

# Labour Market Insights – Dorset

## September 2020

Moors Economics, October 2020

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*This commentary offers brief reflections on the key labour market statistics available in the monthly dashboard from September 2020. Read our wider commentary paper for trends in the UK labour market. All of our insights should be read in conjunction with the [Understanding LMI during COVID-19](#) guidance on issues related to interpreting these labour market statistics.*

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**Despite expecting the autumn blues to settle in amongst fears of a second coronavirus wave, September brought some positive news for Dorset: schools and universities reopened, many of us made our first trips back to socially distanced workplaces, and the labour market continued to bounce back with vacancies overtaking their last year's levels for the first time since March.**

### How many jobs were advertised?

The figures indicate increase in the labour market demand in September 2020. The overall number of **vacancies was 5,294, which** was actually 9% higher than in September 2019. This marked a five-month strike of continuous increase and the first time since March when their numbers exceeded last year's levels. Vacancies grew **12% on the previous month and reached their pre-crisis level from February – March**. (The rates of increase on previous month reflect those nationally, yet Dorset's labour market is performing better on its last year's levels<sup>1</sup>). 2020 year-to-date vacancies are now standing at 14% lower than 2019.

### What was the labour demand within Dorset's industries?

When looking at the data from industry perspective, it suggests a mixed picture. After it plummeted in April, the labour demand has been on the rise across most industries. Encouragingly, vacancy numbers continued to improve in manufacturing and engineering. However, they remain under significant pressure in arts and entertainment, accommodation and food services, and construction with the continued restrictions in these activities. Over the year to date, vacancies in arts and entertainment and accommodation and food services are c.45% less than in the same period 2019.

### What types of jobs are employers looking for?

The pandemic has also impacted the occupations and types of jobs in demand. As the below table shows, demand for occupations involved in activities such as sales, customer services and skilled trades are lower to date in 2020 when compared to 2019. However, the demand for some occupations has rebounded relatively strongly in the last month. Demand for roles such as registered nurses, healthcare support workers, and software engineers remain high.

Unsurprisingly the NHS, the Local Councils, educational, care and residential settings, as well as financial and engineering firms have remained among the top recruiters.

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<sup>1</sup>Comparison using the same source of labour market intelligence - Burning Glass Technologies: Labour Insight. 2020 accessed under Dorset LEP license.

SOC Code	Occupation	# Jobs September 2019	# Jobs September 2020	Difference	Difference (YTD -2020 v 2019)
1	MANAGERS, DIRECTORS AND SENIOR OFFICIALS	390	442	13%	-13%
2	PROFESSIONAL OCCUPATIONS	1,298	1,676	29%	2%
3	ASSOCIATE PROFESSIONAL AND TECHNICAL OCC	724	710	-2%	-24%
4	ADMINISTRATIVE AND SECRETARIAL OCCUPATIONS	374	444	19%	-26%
5	SKILLED TRADES OCCUPATIONS	377	383	2%	-29%
6	CARING, LEISURE AND OTHER SERVICE OCC	461	571	24%	12%
7	SALES AND CUSTOMER SERVICE OCCUPATIONS	615	417	-32%	-35%
8	PROCESS, PLANT AND MACHINE OPERATIVES	227	209	-8%	-35%
9	ELEMENTARY OCCUPATIONS	386	425	10%	-25%

Source: Burning Glass Technologies: Labour Insight. 2020

### Employment, Unemployment and Inactivity Rates

Employment/ Unemployment rates in the dashboard include the latest quarterly release for local authority areas (for July 19-June 20), now including the initial three-month period following the outbreak of Covid-19.

The below table shows the latest figures, with the change against the previous quarter (end of March 20) shown in brackets. It indicates that employment rate in Dorset (LEP area) is still higher than national and surprisingly it has slightly increased in Dorset Council area, but has fallen in BCP, with a proportionate increase in economic inactivity.

July 19-June 20 (% 16-64 year olds)			
	Employment rate	Unemployment rate (modelled-based)	Economic inactivity
England	76.5% (+0.3ppt)	4.0% (+0.1ppt)	20.3% (-0.3ppt)
Dorset	77.1% (+2.0ppt)	2.9% (-)	20.7% (-2.8ppt)
BCP	79.4% (-3.0ppt)	2.7% (-0.6ppt)	18.4% (+2.7ppt)

Source: ONS

The interpretation of the unemployment data needs some care – as described [here](#). The latest claimant count figures for August are set out below.

As we discuss in our general trends paper – the effect of the coronavirus crisis on unemployment is lessened by the job retention scheme. Claimant count remains a more immediate unemployment indicator. The dashboard shows the number of people claiming benefits and treated as being unemployed has more than doubled in April and May and has plateaued since – both nationally and in Dorset.

### Claimant Count (% population aged 16-64)

	September 2020	September 2019
England	6.6%	2.8%
Dorset LEP area	5.6%	2.0%
Dorset	4.5%	1.6%
BCP	6.5%	2.4%

Source: ONS

In terms of young people, claiming some form of job and/or income support – their numbers have increased more markedly and stand at 8% of those aged 18-24 (vs 5.6% amongst working age population). Of particular note is the increase since April – although this will partially reflect the roll-out of Universal Credit.

Claimant count 18-24 (% population aged 18-24)				
	DLEP	BCP	Dorset	England
January 2020	2.9%	2.8%	3.0%	3.9%
February 2020	3.0%	2.9%	3.2%	4.1%
March 2020	3.1%	3.0%	3.1%	4.2%
April 2020	5.4%	5.1%	5.9%	6.6%
May 2020	7.7%	7.4%	8.4%	8.8%
June 2020	7.9%	7.5%	8.5%	9.0%
July 2020	8.1%	7.7%	8.7%	9.3%
August 2020	7.9%	7.6%	8.4%	9.2%
September 2020	8.0%	7.8%	8.3%	9.4%

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. It shows that this is beginning to increase in the latest period.

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

Source: ONS

### - Number of people on unemployment benefits vs job vacancies

Comparing vacancy data with the number of claimants, there are **now 4.8 claimants for every vacancy** – the ratio continuously decreasing after its 7.5 peak in May, but still more than double the 1.9 pre-crisis ratio back in February.

### - Coronavirus Job Retention Scheme (furloughed)

The latest release of the CJRS scheme did not contain the data at a local authority level, which has constrained the ability to monitor the latest rates across Dorset and the dashboard contains previous month's data.

Looking across the wider South West region, there were 357,500 individuals that were furloughed at the end of July – 14% of eligible employments. Of these, 266,900 were fully furloughed, whilst 90,600 were partially furloughed.

Looking nationally on a sector basis, the sectors with the highest level of CJRS take-up remains arts, entertainment and recreation and accommodation and food services. In terms of the latter, this was lower than the previous months – reflecting that many businesses were able to reopen in July, with schemes such as 'Eat out, to help out' benefiting many businesses.

	Eligible employments take-up rate (UK)
<b>Public administration and defence; social security</b>	1%
<b>Households</b>	3%
<b>Energy production and supply</b>	4%
<b>Finance and insurance</b>	4%
<b>Education</b>	6%
<b>Health and social work</b>	6%
<b>Agriculture, forestry and fishing</b>	8%
<b>Water supply, sewerage and waste</b>	10%
<b>Mining and quarrying</b>	11%
<b>Information and communication</b>	12%
<b>Transportation and storage</b>	16%
<b>Manufacturing</b>	17%
<b>Wholesale and retail; repair of motor vehicles</b>	17%
<b>Professional, scientific and technical</b>	17%
<b>Real estate</b>	18%
<b>Administrative and support services</b>	19%
<b>Construction</b>	22%
<b>Other service activities</b>	32%
<b>Accommodation and food services</b>	43%
<b>Arts, entertainment and recreation</b>	45%

Source: HMRC

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

As of the 31<sup>st</sup> August, 24,400 people were in receipt of Self Employment Income Support – a decrease of 7,800 from the previous month. This represents approximately 57% of those eligible to apply – marginally lower than the rate found across UK (60%). The average value of claims up to the end of August was £2,600. Therefore, the number of SEISS claims and the value of those claims have decreased over the month.