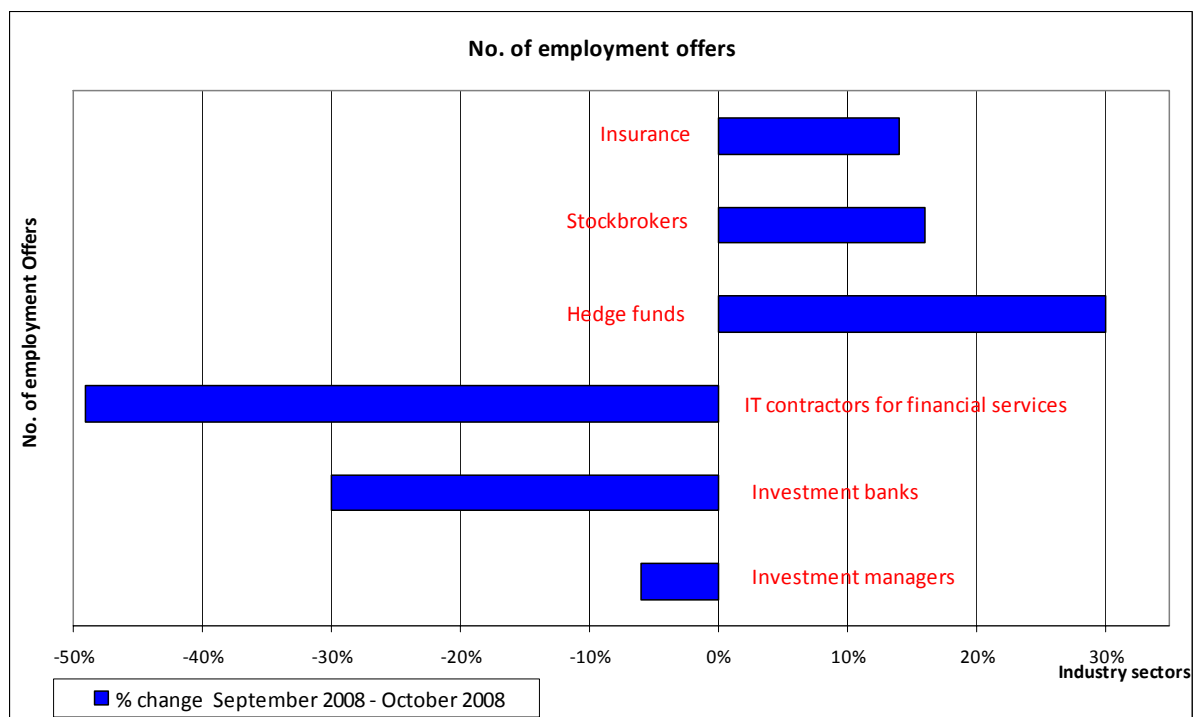


IT contractors left out in the cold by the credit crunch.

Financial services firms employed half the number of IT contractors in October compared to the previous month.

London, November 7th, 2008. Employment offers for IT contractors working in financial services fell by 49% in October compared to the previous month, according to research carried out by Powerchex Limited, a pre-employment screening firm for financial institutions.



Up until recently IT contractors had been largely unaffected by the credit crunch with a survey in August from ContractorCalculator (A leading UK website for contractors and freelancers) showing that 68% of contractors were in work at the time. But as the bite of the credit crunch gets deeper, financial services firms looking to cut costs are moving away from the days of excess employment with every hire being scrutinised.

Analysts predict that IT contractors and other temporary workers, often described as “first into and first out of any recession”, will bounce back after an initial hard period. 2009 is likely to bring an upswing in demand for temporary workers as organisations put off hiring permanent staff.

Investment Banks continued to cut back on their new hires with a 30% drop in employment offers from September to November. This comes after news that investment banks made a 52% cutback in jobs offers in September compared to 6 months before.

Particular sectors and individual companies who have been able to remain stable through the turmoil prepared to put themselves at the head of the pack to take advantage of any economic recovery. Hedge fund and insurance companies made attempts to strengthen their position by continuing to snap up the best the employment market has to offer with offers increasing by 30% and 14% respectively.

“These are very difficult times for the employment market, and everyone entering the workplace will have to realise that the landscape has changed dramatically.” says Alexandra Kelly, Managing Director of Powerchex. “Where one interview was sufficient in the past, applicants will now find that several interviews are necessary before a job offer is made. Credentials are scrutinized much more closely, so applicants are advised to be clear, concise and truthful about the information they provide on their CVs.”

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NOTES TO EDITORS:

About Powerchex

Powerchex is the UK's premier pre-employment screening firm for financial institutions. Based in the City of London, Powerchex checks the background, employment history, criminal records and professional qualifications of applicants on behalf of financial institutions. It sets the industry benchmark of 5 days for a background check.

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