Emsi

Local Labour Market Outlook

GREATER CAMBRIDGE AND GREATER PETERBOROUGH

20 January 2021

Overview

The year 2020 will go down as one of the most significant in the history of the 21st century. The global Covid-19 pandemic has created more economic turmoil than the great financial crisis of 2008 and led to significant Government interventions to support the economy against strong headwinds. This situation will likely continue deep in 2021, affecting local economies and labour markets across the UK until Covid-19 is brought under control.

Some time between late-2019 and early-2020, the SARS-CoV-2 virus which causes the Covid-19 coronavirus disease arrived on the shores of the UK. As the spread of the disease rapidly increased among the population, the UK Government and devolved administrations in March 2020 ushered in national lockdowns that would last months in hope of slowing the spread of the virus.

The lockdowns created new economic conditions and constraints that businesses, organisations and institutions had never experienced including prohibitions to travel and social distancing. To support these economic stakeholders, the UK Government and devolved administrations deployed significant interventions including the Coronavirus Jobs Retention Scheme (CJRS), Self-Employment Income Support Scheme (SEISS) and mass non-domestic rates relief. Many of the interventions will likely remain in place for sometime into 2021, when economic conditions will hopefully stabilise as the UK population is vaccinated against the virus.

While the mass vaccination of the population may bring the pandemic under control in the UK, local economies and labour markets despite central Government support may be dealt damage that could take time to repair. The speed of this recovery will be influenced by a number of factors such as progress made in fighting the virus in other countries that have strong trade links with the UK, how much support central Government continues to provide and the potential economic implications of the UK exiting the EU.

At this stage, the rate of recovery is hard to predict; however, using detailed Emsi labour market data, it is possible to see where we have come from and provide an indication of the economic impact of the pandemic to date. For example, at a very high-level, there were 839,890 before the pandemic struck. This situation may have now changed as the claimant count since February 2020 increased from 21,045 to 46,980 in October 2020, indicating there are fluctuations in labour market conditions that could have impacted on how many jobs there are within the Greater Cambridge and Greater Peterborough LEP/CA region.

The following pages of the report examine the situation in the Greater Cambridge and Greater Peterborough LEP/CA region in further depth, looking separately at industry, occupation and skill conditions.

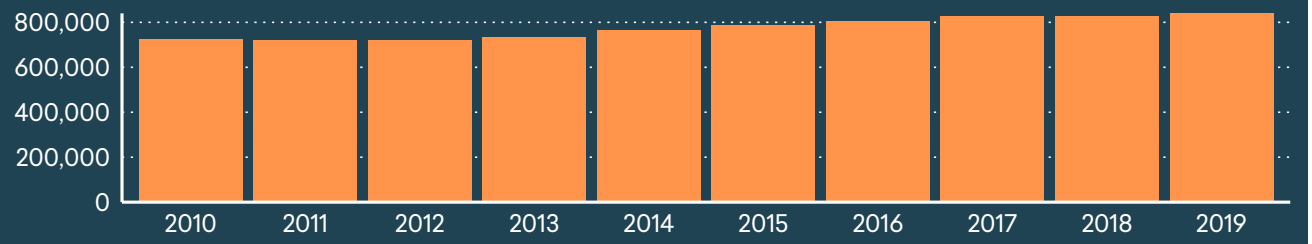
KEY TRENDS

These three charts set out the key trends in the the Greater Cambridge and Greater Peterborough LEP/CA region labour market. At the top, we look at the change in jobs from 2010 to 2019, with 116,970.00 added over that time representing growth of 16.2 per cent.

The other two charts explore the earliest indicators of the impact of the coronavirus and the measures to fight it on the local economy. From January to October, the claimant count — which now includes those needing support with their income as well as those without work — has risen by 132.7 per cent. Over the same time period, the number of active job postings risen by 4,224 or 6.5 per cent.

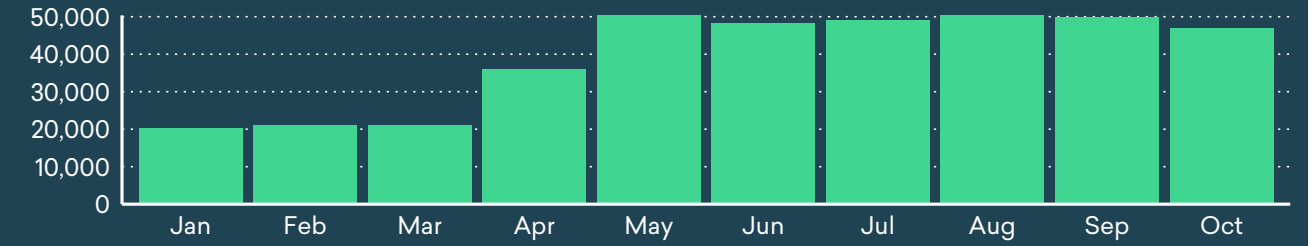
CHANGE IN JOB NUMBERS 2010-2019

116,970 change, 16.2%



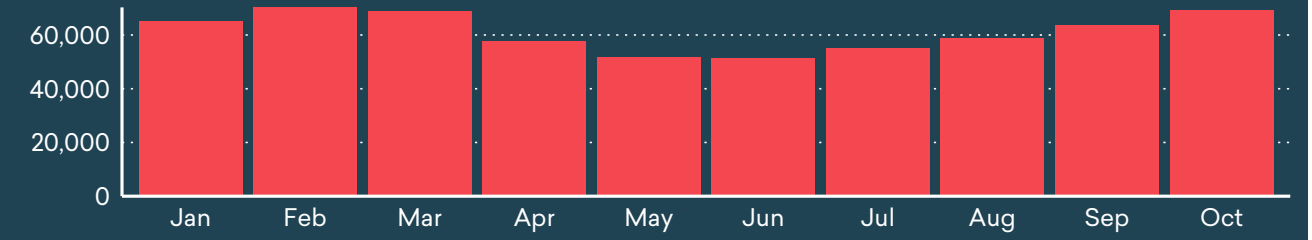
CHANGE IN CLAIMANT COUNTS 2020

26,790 change, 132.7%



CHANGE IN JOB POSTINGS 2020

4,224 change, 6.5%



TOP INDUSTRIES

These charts highlight the top five most concentrated industries in the Greater Cambridge and Greater Peterborough LEP/CA region measured using a Location Quotient (LQ) and the number jobs in each industry - industries are defined using two digit Standard Industrial Classifications (SIC). An LQ is the ratio between an industry or occupation local employment share and the national share, such that as the value goes above one it represents an industry or occupation concentration.

The most concentrated industry in the Greater Cambridge and Greater Peterborough LEP/CA region before Covid-19 struck was scientific research and development (LQ = 5.93), which generated 22,640 jobs. In comparison, the least concentrated industry (i.e. manufacture of food products) generated 21,480 jobs. Employment in the sectors changed by 23.7% and 18.3% respectively between 2015 and 2019 before the Covid-19 arrived.

TOP 5 INDUSTRIES BY LOCATION QUOTIENT

Industry Location Quotient, 1=UK

	Total Jobs in 2019	Gross Value Added	Exposure Index
Scientific research and development	22640	£693,920,000	24.8%
Water collection, treatment and supply	3020	£190,910,000	23%
Manufacture of paper and paper products	3780	£162,470,000	42.7%
Manufacture of machinery and equipment n.e.c.	9400	£505,730,000	45.9%
Manufacture of food products	21480	£718,950,000	52.5%

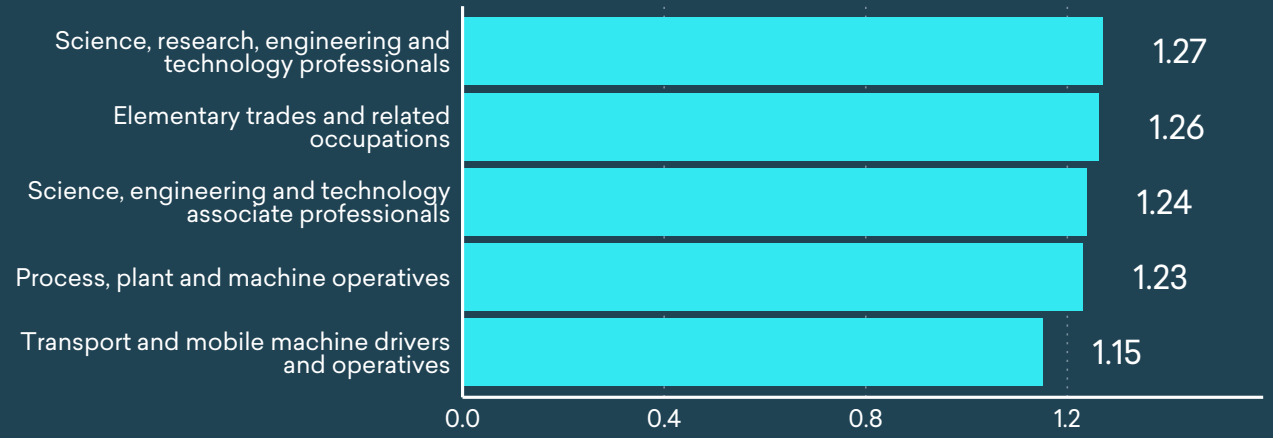
TOP OCCUPATIONS

These charts highlight the top five most concentrated occupations in the Greater Cambridge and Greater Peterborough LEP/CA region measured using LQs and the number jobs in each occupation - occupations are defined using two digit Standard Occupationa Classifications (SOC). The first chart indicates that science, research, engineering and technology professionals are the most concentrated in the Greater Cambridge and Greater Peterborough LEP/CA region followed by elementary trades and related occupations and science, engineering and technology associate professionals, with LQs of 1.27, 1.26 and 1.24 respectively.

There were 53,050 science, research, engineering and technology professionals in the Greater Cambridge and Greater Peterborough LEP/CA region in 2019, while the most concentrate industry that had the lowest LQ (i.e. transport and mobile machine drivers and operatives) contained 32,690 jobs. Job numbers in these two occupations changed by 13.7% and 6.0% respectively between 2015 and 2019.

TOP 5 OCCUPATIONS BY LOCATION QUOTIENT

Occupation Location Quotient, 1=UK



	Total Jobs in 2019	Job Postings Change %	Exposure Index
Science, research, engineering and technology professionals	53050	1.3%	25.7%
Elementary trades and related occupations	19810	58.2%	38.6%
Science, engineering and technology associate professionals	17830	-9.4%	28.2%
Process, plant and machine operatives	26300	43.8%	44.3%
Transport and mobile machine drivers and operatives	32690	50.2%	33.5%

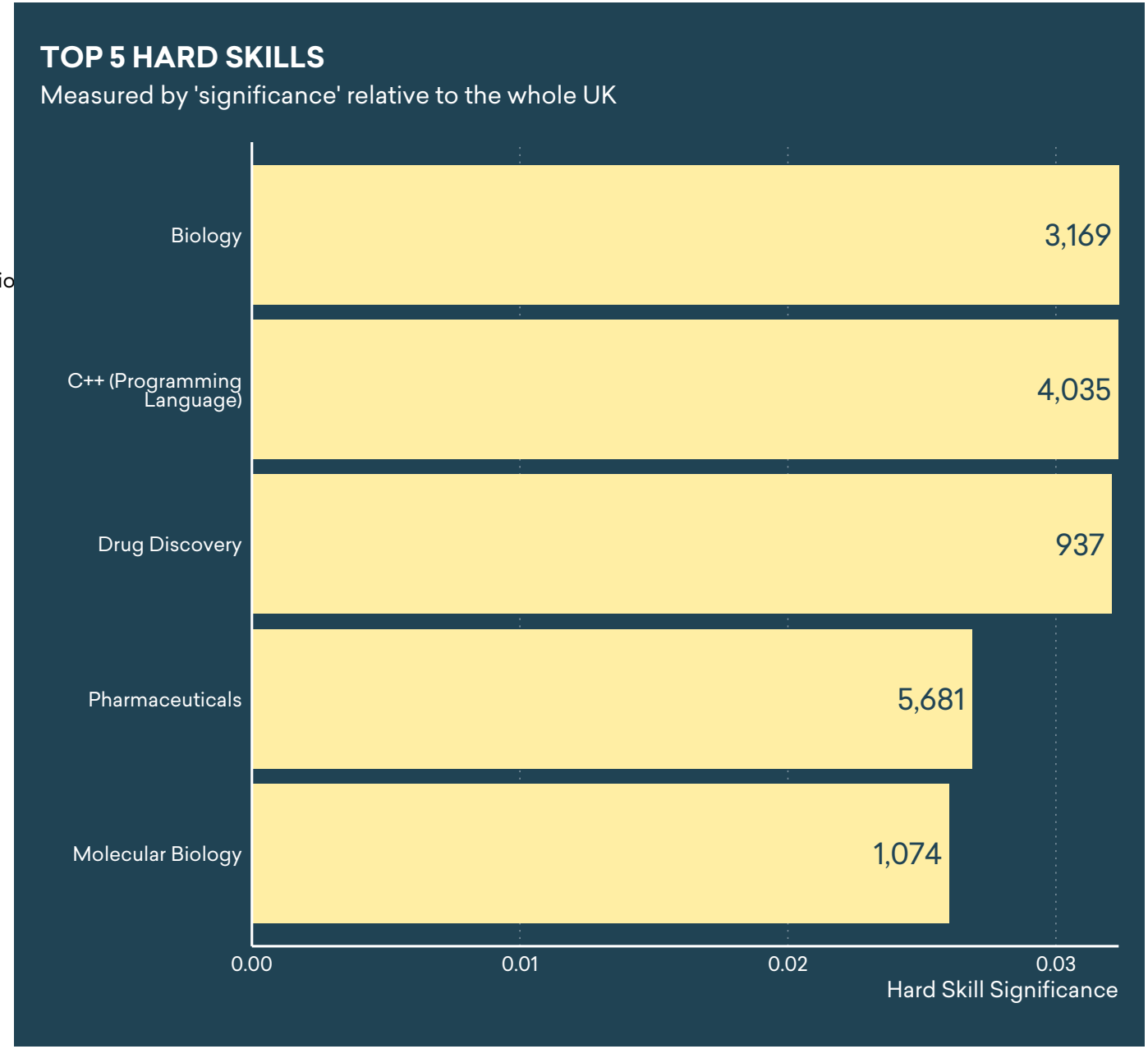
DEMAND FOR SKILLS

We firstly look at what the five most significant hard-skills (skills that a person has either been taught or learnt) within the Greater Cambridge and Greater Peterborough LEP/CA region were during the period between January and October 2020 using Emsi job postings data. Significance is measured by considering the relative concentratio of hard-skills in the Greater Cambridge and Greater Peterborough LEP/CA region compared to other areas of the UK.

Following on, we look at how numbers of unique job postings in the Greater Cambridge and Greater Peterborough LEP/CA region have changed from January to October 2020 to gain an understanding of how Covid-19 may have impacted upon short-term demand for each skill.

Emsi job postings data analytics incorporates the capability to analyse the significance of hard skills in terms of their relative concentration in an area, compared to other areas of the country, thereby, helping to identify the potential skill niches of an area.

In the Greater Cambridge and Greater Peterborough LEP/CA region, the most significant hard skill between January and October 2020 was biology, with 3,169 unique postings including a reference to the hard skill. The other hard skills within the top five most significant in the Greater Cambridge and Greater Peterborough LEP/CA region were c++ (programming language), drug



discovery, pharmaceuticals and molecular biology.

Emsi data

Our data is at the heart of what we do and we are confident that it is the most reliable, accurate and granular labour market insight available in the UK. We take the view that to get a realistic picture of your focus labour market, rather than looking at traditional labour market intelligence or 'big data' like job postings or profiles alone, you need them together. This is why we have uniquely integrated these different data sources, to give you one seamless dataset describing various aspects of the economy in your area and beyond — available through software tools, research consulting, or API access.

LABOUR MARKET INTELLIGENCE

Over 2 billion data points ranging across jobs, earnings, employment levels, education output, and more. Data are sourced from a range of government datasets; but we synthesise them and model to infer missing cases; then we project forward job counts ten years from latest BRES (now to 2028), detailed down to local areas (LAU1) and specific occupations (4-digit SOC) and industries (4-digit SIC).

JOB POSTING ANALYTICS

Harvested from tens of thousands of job boards, JPA is updated every month with between 800,000 and 1 million new unique postings — we have a database of more than 45 million postings as of writing. Every posting is categorised across occupation (4-digit SOC), detailed job title, location, company name and against Emsi's continuously updated library of nearly 30,000 common and hard skills. Metrics include posting counts, but also posting intensity, posting duration and salary.

PROFILE ANALYTICS

A database of 11 million professional employment profiles, Profile Analytics provides a supply-side counterpart to the content-rich, demand-side intelligence from JPA. Each profile captures occupation, detailed job title and location, just as with job postings, as well as categorising against Emsi's skills library. In addition, the data allows identification of universities and degree subject areas, as well as in some cases the career path through which a professional has reached their current role.