

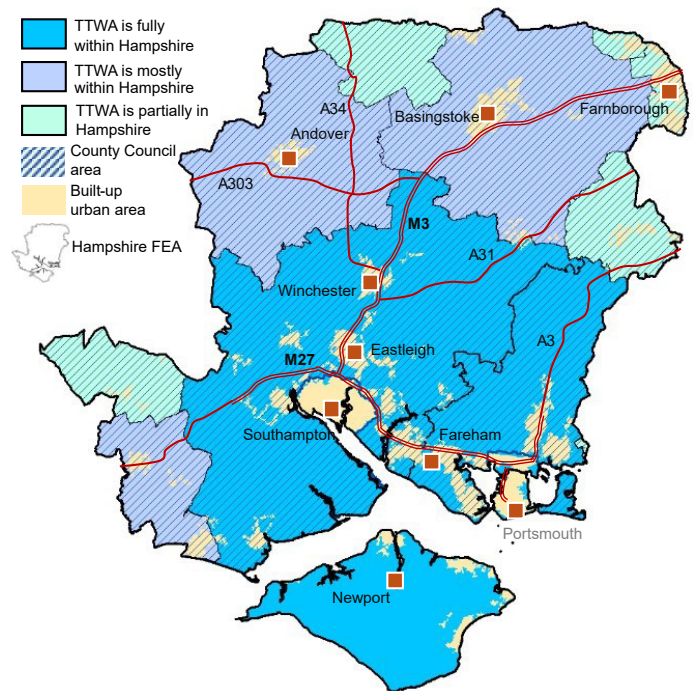
Hampshire employment and skills

Hampshire has one of the largest labour markets in the country, with just over one million jobs in 2022, although marginally lower than pre-pandemic peak. The County Council area saw 700,000 jobs, representing 70% of the Hampshire total.

With 0.83 jobs per resident of working age, Hampshire has a 4.5% gap in job density with the UK and South East averages. However, locally there are signs of some convergence in job densities across Hampshire, as Portsmouth and Southampton have seen their respective job densities increase since 2019.

Based on commuter movements and other data, Hampshire can be defined as a functional economic area in its own right whilst containing a number of travel to work areas (TTWA), either in their entirety, mostly within, or partly within Hampshire.

Hampshire functional economic area and its travel to work areas (TTWA)



Note: Based on ONS 2011 Census data and 2011 TTWAs



1.03 million

Jobs



979,100

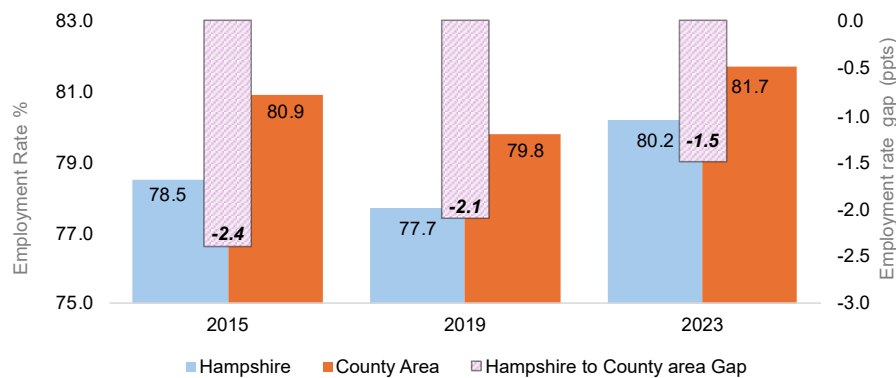
Residents in employment
(working age 16-64)



214,000

Economically inactive
(working age 16-64)

Hampshire labour market convergence



Census data points to increases in commuting between 2001 and 2011 from the Solent to the rest of Hampshire, and North Hampshire to the rest of Hampshire thus strengthening the economic linkages across a Hampshire wide functional economic area (FEA) and among a number of smaller TTWAs within Hampshire.

Hampshire had nearly one million working age residents in employment and a relatively high resident working age employment rate (80.2%), above the regional and national average. We have seen signs of convergence in the main labour market outcomes between Hampshire and the County Council area. Headline labour market outcomes in Hampshire used to be below the South East average, but in 2023 its economic activity, employment and unemployment rates performed better than the regional average. The post-pandemic labour market has been characterised by rising economic inactivity, in contrast to the global financial crisis, characterised by rising unemployment.

Hampshire has 878,700 employees, nine in every ten residents are employees, above the South East average. However, self-employment has been falling as opportunities became limited during the pandemic.

Skills are important for individuals and economic policy in general since they are associated with positive labour market outcomes for the individual (for example, employment and better paid jobs). Human capital is one of the most important drivers of productivity, growth and economic prosperity over the long run.





878,700

**Working age
resident
employees**



98,000

**Working age
resident
self-employed**

Employees and self-employed numbers will not sum to the employment total as small number non-permanent employment excluded

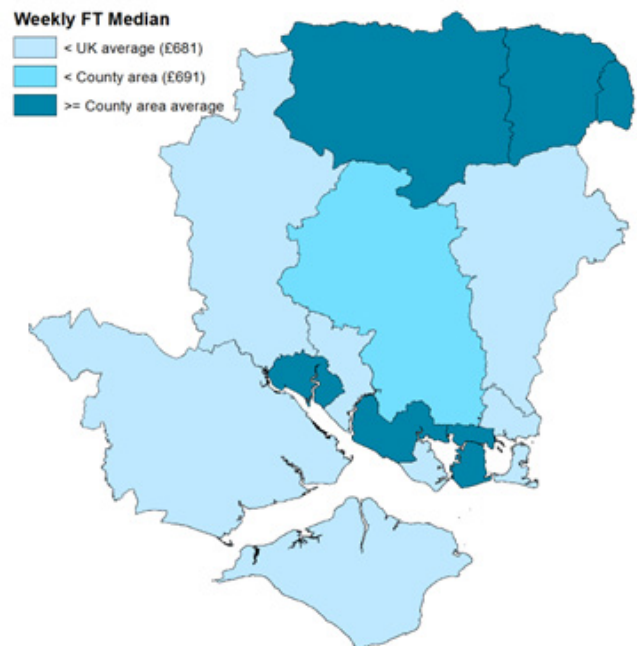
One in three (372,900) Hampshire residents are employed in occupations associated with advanced qualifications or skills. Although we have seen signs of growth post-pandemic, data points to Hampshire losing ground to the South East over the longer term which could erode Hampshire's competitiveness relative to other major sub-regional economies in the region and potentially impact on future investment if not reversed.

Over half of all occupations (53%) in Hampshire are intermediate-skilled occupations. These employee around 555,000 residents, and are important from progression from low to high skilled occupations. Many intermediate jobs are found in marine and maritime, health and social care, and manufacturing sectors.

Hampshire had close to 100,000 residents in lower-skilled occupations, representing around one-in-ten (9.6%) of working age residents in employment. These rates are higher than the South East (8.3%) but broadly comparable to the national average.

Both workplace and resident earnings in the County Council area are above the national average, although workplace earnings in several districts are below the UK average. In most cases, resident earnings are higher than workplace earnings, with commuting facilitating some movement to higher paid jobs outside Hampshire. Places with highly skilled populations tend to have high resident-workplace earnings gaps.

Hampshire workplace earnings



Hampshire occupation skills levels (aged 16+)

372,900

Highly-skilled occupations

Degrees,
directors,
managers, and
professionals.

554,500

Intermediate occupations

A levels,
technical,
administration,
sales, and
skilled trades.

100,000

Lower-skilled occupations

None or low
(GCSE 1-4)
elementary,
administration,
trades, and
services

Resident-workplace earning gap 2023 (%)



Graduate retention rates in Hampshire generally sit above the England median. Increasing graduate retention should be a core policy priority across all education and learning routes, with availability of good local quality jobs being the main factor that affects retention. Housing affordability in Hampshire often acts as a barrier that can constrain labour supply, reduce social mobility, and affect the main labour market outcomes for the individuals.

Deprivation exists in pockets across Hampshire. The impacts are wide ranging from health to education, and skills and training deprivation.

