

# Dorset Labour Market Insights



After weeks of extraordinary political vortex and a historic standoff with his cabinet, leading to the Prime Minister's resignation on 7th July, the Conservative party leadership contest will headline summer'22 ahead of a new PM expected to be appointed in September.

Despite some positive recent developments in the economy, inflation continues to hit hard and with a possible recession around the corner, we look at the economy and labour market performance over the first half of the year.

Q 2 2022

# The economy



Following two months of economic contraction, and analysts' warnings of a recession later in the year, [the UK economy](#) in fact bounced back in May 2022, rebounding across the main sectors, and growing by 0.5% - now estimated at 1.7% above its pre-pandemic levels (February 2020).

However, with record-high fuel and energy prices and inflation rate hitting 9.1% in May - the highest in 40 years - [latest indicators](#) suggest that visits to workplaces, train stations and retail and recreation locations remain below pre-pandemic levels and around 9 in 10 adults (91%) report their living costs had risen, causing people to reduce delayable expenditure, and half (49%) of them to report buying less food.

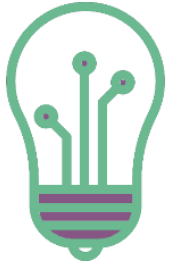
UK GDP is estimated to have grown by 0.5% in May 2022

Monthly index, January 2007 to May 2022, UK

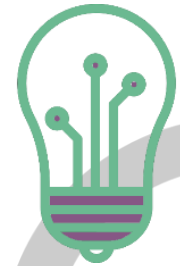


Source: Office for National Statistics - GDP monthly estimate

# The labour market



**The Bank of England** reported companies' hiring plans over the next year remain positive, demand expected to continue to grow despite increased economic uncertainty. Recruitment difficulties continued to be intense across most sectors and skill levels, with unusually high rates of job churn and vacancies – a trend expected to persist for at least the next 12 months due to structural shortages of labour and skills. There were widespread reports of staff being offered significantly higher pay to switch company– in professional services in particular with starting salaries reportedly increased by around 10%.



**The Recruitment and Employment Confederation** [latest Report on Jobs](#) noted that while vacancies continued to rise in June, the rate of increase is slowing.

Softer rises in demand were signalled for both permanent and temporary workers at the end of the second quarter whilst the availability of staff continued to decline at a severe pace in June.

Recruitment consultancies attributed lower candidate numbers to:

- a generally low unemployment rate
- fewer foreign workers
- robust demand for staff
- hesitancy to switch roles in the increasingly uncertain economic climate.



# LABOUR MARKET & ECONOMIC CONTEXT IN DORSET

- Productivity by sector
- Demand for labour
- Future career corner: remote & hybrid
- Employment, unemployment & out-of-work claimants
- Top employers
- Industry developments
- Professional trends
- Skills requirements

# Chart of the Quarter: Industry Productivity

Real estate was by far the most productive sector, but Healthcare, Retail, Financial Services and Manufacturing all contributed over £1.7 billion to the economy in 2020. Most sectors grew between 2010 and 2019 with largest growth seen in ICT, Health, Real Estate and Professional services - all increasing by more than 40% over that period. The 2020 pandemic restrictions affected the majority of sectors, and growth was recorded only in the essential areas of healthcare, education, public services and ICT, while the largest decline of 39% was in tourism and hospitality.

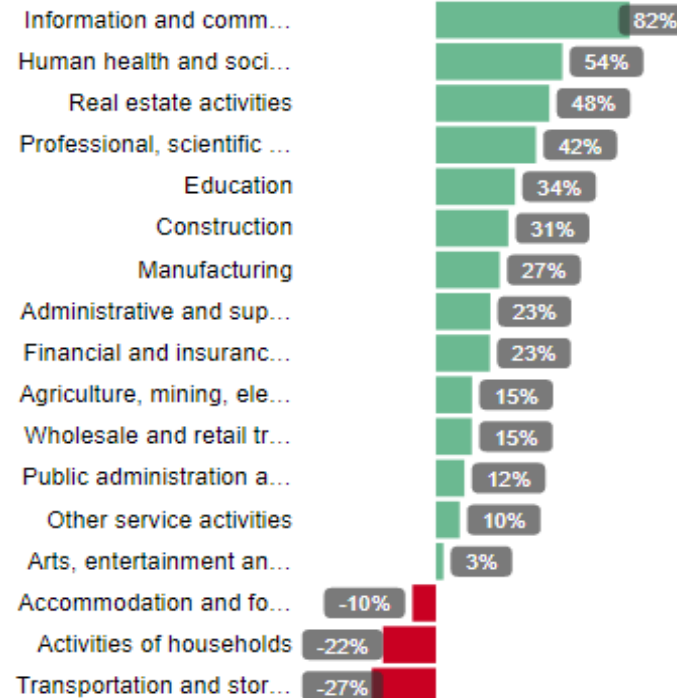
## Gross Value Added by industry (2020)



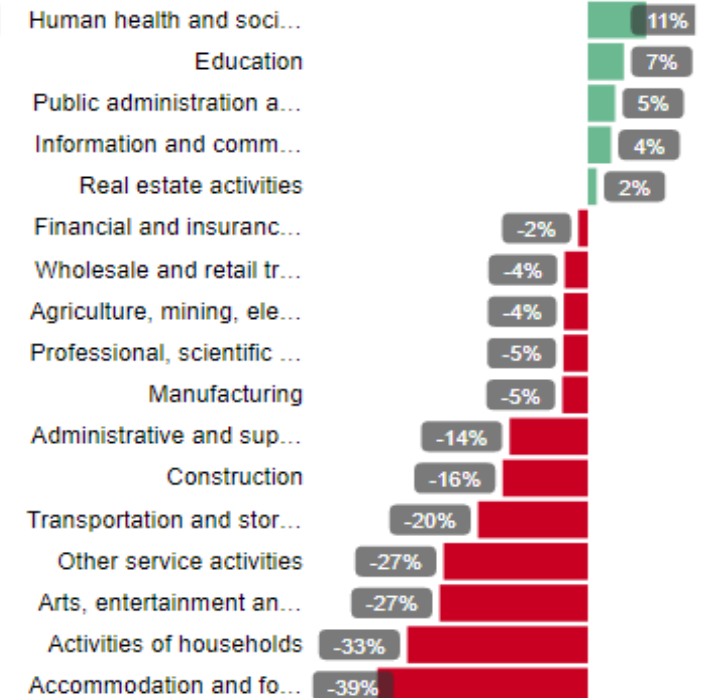
## All industries

# £18.2bn

## % Change (2010 - 2019)



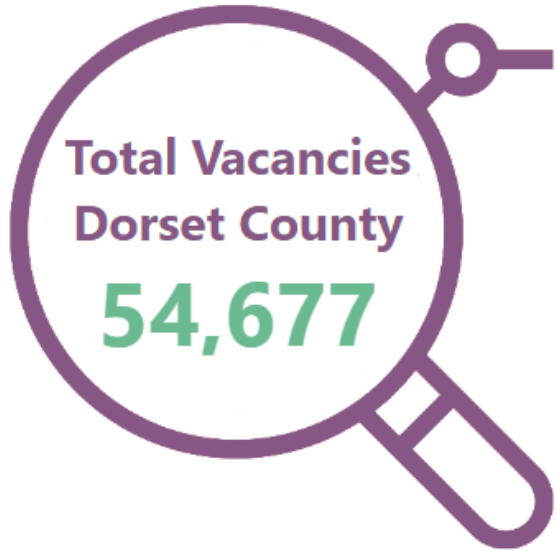
## % Change (2010 - 2019)



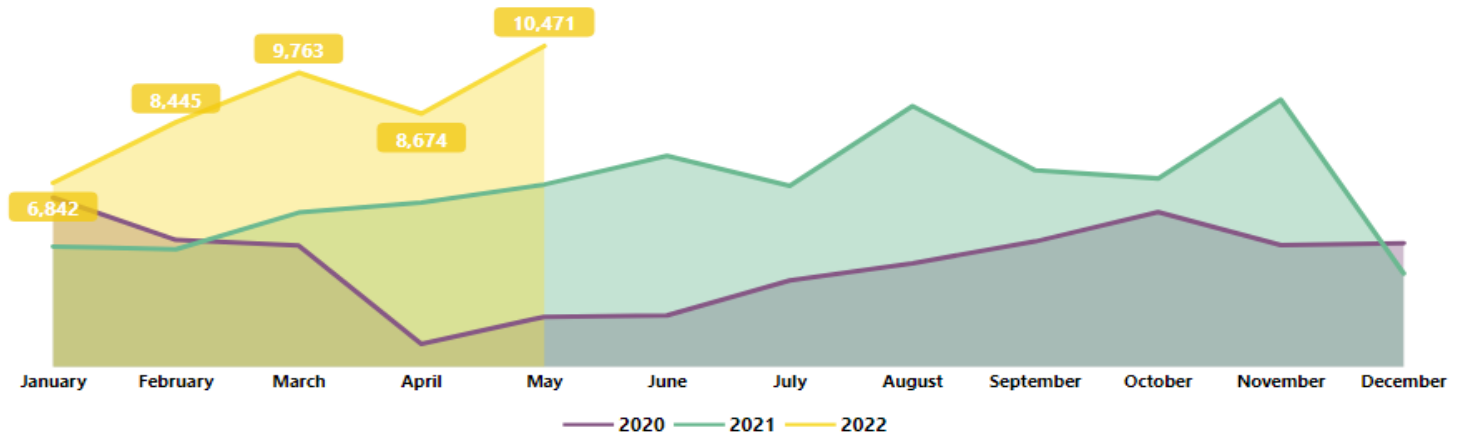
# Labour Demand

No signs of decline in demand were noted in Dorset. The half-yearly aggregate vacancies have been on the rise over the past two years. The first half of 2022 saw a new high of circa 54,700 vacancies across the county– 48% higher than last year and more than double those from 2020.

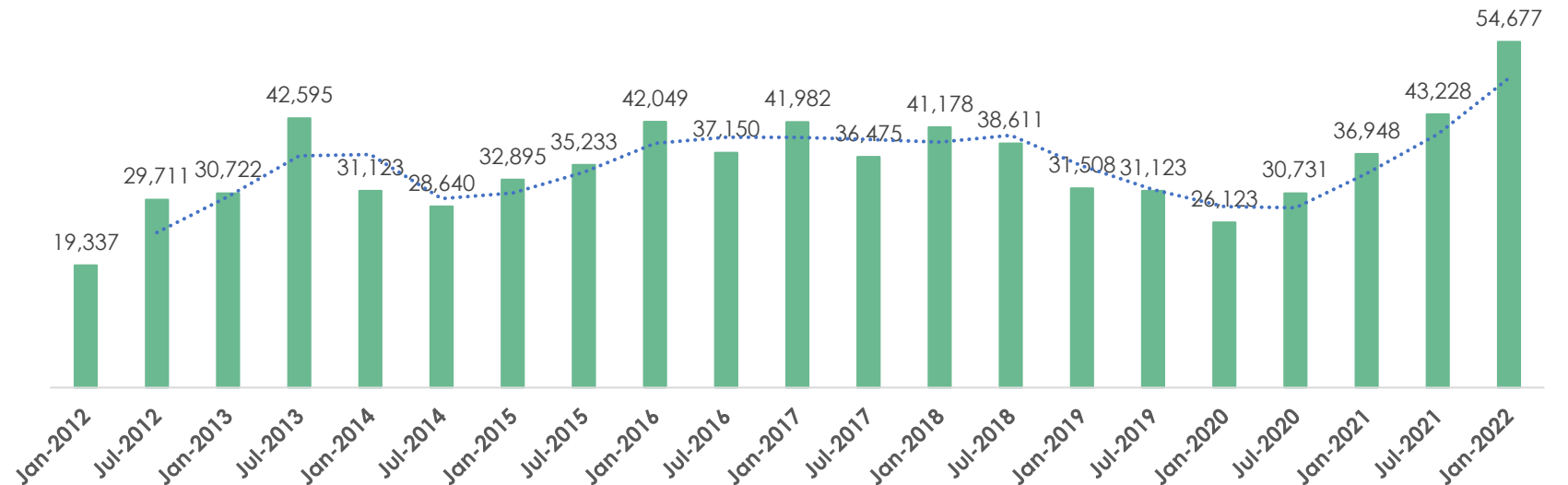
## Vacancies Jan - June



Monthly Vacancies (2020, 2021, 2022)



Vacancies time series - half yearly



# Future career corner: remote & hybrid



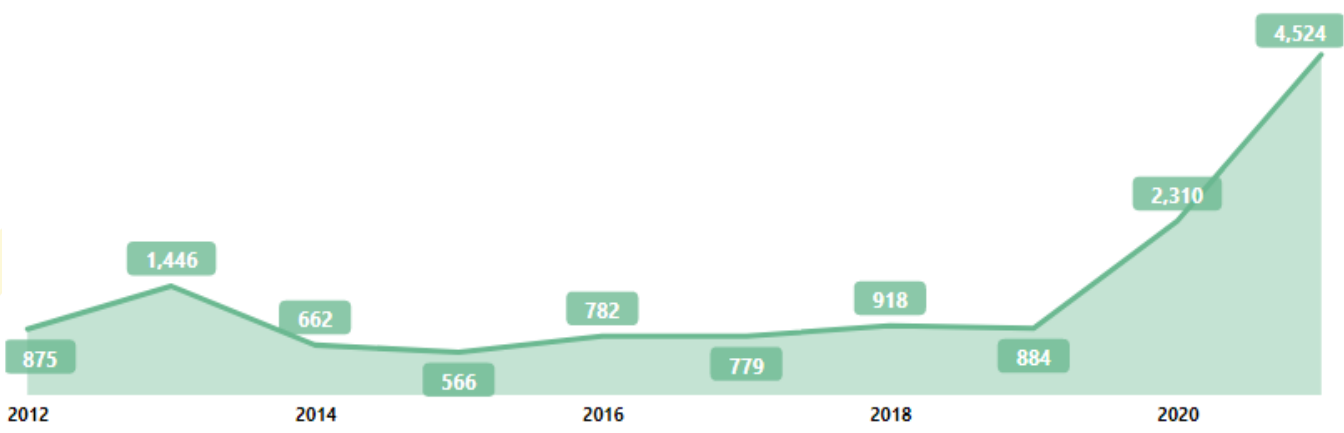
With growing staff shortages, increased remote and hybrid working is one of the most prominent trends. While there are conflicting opinions on the benefits, the increase in remote and hybrid roles available reflects employers' response to a very tight market.

ONS reports number of people working from home in the first quarter of 2022 more than doubled (109%↑) - now 30% of workers in the South West work from home and more than three-quarters of employers offer [hybrid working](#)

[New research from Zoom & Indeed also reveals that Bournemouth ranks 14<sup>th</sup> among the UK's top 25 hiring hotspots for remote workers.](#)



## Annual vacancies offering home working in Dorset



**Vacancies offering work from home 2022 (Jan - June)**



2022 v 2021

37% ↑

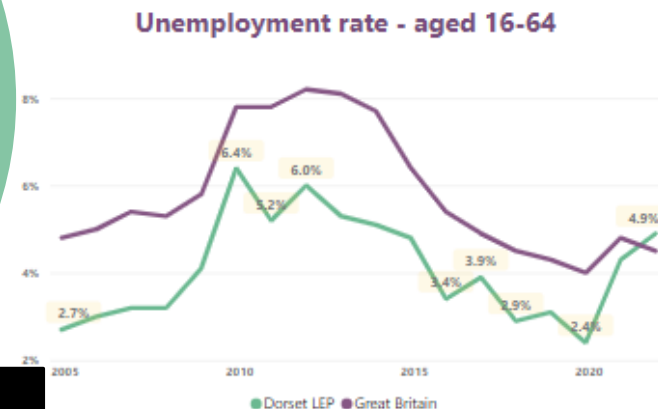
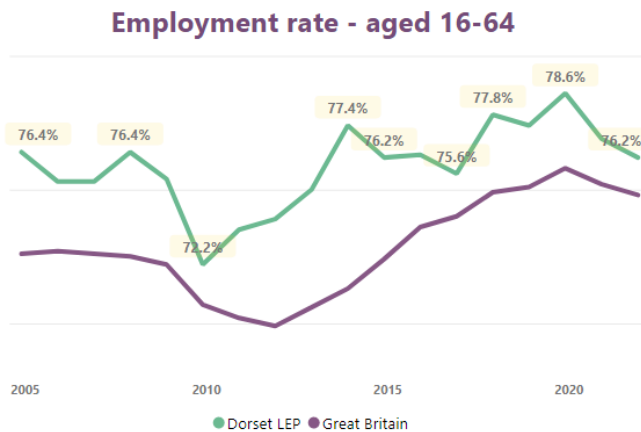
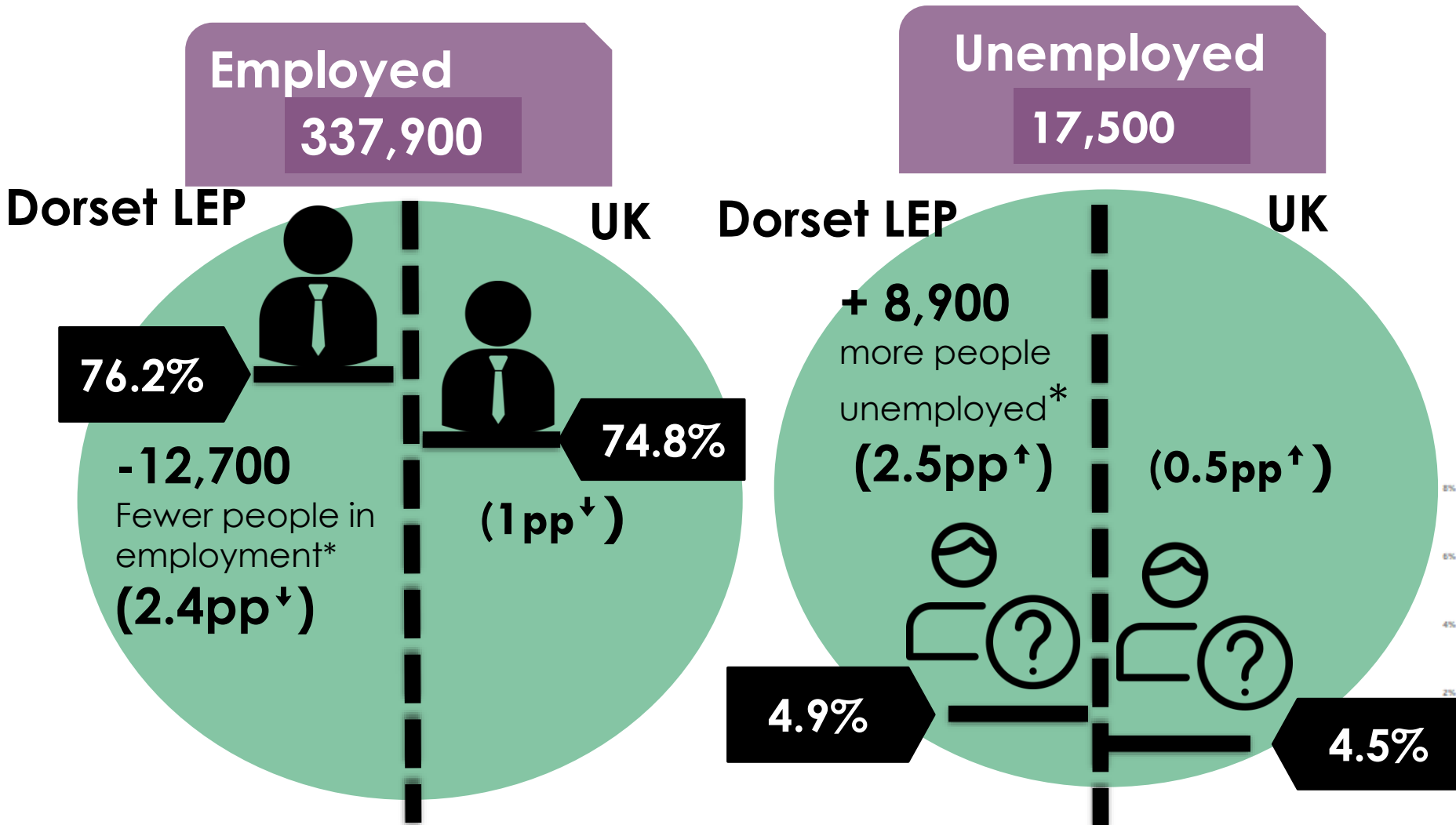
2022 vs 2019

574% ↑

Lightcast™ 2022

# (Un)Employment

Employment in Dorset fell, but rates remained favourable compared to national rate. Unemployment however doubled and reached 4.9% - exceeding national rates for the first time on record. Those unemployed with health conditions increased by 208% and made 43% of all unemployed (from 27% back in 2019). The number of economically inactive people who want a job fell by 7% in Dorset vs 2% nationally.



\* Figures refer to the period Jan 2021-Dec 2021 in comparison to Jan 2019-Dec 2019 - ONS Annual Population Survey 2021

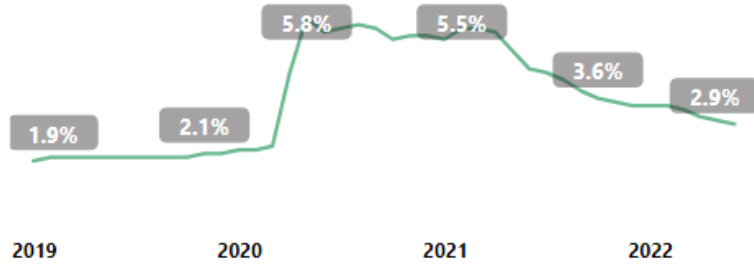


# Claimants

Out-of-work benefit claimants have declined significantly and while still higher, they are closer to pre-pandemic state.

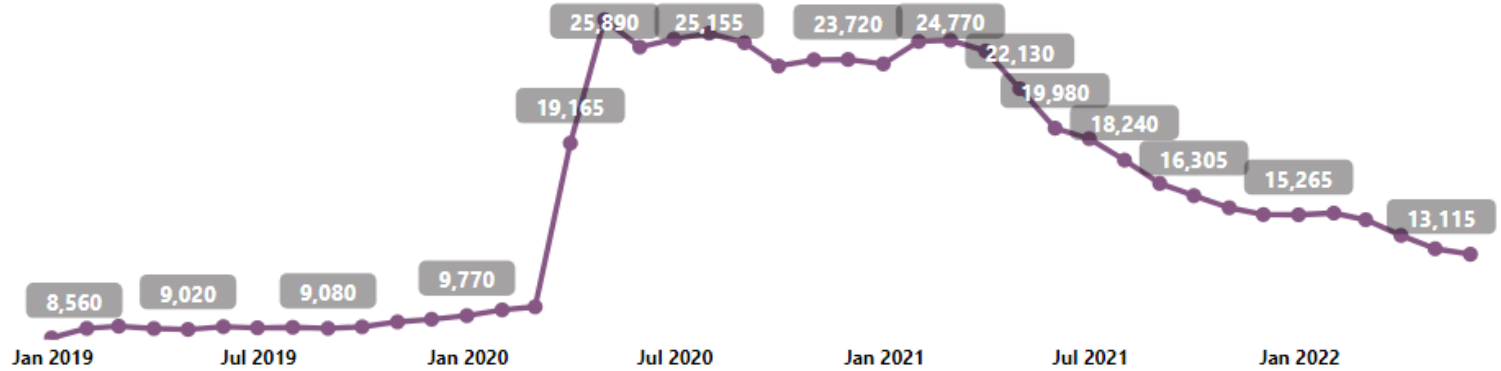
Claimants as a proportion (%) of residents aged 16-64

2.9%



## Out-of-work benefits

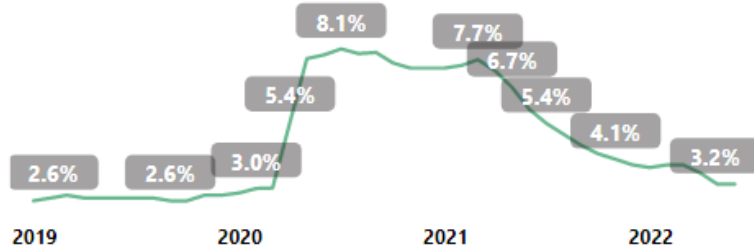
Dorset County Claimants Aged 16+



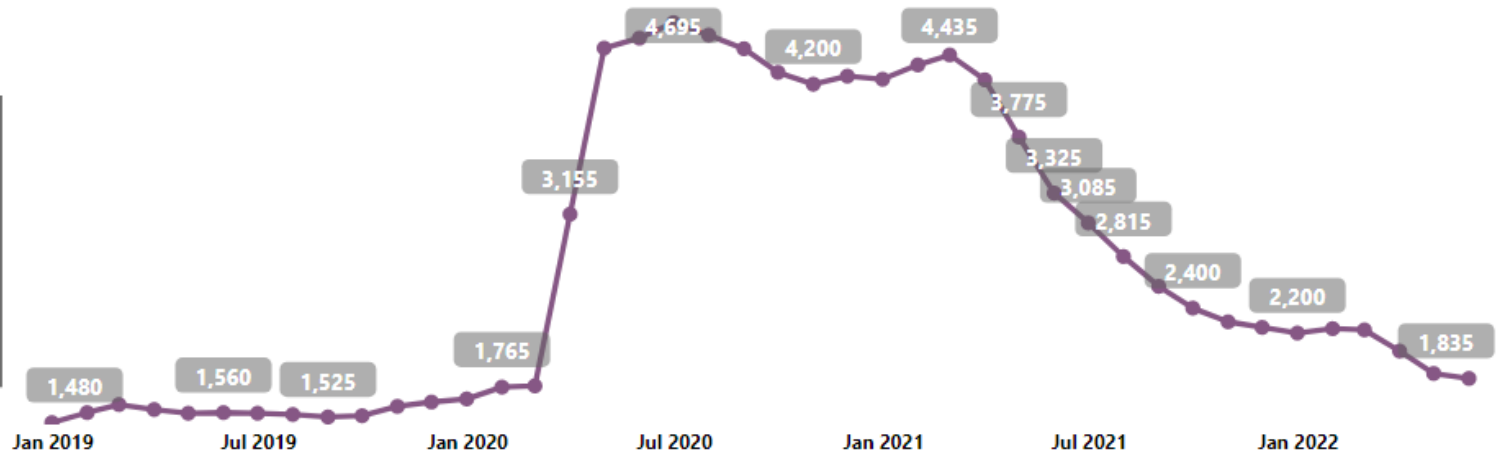
## Youth unemployment

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

3.2%



Dorset LEP Claimants Aged 18-24



# Demand by area

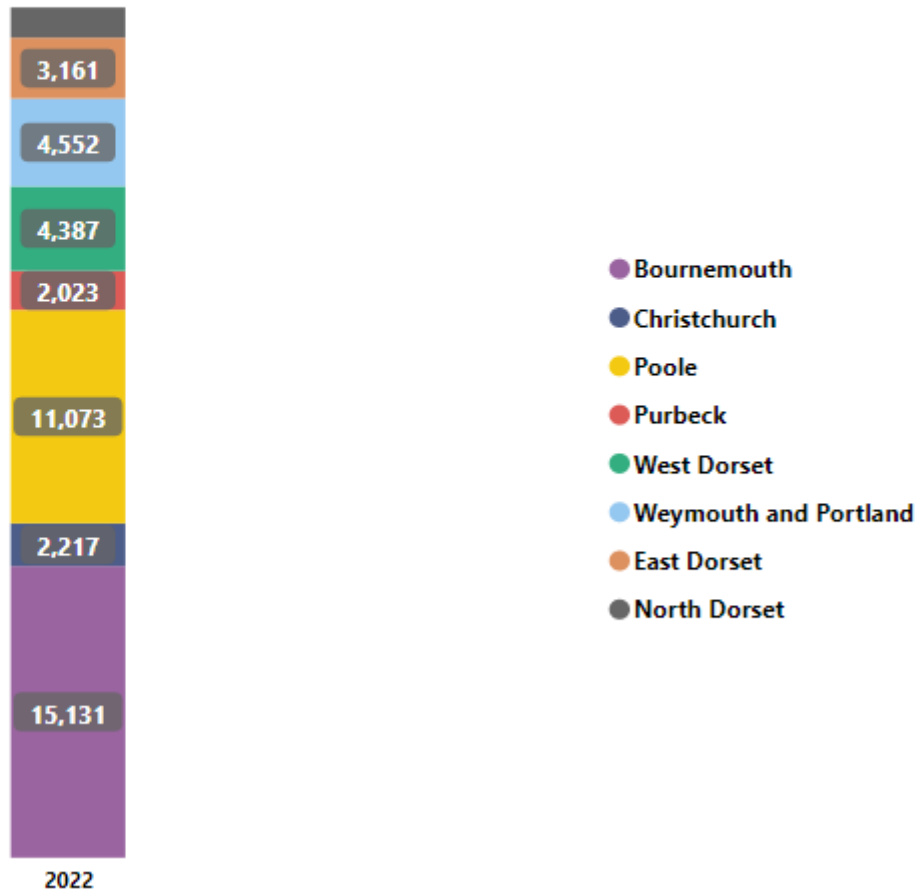
The most vacancies were advertised in Bournemouth, followed by Poole and Weymouth & Portland where the job postings more than doubled from the same time last year.

Year

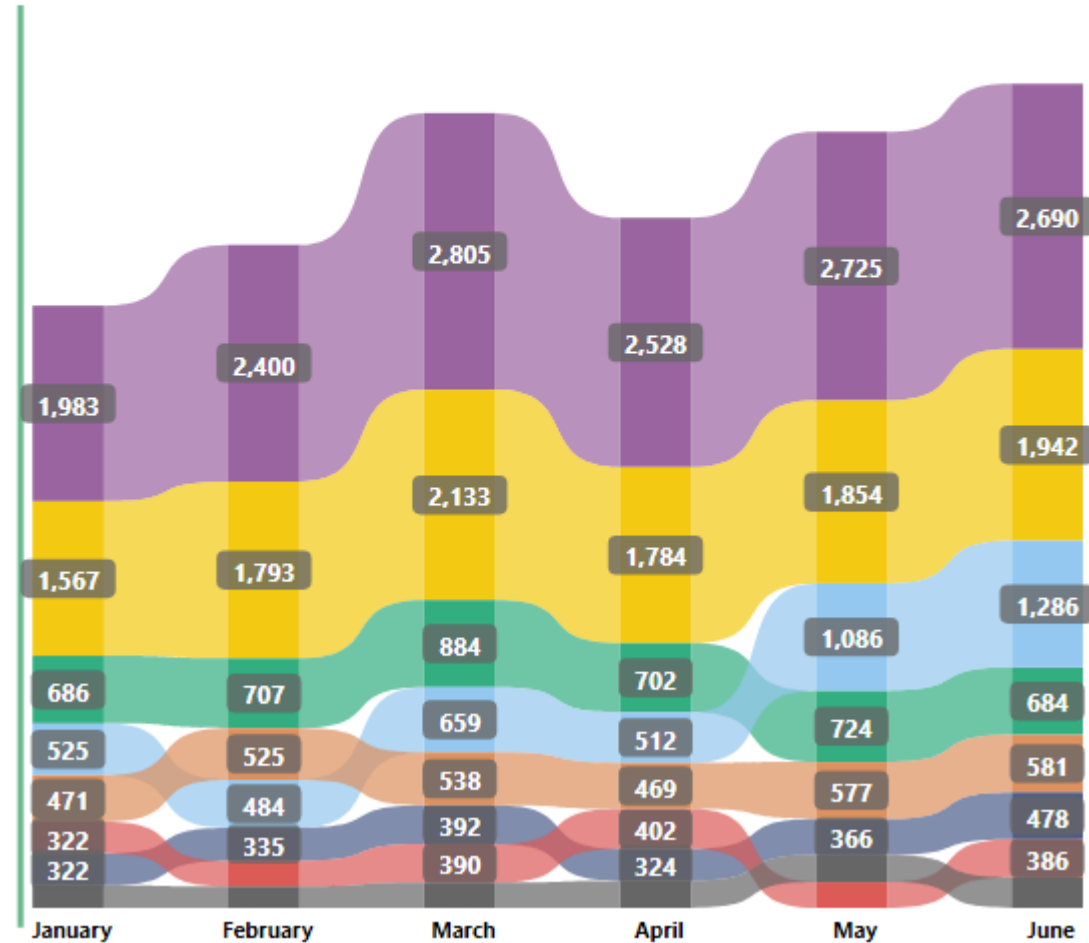
2022

## Vacancies by local area

Annual Vacancies



Monthly Vacancies





# Top employers

The employers continuing to top the charts of labour demand are from a variety of sectors:

- **healthcare** (NHS and care firms),
- **local government** (BCP and Dorset Councils),
- **finance** (JP Morgan and LV=),
- **tourism and hospitality** (Bourne Leisure, Whitbread, Hall & Woodhouse and National Trust among others),
- **education** (BU and BPC),
- **manufacturing** (Holt Engineering and RNLI),
- **retail** (ASDA, TESCO, Co-op, etc).

The National Health Service is by far the largest employer in Dorset – accounting for 9% of all vacancies and offering over 5 times as many opportunities as BCP Council, which overtook J.P.Morgan as the second largest employer over the first half of the year .

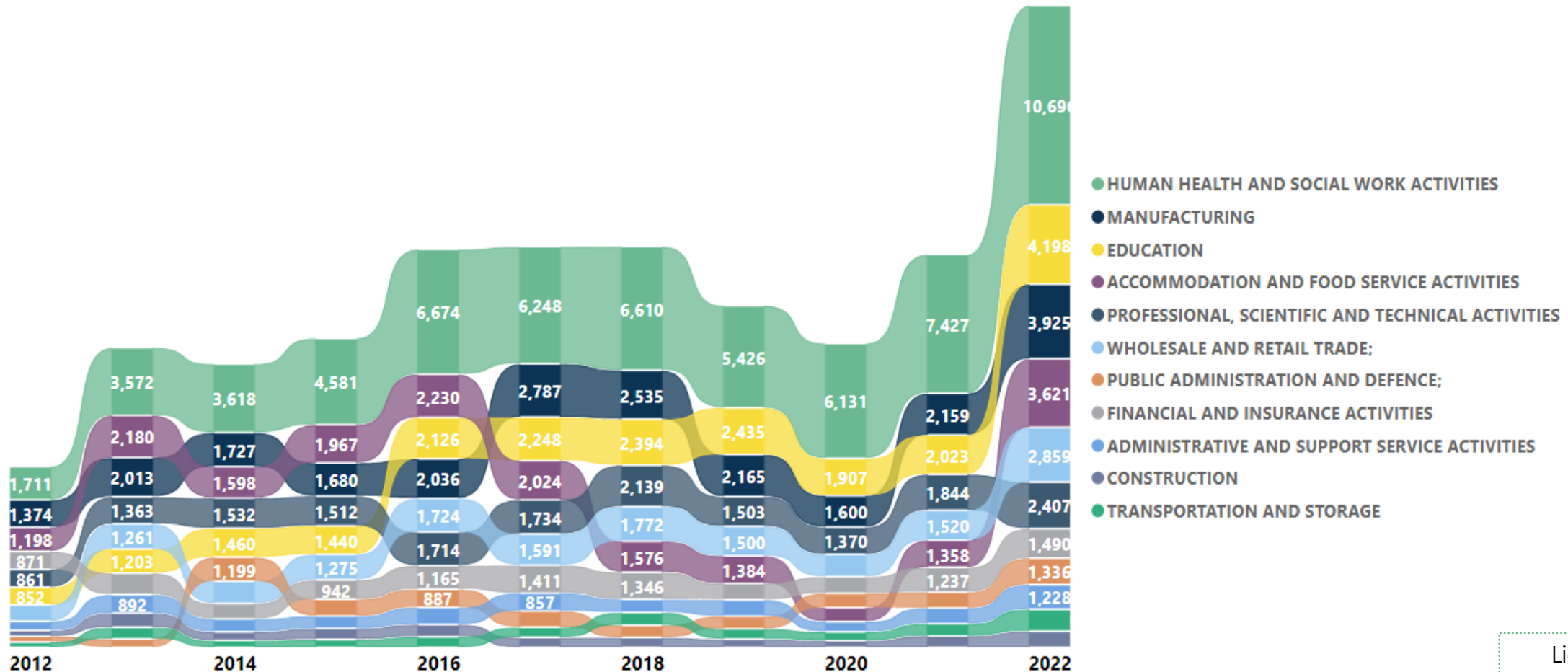
Top Employers	#Jobs
NATIONAL HEALTH SERVICE	4,694
BCP COUNCIL	781
JPMORGAN CHASE & CO	513
BOURNE LEISURE	414
BOURNEMOUTH UNIVERSITY	368
HOLT ENGINEERING LIMITED	273
COLTEN CARE LIMITED	233
WHITBREAD	226
TESCO PLC	203
DORSET COUNCIL	186
HALL & WOODHOUSE	185
VITALITY LIMITED	180
HAVEN LIMITED	179
AGINCARE GROUP LTD	170
CARE SOUTH	153
RNLI	148
CARE UK	124
CO-OPERATIVE GROUP LIMITED	113
ASDA	112
BRITANNIA HOTELS LIMITED	99
NATIONAL TRUST	97

# Industries

Over the first half of 2022 vacancy growth continued across all sectors of the economy in Dorset when compared to previous years, including pre-pandemic periods. The largest growth from the same period of last year was recorded in 'accommodation and food service' where there were 170% more vacancies in 2022 and 'education' with 110% increase, but across all sectors the vacancies in 2022 were at least a quarter higher than in 2021.

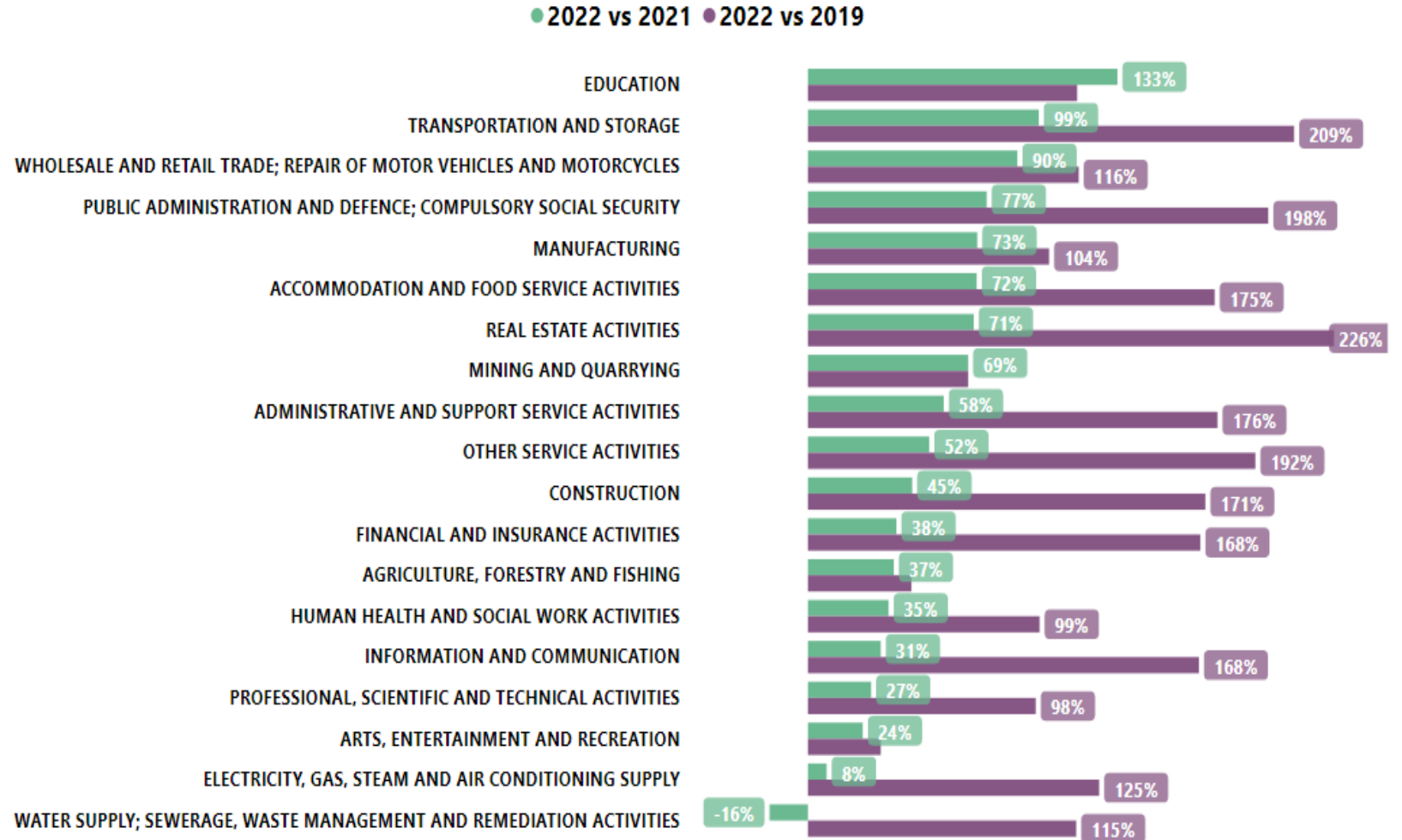
While Healthcare remains the sector with highest demand – it represents smaller proportion of all vacancies in 2022 (30%) than in 2021 (34%) and 2020 (38%).

## Top 10 industries - long-term developments - January - June



# Industries – Q2

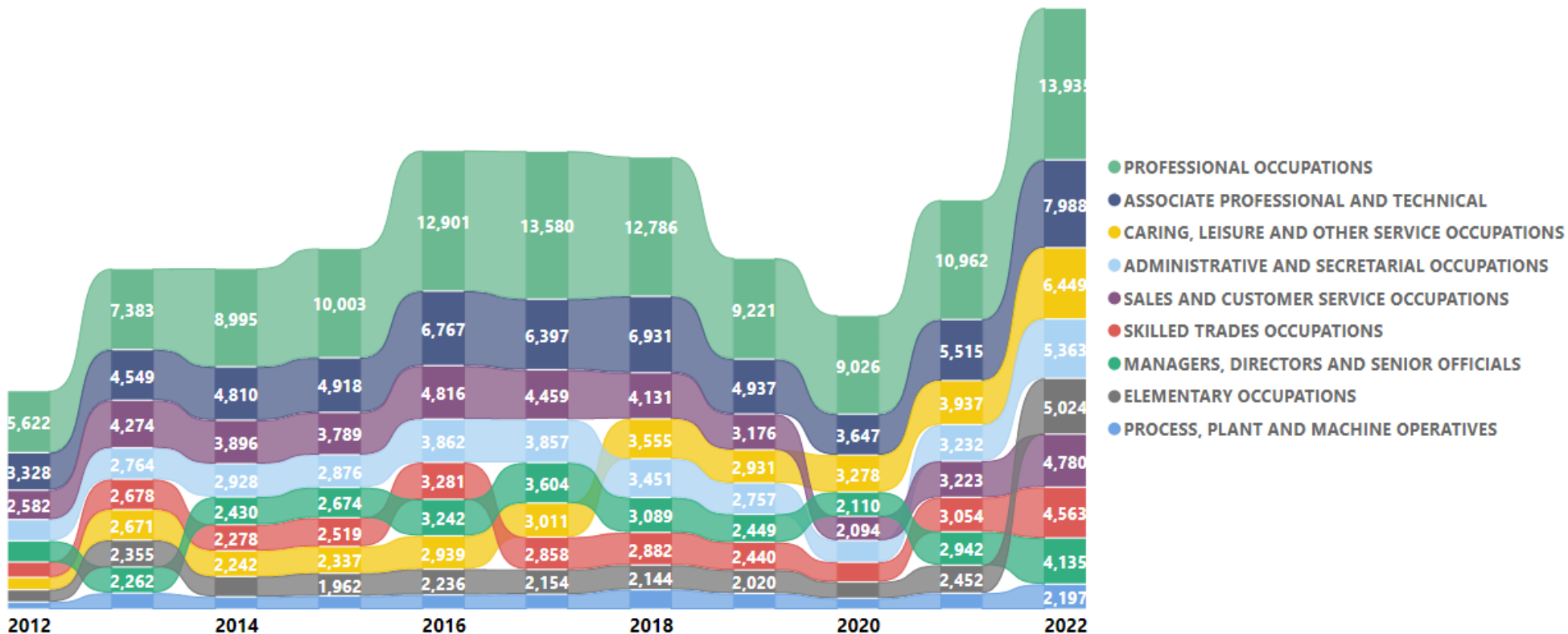
Looking at most recent Quarter 2 developments, the most notable growth was in transportation and storage and real estate vacancies which grew more than 3 times from 2019.



# Occupation trends

The high skilled labour market continues to be strong. Professional jobs are advertised in largest numbers and represent over a quarter (26%) of all vacancies over the first half of the year. Dorset also saw a 148% increase in the number of professional vacancies over the past decade. However, the most notable growth historically was seen in Caring Service occupations, where demand increased by over 540% over the past decade and Elementary Occupations where it grew by over 400%, clearly suggesting demand far outweighs supply and indicating acute recruitment challenges and competition amongst employers.

## Top 10 occupations - long-term developments - Jan - June



# Occupation trends

The top 3 jobs in demand within the top 3 occupation groups in Dorset were:

- Professional roles: nurses, programmers, and teachers.
- Associate professionals: HR, Engineering, and IT Support.
- Elementary: Kitchen and catering staff, cleaners, storage workers

Top jobs by occupation - Jan - June



## PROFESSIONAL

Jobs most in demand	#Job Postings
Nurses	2,266
Programmers and software development professionals	1,353
Teaching and other educational professionals n.e.c.	762
Secondary education teaching professionals	722
IT business analysts, architects and systems designers	526
Solicitors	514
Chartered and certified accountants	493
Primary and nursery education teaching professionals	463
Medical practitioners	452
Business and financial project management professionals	375

## ASSOCIATE PROFESSIONAL

Jobs most in demand	#Job Postings
Human resources and industrial relations officers	672
Engineering technicians	587
Science, engineering and production technicians n.e.c.	569
IT user support technicians	505
Marketing associate professionals	486
IT operations technicians	341
Health associate professionals n.e.c.	306
Buyers and procurement officers	304
Finance and investment analysts and advisers	267
Welfare and housing associate professionals n.e.c.	247

## ELEMENTARY

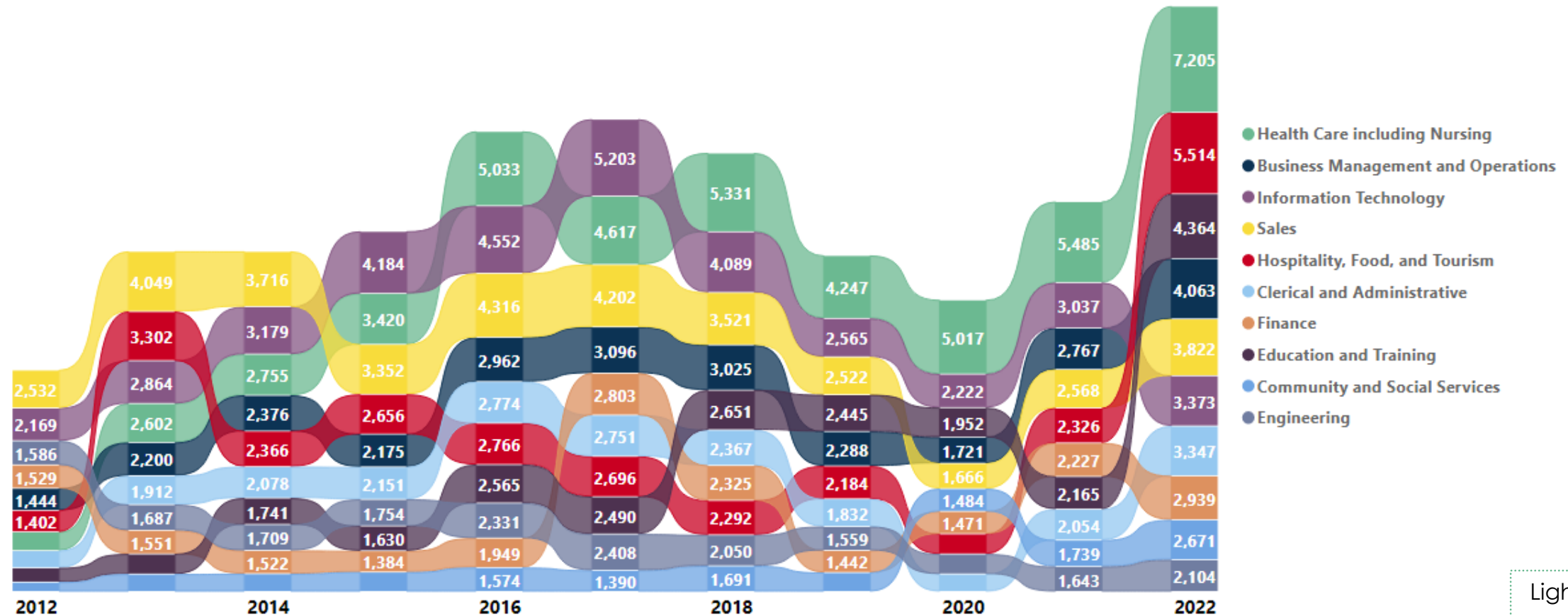
Jobs most in demand	#Job Postings
Kitchen and catering assistants	1,381
Cleaners and domestics	818
Elementary storage occupations	558
Elementary construction occupations	444
Waiters and waitresses	399
Elementary administration occupations n.e.c.	302
Security guards and related occupations	271
Bar staff	201
Other elementary services occupations n.e.c.	162
Elementary process plant occupations n.e.c.	137

# Professional demand trends

As report findings of an unprecedented NHS staffing crisis emerged, estimating that England is now short of 12,000 hospital doctors and more than 50,000 nurses and midwives, and NHS staffing levels now pose a serious risk to patient safety, Dorset's data on professional demand trends reveal that over the first half of the year, 'healthcare occupations, including nursing' hit an all-time high and remained the most in demand occupations in Dorset having seen a 30% increase on the previous year and representing a fifth of all vacancies locally.

The largest increases however, were seen in 'tourism and hospitality' -137%↑(accommodation and food) and 'education and training' – 102%↑- where vacancies more than doubled from last year and reached levels of demand unseen before.

## Top 10 professional families - long-term developments Jan - June





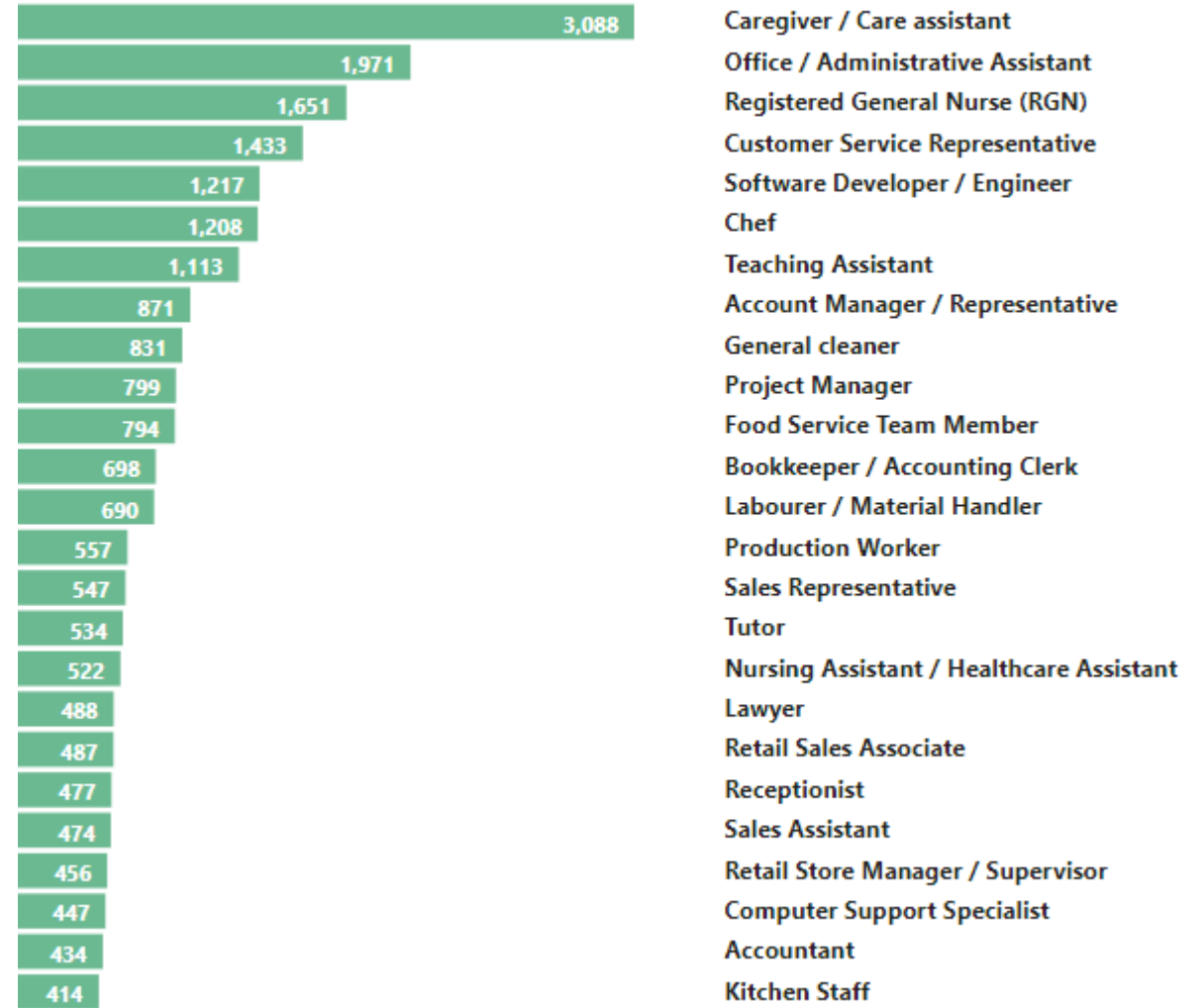


# Top jobs

Carers and office assistants overtook nurses and software developers as jobs most in demand in Dorset, while customer service, chefs, cleaners and kitchen staff continue to be in demand over the first half of the year as the tourism and hospitality revival is further boosted by the favourable weather conditions.

Other professionals such as project, account and financial managers, lawyers and accountants also remain highly sought after.

## Top jobs in demand



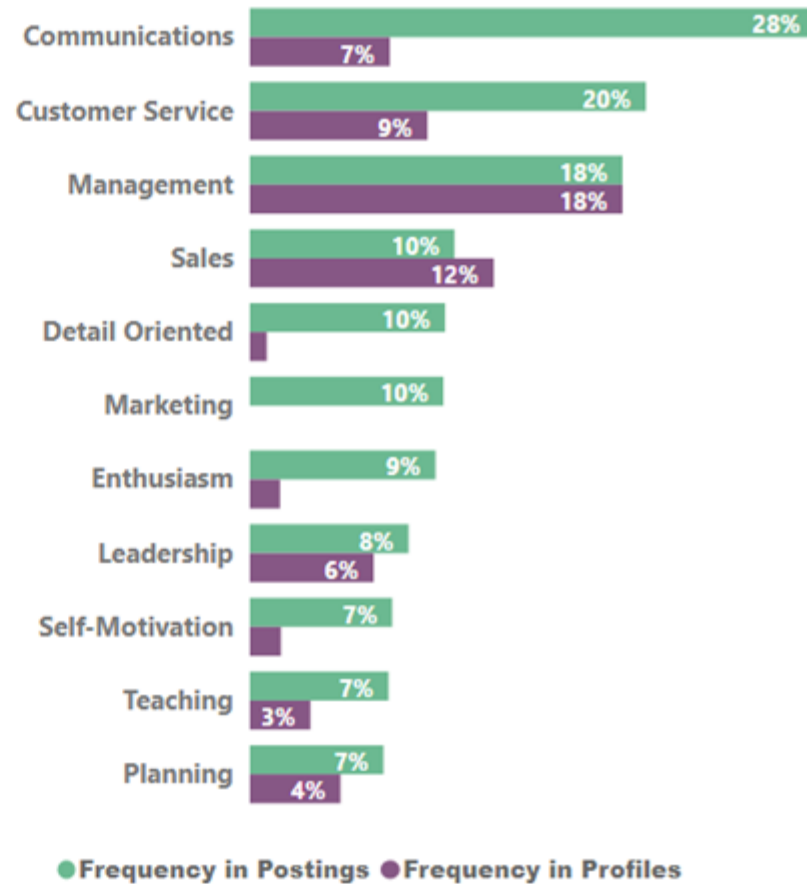
# Skills

## Top skills demand and supply

Employers most frequently requested skills were communication, customer service, management, sales, detail-orientation and marketing and personal attributes such as enthusiasm and self motivation.

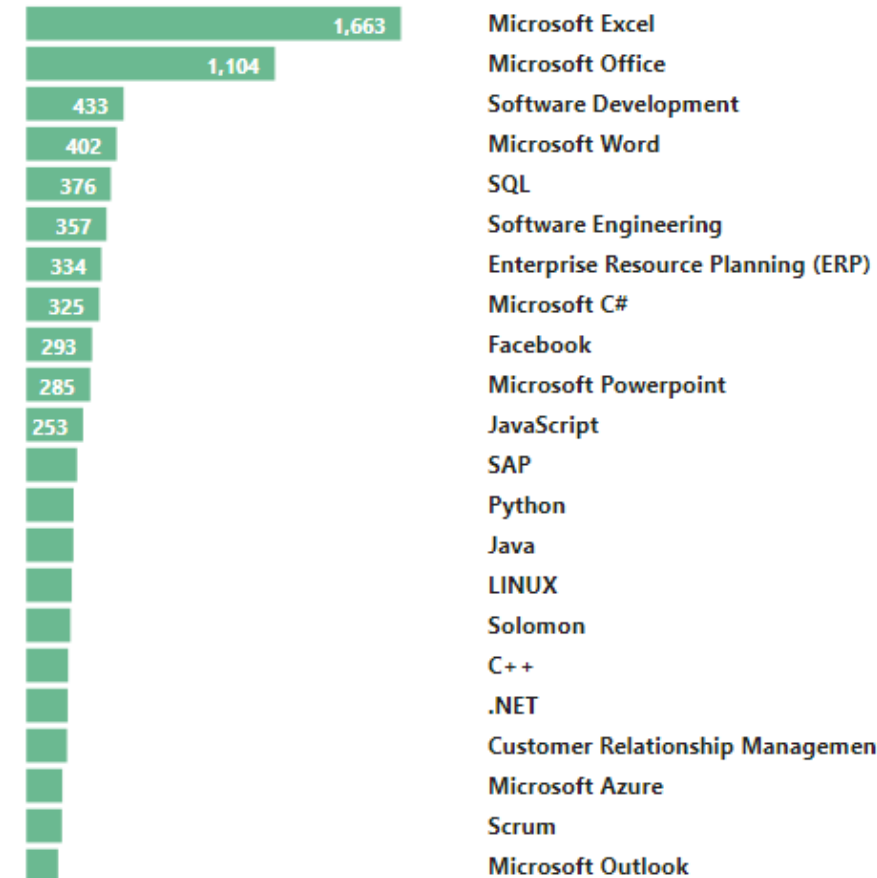
Many of these were less prevalent in candidate profiles than in job postings.

### Top Soft Skills



The majority of digital skills were stable or growing with MS Office topping the lead table and Python growing amongst the programming languages.

### Top digital skills



# Skills research



Understanding current and future skills needs: Policy report

Identifies a set of '**core transferable skills**' in high demand, currently and in the future:

- **Communication skills:** verbal and written communication in professional settings.
- **Digital and data skills:** working with computers, getting, processing, and analysing information, making decisions and problem solving.
- **Application of knowledge skills:** critical thinking, inductive and deductive reasoning, and information ordering
- **People skills:** establishing and managing relationships and training others
- **Mental processes:** thinking creatively, problem sensitivity, and self-reflection

Identifies a set of '**key skills shortages**':

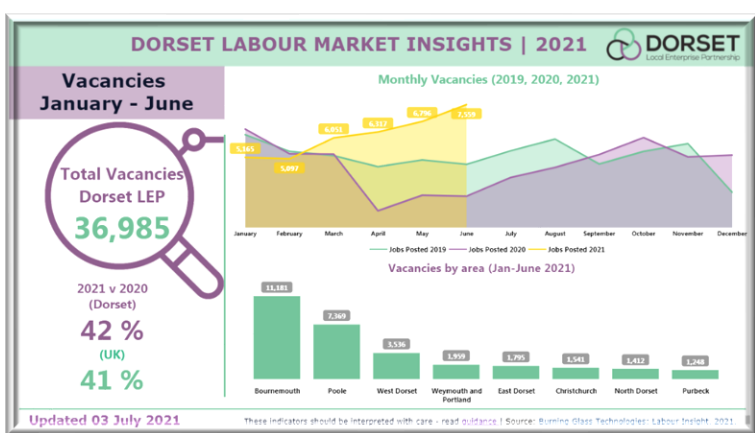
- **STEM knowledge**
- **Technical skills**
- **Digital and data skills**
- **Mental processes**

The report also identifies lack of data to clearly identifying challenges in supply.

# Visit [dorsetlep.co.uk/labour-market-and-skills-research](https://dorsetlep.co.uk/labour-market-and-skills-research) to explore latest insights and our interactive dashboards

## Email [DorsetLEP@bournemouth.ac.uk](mailto:DorsetLEP@bournemouth.ac.uk) to subscribe for updates

### Latest Labour Market Insights



### Key industries



### Apprenticeship Statistics

