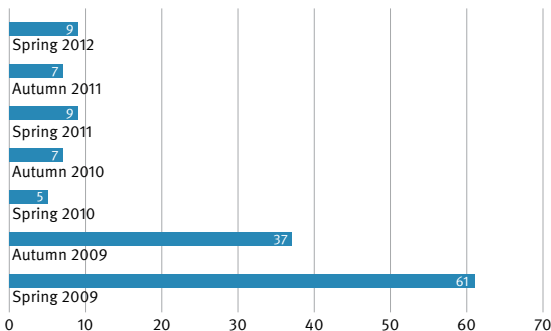
Growth in permanent jobs positive, but slower...

Exhibit 1 Employer plans for permanent recruitment – next six months compared to last six months (%)



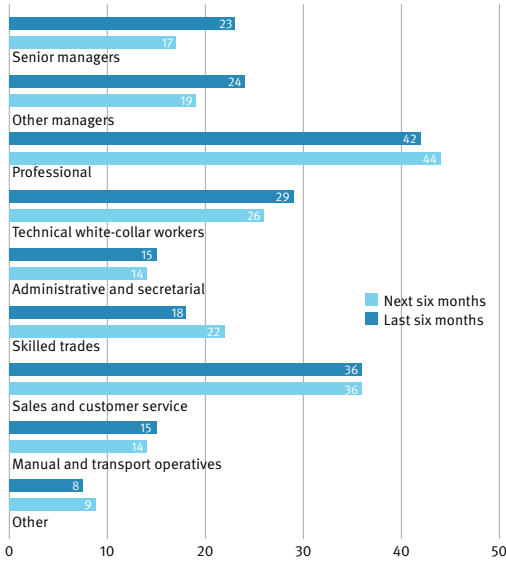
...with recruitment freezes edging upwards

Exhibit 2 Organisations planning recruitment freeze over the next six months (%)



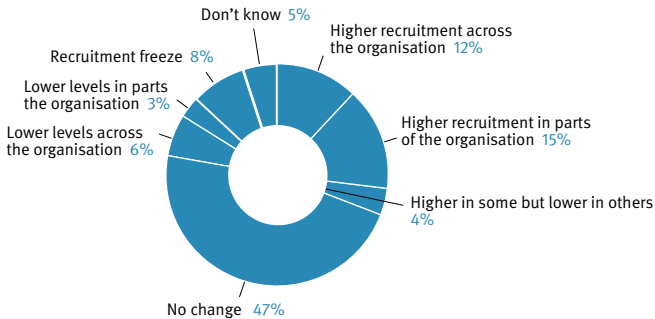
Recruitment is geared towards growth...

Exhibit 3 Past and future recruitment, by employee category (%)



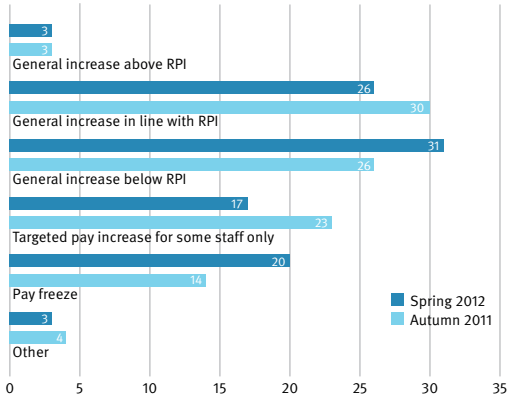
...and investing in skills for the future

Exhibit 4 Employers' planned recruitment of apprentices, next six months (%)



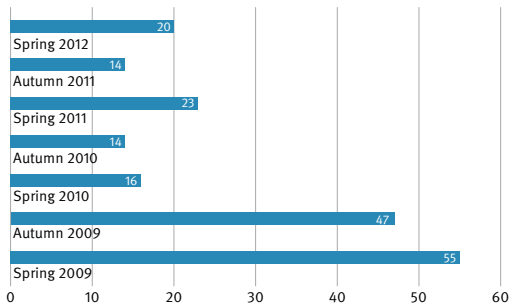
The approach to pay remains cautious...

Exhibit 5 Employers' approach to next pay review (%)



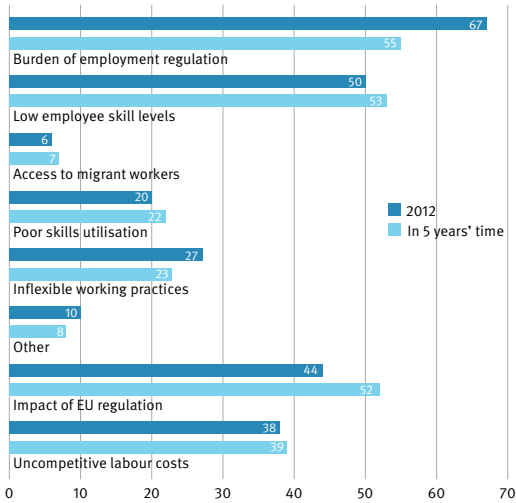
...with firms returning to pay freezes

Exhibit 6 Organisations planning a pay freeze (%)



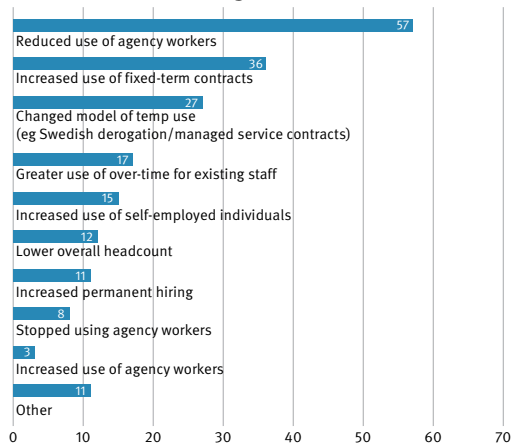
Employment regulation – from Whitehall and Brussels is a key concern...

Exhibit 7 Threats to UK labour market competitiveness (%)



...and the Agency Worker Regulations have had a negative impact since their introduction in October 2011

Exhibit 8 Impact of Agency Worker Regulations on business resourcing (%)



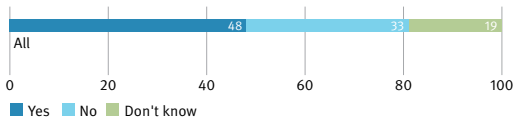
There are real barriers to taking on a young unemployed...

Exhibit 9 Main obstacles to taking on an unemployed 16-24 year-old (%)



...but the government can help

Exhibit 10 Would the youth contract encourage you to take a chance on a young unemployed person? (%)



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