



Manifesto

Creating Opportunity and Jobs

REC Manifesto - Creating Opportunity and Jobs

The Recruitment & Employment Confederation (REC) is the voice of UK recruitment businesses. Our members are on the frontline of the labour market, helping businesses attract the talent and resource they need to win in the competitive global market place and helping individuals secure their next job. Even in difficult economic circumstances the recruitment market is worth over £22.5 billion per annum.

The REC is a regular commentator on the effectiveness of the UK labour market. This manifesto lays out our proposals to stimulate the economy, remove barriers that hinder business growth and action to create jobs and opportunity for all. We are explicit about what we think the next Government should focus on. We have also defined what the REC will be doing to directly tackle these issues on behalf of our members. We are calling on all political parties to recognise the importance of the flexible labour market and the limiting effect of unnecessary or ill-conceived bureaucracy.

Our manifesto sets out 3 key themes as follows:

- **Creating the right economic climate** - The next Government must avoid increasing taxes on business to encourage investment and job creation. In the public sector, cost efficiencies must be delivered without reducing service to the public.
- **Removing Barriers to Growth** - Businesses can drive growth and create employment if the regulatory environment is supportive. The next Government must remove barriers to growth by reducing and simplifying regulation and by championing the UK's flexible labour market.
- **Delivering opportunity and jobs** - Our jobs market is open, dynamic and flexible; this provides our economy with an international advantage. We must nurture this by building a highly skilled workforce and by harnessing the contribution of recruitment professionals in providing guidance for job-seekers.

"The recruitment industry now has a critical role in helping businesses secure the talent and resource they need to compete and win. This manifesto articulates the action we seek from Government."

Angela Masters
REC Chairman

"Our members make the UK labour market work. This manifesto, as well as demanding action from Government, defines what the REC and our members will do to; create prosperity, enhance opportunities, and deliver the jobs of the future."

Kevin Green
REC Chief Executive

1. Creating the Right Economic Climate

The economy needs to recover from the deepest and longest recession in decades; public finances need to be fixed by reducing public spending and not increasing tax on business. Any additional tax on businesses would be tantamount to a tax on jobs.

This two pronged approach will involve:

- Not increasing taxes on business in the short term and looking to reduce business taxation in the medium term to encourage private sector investment and job creation.
- Given the alarming size of the national debt, the REC believes that no areas of expenditure should be ring fenced. Value for money and efficiency can be delivered without reducing the quality of services to the public. Positive reform of the public sector is needed, not regressive, poorly designed cuts.

On creating the right economic climate; the Government must:

- Cancel the increase in employers National Insurance Contributions planned for 2011 which will hinder growth and be a tax on jobs.
- Not increase corporation tax in the short term and seek to reduce it to 18% in the medium term so that the UK retains a competitive business tax regime.
- Retain research and development tax credits and other reliefs which encourage private sector to invest.
- Ensure that SMEs get a fair chance of securing public sector contracts. We suggest introducing a series of quotas to ensure the Government delivers on its target for 30% of contracts to go to SMEs.
- Use a range of mechanisms to keep public sector employment costs down, including reform of public sector pensions and pay freezes while ensuring that the right capability is in place to deliver efficient front line services.
- Be creative in its use of flexible resourcing to reduce fixed employment costs in the public sector.

The REC will:

- Launch a specific campaign focused at influencing public sector employers – by demonstrating the economic benefit of flexible resourcing and highlighting the value provided by recruitment partners.
- Highlight how public sector recruiters can help their clients manage risk by safeguarding employment via our standards and auditing process.
- Educate the procurement profession in its purchasing of recruitment services, so there is a balance between quality and value for money.
- Promote the recruitment sector as a provider of outsourced public sector services. Developing specific programmes such as the DWP/REC professional job search initiative.

2. Removing Barriers to Growth

Businesses will drive growth and create employment provided that the regulatory environment is supportive. Barriers need to be removed by the next Government.

This will involve:

- Reducing and simplifying regulation.
- A moratorium on the introduction of any further employment law. If the UK has to comply with a European Union (EU) directive then this needs to be implemented in a non bureaucratic and business friendly manner.
- Promoting the UK's flexible labour market as the right model of employment.

On removing barriers to growth; the Government must:

- Introduce a moratorium on any further employment legislation for the life time of the next parliament and campaign actively for this within the EU.
- Ensure that the recruitment industry has an effective, consistent and non bureaucratic enforcement regime which is focused on encouraging compliance.
- Review the Agency Workers Regulations to ensure that they are easy to operate for employers and agencies alike.
- Ensure the new Vetting and Barring system is workable for recruiters and their clients, so the safeguarding of children and vulnerable adults is not put at risk.
- Ensure that immigration policy reflects the skills needs of UK businesses and is based on robust labour market data.

The REC will:

- Use our knowledge of recruitment to assist the Government to design a coherent enforcement regime for our industry which avoids unnecessary red tape.
- Provide tools for our members and their clients to ensure that the Agency Workers Regulations does not hinder the use of temporary workers in the UK.
- Influence the Government to ease the administrative burden for recruitment agencies in the implementation of the Pensions Act 2008 whereby temporary workers will be automatically enrolled onto a pension scheme.
- Ensure our members comply with legislation and regulations, via our Legal Helpline, Legal bulletins, training and online Legal Guide.

3. Delivering Opportunity and Jobs

The UK's labour market is open, dynamic and flexible; a competitive advantage that needs to be protected. We must constructively engage with the EU to ensure that Employment Directives from Europe do not undermine the UK's employment model. Policies from Brussels must focus on competitiveness and job creation rather than on adding layers of bureaucracy.

We must ensure the UK workforce has the skills needed to attract inward investment and enable our businesses to compete globally. Our young people who have been so adversely affected by this recession need specific help, which is why we have established a Youth Employment Taskforce, to make practical proposals to Government, employers, educationalists and recruiters.

Delivering opportunity and jobs means promoting inclusion and social mobility. Professional recruiters have a key role to play in challenging the status quo and delivering real change to workplaces and boardrooms. This will involve:

- A focus on competitiveness and job creation rather than adding layers of bureaucracy.
- The creation of a highly skilled workforce which will attract inward investment and enable UK businesses to compete globally.
- Creating the next generation of entrepreneurs who will establish businesses and create the jobs of tomorrow.

On delivering opportunity and jobs; the Government must:

- Enhance the support provided to start up businesses and ensure finance is available from the banks to ensure early stage businesses have access to the funding they need to grow.
- Build on the Young Persons Guarantee by radically improving young people's readiness for the world of work.
- Provide incentives such as NI holidays or tax breaks to employers to take on more young people.
- Harness the expertise and skills of the private sector recruitment industry to provide practical support for job-seekers.
- Promote flexible work as a bridge into work by removing barriers in the current benefits system.
- Improve the amount of funding targeted at helping employers develop their staff.
- Continue to enhance and extend apprenticeship schemes.

The REC will:

- Use the Youth Employment Taskforce to develop practical proposals for Government, employers, recruiters and educationalists to address the issue of youth unemployment and stimulate job creation.
- Help entrepreneurs establish recruitment businesses via a range of our services and products which provides them with the best chance of succeeding.
- Provide products and services, such as Business Health Check, coaching and mentoring to help early stage recruitment businesses fulfil their potential.
- Use our Institute of Recruitment Professionals and world class qualifications programme to provide continuous professional development for the individuals within our industry.
- Utilise our Future of Employment Working Group (consisting of major employers and recruiters) to define the skills that the jobs of the future will require.



- **Recruitment's biggest lobbying voice**
- **The source of recruitment knowledge**
- **Raising recruitment standards**
- **Developing successful careers in recruitment**
- **Exceeding members' expectations through business support**

The Recruitment and Employment Confederation (REC) is the professional body dedicated to representing the interests of the recruitment industry in Parliament, Whitehall, the European Commission and to press and opinion formers.

The REC represents 3,760 corporate members, with more than 8,000 branches, and 6,500 individual members within the Institute of Recruitment Professionals.

The REC is committed to raising standards and highlighting excellence throughout the recruitment industry.

**For more information about the REC Manifesto,
call the REC on 020 7009 2100
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