



Dorset Labour Market & Skills Insights

Quarter 4 2021

Published February 2022

Dorset has a robust labour market as demonstrated by historic job vacancy figures holding up well and bouncing back relatively quickly after spells of economic uncertainty.

The Covid-19 pandemic arrived at what was a pre-existing state of subdued economic and labour market activity brought by the prolonged economic and political uncertainty of Britain's exit from the EU.

The combined effects were two consecutive years of subdued labour demand which spilled into early 2021.

But did 2021 break the spell?

This report provides commentary to [the Labour Market Insights dashboards by Dorset Local Enterprise Partnership.](#)

Contents

Key Findings	3
Dorset LEP and Skills Advisory Panel & Board Skills (SAPB) Initiatives	5
Latest economic reports	6
In the Spotlight: Local Skills Report 2022	7
Vacancies & Opportunities in Dorset.....	8
Employment Statistics in Dorset.....	18
Chart of the Quarter: Productivity in Dorset	21
Future Career Corner: Apprenticeships	23

Key Findings



In the Spotlight: Dorset Local Skills Report 2022 Launched

Coinciding with the launch of the Government's Levelling Up White Paper, a new Local Skills Report was published for Dorset to tackle social inequality, increase productivity, and provide the skills needed for Dorset's economy to thrive.

Key findings from the report will be discussed with a free lunchtime webinar on 1st March including speakers from local businesses and organisations.

Book your free tickets now

[Skills 4 Now: Navigating the maze of the current labour market in Dorset](#)

See [In the Spotlight: Local Skills Report 2022](#)



Vacancies in Dorset: strongest job demand on record in 2021

The jobs market throughout 2021 was tumultuous but strong. Overall recruitment not only recovered but exceeded previous two years, although demand fluctuated. Despite a Christmas overshadowed by Omicron and a vacancy nosedive mirroring the one last seen with the first lockdown back in April 2020 at the end of the year, vacancies in Quarter 4 were 24% higher than the same period in 2020 and the highest since 2012. Overall, the aggregate vacancies advertised in 2021 exceeded 80,000 and were the highest on record - 41% on 2020 and 28% on 2019.

See [Vacancies & Opportunities in Dorset](#)

Demand grew on pre-pandemic levels across all industries and occupations



2021 labour demand saw considerable growth across all industries when compared to the previous two years.

Most notably, vacancies in tourism, hospitality and ICT more than doubled from 2020, closely followed by Construction and Arts & Entertainment. Utilities saw the highest sustained growth on both 2020 and pre-pandemic 2019 levels.



Top employers, jobs and skills

Whilst the employers topping the recruitment charts did not reshuffle significantly in 2021, those employing in sectors such as manufacturing, hospitality, catering and retail saw exponential growth in their recruitment volumes (80% growth).

Increased hiring activity with signs of slowing down in 2022

All top employers ramped up recruitment and 2021 saw the rise of recruitment agencies—several appearing among the top employers to reflect the difficulties employers faced.

ONS reports however that some slowing down in recruitment has occurred in early 2022.

Occupation Growth

In 2021 demand exceeded both 2020 and the levels seen in 2019 across all occupational groups, with notable recovery among most affected occupations, i.e., Elementary (85% up), Skilled Trades (80% up), Administrative (78% up) and Sales Occupations (62% up).

The high skilled labour market for college and university graduates was also strong. Professional jobs demand stood out and saw an 80% increase since 2012. Similar growth was recorded across elementary roles and the most notable growth was seen in Caring occupations, where demand tripled.

High skilled roles most in demand

- Professional: nurses, programmers, accountants.
- Associate professionals: HR, Engineering, and IT Support.
- Managers: Service, Marketing and Finance managers and directors

Education, Experience and Skills

Engineering, Nursing Science and Business Administration were the subject areas most frequently quoted by employers. Baseline communication, organisational, detail-orientation and planning skills topped the skills charts. Over half (57%) of the advertised jobs in 2021 required less than 2 years of experience and half of the jobs required GCSE's and A Levels as a minimum.



See [Vacancies & Opportunities in Dorset](#)

Employment down, unemployment rising

Despite the strong labour demand and in contrast to national movements, both employment and unemployment worsened in September 2021 both compared to the previous year and quarter.

Unemployment rates in Dorset continued to climb upwards, reaching 4.8% - levels last seen in 2014 and double the pre-pandemic rates from the same period in 2019.

Employment fell to 76.5% with 6,800 fewer people in employment than a year earlier, yet rates remained favourable compared to the national picture (74.6%).

There were 3,100 fewer self-employed in September 2021 compared to a year earlier but an upward trend was noted over 2021.

Declines in employment are occupation and sector specific

Occupations with largest declines in employment were Associate Professional & Technical, Elementary & Management occupations, while employment increased significantly in Professional occupations.

In terms of industry trends, the largest employment declines were in Distribution, Hotels & Restaurants, Public Administration, Education & Health, and Construction.

Return to work trend continues but pace slowing down

Return to work has accelerated with out-of-work benefit claimants seeing a month-on-month drop from a peak back in March. There were 7,535 fewer claimants and 1,805

less young people on unemployment support at the end of September, marking a 30% overall decline and a more pronounced 40% decline in youth unemployment since March.

Increase in pay exceeds national.

Local data available on annual basis illustrates a 6% increase in the gross weekly pay in 2021 in Dorset, compared to a 4% increase nationally.

See [Employment Levels](#)



Chart of the Quarter: Productivity in Dorset

Historically, the high levels of employment in Dorset have not translated into matching growth in productivity – a phenomenon, known as the 'productivity conundrum'. Labour productivity is lagging behind the UK with a widening gap costing our economy an estimated £3 billion in lost output per year. Recent findings suggest investment in innovation and learning could change this downward trend.

See [Chart of the Quarter](#)

Future Career Corner: Apprenticeships

Our Local Skills Report found that apprenticeships offer 16% higher wages for disadvantaged apprenticeship achievers and in Dorset 91% of completed apprenticeships end in a sustained employment destination which is higher than the rate seen nationally. Apprenticeships also have the highest positive overall destination rate and average earnings 12 months after completion when compared to other learner pathways and are a win-win solution for employers as they directly respond to local economy and labour needs. Find out all about the current apprenticeship opportunities in Dorset.

See [Future Career Corner: Apprenticeships](#)

Dorset LEP and Skills Advisory Panel & Board Skills (SAPB) Initiatives

- Dorset's Skills Advisory Panel and Board published its [Local Skills Report – new for 2022](#), which was covered by [local press](#) and press releases expected by BCP and Dorset councils
- Dorset's Skills Advisory Panel and Board published its [January 2022 meeting minutes](#) featuring business updates from FSB and Dorset Chamber and plans to tackle local labour shortages
- **The National Apprenticeship week** was celebrated across [Dorset LEP areas](#) and widely covered by training providers and **DSTPN are partnering with Dorset Chamber to launch the [Dorset Apprenticeship Awards 2022](#) – find out more [Future Career Corner: Apprenticeships](#)**
- [The BCP Local Plan is open for consultation](#), the [BCP Economic Development Strategy](#) was approved by Cabinet
- [The Dorset and Somerset Training Providers Network](#) has published [Your Future Sorted](#) – a directory for school students, parents, teachers and stakeholders in Dorset and Somerset and [Skills Elevator](#) – pathways to different job roles and knowledge and behaviour requirements of potential jobs
- [Dorset's Careers and Apprenticeship Show](#) is coming on the 17th of March at the BIC
- The Government published its [Levelling up white paper](#) and started [consultations on proposed changes to HE funding](#)

Latest economic reports

[Latest ONS Quarterly estimates](#) illustrate that the economy grew by 1% in the last quarter of 2021 and is now 0.4% below its pre-coronavirus level.

Following the large 9.4% fall in 2020 because of the initial impact of the coronavirus (COVID-19) pandemic and public health restrictions, UK GDP saw an annual rise of 7.5% in 2021.

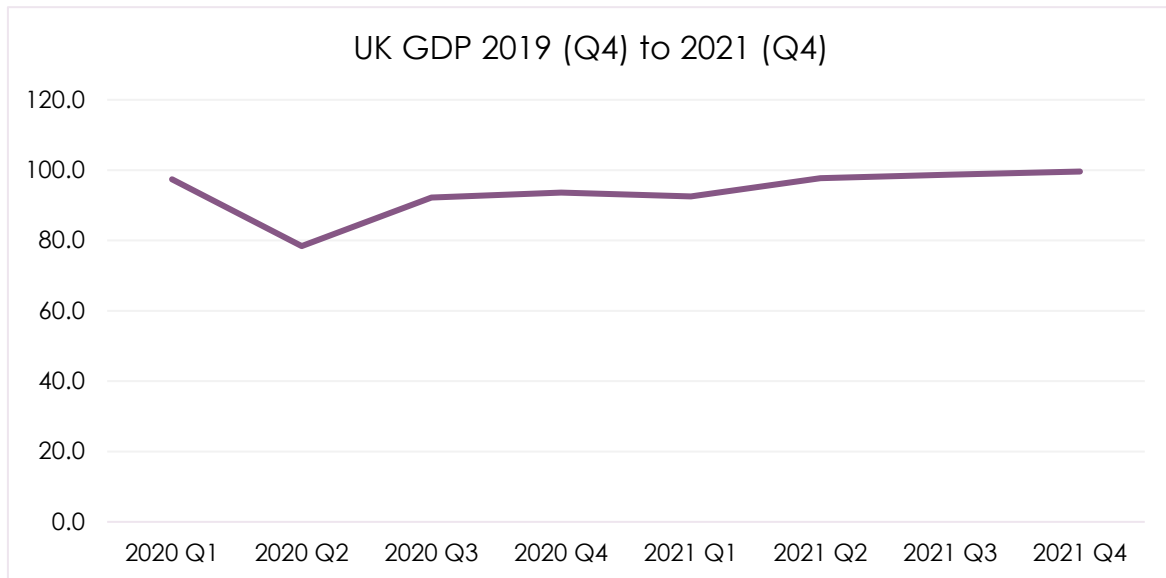


Figure 1. ONS, GDP monthly estimates, UK Aug 2021, Oct 13, 2021



[The Bank of England](#) reported recruitment difficulties remained acute in many sectors even after the furlough scheme ended; pay settlements continued to rise. Growing reports of rising costs being passed through to prices; further upward pressure from higher pay and energy costs expected in 2022.



[The Recruitment and Employment Confederation Jobs Outlook](#) finds in November 2021-January 2022, business confidence in the UK economy rose by six percentage points from the previous rolling quarter. This suggests more positive expectations for the economy in 2022, despite the threat of rising inflation and labour shortages. Confidence in making hiring and investment decisions rose to net: +17 in the three months to January - eight percentage points higher than the previous rolling quarter.



In the Spotlight

Coinciding with the launch of the Government's Levelling Up White Paper, a new Local Skills Report was published for Dorset to tackle social inequality, increase productivity, and provide the skills needed for Dorset's economy to thrive.

In the Spotlight: Local Skills Report 2022

The [Dorset Local Skills Report](#), overseen by the [Dorset Skills Advisory Panel and Board](#), is the authoritative resource for Dorset skills insights and activities. A requirement of the Department for Education, this new version of the report has been released, outlining the current local skills and employment situation following the COVID-19 pandemic and major policy and employment shifts.

The report brings all skills data and work together to enable Dorset's education providers, employer bodies and businesses to help level up Dorset and raise prosperity across the county. It highlights the higher prevalence of labour and skills shortages in Dorset, and identifies a number of economic challenges and critical factors affecting the attraction and retention of a skilled and productive workforce that is critical to a strong local economy including:

- an estimated annual £3 billion low productivity challenge
- a significant attainment gap starting in early years and widening at secondary level
- accessibility and aspiration gap for progression, particularly in rural areas
- inequality in earnings, outcomes and housing affordability
- challenge of an ageing demographic profile

Luke Rake, who led the report on behalf of the Skills Board said, "The purpose of this report is to show to Government and local stakeholders how we can address these pressing skills challenges and improve outcomes for all by working together. While Dorset is a moderately affluent county, there are pockets of significant deprivation, with fifteen neighbourhoods amongst the most deprived in England and areas of postcode lottery performing particularly poorly in terms of social mobility. With inflation at its highest in 30 years, energy prices and cost of living soaring, these challenges have worsened with COVID-19, hence why removing inequality forms one of our most important strategic ambitions." Read [more](#).

Key findings from the report will be discussed with a free lunchtime webinar taking place on 1st March and including speakers from local businesses and organisations.

Book your free tickets now

[Skills 4 Now: Navigating the maze of the current labour market in Dorset](#)

Vacancies & Opportunities in Dorset

2021



Vacancies & Opportunities in Dorset



Strongest job demand on record, signs of slowing down

The combined effects of the Covid-19 pandemic and the prolonged economic and political uncertainty of Britain's exit from the EU caused two consecutive years of subdued labour demand in 2019 and 2020 and spilled into early 2021, but the levels of recruitment seen later in the year broke that trend.

- **Monthly developments**

The jobs market throughout 2021 was tumultuous but strong. Overall recruitment not only recovered but exceeded previous two years over most of the year, although demand fluctuated considerably over the course of the year and across industries. The year ended with a vacancy nosedive as Christmas was overshadowed by Omicron, which resulted in a vacancy drop mirroring the one last seen with the first lockdown back in April 2020.

Monthly Vacancies (2019, 2020, 2021)

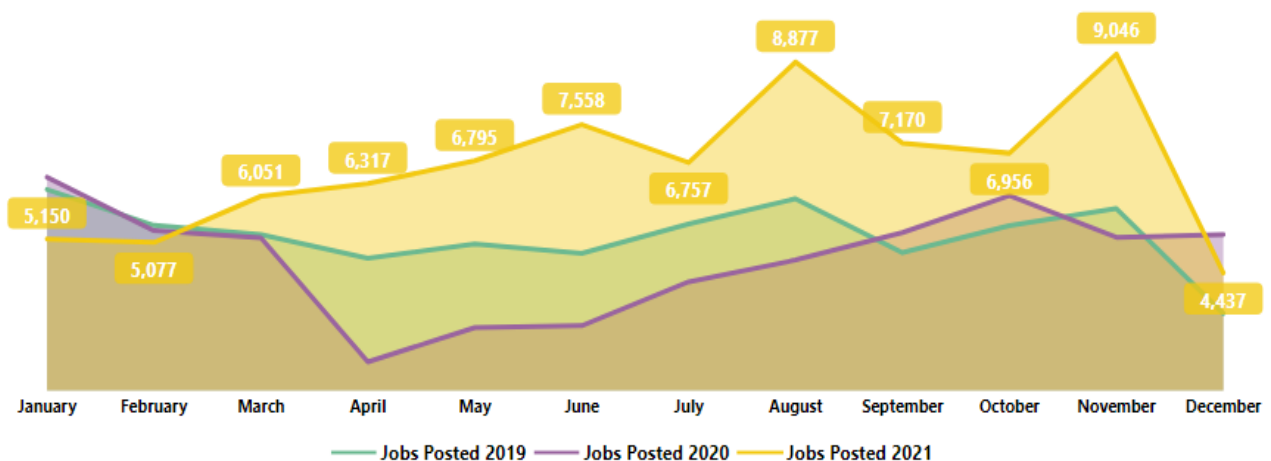


Figure 2. Dorset vacancies comparison Burning Glass Technologies: Labour Insight. 2021.

- **A matching last quarter**

Whilst traditionally there is seasonal drop in recruitment towards the end of the year in Dorset, the last quarter of 2021 was extraordinary.

Job postings in November marked the highest on record, followed by a 51% drop in December, and the last quarter levelled at c.20,440.

Although 10% down on Quarter 3, this was 24% higher than the vacancies over the same period last year and the highest seen over the last quarter since 2012 when the record began.

Dorset vacancies (quarterly) - time series

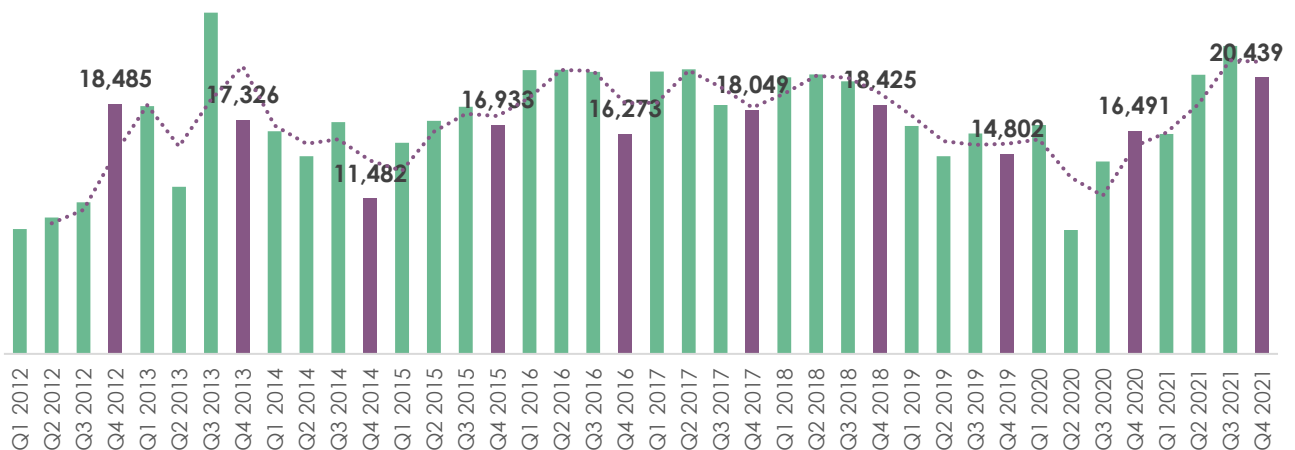


Figure 3. Dorset quarterly vacancies 2012-2021 Burning Glass Technologies: Labour Insight. 2021.

The aggregate vacancies advertised throughout 2021 exceeded 80,000 and were the highest on record - 41% on 2020 and 28% on 2019.

[ONS reports](#) the number of job vacancies in November 2021 to January 2022 rose to a new record of 1,298,400, an increase of 513,700 from its pre-coronavirus January to March 2020 level. However, the rate of growth in vacancies is slowing down.

Dorset Annual Vacancies

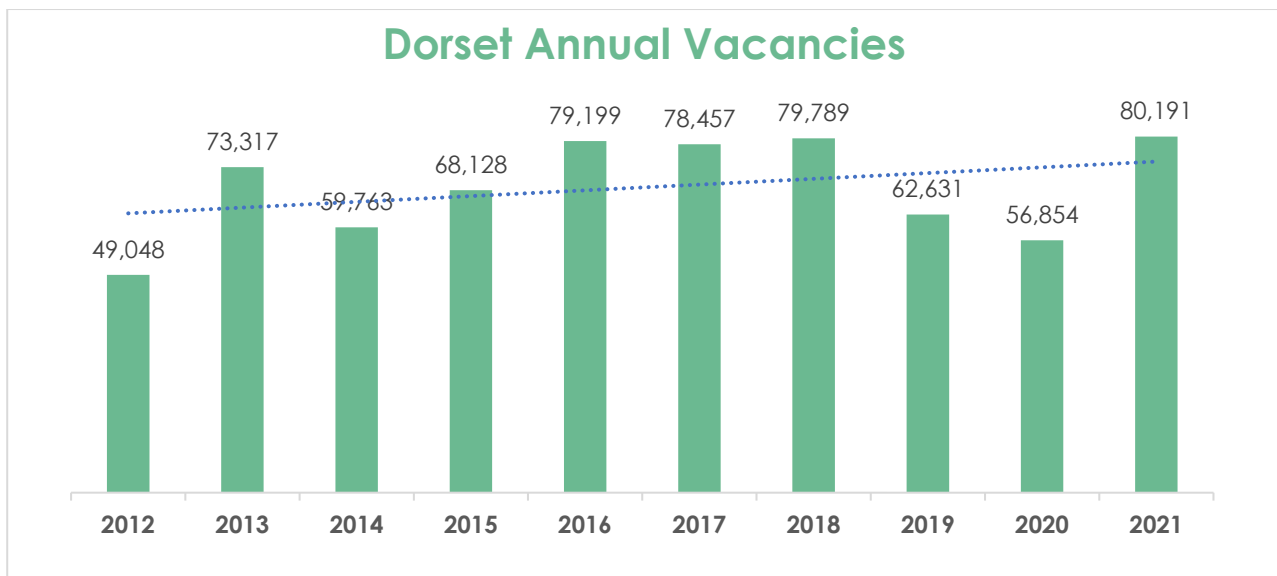


Figure 4. Dorset annual vacancies 2012-2021 Burning Glass Technologies: Labour Insight. 2021.



Top employers and job creation in Dorset 2021

Top Employers	#Jobs
NATIONAL HEALTH SERVICE	7,587
JPMORGAN CHASE & CO	1,125
BCP COUNCIL	1,085
DORSET COUNCIL	631
BOURNEMOUTH UNIVERSITY	620
COLTEN CARE LIMITED	436
WHITBREAD	380
AGINCARE GROUP LTD	368
VITALITY LIMITED	346
HOLT ENGINEERING LIMITED	330
BOURNE LEISURE HOLDINGS	218
COMPASS GROUP PLC	208
NUFFIELD HEALTH	182
BOURNEMOUTH AND POOLE COLLEGE	173
CO-OPERATIVE GROUP LIMITED	168
MORSON TALENT	160
INPLOI LIMITED	158
RNLI	156
SHAW HEALTHCARE	155
TRU TALENT	151
CURTISS WRIGHT CORPORATION	150

Figure 5. Dorset Top Employers by number of jobs posted Jan-Sep 2021, Burning Glass Technologies: Labour Insight, 2021.

Whilst the employers topping the chart have not seen a significant reshuffle from 2020, manufacturing, hospitality, catering and retail employers are the notable exception with exponential growth in their recruitment volumes (over 80% growth in some employers' activity).

The other trend is the growth in recruitment agencies activity – 2021 was the first year when several agencies appeared among the top employers reflecting the difficulties employers are facing with filling up their vacancies.

The National Health Service is by far the largest employer in Dorset – accounting for over 9% of all Dorset vacancies and over 6 times as many as the second largest employer - J.P.Morgan. Demand as also high at local Councils, Bournemouth University and residential care firms all remaining top recruiters.

All top employers have ramped up recruitment significantly in Dorset in 2021 when compared to the previous year.

Carers overtook nurses and software developers as jobs most in demand in Dorset, while office administrators moved back in the top 3 as many workers return to physical work places.

Chefs, and food service team members and cleaners were also in demand, as the hospitality sector was getting back on its feet, while other professionals such as project, account and financial managers, lawyers and accountants continuously remain highly sought after.

There are also exciting plans for new projects and jobs in Dorset:

- [Sunseeker is taking 50 new apprentices working with Bournemouth and Poole College](#)
- [BAE Systems – the British multinational arms, security, and aerospace company is set to hire almost 1,700 apprentices and graduates across the UK in 2022 – including 48 across two bases in Dorset.](#)



Industries, Occupations and Skills

Dorset Industries Number of Vacancies - Difference (%)

● 2021 vs 2020 ● 2021 vs 2019

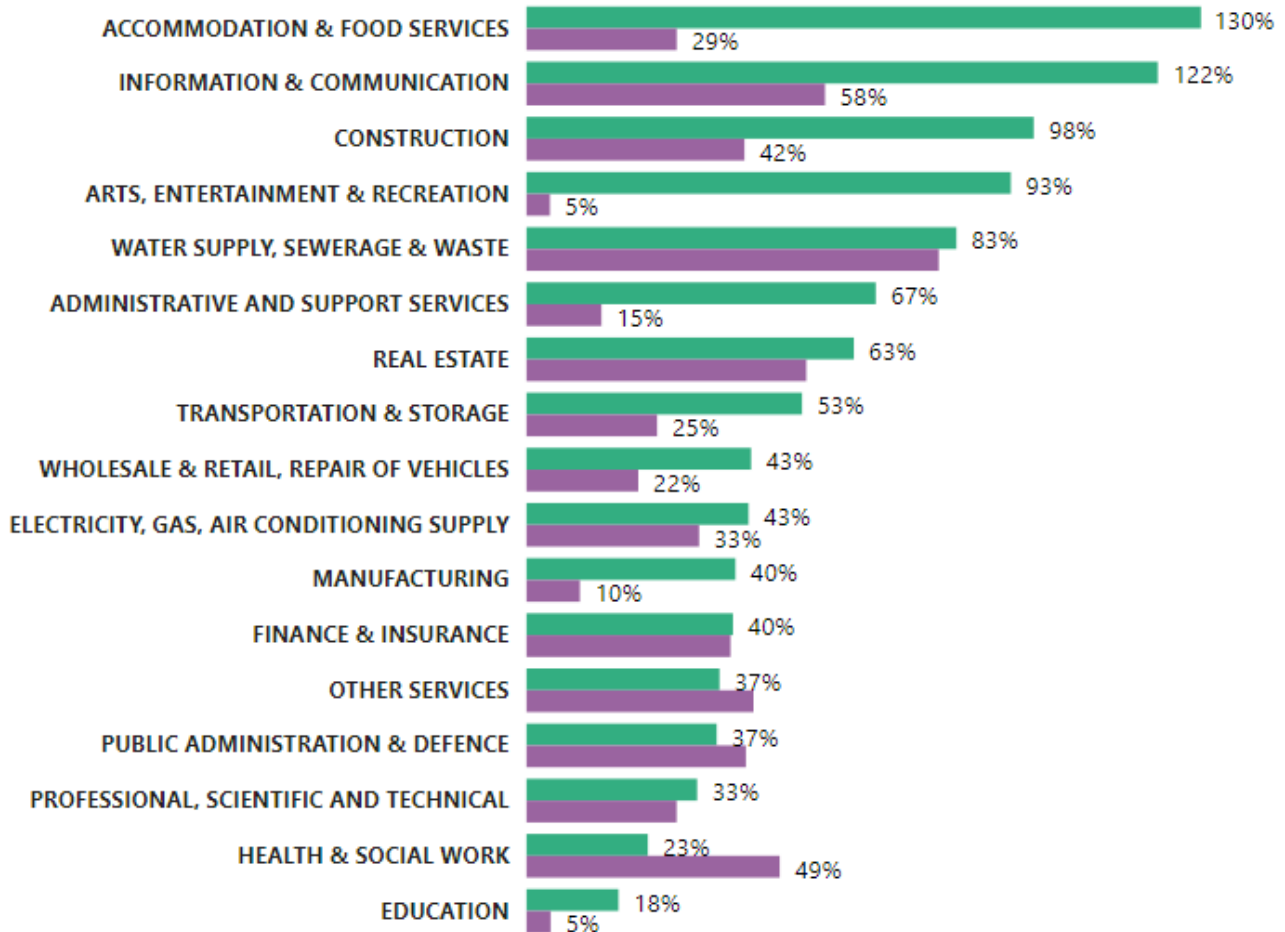


Figure 6. % Difference in the number of vacancies per industry in Dorset in 2021 when compared to 2020 and pre-pandemic levels in 2019

Over the course of 2021 labour demand saw considerable growth across all industries in Dorset when compared to vacancies in the previous two years.

Most notably, 2021 vacancies in tourism, hospitality and ICT were more than double those advertised in the 2020, and close to double in Construction and Arts & Entertainment, while Utilities saw the highest sustained growth when compared to both 2020 and 2019 pre-pandemic levels.

The slowest increase was noted in Education, and ramped-up demand in Manufacturing meant the sector moved up the ranks in 2021, overtaking Education in terms of demand (Figure 7).

Industry	2021	Industry	2020
HEALTH & SOCIAL WORK	16,880	HEALTH & SOCIAL WORK	13,672
MANUFACTURING	4,718	EDUCATION	3,837
EDUCATION	4,520	MANUFACTURING	3,362
PROFESSIONAL, SCIENTIFIC AND TECHNICAL	3,861	PROFESSIONAL, SCIENTIFIC AND TECHNICAL	2,904
WHOLESALE & RETAIL, REPAIR OF VEHICLES	3,826	WHOLESALE & RETAIL, REPAIR OF VEHICLES	2,669
ACCOMMODATION & FOOD SERVICES	3,646	FINANCE & INSURANCE	1,741
FINANCE & INSURANCE	2,435	ACCOMMODATION & FOOD SERVICES	1,585
PUBLIC ADMINISTRATION & DEFENCE	1,694	PUBLIC ADMINISTRATION & DEFENCE	1,239
ADMINISTRATIVE AND SUPPORT SERVICES	1,570	ADMINISTRATIVE AND SUPPORT SERVICES	938
INFORMATION & COMMUNICATION	1,286	TRANSPORTATION & STORAGE	758
TRANSPORTATION & STORAGE	1,161	OTHER SERVICES	593
CONSTRUCTION	1,084	INFORMATION & COMMUNICATION	580
OTHER SERVICES	814	CONSTRUCTION	548
REAL ESTATE	713	REAL ESTATE	437
ARTS, ENTERTAINMENT & RECREATION	410	ARTS, ENTERTAINMENT & RECREATION	212

Figure 7. Vacancies by industry – Q1 2020 (pre-pandemic) ranking vs Q3 2021. Burning Glass Technologies: Labour Insight. 2021.

National reports suggest there is a slowing down of vacancy growth

Latest [ONS national report](#) looking at the period between November 2021 to January 2022 the quarterly growth rate fell to 9.6% with all industry categories displaying a slowdown. The rate of this slowdown varies across business sectors, as is seen in the two industries with the highest quarterly growth rates, education at 17.3%, and transport and storage at 17.1%. Both fell from the previous quarter when they displayed 19.3% and 43.4%, respectively. While growth slowed, the number of vacancies continued to rise across most industries, with 10 of the 18 categories displaying record highs. The largest quarterly increase in vacancy numbers was in accommodation and food service activities, which grew by 21,400 (13.6%). The other large increase was in wholesale and retail trade; repair of motor vehicles and motorcycles was up 19,900 (13.2%).

In 2021 demand exceeded both 2020 and the levels seen in 2019 across all occupational groups.

Labour demand across all occupations also exceeded last two years'

In 2021, demand was strong and grew across all major occupation groups (using Standard Occupational Classification (SOC)). Demand recovered notably among those occupations most affected by the pandemic, such as Elementary (85% up), Skilled Trades (80% up), Administrative (78% up) and Sales Occupations (62% up).

Dorset Job Postings by Occupation (2021 vs 2020)

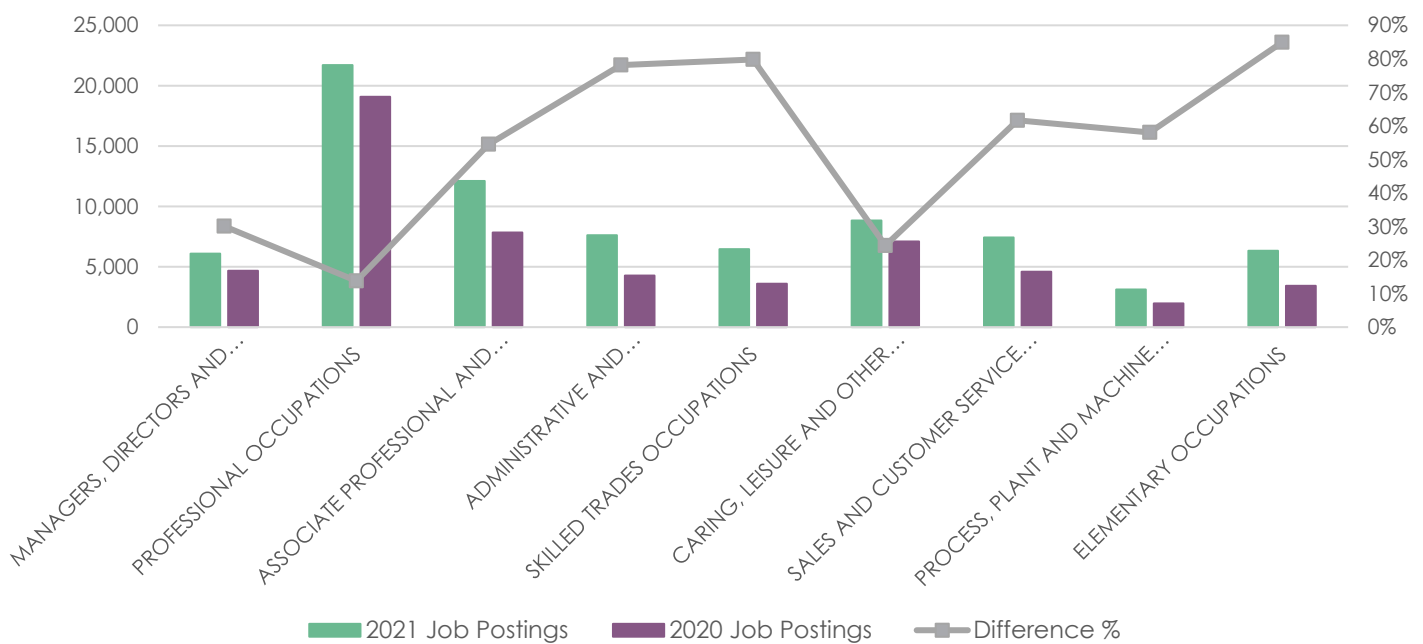


Figure 8. Occupational Developments Jan–Sep 2012-2021. Burning Glass Technologies: Labour Insight. 2021

Looking at the long-term developments in occupations, we also see a dynamic picture (Figure 9).

High skilled roles (Managers, Professional and Associate Professional roles) accounted for 50% of the demand, **mid- skilled (Admin, Skilled trades and Caring)** for 30% of and **lower-skilled (Sales, Machine operatives and Elementary)** for 20% of the 2021 vacancies.

The high skilled labour market for college and university graduates is strong. Professional jobs demand stood out in numbers and saw an 80% increase since 2012 and representing over a quarter (27%) of all 2021 vacancies. Similar growth was recorded across elementary low skilled roles over this period. The most notable growth historically however was seen in Caring Service occupations, where demand tripled over the past decade (150% up since 2012).

Top 10 occupations - long-term developments January - December

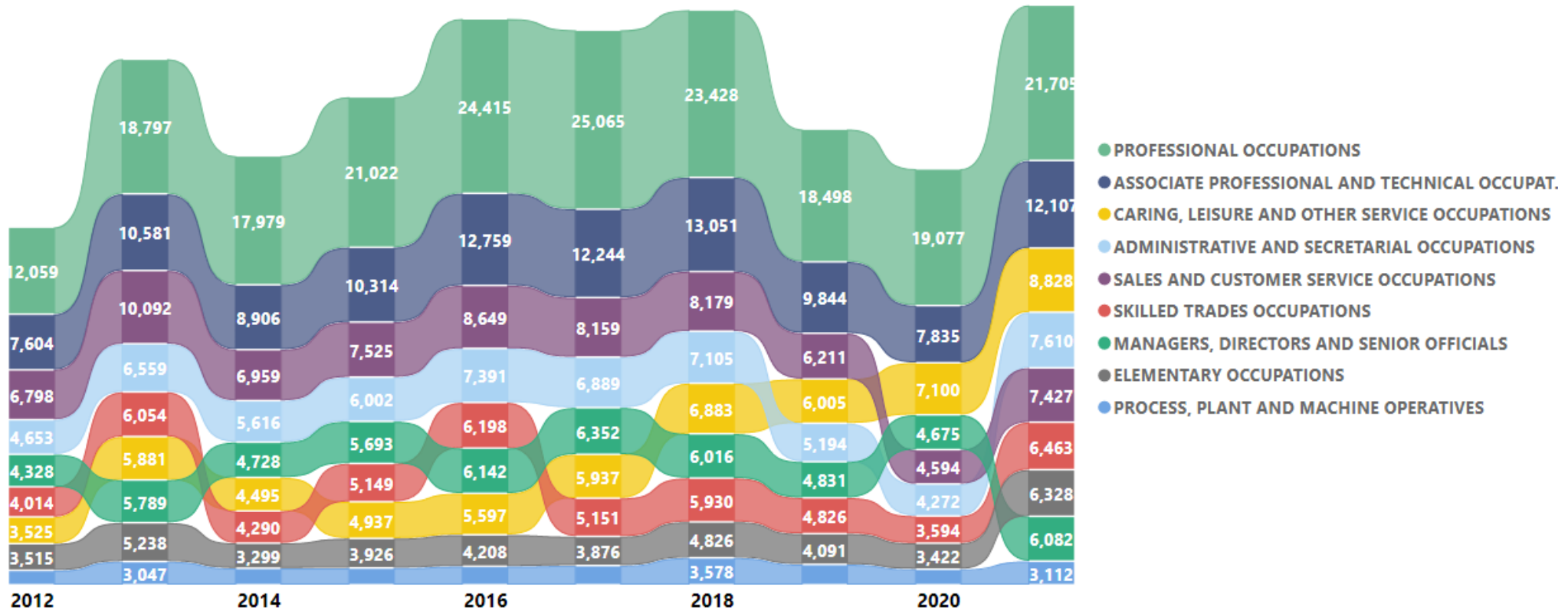


Figure 9. SOC Developments Jan-Sep 2012-2021. Burning Glass Technologies: Labour Insight. 2021

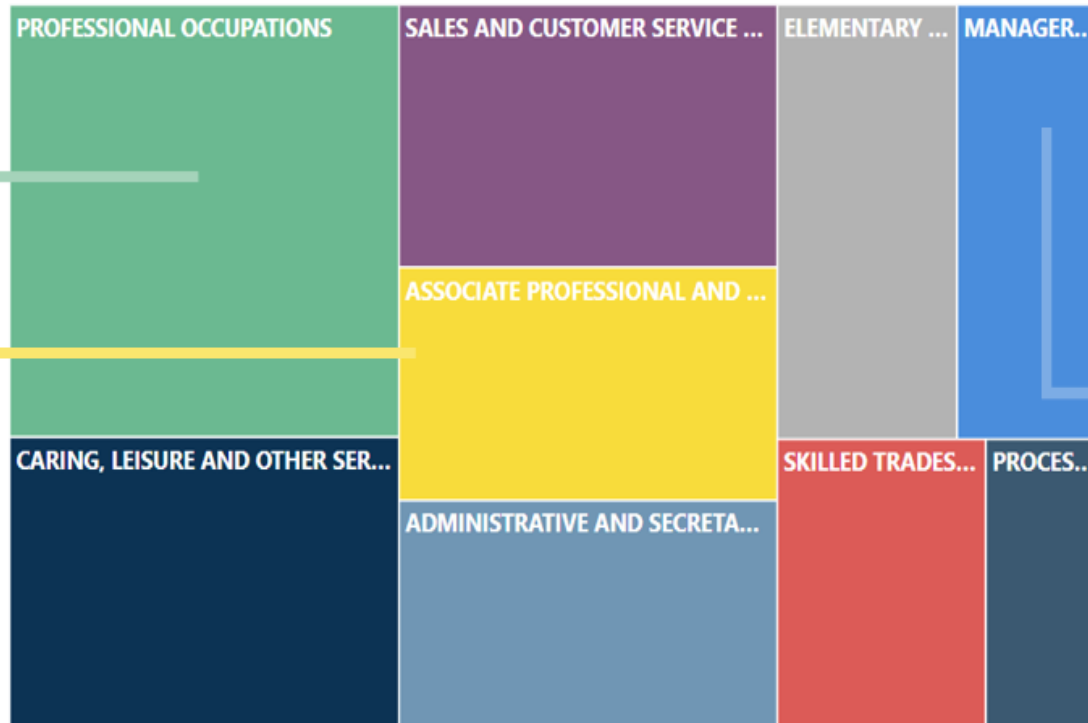
The top high-skilled roles within SOC occupations 1-3 in Dorset were:

- Professional roles: nurses, programmers, and accountants.
- Associate professionals: HR, Engineering, and IT Support.
- Managers and Directors: Service, Marketing and Finance managers and directors.

Jobs most in demand	#Job Postings
Nurses	4,038
Programmers and software development professionals	2,343
Chartered and certified accountants	958
Solicitors	888
IT business analysts, architects and systems designers	776
Teaching and other educational professionals n.e.c.	773
Management consultants and business analysts	679
Engineering professionals n.e.c.	676
Medical practitioners	619
Web design and development professionals	561

Jobs most in demand	#Job Postings
Human resources and industrial relations officers	901
Engineering technicians	885
IT user support technicians	814
Marketing associate professionals	771
Science, engineering and production technicians n.e.c.	695
IT operations technicians	600
Finance and investment analysts and advisers	476
Buyers and procurement officers	475
Health associate professionals n.e.c.	435
Business sales executives	404

Top 10 Occupations 2021



Jobs most in demand	#Job Postings
Managers and proprietors in other services n.e.c.	1,203
Marketing and sales directors	869
Financial managers and directors	604
Health services and public health managers and directors	497
Production managers and directors in manufacturing	370
Property, housing and estate managers	320
Managers and directors in retail and wholesale	250
Production managers and directors in construction	229
Purchasing managers and directors	225
Residential, day and domiciliary care managers and proprietors	211

Figure 10. Top jobs within high skilled occupational groups (Managers, Professional and Associate Professional roles) in Dorset in 2021

Most frequently requested subject areas and skills

Engineering, Nursing Science and Business Administration were the subject areas most frequently quoted by employers in job postings, while baseline skills were most in demand with communication, organisational, detail-orientation and planning skills topping the charts, closely followed by use of Microsoft applications, creativity and problem solving and leadership.

Most digital skills were stable or growing with MS Excel topping the lead table and Python growing amongst the programming languages.

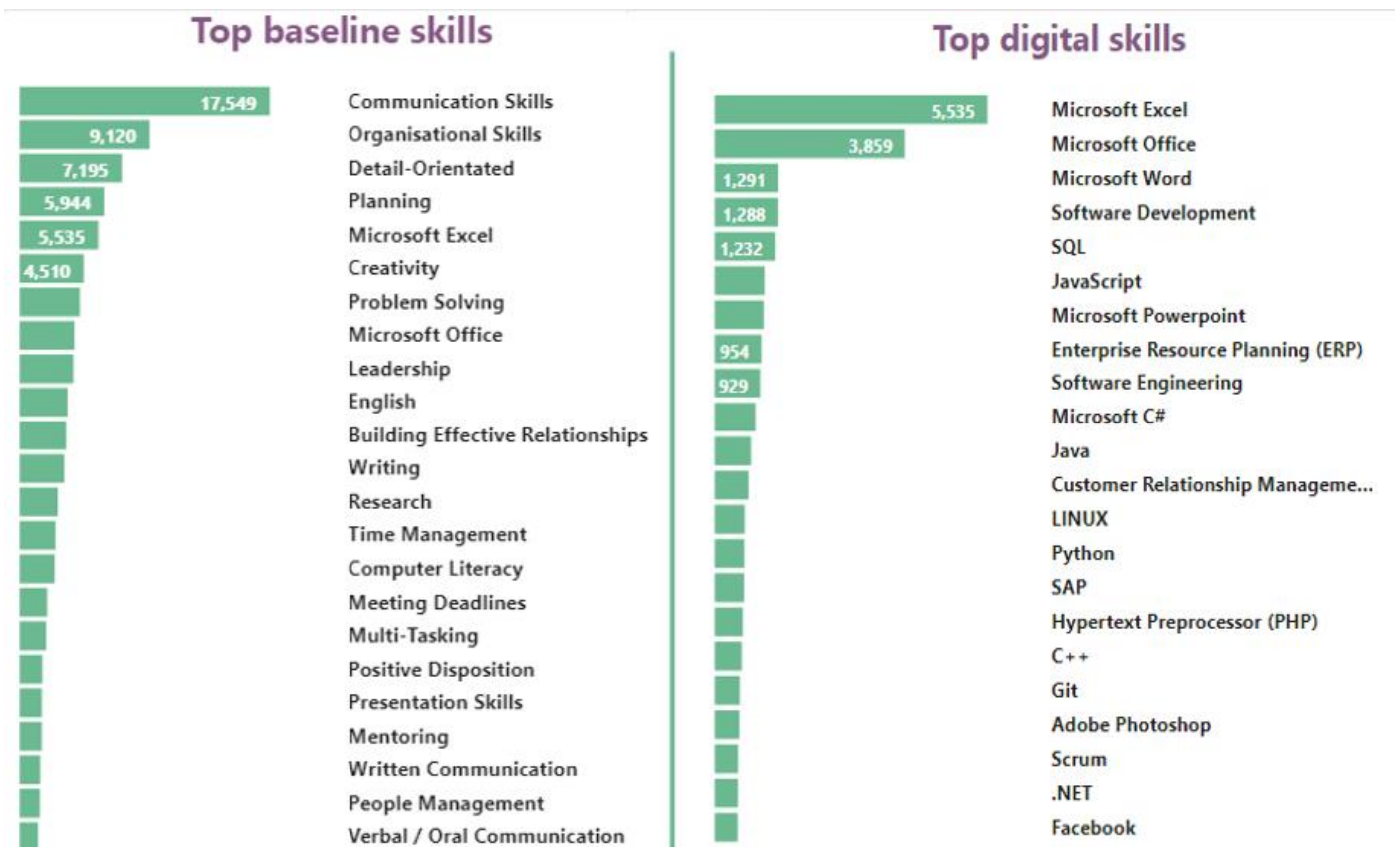


Figure 11. Skills most frequently requested by employers 2021. Burning Glass Technologies: Labour Insight. 2021

Over half (57%) of the advertised jobs throughout the first three quarters of 2021 required less than 2 years of experience and a further third recommended between 3 and 5 years of experience.

Half of the jobs required GCSE's and A Levels as a minimum and 40% required degrees.

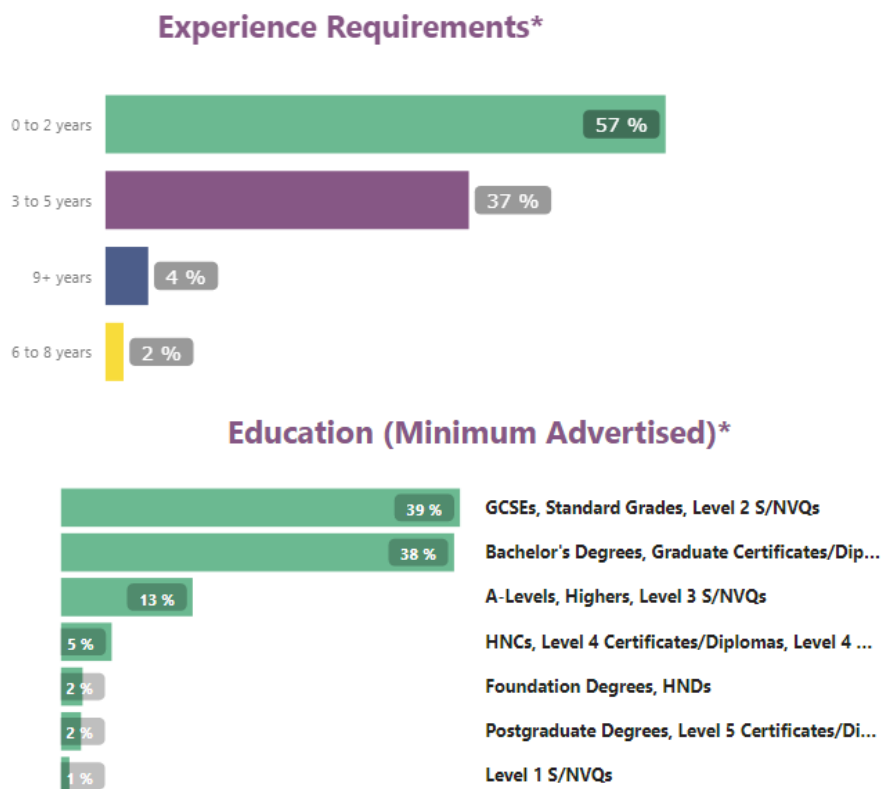


Figure 12. Figures to be taken with caution due to large number of missing data points. | Source: Burning Glass Technologies: Labour Insight. 2021.

Explore more local vacancies and opportunities by visiting Dorset LEP's [Vacancies and Opportunities Dashboard](#)



Employment Statistics in Dorset



Employment levels

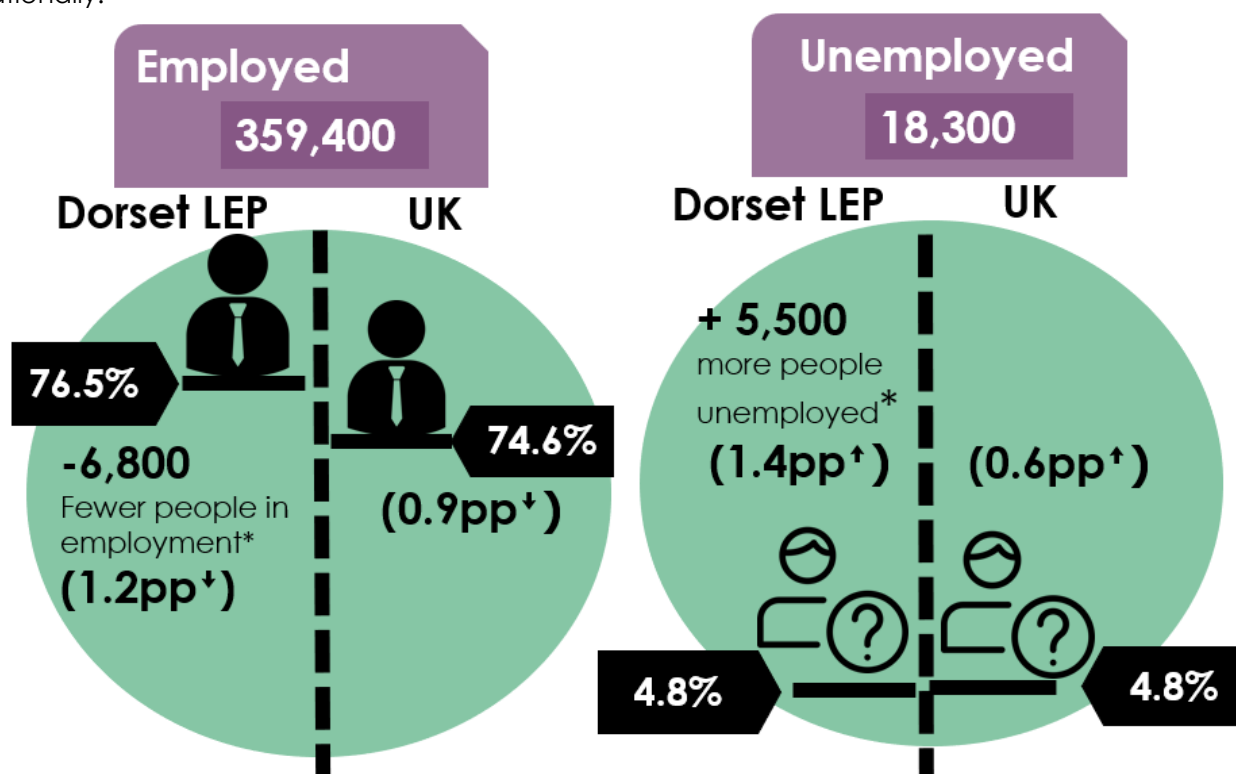
Unemployment in Dorset reached 4.8% - levels last seen in 2014 and in line with those nationally.
 Employment also fell, but rates remained favourable compared to the national reference.

Both employment and unemployment worsened compared to the previous year and quarter.

Unemployment in Dorset increased in September 2021 with 5,500 more unemployed and reached 4.8% - rates in line with those seen nationally but double the pre-pandemic rates from the same period in 2019. An unemployment rate of 4.8% was last seen in Dorset in 2014.

Employment also fell to 76.5% with 6,800 fewer people in employment compared to a year earlier, but Dorset employment rates still compared favourably to the national picture (74.6%).

Employment also declined by 0.5 percentage points on the quarter, while nationally there was some improvement (up 0.2 percentage points). Similar changes were noted in unemployment rates - a 0.5 percentage points increase on the quarter, compared to a 0.2 percentage points decline nationally.



* Figures refer to the period Oct 2020-Sep 2021 in comparison to Oct 2019-Sep 2020 - ONS Annual Population Survey 2021

Figure 13. ONS Annual Population Survey 2021 (for the period Oct 20- Sep 21)

Falls in employment were sector-and-occupation dependant.

The sectors where the pandemic disruption caused the largest declines in employment between Oct 2020 and September 2021 (when compared to a year earlier) were Distribution, Hotels & Restaurants (5,700 down), Public Administration, Education & Health (5,700 down), and Construction (2,700 down). Over the same period, employment increased in Finance (3,500 up), Manufacturing (2,600 up) and Energy and Water (2,300 up).

The occupations with largest declines of employment were Associate Professional and Technical (8,800 down), Elementary (7,900 down) and Management Occupations (5,200 down), while employment increased most significantly in Professional occupations (10,500 up).

Cautious growth in self-employment.

In Dorset, 3,100 fewer self-employed were recorded in September 2021 compared to a year earlier but an upward trend was noted throughout 2021. The bulk of decline was recorded among self-employed men.

Increase in pay seen nationally not yet reflected in Dorset.

[ONS latest estimates](#) (for the three months October to December 2021) a 4.3% growth in average total pay (including bonuses) and 3.7% growth in regular pay (excluding bonuses) among employees nationally. ONS cautions however, that in real terms (adjusted for inflation), pay fell on the year at negative 0.1% for total pay and 0.8% for regular pay.

Local data available on annual basis illustrates a 6% increase in the gross weekly pay in 2021 in Dorset, compared to a 4% increase nationally.

Gross Weekly Pay (Median)



Figure 14. Source: ONS Annual Survey of Hours and Earnings



Continued decline in unemployment benefit claimants.

The number of people claiming unemployment related benefits saw a month-on-month drop from a peak back in March. Recently the pace of decline has slowed down, and there are reports for large proportions of health issues declared. There were 9,385 fewer overall claimants and 2,195 less young people claiming unemployment support at the end of December. This marks a 38% decline since March and a more pronounced 50% decline in youth unemployment.

At the end of December, **there were 15,525 people in Dorset claiming universal credit due to unemployment**, which represents around 3.4% of the working age residents in the county (4.4% UK) – down from 5.5% (6.4% UK) in March. The numbers were higher in Bournemouth, Christchurch and Poole (4.5%, n=10,975) and lower in Dorset Council area (3.1%, n=6,400).

Whilst significant number of people have come off unemployment related benefits over the past months, claimant counts remain over 70% higher than pre-pandemic.

Claimants as a proportion (%) of residents aged 16-64

3.4%

Figure 15. ONS, Claimant counts

Dorset LEP Claimant Count Age 16+

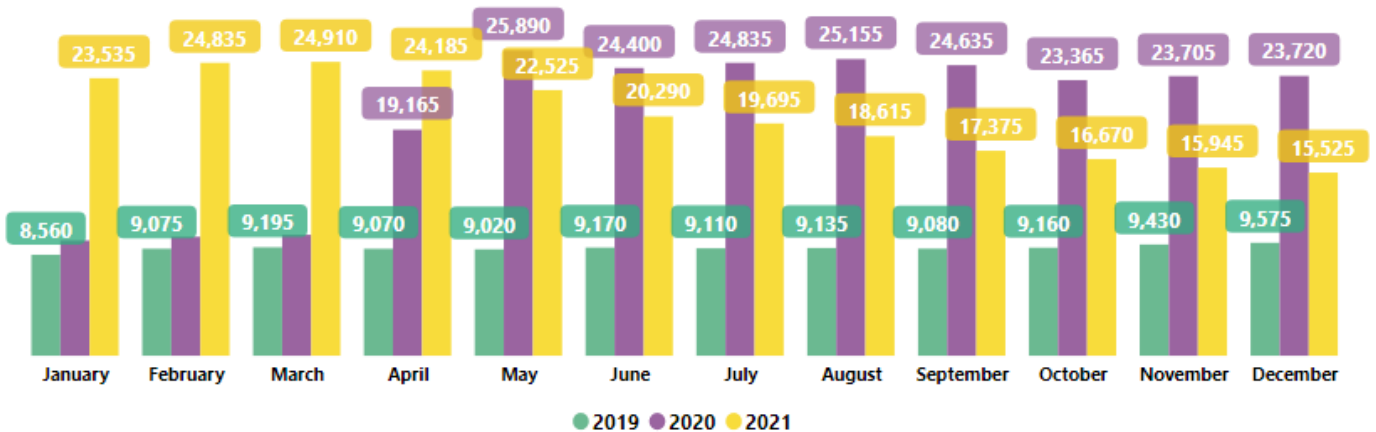


Figure 16. ONS, Claimant counts

Young people still more affected, but levels declining faster.

Claimants as a proportion (%) of residents aged 18-24

4.6%

At the end of September 2,665 18-24 year olds in Dorset were in receipt of unemployment related benefits (4.6% with 6.5% UK reference) - 1,805 fewer than back in March. While young people in receipt of unemployment related benefits remain higher in proportion, the rate of decline has also accelerated, marking a 40% drop in claimants among this age group since March.

To explore more trends visit dorsetlep.co.uk/employment-statistics

Chart of the Quarter



Chart of the Quarter: Productivity in Dorset

Reflections on Dorset's productivity gap

Dorset's total Gross Value Added (GVA current prices) has doubled (in nominal terms) over the past 20 years, reaching £18.6 bn in 2019¹ (Figure 17).

In comparison with neighbouring LEP areas, Dorset has seen a sustained, but subdued output growth in contrast to its consistently high employment rates (Figure 13). One of the consequences of employment growth being higher than output growth historically was inevitably the decline in labour productivity.

Higher employment – lower productivity conundrum

Historically, the high levels of employment in Dorset have not translated into matching growth in productivity – a phenomenon, known as the 'productivity conundrum'.

Measured on a GVA per hour basis, the gap between Dorset's and the national productivity has increased year on year reaching circa £4.9 per hour worked in 2019 (Figure 17).

When applied to the total number of hours worked, this widening gap is costing our economy an estimated £3 billion in lost output per annum.

The key explanation remains in the recovery from the financial crisis, when businesses substituted cheap labour for capital investment, particularly in labour intensive and lower wage sectors, leading to a period of surprisingly high employment in Dorset, but slow output growth. And history might be repeating this time around with business investment remaining under pressure².

However, recent national trends³ reveal some curious pandemic effects on increased aggregate productivity linked to innovation:

While output **per worker** declined in 2020 (9.5%↓) with large numbers of furloughed workers, **workers' average output per hour increased** (0.4%↑) and in 2021 this remained higher than pre-pandemic levels. This is explained by furlough prevalence in lower productivity sectors and a leap in technological innovation for businesses adapting to remote operating models.

These figures suggest that technological investment could not only build resilience but could also boost productivity even through volatility.

The Bank of England said in its [latest monetary policy report](#) that investment in innovation and digital technologies could boost productivity to a great extent. There could also be greater gains to productivity from working from home in the future, which may allow companies to reduce office space and shift investment away from buildings towards staff training and IT. Read how Dorset is tackling these productivity issues in our newly released [Local Skills Report 2022](#).

¹ [Regional gross value added](#) (balanced) by industry: city and enterprise regions

² [Business investment in the UK, July to September 2021, ONS December 2021](#)

³ [UK labour productivity rose during pandemic, official figures show](#). Financial times, 2021

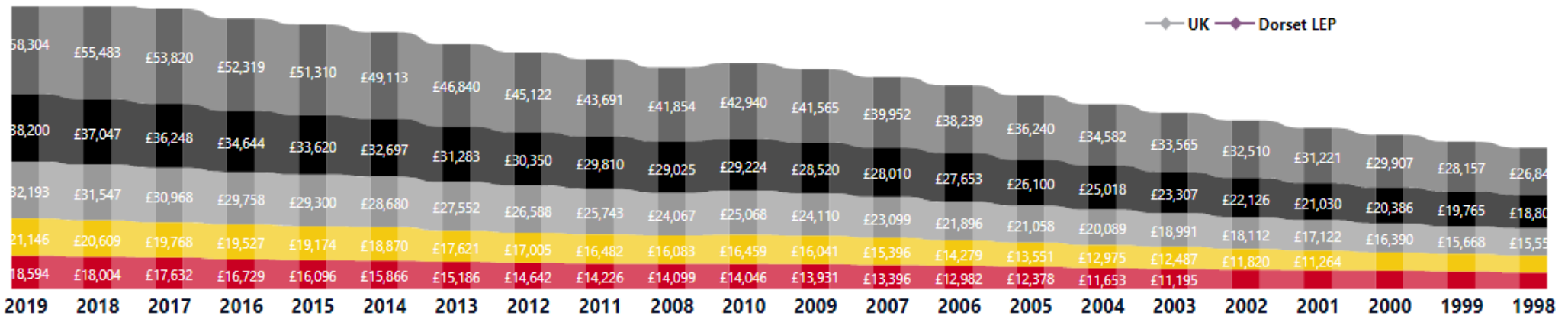
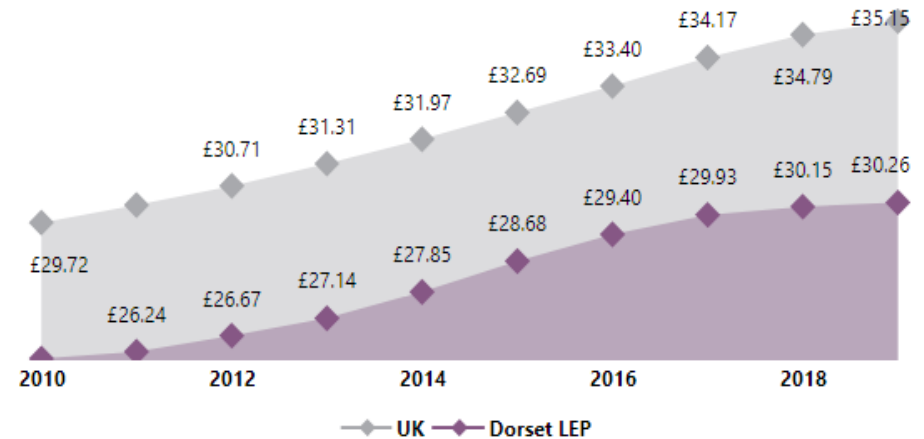
Gross Value Added at current basic prices (LEP areas)

Average difference in productivity per hour worked in Dorset vs UK

-£4.89

£3 billion output gap

Nominal gross value added (GVA) per hour worked



● Dorset ● Enterprise M3 ● Heart of the South West ● Solent ● Swindon and Wiltshire

Source: Regional gross domestic product enterprise regions. ONS. 2019 (published 2021) | Subregional productivity. ONS. 2019 (published 2021)

Figure 17. Dorset Productivity. Source: Regional gross domestic product enterprise regions. ONS. 2019 (published 2021) | Subregional productivity. ONS. 2019 (published 2021)

Future Career Corner



Future Career Corner: Apprenticeships

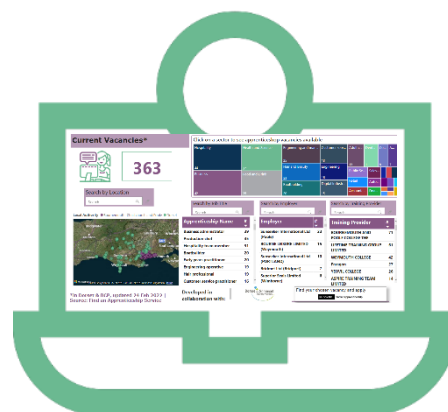
The National Apprenticeship week in February 2022 brought together businesses and apprentices across the county to shine a light on the positive impact that apprenticeships make to individuals, businesses and the wider economy.

The week was celebrated across [Dorset LEP areas](#) and widely covered by training providers. [Bournemouth and Poole College](#) held its [Apprenticeships Unlocked event](#), [Weymouth College](#) hosted an Open Evening and Employer Fair, [Kingston Maurward College](#) was joined by the Dorchester Chamber of Business for a business breakfast at the college and the Dorset and Somerset Training Providers Network launched the [Dorset Apprenticeship Awards 2022](#) in partnership with the Dorset Chamber of Commerce.

Apprenticeships play an essential role in providing successful career pathways, improving life chances and retaining talent locally.

Our Local Skills Report found that apprenticeships offer 16% higher wages for disadvantaged apprenticeship achievers and in Dorset 91% of completed apprenticeships end in a sustained employment destination which is higher than the rate seen nationally. **Apprenticeships also have the highest positive overall destination rate and average earnings 12 months after completion when compared to other learner pathways and are a win-win solution for employers as they directly respond to local economy and labour needs.**

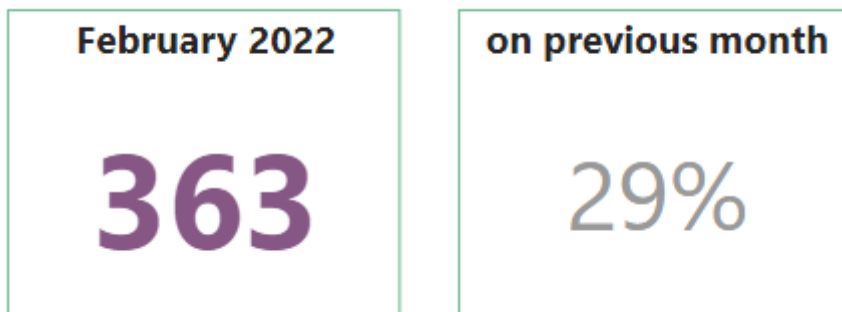
Click to [read Dorset LEP's feature article](#) and visit our [Apprenticeship finder dashboard](#) with latest opportunities in Dorset.



We feature here some of the key facts featured in the dashboard to inspire people in Dorset into Apprenticeship careers.

Apprenticeship Job Vacancies in Dorset

In February 2022 we found:



They were evenly spread across the two local authorities, offering opportunities across the whole of Dorset.

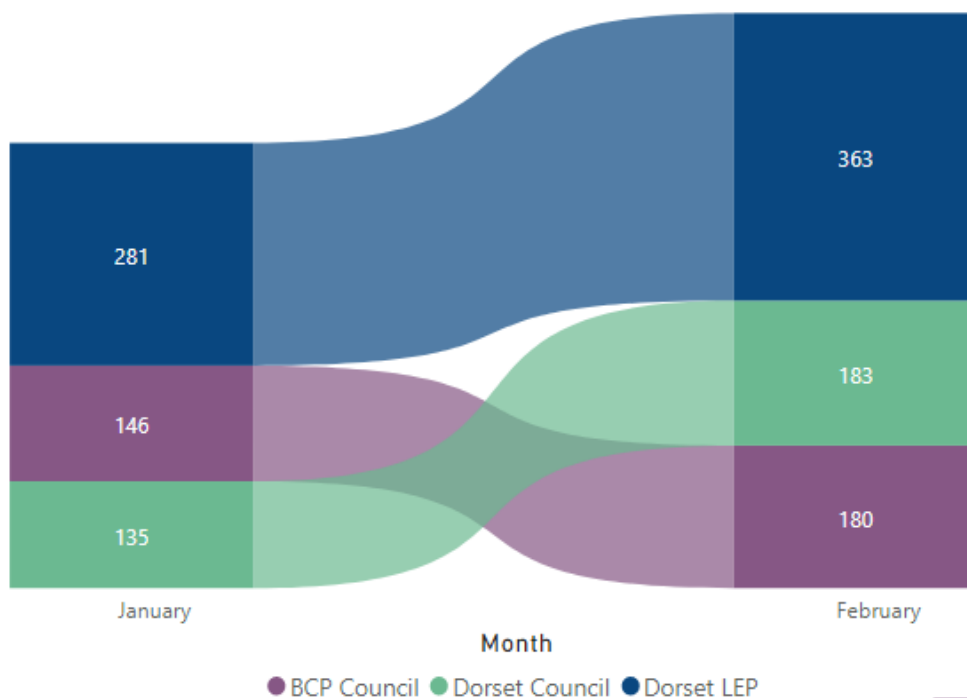


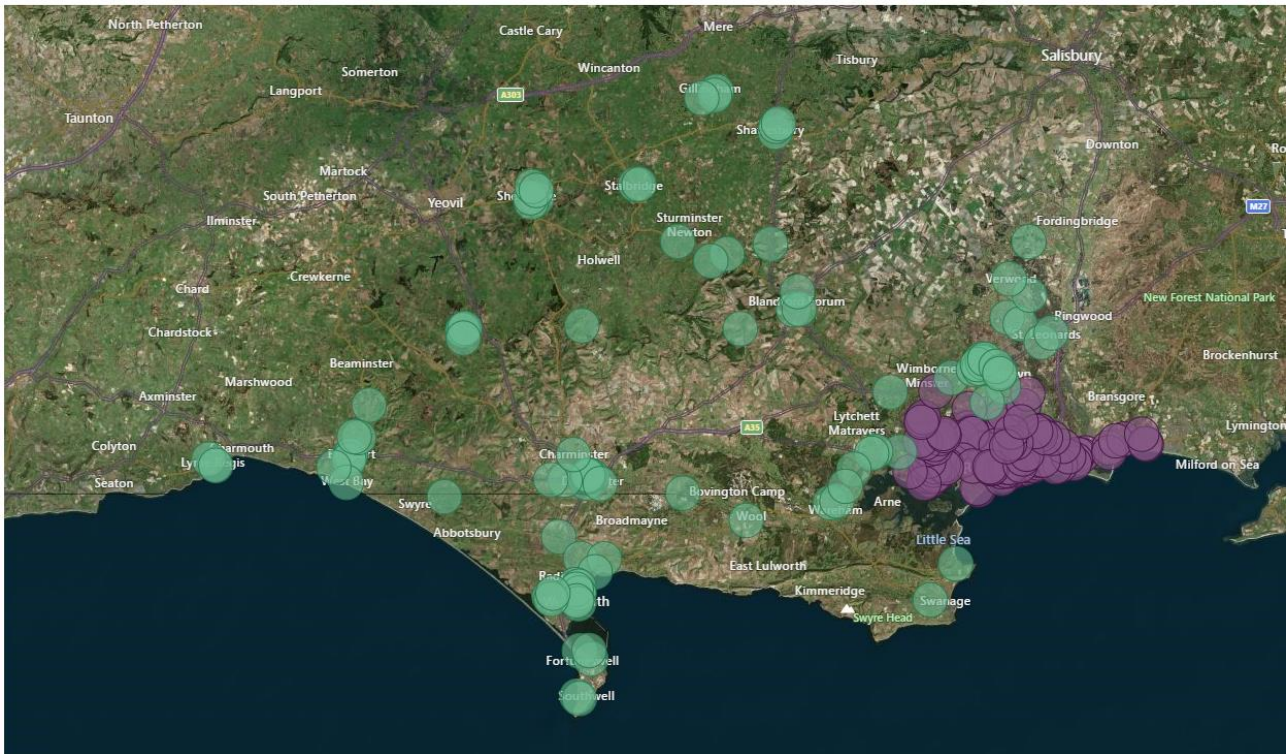
Figure 18. Apprenticeship vacancies in Dorset LEP and by local authority, February 2022. Source Dorset Apprenticeship finder dashboard and Find an Apprenticeship service.

Top employers that have current apprenticeships opportunities locally include Sunseeker, Bourne Leisure, Brimet, Superior Seals, and many more and the training providers include our local colleges as well as independent training g providers, such as Lifetime training Group, Paragon and Aspire Training.

Many exciting careers can be kickstarted with an Apprenticeship so these employers and training providers are operating across a wide range of industrial sectors: from boat building to hair and beauty and from hospitality and business to health and science, engineering and digital industries, so there are many diverse opportunities to fit within any personal skillset or interest. Currently companies in Dorset are looking for aspiring business administrators, chefs, early year practitioners and engineers to name a few.

Interested in exploring Apprenticeship careers? Visit our [Apprenticeship finder dashboard](#) and click on the map to find latest opportunities near you.

Local Authority ● Bournemouth Christchurch and Poole ● Dorset



Are you an employer interested in offering Apprenticeships? Read our [Apprenticeship case study](#) and speak to the [Dorset Gateway](#) or [DSTPN](#)'s specialist apprenticeship advisors.

