



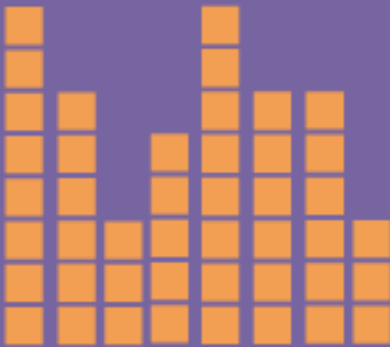
Gyrfa Cymru  
Careers Wales



Careers Wales LMI Bulletin: February 2022

# Impact of the COVID-19 pandemic on the labour market in Wales

Issue 9: Published February 2022  
Date of next issue: May 2022





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## 1. Introduction

The key headlines which currently dominate labour market trends and forecasts are:

- A cautious glance at the official labour market figures, published by official sources in January 2022, show that the labour market continues to recover, with overall employment rates almost reaching pre-pandemic levels of 74% in Wales.
- The longer-term impact of Covid-19 across the economy of Wales is hard to predict as it varies across industry sectors and differs across regions, as well as reacting to global trends and government interventions.
- There are continued reports of generic skills shortages, in Wales and across the UK. The online job postings show a continuing trend of increasing numbers of vacancies seen in 2021, and experts say this is expected to continue this year.
- Job postings data shows a reshuffle in the variety of roles in the 'top 10', a strong indication of return to normality across all sectors operating fully. However, nursing and health care roles continue to dominate the top two.
- A higher number of job postings in this issue were for lower skilled and non-technical level jobs.
- The intensity of job postings is an indication of how hard to fill some posts are and how much effort employers make towards recruiting for certain positions. The highest intensity in the last month is for Customer Service Occupations at 10:1, well above the average across all other occupations in January of 6:1.
- September 2021 saw the end of the furlough scheme with almost 40,000 people in Wales affected. It's unclear how many returned to their normal workplace, transitioned to new roles or faced other consequences.
- The latest official statistics relating to claimant counts, economic inactivity and NEET numbers are not showing stark surprises or peaks in numbers and remain stable (but high) since the previous edition. However, there are historic inequalities in the demographics within these groups and forecasts of increases in economic inactivity to come.
- Several headlines over the last two years have signaled the increased shortages in IT skills, both within the tech sector and as a cross cutting skill. There were 2,371 unique job postings for Programmers and Software Development Professionals in Wales in the last 30 days. IT skills in Wales is an appendix feature to this edition of the LMI Bulletin.

***Data use caution:***

***We need to use LMI data with caution in the current environment, please see [Cautionary Notes](#) at the end of the bulletin.***

***We continue to welcome feedback on the relevance of the data and key messages included in this bulletin. Please send your feedback to [information@careerswales.gov.wales](mailto:information@careerswales.gov.wales).***



## 2. Emerging Themes: Economic Recovery

A cautious glance at the official labour market figures published in January 2022 show that the labour market continues to recover, with employment rates almost reaching pre-pandemic levels of 74% in Wales and 75% across the UK. However, economists are reporting that the year ahead will be dominated by the cost of living crunch and continuing labour shortages. The [ONS](#) report in January 2022 revealed that 12% of businesses reported vacancies were more difficult to fill due to lack of qualified applicants and low numbers of applications as the main problem.

According to [The Learning and Work Institute](#), a rising number of people with long-term sickness means there are one million people fewer in the UK labour market than pre-pandemic, compounding the labour shortages. Further data on economic inactivity in Wales is featured in this Bulletin.

It's unclear what has happened to the remaining 39,700 workforce which were still on furlough in Wales when the scheme ended last September. What is known from research by [Wales Fiscal Analysis](#) is that an estimated 228,000 people worked in shutdown sectors like hospitality and non-essential retail in Wales. Low earners in Wales were ten times more likely to work in a shutdown sector than high earners. Women, younger people and workers of Bangladeshi, Black Caribbean and Pakistani ethnicity were significantly more likely to be working in shutdown sectors in Wales.

The surge in Covid-19 cases caused by the Omicron variant re-introduced restrictions that hit the food, entertainment, and hospitality sectors again, causing further employment disruptions for the sector and the same demographic of workers. In an [ONS](#) report published on 27<sup>th</sup> January, 12.9% of UK businesses reported worker shortages and 28% of these were in the accommodation and food industry activities.

There is no 'golden bullet' to recovery as the economic impact of Covid-19 differs substantially between sectors, industries and groups of workers. Some of the labour market disruptions over the last two years will be temporary, but in some sectors the impact of Covid-19 has accelerated longer standing underlying trends – such as the supply chain disruption in construction and manufacturing to increased internet shopping, to more home delivery eating and hybrid working patterns. Beyond recruitment, some HR trends report that businesses have been investing into their employee engagement strategies. Almost three quarters (69%) of HR Decision Makers reported an increased focus on staff wellbeing in 2021, with over a third (36%) expecting this to increase further in 2022.

These underlying trends, combined with growth in other sectors of the labour market – for example in digitally based businesses, green jobs and health and social care – mean that there are both risks and opportunities for those affected by the impact of COVID-19 to transition to areas where there is sustainable work.

This edition also includes a detailed feature on the jobs and skills in the IT sector in Wales as an appendix in Section 10.



### 3. Job Posting Trends in Wales

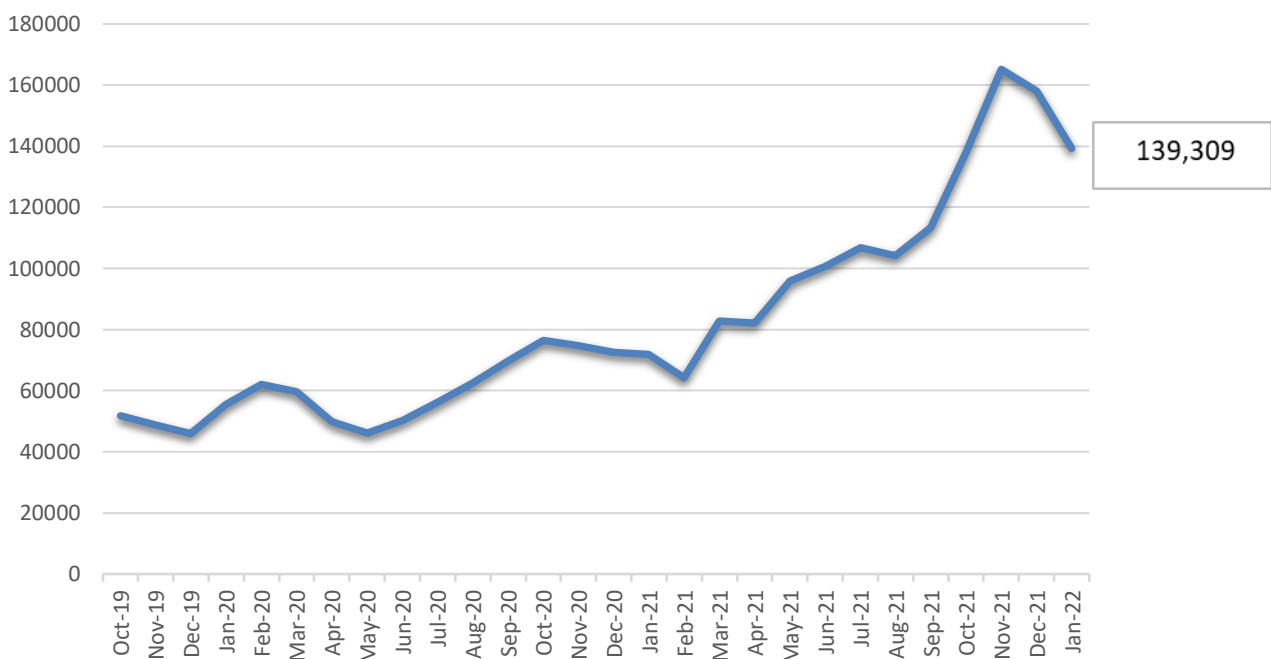
Monthly fluctuations in online Job postings continue to provide us with a crude but responsive indication of how the job market is responding to the disruptions of COVID-19. (The absolute numbers should be used with caution as they provide only a snapshot of the total recruitment picture. By their nature, posting numbers fluctuate daily and methods for collection vary but the general trends seen can give us an idea of how job opportunities in Wales are being impacted.)

#### Recruitment trends in Wales 2021

Since February 2021 job postings have shown a steady increase, with March, October and November showing the greatest increase over the preceding month. The past two years of job postings peaked in November 2021 with 165,143 Unique Job Postings, and the top two occupations of Nurses, and Care Workers and Home Carers advertising more than 7,600 vacancies each.

There were 139,309 Unique Job Postings in Wales in January 2022, a fall of nearly 12% from December 2021, but this figure is still greater than any month prior to October 2021 (within the past 28 months being evaluated). This steep rise and fall may be attributable to Christmas season recruiting trends.

**MONTHLY ONLINE JOB POSTINGS IN WALES SINCE OCTOBER 2019**



Source: Emsi, Job Posting Analyst

**Table 1: Monthly online job postings in Wales since October 2019**

Month	Unique Job postings	% Monthly change	Posting Intensity (Number of postings per unique job vacancy)
October 2019	51,772	6.13	6.1
November 2019	48,755	-5.83	6.1
December 2019	45,953	-5.75	6.1
January 2020	55,415	20.59	7.1
February 2020	62,080	12.03	6.1
March 2020	59,709	-3.82	7.1
April 2020	49,756	16.67	7.1
May 2020	46,186	-7.18	7.1
June 2020	50,156	8.60	7.1
July 2020	56,170	11.99	7.1
August 20	62,581	11.41	7.1
September 2020	69,653	11.30	7.1
October 2020	76,487	9.81	7.1
November 2020	74,602	-2.46	7.1
December 2020	72,430	-2.91	7.1
January 2021	71,837	-0.82	7.1
February 2021	64,169	10.67	6.1
March 2021	82,766	28.98	6.1
April 2021	82,029	-0.89	7.1
May 2021	95,773	16.76	7.1
June 2021	100,615	5.06	7.1
July 2021	106,843	6.19	7.1
August 2021	104,078	-2.59	7.1
September 2021	113,237	8.80	6.1
October 2021	137,875	21.76	6.1
November 2021	165,143	19.78	6.1
December 2021	158,166	-4.22	7.1
January 2022	139,309	11.92	6.1

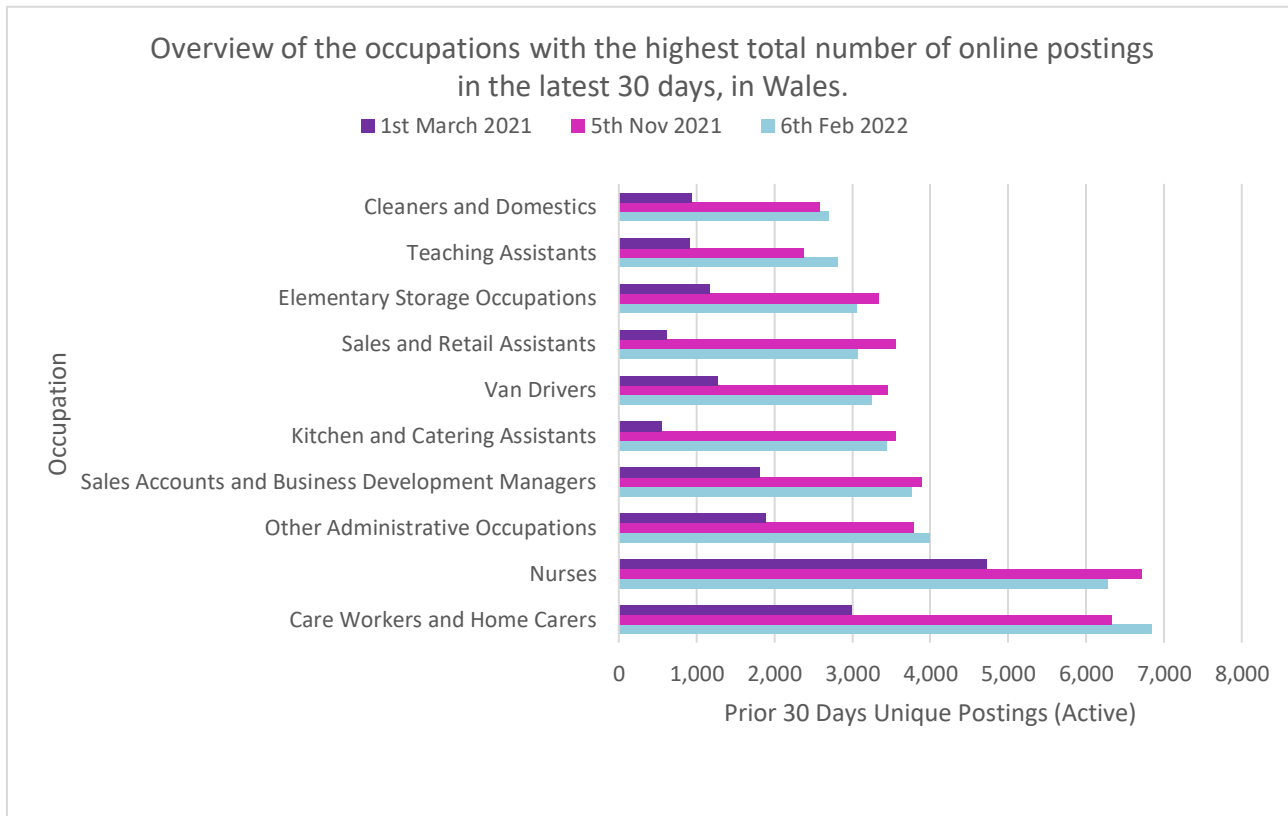
Source: Emsi Job Posting Analytics

The Posting Intensity shows the total number of job postings for each unique job vacancy e.g. an intensity of 6:1 for January 2022 would mean each new job in January was being advertised in 6 different media. A specific occupation with a posting intensity higher than the average of 6:1 for the month of January would suggest that employers are putting more effort into filling that vacancy.



## 4. Occupations most severely hit or seeing growth

### Top 10 occupations advertised in the latest 30 days to 6<sup>th</sup> February 2022



Source: Emsi Job Posting Analytics, February 2022

The top 10 occupations with the highest total number of online postings in the latest 30 days of postings, in Wales on the 6th February are the same as the top 10 as reported in the previous bulletin for the 30 days prior to the 5th November 2021.

Care Workers, Teaching Assistants, and Cleaners and Domestic have increased numbers of job postings in February, whereas Nurses, Van Drivers and Sales and Retail Assistants have fallen slightly since November. As the chart above illustrates, although there have been slight rises and falls in the number of job postings for the last 3 months, the levels are high when compared to job postings for the same occupations back in March 2021.

There have been significant increases in these occupations since March 2021. However, during this time Wales was under alert level four (Stay at Home) coronavirus restrictions which only began to ease on 13<sup>th</sup> March 2021. We can also speculate that the decline in EU workers has also contributed to the increased job postings in certain occupations. The labour market was very volatile in March 2021 and subject to constraints which had been removed by November 2021, making the comparison uneven.

**Table 2: Top 10 occupations advertised in the latest 30 days to 6th February 2022**

Occupation (SOC) (Occupations with >50 postings in latest 30 days)	Latest 30 days 1 Unique Postings (Active)	30 days Unique Postings (Active) up to 5th November 2021	30 days Unique Postings (Active) up to 1st March 2021
Care Workers and Home Carers	6,846	6,325	2,993
Nurses	6,277	6,709	4,727
Other Administrative Occupations	3,995	3,785	1,889
Sales Accounts and Business Development Managers	3,765	3,896	1,808
Kitchen and Catering Assistants	3,440	3,550	552
Van Drivers	3,243	3,458	1,265
Sales and Retail Assistants	3,065	3,559	610
Elementary Storage Occupations	3,051	3,337	1,164
Teaching Assistants	2,811	2,375	915
Cleaners and Domestics	2,698	2,575	927

Source: Emsi Job Posting Analytics

<sup>1</sup> Latest 30 days: January 8<sup>th</sup> – February 6<sup>th</sup>, 2022

### Occupations with increasing demand in the latest 30 days to 6<sup>th</sup> February.

Table 3 below shows that some occupations have experienced increases in demand above 75% in the latest 30 days, including Bricklayers and Masons, Glaziers, Window Fabricators and Fitters, Photographers, Audio-visual and Broadcasting Equipment Operators, and Roofers, Roof Tilers and Slaters.

Artists showed a very large percentage increase of 562.5%, but this is only an actual increase to 53 job postings from 9 in numerical terms. More notable increases include Construction Operatives with a 40.1% increase to 744 job postings.

The increases and decreases in demand across the 30 day period cannot be considered as a trend due to the short duration; it is a snapshot of that period and may reflect seasonal sector trends and differ across localities.





**Table 3: % Change (increase) in Unique Job Postings (Active) in Wales in the latest 30 days (January 8<sup>th</sup> – February 6<sup>th</sup>, 2022)**

Occupation (SOC) (Occupations with >50 postings in latest 30 days)	Latest 30 days <sup>1</sup> Unique Postings (Active)	Latest 30 days Unique Postings % Change <sup>2</sup> (Active)
Beauticians and Related Occupations	135	27.4%
Ophthalmic Opticians	165	27.9%
Electrical and Electronics Technicians	133	29.1%
Assemblers and Routine Operatives	406	29.7%
Research and Development Managers	463	30.1%
Pensions and Insurance Clerks and Assistants	280	34.0%
Veterinary Nurses	123	35.2%
Construction Operatives	744	40.1%
Legal Professionals	208	40.5%
Travel Agents	173	40.7%
Typists and Related Keyboard Occupations	54	42.1%
Painters and Decorators	299	42.4%
Authors, Writers and Translators	222	53.1%
Gardeners and Landscape Gardeners	126	65.8%
Animal Care Services Occupations	133	75.0%
Bricklayers and Masons	85	80.9%
Glaziers, Window Fabricators and Fitters	81	88.4%
Photographers, Audio-visual and Broadcasting Equipment Operators	132	120.0%
Roofers, Roof Tilers and Slaters	199	155.1%
Artists	53	562.5%

Source: Emsi Labour Posting Analytics, February 2022

<sup>1</sup> Latest 30 days: January 8<sup>th</sup> – February 6<sup>th</sup>, 2022

<sup>2</sup> Latest 30 Days Unique Postings (Active) percentage change (comparing December 9<sup>th</sup> – January 7<sup>th</sup> to January 8<sup>th</sup> – February 6<sup>th</sup>)

**Data use caution: Remember a high % change does not necessarily mean the highest total number of active vacancies. Job posting figures fluctuate from day to day, and sources of data vary.**



### Occupations with falling demand in the latest 30 days to 6<sup>th</sup> February

In the latest 30 days to 6<sup>th</sup> February, the occupations with the highest % falls in job postings (as detailed in Table 4 below), were Market Research Interviewers, Vocational and Industrial Trainers and Instructors, and Arts Officers, Producers and Directors. In percentage terms, Arts Officers, Producers and Directors showed the greatest fall of 22.2% but in numerical terms this would only be 70 job postings from approximately 90, whereas Elementary Storage Occupations had dropped a smaller percentage of 9.9% from the previous 30 day period but this was a more substantial numerical drop of approximately 300 down to 3,051 unique job postings.

Interestingly, Secondary Education Teaching Professionals had dropped 10% to 985 postings, but Primary and Nursery Education Teaching Professionals had increased by 11.6% to 2,484 postings, indicating a greater demand for Primary Teachers in Wales in the past 30 days.

**Table 4: % Change (fall) in Unique Job Postings (Active) in Wales in the latest 30 days (January 8<sup>th</sup> – February 6<sup>th</sup>, 2022)**

Occupation (SOC) (Occupations with >50 postings in latest 30 days)	Latest 30 days <sup>1</sup> Unique Postings (Active)	Latest 30 days Unique Postings % Change <sup>2</sup> (Active)
Product, Clothing and Related Designers	193	-6.8%
Metal Machining Setters and Setter-operators	121	-6.9%
Public Services Associate Professionals	149	-7.5%
Vehicle Body Builders and Repairers	72	-7.7%
Vehicle Valeters and Cleaners	52	-8.8%
Chemical Scientists	110	-9.1%
Web Design and Development Professionals	766	-9.3%
IT Operations Technicians	936	-9.7%
Elementary Storage Occupations	3,051	-9.9%
Secondary Education Teaching Professionals	985	-10.0%
Marketing and Sales Directors	207	-11.5%
Prison Service Officers (Below Principal Officer)	52	-11.9%
IT User Support Technicians	744	-14.5%
Air-conditioning and Refrigeration Engineers	64	-14.7%
Parking and Civil Enforcement Occupations	56	-15.2%
Chartered and Certified Accountants	168	-16.0%
Public Relations Professionals	160	-16.2%
Market Research Interviewers	113	-19.3%
Vocational and Industrial Trainers and Instructors	1,379	-19.6%
Arts Officers, Producers and Directors	70	-22.2%

Source: Emsi Labour Posting Analytics, February 2022

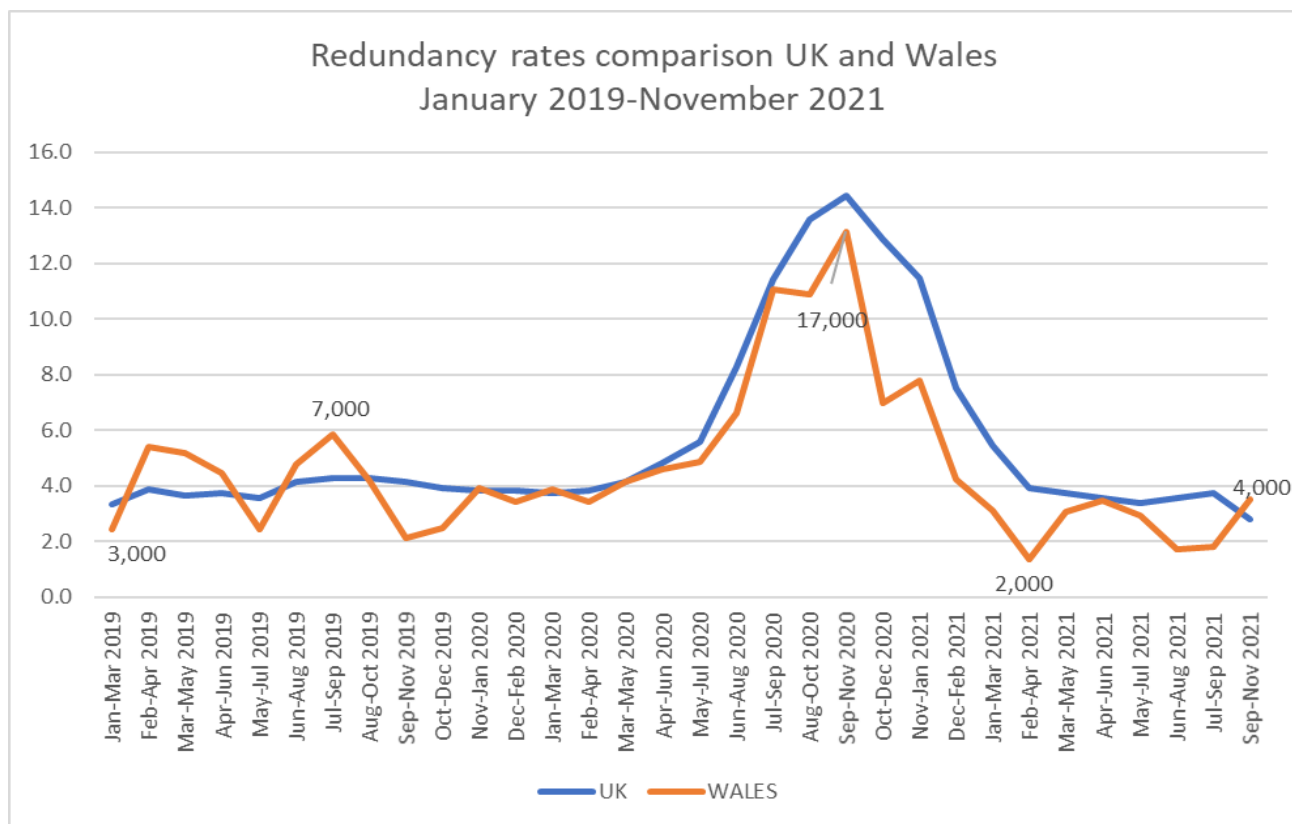
<sup>1</sup> Latest 30 days: January 8<sup>th</sup> – February 6<sup>th</sup>, 2022. <sup>2</sup> Latest 30 Days Unique Postings (Active) percentage change (comparing December 9<sup>th</sup> – January 7<sup>th</sup> to January 8<sup>th</sup> – February 6<sup>th</sup>)



## 5. Redundancies

### Redundancy Rate

The redundancy rate in Wales increased during the pandemic to 17,000, the highest rate since the 2009 recession. It has since fallen to 2,000 redundancies in February to April 2021, the lowest since the series began. Following the end of Furlough however, there was an increase and the redundancy numbers rose to 4,000 at the last official statistical release in November 2021. Across the UK, industries including Construction, Manufacturing, Retail and Accommodation and Food services continue to make far fewer redundancies from September to November 2021 than the previous 3 months of last year.



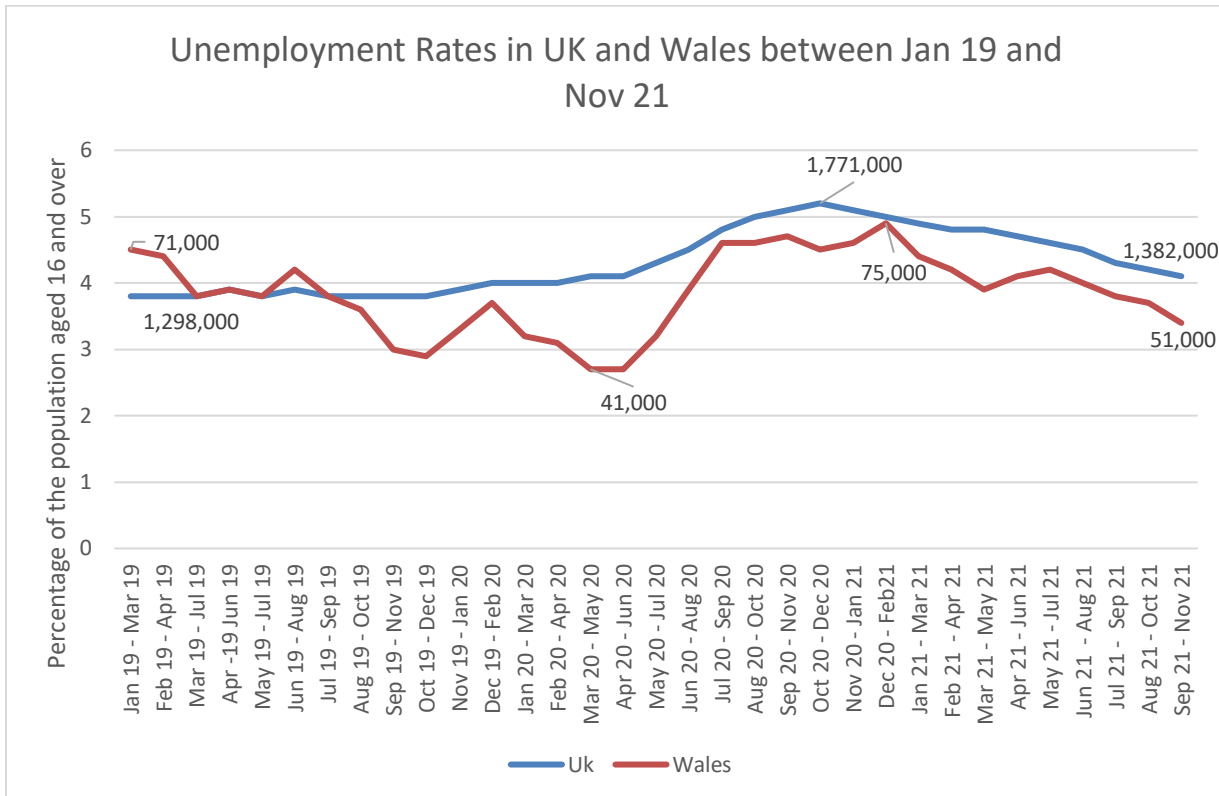
Source: ONS [Labour Market Overview, January 2021 \(gov.wales\)](https://www.gov.uk/labour-market-figures)

**Note: The redundancy figures for Wales are based on a small sample size and is therefore volatile. This may result in less precise estimates, which should be used with caution. Gaps occur in the Welsh timeseries when an estimate is suppressed due to small sample sizes.**



## 6. Unemployment and Economically Inactive

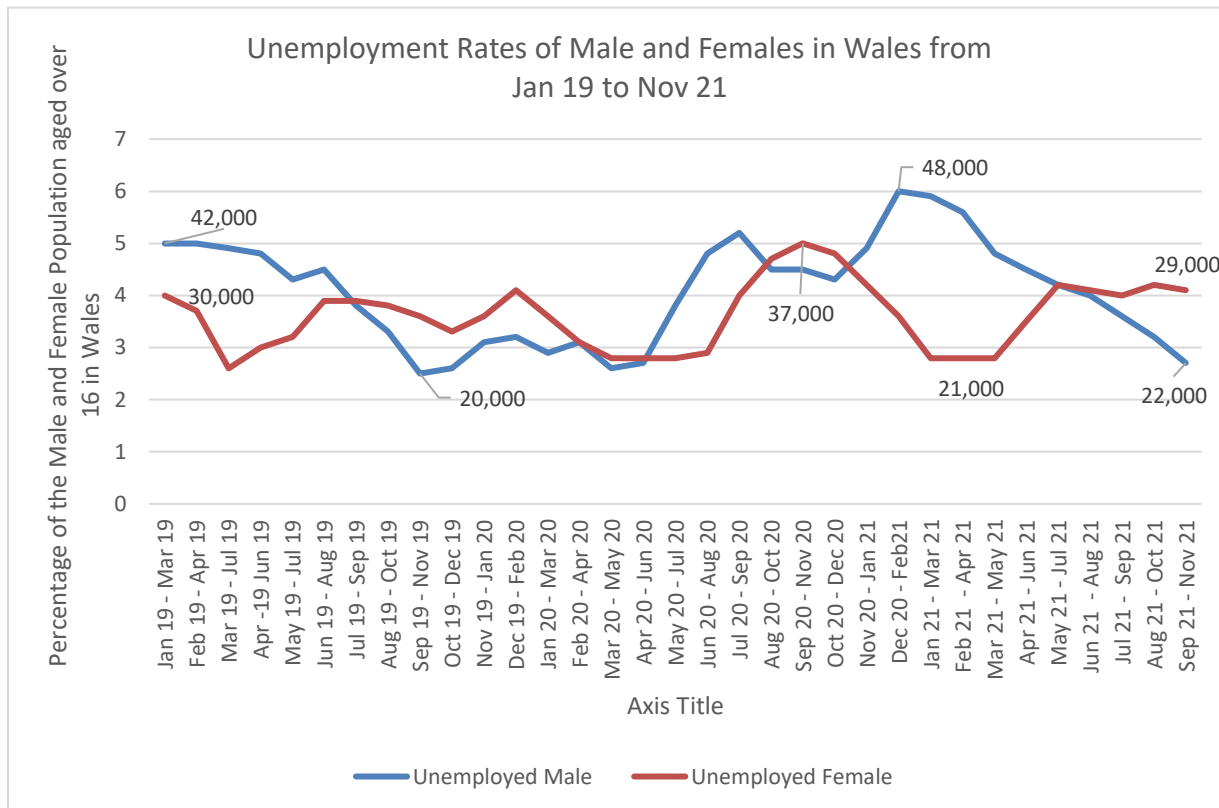
The graph below illustrates the unemployment comparisons between Wales and the UK before, during and after the pandemic. We can see in the last two quarters, from August 21 to November 21 that the unemployment rate here in Wales has been steadily decreasing from 56,000 in August 21 to 51,000 at the end of November 21. Furlough ended in the September 2021 and it's interesting to note that Wales has not experienced a large-scale rise in unemployment as a result.



Source: [Labour market summary by measure, age, UK country and quarter \(seasonally adjusted\) \(gov.wales\)](https://gov.wales/labour-market-summary)



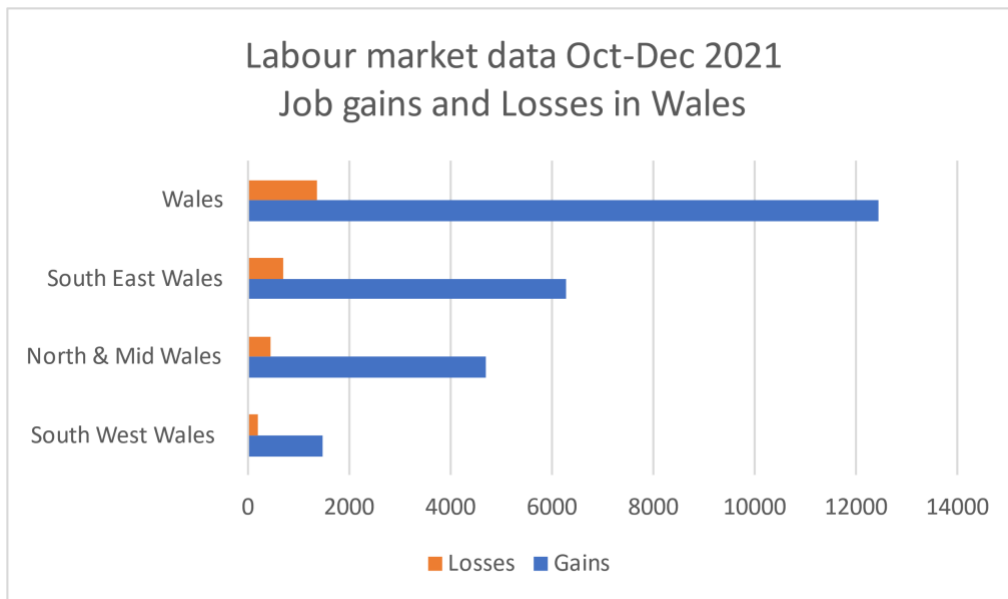
The graph below shows that since 2019 the unemployment rate between males and females in Wales has interchanged frequently. In terms of gender differences, between December 2020 and February 2021, unemployment for males were higher at 48,000, compared to 27,000 females. By the end of November 2021 there was a shift in numbers, with 29,000 females being unemployed compared to 22,000 males.



Source: [Labour market summary by measure, age, UK country and quarter \(seasonally adjusted\) \(gov.wales\)](https://www.gov.uk/labour-market-summary)

### Labour Market Data from DWP

According to a sample snapshot data from the DWP, the graph below shows that from October to December 2021 in Wales there were 12,445 job gains against 1,352 job losses which shows the economic recovery that Wales is making with far more gains at the end of 2021 than losses.



	South West Wales	North and mid Wales	South West Wales	Wales
Gains	1,470	4,690	6,285	12,445
Losses	205	445	692	1,352

Source: DWP Labour Market Data Jan 2022

### Industry jobs gains and losses October to December 2021

Further information from the DWP snapshot shows that there are differences between the regions of Wales and within the industries with gains or losses. For example, in South East Wales there were large gains in the industries of Retail, Engineering and Manufacturing but losses in Accounting and Banking and Hospitality and Events Management.

In South West Wales, Hospitality and Events Management and Packaging and Delivery saw the largest gains, whilst property and Construction suffered losses.

In North and Mid Wales there were gains in Public Service and Admin and Retail, and losses in Engineering and Manufacturing.

### Economic Inactivity in Wales

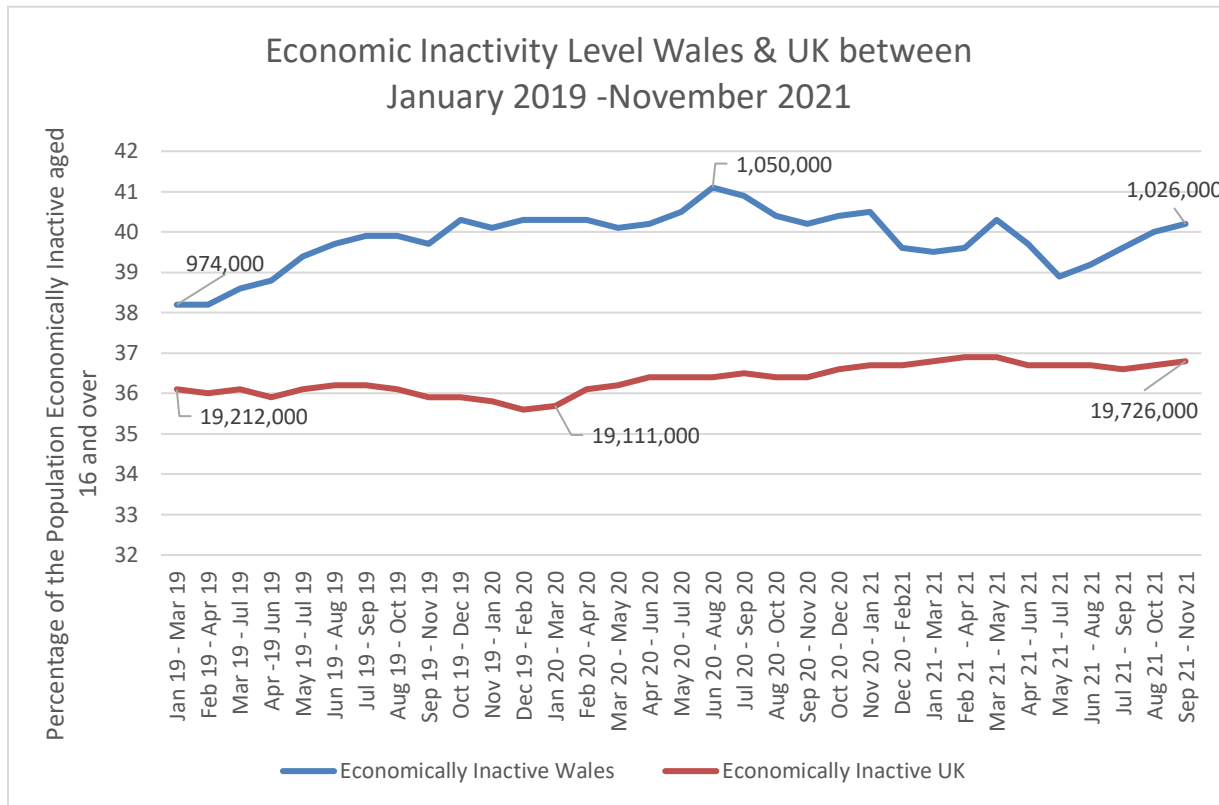
Economic Inactivity is defined as people not in employment who have not been seeking work within the last 4 weeks and/or are unable to start work within the next 2 weeks.

The impact of the Pandemic on Economic Inactivity is a growing concern. The optimistic recovery and economic growth across the UK is not an equal distribution across all sectors and groups of people.

Wales has had a higher working age economic inactivity rate than the UK average throughout the past five years. The graph shows that economic inactivity in Wales has remained stubborn at between 974,000 people, peaking at 1,050,000 during the Pandemic and reducing very slightly to 1,026,000 by the end of November 2021.



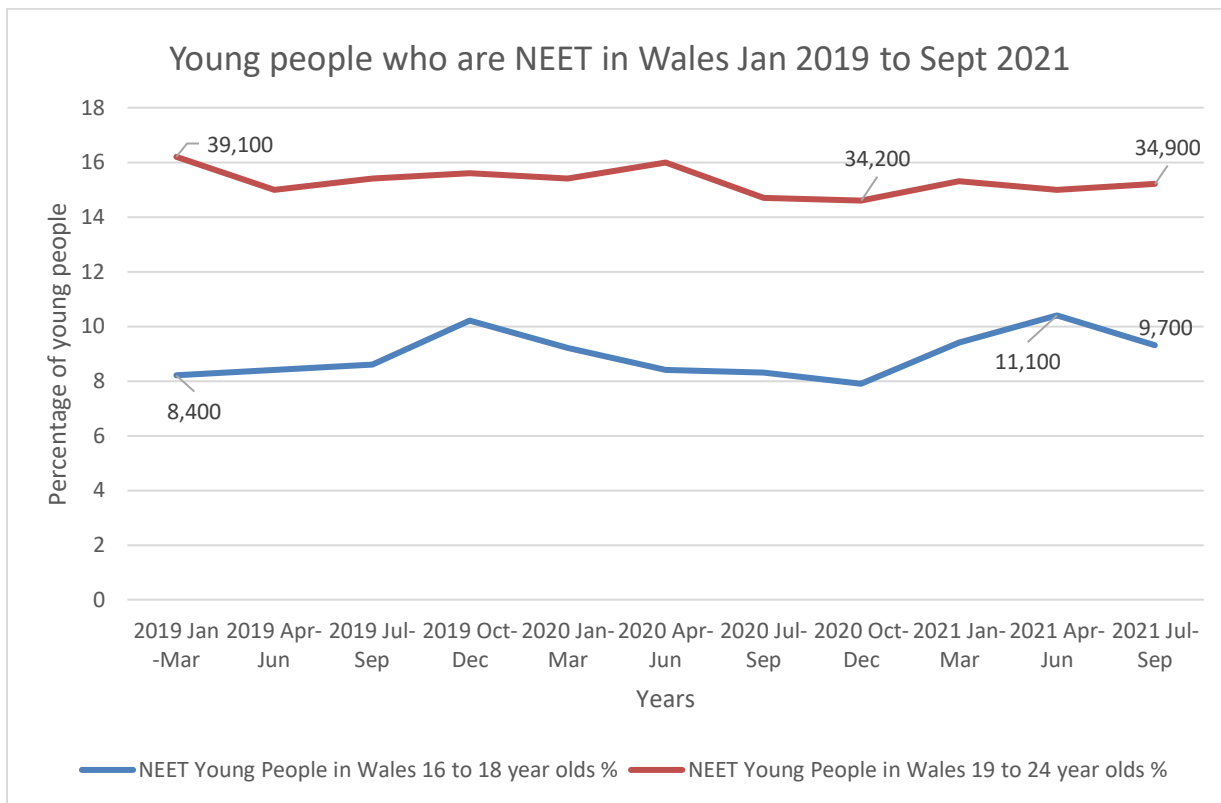
The most common reason given for economic inactivity in Wales is long term sickness, 29% of the group, and has increased steadily over the last 5 years. There is a stark difference and higher inactivity rates when comparing the figures in Wales with the rest of the UK average. According to the [National Institute of Economic and Social Research \(NIESR\)](#), Wales is projected to have sharp rises in economic activity up to 2023. The graph below shows the economic inactivity levels in Wales and the UK from 2019 to 2021.



Source: [Labour market summary by measure, age, UK country and quarter \(seasonally adjusted\) \(gov.wales\)](#)



## 7. Youth Unemployment and Young People Not in Education, Employment or Training (NEET)



Source: [Young people not in education, employment or training \(NEET\): October 2020 to September 2021 | GOV.WALES](#)

There has been no update since the last publication of the Bulletin in November 2021.

Graph 8 above shows that between July–September 2021, an estimated 9.3% of all people aged 16 to 18 years old’s and 15.2% of 19 –24 year old in Wales were not in education, employment or training (NEET), a record low since the series which began in October 2001.

Across Wales, this represents a total number of 44,300 young people who are NEET in Wales aged 16-24 at the end of September 2021.

According to Welsh Government data, females are less likely to be NEET than males, due to higher levels of participation in education and training. Disabled young people are more likely to be NEET than young people without disabilities. This difference is even more pronounced for 19 to 24 year-olds compared to 16 to 18 year-olds.





## 8. Economic Recovery across the Regions in Wales latest reports from the Regional Skills Partnerships

Since June 2020, the four Regional Skills Partnerships (RSP) in Wales have been producing more localised labour market reports on the impact of Covid-19 on their regional economies. The reports capture key economic statistics as well as the impact across key sectors based on soft intelligence gathered from employer engagement activities. The main purpose of the RSP reports is to provide intelligence that enables Welsh Government and other stakeholders to understand the employment and skills impact of COVID-19 in the region. The latest reports, published earlier in November were the 5<sup>th</sup> iteration in the series.

[North Wales Region](#)

[Mid Wales Region](#)

[South West Region](#)

[South East- Cardiff Capital Region](#)

## 9. Key funding and support schemes, statistics and announcements

**Working Wales and Careers Wales** offer information and help with schemes including the

[Young Person's Guarantee](#)

[ReAct Funding](#)

[Personal Learning Accounts](#)

They can also support with

[Redundancy](#)

[Apprenticeships](#)

[Course Search](#)

[Getting A Job](#)

[Job Bulletin](#)

The **DWP** offer services including

[Find A Job](#) and [Job Help](#) for jobseekers

[Plan For Jobs](#) offers guidance and support for employers and jobseekers.

**Business Wales** offer tailored support for businesses, including

[Skills Gateway for Business](#)

[Covid-19 Business Support Finder](#)

[COVID-19 Support for Business | Business Wales \(gov.wales\)](#)

### **LABOUR MARKET STATISTICS**

[Labour market overview: January 2022 | GOV.WALES](#)

[Coronavirus: labour market January 2022 update \(senedd.wales\)](#)

### **BUSINESS INSIGHTS**

[Business insights and impact on the UK economy - Office for National Statistics \(ons.gov.uk\)](#)

[CITB - New perspectives on recruitment to the construction industry, February 2022](#)

[Pandemic Implications for the World of Work, Hays talent solutions, January 2022](#)

[Cultural Freelancers Wales Report 2022, January 2022](#)



**GOVERNMENT ANNOUNCEMENTS**

[Welsh Government Announcements](#)

[Written Statement: Emergency Covid Financial Support Including Newly Established Businesses \(7 January 2022\) | GOV.WALES](#)

[COVID-19 in Wales: interactive dashboard - Welsh Government](#)  
[Coronavirus Business Support 2021- Senedd Cymru](#)



### Cautionary notes on the use of data sources in the current environment

*Job posting figures are one of the first data sets to give an immediate indication of the impact on the labour market but are only an indication given:*

*They only reflect a proportion of all job vacancies, excluding informal recruitment.*

*In these exceptional times, usual recruitment methods may have changed drastically, particularly for Health and Care workers who have been recalled directly, head hunted etc.*

*The absolute numbers should be used with caution as they provide only a snapshot of the total recruitment picture, and the method of collection is constantly being improved but the general trends seen can give us an idea of how job opportunities in Wales are being impacted*

*Projections of employment which we usually use from our data suppliers such as EMSI are 'estimates of future trends based on past and current trends' so where projections are used, they may be based on pre-crisis trend data, until economic forecasting is available that models forecast scenarios of the impact of current events.*

## 10. Feature:

[IT Jobs and Skills in Wales>](#)