

Sub-Regional Employment and Skills Analysis 2010

Cornwall

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Investing in jobs and skills



South West RDA

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<http://www.swslim.org.uk/labourmarket/gap/lesbs.asp>

Excel files providing access to the data behind the charts in this and the other sub-regional reports can also be accessed from this address.

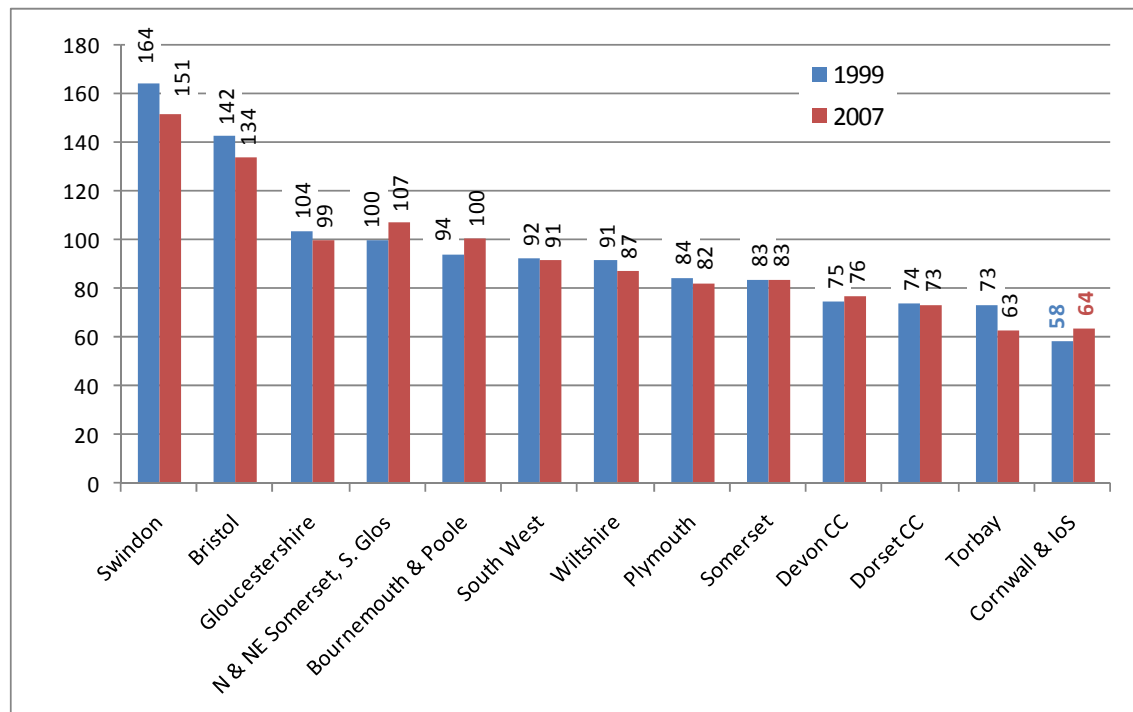
1. ECONOMIC CONTEXT

1.1 Productivity

The latest productivity data at the sub-regional (NUTS2) level was released in December 2009. While this data does not provide evidence of the impact of the recession, it does provide information about the underlying economic performance of sub-regions in the run up to recession.

Gross Value Added (GVA) per head in Cornwall was 64% of the UK average in 2007 somewhat lower than the regional average of 91% (Figure 1). Cornwall was only one of three local authority areas in the South West to record an improvement in its relative position against the UK average between 1999 and 2007.

Figure 1: NUTS 2 GVA per head, indexed, 1999 and 2007, UK = 100

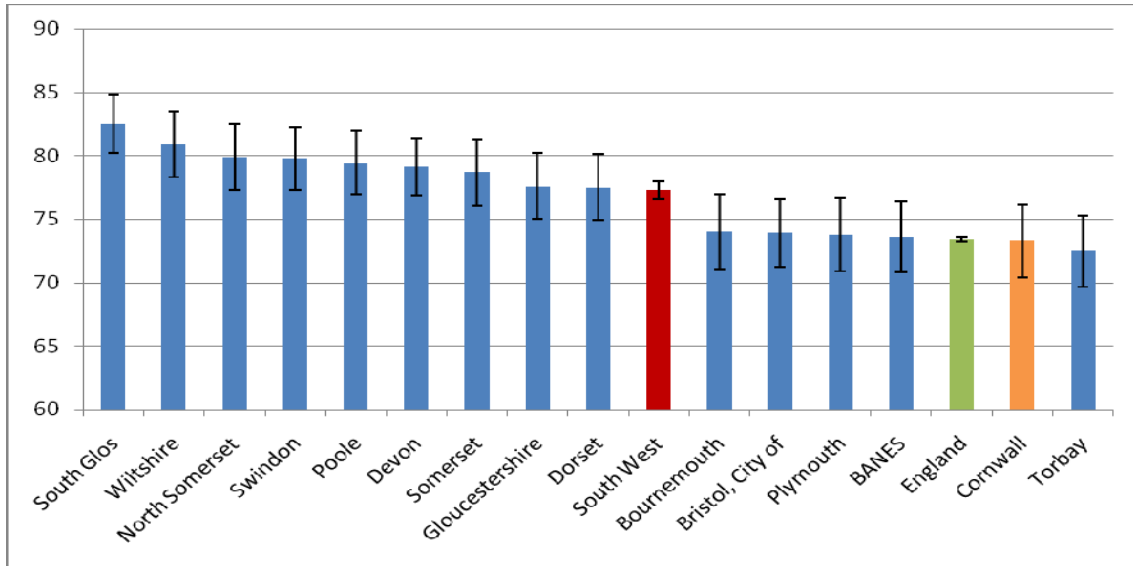


Source: ONS Sub-regional Statistical Bulletin, Dec 2009

1.2 Employment rate

In the year between July 2008 and June 2009, 73% of Cornwall's working age population was in employment. This is lower than the employment rate for the South West (77%) but is not statistically different to the employment rate for England (73%).

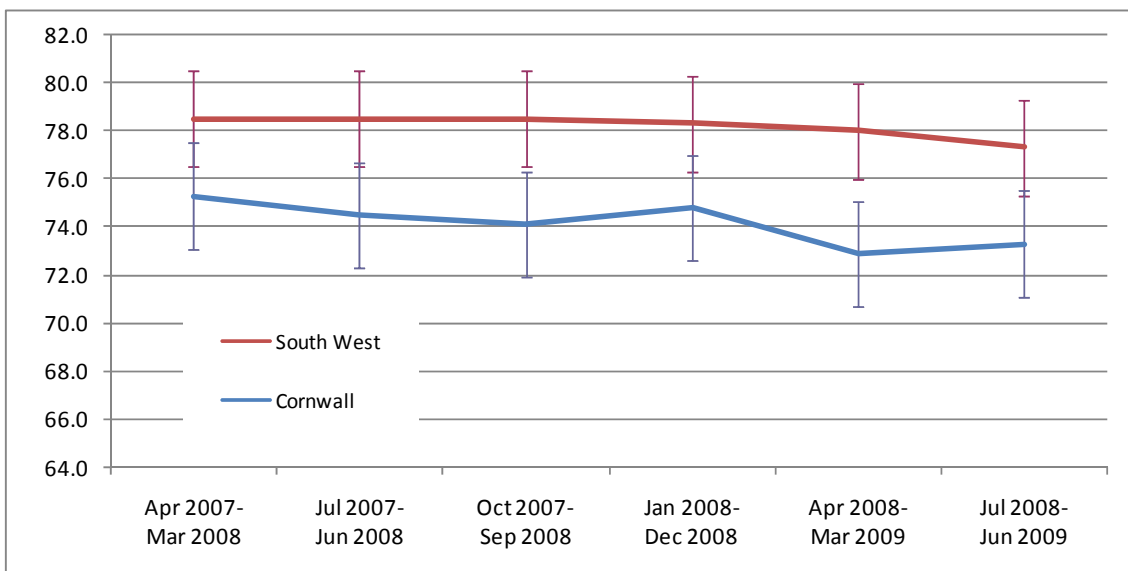
Figure 2: Employment Rate, Working Age Population, SW LAs, July 2008 – Jun 2009



Source: LFS / ONS

Neither the employment rate for Cornwall nor the South West has changed significantly since the start of the recession (Figure 3).

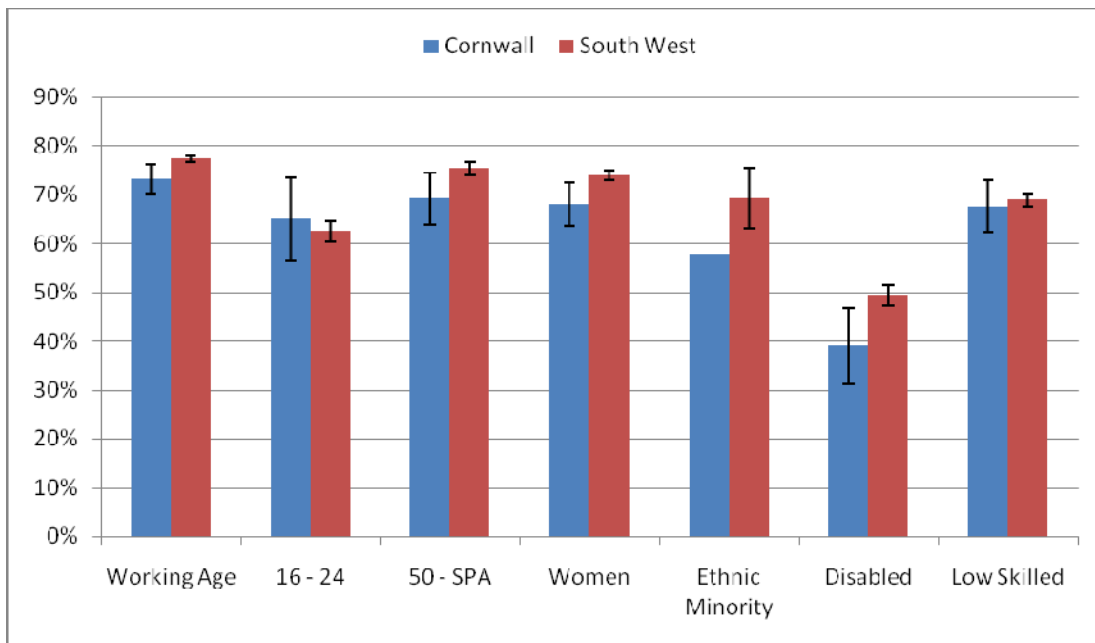
Figure 3: Change in Employment Rate, SW & LA, Apr 2007 - Mar 2008 to Jul 2008 - Jun 2008



Source: NOMIS / APS

Employment rates vary across population groups reflecting the often multiple barriers some people face in obtaining and maintaining employment. Figure 4 shows that while employment rate estimates for all the population groups traditionally thought to be at a disadvantage in the labour market are lower than average for the working age population as a whole, only the result for disabled people (39%) is statistically significant. Estimates for 16-24 year olds (65%), people aged 50 and over (69%), women (68%), ethnic minorities (58%) and the low skilled (68%) in Cornwall are also not statistically different to those for the same groups regionally. Disabled people in Cornwall are, however, less likely to be in employment than disabled people in the South West.

Figure 4: Employment rate for selected disadvantaged groups, LA and South West, Jul 2008 to Jun 2009



Source: NOMIS / APS

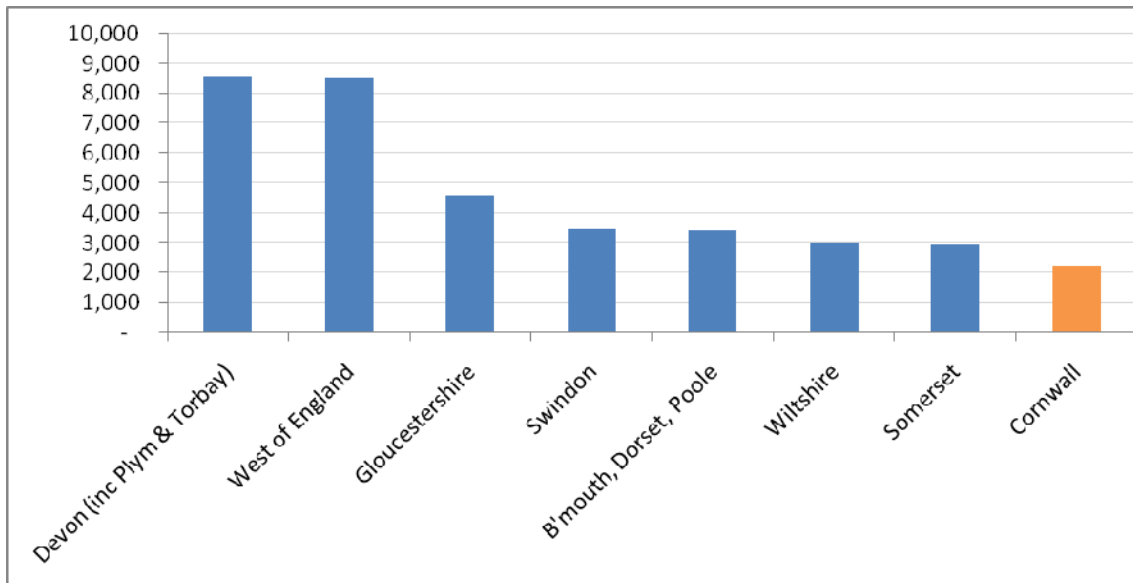
1.3 Redundancies and Vacancies

1.3.1 Redundancies

It is important to consider redundancies and vacancies, as these provide a measure of the dynamism of the labour market, i.e. the rates at which jobs are being lost and becoming available. Trends in both can also tell us whether the economy is recovering from recession. Unfortunately the Labour Force Survey (LFS) data on redundancies is not reliable at the sub-regional level. We therefore depend on data generated through employers notifying Jobcentre Plus when they intend to make redundancies¹.

Between 8th November 2008 - when data collection began - and 8th January 2010, 2,229 redundancies were notified by employers located in Cornwall. The greatest volume of redundancies has occurred in Devon (including Plymouth and Torbay) and the West of England² mainly due to the larger populations within these geographies.

Figure 5: Total Notified redundancies, JC+ District, 8 Nov 2008 to 08 Jan 2010



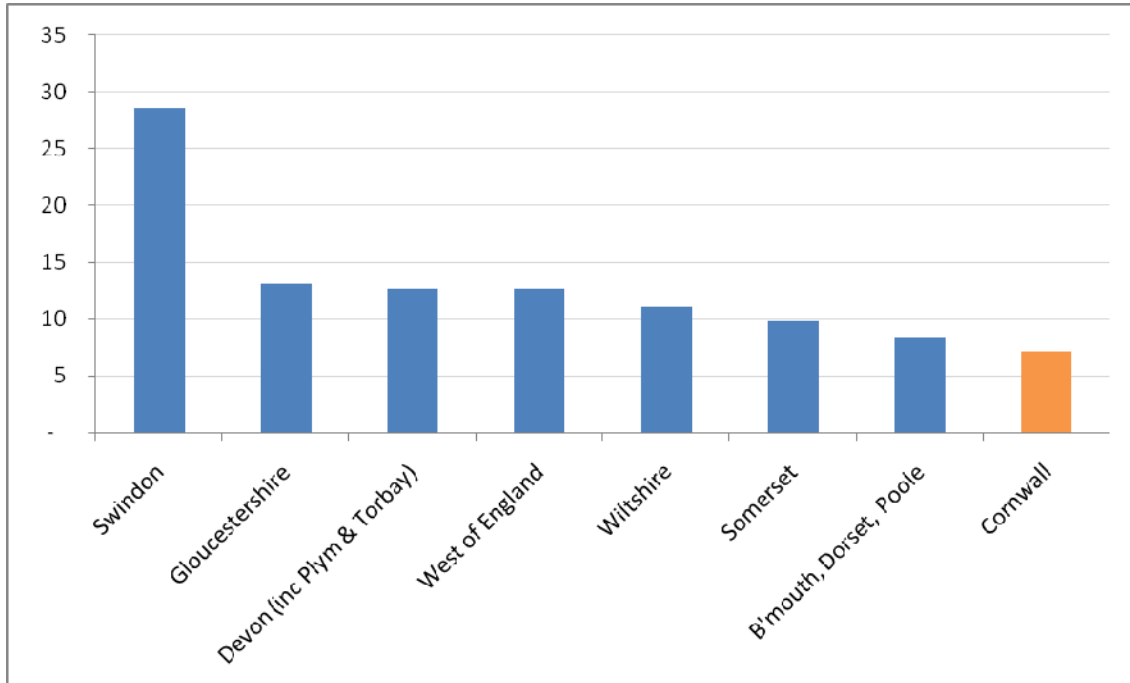
Source: Jobcentre Plus

¹ Only employers making more than 20 people redundant are legally required to notify Jobcentre Plus. Thus, while the data provides a reasonable picture of trends over time or comparisons between geographies, it is likely to under-state the overall volume of redundancies.

² West of England includes the City of Bristol, South Glos, North Somerset and Bath & NE Somerset.

Expressing redundancies per 1,000 people of the working age population is more helpful in comparing the relative scale of redundancy across geographical areas. Under this measure, Swindon emerges as the most severely affected area with redundancies running at more than twice the regional average (Figure 6). Cornwall has the fewest number of redundancies relative to its population with 7.2 redundancies per 1,000 people of working age.

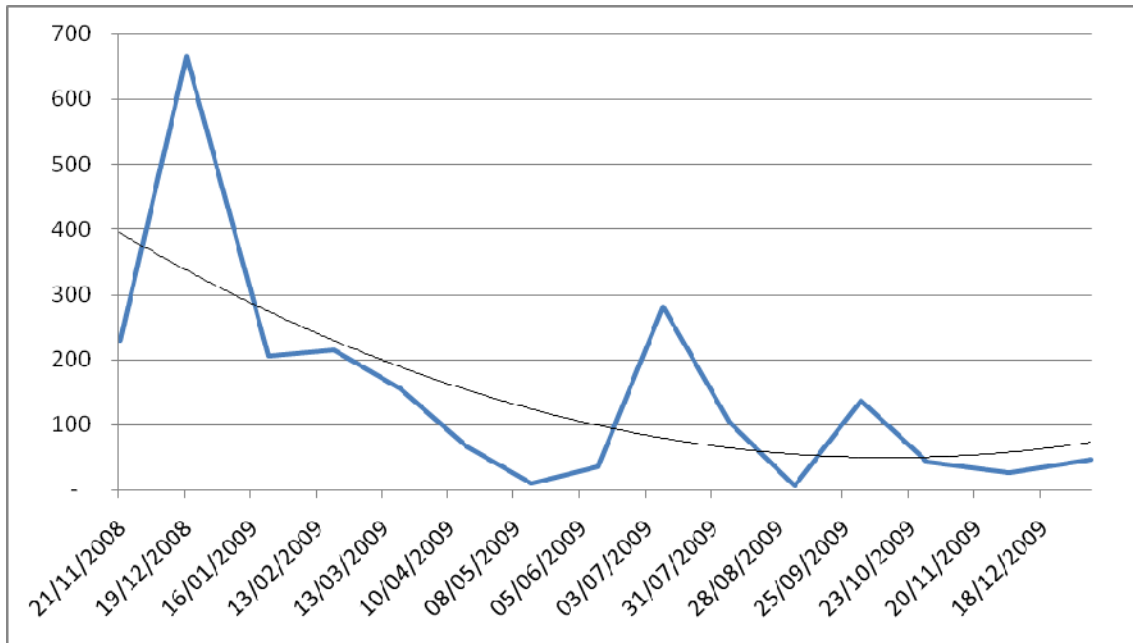
Figure 6: Redundancies per 1000 Working Age Population, JC+ District, 8 Nov 2008 to 08 Jan 2010



Source: Jobcentre Plus

Redundancy figures are volatile and can be dramatically affected by the closure of a few large firms or business units. However, looking back over the recession, it appears that while relatively large numbers of redundancies were notified by Cornwall's employers during early months of the recession volumes have, for the most part, been relatively low (Figure 7). The latest figure - for the four week period ending 8th January (47 notified redundancies) - is well below the figure recorded broadly 12 months earlier (206 notified vacancies).

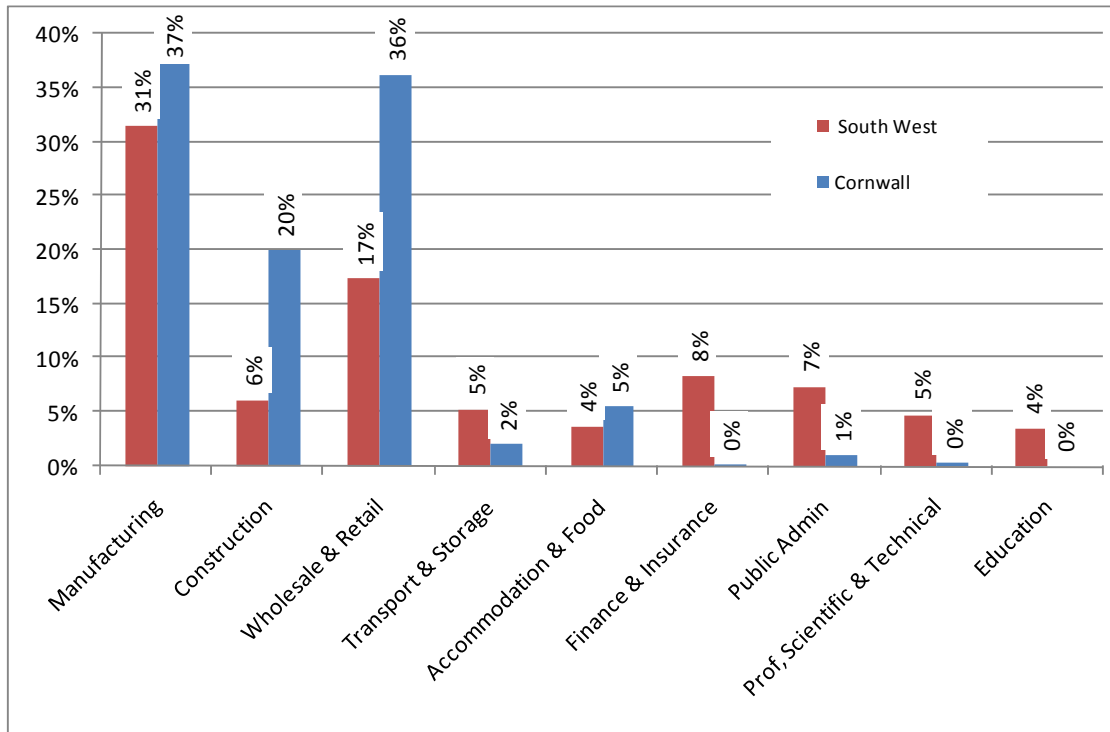
Figure 7: Notified redundancies, 4 week periods, Cornwall, 8 Nov 2008 to 08 Jan 2010



Source: Jobcentre Plus

Redundancies in Cornwall were concentrated across a narrower range of industries than the South West average between November 2008 and January 2010. The vast majority (93%) of redundancies notified in Cornwall over this period were in manufacturing (37%), wholesale and retail (36%) and construction (20%) with accommodation and food (5%) accounting for most of the remainder. In contrast there were no redundancies reported in education and very few in finance and insurance (<1%), professional, scientific and technical services (<1%), public administration (1%) or transport and storage (2%). Compared to the South West as a whole, redundancies in Cornwall were particularly heavily concentrated in construction, wholesale and retail and to a lesser extent manufacturing, and were less heavily concentrated in other sectors.

Figure 8: Notified Redundancies by sector, SW & LA, 8 Nov 2008 to 08 Jan 2010

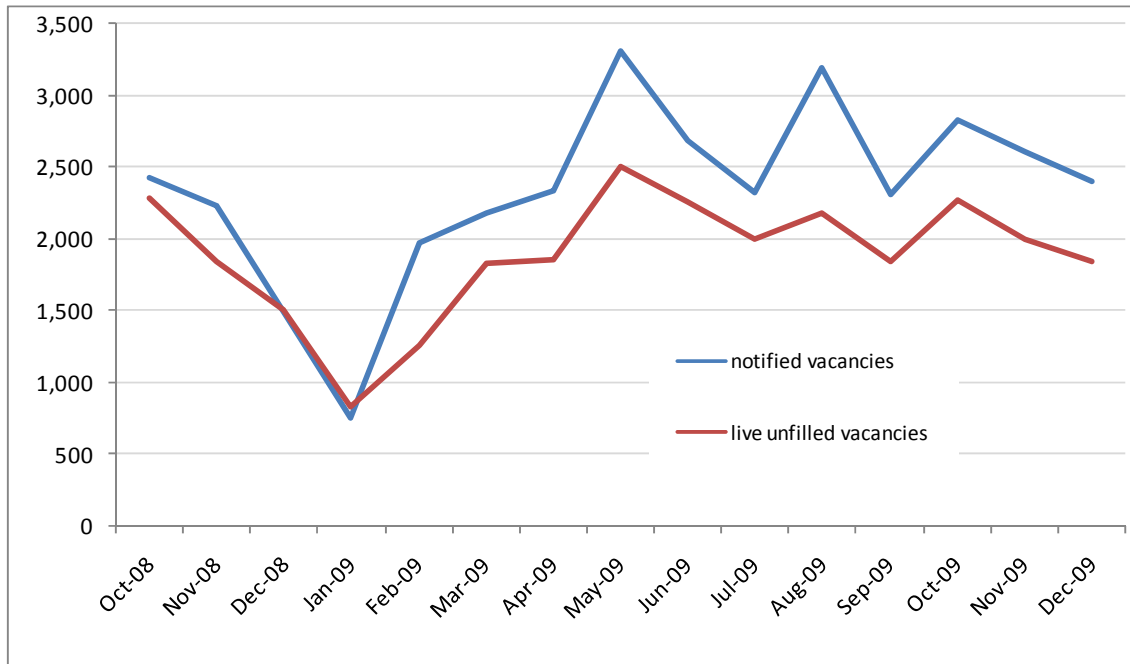


Source: Jobcentre Plus

1.3.2 Vacancies

Jobcentre Plus also publishes data on the number of vacancies notified to their officers by employers. These tend to demonstrate seasonal variations with vacancies rising over the spring and summer months and falling back over the autumn and winter. Isolating the impact of the recession from these seasonal trends can sometimes be problematic. Despite this, it is clear that while the number of vacancies notified to Jobcentre Plus fell by more than half during winter 2008/9 they had recovered by late spring/early summer and have remained around pre-recession levels since then (Figure 9). Vacancies notified in December 2009 were 61% higher than 12 months previously.

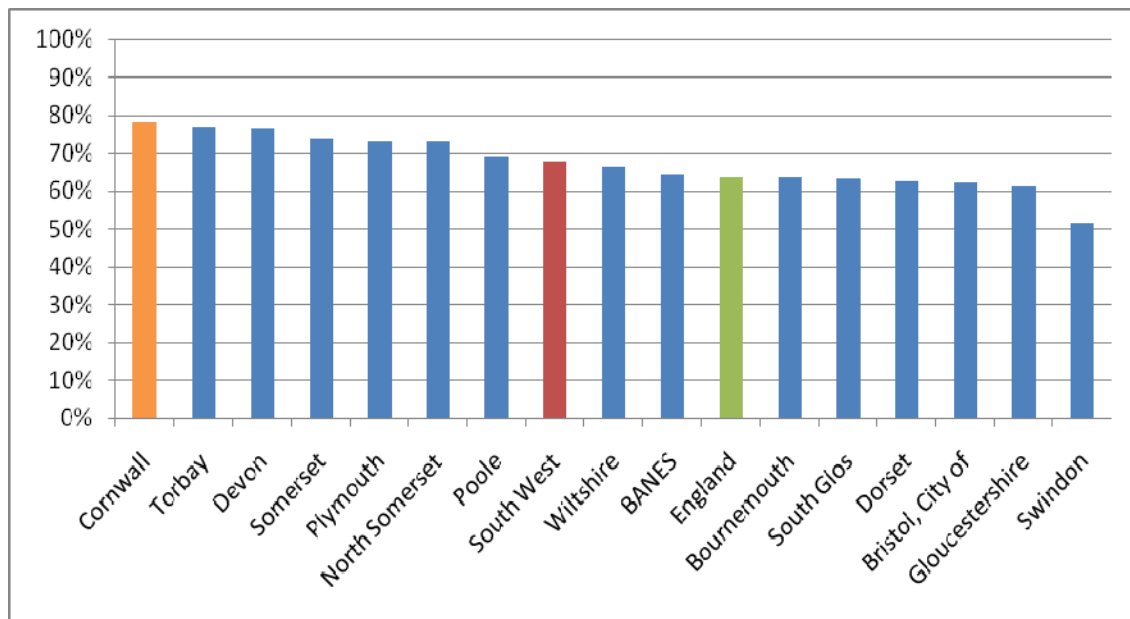
Figure 9: Notified & Unfilled Vacancies, Cornwall, Oct 2008 to Dec 2009



Source: Jobcentre Plus

The average number of vacancies remaining unfilled during 2009 was 22% lower in Cornwall than the previous year (Figure 10). The decline in the 'stock' of unfilled vacancies was less pronounced in Cornwall than in the regional (32%) or England (37%) average.

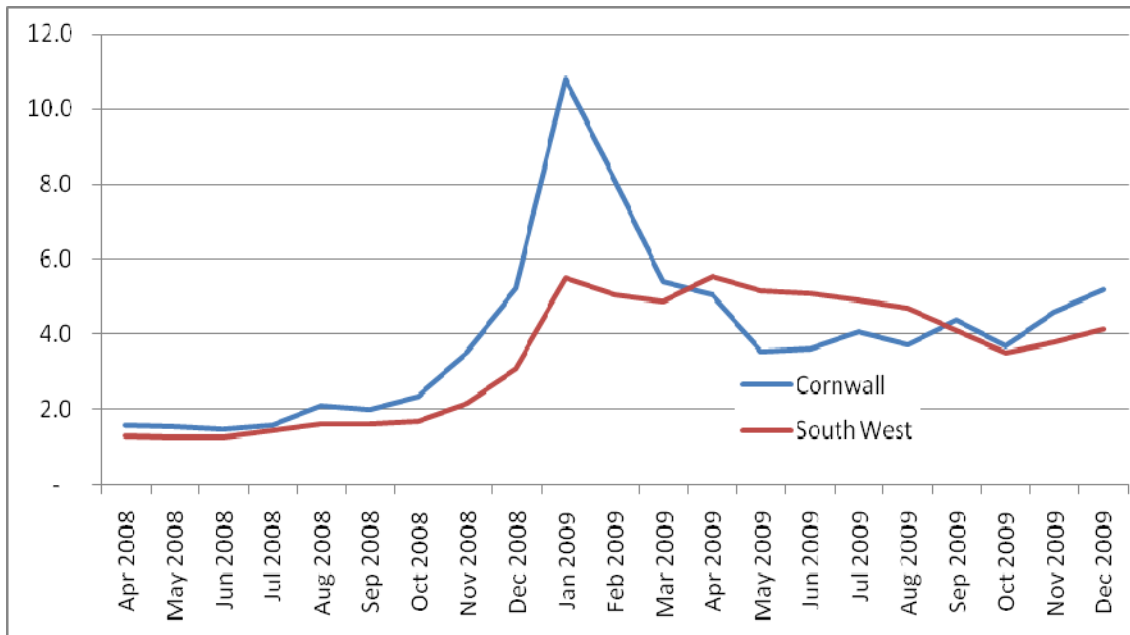
Figure 10: Live Unfilled Vacancies, Jan to Dec 2009 as a % of Jan to Dec 2008



Source: Jobcentre Plus

Figure 11 brings vacancy and claimant count data together in a measure of competition for jobs – the number of claimants per vacancy. In December 2009, there were 5 people registered unemployed for every unfilled vacancy notified to Jobcentre Plus in Cornwall compared to an average of 4 per vacancy across the South West. According to this measure, competition for jobs has intensified over the course of the recession – and peaked during January and February 2009 – but is currently at the same level recorded 12 months ago.

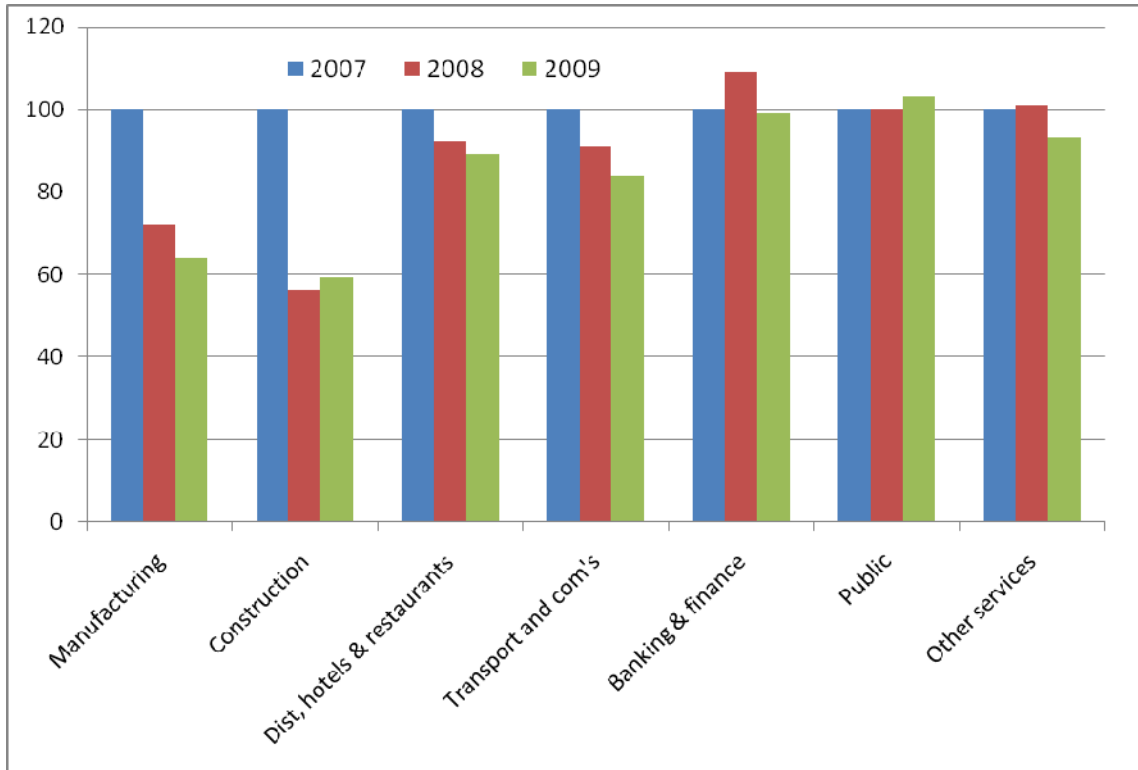
Figure 11: Claimants per Vacancy, Apr 2008 to Aug 2009



Source: Jobcentre Plus

Examining changes in the volume of notified vacancies by sector shows that vacancies in banking & finance, public administration, health & education and other services have remained relatively robust with levels in 2009 comparable to those recorded in 2007 and 2008 (Figure 12). Vacancies in hotels & restaurants and transport & communications are slightly lower than in the previous two years but not considerably so. Manufacturing and construction have, however, seen a marked contraction, with vacancies in both during 2009 around 40% lower than in 2007.

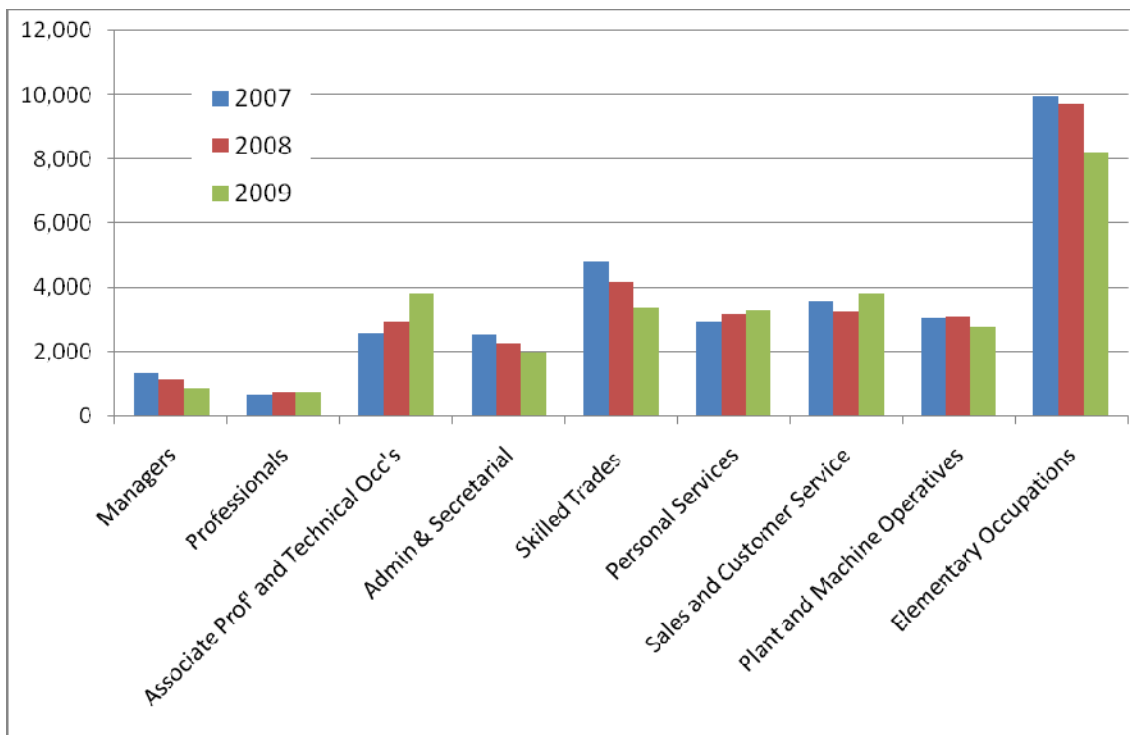
Figure 12: Vacancy levels by Sector, Cornwall, 2007 – 2009 (Index 2007 = 100)



Source: Jobcentre Plus

Figure 13 shows how notified vacancies are distributed across occupations and how the distribution has changed over time. In each of the three years – 2007, 2008 and 2009 – elementary occupations comprised the single largest occupational group with managers and professionals comprising the two smallest groups. The remaining vacancies were broadly distributed across the other six occupational groups. Figure 13 also shows that vacancy numbers increased for some occupational areas between 2007 and 2009. This was particularly so for professional and technical occupations (+1,200) but also for personal service occupation (+370), sales & customer service occupations (+250) and professional occupations (+110). This growth was accompanied by declines in the volume of vacancies for elementary occupations (-1,800), skilled trades (-1,400), administrative & secretarial (-600), managers (-510) and plant & machine operatives (-280).

Figure 13: Vacancy levels by Occupation, Cornwall, 2007 – 2009



Source: Jobcentre Plus

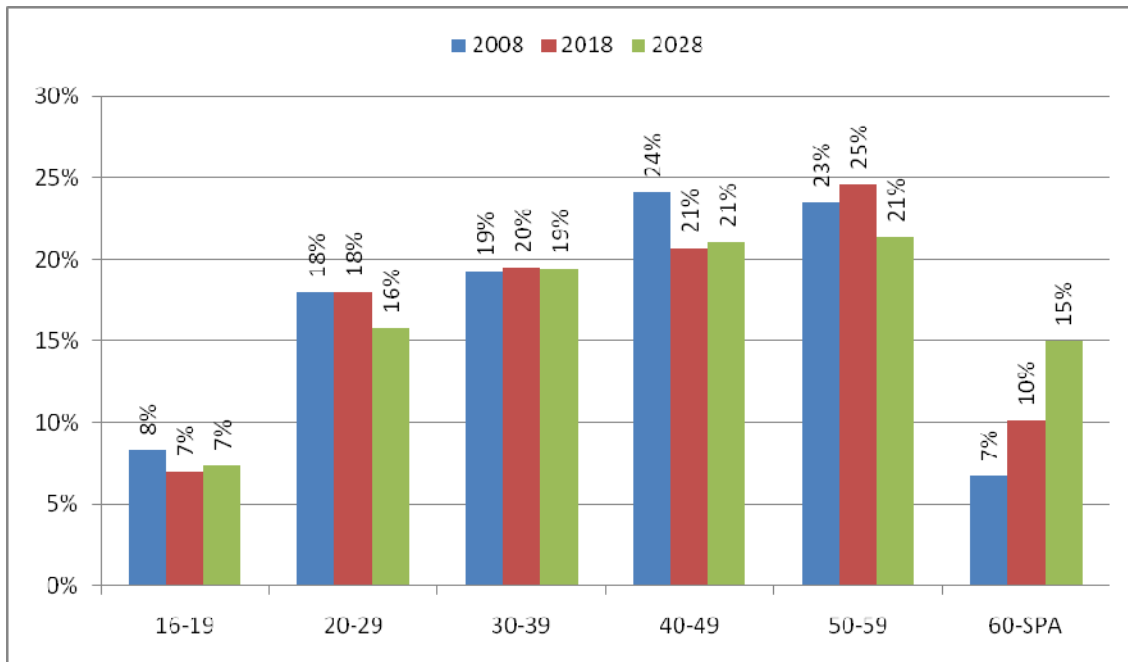
2. THE WORKFORCE

2.1 Demographics

Figure 14 illustrates the age profile of the population as it was in 2008, and how it is predicted to look in 10 and 20 years time. Currently, around half (47%) of the working age population are in their 40s and 50s, around two-fifths (37%) are in their 20s and 30s, and remaining fifth are equally split between teenagers (8%) and those aged 60 and over (7%).

While the overall shape of the working age population is unlikely to change substantially over the next 20 years; its profile will 'age'. This means older cohorts will account for a progressively larger share of the population. According to the projections more than one-third (36%) of the working age population will be aged 50 and over in 2028 (up from 30% in 2008). The number of working age residents aged 60 and over will exceed the number of teenagers in 2018 and will exceed them by a factor of two by 2028. The relatively rapid increase in the number of people in their 60s in the labour force is due in part to changes in government policy that will delay, from 2010, the age at which women (and later men) can draw their state pension.

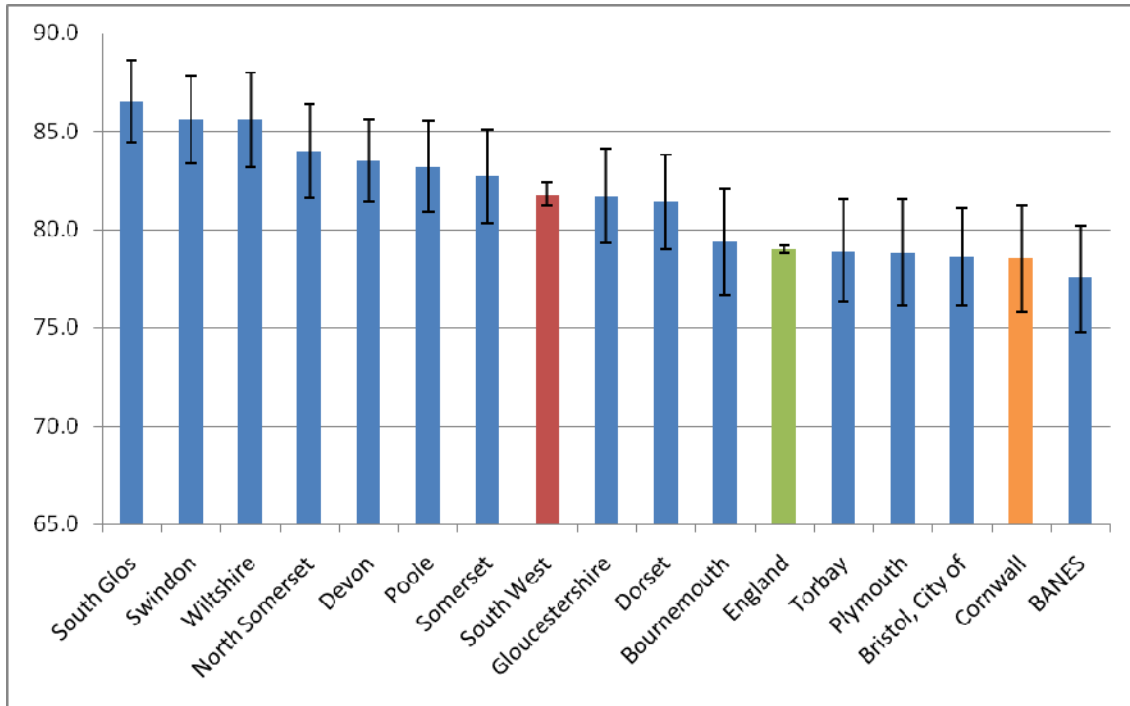
Figure 14: Age structure of the working age population, Cornwall, 2008 to 2028



Source: APS

Not all people of working age, however, are active participants in the labour market (and some people continue to be active when they are of state-pension age). The economically active population measures how many people - in this case of working age - are in work or are actively looking for and are available for work. During July 2008 to June 2009, almost two-fifths (79%) of Cornwall's working age population were economically active. The county has a statistically lower economic participation rate than both the South West (82%) and England (79%) average.

Figure 15: Economic Activity Rate, Jul 2008 to Jun 2009



Source: APS

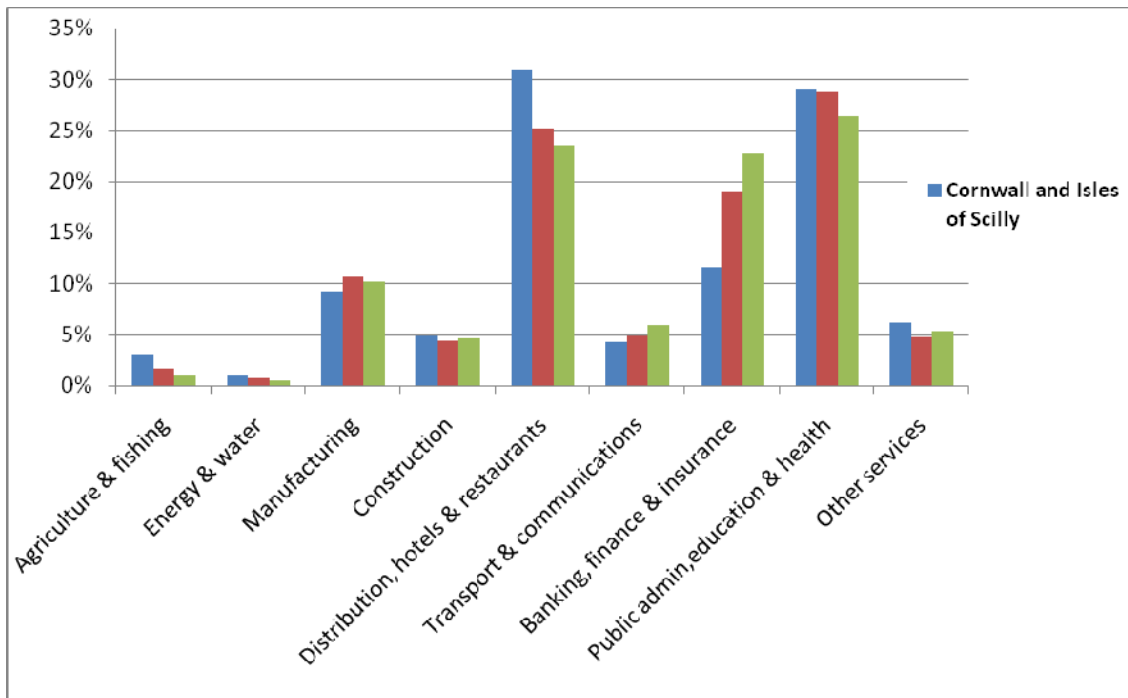
2.2 Workforce Structure³

Employment by sector

Figure 16 shows how people employed in Cornwall were distributed across sectors in 2008 and compares this to the distribution for the South West and England. It shows that Cornwall has a very similar distribution to both the regional and national average with the two biggest sectors – distribution, hotels & restaurants (31%) and public administration, education & health (29%) accounting for the majority of employment (as it does elsewhere). Cornwall is more dependent on these two sectors (together they account for 60% of employment) than the regional (54%) and national average (50%) and is considerably less dependent on banking, finance & insurance (which is the third largest sector locally accounting for 12% of employment, compared to 19% across the South West and 23% for England).

Manufacturing accounts for less than one-tenth (9%) of employment locally and as such is the fourth largest sector locally in employment terms (being slightly smaller than the banking, financial and insurance sector). Other sectors are relatively small and have similar proportions of employment to the regional and national average with the exception of agriculture & fishing which whilst small, accounts for a larger share of employment in Cornwall (3%) than the regional (2%) or national (1%) average.

Figure 16: Percentage of total employment by sector (2008)



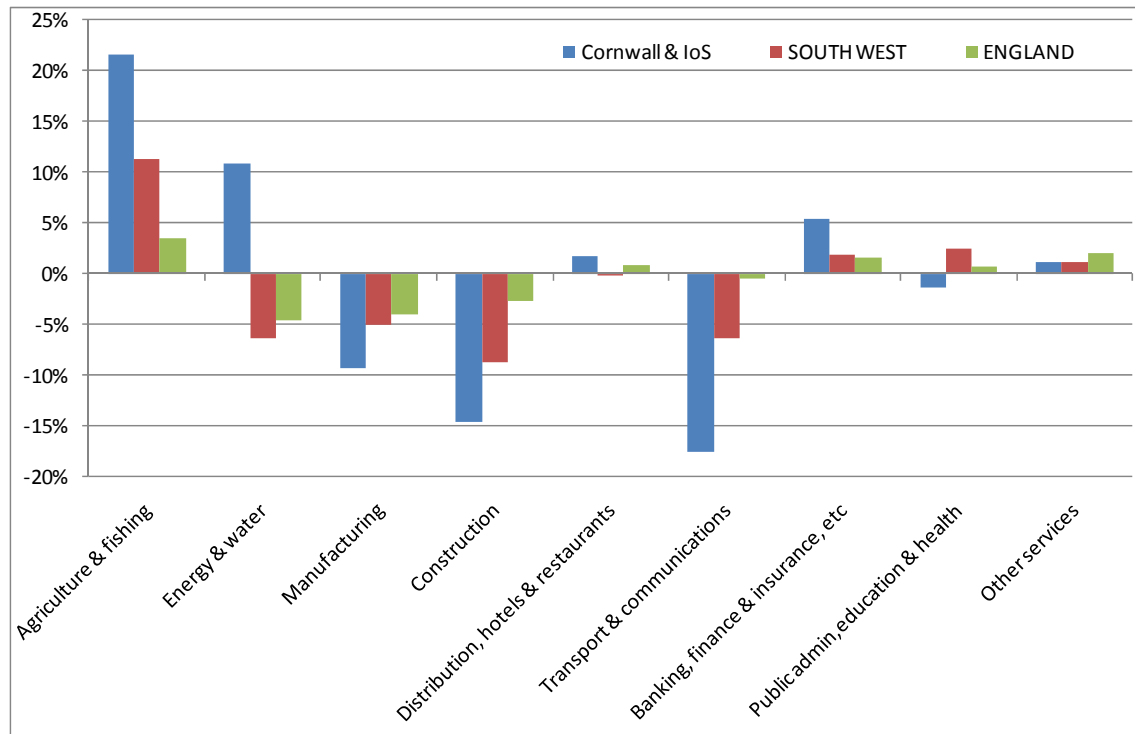
Source: Annual Business Inquiry

³ Data for this section was provided by the Economy Module, thanks to Eleanor Field.

Figure 17 shows changes in sector employment between 2007 and 2008. However, since this only depicts one year change, this pattern should not be interpreted as a trend. Due to discontinuities in the Annual Business Inquiry (ABI) methodology, it is not possible to analyse changes in this data over a longer period. The large confidence intervals attached to this data, particularly in the smaller sectors⁴, also mean that it should be treated with care.

The figure (17) shows that employment increased strongly in agriculture & fishing (+22%) and energy & water (+11%) and more modestly, in banking, finance & insurance (+5%), distribution, hotels & restaurants (+2%) and other services (+1%). By contrast, employment contracted considerably in transport & communications (-17%) and construction (-15%) and to a lesser extent manufacturing (-9%) but also fell marginally in public administration, health & education. The pattern of growth and decline in Cornwall broadly mirrors that evident across the region and England with the notable differences being: opposing trends for energy & water and public administration, health & education that the regional and national average and more marked changes in agriculture & fishing, manufacturing, construction, transport & communications and banking, finance & insurances (although this may be due to the relatively larger confidence intervals that are associated with small area data).

Figure 17: Employment change by sector 2007 to 2008



Source: Annual Business Inquiry

⁴ Such as Agriculture & Fishing and Energy & Water

2.2.1 Knowledge-Intensive Sectors

Knowledge-Intensive Sectors (KIS) are often highlighted as particularly important sectors in an economy. They are typically highly productive, have high levels of innovation and often demand a highly skilled workforce. They also represent areas of potential for further growth.

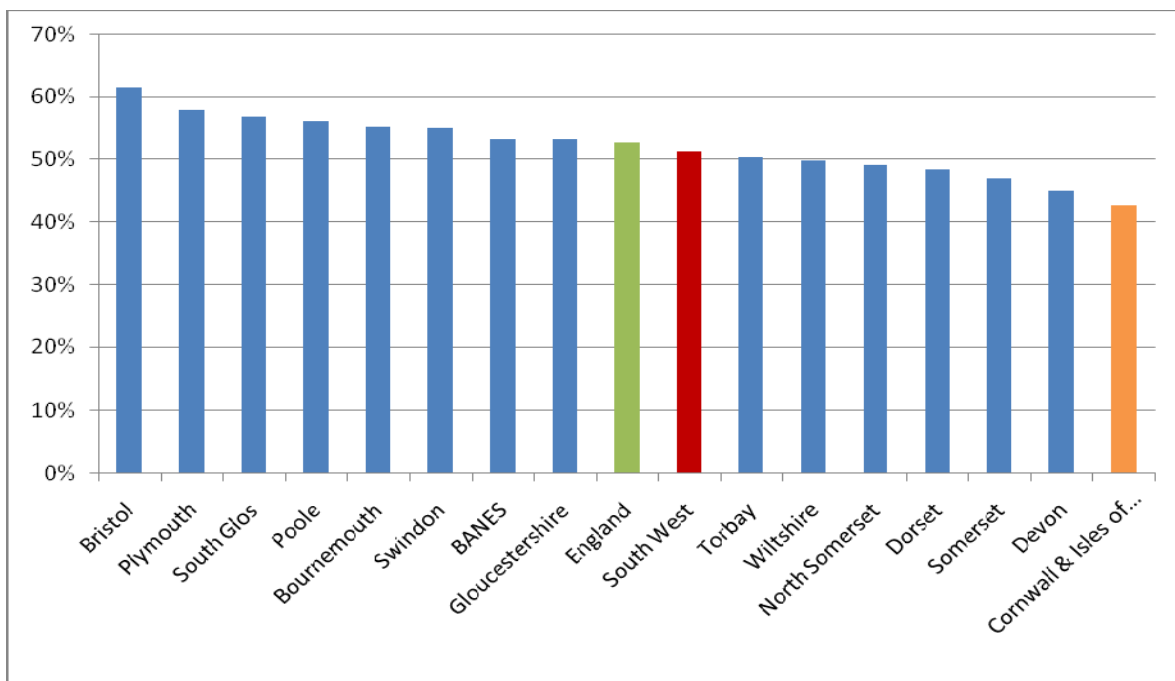
In this section we use the Eurostat definition of knowledge-intensive sectors to analyse employment in the four main areas that make up the KIS.

Figure 18: Definition of Knowledge Intensive Sectors

| | |
|--|--|
| High-technology manufacturing | <ul style="list-style-type: none"> • Manufacture of pharmaceuticals and medical, precision and optical equipment. • Manufacture of office machinery (including computers), televisions and communications equipment. • Manufacture of aircraft and space craft. |
| Medium high-technology manufacturing | <ul style="list-style-type: none"> • Manufacture of chemicals, machinery and equipment (including electrical machinery), motor vehicles and other transport equipment. |
| High-tech knowledge-intensive service sectors | <ul style="list-style-type: none"> • Telecommunications, computer activities and research and development. |
| Knowledge-intensive service sectors (excl high- tech knowledge intensive services) | <ul style="list-style-type: none"> • Water and air transport, financial services, property and other business services, education, health and recreational services. |

The South West ranks fifth out of the nine English regions, with 51% of the population employed in KIS compared to 53% for England as a whole. At 43%, the proportion of the population in Cornwall employed in KIS is well below the regional and national averages.

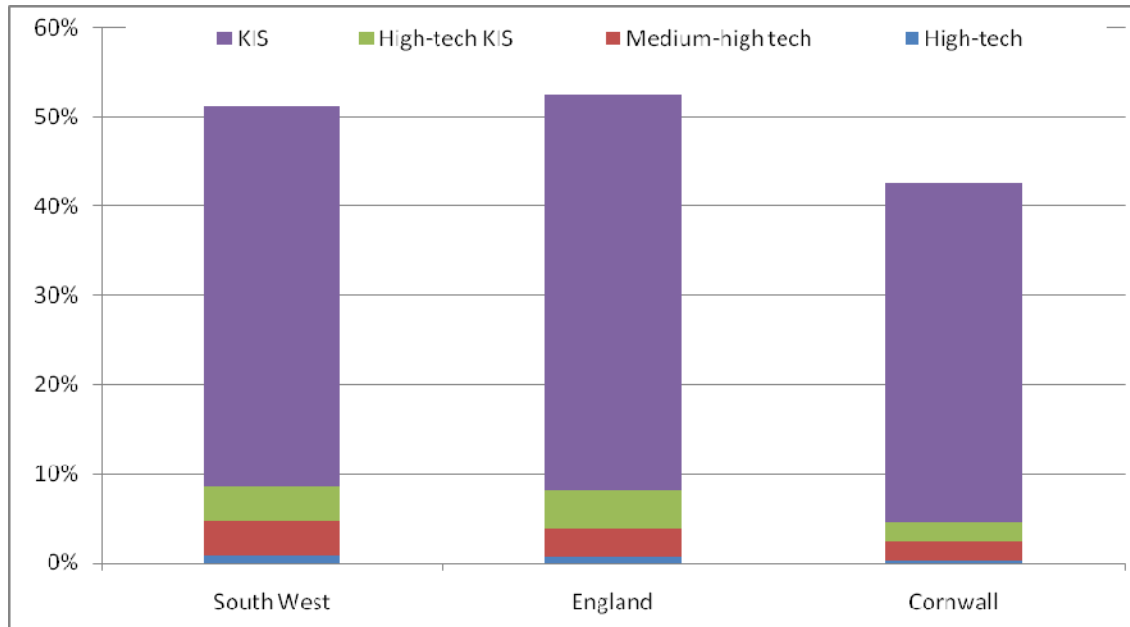
Figure 19: Employment in knowledge-intensive sectors, 2008



Source: Annual Business Inquiry

Examining employment in knowledge-intensive sectors more closely reveals that most employment (38%) locally is in knowledge intensive services. Medium-high technology manufacturing (2%), high-technology knowledge intensive services (2%) and high technology manufacturing (<1%) account for significantly smaller shares. Cornwall has lower shares of employment in all four KIS sectors than the regional and national average.

Figure 20: Percentage of all employees in knowledge-intensive sectors, 2008



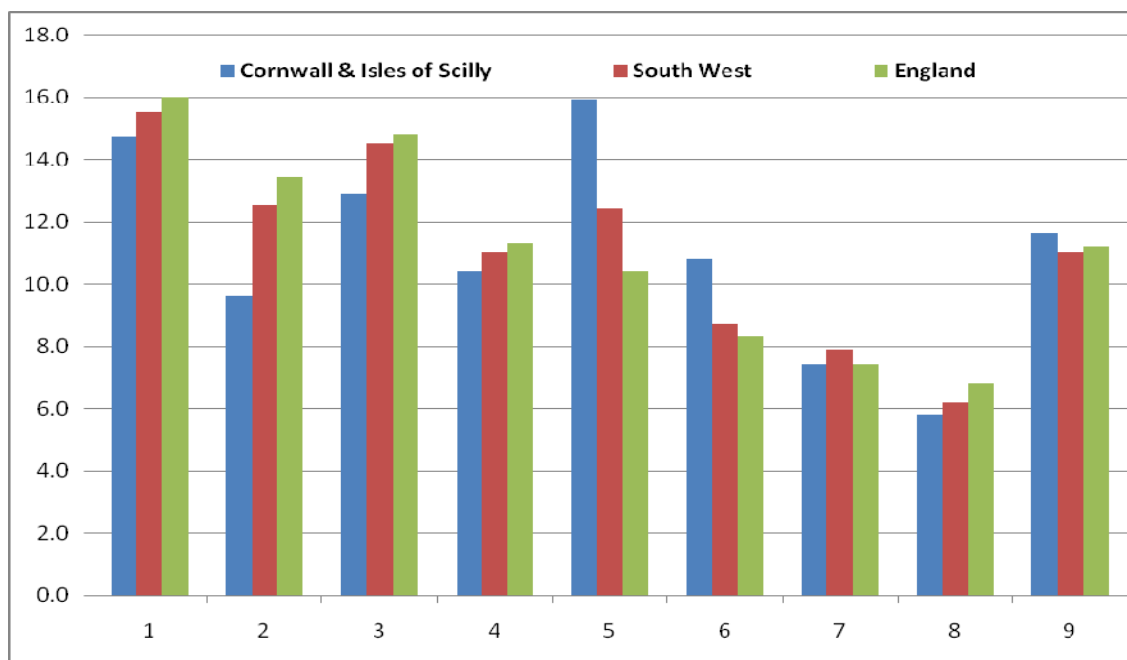
Source: Annual Business Inquiry

2.2.2 Occupations

Figure 21 shows how employed Cornwall residents are distributed across occupations and compares this to the South West and England average. It shows that skilled trades are the largest single occupation group accounting for 16% of employment locally, followed by managers and senior officials (15%), associate professional & technical occupations (13%), elementary occupations (12%), personal service occupations (11%), administrative & secretarial occupations (10%) and professional occupations (10%). The smallest occupations are plant & machine operatives (6%) and sales & customer service occupations (7%).

The broad occupational profile mirrors the regional and national average with the differences in the main not exceeding two percentage points. The most notable differences, however, are an 'over representation' of employment in skilled trades and an 'under representation' in professional occupations.

Figure 21: Employment by occupation, Jul 2008 to Jun 2009

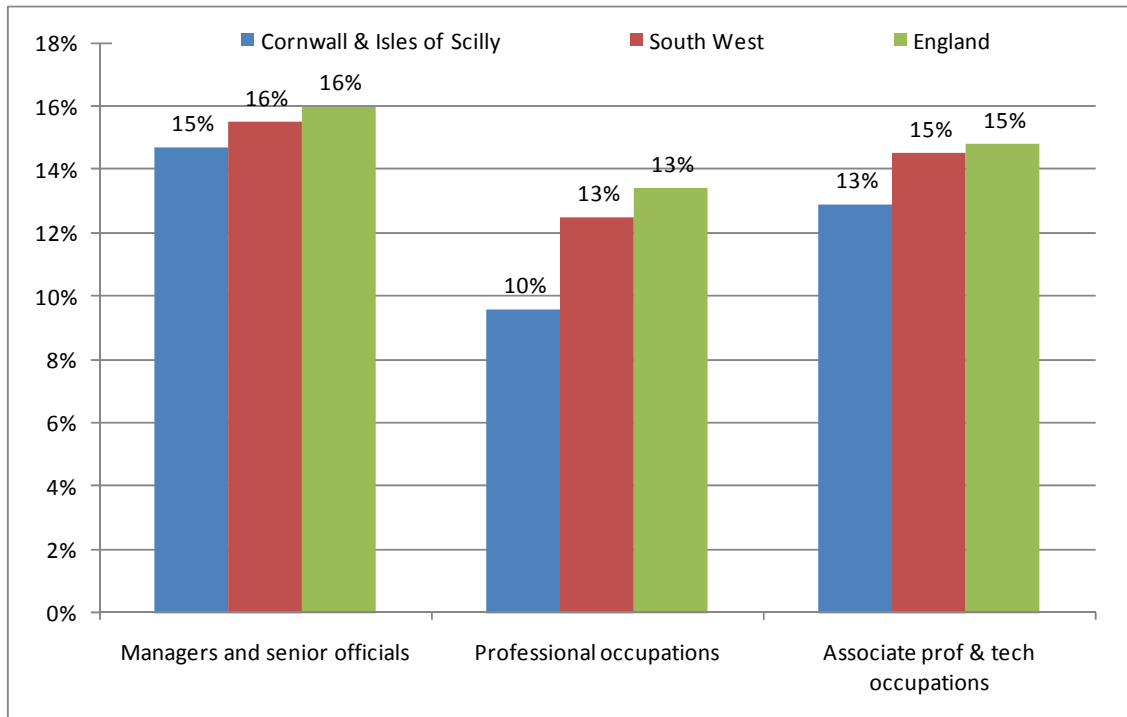


Source: Annual Population Survey

| | |
|---|--|
| 1 | Managers and senior officials |
| 2 | Professional occupations |
| 3 | Associate professional & tech occupations |
| 4 | Administrative and secretarial occupations |
| 5 | Skilled trades occupations |
| 6 | Personal service occupations |
| 7 | Sales and customer service occupations |
| 8 | Process, plant and machine operatives |
| 9 | Elementary occupations |

Examining high-skill occupations more closely (Figure 22) reveals that almost two-fifths (37%) of Cornwall's employed residents are either managers or senior officials (15%), professionals (10%) or associate professionals & technicians (13%). High skill occupations account for a smaller share of employment locally than the regional (43%) and national (44%) average.

Figure 22: Employment in higher level occupations, Jul 2008 to Jun 2009

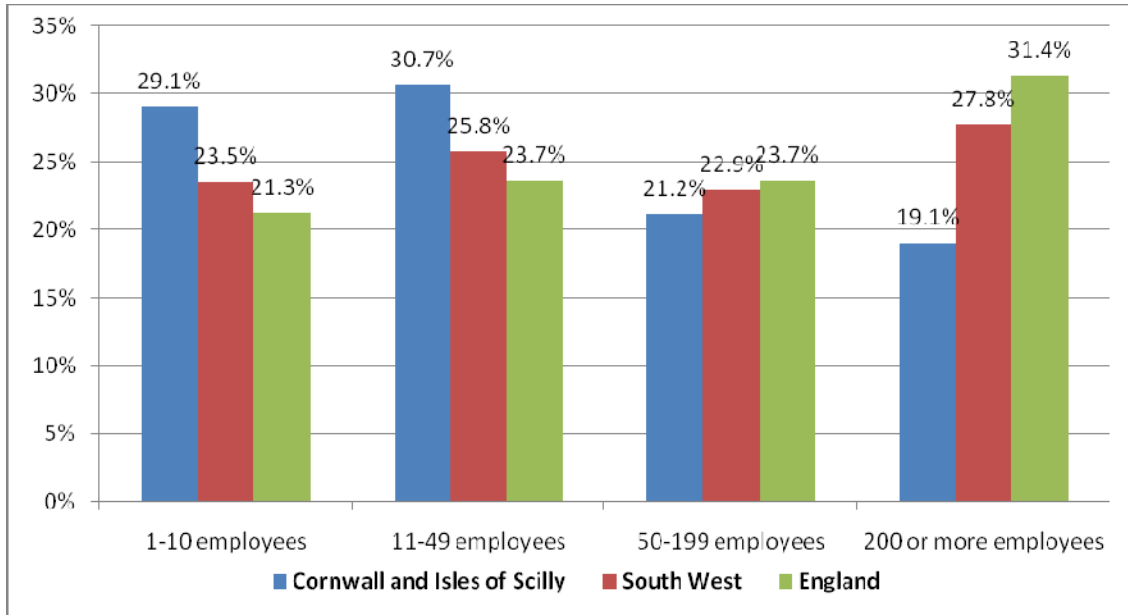


Source: Annual Population Survey

2.2.3 Employment by size of business

Most people employed in Cornwall work in micro (10 or fewer employees) or small (between 11 and 49 employees) businesses or organisations. Cornwall has a larger share of employment in micro and small businesses (60%) than the regional (49%) and national average (45%) and a correspondingly fewer employees in larger businesses, especially those with more than 200 staff. The South West has the highest proportion of employees in micro, small and medium-sized businesses in England and one of the lowest proportions employed by large firms.

Figure 23: Employment by size of business, 2008



Source: Annual Business Inquiry

The high proportion of employment in SMEs is a mixed blessing – a high turnover of small firms can contribute to a well functioning economy and labour market, through innovation and the creation of new employment opportunities in growth areas. On the other hand, in some circumstances a high dominance of small firms is a sign of economic stress – indicating a lack of opportunities in large firms. In addition, large firms may be able to invest more in their workforce, e.g. through training.

2.2.4 Working patterns and job types

This section looks at:

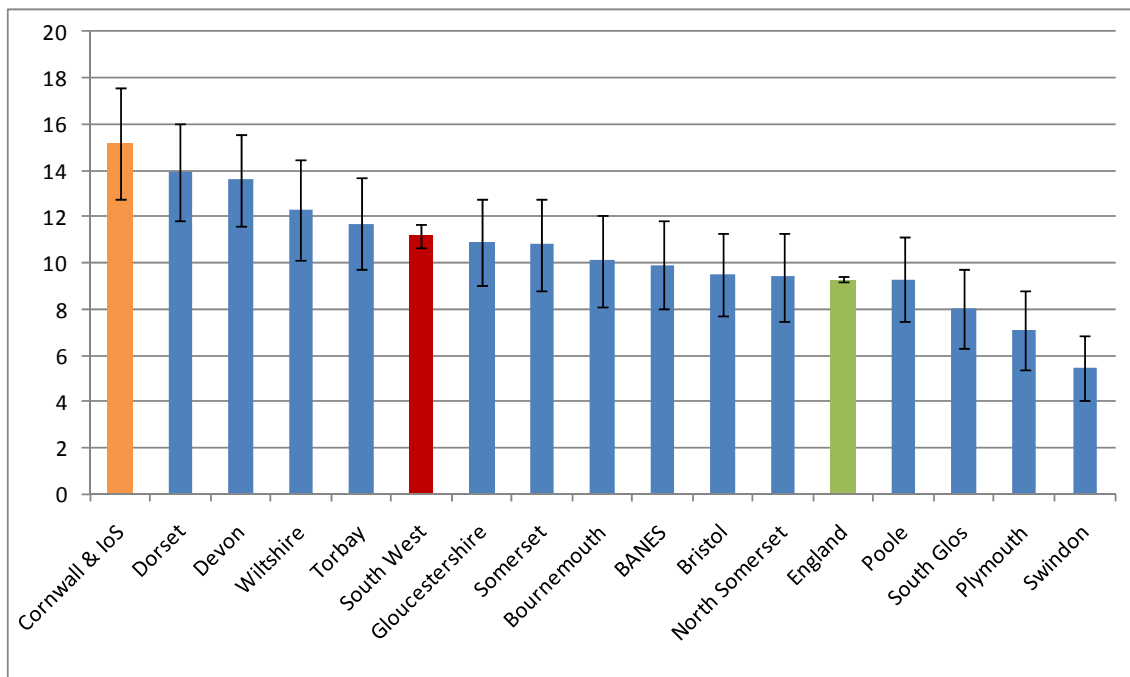
- Self-employment;
- Part-time workers;
- Temporary employment.

Self-employment

Perhaps unsurprisingly given the relative importance of employment in micro businesses in Cornwall, Figure 24 shows that the County also has a high rate of self-employment (15%) compared to the regional (11%) and national (9%) average (the differences are statistically significant). The South West has the highest rate of self-employment of all the English regions and devolved administration.

As with a high number of small businesses, self-employment can contribute to a dynamic economy and labour market, however it can also indicate an economy where there are few opportunities in larger, perhaps more productive, firms.

Figure 24: Self-employment as a % of all employment, Jul 2008 to Jun 2008

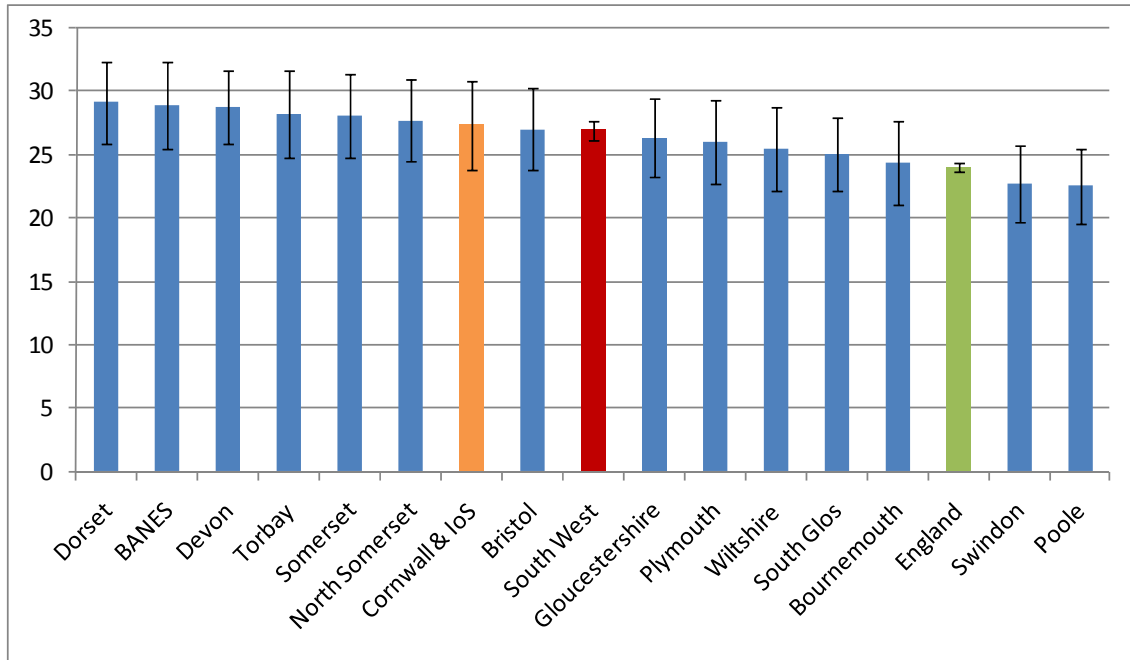


Source: Annual Population Survey

Part-time working

More than one-quarter (27%) of employed residents in Cornwall work part-time. The incidence of part-time working is not however statistically different from the South West (27%) or England (24%) average (Figure 25).

Figure 25: Part time working as a % of all employment, Jul 2008 to Jun 2009



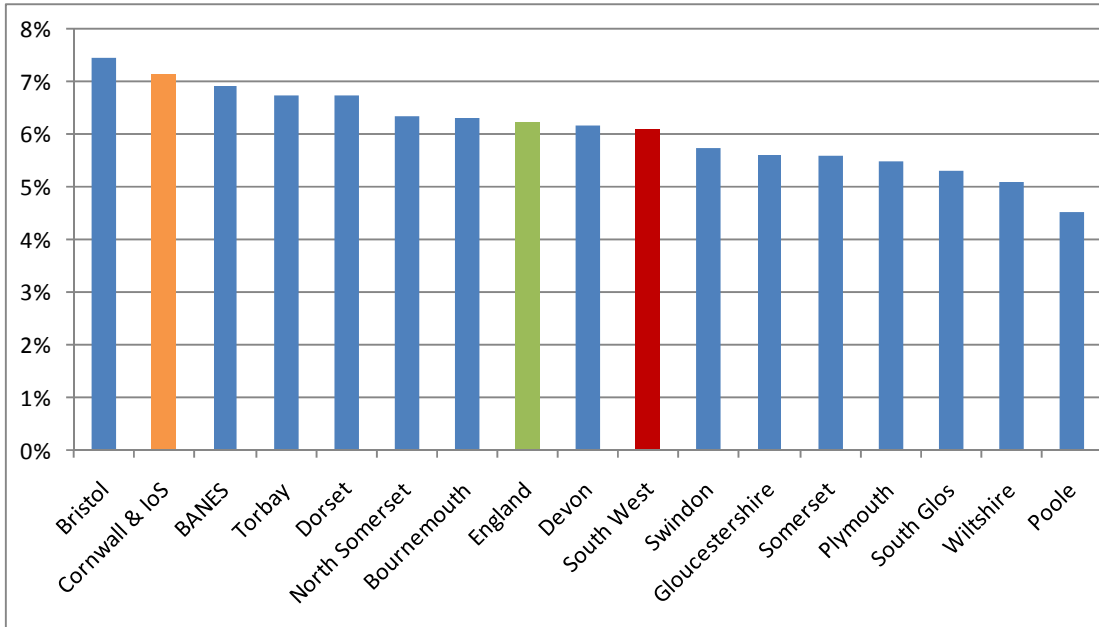
Source: Annual Population Survey

The female part-time working rate is higher than the male rate across the board – in 2007 in the South West, 11% of men worked part time compared to 45% of women. Since 2004 there has been little change in the proportion of people who are self-employed in the region.

Temporary Work

One in fourteen (7%) Cornwall's employed residents have a temporary contract (Figure 26). While this estimate is one percentage point higher than the regional and national average the difference is unlikely to be statistically significant.

Figure 26: Temporary employment, as a % of all employment, Jul 2008 to Jun 2009



Source: Annual Population Survey

3. WORKLESSNESS

In this section we consider the issue of unemployment and inactivity. We also look in more detail at the issue of long-term unemployment and youth unemployment.

3.1 Unemployment

As with redundancies, unemployment is normally assessed using two measures - the Claimant Count and Labour Force Survey (LFS). The Claimant Count is a precise count of the number of people claiming Jobseeker's Allowance (JSA) in any single month. LFS unemployment is derived from survey responses, based on the number of people who state that they are actively seeking employment, but are not actually in employment. LFS data at the sub-regional level is erratic and lags⁵. Normally the two measures move in concert, with the claimant count significantly below the LFS measure, due to factors such as people with savings or working partners deciding that it is not worth their while to 'sign on' once their entitlement to benefits based on their National Insurance contributions has lapsed.

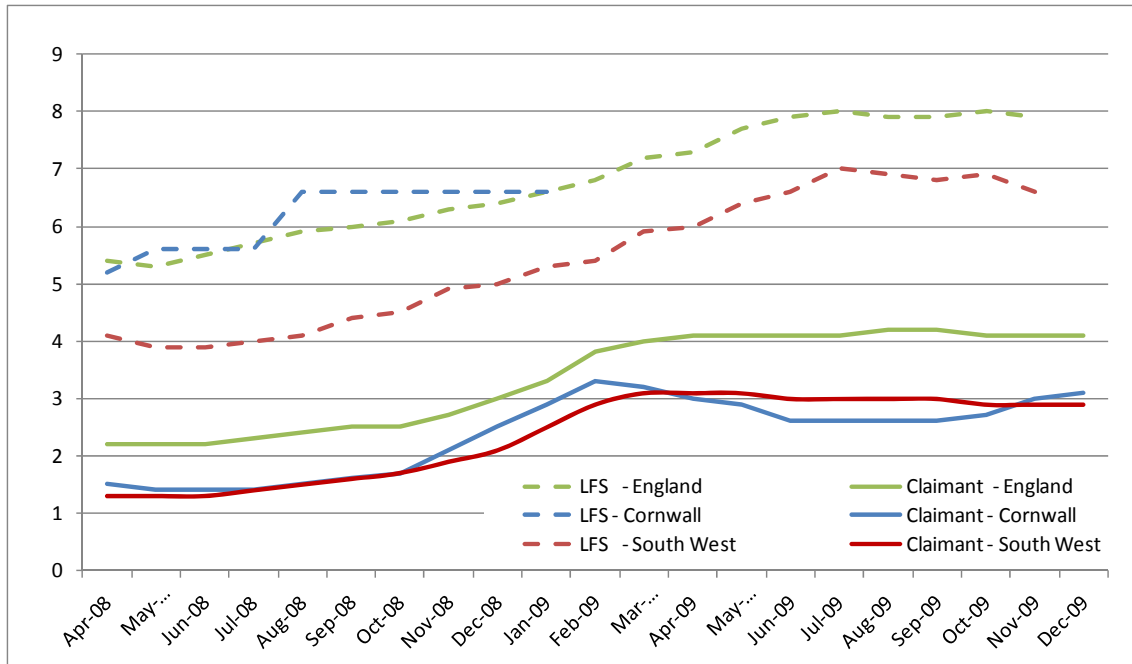
The wider unemployment measure from the Labour Force Survey put the local unemployment rate at 6.6% in Cornwall during July 2008 to June 2009. This is not statistically different to the South West (5.5%) or England (7.1%) average, or the local rate 12 months previously. The regional and national unemployment rates have increased over the last year, however.

⁵ Technical Note: Data on the (International Labour Organisation (ILO) measure of unemployment for local authority areas are taken from the Annual Population Survey (APS). Unfortunately, although updated quarterly, this data is presented for the four previous quarters, which has the effect of diluting the rapid rise in unemployment observed for the nation as a whole, based on quarter-by-quarter data from the Labour Force Survey (LFS).

Therefore, SLIM has taken the approach of using the mid point of the year being measured in local APS data. Therefore, with the latest local APS data covering the period from July 2008 to June 2009, the unemployment data is taken as a measure for the three months to January 2009.

In December 2009, 3.1% of Cornwall's working age population were unemployment according to the register of unemployment – 0.2 percentage points higher than the South West average and a full percentage point lower than the national average. Both measures show rising unemployment during the early stages of the recession with the claimant count rising particularly quickly during the autumn and winter of 2008. There is some evidence however, that whilst still high compared to 12 months ago, both measures have stabilised in recent months (Figure 27).

Figure 27: LFS Unemployment & Claimant Count, Apr 2008 to Dec 2009



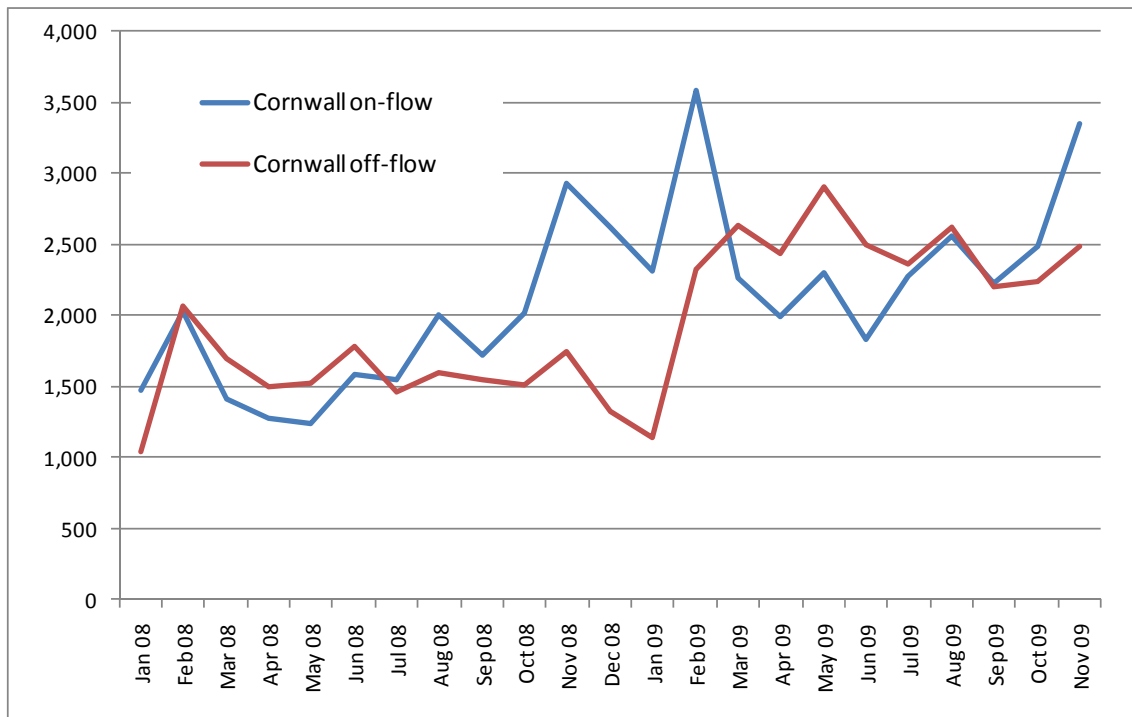
Source: Claimant Count & Labour Force Survey

The number of people 'signing on' to the unemployment register increased during most of 2008 reaching a peak of 3,580 claimants in February 2009 (Figure 28). The rise in claimants was considerable with the 'on-flow' at this peak some 1,500 higher than the same month the previous year. While the number joining the register fell back to around 2,000 to 2,500 a month during the spring and summer of 2009 the latest figure for November is slightly short of the February 2009 peak, and over 400 higher than a year previously.

The number of people leaving the unemployment register fell most months during 2008 but for the most part averaged at around 1,500 claimants. This is consistent with trends of rising unemployment and falling vacancies over the period that increased competition for jobs. The number of 'off flows' increased by around 1,000 between January and February 2009 (as it did a year earlier) and have remained at around 2,500 since then. The latest figure (again for November 2009) is almost 750 higher than 12 months previously.

While the claimant count may have been fairly stable over recent months, the fact that on-flows and off-flows are currently double their pre-recession levels suggests that there remains a high level of turbulence and potential instability within the labour market.

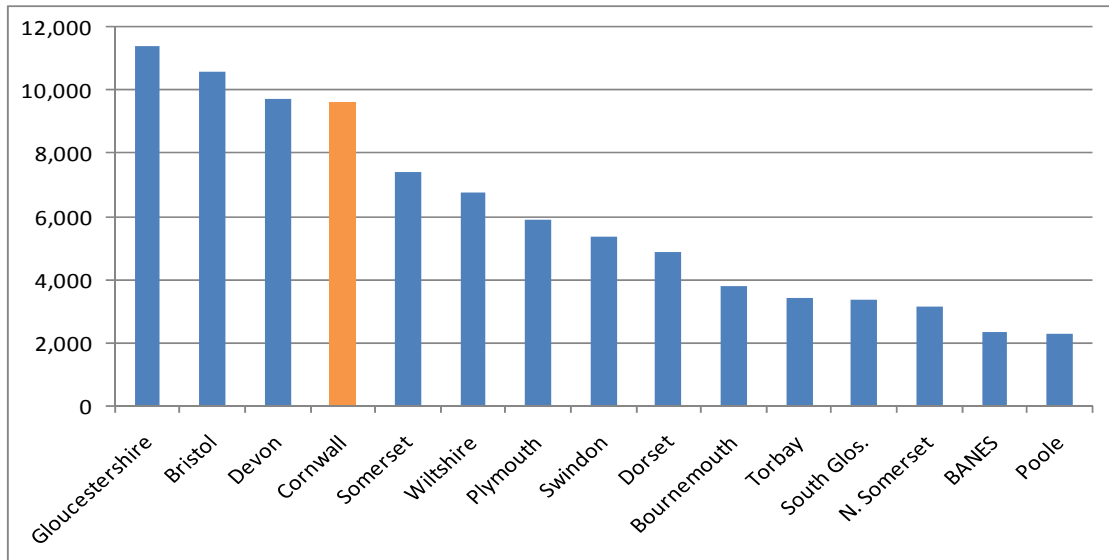
Figure 28: Claimant In-flows and Off-flows, Cornwall, Apr 2008 to Nov 2009



Source: Claimant Count

Looking solely at volumes, ignoring the influence of general population sizes in different areas, Cornwall had 9,615 JSA claimants in December 2009, the third largest number in the South West.

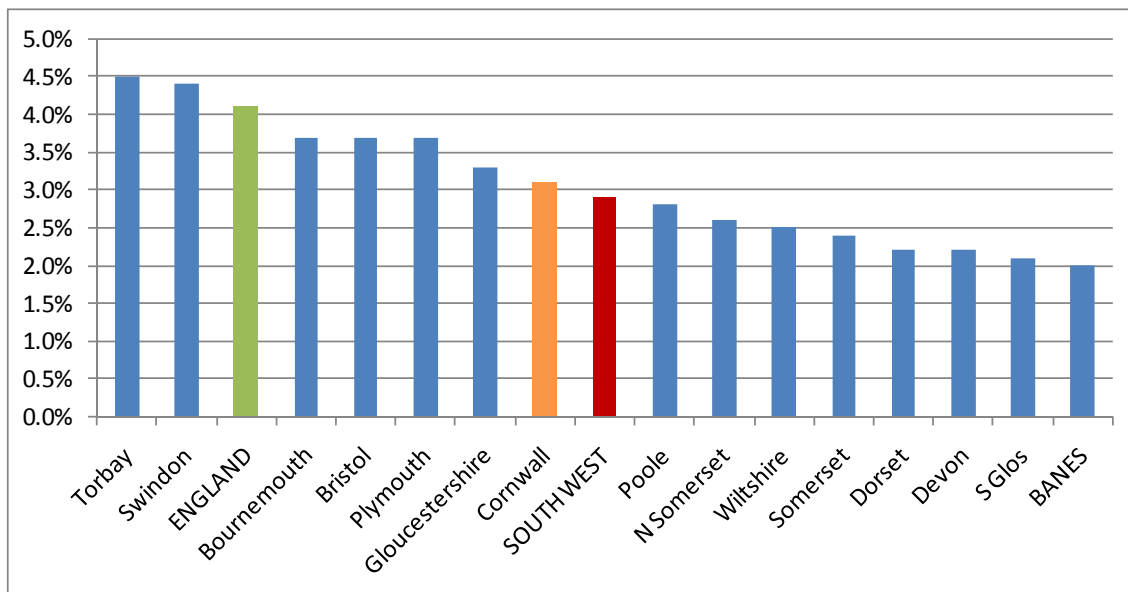
Figure 29: Total Number of Claimants, Dec 2009



Source: Claimant Count

Looking at the Claimant Count Unemployment Rate, i.e. the number of claimants as a proportion of the working age population, Figure 30 shows that the claimant rate was 3.1% in Cornwall in December 2009. This was 0.2 percentage points higher than the figure for the South West (2.9%) and 1.0 percentage points lower than the figure for England (4.1%).

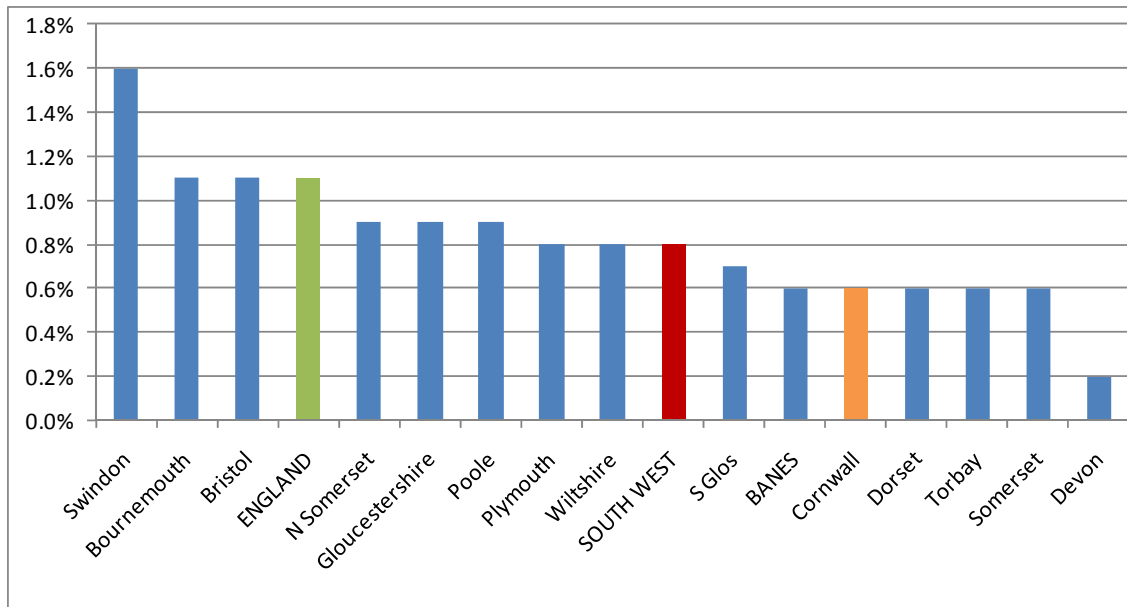
Figure 30: Claimant Rate, December 2009



Source: Claimant Count

Figure 31 shows that the unemployment rate increased by an average of 0.8 percentage points across all areas of the South West between December 2008 and December 2009. Over this period the number of JSA claimants in Cornwall grew by 0.6 percentage points – the joint second lowest rate of growth in the South West.

Figure 31: Growth Claimant Count Rate, December 2008 to December 2009



Source: Claimant Count

Figure 32 shows that people in lower-skilled occupations are far more likely to be JSA claimants than those in higher-skilled occupations. While 12% of all employment in Cornwall is in Elementary Occupations, people whose usual job was in an elementary occupation made up 31% of claimants in December 2009. People working as Process, Plant & machine operatives and in Sales & customer service occupations are also significantly over-represented within the claimant count in Cornwall.

Figure 32: Composition of Employment & Claimant Count, Cornwall, Dec 2009

| Occupation - Cornwall | % Claimants | % Employment |
|--|-------------|--------------|
| Managers and Senior Officials | 3.87 | 14.70 |
| Professional Occupations | 3.29 | 9.60 |
| Associate Professional and Technical Occupations | 5.44 | 12.90 |
| Administrative and Secretarial Occupations | 7.27 | 10.40 |
| Skilled Trades Occupations | 16.05 | 15.90 |
| Personal Service Occupations | 6.17 | 10.80 |
| Sales and Customer Service occupations | 15.84 | 7.40 |
| Process, Plant and Machine Operatives | 11.03 | 5.80 |
| Elementary Occupations | 30.68 | 11.60 |

Source: JC+ Administrative Data & LFS / NOMIS

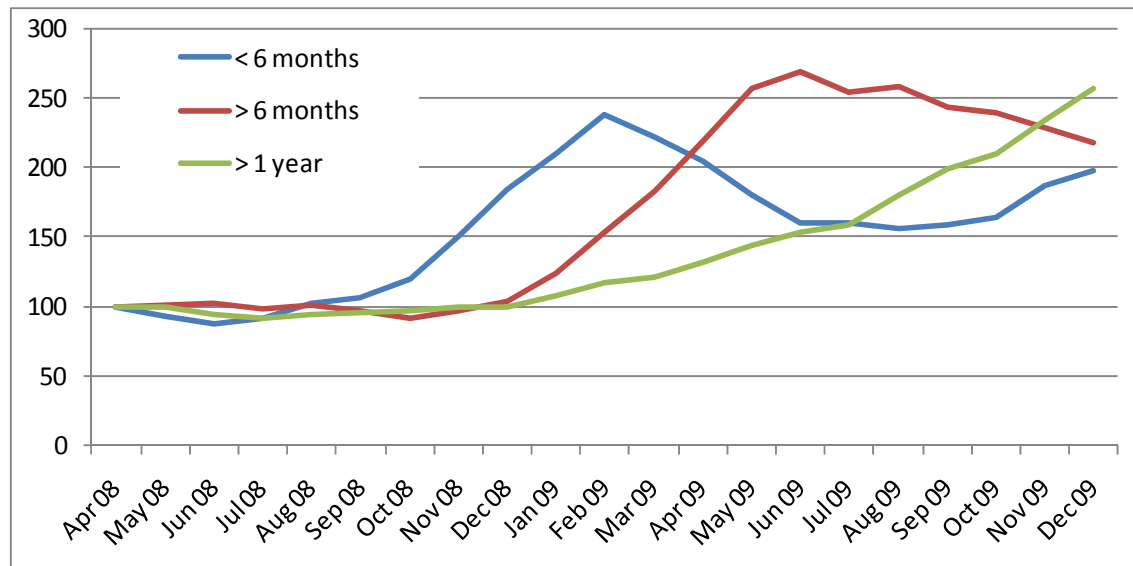
3.2 Long-term Unemployment

Almost three-fifths (57%) of people on the unemployment register in Cornwall had been ‘signing on’ for less than 6 months in December 2009. The number of short term claimants rose very early in the recession: slowly at first over the summer of 2008 but more quickly over the autumn and winter, peaking at 8,860 in February 2009. Short term unemployment subsequently fell over spring 2009, stabilised at around 5,900 during the summer but increased again over the autumn and early winter 2009. The latest count of the short term unemployed puts (December 2009) is 520 claimants lower than 12 months previously.

One-fifths of claimants have been ‘signing on’ for more than 6 months but less than a year. Unemployment of this duration remained reasonably constant at around 600 to 650 claimants throughout 2008 but rose steeply from January 2009, peaking at 1,680 in June 2009. Levels have subsequently fallen back slightly but in December 2009 were still more than double their level 12 months previously.

Less than one-tenth (9%) of JSA claimants had been unemployed for more than one year in December 2009. Long term unemployment demonstrated similar trends to those described for the slighter shorter duration – remaining reasonably stable (at around 300 to 330 individuals) during 2008 but rising from January 2009. Unlike the shorter duration, however, the number of people claiming for over a year has not yet peaked but rather has recorded month-on-month rises during the entire of 2009. In December 2009, 845 people had been looking for work for a year or more, more than two and half times the pre-recession levels. This shift towards long-term unemployment, sometimes referred to as a ‘hardening’ of unemployment, is a concern, as sustained unemployment leads to the loss of skills and confidence and can result in long-term detachment from the labour market.

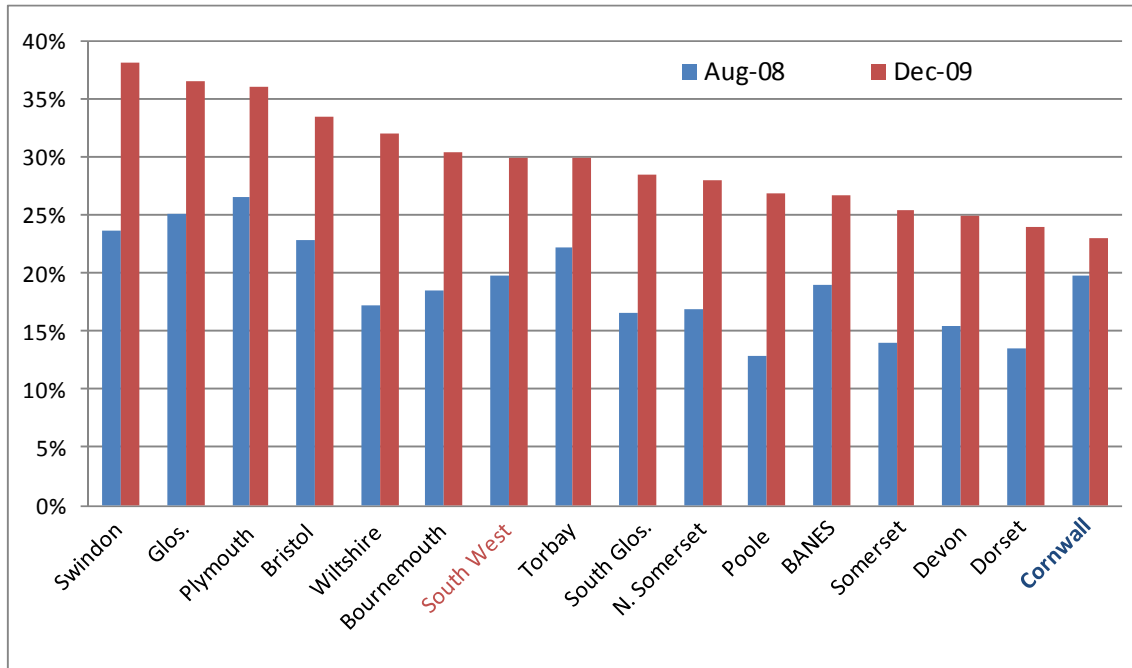
Figure 33: Claimant Count by duration of claim, Cornwall, Apr 2008 – Dec 2009 (Indexed, April 2008 = 100)



Source: Claimant Count

Figure 34 also shows that over the course of the recession long-term unemployment (six months or over) has become more prevalent in all local authority areas. Cornwall has one of the lowest levels of long-term unemployment in the South West, with 23% of claimants having been out of work for six months or more, compared to a regional average of 30%. In Cornwall long-term unemployment (6 months +) rose by 3 percentage points between August 2008 and December 2009, well below the increase across the South West as a whole (10%).

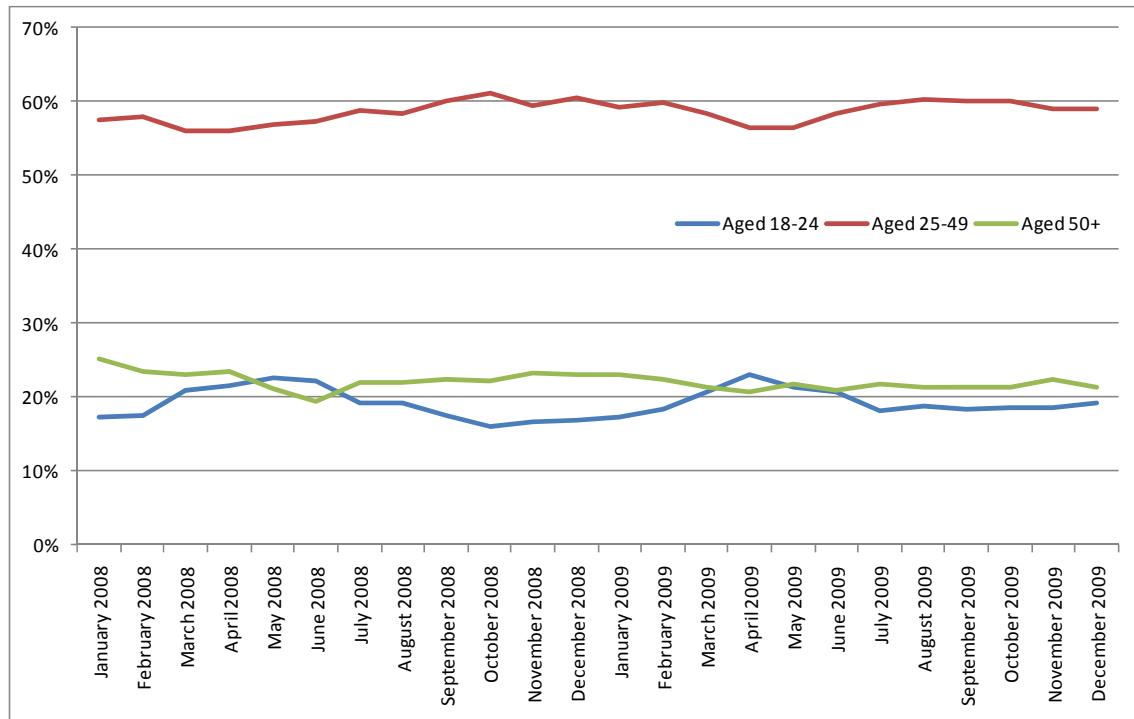
Figure 34: Percentage of Claimants unemployed for six months or longer, Aug 2008 and Dec 2009



Source: Claimant Count

There has been very little change in the age composition of long term unemployed people in Cornwall since January 2008. Around three-fifths are aged 25 to 49 years of age with the remaining two-fifths equally split between 18 to 24 year olds and those aged 50 and over (Figure 35).

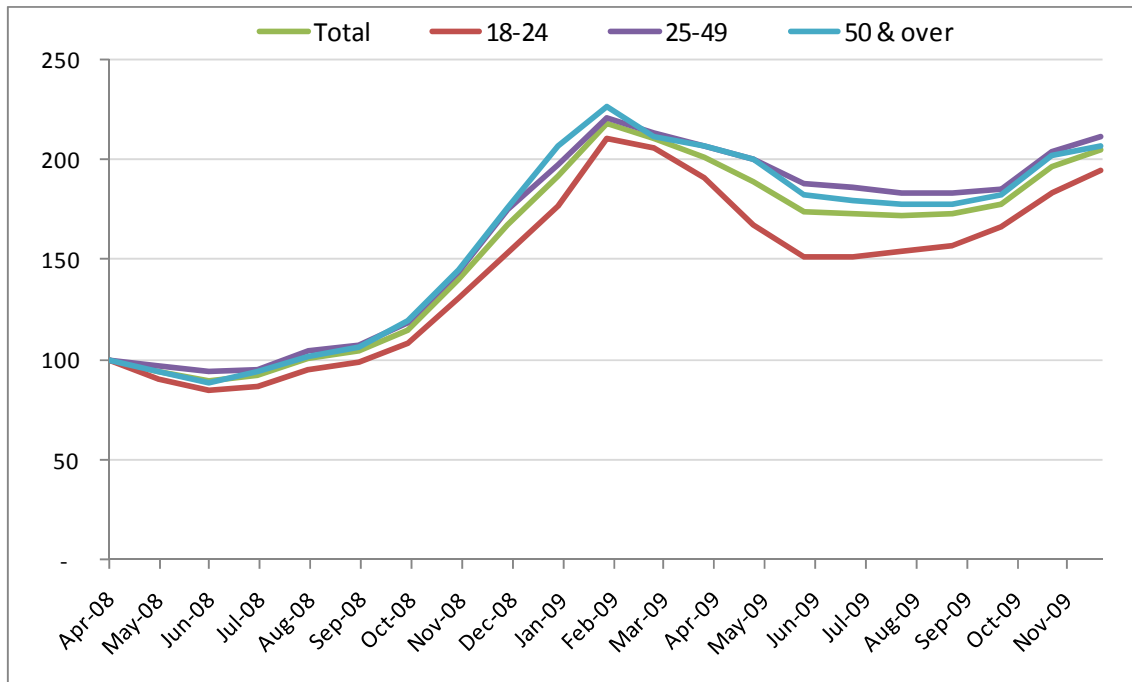
Figure 35: Trends in long term unemployment by age, Cornwall, Jan 2008 – Dec 2009



Source: Claimant Count

Taking a broader look – this time at changes in the whole claimant count (i.e. not just long term unemployment) – suggests that unemployment has grown fastest amongst people aged 25 and over. Unemployment among young people (aged 18 to 24) in contrast has not risen as rapidly (Figure 36).

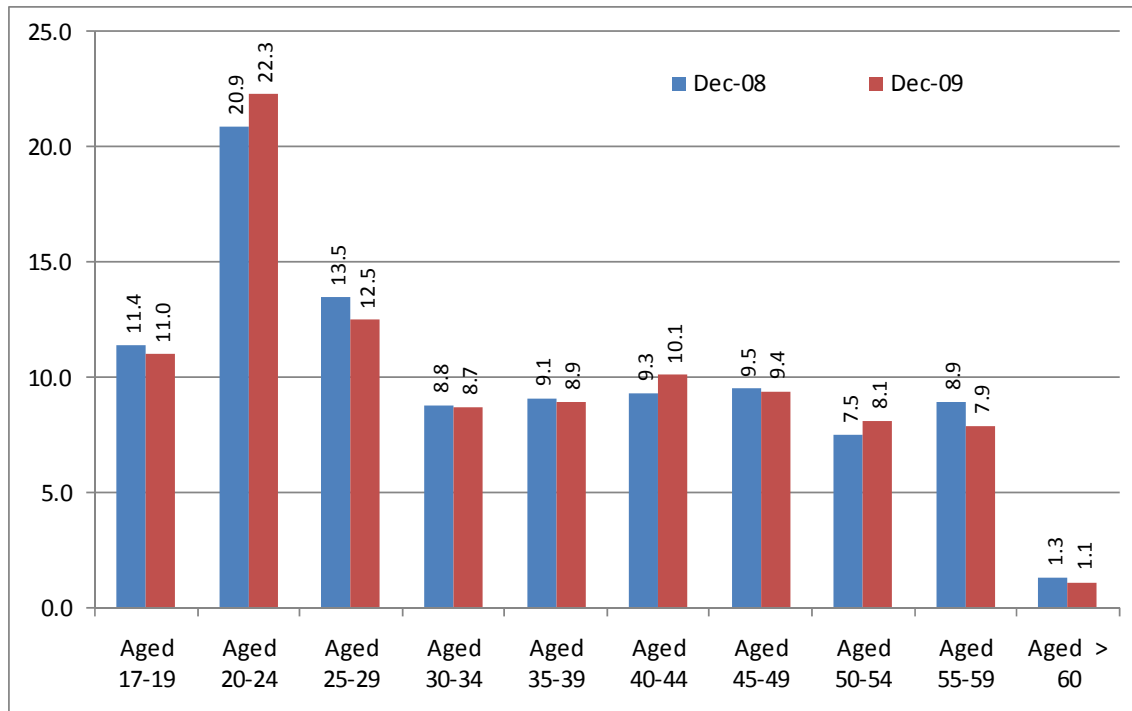
Figure 36: Claimant Count by Age, Cornwall, Apr 2008 to Dec 2009



Source: NOMIS Claimant Count

The breakdown of claimants by age band shown in Figure 37 shows that 20-24 year olds are the single largest age cohort accounting for 22% of claimants in Cornwall in December 2009. Young people defined more broadly to include those age 17 to 24 years account for a greater share (33%) of the claimant count than people aged 50 and over (19%). The age profile of claimants has not changed substantially during the last 12 months: only the share of claimants aged 20-24 has increased by more than one percentage point (1.4 percentage points).

Figure 37: Proportion of total claimant count in each age band, Cornwall, Dec 2008 and Dec 2009



Source: Claimant Count

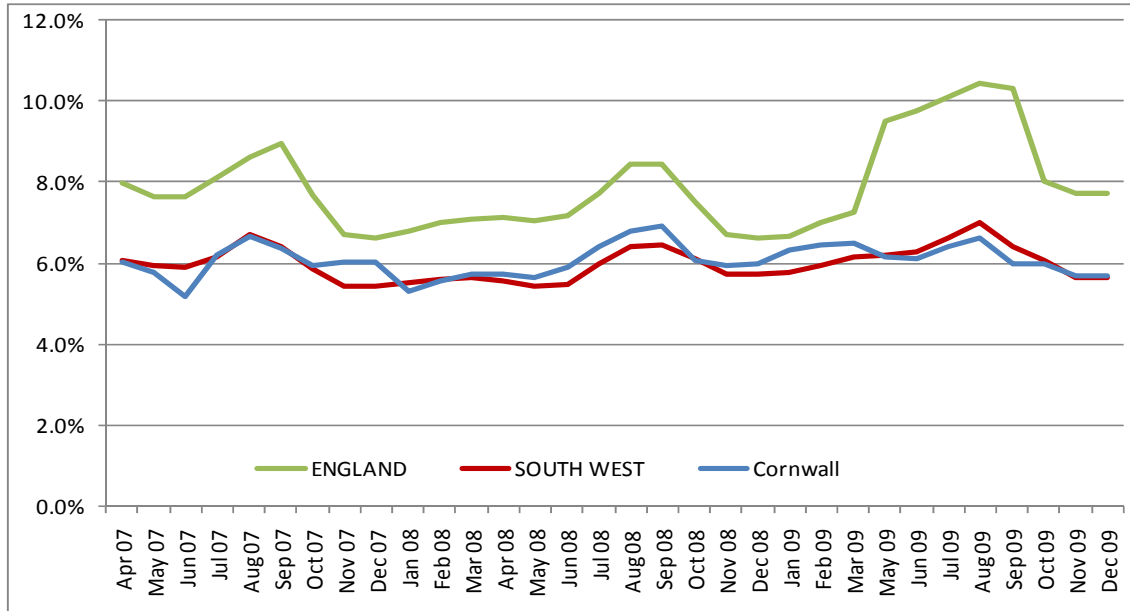
3.2 NEETS

The ability of young people to make a successful transition from school to Further Education, employment or training has been identified as being a crucial safeguard against social exclusion in later life. In recognition of this, the Department for Children, Schools and Families (DCSF) has a PSA target to reduce the proportion of 16 to 18 year olds who are NEET by two percentage points, from 9.6% in 2004 to 7.6% by 2010.

The characteristics of NEET children are described in the DCSF publication, Youth Cohort Study & Longitudinal Study of Young People in England: The Activities and Experiences of 16 years olds (England 2007). The results show that more than one-third (36%) of 16 year old respondents who had left school with no qualifications were NEET (compared with 2% of those who achieved at least five GCSE grades A*- C), as were just over a quarter (27%) of persistent truants. Children from families where the head of household (HOH) worked in lower supervisory, routine or (especially) other/not classified occupations, or where the HOH had low or no qualifications, were also much more likely to be NEET. Personal characteristics appear less important: white respondents were more likely to be NEET than those from other ethnic backgrounds and those with a disability were almost twice as likely to be NEET as those without an impairment (15%, compared to 8%).

Regional and Local Authority estimates of the NEET population are derived from the Client Caseload Information system (CCIS) maintained by the Connexions Service and are not directly comparable to those obtained from the LFS. According to this source, 5.7% of young people aged 16 to 18 year olds in Cornwall known to Connexions were NEET in December 2009. This broadly comparable to the South West average (5.6%) but is below the rate for England as a whole (7.7%). NEETs rates in Cornwall and the South West have both fluctuated around 6% over the last two years (Figure 38).

Figure 38: 16-18 year old NEETs (percentage), Apr 2007 – Dec 2009

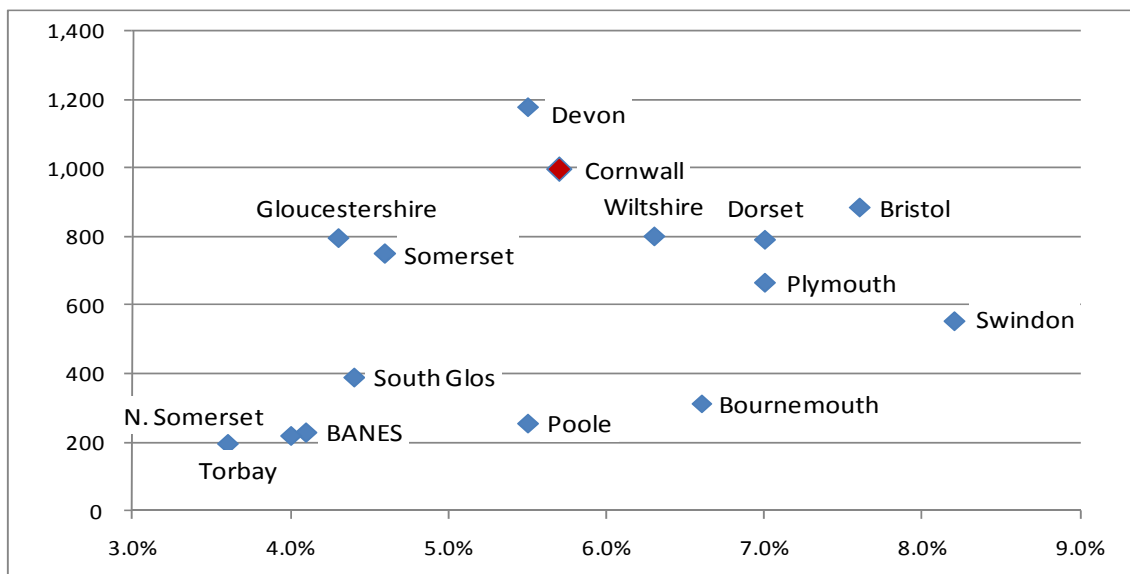


Source: NCCIS

Compared to other English regions, the South West is noteworthy for its combination of low volume and proportion of young people categorised as NEET.

LSC analysis has suggested that while Cornwall has average levels of NEET when expressed as a percentage of the population, the number of young people involved are relatively large compared to other parts of the South West (Figure 39).

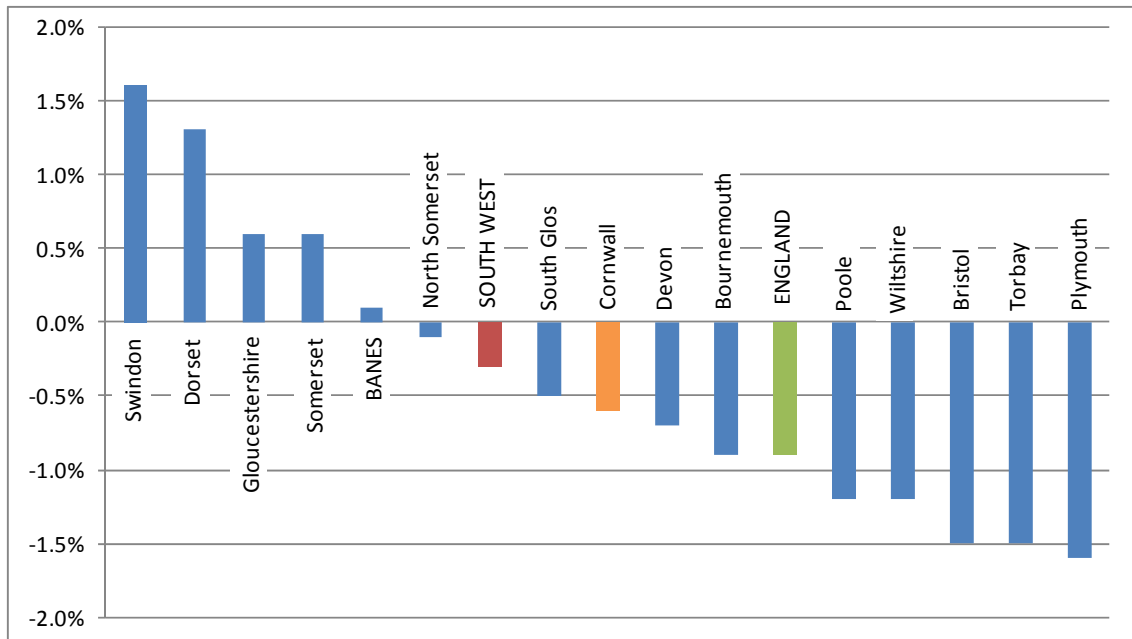
Figure 39: Number and proportion of NEETs, December 2009



Source: NCCIS

In the year to Sept-Nov 2009⁶, the proportion of 16 to 18 year olds in Cornwall who were NEET decreased by 0.6 percentage points, from 6.5% to 5.9% of 16 to 18 year olds. This fall was larger than that seen at regional level (-0.3%) but not as large as that seen across England as a whole (-0.9%).

Figure 40: Change in proportion of NEETs, 2008-2009



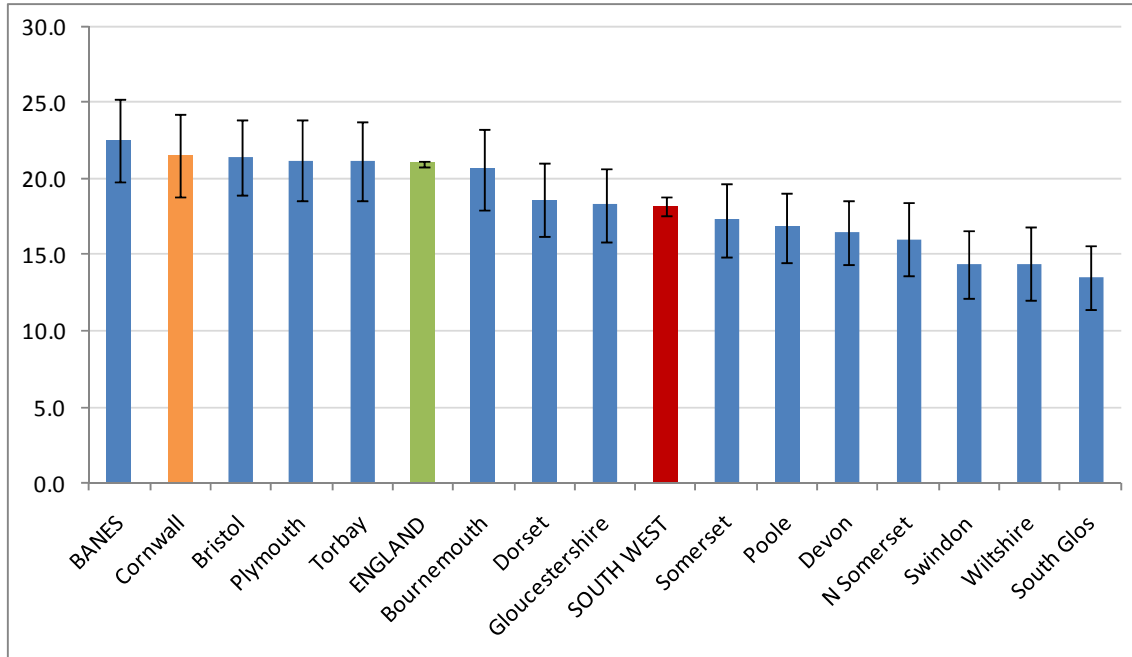
Source: NCCIS

⁶ Monthly NEET data can fluctuate significantly. We have therefore looked at the change in average NEET numbers between two quarters, Sept -Nov 2008 and Sept – Nov 2009.

3.2 Economic Inactivity

Economic inactivity in the South West had been declining gradually until the start of 2009, including during the first quarter of the recession but has risen since then. In Cornwall, 21.5% of the working age population were economically inactive during July 2008 to June 2009. The local rate is not statistically different to the South West (18%) or England (21%) rate (Figure 41).

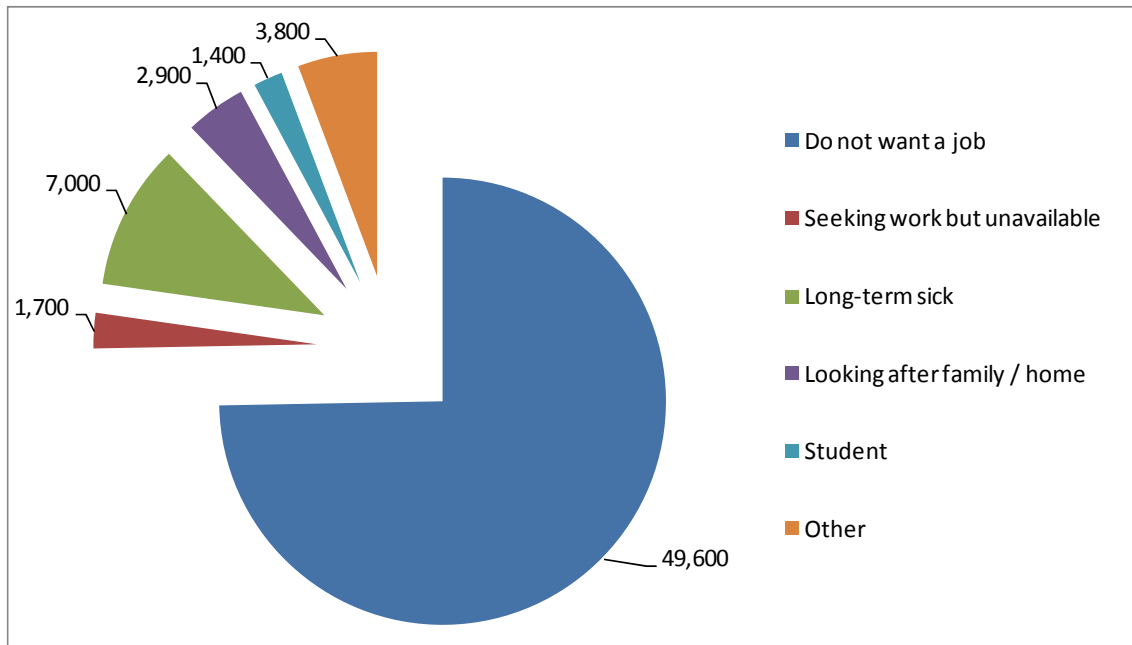
Figure 41: Economic Inactivity Rate of the Working Age Population, Jul 2008 - Jun 2009



Source: Annual Population Survey

Figure 42 shows the composition of inactivity in Cornwall from July 2008 to June 2009. It shows that over three-quarters of inactive people (49,600) locally do not want a job. Of those who do want to work the most common reasons for not being able to do so are long-term sickness and being unavailable to work.

Figure 42: Composition of Inactivity, Cornwall, Jul 2008 - Jun 2009



Source: Annual Population Survey

4. SKILLS IN THE WORKFORCE

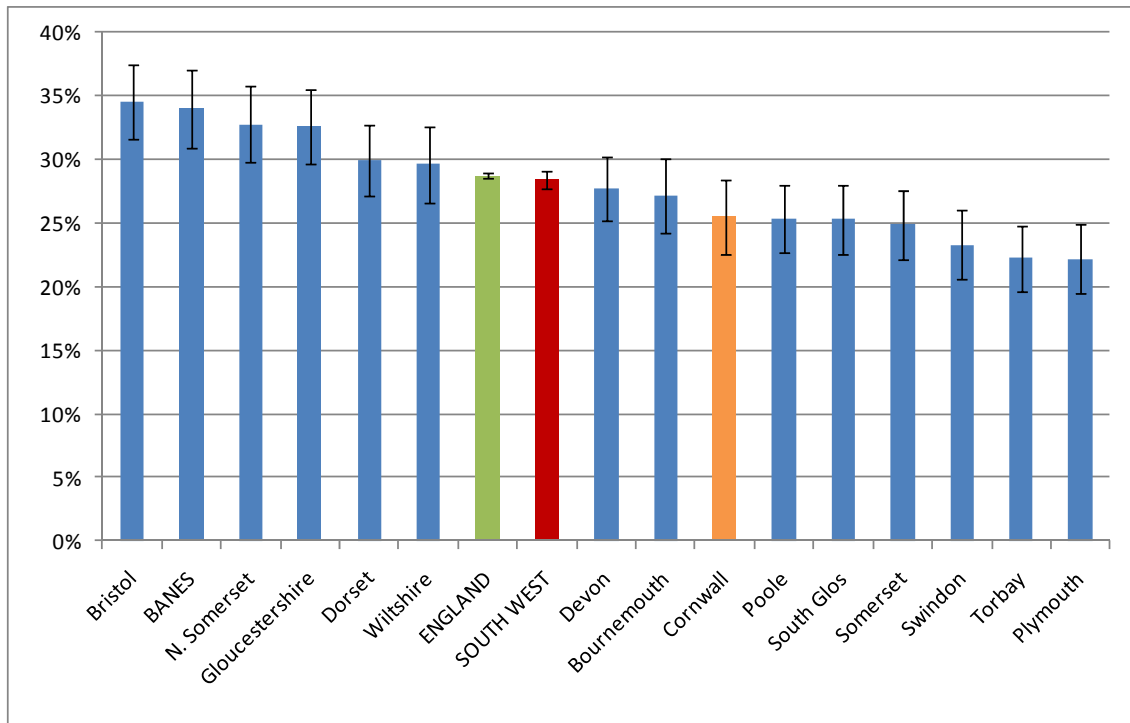
This section is concerned principally with the characteristics of the pool of labour from which employers must draw when addressing issues relating to vacancies, skills shortages and other recruitment difficulties. It begins by looking at the stock of qualifications across the working age population (the best proxy for skill levels), before going on to look at participation and achievements by young people and adults in education and learning activities.

4.1 Workforce skills

4.1.1 Level 4 and above

One quarter (26%) of the working age population in Cornwall hold a qualification at Level 4 or above (Figure 43). This is not statistically different to the regional (28%) or England (29%) average.

Figure 43: Proportion of the working age population qualified to Level 4 and above, 2008

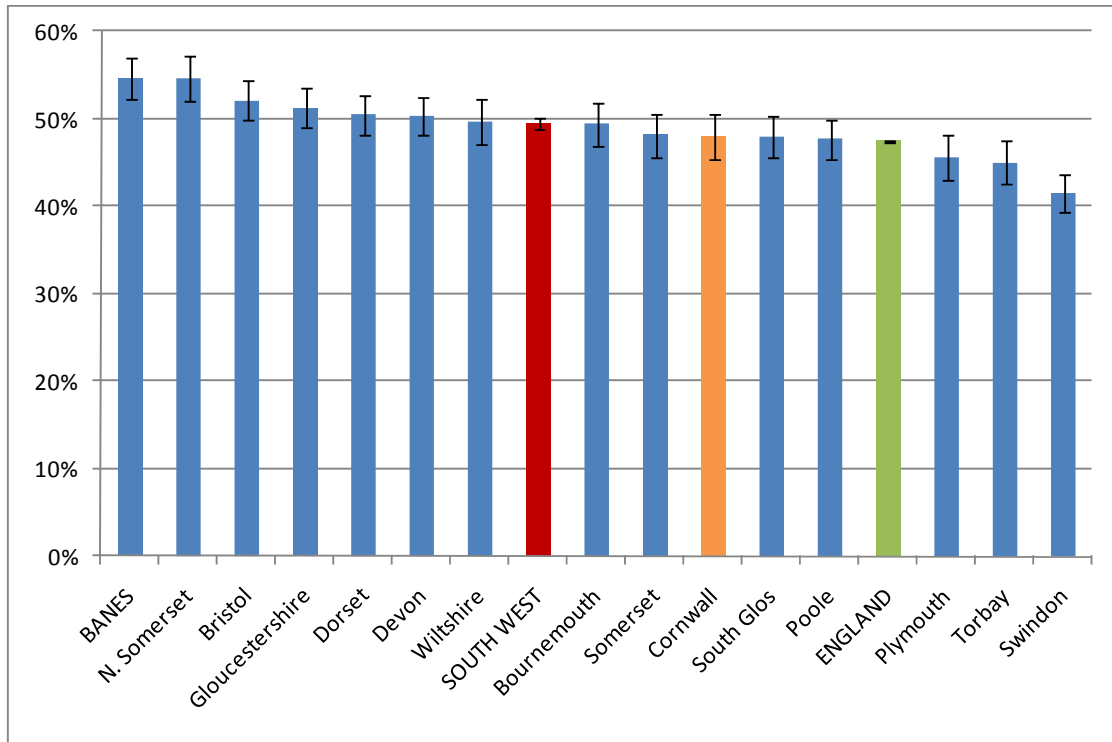


Source: Annual Population Survey (via Nomis)

4.1.2 Level 3 and above

Less than half (48%) of Cornwall's working age population were qualified to at least Level 3 in 2008 (Figure 44). As with Level 4, the proportion qualified to Level 3 is not statistically different to the South West (50%) or England (47%) average.

Figure 44: Proportion of the working age population qualified to Level 3 and above, 2008

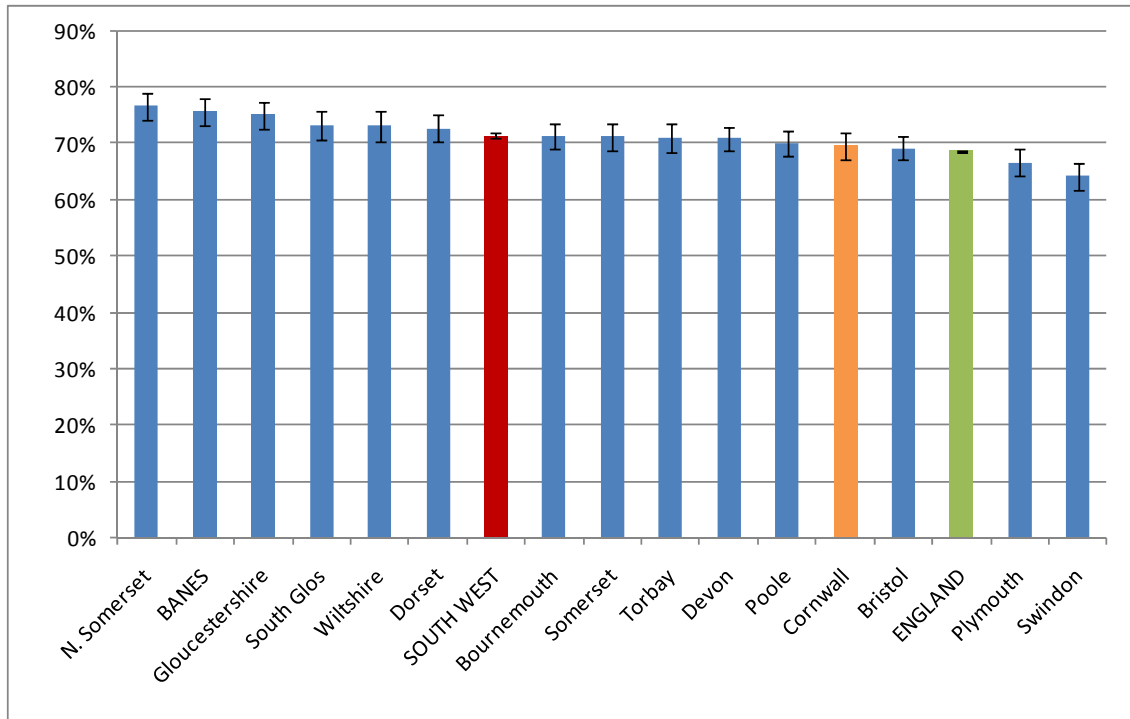


Source: Annual Population Survey (via Nomis)

4.1.3 Level 2 and above

More than two-thirds (70%) of Cornwall's working age population holds a qualification at Level 2 or above (Figure 45). Again, this is not statistically different to the South West (71%) or England (69%) average.

Figure 45: Proportion of the working age population qualified to Level 2 and above, 2008

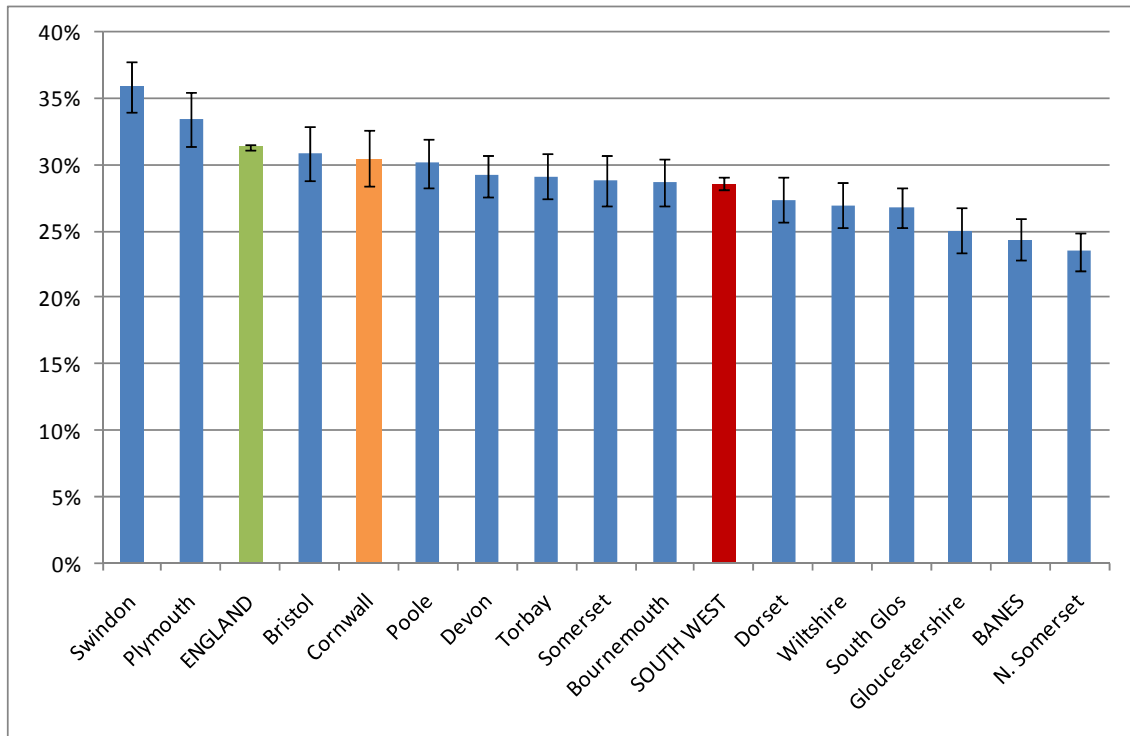


Source: Annual Population Survey (via Nomis)

4.1.4 Qualifications below Level 2

Less than one-third (31%) of Cornwall's working age either not have a qualification or hold a qualification at below Level 2, the level generally considered the minimum to maintain employability. The result for Cornwall is not statistically different that the regional (29%) or national (31%) average.

Figure 46: Proportion of the working age population without a Level 2 qualification, 2008



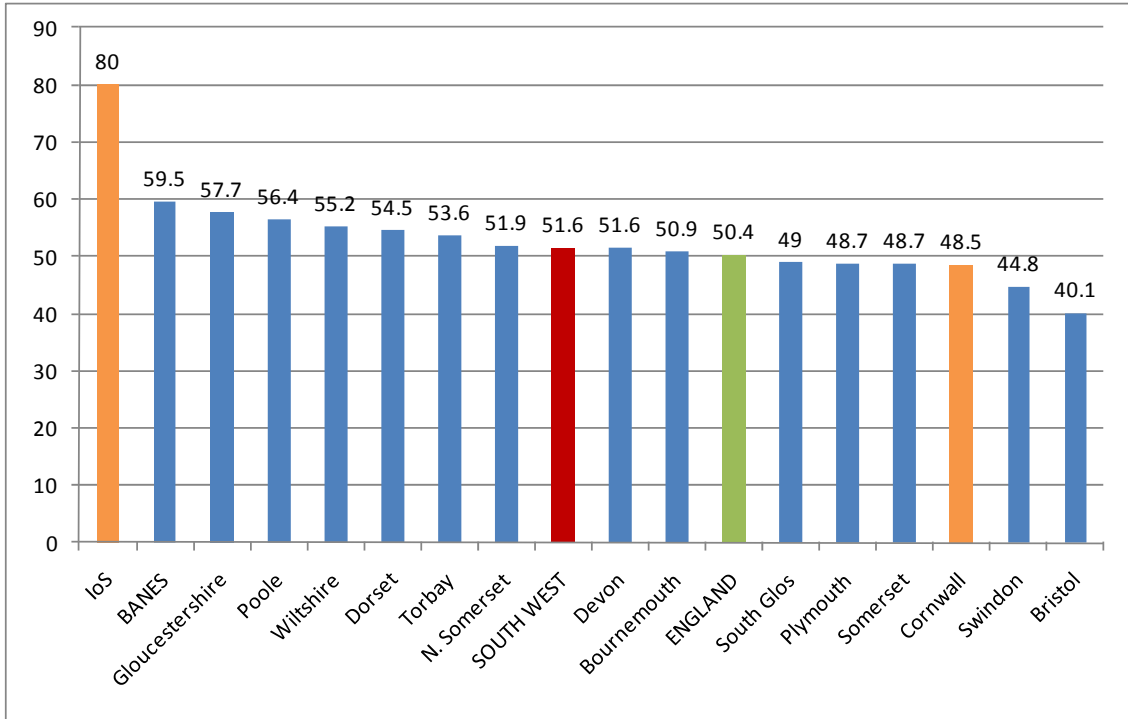
Source: Annual Population Survey (via Nomis)

4.2 Participation and attainment of young people

4.2.1 Achievement at GCSE

In 2009, less than half (49%) of pupils in Cornwall schools achieved five or more GCSEs at grades A* - C, including Maths and English (Figure 47). This is less than both the South West (52%) and England (50%) average.

Figure 47: Percentage of 15 year olds achieving 5+ A*-C grades at GCSE, including English and Maths, 2009

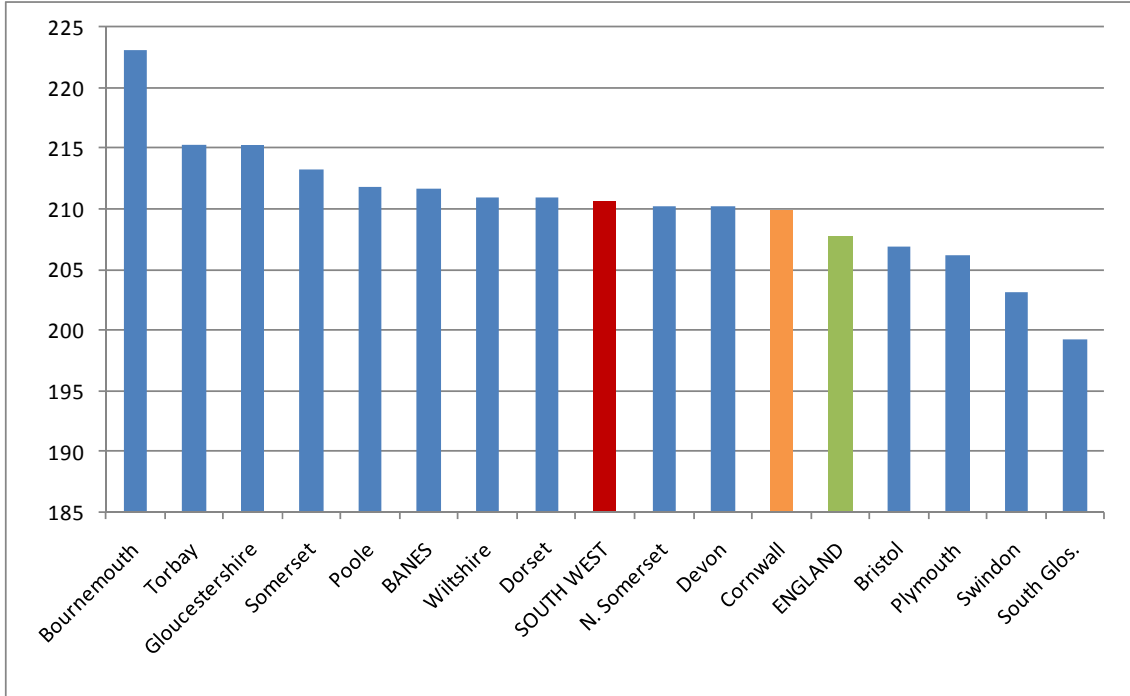


Source: DCSF

4.2.2 Achievement at A level

Pupils in Cornwall achieved an A Level average point score at A Level (per entry) of 209.9 in 2009 (Figure 48). This is above the national average (207.8) but below average for the South West (210.6).

Figure 48: Average points score per entry at A Level, 2009

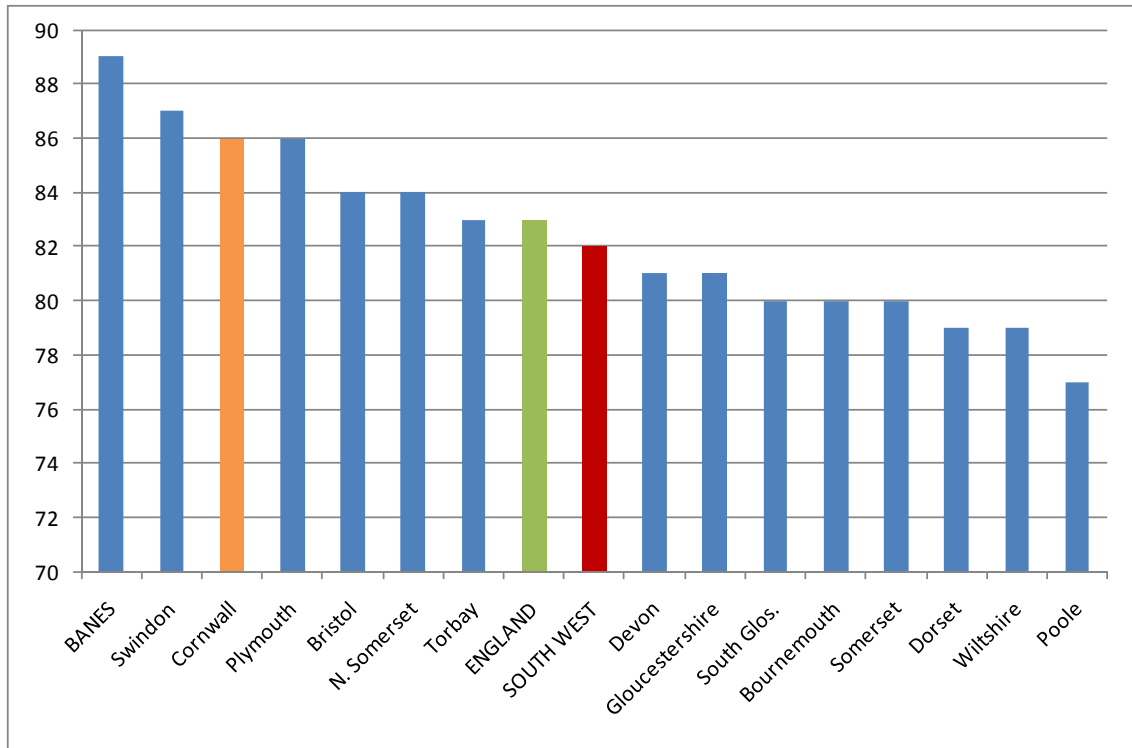


Source: DCSF

4.2.3 Participation of 16 and 17 year olds

In the context of low participation in the UK as a whole, data from the DCSF shows that Cornwall has relatively high levels of participation in education and training among 16 to 17 year olds. In 2007, 86% of the area's 16 to 17 year olds were engaged in education and training. This is comfortably above both the South West (82%) and England (83%) average.

Figure 49: Proportion of 16 to 17 year olds in education and training, 2007

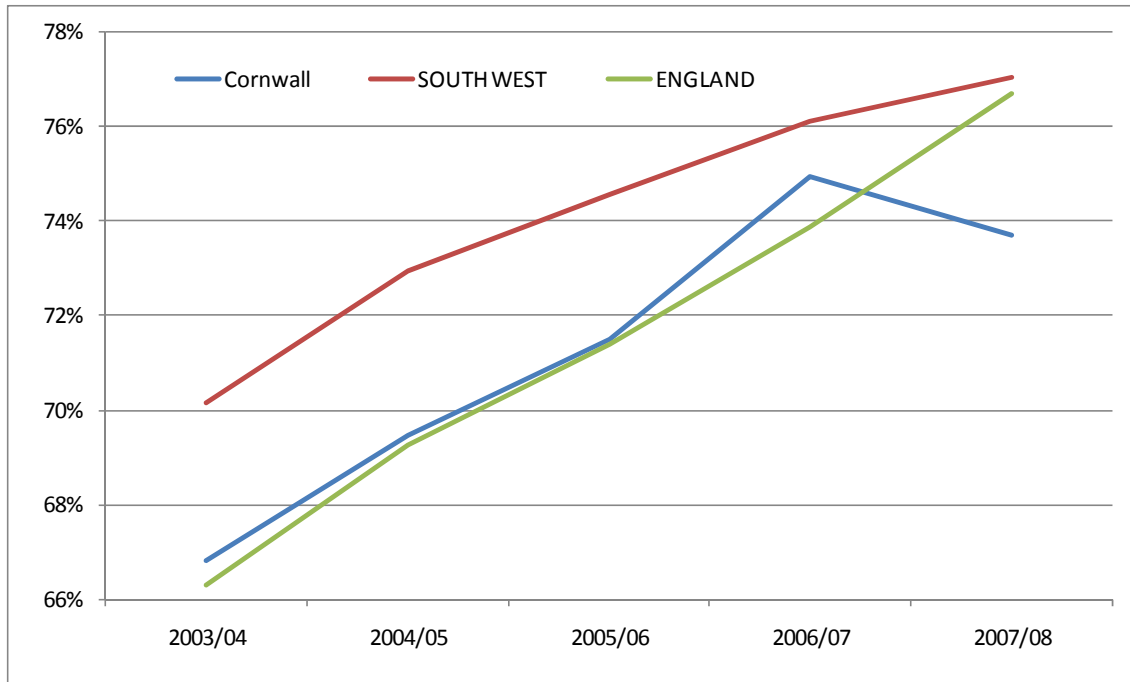


Source: DCSF, SFR12/2009

4.2.4 Attainment of Level 2 and Level 3 qualifications at 19

Almost three-quarters (74%) of 19 year olds in Cornwall were qualified to at least Level in 2007/8. This is below both the regional and national average (77%) although attainment was higher (83%) in the Isles of Scilly. The proportion of young people reaching this level has improved in recent years although the latest figure for Cornwall was lower than that for the previous year (Figure 50). The current national PSA target is to increase the proportion of young people achieving Level 2 at age 19 to 82% by 2011.

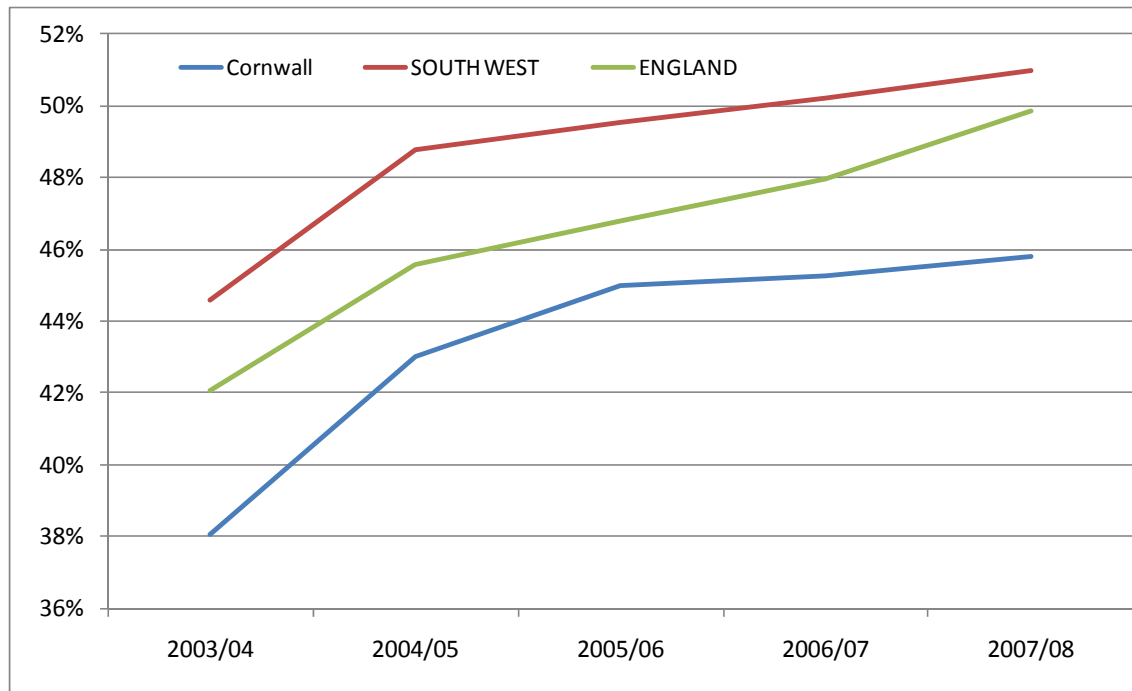
Figure 50: Attainment of Level 2 at age 19, 2008



Source: DCSF, SFR 04/2009

Less than half (46%) of 19 year olds achieving in Cornwall were qualified to Level 3 or above in 2007/8. As with Level 2, the proportion of young people achieving Level 3 in Cornwall is lower than both the South West (51%) and England (50%) average (Figure 51). Improvements recorded in Cornwall between 2003/4 and 2007/8 (+ 8 percentage points) exceeded the South West average (+8 percentage point) but was on par with that recorded nationally (+6 percentage points). The current national target is to increase the proportion of young people achieving Level 3 at age 19 to 54% by 2011.

Figure 51: Attainment of Level 3 at age 19, 2004-2008



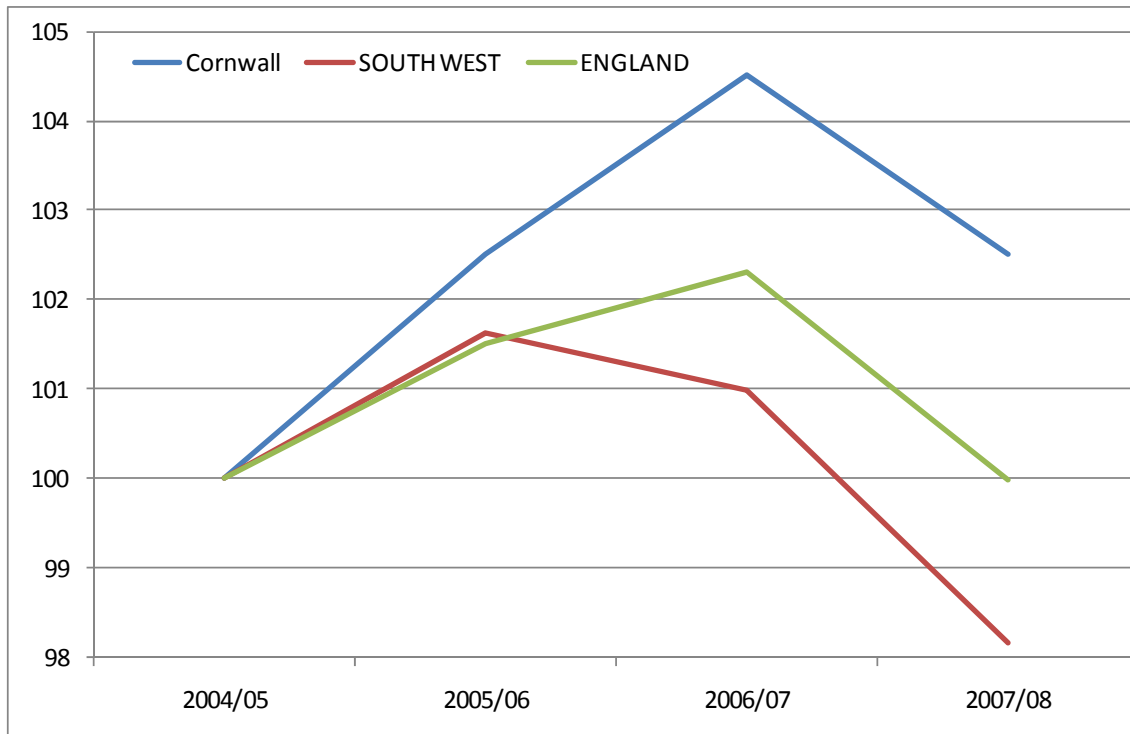
Source: DCSF, SFR 04/2009

4.3 Adult participation

There is increasing emphasis on the development of skills and knowledge throughout people's working lives. Two important aspects of the health of the labour market are the extent to which people go into Higher Education (HE), and also the participation of people of working age in any learning activities (taught, non-taught learning, or both).

During 2007/8, 156,000 Cornwall residents entered HE. Participation increased at a faster rate locally, than the regional and national average between 2004/5 and 2006/7 but fell – in line with regional and national trends – between 2006/7 and 2007/8. This slight fall has been driven by falls in part-time and postgraduate students as a result of changes to national policy regarding HE funding. However, nationally, there has been consistent growth in full-time and undergraduate participation (unfortunately there is no equivalent data available at local authority level to measure any increase in full-time equivalents).

Figure 52: Participation in HE by students from the LA, 2004/05 - 2007/08 (Index 2004/05 = 100)

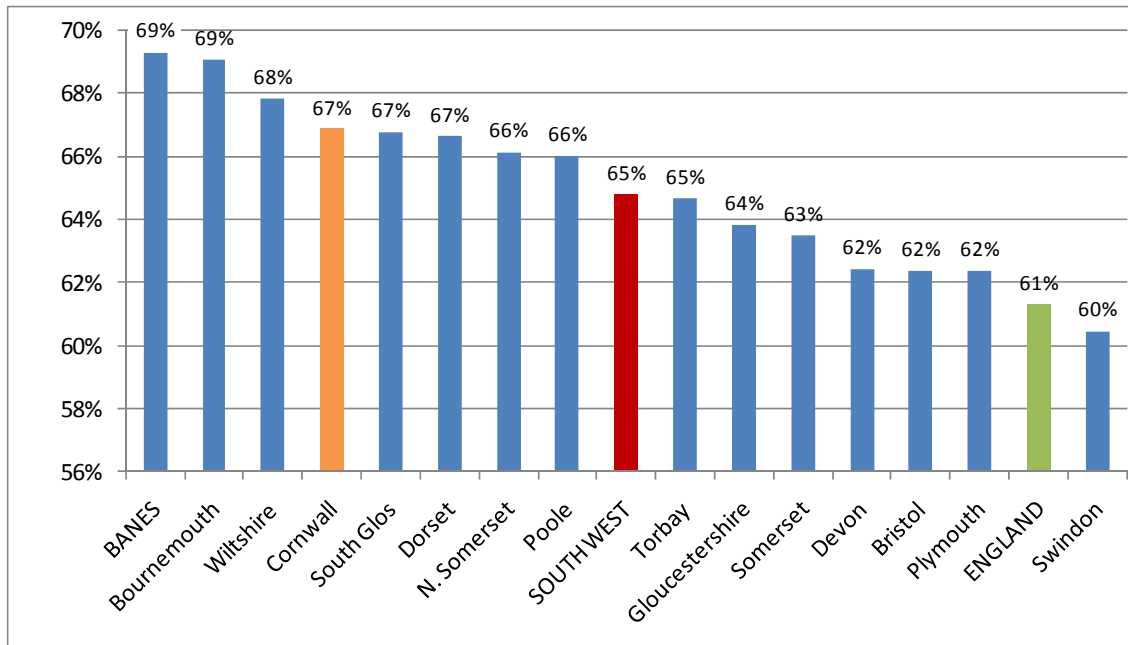


Source: HESA

Data is based on a headcount of students

Data from the Annual Population Survey shows that more than two thirds (67%) of adults in Cornwall had participated in learning during the last 12 months in 2008 (Figure 53). Participation in learning locally is higher than both the South West (65%) and England (61%) average.

Figure 53: Proportion of adults⁷ participating in any learning in the last 12 months, 2008 (%)



Source: Annual Population Survey

⁷ Adults refers to those aged 19+ who are not in full-time education

5. MEETING THE JOBS AND SKILLS AMBITION

5.1 Leitch Targets

The Leitch Review sets out a vision of the UK becoming a world leader in skills, benchmarked against the upper quartile of the OECD. Stretching targets to be achieved by 2020 include:

- 95% of adults to achieve the basic skills of functional literacy (at least Level 1) and functional numeracy (at least Level 3), an increase from levels of 85% for literacy and 79% for numeracy in 2005 – equating to an additional 7.4 million achievements over the period. Intermediate targets for 2011 of 89% of adults with functional literacy and 81% of adults with functional numeracy have also been set.
- More than 90% of adults qualified to at least a full Level 2, an increase from 69% in 2005 – equating to an additional 5.7 million achievements over the period at a rate of around 450,000 attainments per annum. An intermediate target for 2011 of 79% of adults qualified to this level has been set.
- 1.9 million additional full Level 3 attainments over the period, at a rate of 213,000 per annum. An intermediate target for 2011 of 56% of adults qualified to this level has been set.
- 40% of adults qualified to Level 4 and above, up from 29% in 2005 – equating to an additional 5.5 million attainments over the period. An intermediate target for 2014 of 36% of adults qualified to this level has also been set.

This section aims to establish Cornwall's baseline position in relation to these targets, and to establish the scale of the task facing the local area if these ambitious targets are to be met.

5.1.1 Baseline vs Intermediate (2011) targets

Cornwall, in common with the majority of local authorities, currently does not achieve all of the intermediate targets as set by Leitch. Based on the most recent available data, Figure 54 summarises the current position against each target, and shows that:

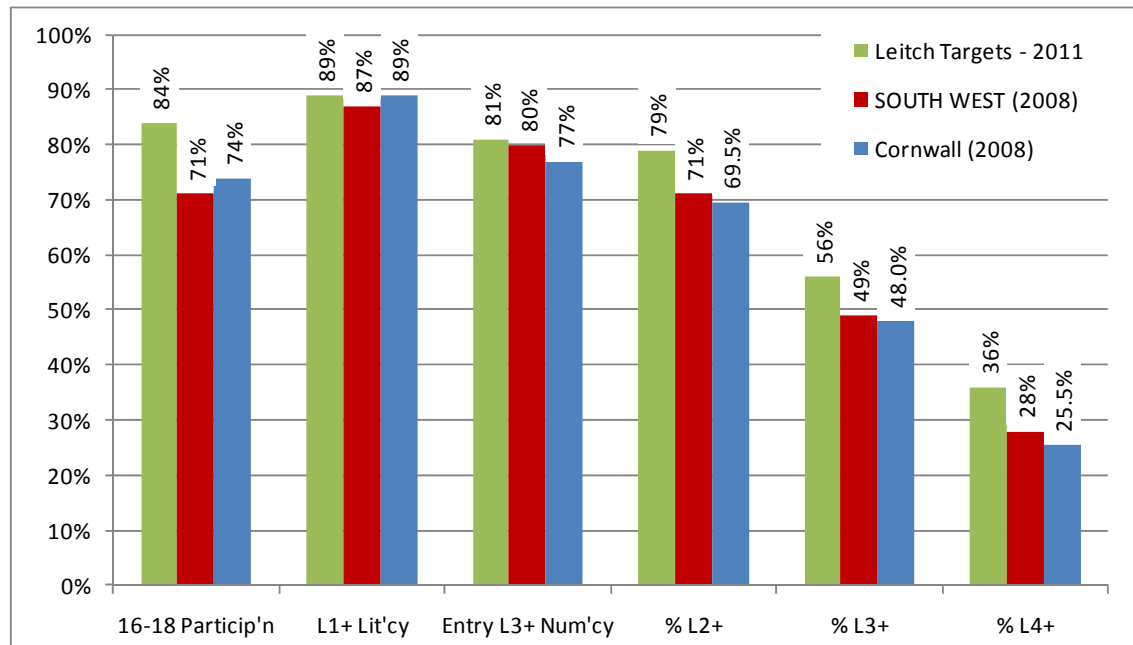
At 74% the rate for participation in full-time education among people aged 16 to 18 in Cornwall is above that seen across the South West region as a whole. The shortfall against the Leitch target is currently 10% in both areas.

Cornwall is above the regional average in terms of the proportion of adults currently with literacy skills equivalent to level 1 (89% compared to 87%). In 2008 Cornwall had already met the 2011 target.

Cornwall is slightly below average in terms of the proportion of adults currently with numeracy skills equivalent to entry Level 3 (77% compared to 80% for the South West). As with literacy, this target has falls short by four percentage points.

The proportion of adults in Cornwall, who hold qualifications equivalent to NVQ Levels 2, 3 and 4 or higher, is very similar to that seen across the South West as a whole. Both fall short of the 2011 Leitch targets, with Cornwall lagging by 9.5, 8.0 and 10.5 percentage points respectively.

Figure 54: Baseline position against Leitch intermediate targets 2011⁸, Cornwall vs South West



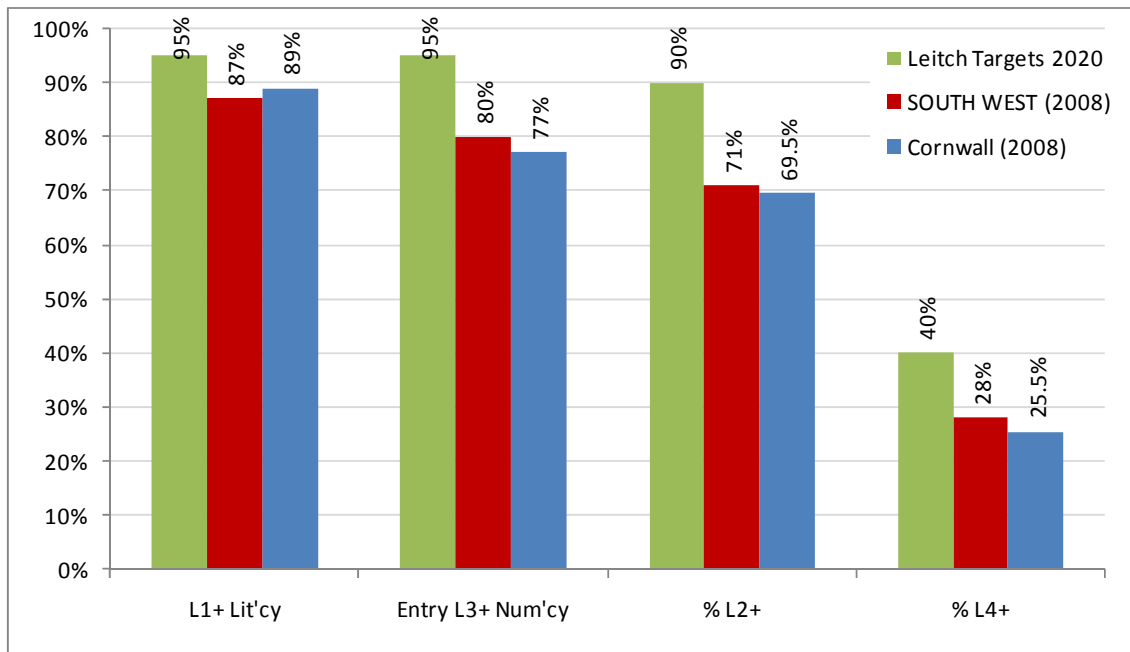
Source: Derived from DfES Basic Skills Survey (2003), APS (2008), DCSF SFR12/2009, Leitch (2006).

⁸ Intermediate target for Level 4+ is for 2014

5.1.2 Baseline vs Full (2020) targets

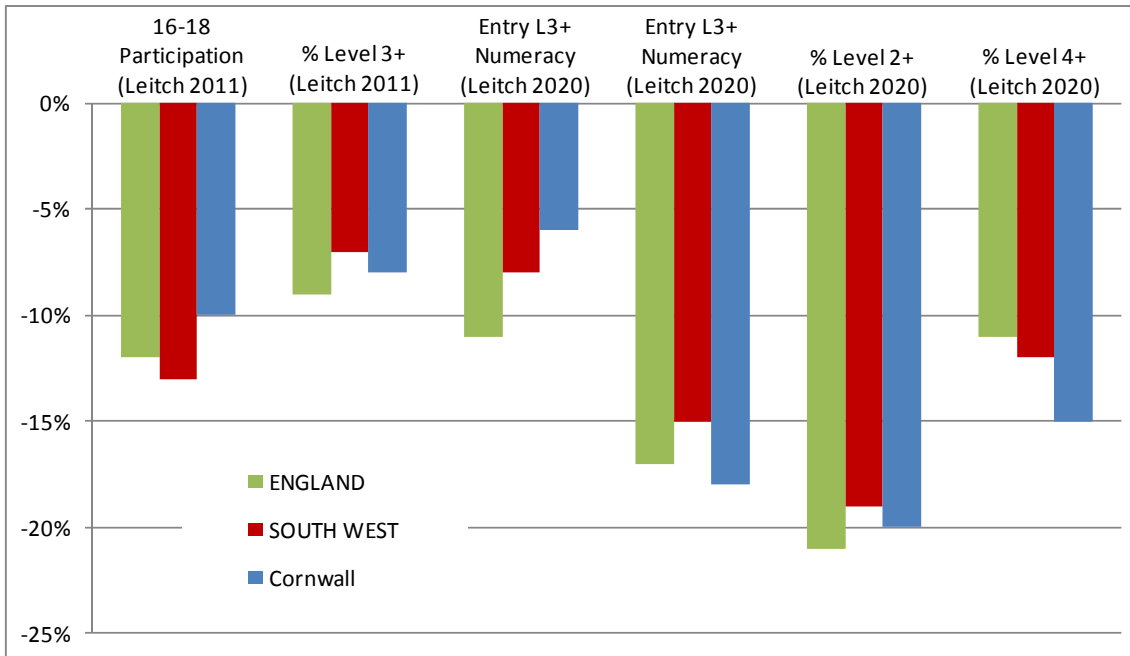
Figure 55 summarises Cornwall's position against the full targets, and shows that none of the four targets have yet been reached. Figure 56 and Figure 57 show the estimated shortfall in Cornwall against the targets in terms of percentage points and total volumes. They show that, in Cornwall, the target that is closest to being achieved is in relation to Level 1 literacy, where the shortfall is six percentage points (around 23,000 adults). The biggest shortfall is in relation to Level 2 qualifications (10.5 percentage points, or 45,000 adults).

Figure 55: Baseline position against Leitch full targets 2020, Cornwall vs South West



Source: Derived from DfES Basic Skills Survey (2003), APS (2008), DCSF SFR12/2009, Leitch (2006)

Figure 56: Difference between Leitch targets and baseline, Cornwall vs South West and England (percentage point shortfall)



Source: Derived from DfES Basic Skills Survey (2003), APS (2008), DCSF SFR12/2009, Leitch (2006)

Figure 57: Difference between Leitch targets and baseline by Local Authority (Numbers)

| Area | Intermediate Targets (2011) | | Full Targets (2020) | | | |
|-----------------------|-------------------------------|---------------|---------------------|--------------------|---------------|---------------|
| | 16-18 Full-Time Participation | % L3+ | L1+ Literacy | Entry L3+ Numeracy | % L2+ | % L4+ |
| South West | 18,888 | 200,180 | 265,975 | 479,355 | 572,445 | 359,200 |
| Bath & NE Somerset | 280 | 1,503 | 3,090 | 13,740 | 16,011 | 6,754 |
| Bournemouth | 624 | 6,454 | 5,910 | 13,860 | 18,180 | 12,560 |
| Bristol | 844 | 10,968 | 13,129 | 46,149 | 58,905 | 15,420 |
| North Somerset | 700 | 1,665 | 2,747 | 12,377 | 16,293 | 8,767 |
| Plymouth | 1,144 | 16,352 | 7,038 | 28,428 | 36,823 | 28,098 |
| Poole | 692 | 6,582 | 3,363 | 11,953 | 15,880 | 11,585 |
| South Gloucestershire | 1,028 | 12,814 | 3,790 | 16,930 | 26,573 | 23,265 |
| Swindon | 616 | 17,398 | 7,385 | 21,415 | 31,106 | 20,177 |
| Torbay | 640 | 8,177 | 5,154 | 13,524 | 14,301 | 13,302 |
| Cornwall | 1,556 | 24,674 | 22,922 | 57,202 | 63,386 | 44,949 |
| Devon | 2,492 | 24,532 | 15,054 | 47,284 | 82,830 | 53,080 |
| Dorset | 2,128 | 12,176 | 4,868 | 26,538 | 37,975 | 22,140 |
| Gloucestershire | 2,124 | 16,616 | 7,390 | 34,320 | 52,670 | 25,940 |
| Somerset | 2,336 | 23,738 | 17,838 | 42,043 | 56,656 | 45,525 |
| Wiltshire | 1,700 | 16,630 | 8,503 | 28,673 | 44,807 | 27,570 |

Source: Derived from DfES Basic Skills Survey (2003), APS (2008), DCSF SFR12/2009, Leitch (2006)

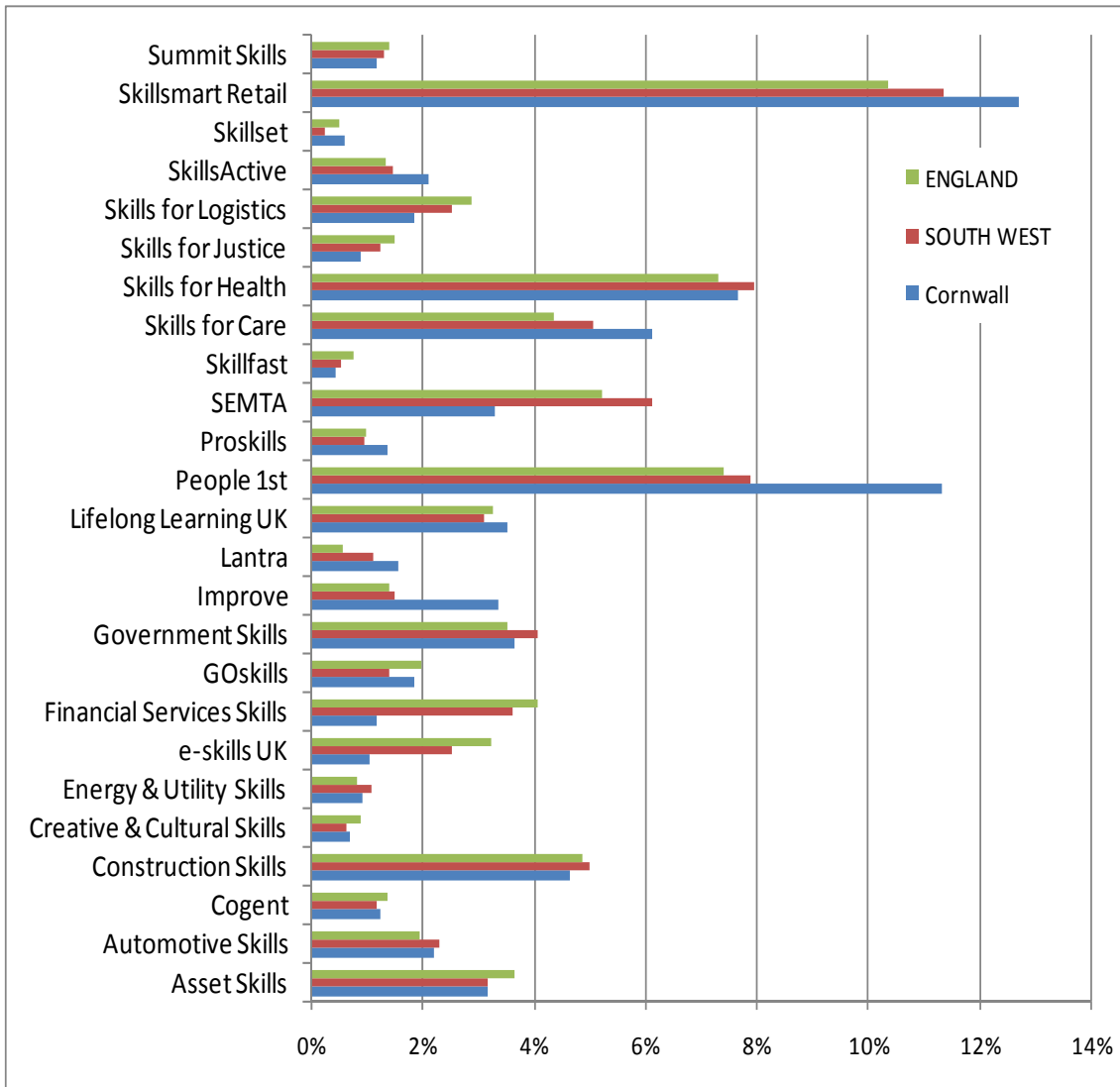
6. DEMAND FOR SKILLS

6.1 Employment by Sector Skills Council

In 2008 six SSCs accounted for less than (46%) of total employment in Cornwall:

- Skillsmart Retail 25,035 employees 12.7% of local employment
- People 1st 22,347 11.3%
- Skills for Health 15,131 7.7%
- Skills for Care 12,041 6.1%
- Construction Skills 9,138 4.6%
- Government Skills 7,199 3.7%

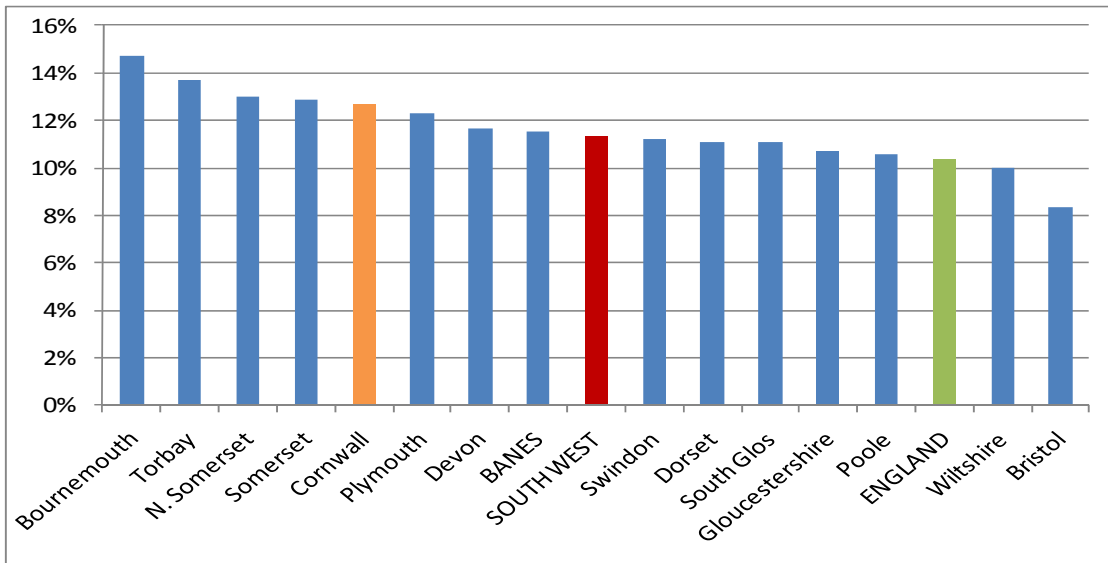
Figure 58: Employees in employment by Sector Skills Council, Cornwall vs South West and England, 2008



Source: Annual Business Inquiry, 2008

Looking specifically at these six largest SSCs in turn, shows that in 2008 Cornwall had the fifth highest employment level in retail (12.7%) among the fifteen upper tier authorities in the South West (Figure 59). This is 1.3 percentage points above the regional rate (11.4%) and 2.3 percentage points above the national rate (10.4%).

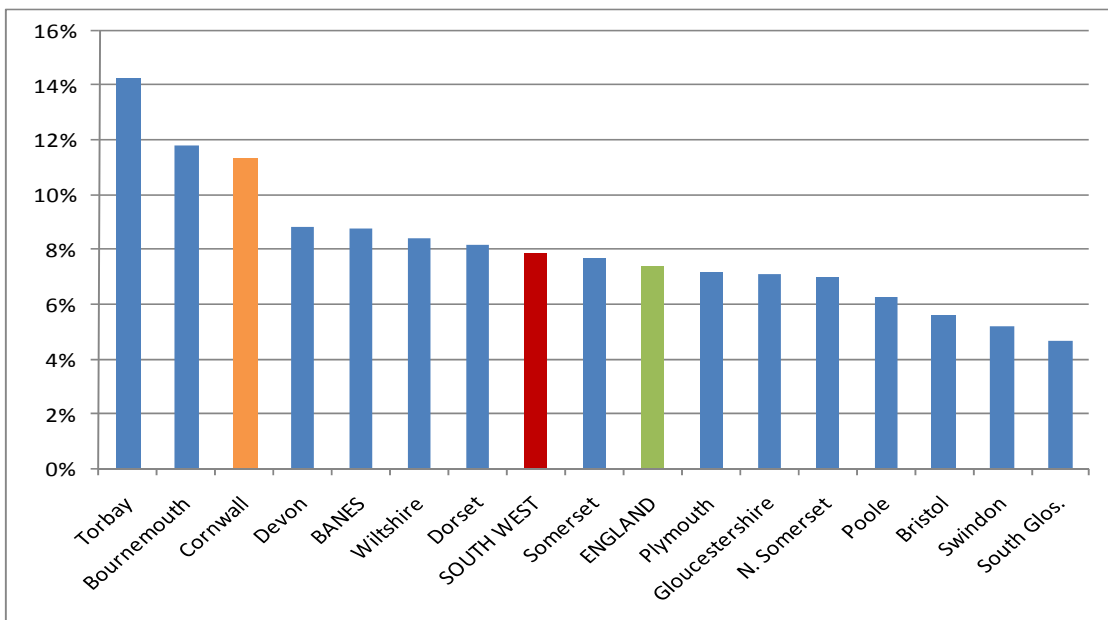
Figure 59: Employees in employment (% of total), Skillsmart Retail, 2008



Source: Annual Business Inquiry, 2008

In 2008, 11.3% of Cornwall's employment was in the People 1st footprint, which covers the hospitality, leisure, travel and tourism sectors (Figure 60). This is the third highest in the South West, above the regional average of 7.9% and the England average of 7.4%.

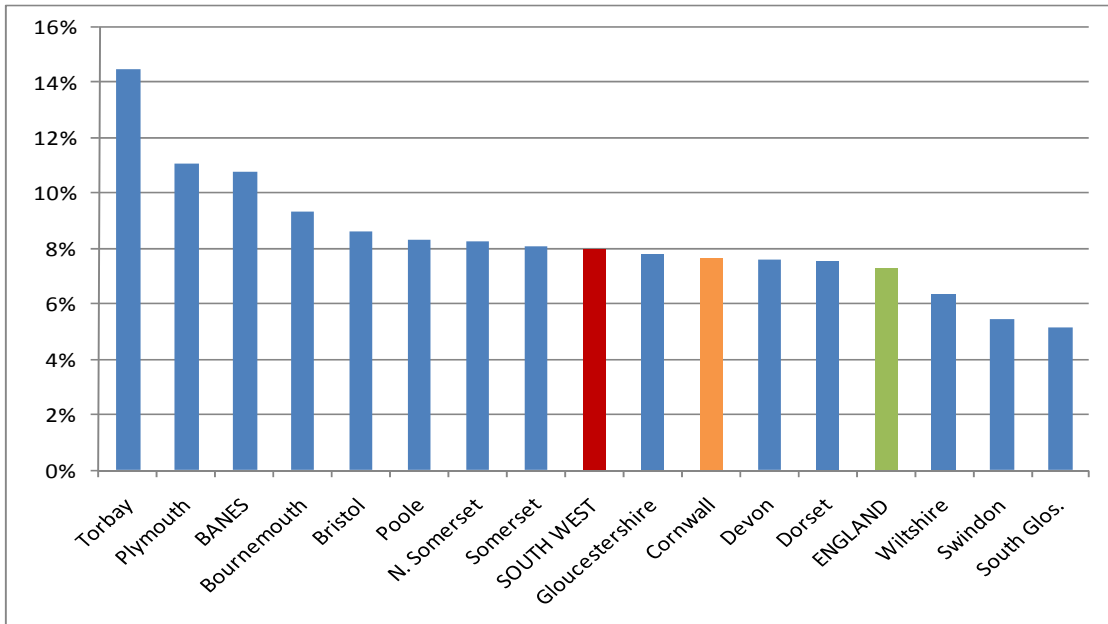
Figure 60: Employees in employment (% of total), People 1st, 2008



Source: Annual Business Inquiry, 2008

Figure 61 shows that 7.7% of employees worked in the Skills for Health sector in 2008, below the South West average (7.9%) and slightly above the national average (7.3%).

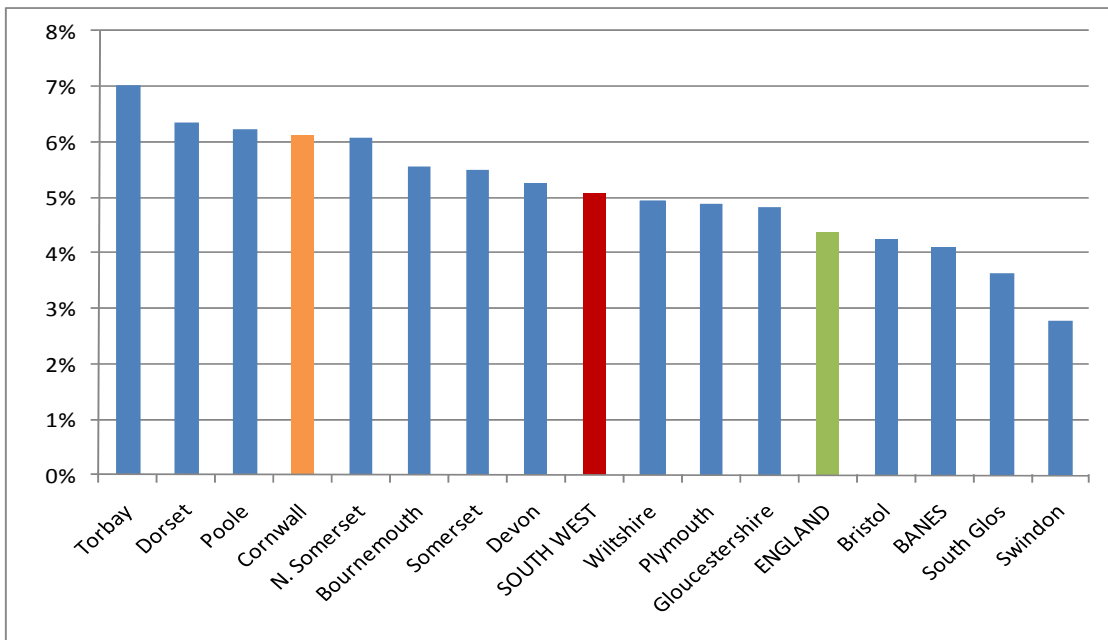
Figure 61: Employees in employment (% of total), Skills for Health, 2008



Source: Annual Business Inquiry, 2008

Figure 62 shows that 6.1% of the employees in Cornwall worked in the Skills for Care sector in 2008. This is slightly higher than the regional average (5.1%) and significantly above the national average (4.4%).

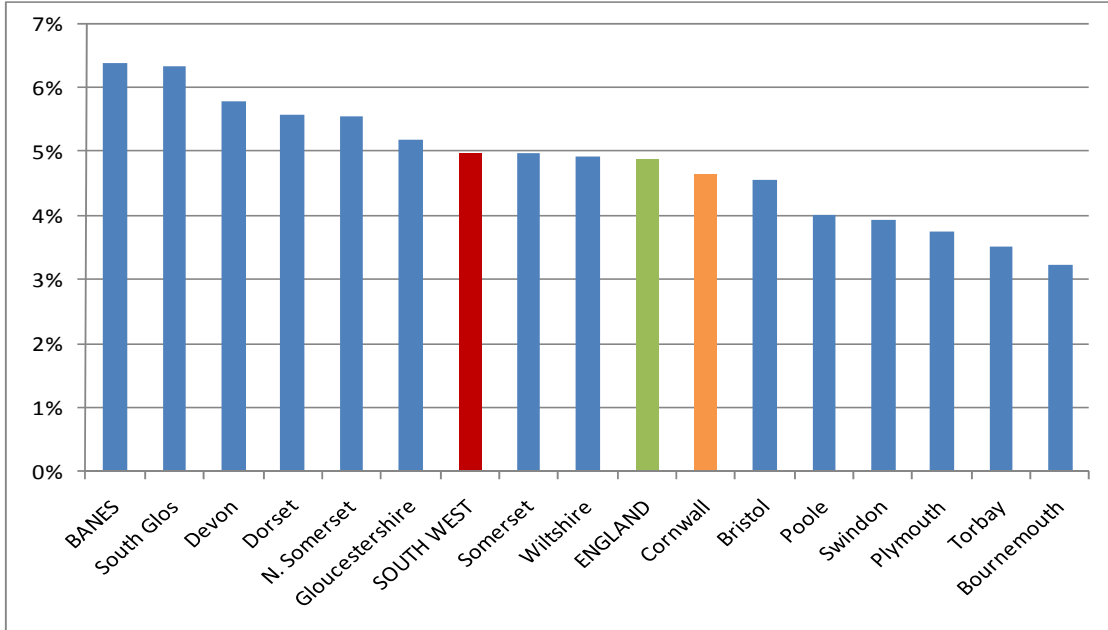
Figure 62: Employees in employment (% of total), Skills for Care, 2008



Source: Annual Business Inquiry, 2008

Cornwall (4.6%) ranks seventh lowest in Construction Skills, 0.4 percentage points above both the regional average (5.0%) and 0.3 percentage points above the national average (4.9%).

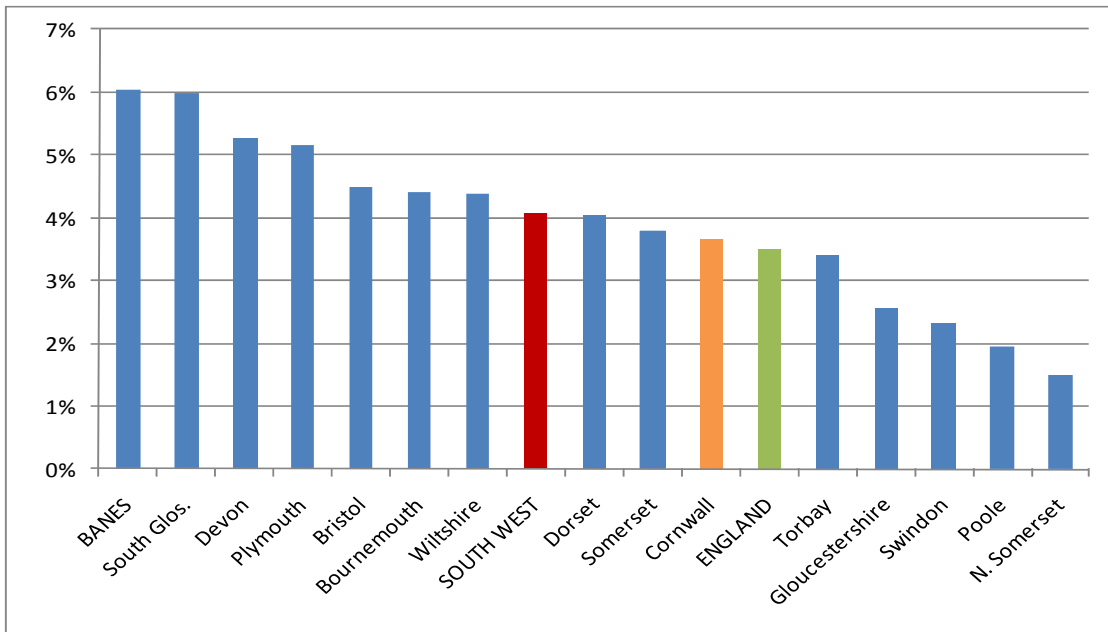
Figure 63: Employees in employment (% of total), Construction Skills, 2008



Source: Annual Business Inquiry, 2008

3.7% of the employees in Cornwall worked within the Government Skills sector in 2008, a figure significantly above both the regional (4.1%) and national (3.5%) averages.

Figure 64: Employees in employment (% of total), Government Skills, 2008



Source: Annual Business Inquiry, 2008

7. DEMAND FOR LABOUR - TOMORROW'S JOBS

7.1 Future employment forecasts

Determining future jobs and skills priorities requires an examination of predicted changes in the occupations and sectors. Forecasts provide some indication about likely developments in employment structure and patterns. Working Futures III, 2007-2017, develops its predictions based on past trends and provides the forecasting data used by Government and other national agencies to predict future employment and thus trends in skills. The baseline macroeconomic forecast, on which the data projections were based, were from early 2008. At this time economic conditions were predicted to deteriorate, but the depth and intensity of the recession was unclear. The data is thus not generally reliable in estimating employment change over the short term, which is likely to underestimate the impact of the recession. However, medium to long-term trends are more reliable.

When looking at future employment, it is important to note that two distinct features are in play:

- expansion demand - where new jobs are anticipated;
- replacement demand – which provides a more accurate picture of skills demand because it looks at that demand which arises due to retirement and thus which requires jobs and skills need to be replaced (because of retirement), even where the sector is not in expansion.

7.1.1 Expansion demand

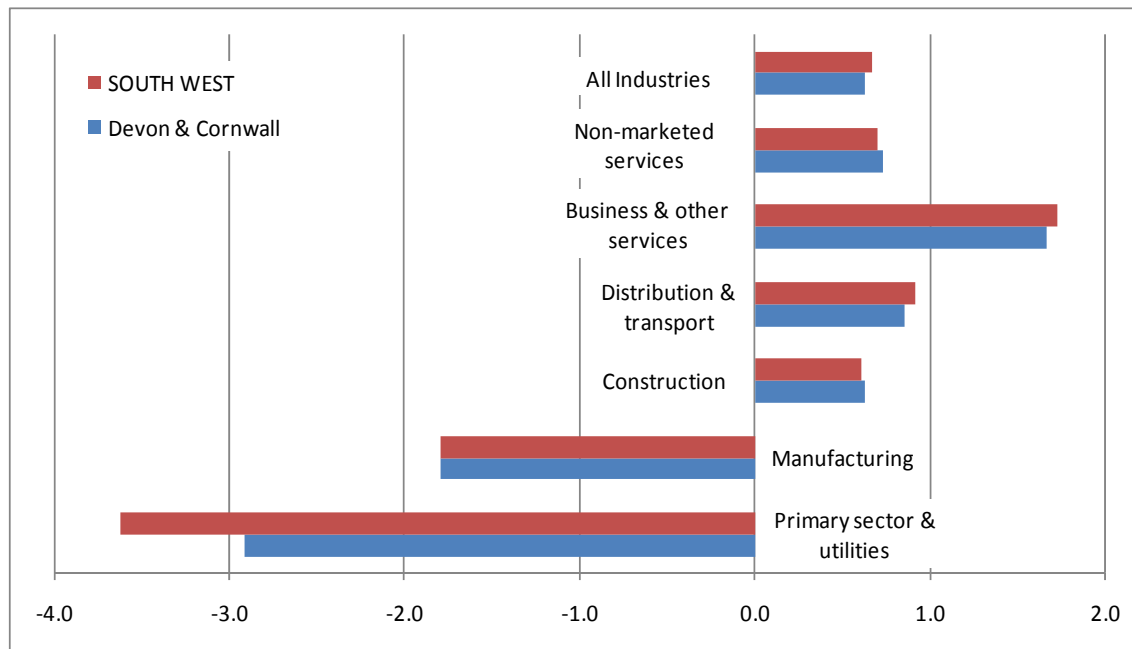
Working Futures III data suggests that employment growth in the South West will be above the projected national increase of 6.5% between 2007 and 2017. Figure 65 below shows how employment in different industry sectors across Devon & Cornwall⁹ are predicted to change in comparison with regional predictions, while Figure 66 shows the overall change locally in terms of total numbers in employment. It shows that employment growth in Devon & Cornwall is forecast to lag slightly behind the region as a whole over this period, with employment expected to increase by 0.6% per annum (50,000 jobs in total), compared to 0.7% for the South West.

⁹ Working Futures data is not available at lower level geographies.

Patterns of growth and decline across the industry sectors in Devon & Cornwall are very similar to those forecast at regional level. The Primary sector & Utilities and Manufacturing are expected to see declining employment levels, of -2.9% and -1.8% per annum respectively. Employment in other sectors is expected to grow, with Business and other services seeing the fastest growth, of 1.7% per annum, amounting to an additional 27,000 jobs over the ten year period.

Given the current levels of UK government debt, the three main political parties all agree that public spending cuts need to be implemented. It therefore seems inevitable that significant cuts will impact on public sector employment levels, suggesting that the growth forecast shown in Non-marketed Services shown Figure 66 is unlikely to be realised.

Figure 65: Projected employment change by sector, 2007-2017 (% per annum), Devon & Cornwall vs South West



Source: Working Futures III

Figure 66: Projected employment change by sector, 2007-2017 (000s), Devon & Cornwall

| Change (000s) | 2007-2017 |
|----------------------------|-----------|
| Primary sector & utilities | -8 |
| Manufacturing | -12 |
| Construction | 4 |
| Distribution & transport | 22 |
| Business & other services | 27 |
| Non-marketed services | 17 |
| All employment | 50 |

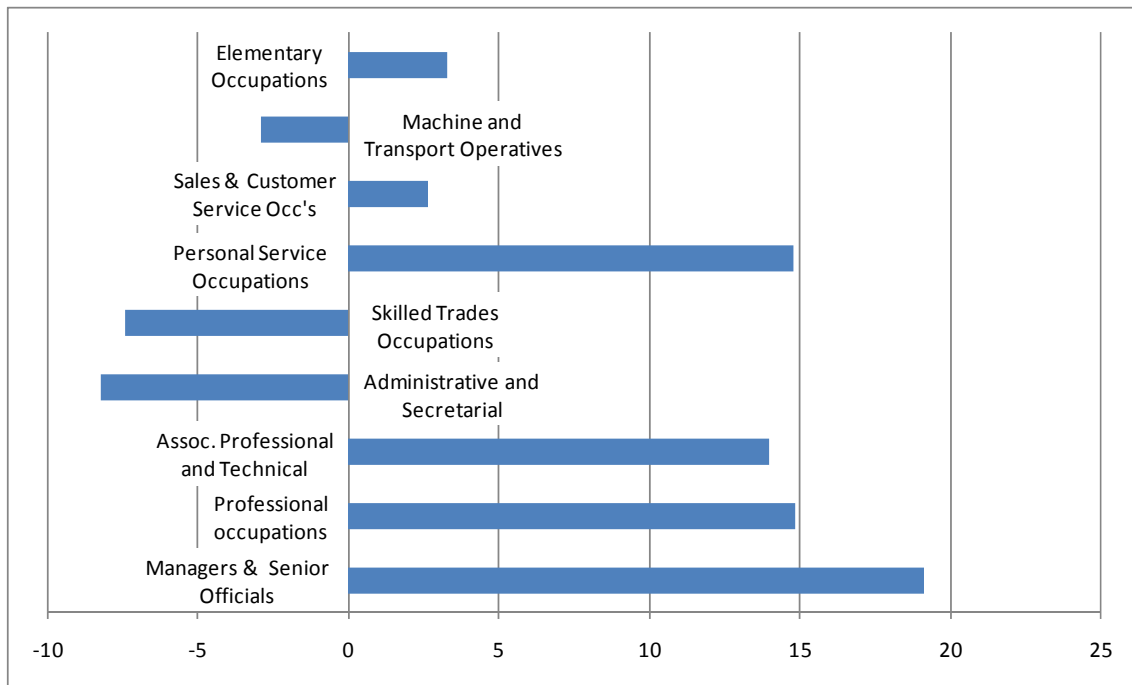
Source: Working Futures III

As well as projections by industry, Working Futures has also produced occupational forecasts to 2017. Over the period from 2007 to 2017 significant growth is expected in higher-level occupations, with the number of Managers & senior officials in Devon & Cornwall forecast to rise by 19,000, the number of Professionals by 15,000 and the number of Associate professional/technical jobs by 14,000.

Employment growth, amounting to around 15,000 jobs, is also expected in the Personal services, a group of occupations covering involving the provision of a service to customers, whether in a public protective or personal care capacity. These include occupations involving the care of the sick and the elderly; the supervision of children; the care of animals; and the provision of travel, personal care and hygiene services.

Employment declines are forecast in skilled trades (-7,000 jobs), administrative/secretarial occupations (-8,000 jobs) and in the number of machine & transport operatives (-3,000) that are required in Devon & Cornwall over the period 2007-2017.

Figure 67: Projected Employment change by Occupation, 2007 - 2017 (000s), Devon & Cornwall



Source: Working Futures III

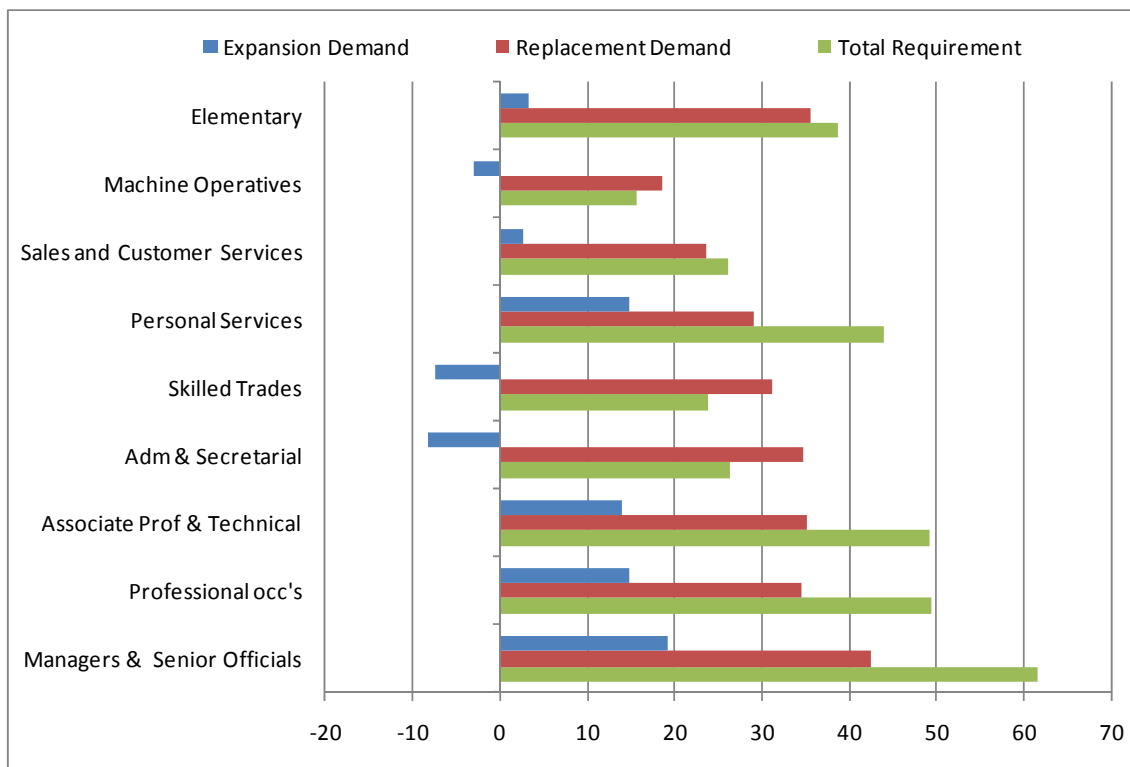
7.1.2 Replacement Demand

When looking at the demand for skills, it is also important to take into account the need to replace those in the workforce who will be leaving because of retirement or other factors. This is termed 'replacement demand'. Outflows in terms of replacement demand typically account for about a third or more of current employment levels over a 10 year period and outweigh any projected employment expansion or decline.

Replacement demand occurs where there is a need to recruit and train new entrants into jobs to replace those leaving. Where employment is projected to rise, such replacement demand will lead to even greater requirements. 'Replacement demand' is defined as the number of retirements, plus occupational mobility, plus migration. Net labour requirement is equal to expansion demand plus replacement demand.

Net requirements are positive across all major groups. The overall requirement is skewed towards higher-level occupations, i.e. managers and senior officials, professional and associate professional and technical occupations, which is consistent with national trends and the shift towards a knowledge economy. 48% of the Total Requirement in Devon & Cornwall will come from these three occupational groups, and is a cumulative effect of both expansion and replacement demand.

Figure 68: Replacement demand, expansion demand and net requirement by occupation, 2007-2017 (000s), Devon & Cornwall

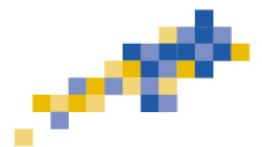


Source: Working Futures III



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