



State of the Tyne and Wear Labour Market Report Spring 2010

This edition covers developments
mainly in the period
Jan – Mar 2010

Ref:LMR 10/2

July 2010

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SUMMARY and KEY POINTS

Labour Market Overview

All three of Tyne and Wear's main labour market indicators improved; surveys, press reports of jobs and claimant unemployment.

- 1 In Q1, on balance, TW firms reported strong workforce growth in manufacturing and a decline in services¹.
- 2 Job Change announcements by firms in TW were positive (gains exceeded losses by about 300 in Q1). This was relatively weak compared to the previous two quarters of very strong growth, however, it was much better than the equivalent period in 2009 when a net loss was recorded. [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 was just below 40,000 in January. It fell in the following three months and, by April, was down by over 3,000 (-7.8%). This was a better performance than the UK (-5.2%).
 - Compared to a year ago, claimant unemployment in April was lower in four TW Districts and higher in Newcastle (up by 111). The largest fall was in Sunderland (down by over 1,400). At ward level, rates were higher in 31 of TW's 111 wards. The increases were particularly large in Wallsend (NT) and Walker (Nc).
 - But notified vacancies to JobCentre Plus in the quarter to April were down by a fifth from a year before. They are down by almost a third from 2 years ago. In Sunderland notified vacancies were down by half on a year ago.

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. Consensus forecasts for the UK

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

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.

Unemployment

In the UK, in April, the seasonally adjusted claimant count was just 11,300 higher (+0.8%) than a year ago. The claimant count fell in five out of the six months from November 2009; the exception was January², which saw a 16,200 rise (+1.0%). It fell by 27,100 in April 2010 (-1.8%), to reach 1.52 million.

Official UK unemployment (using the LFS definition) is estimated to have risen in the 3 months to March, compared with the previous 3 months, by 53,000 to 2.51m. Over the same period the number of inactive people of working age³ rose by 88,000. Almost half of this quarterly rise in inactivity was due to students (+43,000). While the numbers of discouraged workers (-12,000) and temporary sick (-4,000) fell, there were substantial rises in the long-term sick (+25,000) and in those looking after a family or home (+25,000).

Local Job Gains

Large gains in Q1 included 500 at Clipper Windpower Marine in Newcastle and 400 at Nissan in Sunderland (due to the introduction of a temporary third production shift).

Local Job Losses

The biggest loss (900 jobs) was in Sunderland with the closure of Littlewoods' Shop Direct call centre. A second large loss in Sunderland was TRW Systems which is closing its Washington plant (175). Others over 100 were BAE Systems (200) and Wellstream (200) both in Newcastle.

Date: 30th June 2010

² The prolonged snow in January may have temporarily hit employment, especially in construction.

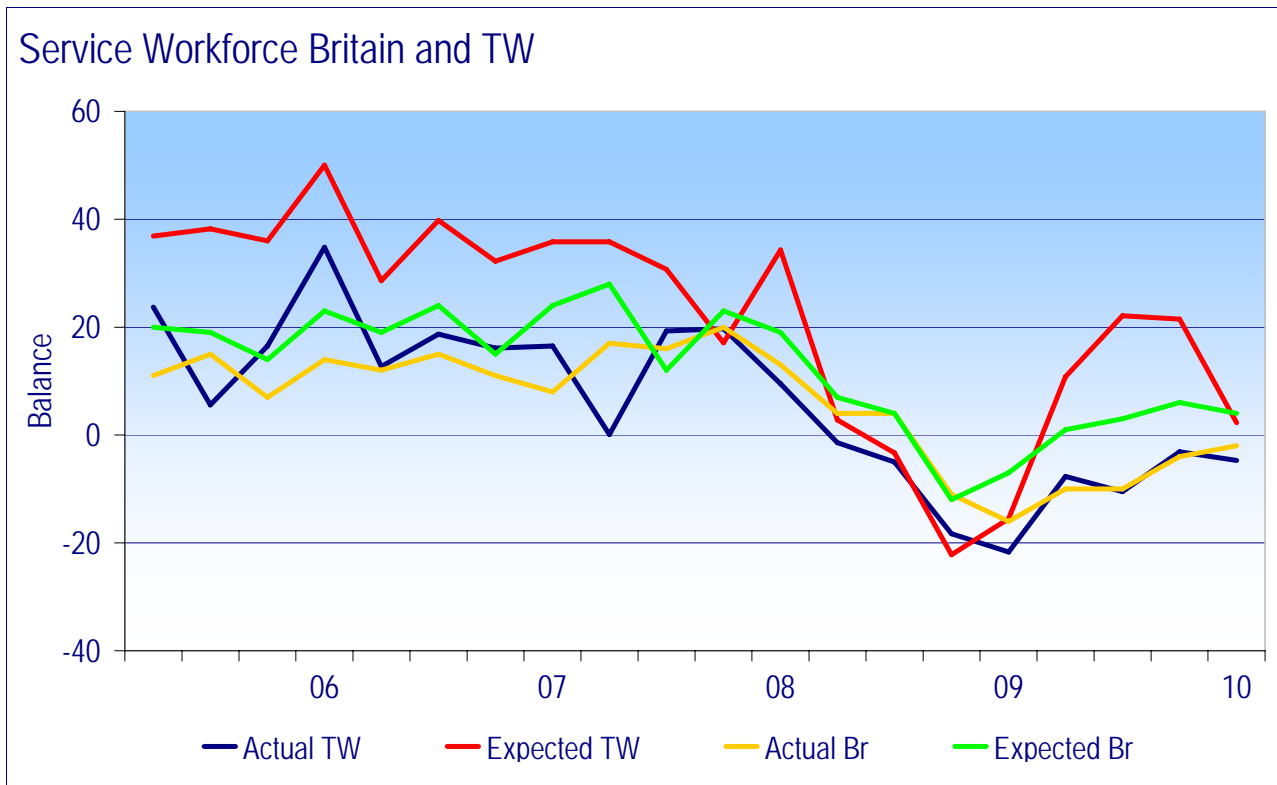
³ Male 16-64, Female 16-59.

§1: Employment Expectations

In Q1 2010, on balance, service firms in Tyne and Wear recorded a fall in employment. British service firms also recorded a small fall; however, the weighted data show a positive balance nationally.

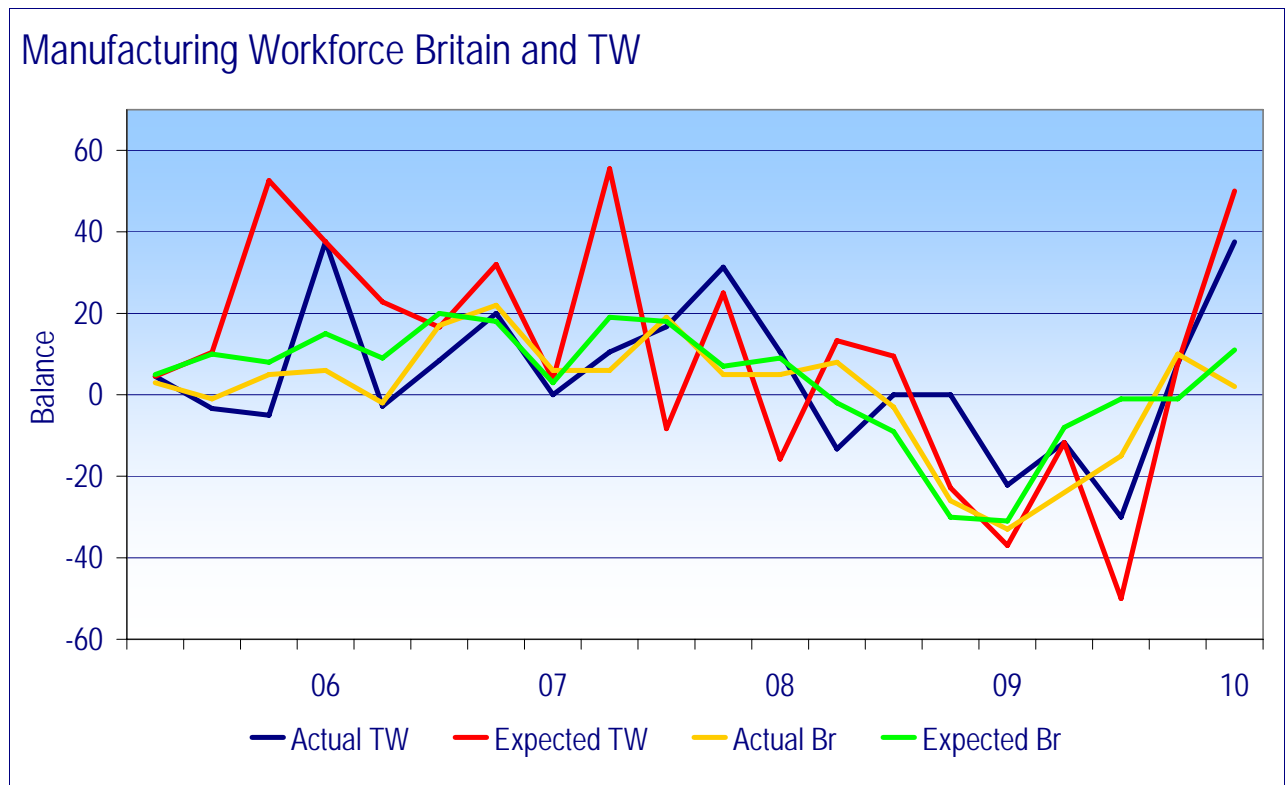
On balance 'actual employment' for Service firms in Tyne and Wear has been negative (i.e. its level has been falling) for the last eight quarters; for Britain the employment balance has been negative for the last six quarters.

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



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.

For the second successive quarter, Tyne and Wear manufacturing firms reported positive employment change (on balance, blue line). The level is similar to that reported in Q1 2006. For Britain, the latest result was also positive (yellow line), but relatively weak.



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 expected some employment growth in Q1 this underestimated the outturn. The balance for expected employment change in the next three months is a strong +50. This may be due to large rises in export sales and orders in Q1.

§2: Job Change Announcements

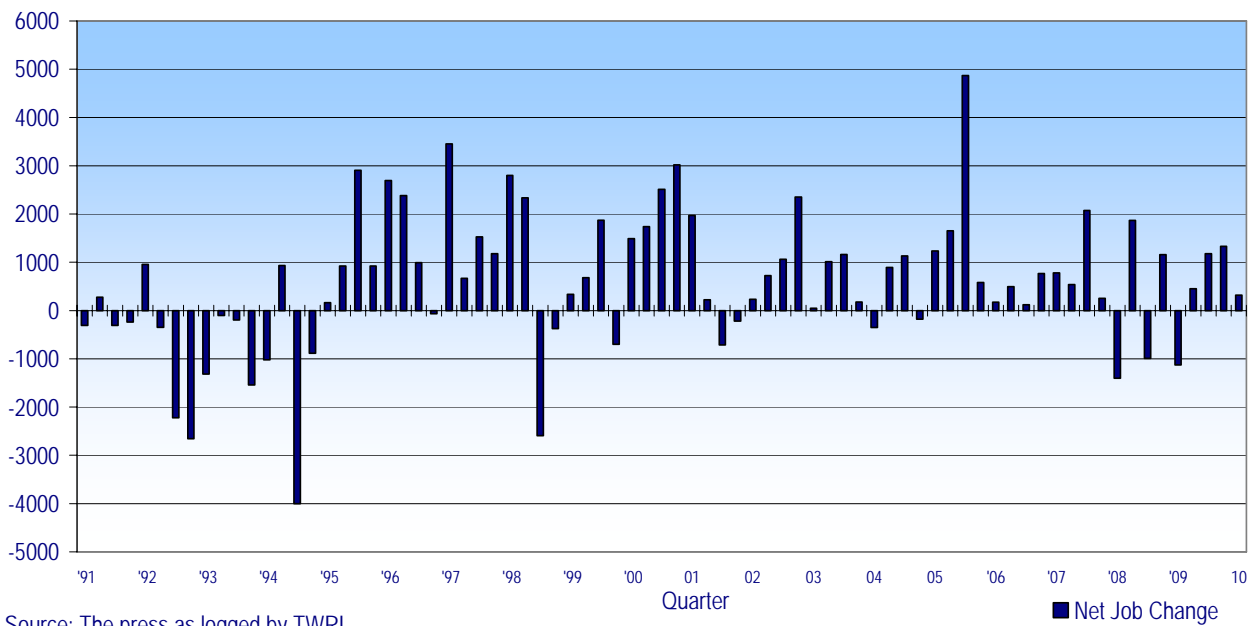
Job Changes in the Q1⁴ period (as reported in the press), on a net basis, were positive although losses in Sunderland were high. While recent quarters were more positive, the situation is better than a year ago when a net loss of over a 1,000 was recorded.

Extremely tentatively, this press evidence from 2009 is broadly consistent with the TW private sector economy expanding employment by about 2-2,500pa (or about 0.4-0.5%pa), subject to time 'lags' (delays) with the gains. This is a rough central estimate, with a wide range of uncertainty (possibly of thousands, due to unknown omissions. Note, below, gives explanation).

⁴ January-March

Job Change

Job gains minus job losses, from the press



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

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.

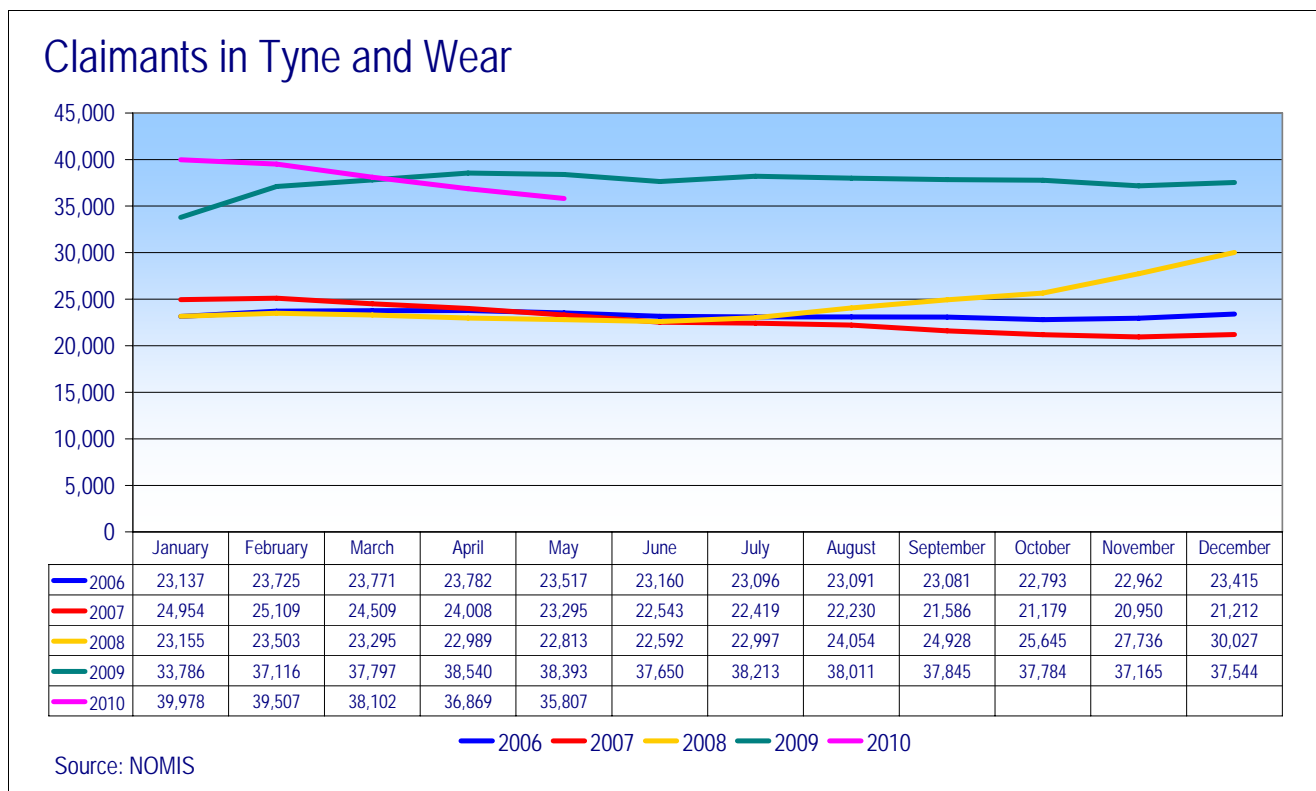
A fourth gap was created through temporary jobs being reported but their demise not being.

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 peak in January 2010 claimant unemployment has fallen by over 3,000 (-8%) to 36,869 in April 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.

The chart (below) shows comparison with previous 'normal' years such as 2006 and 2007.



In April 2010, there were over 1,600 fewer claimants in Tyne and Wear than a year earlier (-4.3%); Newcastle was the only Tyne and Wear District with higher unemployment. Claimant unemployment in Tyne and Wear has been on a downward trend since February 2010. Compared to April 2008, Tyne and Wear's claimant unemployment in April 2010 was three-fifths higher; in Gateshead claimant unemployment was almost 75% higher. The increase at county level reflects the sustained rise in claimant unemployment that began in July 2008 and continued until April 2009.

Claimant* Unemployment, April 2010

| | Total | Rate% | Change since April 2008 | | Change since April 2009 | |
|---------------------------|-----------|-------|-------------------------|------|-------------------------|-------|
| | | | Number | % | Number | % |
| Gateshead | 6,136 | 7.1 R | 2,616 | 74.3 | -12 | -0.2 |
| Newcastle | 8,802 | 7.3 R | 3,060 | 53.3 | 111 | 1.3 |
| North Tyneside | 5,858 | 6.1 R | 2,168 | 58.8 | -24 | -0.4 |
| South Tyneside | 6,333 | 9.2 R | 2,176 | 52.3 | -304 | -4.6 |
| Sunderland | 9,757 | 7.6 R | 3,867 | 65.7 | -1,448 | -12.9 |
| Tyne and Wear | 36,886 | 7.4 R | 13,887 | 60.4 | -1,677 | -4.3 |
| Co. Durham | 13,566 | - | 6,472 | 91.2 | -1,638 | -10.8 |
| Durham4** | 8,523 | - | 4,101 | 92.7 | -623 | -6.8 |
| Northumberland | 7,340 | - | 2,535 | 52.8 | -368 | -4.8 |
| Northumberland4 # | 6,300 | - | 2,036 | 47.7 | -378 | -5.7 |
| Tyne and Wear City Region | 51,692 | - | 20,017 | 63.2 | -2,672 | -4.9 |
| North East | 83,227 | 6.8 W | 32,943 | 65.5 | -2,210 | -2.6 |
| Great Britain | 1,512,278 | 4.8 W | 701,861 | 86.6 | 1,519 | 0.1 |
| United Kingdom | 1,568,128 | 4.8 W | 732,943 | 87.8 | 10,512 | 0.7 |

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

Blyth Valley, Castle Morpeth, Tynedale and Wansbeck.

- rates not available.

* Claimants of Jobseekers' Allowance

R = Residence-based. District and county claimant 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

The April 2010 the TW claimant unemployment rate⁵ was 0.3 percentage points lower than in April 2009 (7.7%) but 2.6 percentage points higher than in April 2008 (4.8%).

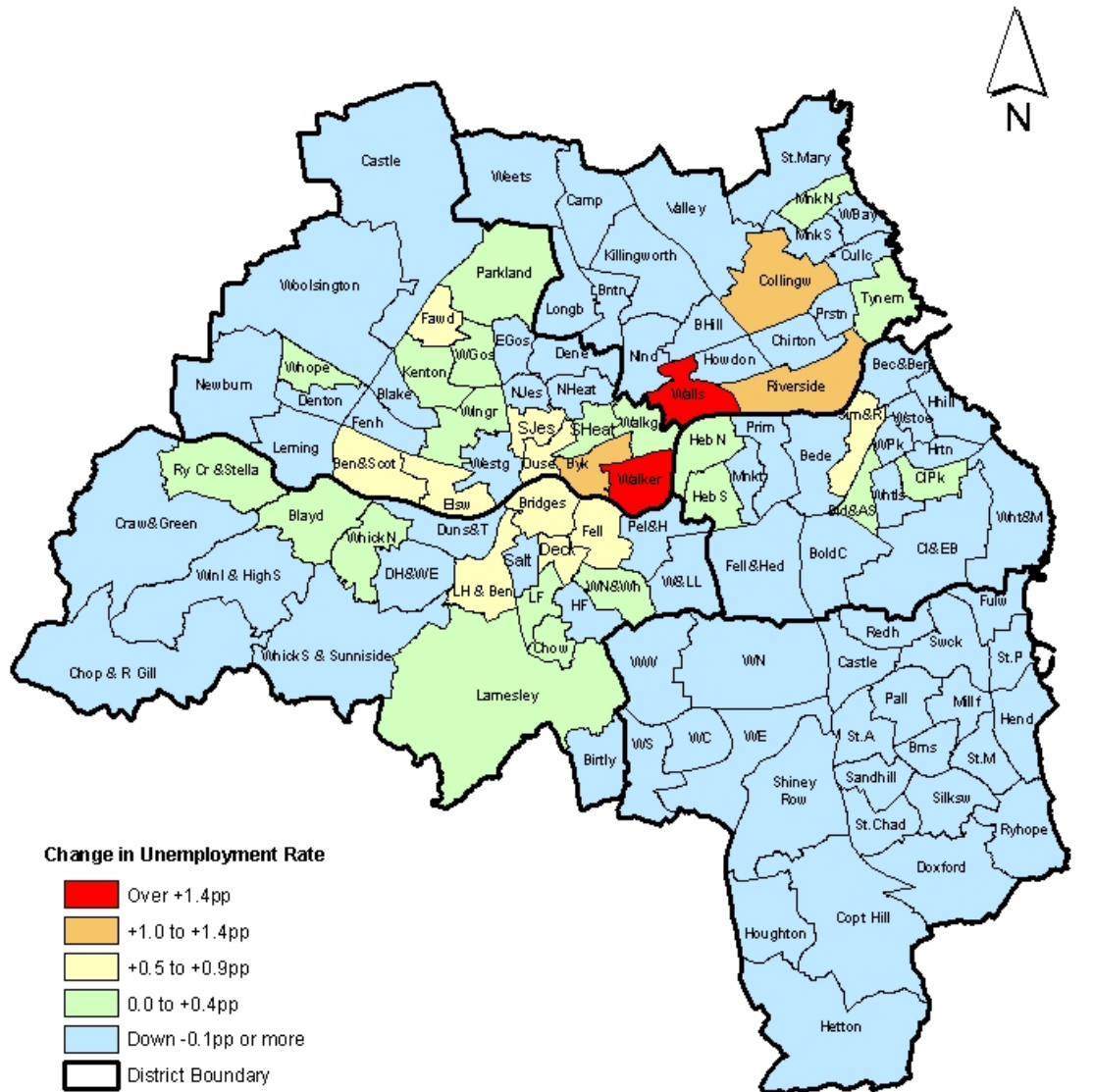
In the year to April, unemployment rates rose in 31 of Tyne and Wear's 111 wards. The increases were particularly large (over about 75 persons) in Wallsend (North Tyneside) and Walker (Newcastle). (See map)

In the Tyne and Wear City Region, claimant unemployment in April 2010 was 4.9% lower than in April 2009; in percentage terms the Durham part (Durham4) benefited most (-6.8%). However, compared to April 2008, unemployment in the Durham4 was almost 93% higher in April 2010.

Claimant unemployment in the North East was 2.6% lower in April 2010 than a year earlier. Conversely UK claimant unemployment was up by 0.7%. In April 2010 the North East rate (6.8%) was 2 percentage points higher than the UK rate (4.8%).⁶

⁵TWRI (not ONS) estimates claimant unemployment rates.

Change in Claimant Count Unemployment Rates, April 2009 to April 2010



Note: Rates are the number of unemployed as a percentage of the estimated labour force (the economically active population), at mid-2007 (TWRI ests. based on ONS population estimates).

Source: Office for National Statistics, Tyne & Wear Research and Information. Mapped by TWRI, © Crown Copyright, 2009, All rights reserved (Tyne & Wear Research and Information) (Licence No 10002987) May 2010).

TYNE & WEAR



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⁶ The estimated workforce in the area is used as the denominator for national and regional unemployment rates.

Youth and Long-term Unemployment

Youth Unemployment, April 2009 and April 2010

| | April 2009 | | April 2010 | | Change 2009 to 2010 | % Change |
|---------------------------|------------|---------------|------------|---------------|---------------------------|----------|
| | Number | % of total | Number | % of total | | |
| Gateshead | 1,855 | 30.3 | 1,630 | 27.3 | -225 | -12.1 |
| Newcastle | 2,615 | 30.2 | 2,455 | 28.6 | -160 | -6.1 |
| North Tyneside | 1,665 | 28.5 | 1,535 | 26.9 | -130 | -7.8 |
| South Tyneside | 2,050 | 30.9 | 1,760 | 27.9 | -290 | -14.1 |
| Sunderland | 3,740 | 33.4 | 3,070 | 31.6 | -670 | -17.9 |
| Tyne and Wear | 11,930 | 31.0 | 10,455 | 28.8 | -1,475 | -12.4 |
| Durham County | 4,930 | 32.4 | 4,355 | 32.3 | -575 | -11.7 |
| Durham4 | 3,075 | 33.6 | 2,780 | 32.8 | -295 | -9.6 |
| Northumberland County | 2,455 | 31.9 | 2,150 | 30.2 | -305 | -12.4 |
| Northumberland4 | 2,130 | 32.0 | 1,855 | 30.4 | -275 | -12.9 |
| Tyne and Wear City Region | 17,130 | 31.6 | 15,085 | 29.7 | -2,045 | -11.9 |
| North East | 27,030 | 31.8 | 24,810 | 30.3 | -2,220 | -8.2 |
| Great Britain | 444,800 | 29.5 | 428,320 | 28.4 | -16,480 | -3.7 |
| United Kingdom | 460,590 | 29.7 | 445,450 | 28.5 | -15,140 | -3.3 |

Note: Youth defined as aged 18 to 24.

Data rounded to nearest 5.

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 was lower in all Tyne and Wear Districts in April 2010 compared to April 2009. The slowest percentage fall was in Newcastle, which was still faster than the UK fall. There was a large fall in youth unemployment in Sunderland over the year⁷.

⁷ A consortium of Sunderland Council, Gentoo, Connections and Springboard are providing support and mentoring specifically to help the NEET (Not in Education, Employment or Training) group within Sunderland. Finance is from the Working Neighbourhood Fund. Sunderland's relative success in this area may also be connected with the use of Future Jobs funding. (Source: Sunderland City Council Employment and Training Team)

Long-term Unemployment, April 2009 and April 2010

| | April 2009 | | April 2010 | | Change 2009 to 2010 | % Change |
|---------------------------|------------|---------------|------------|---------------|---------------------------|----------|
| | Number | % of total | Number | % of total | | |
| Gateshead | 375 | 6.1 | 875 | 14.6 | 500 | 133.3 |
| Newcastle | 700 | 8.1 | 1,085 | 12.7 | 385 | 55.0 |
| North Tyneside | 395 | 6.8 | 765 | 13.4 | 370 | 93.7 |
| South Tyneside | 615 | 9.3 | 1,035 | 16.4 | 420 | 68.3 |
| Sunderland | 770 | 6.9 | 1,570 | 16.2 | 800 | 103.9 |
| Tyne and Wear | 2,855 | 7.4 | 5,330 | 14.7 | 2,475 | 86.7 |
| Durham County | 710 | 4.7 | 2,095 | 15.5 | 1,385 | 195.1 |
| Durham4 | 435 | 4.8 | 1,300 | 15.3 | 865 | 198.9 |
| Northumberland County | 505 | 6.6 | 940 | 13.2 | 435 | 86.1 |
| Northumberland4 | 465 | 7.0 | 850 | 13.9 | 385 | 82.8 |
| Tyne and Wear City Region | 3,755 | 6.9 | 7,475 | 14.7 | 3,720 | 99.1 |
| North East | 7,010 | 8.2 | 13,480 | 16.4 | 6,470 | 92.3 |
| Great Britain | 115,840 | 7.7 | 249,780 | 16.6 | 133,940 | 115.6 |
| United Kingdom | 121,380 | 7.8 | 262,540 | 16.8 | 141,160 | 116.3 |

Note: Long-term defined as claiming for over 12 months.

Data rounded to nearest 5.

Durham4 = Chester-le-Street, Derwentside, Durham City and Easington

Northumberland4 = Blyth Valley, Castle Morpeth, Tynedale and Wansbeck

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

The rise in long-term unemployment over the year to April 2010 in part reflects the earlier increases in overall unemployment that occurred from mid-2008. The increases in Gateshead and Sunderland are particularly noticeable; the percentage rise in Gateshead is well above that of the UK. In absolute terms, Sunderland accounts for almost a third of the Tyne and Wear rise.

§4: Unemployment Forecasts

Forecasts of Unemployment in the UK

| | 2010 | 2011 | Comments |
|-----------------------|---------------|---------------|---|
| Economic Growth | +1.2% | +2.2% | Growth in 2010 is forecast to be slow (2½%+ is normal). |
| Claimant Unemployment | 1.72m (Q4) | 1.69m (Q4) | A rise of approximately 180,000 in 2010. Pro rata TW rise would be about 3,000. |

Source: average latest revised UK forecasts from HM Treasury's survey of independent forecasts (May.).

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%) and a fall in the number of exporters (-3.5%). This followed a rapid growth (+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).

§5: Vacancies

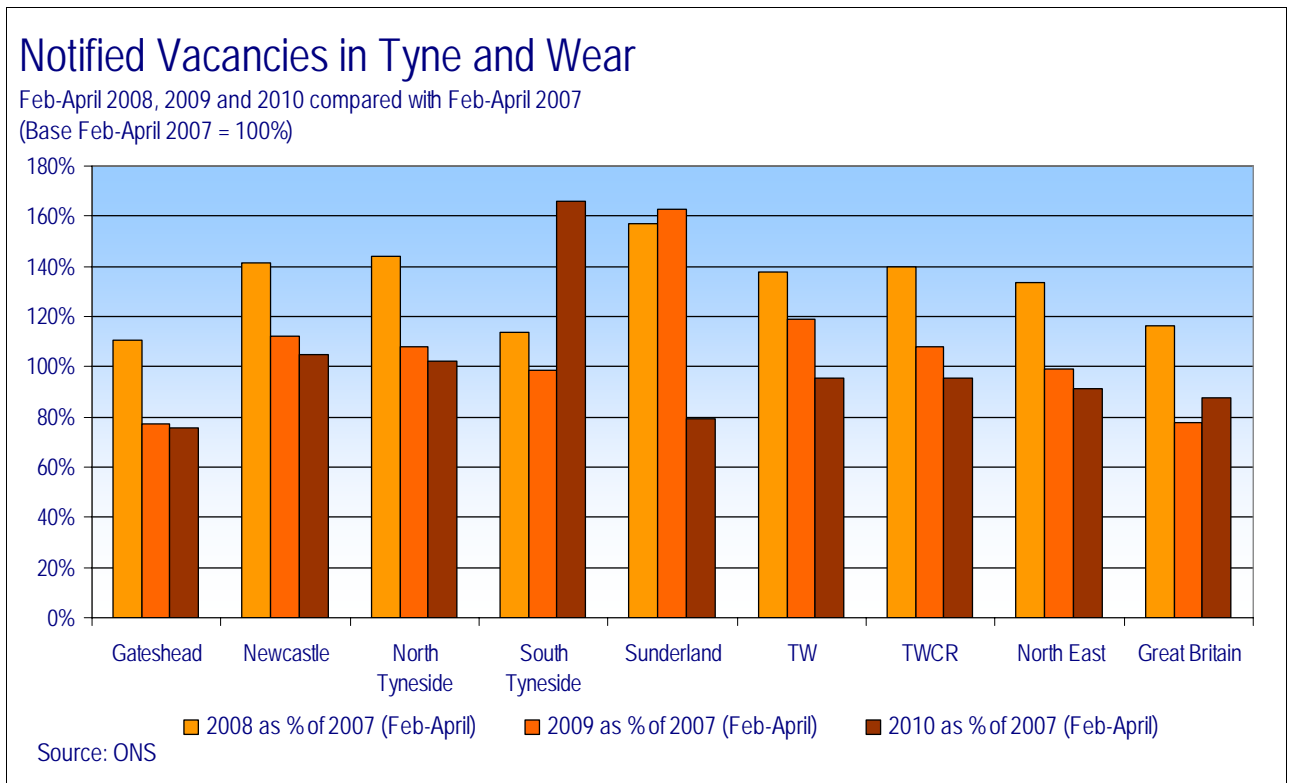
Summary of Notified Vacancies, by TW District

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

| | 2008 | | | 2009 | | | 2010 | | |
|-----------------------|----------|-------|-------|----------|-------|-------|----------|-------|-------|
| | February | March | April | February | March | April | February | March | April |
| Gateshead | 1,759 | 1,773 | 1,316 | 1,289 | 819 | 1,286 | 1,032 | 1,339 | 959 |
| Newcastle | 3,206 | 2,345 | 2,188 | 2,344 | 2,031 | 1,749 | 1,818 | 2,143 | 1,758 |
| North Tyneside | 1,773 | 1,228 | 1,203 | 1,586 | 754 | 813 | 974 | 1,075 | 940 |
| South Tyneside | 724 | 577 | 627 | 651 | 510 | 506 | 1,102 | 744 | 962 |
| Sunderland | 4,043 | 3,837 | 2,206 | 5,000 | 3,008 | 2,457 | 1,560 | 1,697 | 1,840 |
| Tyne and Wear | 11,505 | 9,760 | 7,540 | 10,870 | 7,122 | 6,811 | 6,486 | 6,998 | 6,459 |

Source: ONS Crown Copyright Reserved [Nomis].

Across TW, except South Tyneside, notified vacancies in Feb-April 2010 were down on a year earlier, whereas they rose in the UK.



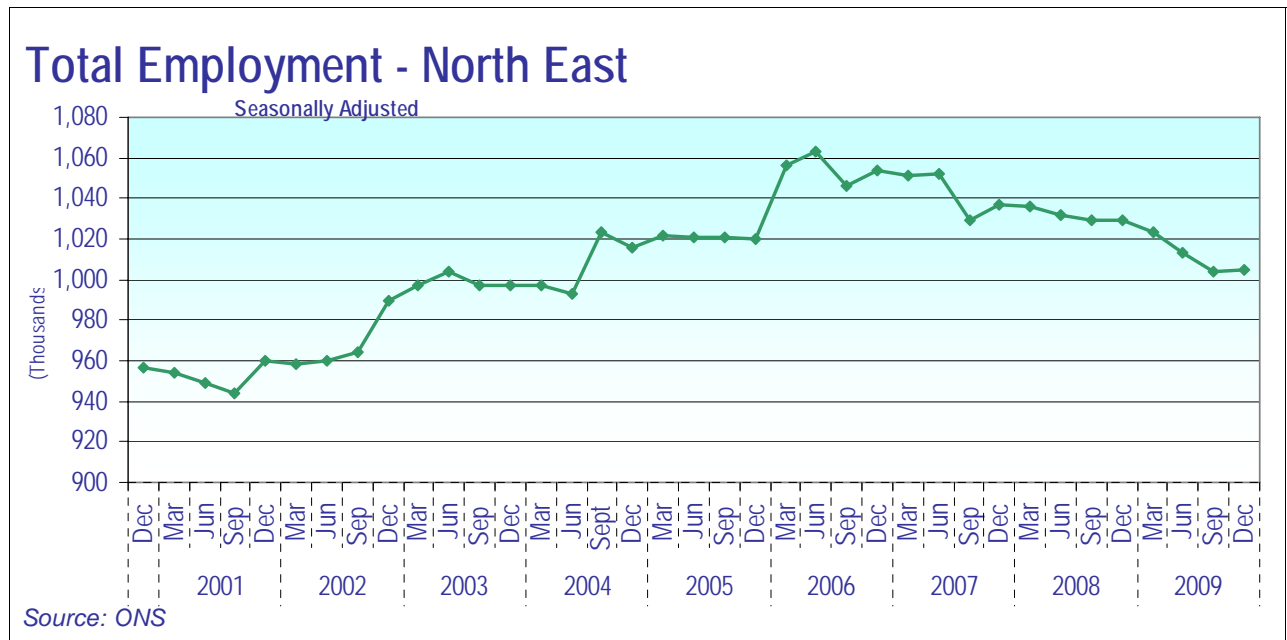
§6: Employment Change by Industry

In the year to December 2009, the North East had slightly slower rates of employment loss in both Production and Construction than the UK. For Services the fall in the North East was slightly faster (-1.2%) than the UK fall (-1.1%). In the North East, total employee jobs fell by 2.2% in the year to December 2009 to 1.013m. In the UK total employees also fell by 2.2%, to 26.435m (All figures seasonally unadjusted).

| Employment Change: December 2008 to December 2009 | | |
|---|-----------------------------|------------------------------|
| | North East | UK |
| Production (C-E) | Down 7,000 (5%) to 129,000 | Down 178,000 (6%) to 2.776m |
| Construction (F) | Down 6,000 (9%) to 60,000 | Down 129,000 (10%) to 1.202m |
| Services (G-Q) | Down 10,000 (1%) to 818,000 | Down 247,000 (1%) to 22.237m |

Source: ONS, Economic and Labour Market Review.

Employees in the North East peaked in June 2006 at 1.063m but numbers have fallen by 50,000 and the current (December 2009) total is just over a million (seasonally adjusted).



Caution: This regional 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.'

§7 Tables of Local Job Gains and Losses

Summary of job gains and losses announced in the press,
January 1st - March 31st, 2010, for Tyne and Wear

| District | Gain | Loss | Net |
|--|-------|-------|------|
| Gateshead | 455 | 24 | 431 |
| Newcastle | 788 | 560 | 228 |
| North Tyneside | 95 | 26 | 69 |
| South Tyneside | 278 | 8 | 270 |
| Sunderland | 405 | 1,075 | -670 |
| Unallocated (Districts to be determined) | 0 | 10 | -10 |
| Tyne and Wear (Total) | 2,021 | 1,703 | 318 |

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

(+2,021) announced in the press January 1st – March 31st 2010, for Tyne and Wear)

| Gains | Employer | Ref |
|---------------|--|-----------------|
| 500* | Clipper Windpower Marine , Walker, Newcastle. Mechanical engineering. Its factory is to be built on the former Neptune factory site (in Walker), now owned by Freddy Shepherd. It will make the world's biggest turbines. The blade factory is scheduled to open by the end of 2010. | (J 19/02) |
| 400 | Nissan , Washington, Sunderland. Car manufacturer. Creating 400 jobs as it launches a temporary third production shift at its Sunderland plant. The move comes in response to high demand for its Qashqai model. NB 350 temp already reported in Winter edition. | (Sd Echo 28/01) |
| 132 [est.] | Helen McArdle Care , Gateshead. Care home operator. Aims to create 200 jobs in 2010 by opening three 70-bed homes in Consett (Co. Durham), Hebburn (South Tyneside) and in Kenton (Newcastle) [Est. 66 jobs per site – Ed.] | (J 11/01) |
| 115 | Touchline Event Management (TEM) , Gateshead Event Management. TEM is recruiting 115 [temporary] staff for Tall Ships' Races in Hartlepool, Teesside, and the Great North Run in Newcastle. TEM is based in Gateshead. | (J 19/3) |
| 100?? | Eaga , Newcastle. Environmental Support Services. Plans to create 100 jobs this year with a series of initiatives. Currently employs 5,000 in the UK including almost 1,400 in the NE. In the 6 months to Nov., revenues grew 15% to £391.5m, profits up 10% to £23.9m. | (J 29/01) |
| 100 | Protector Group , Team Valley, Gateshead. Security Services. Expects to create jobs for its mobile cameras division. | (J 08/03) |

| Gains | Employer | Ref |
|-----------------|---|--------------------|
| | Protector is looking to raise around £3m to roll out its mobile security camera systems. | |
| 90 | Go-Sustainable , Gateshead Renewable and sustainable heating technologies. The workforce will rocket from 6 to 200 over the next 3 years half of which will be based in the North East. The Company will sell window panels which help to keep rooms warm in winter and cool in summer. | (J01/02) |
| 80 by 2012 | Opus Building Services , Quadrus Centre, Boldon, South Tyneside. Building Company. Create jobs in a drive for expansion. Its turnover rose 60% to £4m last year. | (Sd Echo 12/02) |
| 75+ jobs | SMD , Wallsend, North Tyneside. Manufacturing. The subsea vehicle maker aims for a 50% rise in sales in 2010. | (J 20/01) |
| 70 temporary | Hashimoto , Boldon, South Tyneside. Car parts supplier. The Company's revenues fell a third for 2009 to £21.5m. The success of the scrappage scheme for Nissan models and its new model the Juke has boosted Hashimoto. | (J 10/03) |
| 40 | Premiertec Consulting , Newcastle. Software consultancy firm. Relocated from Glasgow and plans to double annual sales to £20m | (J 28/01) |
| 36 | Hodgson , Gateshead. Car dealership. Turnover expected to rise 20% to £70m. | (J 15/01) |
| 35 | Deloitte , Newcastle. Accountancy and business adviser. The firm plans to increase its workforce by over 35 to over 200 by 2013. It is preparing to move to larger premises as it increases its portfolio of work. It expects turnover to rise 25% to £25m during the period. | (J 15/3) |
| 30 | Rattlers , South Shields, South Tyneside Leisure services. Jobs created after venue was acquired by Actual Leisure Group. | (Sh. Gaz 13/02) |
| 27 | Scott Logic , Newcastle. Software. Jobs created in a drive for growth. The firm makes software systems for the financial sector. It aims to double its turnover to £3m. | (J 17/02) |
| 20 | IHC Engineering Business , South Tyneside, Engineering. Relocation of manufacturing and support operations to the Port of Tyne in South Shields. The firm's relocation from its previous base at Hadrian Yard in Wallsend (North Tyneside), allows it to work in deeper waters and handle larger trawler vessels. IHC is also looking to more than double its workforce by the end of 2010. | (J 9/02) |
| 20 | Romec , Longbenton, North Tyneside. Manufacturing. Expanding its workforce from 80 to beyond 100 by next year. It won a number of large-scale contracts, including the replacement of Royal Mail's network of red post boxes and production of a hospitality trolley. | (J 06/01) |
| 20 | Security Guaranteed UK , Newcastle. Security. The Newcastle company, which guards construction sites, currently employs 40 people. | (J 11/01) |
| 20+ | Willmott Dixon , Team Valley, Gateshead. Builder. Set up offices to help support £117m worth of building projects in the region. | (J 22/01) |
| 18 * | Greenhouse Brasserie , Baltic Business Quarter, Gateshead. Brasserie. Jobs created with the opening of the brasserie. | (J 22/01) |
| 15 | Santander , Baltic Place, East Quayside, Gateshead. Bank. It has relocated from Rotterdam House on Newcastle's Quayside to Gateshead, with the loss of 15 staff. | (J 31/03) |
| 14 | Automatic Retailing Vending , Team Valley, Gateshead. | (J 23/01) |

| Gains | Employer | Ref |
|--------------|--|-----------|
| | Retail distribution. The vending machine firm hopes to achieve a 10% sales rise this year. | |
| 14 [in 2011] | International Paints , Felling, Gateshead. Chemicals. It is investing £6.4m in a new testing laboratory for its protection products. | (J 19/01) |
| 12 | Complete Fabrication Service , Jarrow, South Tyneside. Metal fabrication. It has moved from Gateshead to South Tyneside. | (J 08/03) |
| 10+ | Crabtree Engineering , Team Valley, Gateshead Engineering. Plans to take on at least 10 staff after a surge in orders helped by the low value of the pound. The company has orders through to December 2010. | (J 04/02) |
| 8 | Geist Direct , Birtley, Gateshead. Retail – Motor Homes. Created jobs and secured customers from as far as Australia and New Zealand by selling its motor homes direct. A link up with Gateshead digital firm Industrial Strength has produced a website, which allows customers to browse and take virtual tours which has played a massive part in expanding the business. | (J 08/03) |
| 8 | Towergate , Team Valley, Gateshead. Insurance Company. Jobs created at office on Team Valley, Gateshead. The insurance company employs over 5,000 staff across the UK, including over 60 in its Newcastle and Stockton broking offices. | (J 01/02) |
| 7 | Cintra HR and Payroll Services , Gateshead Financial Services. Plans to create jobs in the coming months with the launch of a new product. The product gives users the choice of outsourcing on-line management of their systems or to install the software at their offices. | (J 03/02) |
| 5 * | HoneyBeez Childcare nursery , Sunderland. Nursery. Jobs created with opening of nursery near Sunderland's Royal Hospital. | (J 25/01) |

* means new opening

Job Losses in Tyne and Wear

(1,703) announced in the press January 1st – March 31st 2010, for Tyne and Wear.

| Losses | Employer | Ref |
|--------|---|-----------------|
| 900 * | Littlewoods' Shop Direct call centre , Sunderland. Retail Call Centre. [This is the biggest single TW loss since Nissan a year ago – Ed.] | (Sd Echo 28/01) |
| 270 | BAE Systems , Scotswood, Newcastle. Mechanical Engineering. Wide spread job cuts. It has lost a major US contract to build trucks for the US army. | (J 19/02) |
| 200 | Wellstream , Walker, Newcastle. Oil and gas pipeline manufacturer (Plastics). Preparing to cut 200 of its 540 North East staff in February after its profits fell by half from £77m to a predicted £34m this year. It has problems in domestic and foreign markets [Brazil] as a result of project delays and a shrinking order book. It cut 75 jobs last year at its Walker headquarters in Newcastle. | (J 08/01) |
| 175 * | TRW Systems , Washington, Sunderland. Car parts manufacturer. Transferring work to Europe. [TRW has a number of factories across Europe, including Germany, the Czech Republic, France, Italy, Poland, Portugal, Romania, Spain, Slovakia, Switzerland and Holland – Ed.] | (Sd Echo 01/03) |
| 62 * | Rural Payments Agency , Newcastle Business Park, Newcastle. Public Admin. Site closure. The work will be moved to other sites in the North including Northallerton, Carlisle, and Workington. RPA is seeking to redeploy 31 permanent staff, while 31 temporary and fixed term staff leave when their contracts end over the next two months. | (J 05/02) |
| 20 | IHC , North Tyneside. | (J 09/02) |

| Losses | Employer | Ref |
|--------|--|----------------|
| | Mechanical Engineering. Relocated to South Shields in South Tyneside. [See also 'Job Gains'] | |
| 16 * | Milligans , Gateshead and Newcastle. Bakers. Closure of three stores; Gateshead's Metrocentre, Newcastle's Eldon Garden and in Kendal (in Cumbria) with the loss of 25 jobs. [Est. 16 job losses in TW – Ed.] | (J 15/01) |
| 16 * | Sandaflor , Green Lane IE, Pelaw, Gateshead. Flooring company. The Gateshead-based flooring company has gone into liquidation with debts of around £350,000. | (J 15/03) |
| 15 * | Santander, Quayside, Newcastle Bank. It has relocated from Rotterdam House on Newcastle's Quayside to Gateshead, with the loss of 15 staff. | (J 31/03) |
| 10 | Cattles Finance Finance. Closure of around 70 local branches and collection units nationwide from its Welcome Finance business. Around 450 jobs [est.20 in NE, of which 10 in TW] are under threat as the group reduces its loan book. The wind-up of Welcome Finance is expected to take up to three years. | (J 06/02) |
| 8 | Rohm and Haas , Jarrow, South Tyneside. Chemicals. Closure of one of the production lines at its chemical plant. The company, part of US-based Dow Chemical, makes products for the cosmetics and construction industries. | (Sh. Gaz 27/1) |
| 6 * | Scarlet Bridge , North Shields, North Tyneside. Business has gone into voluntary liquidation. Its services to small businesses were often provided through grants from agencies such as Business Link and Project North East. | (J 27/01) |
| 5 | Power Engineering Systems Ltd (PESL) , Newcastle. Staff assured by acquirer Morson Projects (based in Salford) that they will keep their jobs. They will move to a new branch at Tyne Tunnel Trading Estate in North Shields, North Tyneside. | (J 29/01) |

* means closure.

Potential Job Gains in Tyne and Wear

| Gains | Employer | Ref |
|------------------------|--|-----------|
| 250 over next 2 years. | Longbenton Foods , Benton Lane, North Tyneside. Food Manufacturer. Began production at the former Findus frozen food factory which burned down in January 2009. It makes products for Findus. | (J 26/01) |
| 150 | Chieftain Group , Newcastle. Mechanical Engineering. Could create 150 jobs as it has been awarded preferred bidder for a £18m contract at a biofuel plant [nr Queen Elizabeth Dock, within Associated British Ports] on the Humber Estuary in Hull, Yorkshire. The company employs 600 people and is part of Yorkshire-based Redhall. | (J 18/02) |
| 80 | Indigo Hotel (former Eagle Star House), Newcastle Hotel. Jobs could be created [subject to planning permission] with the development of a 140-bed hotel. | (J 10/02) |
| 50 | Medina Dairies , Blaydon, Gateshead. Dairy. Jobs could be created (initially) following the buyout of Dairy Farmers of Britain's site. It aims to have the dairy up and running by the end of March. | (J 26/01) |
| 10 | AMECal , North Tyneside. Equipment calibration specialist. Plans to more than double its workforce and expand into overseas markets. It has created 6 additional labs at its Wallsend site. It currently employs 8 people and provides technical calibration services for various industries, including aerospace, automotive, petrochemical and renewables. | (J 07/01) |

| Gains | Employer | Ref |
|-------|--|-----------|
| 8-10 | Advanced Industrial Solutions (AIS). Relocating to the Tyne Tunnel Trading Estate, [in North Tyneside] bringing its North Shields, South Shields and Wallsend bases onto one site. Last year turnover grew by 130% to £1m and its workforce more than trebled from 6 to 22. It manufactures and installs products for the oil and gas sector, carries out energy surveys and is a training provider. | (J 05/01) |

Potential Job Losses in the Tyne and Wear

| Losses | Employer | Ref |
|--------|---|-----------------------|
| 53 * | Drivelink UK Ltd , Gateshead. Car parts manufacturer. Company has gone into administration. None of the 53 staff have lost their jobs and KPMG is attempting to sell the business as a going concern. [It made drive-shafts, CV joints and steering components – Ed.] | (J05/02) (J 17/02) |

Job Gains in the NE

| Gains | Employer | Ref |
|-------|---|-----------------|
| 300 * | NaREC (New and Renewable Energy Centre) , Blyth, Northumberland. Research and Development. Construction of a new turbine test plant is set to create initial jobs. The £30m rig will be built to test the engines fitted inside giant wind turbines. | (J 17/02) |
| 200 | GT Group , Peterlee, Co. Durham. Engineering. Create 200 jobs and safeguard 200 more. The engineering firm secured £200m of sales commitments for its engine emissions control systems for the next five years. | (Sh. Gaz 08/03) |
| 130 | Artenius UK , Wilton International, Redcar, Tees Valley. Chemical. Creating jobs and securing a further 41 after being bought out of administration by a Korean-owned chemical giant, Lotte Chemical UK Ltd (LCUK) (a British-based subsidiary of Korea's KP Chemical Corporation). The deal [effectively saves] over half the 250 jobs lost when the speciality chemicals maker was put into administration by debt-laden Spanish parent company La Seda. A £1.8m Grant for Business Investment was approved by One NorthEast to the deal. | (J 28/01) |
| 110 | TAG Energy Solutions , Billingham, Tees Valley. Mechanical Engineering. It has been offered a £1.5m grant from One NE towards its £20m development of facilities at its Billingham base in Teesside. It has also received £1.5m from the Department of Energy and Climate Change, as it gears up to bid for £500m of work in the offshore wind sector. | (J 26/03) |
| 100 | Aker Solutions , Stockton, Teesside. Engineering and Construction. Aker Solutions is to create 100 jobs at its Stockton base in Teesside in a drive for expansion. The Norwegian company won a series of deals building power stations. | (29/03) |
| 100 | Corus , Hartlepool, Teesside. Steel Manufacturer. Corus is to create around 100 jobs for about a year at its Hartlepool base on Teesside after winning a large contract from Total. | (J 24/03) |
| 82 | EJ Badekabiner , Cramlington, Northumberland. Manufacturing. The Danish company, which makes bathrooms, has consolidated its entire manufacturing operation in the NE, after closing all its factories in Denmark. | (J 17/02) |
| 65 | Grainger Games , North East. Retailer. Plans to open 74 stores in the NE, Yorkshire and Lancashire, creating ~ 200 jobs. | (J 01/02) |
| 45 | Osborne Engineering Ltd. , Cramlington, Northumberland. | (J 10/03) |

| Gains | Employer | Ref |
|-------------------|---|-----------|
| | Engineering. Osbornes, which employs more than 140 staff, has won a £350,000 grant from the RDA (ONE) The company will employ a further 45 staff as it builds its bearings and gas turbine components and worldwide sales. | |
| 45 | The Student Loan Company (SLC) , Darlington, Finance. Relocating 45 jobs from Hillington in Renfrewshire to Darlington. This takes the number of staff at the Darlington HQ to around 600. It is making 150 posts redundant at two of its Scottish sites, in Glasgow and Renfrewshire. The SLC runs the student loan scheme for the Government. | (J 28/01) |
| 40 within 3 years | MSI Holdings , Cramlington, Northumberland. Umbrella company for two businesses, vehicle control system ComeSys, and Avid electric vehicles. ComeSys currently has annual sales of £1.2m and employs 15 staff. Avid has annual revenues of £2m and employs 10 staff. Both companies expect to employ 40 staff within 3 years. | (J 25/01) |
| 40 | Thorn Lighting , Spennymoor, Co. Durham. Manufacturing. Jobs created at its £28m state-of-the-art-factory. [Unusually] transfer of work from Romania and France has added about £17m turnover. | (J03/02) |
| 40 | Joint venture (JV) between Gateshead-based Hunters Moor Neuro Rehab and Philip Parkinson Homecare (PPH) of Newcastle. Next spring, Hunters Moor will open a 45-bed residential unit in Birmingham and PPH will deliver recommended home care packages for patients who are discharged from the unit. The JV will also bring the packages to the North East. | (J 06/01) |
| 15 | Opsol UK , Cramlington, Northumberland. Electrical Engineering. It is to create 15 jobs as it moves to a larger HQ in Cramlington as part of a £350,000 expansion. The company makes bespoke circuit boards. | (J19/03) |
| 12 | Geothermal heating company , Kirkleatham Business Park, Tees Valley Construction The company's new HQ in Kirkleatham Business Park (in Tees Valley) will house a workforce which has grown from 18 to 30 in two years. It has been boosted by Government initiatives such as the recent Pay as you save "green loans" to make homes more energy efficient | (J 09/03) |
| 10 | Garland Coupon Service , Thornaby, Stockton, Tees Valley. Business handles, processes and analyses money-off coupons (for customers including the Co-Op). | (J 06/01) |
| 8 | Lanchester Diaries . Dairy. Expansion of business to accommodate extra work won with the collapse of Dairy Farmers of Britain. £120,000 funding received from One North East. During 2007 the diary became the regional supply hub for the 21 Asda stores in the North East. | (J 04/02) |
| 7 | Bamboozles Adventure World , South Church Enterprise Park, Bishop Auckland, Co. Durham. Jobs created by opening of a children's activity centre. | (J 25/01) |

* means new opening

Job Losses in the NE

| Losses | Employer | Ref |
|--------|--|-----------|
| 150 | Babcock Rail Engineering Services. Loss of jobs due to "restructuring and refocusing" its business. It expects the job losses to be split between Scotland and the North of England. [assume 150 in NE.] | (J 29/01) |
| 60 | Premier Waste Management , Aykley Heads, Durham. Waste Management. Staff cuts following the loss of some contracts, and problems with its recycling plant. Some staff will be transferred to other employers. The company is owned by Durham CC and Darlington Borough Council. | (J 05/02) |

| Losses | Employer | Ref |
|--------|---|-----------|
| 40 | Merck Sharpe and Dohme, Cramlington, Northumberland. Chemical. It plans to make 40 redundancies at its manufacturing base in Cramlington, Northumberland. The drug company blames a fall in demand for one of the medicines manufactured at the site. | (J 31/03) |
| 20 | Cattles Finance Finance. Closure of around 70 local branches and collection units nationwide from its Welcome Finance business. Around 450 jobs [est.20 in NE, of which 10 in TW] are under threat as the group reduces its loan book. The wind-up of Welcome Finance is expected to take up to three years. | (J 06/02) |
| 16 | ANTnano, Co. Durham. Manufacturer of air monitoring equipment. It has headquarters in Sedgefield, with an additional office in Sunderland. The firm has collapsed. It was spun out of Sunderland University and was made up of almost entirely of North East PhD graduates. Trading of its shares was suspended due to a major cash flow problem. | (J 04/01) |

* means closure.