State of the Tyne and Wear Labour Market Report Summer 2010

This edition covers developments mainly in the period April – June 2010

Ref:LMR 10/3

July 2010

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SUMMARY and KEY POINTS

This report covers the 3 months to June.

Labour Market Overview

Results for Tyne & Wear's main labour market indicators are mixed; the surveys (exc. manufacturing) and press reports of jobs both turned negative in the quarter but claimant unemployment fell sharply.

- 1 In Q2, on balance, TW firms reported strong workforce growth in manufacturing but a decline in (the much bigger) private services¹.
- 2 Job Change announcements by firms in TW were negative (losses exceeded gains by about 440 in Q2). This was very weak compared to the very strong growth in Q3 and Q4 2009, and even the somewhat slower growth in Q1. However, it was better than the large net loss in Q1 2009. [Caution: this source omits many job losses and timings of the gains coming into effect are variable. See §2 for more details.]
- 3 Claimant unemployment in TW, however, was down by over 3,000 (-8.7%) from March².
- Compared to a year ago, claimant unemployment in June was lower in all TW Districts. The largest fall was in Sunderland (down by over 1,300). At ward level, however, rates were higher in 19 of TW's 111 wards. The rises were particularly large in Walker (Nc) and Wallsend (NT).
- Notified vacancies³ in the quarter to June were down by 4% from a year before. They are down by 11% from 2 years ago. In Sunderland notified vacancies were down by almost onethird on a year ago.

Thus manufacturing is the most positive sector, but this cannot explain the 3,000 fall in claimant unemployment -Ed.

Unemployment

In the UK, in June, the seasonally adjusted claimant count was 100,100 lower (-6.4%) than a year ago. It fell by 20,800 in June 2010 (-1.4%), to reach 1.46 million.

Official UK unemployment (using the LFS definition) is estimated to have fallen in the 3 months to May, compared with the previous 3 months, by 34,000 to 2.47m. Over the same period the number of inactive people of working age⁴ fell by 62,000. This is the first quarterly fall in inactivity since the 3 months to March 2009. Most categories of inactivity, including the number of students not in the labour market, fell over the quarter, but the number of people in the "long-term sick" category increased by 54,000 to reach 2.07m.

Caution: normally, the fall in employment associated with a recession can be expected to continue for some quarters after output begins to rise again. This boosts productivity and profitability. Av. independent forecasts for the UK claimant count are consistent with a further rise in Tyne and Wear of about 3,000 over the year to Q4 — which would take the count back to about 40,000; similar to the January total.

Local Job Gains

Large gains in Q2 included 150 at Longbenton Foods and 150 at Insurethebox, both in North Tyneside. Intercontinental Hotels in Newcastle is also creating over 100 jobs (inc. at a Crowne Plaza Hotel).

Local Job Losses

The biggest losses were from Northern Rock with est. losses of 325 in Newcastle and a further 325 in Sunderland. Garlands in South Tyneside is in administration, cutting 178 jobs.

Date: 30th July 2010

¹ North East Business Barometer (TW results only used here).

² It is possible that TW's claimant unemployment's fall has been driven by expansion of schemes for unemployed people. There is no evidence that claimant unemployment's fall is being driven by public sector expansion.

³ to JobCentre Plus

⁴ Male 16-64, Female 16-59.

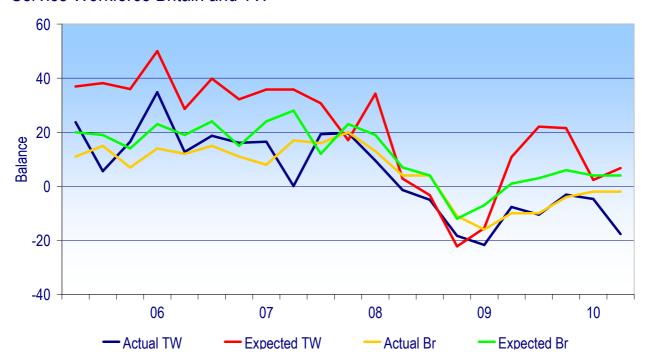
§1: Employment

In Q2 2010, on balance, service firms in Tyne and Wear recorded a marked (balance -18pp) fall in employment. British service firms also recorded a small fall⁵.

On balance, 'actual employment' for Service firms in Tyne and Wear has been negative (i.e. its level has been falling) for the last nine quarters; for Britain the employment balance has been negative for the last seven quarters.

On balance, service firms in TW are still expecting employment growth in the next quarter, however, the positive balance dropped sharply in Q1 before rising slightly in Q2. Historically, TW service firms have usually been over-optimistic by around 15-20pp, whereas British service firms have been so by around 10pp.

Service Workforce Britain and TW



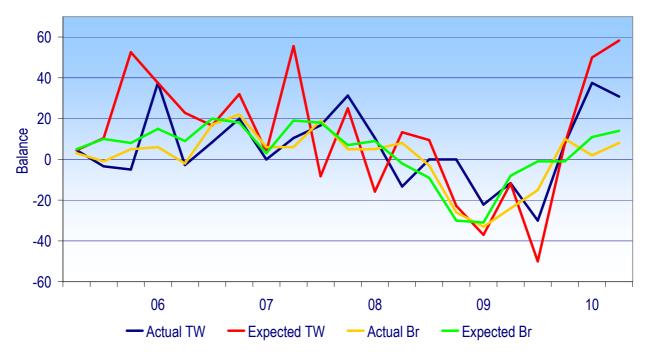
Source: Business Survey NE (TW data) – from Economic Research Services; national data from British Chamber of Commerce. Caution: these measures weight all firms equally, and make no allowance for the different scale of job changes in different firms and industries.

2

⁵ However, the British weighted data show a positive balance.

For the third successive quarter, Tyne and Wear manufacturing firms reported positive employment change (on balance, blue line). The level is similar to that reported at a high point before the recession in Q4 2007. For Britain, the latest result was also positive (yellow line), but relatively weak.

Manufacturing Workforce Britain and TW



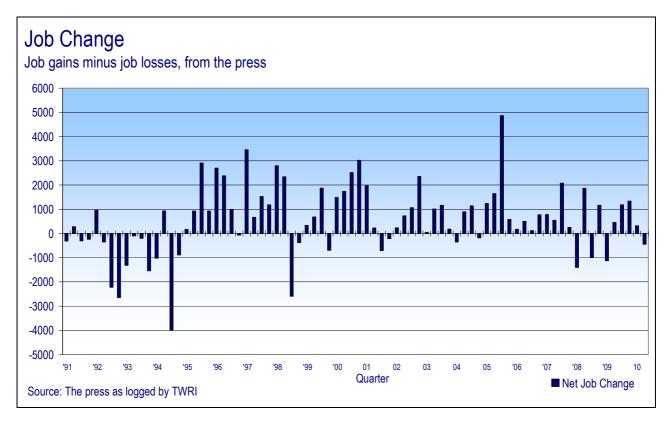
Caution: the employment expectations of manufacturing firms (for the next 3 months) are usually poor indications of the actual outturn. In Q3 this was extreme; the record gloomy manufacturing employment prospects (about -50pp) among TW's firms (red line) was followed by employment growth!

Although manufacturing firms in TW in Q4 expected some employment growth in Q1 this underestimated the outturn. The balance for expected employment change in the next three months is a very strong +58. This may be due to large rises in export sales and orders in Q2.

§2: Job Change Announcements

Job Changes in the $Q2^6$ period (as reported in the press), on a net basis, were slightly negative (about -400) with net losses highest in Sunderland, South Tyneside, and Newcastle. While the previous four quarters have been more positive, the situation remains much better than in Q1 2009 when a net loss of over a 1,000 was recorded.

⁶ April-June



A full itemised list of reported job gains and losses is given at the end of this report (in size order).

Standard Note on interpretation of press reports of Job Change (JC), aggregated by TWRI:

This source gives good coverage of market services and manufacturing – together about half the economy. It therefore has important gaps ('omissions'), the three main ones being;

- public service employment growth was never reported in any significant way (1997-2007),
- job losses from small retailers are never captured effectively and
- construction (as with other sources) cannot be recorded at all.

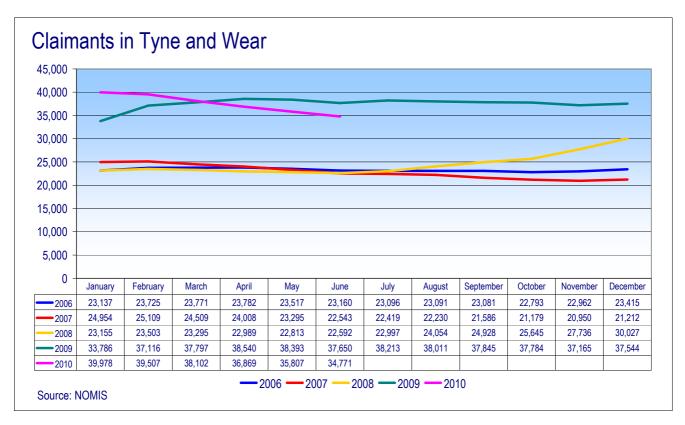
A fourth gap was created through temporary jobs being reported but their demise not being.

TWRI analysis of the long-term series (14 years) has found the JC series typically omitted about 2,000pa job losses (but this is variable). This might be partly explained by the time lags from announced gains to their fruition.

§3: Claimant Unemployment

In Tyne and Wear, following a recent (seasonal) peak in January 2010 claimant unemployment has fallen by over 5,000 (-13%) to 34,771 in June 2010. In the ten months from July 2008 to April 2009 claimant unemployment rose by almost 16,000 in Tyne and Wear, with the majority of the increase occurring between November 2008 and February 2009. This is reflected in the annual average unemployment figures. In 2007 the annual average was 22,833, rising (7%) to 24,478 in 2008. By 2009 the annual average was 37,487, almost two-thirds higher than in 2007.





In June 2010, there were almost 2,900 fewer claimants in Tyne and Wear than a year earlier (-7.6%). Claimant unemployment in Tyne and Wear has been on a downward trend since April 2009. Compared to June 2008, Tyne and Wear's claimant unemployment in June 2010 was over 50% higher; in Sunderland claimant unemployment was over three-fifths higher. The increase at county level reflects the sustained rise in claimant unemployment that began in July 2008 and continued until April 2009.

⁷With seasonal rises in December and January.

Claimant* Unemployment,	June 2010					
			Change sind 2008		Change sind	
	Total	Rate%	Number	%	Number	%
Gateshead	5,523	6.4 R	1,989	56.3	-458	-7.7
Newcastle	8,295	6.8 R	2,619	46.1	-449	-5.1
North Tyneside	5,413	5.7 R	1,819	50.6	-427	-7.3
South Tyneside	6,116	8.9 R	2,063	50.9	-223	-3.5
Sunderland	9,433	7.3 R	3,688	64.2	-1,336	-12.4
Tyne and Wear	34,780	6.9 R	12,178	53.9	-2,893	-7.7
Co. Durham	12,284	-	5,244	74.5	-2,616	-17.6
Durham4**	7,681	-	3,390	79.0	-1,367	-15.1
Northumberland	6,565	-	1,947	42.2	-984	-13.0
Northumberland4 #	5,688	-	1,595	39.0	-899	-13.6
Tyne and Wear City Region	48,140	-	17,164	55.4	-5,145	-9.7
North East	78,253	6.4 W	28,963	58.8	-6,231	-7.4
Great Britain	1,388,761	4.4 W	578,804	71.5	-115,356	-7.7
United Kingdom	1,444,096	4.4 W	608,779	72.9	-109,160	-7.0

^{**}Chester-le-Street, Derwentside, Durham City and Easington.

R = Residence-based. District and county daimant count rates are the number of unemployed now as a percentage of the estimated labour force (the economically active population), mid-2007 (TWRI ests based on ONS population ests.). These are new denominators from May 2009 data.

W = Workforce-based. National and regional claimant count rates are the number of unemployed as a percentage of the estimated total workforce (the sum of unemployed claimants, employees in employment, self-employed, HM Forces and participants on work-related government training programmes), at mid-2008.

Caution:

District and Tyne & Wear numbers are calculated using current (2004) wards. These numbers may vary slightly from figures extracted direct from NOMISWEB, which are based on 1991 wards and are no longer in complete alignment with current Tyne & Wear boundaries

Source: Office for National Statistics, Tyne and Wear Research and Information

In June 2010 the TW claimant unemployment rate^s was 0.6 percentage points lower than June 2009's rate (7.5%) but 2.2 percentage points higher than in June 2008 (4.7%).

In the year to June, unemployment rates rose in 19 of Tyne and Wear's 111 wards. The rises were particularly big in Walker (Newcastle) and Wallsend (N. Tyneside). (See map)

In the Tyne and Wear City Region, claimant unemployment in June 2010 was 9.7% lower than in June 2009; in percentage terms the Durham part (Durham4) benefited most (-15.1%). However, compared to June 2008, unemployment in the Durham4 was 79% higher in June 2010.

Claimant unemployment in the North East was 7.4% lower in June 2010 than a year earlier. In June 2010 the North East rate (6.4%) was 2 percentage points higher than the UK rate (4.4%).

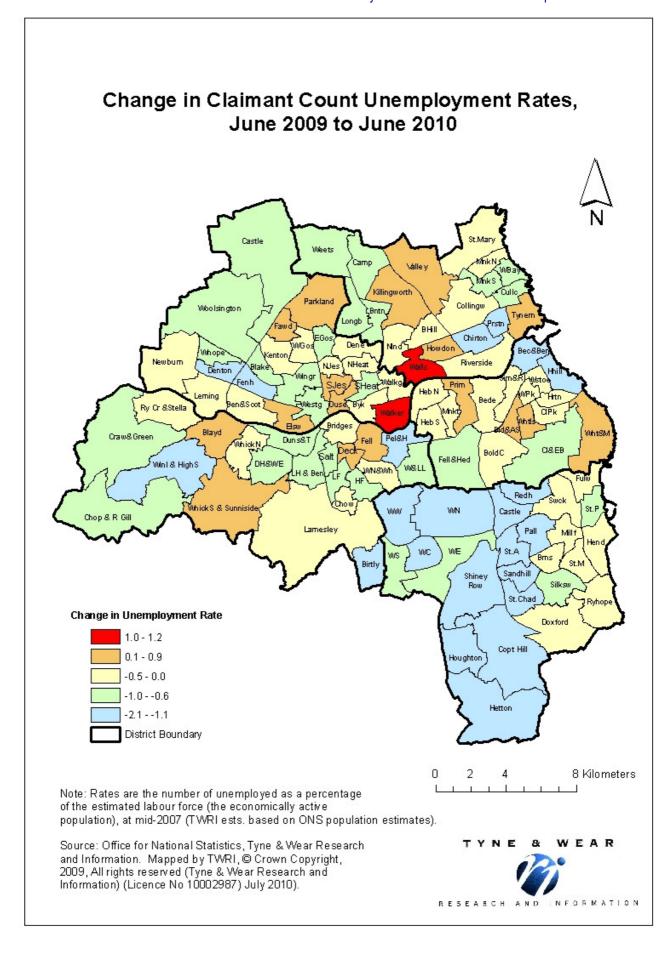
[#] Blyth Valley, Castle Morpeth, Tynedale and Wansbeck.

⁻ rates not available.

^{*} Claimants of Jobseekers' Allowance

⁸ TWRI (not ONS) estimates claimant unemployment rates.

⁹ The estimated workforce in the area is used as the denominator for national and regional unemployment rates.



Youth and Long-term Unemployment

-	June 20	009	June 20	10	Change	% Change
	Number	% of total	Number	% of total	2009 to 2010	
Gateshead	1,705	28.8	1,445	26.5	-260	-15.2
Newcastle	2,605	30.1	2,270	27.7	-335	-12.9
North Tyneside	1,675	28.9	1,455	27.2	-220	-13.1
South Tyneside	1,940	30.6	1,710	28.1	-230	-11.9
Sunderland	3,485	32.4	2,905	31.0	-580	-16.6
Tyne and Wear	11,415	30.5	9,780	28.4	-1,635	-14.3
Durham County	4,740	31.8	3,885	31.8	-855	-18.0
Durham4	2,980	32.9	2,440	31.9	-540	-18.1
Northumberland County	2,315	31.0	1,935	29.9	-380	-16.4
Northumberland4	2,035	31.2	1,700	30.4	-335	-16.5
Tyne and Wear City Region	16,430	31.0	13,915	29.2	-2,515	-15.3
North East	26,225	31.2	22,795	29.4	-3,430	-13.1
Great Britain	432,155	28.8	378,780	27.4	-53,375	-12.4
United Kingdom	448,735	29.0	396,090	27.5	-52,645	-11.7

Durham4 = Chester-le-Street, Derwentside, Durham City and Easington Northumberland4 = Blyth Valley, Castle Morpeth, Tynedale and Wansbeck

Source: ONS, Crown Copyright Reserved (NOMIS), TWRI.

Youth unemployment (18-24s) was about 12-17% lower in all Tyne and Wear Districts in June 2010 compared to June 2009. The slowest percentage fall was in South Tyneside (-11.9%), which was still just faster than the UK fall (-11.7%). There was a large fall in youth unemployment in Sunderland (-16.6%) over the year.

-	June 2009		June 20)10	Change	% Change
		% of		% of	2009 to	
	Number	total	Number	total	2010	
Gateshead	425	7.2	820	15.0	395	92.9
Newcastle	785	9.1	1,065	13.0	280	35.7
North Tyneside	460	7.9	735	13.7	275	59.8
South Tyneside	680	10.7	1,000	16.4	320	47.1
Sunderland	805	7.5	1,475	15.7	670	83.2
Tyne and Wear	3,155	8.4	5,090	14.8	1,935	61.3
Durham County	905	6.1	1,940	15.9	1,035	114.4
Durham4	565	6.2	1,195	15.6	630	111.5
Northumberland County	565	7.6	885	13.7	320	56.6
Northumberland4	515	7.9	800	14.3	285	55.3
Tyne and Wear City Regic	4,240	8.0	7,090	14.9	2,850	67.2
North East	7,800	9.3	12,865	16.6	5,065	64.9
Great Britain	129,940	8.7	250,725	18.1	120,785	93.0
United Kingdom	136,105	8.8	264,260	18.4	128,155	94.2
Note: Long-term defined as clain	nina for over 1	2 months.				
Data rounded to nearest 5.	9					
Durham4 = Chester-le-Street, De	erwentside, D	urham City an	d Easington			
Northumberland4 = Blyth Valley,		•	-			

The rise in long-term unemployment over the year to June 2010 in part reflects the earlier rises in overall unemployment that occurred from mid-2008. The increases in Gateshead and Sunderland are particularly noticeable (up over 80%). In absolute terms, Sunderland accounts for around a third of the Tyne and Wear rise.

§4: Unemployment Forecasts

Forecasts of Unemployment in the UK

	2010	2011	Comments
Economic Growth	+1.2%	+2.1%	Upturn still weak but much less so than
			June forecast (0.6%)
Claimant Unemployment	1.60m	1.64m	Unemployment to rise 140,000 in
	(Q4)	(Q4)	2010 ¹⁰ , then be almost stable in 2011
	, ,	, ,	(up only 40,000).

Source: average latest revised UK forecasts, from HM Treasury's survey of independent forecasts (published by the Treasury in July 2010).

It is possible that TW may fare somewhat better than the UK in 2010, as the NE has a relatively large export-sector. However, provisional data for Q1 2010 shows a quarterly fall in the value of North East exports (-8.0%)¹¹. This followed a rapid jump (+16.7%) in NE exports in Q4 from Q3; probably including a one-off boost due to re-stocking around the world.

The growth of EU economies is still central to NE exports as three-fifths of exports go here. These markets have begun to grow again and are forecast to grow in 2010 (but slowly).

 $^{^{10}}$ TWRI calculation on the assumption that forecasters use UK seasonally adjusted unemployment. This was about 1.146m in June 2010.

¹¹ and a fall in the number of exporters (-3.5%)

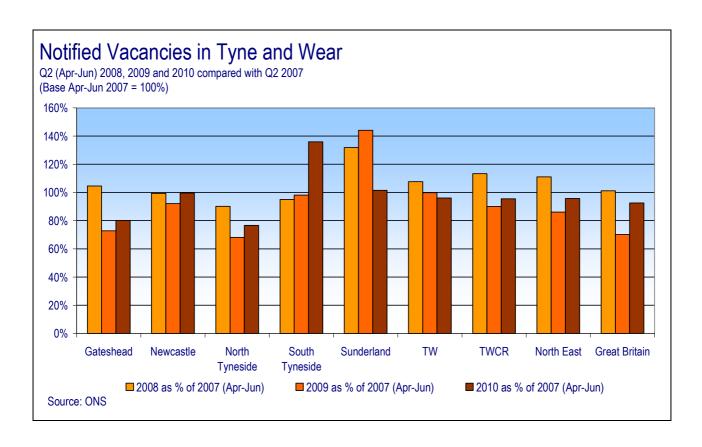
§5: Vacancies

Summary of Notified Vacancies, by TW District

Caution: Notified Vacancies do not have sufficient quality to be National Statistics. The data should be treated as indicative only.

	2008				2009		2010		
_	April	May	June	April	May	June	April	May	June
Gateshead	1,316	1,355	1,843	1,286	1,012	842	959	1,336	1,164
Newcastle	2,188	2,040	2,475	1,749	2,477	1,984	1,758	2,806	2,154
North Tyneside	1,203	1,016	1,026	813	1,038	599	940	995	823
South Tyneside	627	703	572	506	827	631	962	908	851
Sunderland	2,206	2,697	3,666	2,457	3,507	3,400	1,840	2,727	2,030
Tyne and Wear	7,540	7,811	9,582	6,811	8,861	7,456	6,459	8,772	7,022

Across TW, except Sunderland, notified vacancies in April-June 2010 were up on a year earlier. They also rose in the UK.



§6: Employment Change by Industry

In the year to Q1 2010, workforce jobs¹² in the North East;

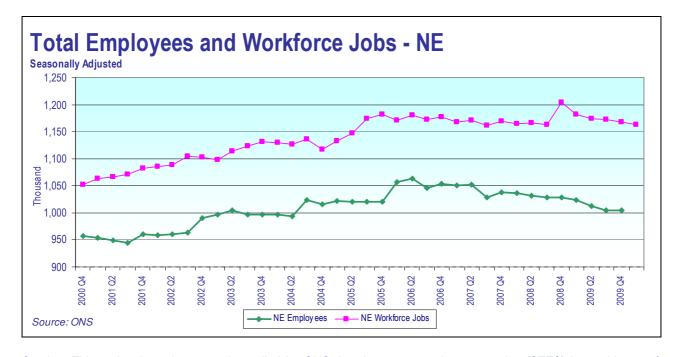
- in Production rose very strongly (+13%). This contrasts with a 5% fall in the UK.
- in Construction fell slightly more slowly than the UK.
- in Services, the fall was much faster (-3%) than the UK fall (-0.5%).

Change in Workforce Jobs: Q1 2009 to Q1 2010 (SIC 2007)						
	North East	UK				
Production (B-E)	Up 15,000 (13%) to 135,000	Down 145,000 (5%) to 2.835m				
Construction (F)	Down 6,000 (6%) to 95,000	Down 233,000 (10%) to 2.037m				
Services (G-S)	Down 29,000 (3%) to 921,000	Down 135,000 (1%) to 25.383m				

Source: ONS, Economic and Labour Market Review.

In the North East, total workforce jobs fell by 1.6% in the year to Q1 2010 to 1.158m. In the UK total workforce jobs also fell by 1.6%, to 30.669m (All figures not seasonally adjusted).

Workforce jobs in the North East peaked in Q4 2008 at 1.204m but numbers have fallen by 41,000 and the current (Q1 2010) total is 1.162m (seasonally adjusted).



Caution: This regional employees series called by ONS the short-term employment series (STES) has a history of substantial revisions.

It was revised upward in 1999 (after the new ABI in 1998) and the rise at end 2005 appears unreal.

TWRI advises that the graph should be regarded as a broad indication, not a precise measure.

More detail is available in ONS' monthly publication 'Economic and Labour Market Trends.'

¹² Workforce jobs include; employees, self-employed, those on a government training scheme, HM forces.

§7 Tables of Local Job Gains and Losses

Summary of job gains and losses announced in the press,

April 1st - June 30th 2010, for Tyne and Wear

District	Gain	Loss	Net
Gateshead	260	0	260
Newcastle	280	392	-112
North Tyneside	325	44	281
South Tyneside	10	407	-397
Sunderland	77	513	-436
Unallocated (Districts to be determined)	0	40	-40
Tyne and Wear (Total)	952	1,396	-444

Note: Unallocated gains and losses are usually estimates at County-level of regional change.

TWRI has a database of job gains and losses announced in the press since the beginning of 1996. Listings are available on request by District, industry (2 Digit SIC 80) and cluster. This database and the lists given below, record gains and losses reported in the press.

Caution: The press tends to under-record net job losses overall (by roughly 2.200pa on average, TWRI estimates by comparison with other sources). For example, particularly notable under-recordings have been numerous small losses from retailing and possibly from the offshore engineering industry. The construction industry is especially hard to track and measure (and grew very significantly from about 1999 until 2006). Small firms may not be included at all in the data below, since gains of fewer than 10 are sometimes not recorded by TWRI as they are not generally reported by the press.

Job Gains in Tyne and Wear

(+952) announced in the press April 1st – June 30th 2010, for Tyne and Wear) (Excl. temporary iobs)

Gains	Employer	Ref
400 (temporary	Nissan, Sunderland	(Shields
jobs)	Car manufacturer. It is creating 400 new temporary jobs and safeguarding an existing	Gazette
	160 temporary jobs in response to soaring orders for the Qashqai. The Wearside plant has reintroduced 24-hour working.	11/5)
150 Jobs	Longbenton Foods, Longbenton, North Tyneside	(J 25/5)
	Food manufacturer. It has secured a £1.4m grant from One North East to refurbish the	
	former Findus factory in North Tyneside. A previous grant of £2m was used to re-install	
	and repair machinery at the fire-damaged plant, creating 180 jobs at the factory. Over	
	400 employees were made redundant following a fire at the factory in January 2009.	
150 Jobs (by	Insurethebox, Quorum Business Park, North Tyneside	(J 16/6)
2013)	Motor insurer. It has set up a base at the Quorum Business Park for its service centre.	
Over 100	InterContinental Hotels, near Central Station, Newcastle.	(J 15/4)
jobs*	Hotel chain. It is planning to open a boutique hotel and a 250-bed, four-star Crowne Plaza	
	hotel [nr. the central station]. The company plans to create 3,500 jobs in the UK over the	
	next 3 years, building 36 hotels. [Work is due to start in the autumn – Ed.]	
85 Jobs*	Rosewood Homes, Gateshead	(J 27/4)
	Care home. It has completed work on a luxury 75-bed care home, creating 85 jobs. It is seeking planning permission for 5 homes which would create 425 jobs, and help to grow turnover from £1m to £11m by end of 2012.	, ,
85 Jobs	Eutechnyx, Gateshead	(J 13/5)
	Game developer. New jobs to double its workforce to 170 after winning a £6m investment from Prime Technology Ventures.	
80 Jobs	Pyeroy, Gateshead	(J 4/5)
	Painters. It has increased its staff by winning a number of contracts worth over £80m. Its order book has increased from £49m in 2008 to £127m in 2009.	, ,

Gains	Employer	Ref
40 Jobs	Pattinson, Newcastle	(J 23/4)
	Estate agent. New staff for the Newcastle-based estate agent following an increase in demand for its auction service, which is being rolled out into Yorkshire and the Midlands.	
40 Jobs*	Northumbria University, Newcastle	(J 5/5)
	Sports centre. New jobs created for the £30m Sport Central Arena when it opens in the	
	summer. It has conference facilities and will host International and National tournaments.	(
34 Jobs	Earsdon Engineering, Newcastle	(J 22/5)
	Architectural steelwork manufacturer. It has relocated its 25-strong workforce to	
	Newcastle and created nine other jobs. The family-run company has outgrown its production base in Blyth, Northumberland. It makes and sells bespoke architectural	
	steelwork. [See also job losses in the NE]	
30 Jobs	5G Technologies Europe, Houghton-le-Spring, Sunderland	(J 20/5)
(within 2 years)	Software firm. It aims to create the jobs after setting up its European base in Houghton-	(0 20/0)
(' ', ' ', ' ', ' ', ' ', ' ', ' ', '	le-Spring, Sunderland in November. It has signed a deal with GE Platforms to re-market	
	its software under GE's label.	
25 jobs (by end	SMD, Wallsend, North Tyneside.	(J 12/4)
of year)	Mechanical engineering for Offshore. The subsea oil and gas engineering specialists	
	secured new contracts worth over £60m. Its turnover rose by a third to £50m between	
00.1.1	2007 and 2009.	(1.40(4)
20 Jobs	Admiral PR, Newcastle.	(J 13/4)
	Business Services. The agency is aiming to treble its turnover and workforce [to 30] within five years. The company aims to open offices in Manchester, Leeds, and in	
	Edinburgh or N. Ireland.	
20 Jobs (over	Imprint Group, Newcastle	(J 22/4)
next 2 years)	Printing company. Additional jobs to its 63-strong workforce over the next two years. It	(0 22/4)
none 2 yours,	increased its output after investing £2m in digital equipment and adding 25,000sq ft to its	
	production space.	
17 Jobs	Villa Drinks, Southwick, Sunderland	(Sd Echo
	Soft drinks manufacturer. New jobs created and investment in extra machinery.	3/6)
15 Jobs	Grundfos UK, Sunderland	(J 8/6)
	Pump manufacturer. In 2009, the Danish company had shed 80 jobs after moving	
	production of its upgraded cold water pump to Hungary and due to a fall in its wholesale	
15 Jobs	orders. ADM Pressings, Newcastle	(J 17/6)
13 3008	Car part manufacturer. It anticipates 25% growth in sales this year. It makes car panels	(3 17/0)
	and other automotive products.	
11 Jobs (est)	TH_NK, Newcastle	(J 22/4)
(over next	Digital agency. It plans to recruit 22 new staff, split across its Newcastle and London	(• ==, .)
12mths)	offices. It worked with outsourcing business Capita to overhaul the TV licensing website.	
	Other clients include Bupa, the Entrepreneurs' Forum's 'If You Can, We Can' campaign,	
	Anglian Water, Lloyds TSB and Blackberry.	
10 jobs	Immunodiagnostic Systems (IDS), Boldon, South Tyneside.	(J 13/4)
	Medical equipment. It is now the market leader with its fully-automated machine for	
	testing for vitamin D. It has rapidly grown its turnover from £5m in 2007 to £37.1m in 2010.	
9 Jobs	Makro, Washington, Sunderland	(J 16/6)
9 0008	Cash and carry business. Jobs created to trial a delivery service which will eventually be	(3 10/0)
	rolled out across the UK.	
6 Jobs	LamasaTech, Sunderland	(J 22/4)
	IT company. It is recruiting for roles such as web development. It is adapting touch-	(- ')
	screen technology to streamline the process of making the best choice from a restaurant	
	menu.	
6 Jobs	Freeman Catering Butchers, Gateshead	(J 4/6)
	Wholesale butcher. New jobs taking staff to 38; it doubled sales to £4.86m in the year	
	since it was named UK Catering Butcher of the Year 2009. It has expanded sales outside	
4 Jobs	the region.	(J 30/4)
4 JUDS	Spartan, Gateshead Steel company. Despite losses and a 44% fall in revenues, the Ukrainian-owned	(3 30/4)
	oteer company. Despite losses and a 4470 fail in revenues, the oktainian-owned	<u> </u>

Gains	Employer	Ref
	company took on new staff, taking the payroll to 112. Results for its second full year	
	under its new owners show revenues plunged to £56m and it recorded a loss of £1.9m.	

^{*} means new opening

Job Losses in Tyne and Wear (-1,396) announced in the press April 1st – June 30th 2010, for Tyne and Wear.

Losses	Employer	Ref
325 Jobs	Northern Rock, Gosforth, Newcastle	(J 9/6)
(est.)	Bank. It plans to cut 650 jobs (14% of its workforce) at its offices in Newcastle and	
	Sunderland by the end of the year as it prepares to be sold off to the private sector.	
325 Jobs	Northern Rock, Sunderland	(J 9/6)
(est.)	Bank. It plans to cut 650 jobs (14% of its workforce) at its offices in Newcastle and	
	Sunderland by the end of the year as it prepares to be sold off to the private sector.	
178 Jobs*	Garland, South Shields, South Tyneside	(BBC News
	Call centre. It has gone into administration with the loss of 1,158 jobs. It closed all 3 of	17/5)
	its sites, including Hartlepool (-621 jobs) and Middlesbrough (-359), both on Teesside.	·
100 Jobs*	Joplings, Sunderland city centre	(J16/6)
	Retailing (Department store). The store closed on June 19th. Vergo, the owners, went into	
	administration in May and had been seeking a buyer.	
96 Jobs*	Siemens [Trench UK], Hebburn, South Tyneside	(J 22/5)
(in 2011)	Electrical engineering. It is closing its Trench UK plant in Hebburn, South Tyneside in	,
	2011. Siemens other businesses at Hebburn are not closing; only part. [See also Local	
	Economy]	
88 Jobs	City of Sunderland College, Sunderland	(Sd. Echo
	FE College. Job cuts due to a £3.2m funding shortfall for 2010/11. It employs 890	30/4)
	people at 3 sites in Bede, Hylton, and Shiney Row.	·
78 jobs	Mailcom, Boldon Colliery, South Tyneside.	(J 1/4)
	Business Services (Marketing). The company has called in administrators in the Direct	
	Mail side of the business. It employs around 170 people.	
67 Jobs	Newcastle Building Society, Newcastle	(J 20/5)
	Building society. It is cutting 126 jobs and shutting four branches. Around 67 jobs will be	
	lost in Newcastle and 44 from North Tyneside. The remaining 15 jobs will be lost in York,	
	Yarm and Crook.	
55 Jobs	South Tyneside College, South Tyneside	(Sh. Gaz.
	FE College. Job losses due to funding cuts of about £940,000 at its South Shields and	27/4 & 3/5)
	Hebburn sites.	
44 Jobs	Newcastle Building Society, Cobalt Park, North Tyneside	(J 20/5)
	Building society. It is cutting 126 jobs and shutting four branches. Around 44 jobs will be	
	lost at its [back-office] base on Cobalt Park in North Tyneside and 67 from Newcastle.	
	The remaining 15 jobs will be lost in York, Yarm and Crook.	
40 Jobs	RBS, Tyne & Wear	(FT 11/5)
(est) (over	Bank. It is cutting 2,600 insurance and retail banking jobs. 2,000 jobs will be cut in its	
next 2yrs)	insurance division (12.5% of the workforce) as it cuts losses in preparation for an	
	eventual sale. The other 600 jobs will be cut at RBS' head offices in Edinburgh and	
	London.	
* means closu		·

^{*} means closure.

Potential Job Gains in Tyne and Wear

Gains	Employer	Ref
800 Jobs	Rosberry Leisure, Rainton, Sunderland	(J 5/5)
	Leisure company. It plans to develop an indoor arena, hotel and superstore on the Rainton	, ,
	Meadows Arena site on the outskirts of Sunderland and expects to create 800 jobs.	
675 Jobs	Moneygate, Sunderland	(J 22/4)
(over next 4	Financial services company. It hopes to increase its financial advisor network from 75 to	, ,
yrs)	750 over the next four years, following investment from MGT Capital Investments. It	
	acquired Durham-based Derwent Financial Solutions and Washington-based Expert Money.	

Gains	Employer	Ref
360 Jobs	Greggs, Balliol Business Park, Longbenton, North Tyneside Food manufacturer. It plans to close its Gosforth factory in Newcastle and move production to North Tyneside. The bakers want to build a larger base next to its site at the Balliol Business Park in Longbenton. Subject to planning permission, it would transfer 330 employees and create a further 30 jobs.	(J 9/6)
300 Jobs	Hadrian Health Care, across the North East Care home company. The Gateshead-based company are expected to create jobs as part of a £50m investment in opening new care homes across the North East.	(J 4/5)
Est. 280 jobs (if 70 per care home)	DAV Developments, Development company. It plans to open 15 care homes over the next four years which will create over 1,000 jobs. The group employs over 450 and is currently building care homes in Crawcrook, Birtley, Brunswick and Wallsend.	(J 24/5)
200 Jobs (by 2013)	Nissan, Washington, Sunderland Car manufacturer. It has started work on a new petrol engine <i>MR</i> to power its <i>Qashqai</i> model. It secured the first stage of funding for a £15m upgrade of its engine size last year.	(J 24/6)
125 Jobs	The North of England P and I Club, Newcastle Marine insurance firm. Turnover rose 9% to £206m in the year to Feb It has started work on a 16,000sq ft extension of its Quayside HQs, due to be completed in April 2011.	(J 14/6)
100 Jobs (over next 2 yrs)	Infrasafe, Blaydon, Gateshead Rail maintenance company. It hopes to create 100 jobs and triple its turnover to £6m over the next two years. It is expanding into new markets, including new-build developments, road improvements, as well as litter and fly-tipping clearance.	(J 21/4)
29 Jobs (by next year)	NGU Homelettings, Gateshead Letting company. It expects to increase its workforce from 13 to around 42 by next year, as it continues to benefit from its concentration on the housing benefit market. It has built up a portfolio of 400 properties since setting up in 2007, and plans to increase this to 550 within a year.	(J 28/4)
20 jobs	Senergy Econnect, Newcastle. Electronic engineering. It has been awarded a £172,000 research and development grant to create Powasys, a £400,000 energy demand management system. This aims to cut energy bills and reduce carbon footprint by enabling homeowners and businesses to take advantage of the most cost-effective and cheapest tariffs available.	(J 6/4)
10 Jobs (by the end of year)	4Projects , Sunderland Software company. It expects to create 10 jobs by the end of the year. It provides project delivery software.	(J 6/5)
10 Jobs	Hunters Moor Neurorehabilitation, North Shields, North Tyneside Neurorehabilitation centre. New jobs in order to handle an increase in its workload.	J 16/6)

Jobs Secured in Tyne and Wear

	Employer	Ref
20 jobs	Hydrascan Ltd, Gateshead	(J 15/4)
	Mechanical Engineering. It is set to secure over 20 jobs after developing the Typhoon	
	water-jetting (a pipe cleaning) system.	

Potential Job Losses in the Tyne and Wear

Losses	Employer	Ref
330 Jobs*	Greggs, Gosforth, Newcastle	(J 9/6)
	Food manufacturer. It plans to close its Gosforth factory in Newcastle and move production	, ,
	to North Tyneside. The bakers want to build a larger base next to its site at the Balliol	
	Business Park in Longbenton. Subject to planning permission, it would transfer 330	
	employees and create a further 30 jobs.	

Jobs at Risk in Tyne and Wear

Gains	Employer	Ref
74 jobs*	Queen Elizabeth Hospital, Gateshead.	(J 17/4)
	Laundry Service within QE hospital. Jobs at risk in Gateshead after plans by the Queen	
	Elizabeth Hospital to close its laundry service at the end of May.	
40 Jobs	Joplings, Sunderland City Centre	(J 8/5 & Sd
	Retail. 9 Joplings stores were to close within 4 weeks with the loss of 335 jobs if no buyer is found. The parent company, Vergo, has been put into administration. This has also put jobs at Robbs of Hexham under threat. [Late news: The Joplings department store in Sunderland closed in June; it employed 100, after 43 redundancies in May. Owners Vergo went into administration in May. The Joplings store was founded in 1804 (J 16/6).	Echo 12/5)

Job Gains in the NE

Gains	Employer	Ref
500 Jobs*	Firstsource Solutions, Middlesbrough, Tees Valley	(J 10/6)
	Call centre. New jobs created at new base by the Indian call centre operator.	,
120 jobs	Infoserve, Darlington, Tees Valley.	(J 6/4)
-	Business services (Online). The business search company has received a £249,000 Grant	
	for Business Investment (GBI) from One NE to fund its expansion plans.	
75 Jobs (est)	Neuro Partners, Middlesbrough and Preston	(J 6/5)
	Brain injury care specialists. It is recruiting 150 staff as it expands into Middlesbrough and	
	Preston. It offers rehabilitation to those living with brain injury.	
40 Jobs	Hertel Technical Services, Stockton, Tees Valley	(J 24/5)
	Engineering services. New jobs created as part of a Ministry of Defence contract to	
	manufacture living quarters for the Queen Elizabeth and Prince of Wales aircraft carriers.	
40 Jobs	Nifco UK, Stockton, Tees Valley	(J 17/6)
	Manufacturer of plastic car parts. New jobs as it builds an £8m second site.	
12 Jobs (by	Filebase, Morpeth, Northumberland	(J 16/6)
2013)	Scanning and shredding service. New jobs to meet rising demand.	
5 Jobs	Unified Software, West Rainton, Co. Durham	(J 1/6)
(in 2011)	Software company. It expects to double to 10 employees next year. It currently has	, ,
,	turnover of £1m. It makes web-based software for validation of financial information and	
	provides banking validation software for SAP.	

^{*} means new opening

Potential Job Gains in the NE

Gains	Employer	Ref
600 Jobs	Captus ProNet, Darlington, Co. Durham	(J 9/6)
(by 2015)	Industrial maintenance firm. It is looking to find 60 national equity partners to help roll out its	
	services.	
560 Jobs	Dalton Park Retail Park, near Seaham in Easington, Co. Durham,	(J 5/6)
	Retail outlet. New jobs, if planning permission is granted for 0.4m sq ft phase 2 retail park	
	development.	

Job Losses in the NE

Losses	Employer	Ref	
621 Jobs*	Garland, Hartlepool, Tees Valley	BBC	News
	Call centre. It has gone into administration, with the loss of 1,158 jobs. It closed all 3 of its sites, including South Shields (-178 jobs) and Middlesbrough (-359).	17/5	
359 Jobs*	Garland, Middlesbrough, Tees Valley	BBC	News
	Call centre. It has gone into administration, with the loss of 1,158 jobs. It closed all 3 of its sites, including South Shields (-178 jobs) and Hartlepool (-621).	17/5	
Over	Jarvis, NE.	(J 1/4)	
100 jobs	Engineering services (Rail maintenance contractor). It has gone into administration, cutting 1,100 jobs nationally.		

Losses	Employer	Ref
76 jobs*	BRP Group Ltd, Bowburn, Co. Durham	(Sd Echo
	Garage door manufacturer. It has closed with the loss of 76 jobs.	13/4)
80 Jobs	Amdega, Darlington, Tees Valley	(J 3/6)
(over last 15	Greenhouse manufacturer. Job losses over the last 15 months, to 220. It has set up a US	
mths)	base and is looking to raise exports.	
62 Jobs	Passport Office, Durham	(J 27/5)
	Public administration. Following the abolition of identity cards 62 employees on fixed	
	contract jobs at the passport office in Durham City have been given their notice.	
60 Jobs	Schmitz Cargobull, Stanley, Co. Durham	(J 24/6)
	Manufacturer of curtain-sided and refrigerated trailers. Job losses as factory is mothballed.	
	The German firm has already cut 175 jobs in the last 2yrs. It has five production facilities in	
	Germany, as well as in Spain and Lithuania.	
50 Jobs	Skill Training Ltd, Derwentside, County Durham	(J 5/5)
	Learning provider. It has gone into administration with the loss of more than 50 jobs after	
	losing the contract with Learning and Skills Council.	
25 Jobs (est)	Pagebet, North East	(J 22/5)
	Bookmaker. It has collapsed with the loss of 125 jobs. The Durham-based bookmaker has	
	closed 23 of its branches, including five in the NE. The 30 remaining outlets were sold.	
	[TWRI estimates 25 job losses in the NE – Ed.]	
25 Jobs	Earsdon Engineering, Blyth, Northumberland	(J 22/5)
	Architectural steelwork manufacturer. It has relocated its 25 employees from Blyth in	
	Northumberland after setting up a base in Newcastle.	

^{*} means closure.

Potential Job Losses in the NE

Losses	Employer	Ref
68 Jobs	Northumberland College, Northumberland	(J 17/4)
	HE college. Jobs could be lost as it seeks to make savings. It faces a £1.3m cut in funding	
	from the Learning and Skills Council.	

Jobs at Risk in the NE

Losses	Employer	Ref
Potentially,	Public sector jobs, North East.	(FT 19/4, J
30,000 Jobs	More than 500,000 public sector jobs could be lost (nationally) during the next five years -	19/4)
in the NE	the Chartered Institute for Personnel and Development. This would be a near 10%	
(est)	reduction in the 5.8m public sector workforce. [It is believed over 32% of workers in the	
	North East work for the public sector – Ed.]	
650 Jobs	Alcan, Lynemouth, Northumberland.	(J 24/4)
	650 jobs and 3,500 dependent jobs are under threat at the plant. At least £200m must be	
	spent, by owners Rio Tinto, on upgrades to cut carbon emissions before the European	
	Commission steps in and orders closure. Also, the 2008 EC Large Combustion Plant	
	Directive requires reduction in emissions of sulphur dioxide and nitrogen oxides in power	
	stations and other industrial processes. Green technology projects such as a £1bn Carbon	
	Capture and Storage (CCS) project or a biofuel project are being investigated, to see if the	
	benefits outweigh the costs of a refit.	