

Cornwall's economy at a glance

January 2013



An overview of the main economic measures and Census employment data for Cornwall and the Isles of Scilly compared to other areas, and changes over time.

Headlines

- **Small but growing economy** – Growth rates for Cornwall and the Isles of Scilly's economy have been high over the last decade. However it remains the second weakest economy in the country in 2011. See [Gross Value Added](#) (below).
- **Very high self employment, but drop in businesses overall** – There is a very high level of self employment locally, the fourth highest in the country. However, the overall drop in the number of VAT and/or PAYE¹ registered businesses (-4.1% 2008-2011) reflects the local impact of the recession. See [Business profile](#) (page 2).
- **Unemployment is a mixed picture** – Alongside Cornwall's seasonal fluctuations in Jobseekers Allowance, unemployment levels have been variable. See [Unemployment, earnings and qualifications](#) (page 6). Also see [Understanding unemployment](#) (page 8).
- **Improved qualifications between 2001 and 2011** - there has been an increase in the proportion of people with NVQ4+ qualification (degree or equivalent and higher), which has increased from 16% in 2001 to 25% in 2011. Similarly, the proportion of the population with no qualifications has from 29% to 24%. However still means that one in four have no qualifications. See [Qualifications](#) (page 6).

Gross Value Added (GVA)

Gross Value Added is a long term indicator of the value of the economy in an area. It is the value of the products and services minus the cost of producing them.

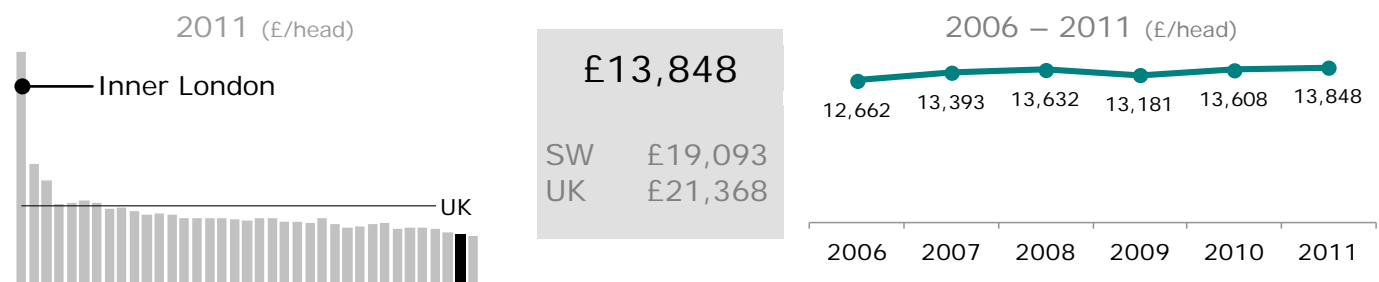
Cornwall and the Isles of Scilly (the **black bar**) compared to other NUTS 2 regions²

Headline figure

Change in Cornwall and the Isles of Scilly over time (from 2004 to most recent data)

Gross Value Added (GVA) / overall economic activity (Regional Accounts, ONS)

In 2011, Cornwall and the Isles of Scilly's **GVA per head** was worth £7.5bn (7.4% of the SW and 0.6% UK total). Between 2010 and 2011 the value of local economic activity increased by £194m (+2.7%), compared to +2.4% nationally.



Business profile

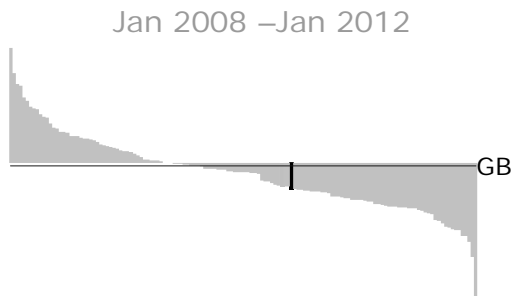
Cornwall and the Isles of Scilly (the **black bar**) compared to other areas

Headline figure

Change in Cornwall and the Isles of Scilly over time (from 2004 to most recent data)

% change in number of VAT and/or PAYE (pay as you earn) registered businesses¹

Between 2008 and 2012 the number of businesses in Cornwall and the Isles of Scilly that were either VAT registered, or PAYE registered, or both, dropped by 3.1% to 20,105.



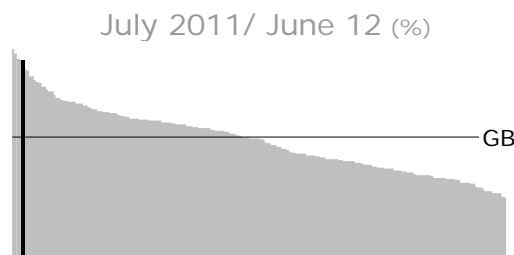
-3.1%
(-675)

SW -2.0%
GB -0.4%

2008	21,780
2009	21,565
2010	21,000
2011	20,895
2012	20,105

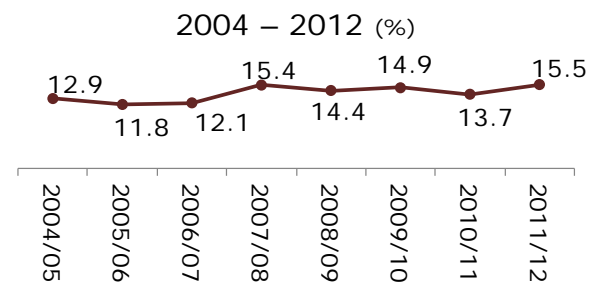
Self employment rate (population aged 16+–64, Annual Population Survey, ONS)

In 2011/12, 15.5% of the working age population were self employed in Cornwall and IoS.



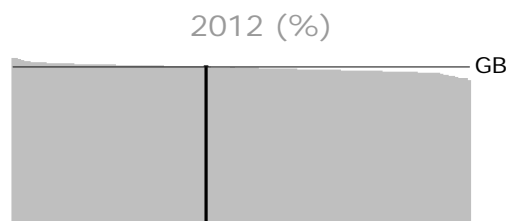
15.5%
(51,000)

SW 11.2%
GB 9.4%



Micro businesses (0-9 employees) (Office for National Statistics)

At the beginning of 2012, 88.7% of VAT and/or PAYE registered businesses in Cornwall and the Isles of Scilly, were classified as micro businesses (with 0-9 employees). There is very little variation across the country.



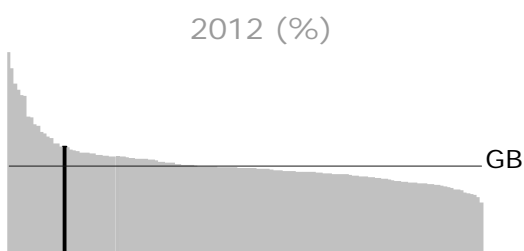
88.7%
(18,715)

SW 89.0%
GB 88.6%

2008	89.7%
2009	89.3%
2010	89.2%
2011	89.3%
2012	88.7%

Businesses with under £50k turnover (Office for National Statistics)

At the beginning of 2012, 22.2% of the businesses in Cornwall and the Isles of Scilly had annual turnovers of under £50,000.



22.2%
(4,685)

SW 20.7%
GB 18.4%

2008	22.3%
2009	22.0%
2010	22.0%
2011	23.1%
2012	22.2%

Employment and self employment by sector (Business Register and Employment Survey, DEFRA June Agricultural Census and Cornwall Council self employment estimates)

The table below summarises the features of employment and self-employment for each of the broad sectors in Cornwall in 2011.

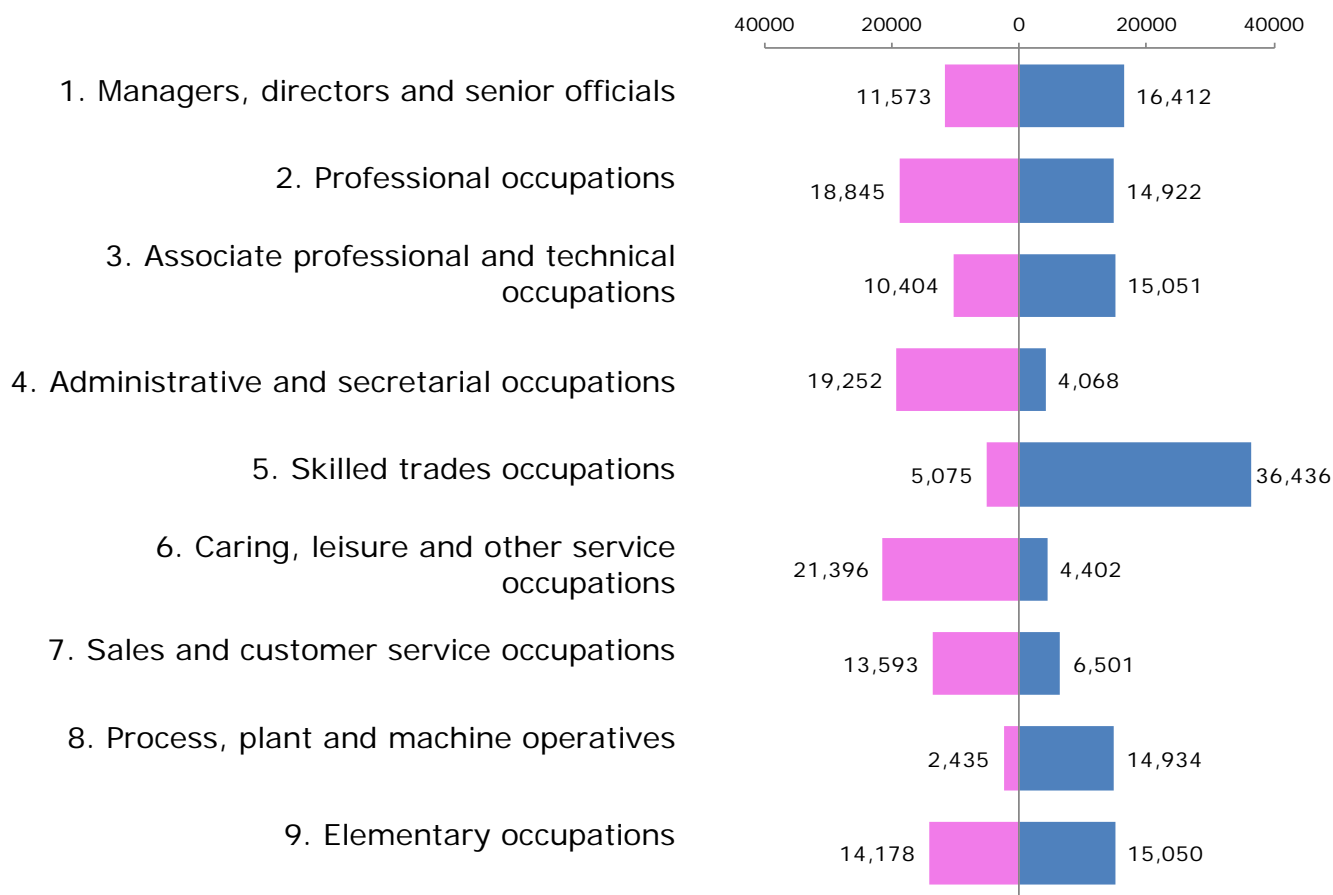
■ % Full time ■ % part time*	■ Employees ■ Self-employed	Broad sector	Total employment			2008 - 2011 change		
			(number)	(%)	GB (%)	(%)	GB (%)	
		Accommodation & food services	33,800	14%	7%	11%	-1%	
		Retail	32,400	13%	10%	1%	-3%	
		Health	30,900	12%	13%	1%	7%	
		Education	20,300	8%	9%	-4%	0%	
		Manufacturing	19,700	8%	9%	-3%	-8%	
		Construction	16,700	7%	5%	-1%	-11%	
		Arts, entertainment, recreation & other services	13,700	6%	4%	-19%	-3%	
		Agriculture, forestry & fishing	12,400	5%	2%	-9%	-4%	
		Business admin & support services	12,300	5%	8%	33%	-5%	
		Professional, scientific & technical	12,100	5%	7%	1%	5%	
		Transport & storage (inc postal)	9,600	4%	5%	8%	-3%	
		Wholesale	8,200	3%	4%	-11%	-4%	
		Public administration & defence	7,800	3%	5%	-22%	-4%	
		Motor trades	5,300	2%	2%	15%	-3%	
		Property	3,700	1%	5%	-25%	6%	
		Information & communication	3,500	1%	4%	28%	3%	
		Financial & insurance	3,200	1%	4%	14%	-6%	
		Mining, quarrying & utilities	2,700	1%	1%	-17%	17%	
			Total	248,300				

*Part time applies to workers who work less than 30 hrs/week, apart from agriculture (< 39 hrs).

Note: difference between sector figures and total is due to rounding.

Employment by occupation and gender (16-74) (Table KS609EW and Table KS610EW 2011 Census)

Cornwall has the 10th highest percentage of males employed in skilled trades and occupations of the 348 local authorities in England and Wales.



Hours worked (Table KS604EW, 2011 Census)

Cornwall has the 9th highest percentage of females working 16 to 30 hours of the 348 local authorities in England and Wales.

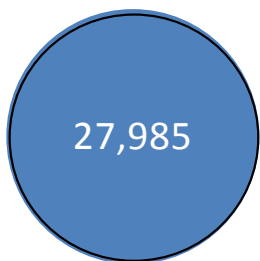


Occupation (Table KS608EW, usual residents aged 16-74 in employment the week before Census)

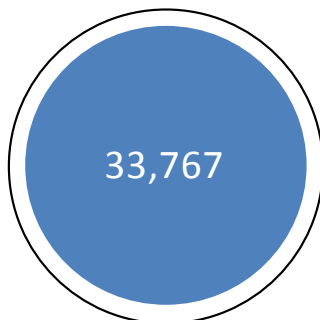
The chart indicates that the most common occupation is 'Skilled Trades and Occupations', for example skilled agricultural, electronic, construction, textile and printing trades.



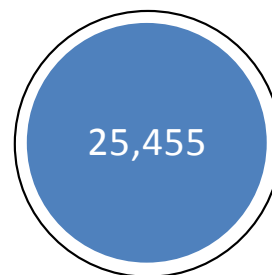
1. Managers, directors and senior officials



2. Professional occupations



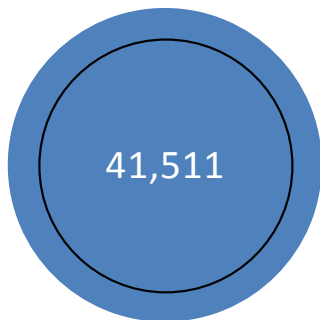
3. Associate professional and technical occupations



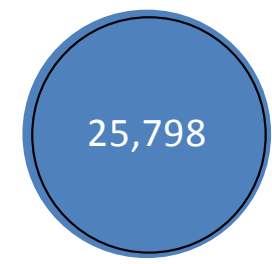
4. Administrative and secretarial occupations



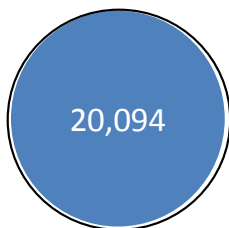
5. Skilled trades occupations



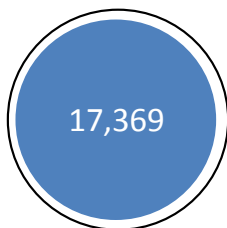
6. Caring, leisure and other service occupations



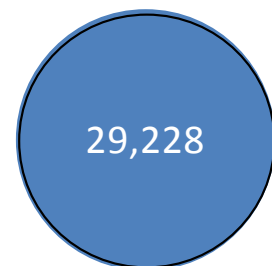
7. Sales and customer service occupations



8. Process, plant and machine operatives



9. Elementary occupations



Unemployment, earnings and qualifications

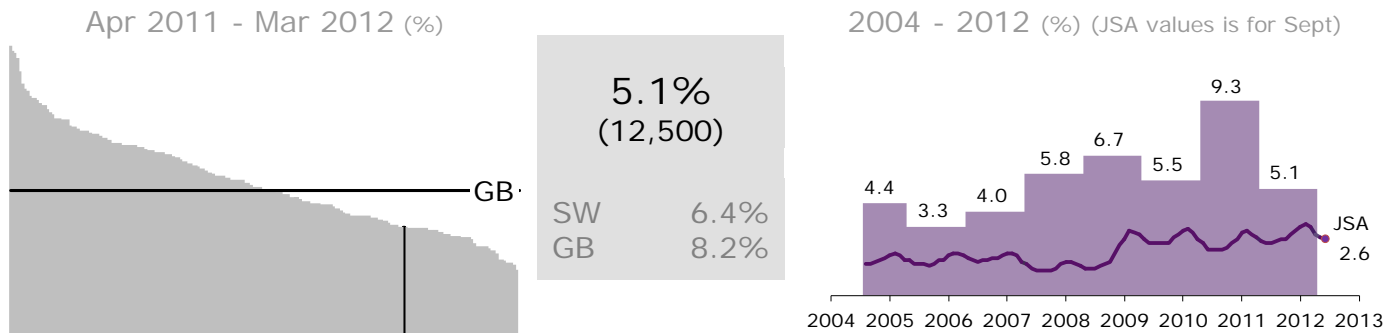
Cornwall and the Isles of Scilly (the **black bar**) compared to other areas

Headline figure

Change in Cornwall and the Isles of Scilly over time (from 2004 to most recent data)

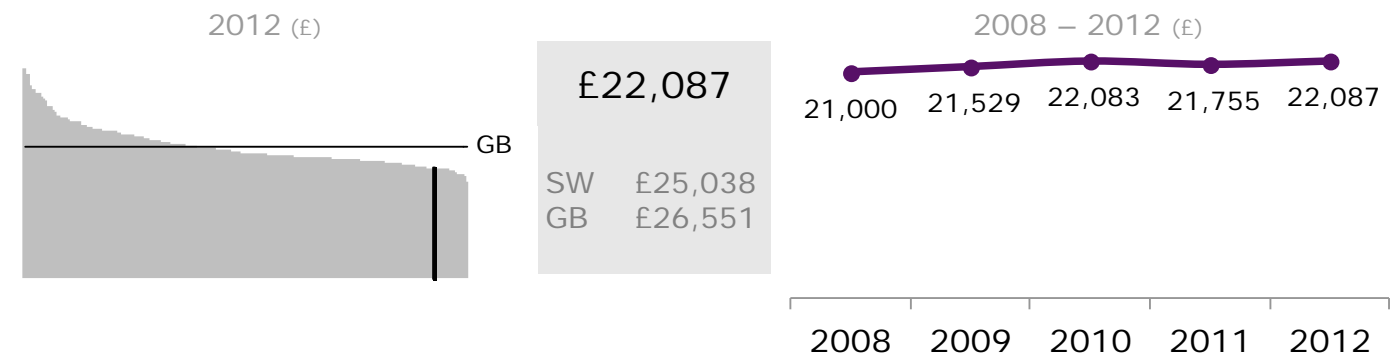
Unemployment rate (Annual Population Survey, ONS) Also see page 7.

In 2011/12, 5.1% of the working age population were unemployed in Cornwall and the Isles of Scilly. The jobseekers allowance (JSA) rate for September 2012 is 2.6%.



Full time annual earnings (Annual Survey of Hours and Earnings, resident analysis, Office for National Statistics)

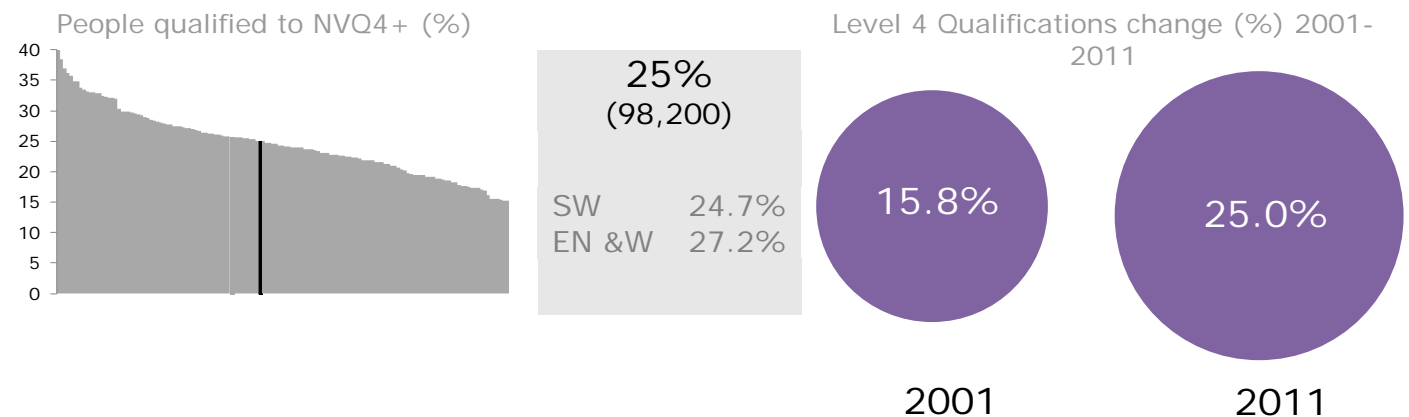
In 2012, the average annual earnings (before tax and other contributions) was £22,087.



Qualifications

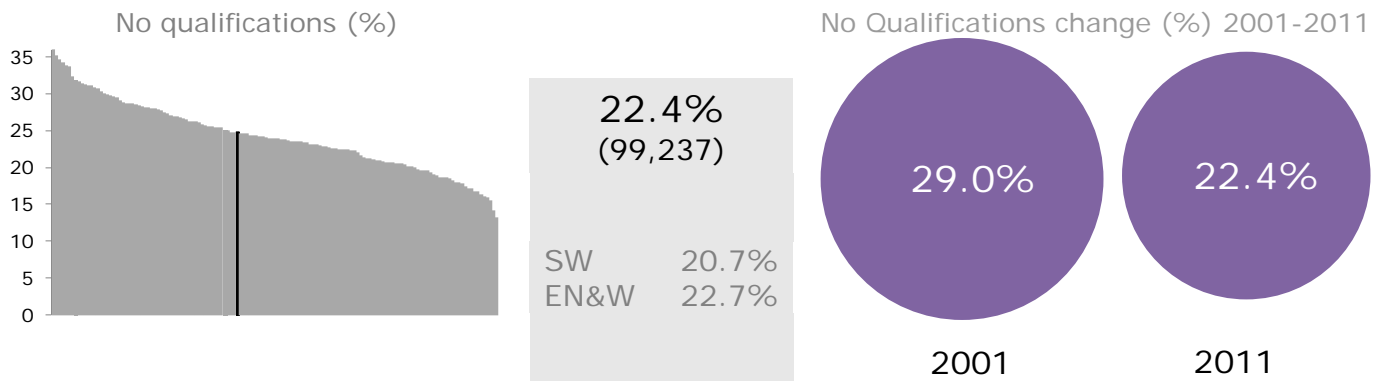
NVQ level 4+ (degree or equivalent and above) (Table KS501EW, 2011 Census)

In 2011, 25% of the population in Cornwall (110,518 people) aged 16-74 were qualified to NVQ4 or above. This includes degree (for example BA, BSc) or Higher Degree (for example MA, PhD, PGCE) or equivalent.



No qualifications (Table KS501EW, 2011 Census)

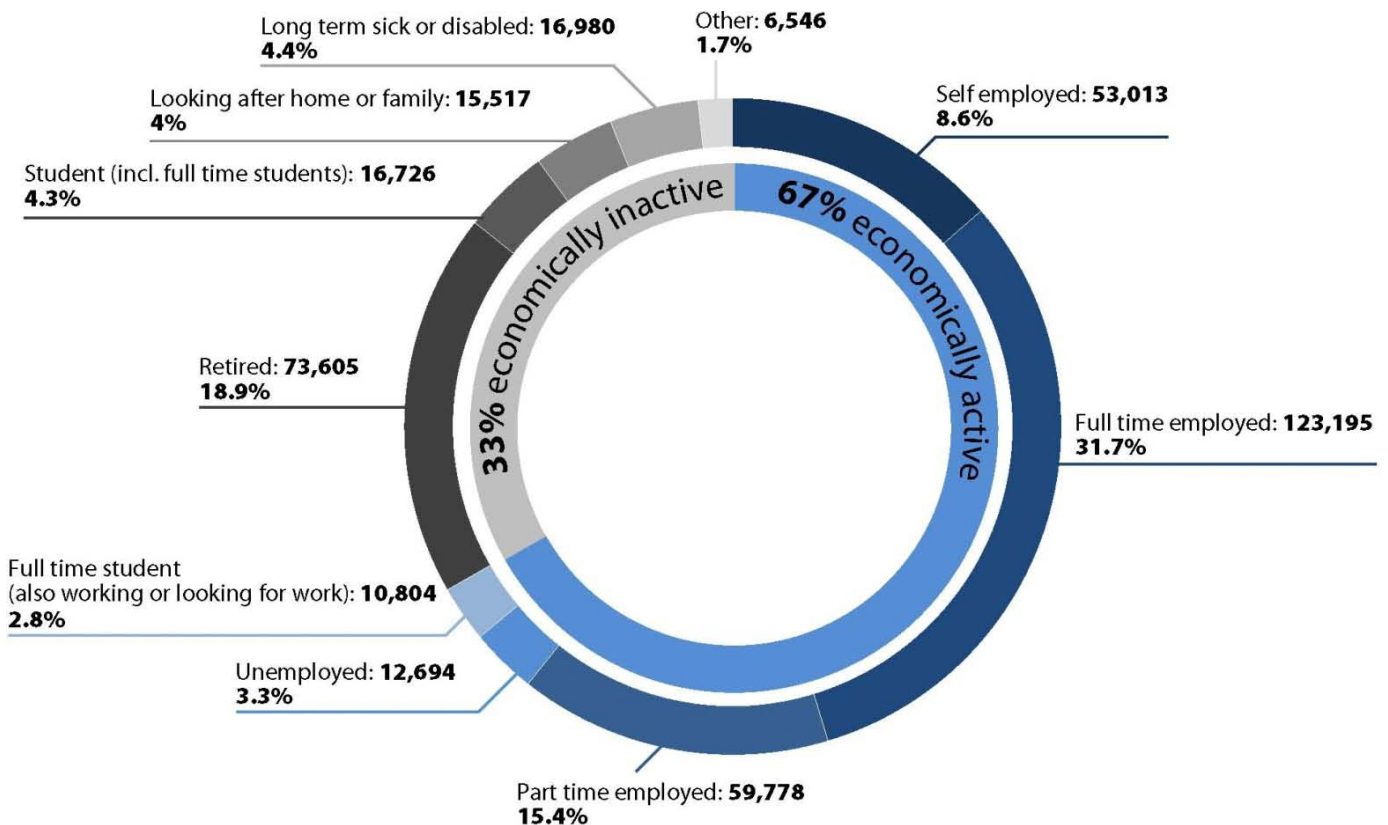
In Cornwall, 22.4% (99,237) of the population (aged 16-74) have no academic or professional qualifications.



Economic Activity

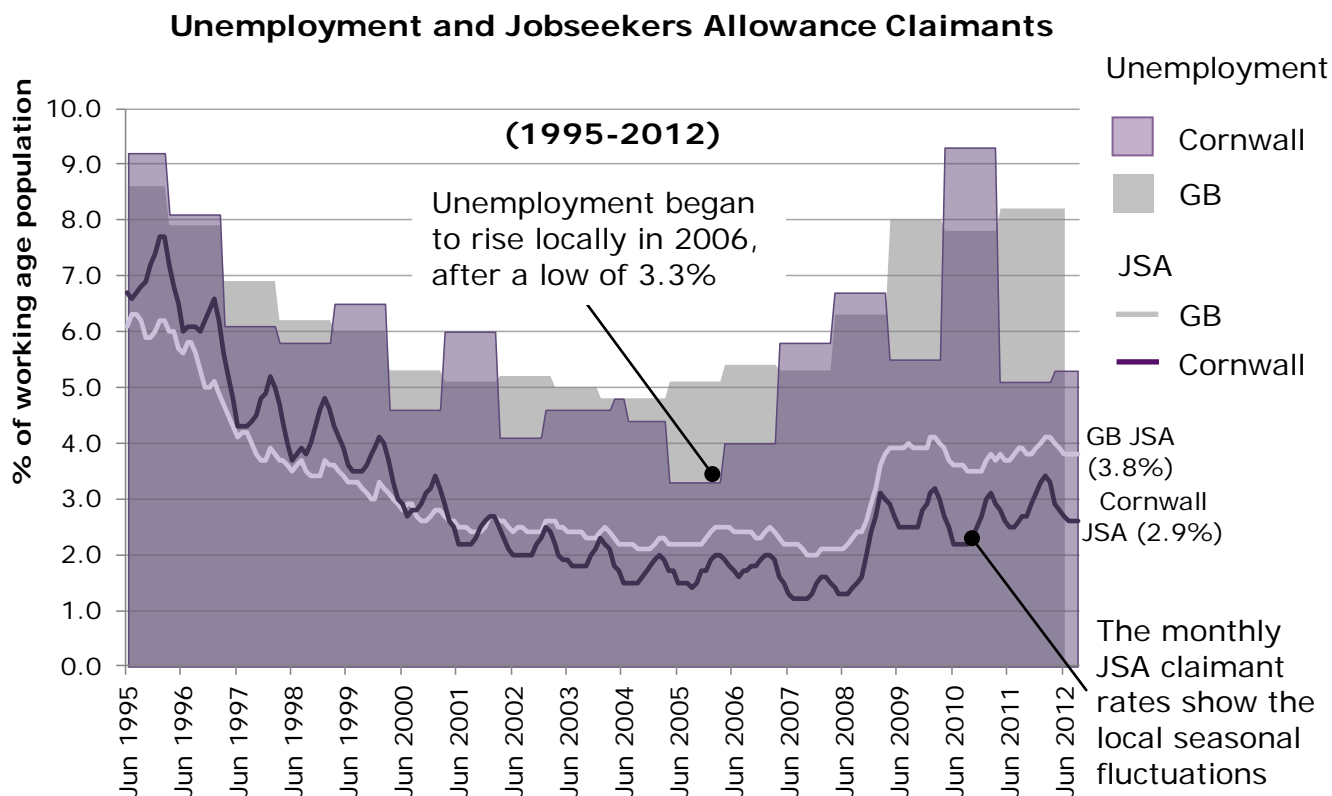
Economically active: the proportion of the population who are active or potentially active members of the labour market, including employed (full time, part-time and self-employed), unemployed but actively seeking work and on a government supported employment or training programme. This category includes people who were not working but were looking for work and were available to start work within 2 weeks. Full-time students who are economically active are included.

Economically inactive: specific categories of economic inactivity are: Retired, Student (excludes those students who were working or in some other way were economically active), Looking after family/ home, Permanently sick/ disabled and Other. A person who is looking for work but is not available to start work within 2 weeks is counted as Economically Inactive.



Understanding unemployment

The graph and notes below outline the trends and background to the unemployment and Jobseekers Allowance (JSA) benefit claimant rates. JSA rates are sometimes used as an indicator of unemployment levels, but many of those who are unemployed (without a job, but have been actively seeking work in the last four weeks) do not claim JSA, therefore it is an underestimate. As the graph below shows, there is a significant gap between the two rates.



Source: Annual Population Survey and Department for Work and Pensions
Analysis: Community Intelligence, Cornwall Council

Unemployment rate (bar charts) Apr 2011–Mar 2012 average:	JSA claimants (line charts) November 2012 snapshot:
(12,500) 5.1% Cornwall	2.9% (9,501)
8.2% GB	3.8%

Unemployed figures explained:

- People who have indicated that they do not have a job, but have actively sought one in the last four weeks.
- Data is based on a sample survey of the population (around 5,300 responses for Cornwall per year).
- Published as a 12 month average, but updated quarterly following periodic samples.
- The lag time on this data is seven months.

JSA figures explained:

- People who are entitled to claim Jobseekers Allowance must be actively seeking work and currently work less than 16 hours a week.
- To maintain their benefit payments, claimants are also required to attend interviews at the jobcentre, normally fortnightly.
- Data is based on Department for Work and Pensions records (via Jobcentres), published as a monthly snapshot.
- The lag time on this data is one month.

Endnotes:

¹ Businesses with sales of over £70,000 per year must register for UK VAT. Business in the UK must register for PAYE (pay as you earn) if they make salary payments or other compensations to employees (such as maternity pay, bonuses etc.).

² NUTS 2 regions are statistical areas defined for use across the European Union.