

## Labour Market Insights - Dorset | July 2020

Moors Economics, August 2020

This commentary offers brief reflections on the key labour market statistics available in the monthly dashboard from July 2020, showing most up-to-date figures, most of them updated on a monthly or quarterly basis. It has to be noted that the latter will not necessarily reflect the quickly evolving picture.

### Coronavirus Job Retention Scheme (furloughed)

Based on claims received up to the 30th June, 107,500 employed within the Dorset LEP labour market were furloughed – an increase of 14,400 from the previous month. This represents approximately 32% of the eligible workforce – marginally higher than the rate found across England (30%) and the South West.

On a sector basis (at a national level), the highest take-up has been – as expected – in the accommodation and food sector – with take-up rate in June equating to c90% of employees.

Sector	Take-up rate (UK)
Public administration & defence	6%
Domestic employers	10%
Agriculture, forestry & fishing	28%
Information & communication	37%
Finance & insurance	41%
Professional, scientific & technical	47%
Mining, quarrying & utilities	52%
Energy Production	52%
Health	54%
Transport & storage (inc postal)	58%
Business administration and support services	60%
Property	61%
Education	62%
Waste and Recycling	71%
Wholesale and retail; repair of motor vehicles	73%
Manufacturing	74%
Construction	75%
Arts, entertainment, recreation and other services	75%
Trade union, religious, political and repair	76%
Accommodation & food services	87%

Source: HMRC

### Self-Employment Income Support Scheme (SEISS)

As of the 30<sup>th</sup> June, 31,600 people were in receipt of Self Employment Income Support – an increase of 1,400 from the previous month. This represents approximately 74% of those eligible to apply – marginally lower than the rate found across England (75%). The average value of claims up to the end of June was £3,000.

## Employment, Unemployment and Inactivity Rates

Wider labour market measures are released for local authority areas on a quarterly basis. The figures in the dashboard relate to the period April 19-March 20, with the next update due in October. It is important to refer to the wider commentary paper to understand how the different flows are beginning to evolve and change in a Covid-19 environment. For example, there has been an increasing flow from employment to economic inactivity (linked to relatively few jobs being available – see vacancy commentary).

April 19-March 20 (% 16-64 year olds)			
	Employment rate	Unemployment rate (modelled-based)	Economic inactivity
UK	75.9%	3.9%	21%
Dorset	76.1%	2.5%	21.9%
BCP	81.2%	2.5%	16.7%

Source: ONS

The interpretation of the unemployment data needs careful interpretation – as described [here](#). The latest claimant count figures for July are set out below. The annual change appears significant – although the increase in claimant count does reflect changes in Universal Credit.

Claimant Count (% population)		
	July 2020	Change on year
England	6.5%	+3.8%
Dorset LEP area	5.6%	
Dorset	4.6%	+3.0%
BCP	6.5%	+4.0%

Source: ONS

The level of Jobseekers Allowance remains relatively low. The JSA can be claimed as an in-work benefit and sits alongside the roll-out of Universal Credit.

Jobseekers Allowance (% population)		
	July 2020	Change on year
England	0.8%	+0.3%
Dorset LEP area	0.6%	
Dorset	0.7%	+0.3%
BCP	0.5%	+0.4%

Source: ONS

## Vacancy Data

The dashboard shows vacancy data from Labour Insight database, accessed under Dorset LEP license. The figures indicate increase in the labour market demand in July after the significant drop in April. While the demand in July this year is over a fifth lower than its 2019 levels, the number of vacancies has increased by a quarter on the previous month, with the biggest growth in Tourism & Food services giving some encouraging signs for these sectors.

When compared to the same period last year, however the breakdown of vacancies advertised by industry shows decreased numbers across all sectors except for Health & Social Care with the biggest decrease in Arts, Entertainment, Real Estate, Construction, as well as Accommodation and Food.

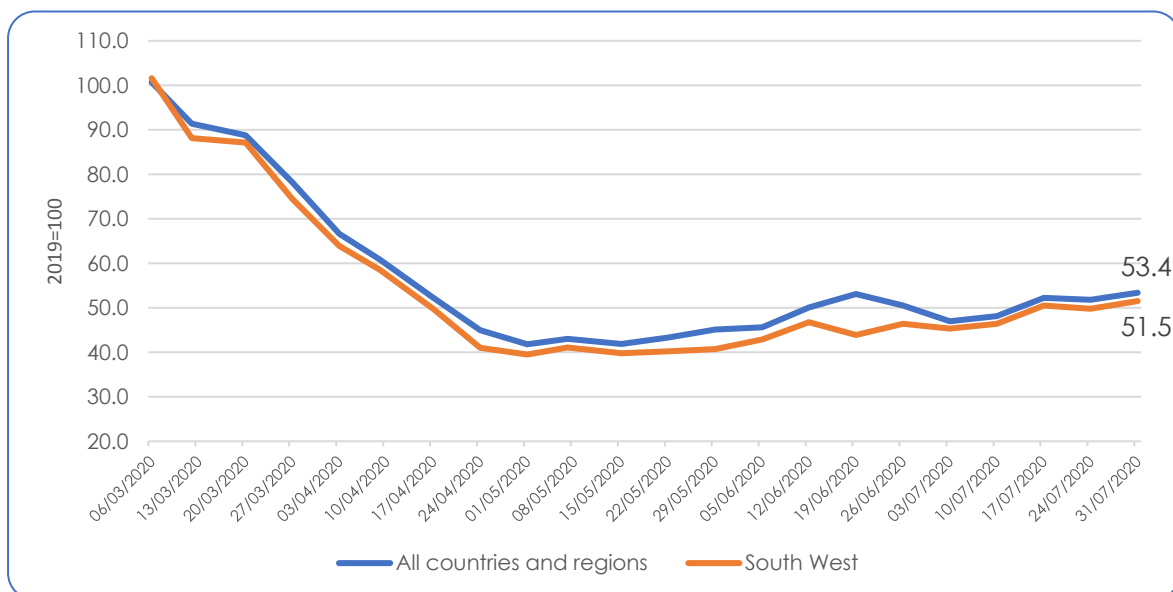
The pandemic has also impacted the occupations and types of jobs in demand with those related to adult and child care (including care workers, housekeepers, teaching and nursing assistants, and educational support workers) as well as professional occupations (being the largest group of vacancies with nurses, programmers and software developers, social workers, accountants, project managers, teaching professionals and IT specialists and analysts most in demand) are least affected while driving and machine operatives, sales and customer service occupations seeing the largest drop in demand. Unsurprisingly the NHS, the Local Councils, educational, care and residential settings, as well as financial and engineering firms have remained among the top recruiters.

SOC Code	Occupation	# Jobs July 2019	# Jobs July 2020	Difference
1	MANAGERS, DIRECTORS AND SENIOR OFFICIALS	467	348	-25%
2	PROFESSIONAL OCCUPATIONS	1,699	1,535	-10%
3	ASSOCIATE PROFESSIONAL AND TECHNICAL OCC	796	577	-28%
4	ADMINISTRATIVE AND SECRETARIAL OCCUPATIONS	410	291	-29%
5	SKILLED TRADES OCCUPATIONS	413	272	-34%
6	CARING, LEISURE AND OTHER SERVICE OCC	503	514	2%
7	SALES AND CUSTOMER SERVICE OCCUPATIONS	524	310	-41%
8	PROCESS, PLANT AND MACHINE OPERATIVES	248	127	-49%
9	ELEMENTARY OCCUPATIONS	391	273	-30%

Source: Labour Insight

Apart from sustained requirement for key and essential workers, the recent developments illustrate a growing need for cleaning and protective service occupations post the outbreak and positions less affected by the pandemic.

In addition, the ONS have also been producing a 'real-time' analysis of job vacancies in response to the Covid-19 crisis. Again, this is based on data provided by job search engine Adzuna – albeit based on a regional scale. This data is classified as 'experimental' data and will be subject to revisions. Again, this indicates the level of vacancies are around 50% of the 2019 level. The below chart is indexed (2019=100) and indicates that there has been some tentative recovery in vacancy levels since the end of May.



Source: ONS