

# North East



## Cogent in the Region

- The Cogent industries are strategically important to the North East region making up **5% of employees** and **5% employers** in the region.
- The Cogent workforce accounts for **18% of the manufacturing workforce** and **15% of manufacturing employers** in the region.
- The Chemicals and Pharmaceuticals industries account for **23% of the manufacturing GVA** and **5% of regional economy**.

### The region has a dominant cluster of Cogent employers:

Northumberland and Tyne and Wear have a concentration of **pharmaceuticals** and **specialty chemicals** companies and there is a focus on **Petrochemical** and **Oil and Gas** industries around the Tees Valley area. The petrochemical cluster at Wilton, Billingham and Seal Sands is the largest integrated chemicals complex in the UK in terms of manufacturing capacity. The region has a strong company base in sub-sectors such as power generation, oil and gas, nuclear and more recently renewables and low carbon technologies. The development of bio-fuels and bio-refining is becoming increasingly focused in the area. The North East Process Industry Cluster (NEPIC) has a strong presence in the region with its remit encompassing industries beyond the scope of Cogent, details can be found at: [www.nepic.co.uk](http://www.nepic.co.uk)

## Economic and Employment Update <sup>1,4,5,6</sup>

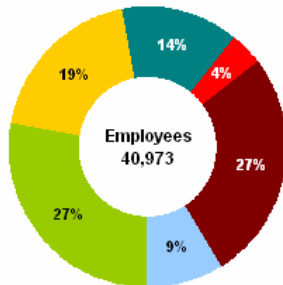
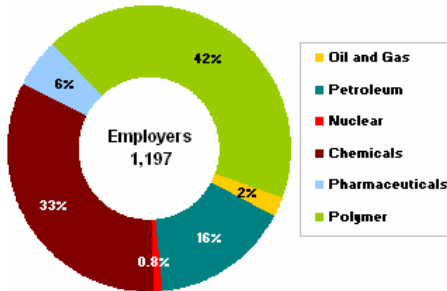
Industry	Weekly Pay-Gross <sup>4</sup>	Employers	NE % of UK Total	Employees	NE % of UK Total
	Median/£	n	%	n	%
Oil and Gas	*	27	4%	7,800	3%
Petroleum	*	189	3%	5,641	4%
Nuclear	*	10	5%	1,529	3%
Chemicals	594	396	13%	10,960	8%
Pharmaceuticals	496	66	4%	3,751	5%
Polymer	398	509	4%	11,293	5%
<b>NE- Cogent</b>	-	<b>1,197</b>	<b>5%</b>	<b>40,973</b>	<b>5%</b>
<b>NE- Region</b>	<b>446.4</b>	<b>74,795</b>	<b>3%</b>	<b>1,031,089</b>	<b>4%</b>

## Cogent - UK Headlines

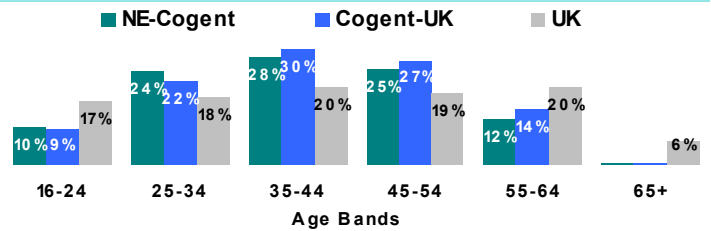
- **£ 201bn Turnover**
- **£ 65.5bn GVA**
- **7.1% of UK GVA**
- **900,000 employees**
- **23,000 employers**
- **14% of UK manufacturing workforce**
- **12% of UK manufacturing enterprises**

## The Workforce

### Employers and Employees <sup>5,6</sup> (direct and indirect)



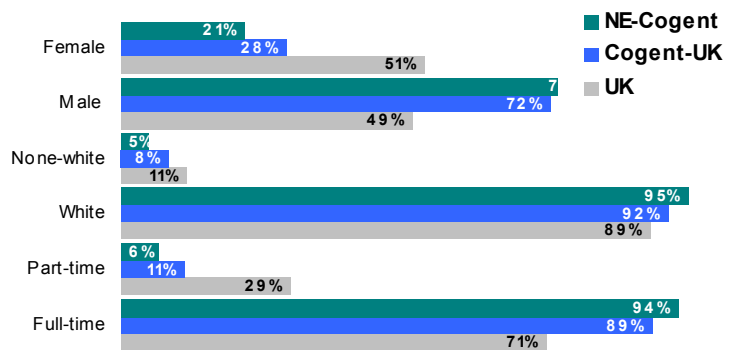
### Age Profile<sup>3</sup>



### Employers by Sizeband<sup>1</sup>

	Employees			
	1-10	11-49	50-199	200+
<b>NE-Cogent</b>	62%	24%	11%	4%
<b>Cogent-Great Britain</b>	68%	23%	7%	2%
<b>NE-Region</b>	81%	15%	4%	1%

### Workforce Distribution— Gender<sup>1</sup>, Ethnicity<sup>3</sup> and Employment Profile<sup>3</sup>



1. Annual Business Enquiry (ABI) 2008-data released June 2010, Office of National Statistics (ONS) 2010

2. National Employers Skills Survey (NESS) 2009

3. Labour Force Survey (LFS) 2009, ESDS 2010

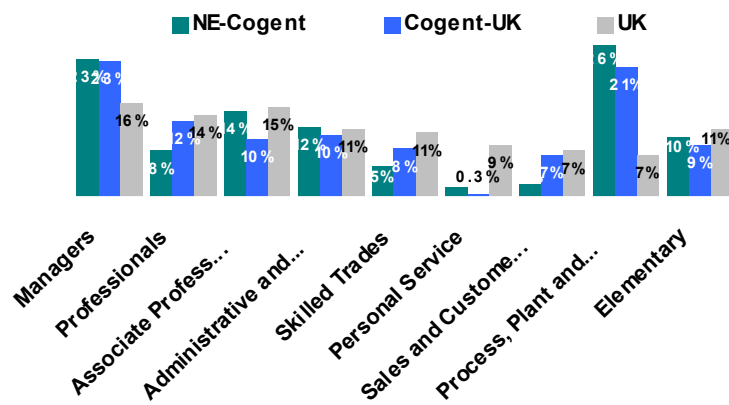
4. Annual Survey of Hours and Earnings 2009

\* Data suppressed— ONS 2010

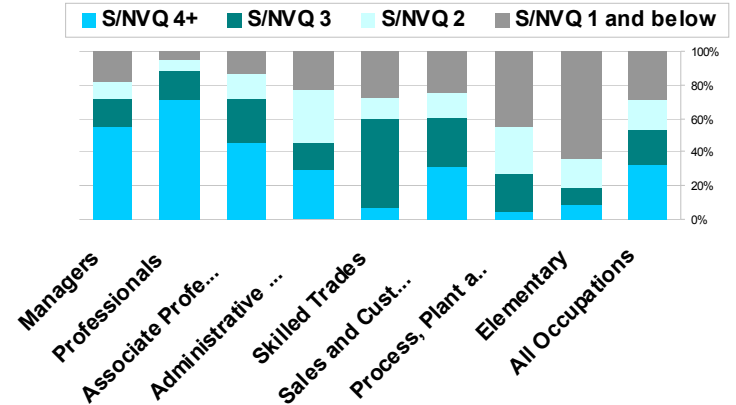
\*\* GVA - Gross value added (GVA) represents the amount that individual businesses, industries or sectors contribute to the economy.

# Occupational Distribution, Skill Level and Skills Needs

## Occupational Distribution<sup>3</sup>



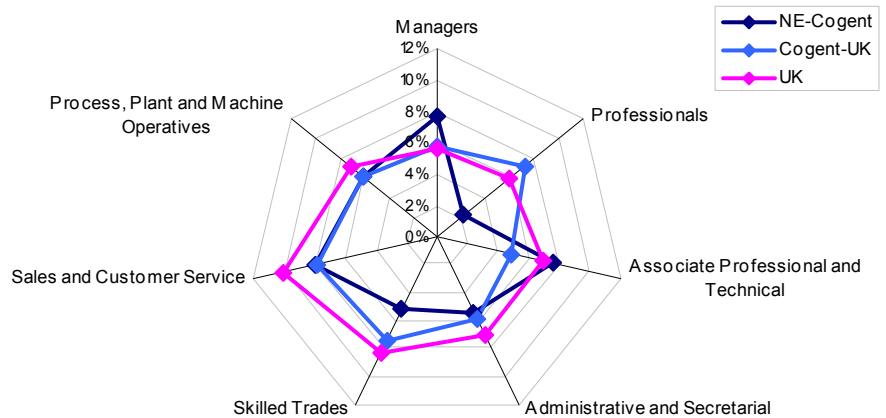
## Skill Level by Occupation<sup>3</sup>



## Skills Gaps<sup>2</sup>

	% of firms reporting skills gaps	% of staff with skills gap
Oil and Gas	61%	8%
Petroleum	29%	8%
Chemicals	26%	5%
Pharmaceuticals	38%	8%
Polymer	17%	3%
NE- Cogent	28%	6%
NE- Region	20%	6%

## Skills Gap by Occupation<sup>2</sup>



## Skills Demand and Training<sup>2</sup>

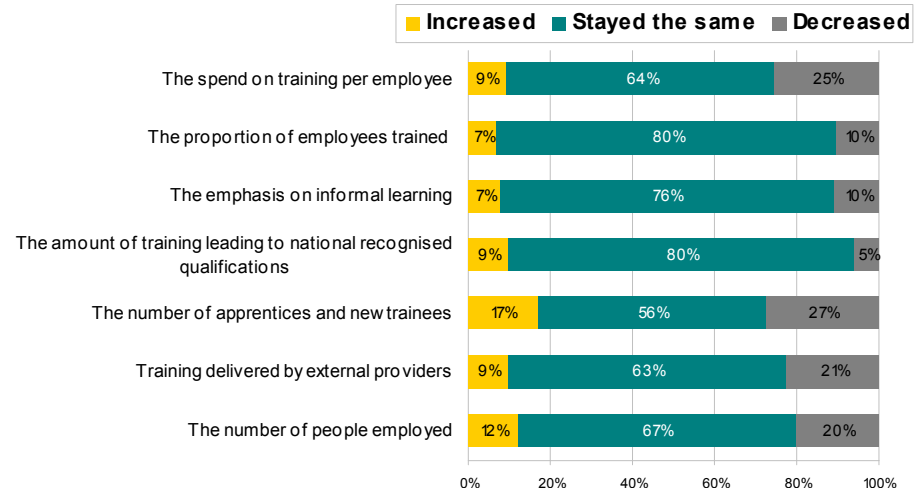
- The proportion of companies reporting vacancies fell by 14%, however internal skills gap increased by 5% from 2007- 2009.
- The proportion of employers reporting skills gap is higher than the national average by 9% in 2009.
- The proportion of employers providing training fell by 19% in the 2009 from 2007.

	NE-Cogent		England	
	2007	2009	2007	2009
Proportion of firms reporting vacancies	23%	8%	18%	12%
Proportion of firms reporting 'hard-to-fill' vacancies	10%	-	8%	3%
Proportion of firms reporting a skills shortage vacancy	7%	-	6%	2%
Proportion of firms reporting internal skills gaps	23%	28%	16%	19%
Proportion of firms providing training (last 12 months)	77%	69%	67%	67%
Proportion of workforce trained (last 12 months)	76%	57%	63%	56%

## Training by Industry<sup>2</sup> (last 12 months)

	% of firms provided training	% of staff trained
Oil and Gas	66%	45%
Petroleum	62%	50%
Chemicals	73%	67%
Pharmaceuticals	90%	78%
Polymer	80%	24%
NE- Cogent	69%	57%
NE- Region	68%	57%

## Impact of Recession<sup>2</sup>



5. Cogent Industry Estimate- (estimated from national data, ABI, LFS, NESS, BIS..etc)  
6. Power People: Civil Nuclear Workforce 2009-2025, Cogent Standard Industrial Classification (SIC 07 code), ONS 2010