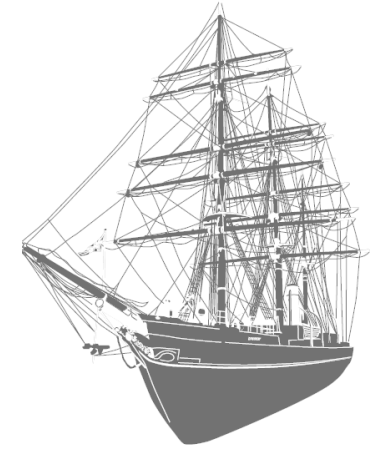
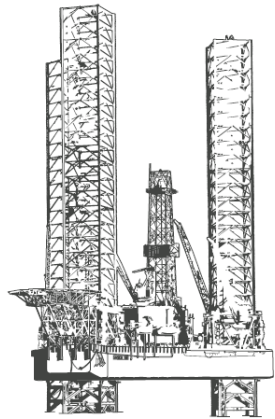


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DUNDEE ECONOMIC PROFILE

BUSINESS NEWS & HIGH LEVEL STATISTICS



ANY QUERIES RELATING TO THIS PUBLICATION SHOULD BE DIRECTED TO THE
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Tourism bolstering Dundee's economy

02/10/19



New research into Dundee's tourism industry has shown significant increases in visitors, jobs created and business growth this year.

Dundee Tourism Action Group commissioned the independent evaluation, which looked at the first six months of 2019 compared with the previous year.

The first research of its kind covering a period entirely after the opening of V&A Dundee, it showed a 19.4% rise in visitors to the city.

"Encouraging step" Innovation Parc

16/07/19



The leader of Dundee City Council today welcomed appointment of John Reid as chief executive of the recently established Michelin-Scotland Innovation Parc.

John, who takes up post with immediate effect, is general manager of Michelin's plant in Dundee and will now drive forward the ambitious plans to create a flagship innovation centre on the site of the Michelin factory at Baldovie.

DEMOGRAPHICS

AGE STRUCTURE

POPULATION PROJECTIONS

EMPLOYMENT & UNEMPLOYMENT

EMPLOYEE EARNINGS

LABOUR SUPPLY

CLAIMANT COUNT

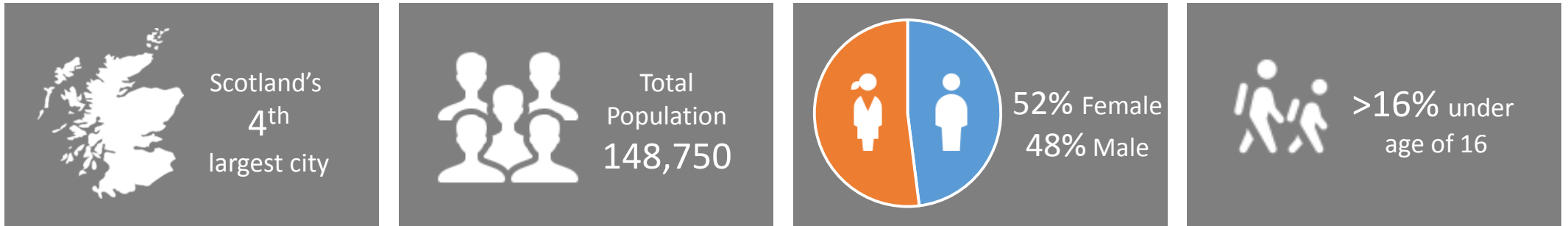
OCCUPATIONS

EMPLOYEE JOBS

BUSINESS



Dundee is Scotland’s 4th largest city, with a population of 148,750 and access to a wider region of 490,000 people. The City accounts for 2.7% of the total population of Scotland – with a population of 5,438,100.



Source (ALL): ONS Mid-Year Population Estimates (2018)

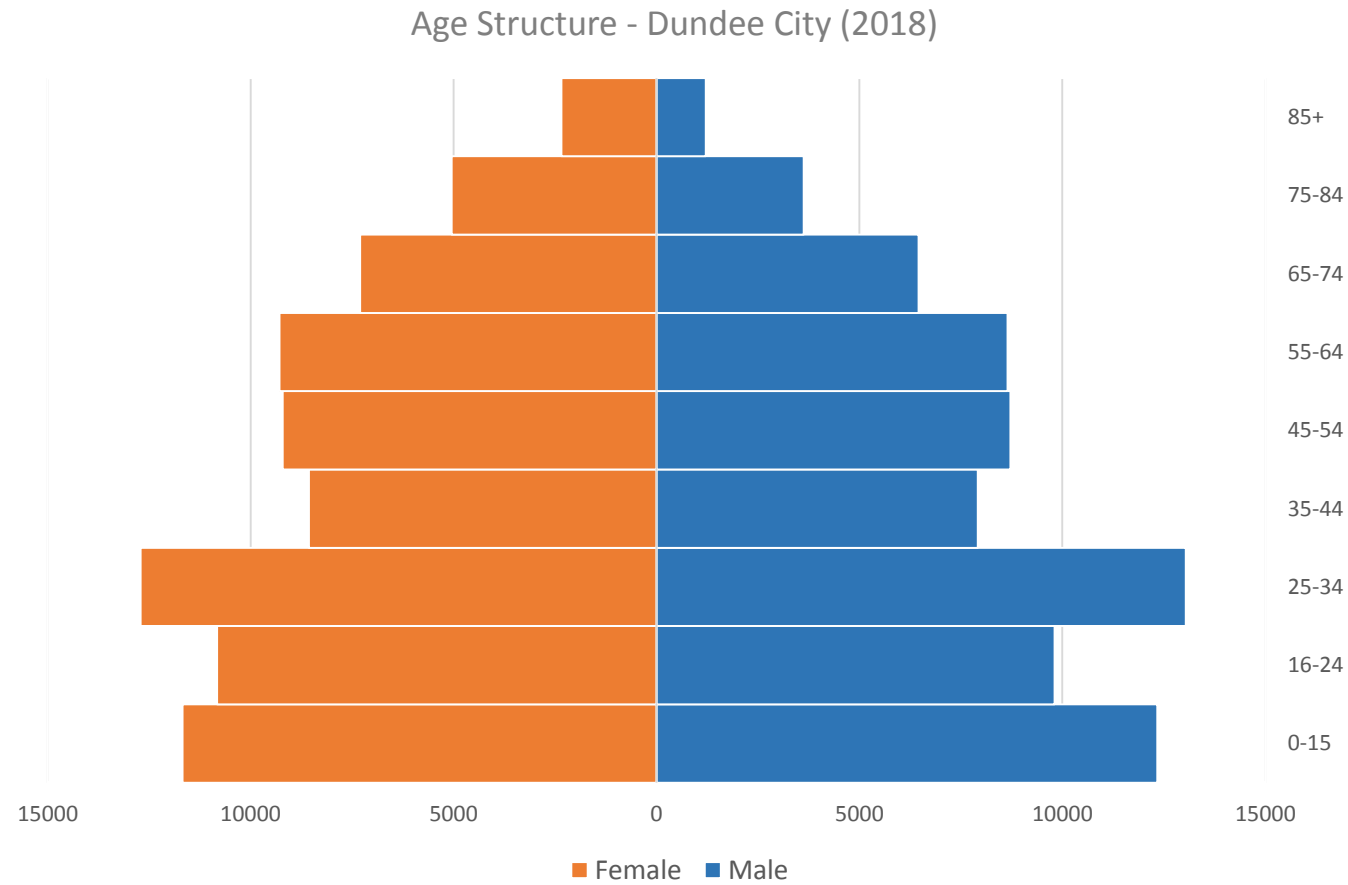
An analysis of Dundee’s population revealed the following trends are relevant when contemplating Dundee – the geographically smallest local authority area in Scotland. Dundee’s share of working age population (66.4%) is slightly higher than the national average of 64.2% and a pensionable age population accounting for 17.5% of the total population. The city has one of the highest student: population ratios in Scotland at 1:5.



Source (ALL): ONS Mid-Year Population Estimates (2018)

The figures show that with a working age population of 98,700 but only 66.6% of the working age population are participating in the labour market, there is pressure for the working-age population to support the 17.5% of Dundee’s population of pensionable age. The high concentration of students in the City is positive as they usually participate in the labour market and provide a skilled labour pool for local employers. The negative is that this can be seasonal and so the local economy is negatively impacted when the students leave.

The age structure for the city indicates that most of the population fall within the 25-34 age category, accounting for over 17% of Dundee's total population. The national figure for this age category is 13.7%. It is important to note however, that this age category in particular is subject to seasonal variances as the city is home to a large student population. The combined total for people over the age of 65 in Dundee City is 25,987 which equates to 17.5% of the total population and the Scottish figure is 18.9%.



Source (ALL): ONS Mid-Year Population Estimates (2018)

Age	2017	2022	2027	2032	2037
0-15	24,217	25,346	25,822	25,876	25,756
16-29	35,174	31,873	31,099	32,033	32,918
30-49	35,964	38,284	40,545	40,873	40,157
50-64	27,338	27,467	25,108	23,734	24,268
65-74	13,607	13,980	15,259	16,333	15,570
75+	12,409	13,109	14,219	15,510	17,568
Total:	148,709	150,059	152,052	154,359	156,237

Source: NRS Population Projections (2017)

The population projections for Dundee City estimate that total population will increase from 148,709 (2017) to 156,237 (2037). The resulting increase can be expressed as 5% over the next two decades, with the ten year projections anticipating a 2.2% population increase.

Dundee's projected population shows both 16-29 and 50-64 age categories decreasing over the twenty year period, with all other age categories set to increase. Dundee's working-age population is projected to decrease from 66.2% to 62.3% in 2037. The current age structure pyramid shows that 17.5% of Dundee's population is currently over the age of 65 and this category is expected to rise by over 7,000 by 2037.



Source (1): Business Register & Employment Survey (2018), (2&3) Annual Survey of Hours & Earnings (2018)

An analysis of Dundee City employees (workplace-based) revealed that employee numbers have increased from 74,000 in 2015 to 76,000 in 2018. Additionally, figures from the same time period indicate that fulltime employees (FTE) increased from 47,000 to 49,000, with part-time employees (PTE) remaining the same at 26,000. This data illustrates a shift in Dundee's labour market structure and is indicative of more residents securing fulltime employment, consequently lowering unemployment figures across the city.

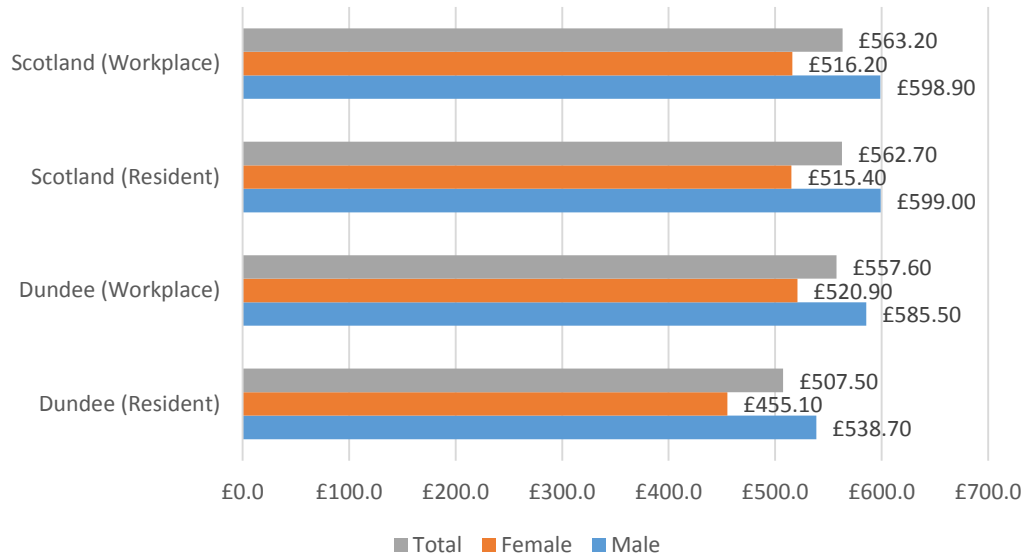
Dundee has access to a wider labour market, strengthened by the cities transport provision and easily commutable location to outlying areas and other Scottish cities. As a result, Dundee City (work-place) delivered 80,000 employee jobs in 2017.

Dundee has access to a wider labour market, strengthened by the cities transport provision and easily commutable location to outlying areas and other Scottish cities.

In Dundee, 20.3% of the population work in professional occupations which is in line with the national proportion that work in the same occupations at 20.9%. Dundee has a proportionately higher share of people working in caring, leisure and other service occupations (11.8%) and also in sales and customer service roles (11.9%).

In terms of education, Dundee City has 43.1% of people qualified to NVQ4+ versus 44.2% in Scotland. The proportion of the population that hold no qualifications is higher in Dundee at 10.5% than in Scotland at 9.7%.

Median Gross Weekly Pay (FTE)
Dundee City & Scotland 2018



In terms of earnings, employees in Dundee (workplace) have higher earnings than Dundee (residents) but lower than the Scottish average.

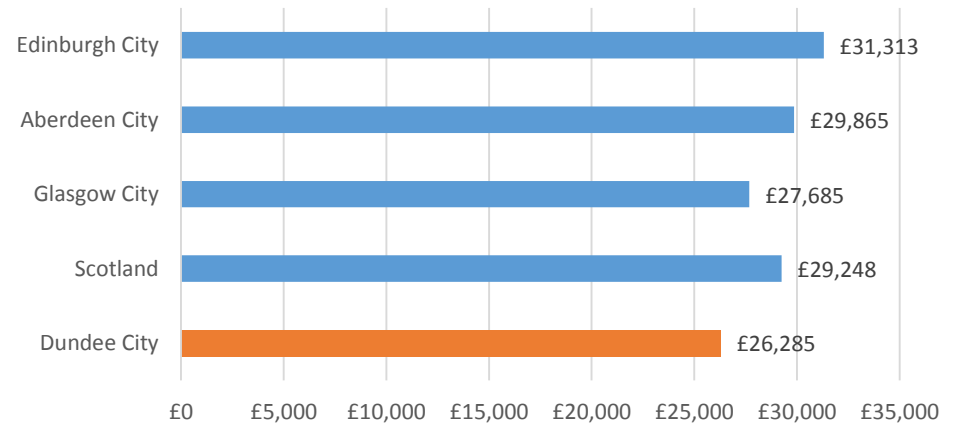
For example a FTE in Dundee (workplace) would earn on average £585.50/week but a Dundee (resident) would earn £538.70, whilst a Scotland (workplace) would earn £598.90.

In all instances, male FTE employees are earning more than female FTE.

A comparison of full-time employees for the four main Scottish cities and Scotland revealed that in 2018, Dundee City (residents) had the lowest annual earnings at £26,285.

Of the three other Scottish cities—Edinburgh and Aberdeen were all earning above the Scottish average of £29,248. With Glasgow trailing the Scottish average at £27,685.

Median Gross Annual Earnings (Resident) 2018
(FTE)



Source: (ALL) Annual Survey of Hours & Earnings (2018)

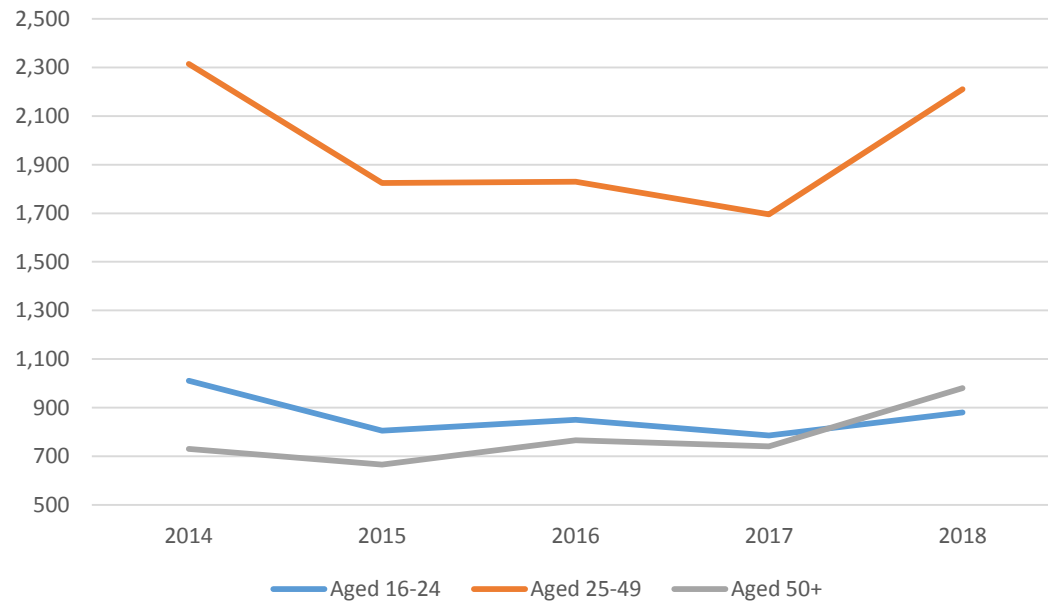
The proportion of people who are economically active in Dundee City is almost over 7% lower than the proportion in Scotland. Similarly, the percentage in employment is almost 8% lower in Dundee City compared with the Scottish figure of 74.5%. Dundee has a lower proportion of employees than the Scottish average and also lower levels of self-employed people. Dundee City has a higher proportion of unemployed people than in Scotland.

The internationally accepted measure of unemployment is an indicator commissioned by the International Labour Organisation (ILO), assessing the number of jobless people who want to work, are available to work and are actively seeking employment. The data is captured in the Office for National Statistics (ONS) Annual Population Survey dataset, sampling those without a job who have been actively seeking work in the last four weeks and are available to start work in the next two weeks.

Employment Status (Apr 2018-Mar 2019)			
	Dundee City (numbers)	Dundee City (%)	Scotland (%)
Economically Active	69,700	70.5	77.8
In Employment	65,900	66.6	74.5
Employees	57,500	58.5	65.5
Self-employed	7,300	6.9	8.6
Unemployed	4,000	5.8	4.1

The claimant count is categorised as an ‘experimental statistic’ by the ONS and represents the number of people claiming Job Seekers Allowance (JSA) plus those who claim Universal Credit (UC) who are out of work. The claimant count replaces the number of people claiming JSA as the headline indicator of the number of people claiming benefits principally for the reason of being unemployed - this measure however, is not classified as a national statistic.

Claimant Count by Age (2014-2018)
Dundee City

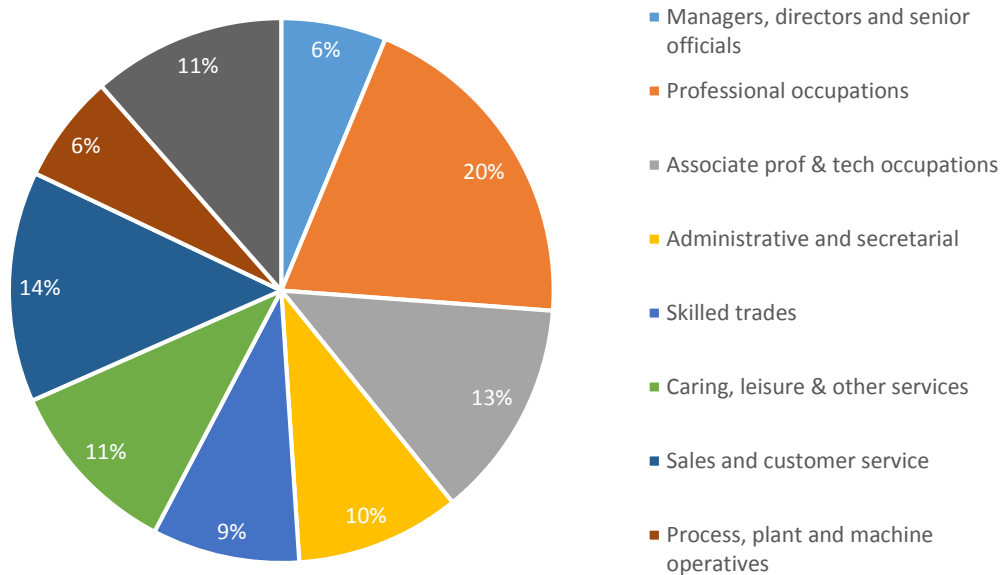


The age profile of unemployed claimants has varied over the four year period – the claimants aged 16-24 and aged 50+ show similar trends on a quarterly basis. The data shows that both Dundee and Scotland’s claimant rates have remained relatively stable between 2014 and 2018 and Dundee has a consistently higher claimant rate than the Scottish average.

	Dundee (Count)	Dundee (Rate)	Scotland (Rate)
2014	4065	4.1%	2.8%
2015	3310	3.4%	2.3%
2016	3455	3.5%	2.2%
2017	3230	3.3%	2.3%
2018	4075	4.1%	2.6%

Dundee’s employees are employed across a number of occupation groups. The most prominent occupations in the city are professional (20%), associate prof & tech occupations (13%) and sales & customer service (14%). Dundee’s proportion of caring, leisure and other service occupations and sales and customer service occupations are higher than the Scottish figure. In contrast, Dundee has a relatively lower proportion of managers, directors and senior officials and skilled trades when compared with Scotland.

% in employment by occupation



Variable: % all in employment who are -	Dundee (%)	Scotland (%)
1. Managers, directors & senior officials	6.2	8.7
1. Professional occupations	19.8	20.7
1. Associate prof & tech occupations	12.9	13.4
1. Administrative and secretarial occupations	9.7	10.0
1. Skilled trades occupations	8.7	11.1
1. Caring, leisure and other service occupations	10.6	9.7
1. Sales and customer service occupations	13.6	8.4
1. Process, plant and machine operatives	6.4	6.7
1. Elementary occupations	11.4	11.0

The table demonstrates the employment trends in Dundee City versus Scotland – the key differences are that Dundee has proportionately more people employed in administrative and secretarial and sales and customer service occupations. Dundee City has proportionately less skilled trade and professional occupations than the Scottish equivalent.

Source: (ALL) Annual Population Survey (2018)

The most recent data from 2017 indicated that Dundee has a higher jobs density to Scotland at 0.85 and 0.81. This is the ratio of total jobs to population aged 16-64. and includes employees, self-employed, government-supported trainees and HM Forces. Dundee has 76,000 employee jobs – 48,000 are full-time and 27,000 are part-time.

	Dundee Count	Dundee (%)	Scotland (%)
1 : Agriculture, forestry & fishing (A)	15	0.0	1.6
2 : Mining, quarrying & utilities (B,D and E)	700	0.9	2.7
3 : Manufacturing (C)	5,000	6.7	7.1
4 : Construction (F)	3,500	4.7	5.4
5 : Motor trades (Part G)	1,500	2.0	1.8
6 : Wholesale (Part G)	2,000	2.7	3.0
7 : Retail (Part G)	8,000	10.7	9.0
8 : Transport & storage (inc postal) (H)	1,750	2.3	4.2
9 : Accommodation & food services (I)	8,000	10.7	8.0
10 : Information & communication (J)	3,000	4.0	3.2
11 : Financial & insurance (K)	800	1.1	3.4
12 : Property (L)	1,000	1.3	1.3
13 : Professional, scientific & technical (M)	3,500	4.7	7.0
14 : Business administration & support services (N)	4,000	5.3	8.1
15 : Public administration & defence (O)	5,000	6.7	6.3
16 : Education (P)	8,000	10.7	7.7
17 : Health (Q)	16,000	21.3	15.5
18 : Arts, entertainment, recreation & other services (R,S,T and U)	3,500	4.7	4.8

Source: (ALL) Business Register & Employment Survey (2018)

Dundee's employees are employed across a number of occupation groups. The most prominent occupations in the city are health (21.3%), education (10.7%), retail (10.7%) and accommodation and food services (10.7%).

Dundee has proportionately more people employed in health, education and retail. The City has lower proportions of financial and insurance (1.1%), professional, scientific and technical (4.7%) and business administration and support services (5.3%).

Dundee is fairly consistent with Scotland's rate of employee jobs in the following occupations: construction, manufacturing, property and arts, entertainment, recreation and other services.

A five-year analysis of registered enterprises in Dundee City revealed that between 2013 and 2018 the business stock increased by 9%. The most significant increase was in small business (0-49 employees) with a 9.8% growth over the five-year period.

	2012	2018
0-49	2900	3185
50-249	175	180
250+	390	410
Total	3460	3775

Source: Businesses in Scotland (2018)

Births/Deaths of new enterprises in Dundee (2012-2016)					
	2013	2014	2015	2016	2017
Births	515	500	480	500	460
Deaths	345	385	450	485	450

Source: Businesses Demography (2017)

The most recent figure for total employment in businesses in Dundee City is 51,440 (Businesses in Scotland, 2018), a 4% increase from the figure from 2013 at 49,410. There is a further upward trend in terms of the turnover generated from enterprise in Dundee between 2013 and 2018 showing an increase of 5% as the value increased from £4243M to £4981M.

The three most prominent sectors for business in the city in 2018 were: wholesale, retail and repairs (21.6%); professional, scientific and technical activities (12.7%) and construction (11.4%). These sectors accounted for £1847M, £198M and £291M of turnover respectively. As at March 2018, there were an estimated 18,800 registered enterprises operating in Scotland, an increase of 2% on 2013 figures.

The table above (right) demonstrates that Dundee has consistently attracted over 400 new enterprises per year since 2013, but these numbers must be balanced with the number of businesses that ceased trading in the same year.

Business survival rates in Dundee City follow the same trend as Scotland – with the survival rate for businesses in Dundee City following below the rate for Scotland in year 3. Given that only 37.3% of businesses survive to their 5th year of trading in Dundee City, it is important that we continue to make a commitment to generating more business start-ups per year to counteract the proportion that cease trading.

	1 year	2 year	3 year	4 year	5 year
Dundee City	95.5%	76.1%	58.2%	47.8%	37.3%
Scotland	93.1%	75.6%	60.5%	51.0%	44.1%

Source: Businesses Demography (2017)

Pg.	Source	Frequency
3	ONS – Mid Year Population Estimates	Annual – June 2020
4	Population Projections	Annual – April 2020
5	Business Register & Employment Survey	Annual – Sept 2020
6	Annual Survey of Hours & Earnings	Annual – Nov 2019
7	Annual Population Survey	Quarterly – October 19
8	Claimant Count	Quarterly – October 19
9	Businesses in Scotland	Annual – Autumn
10	Business Demography	Annual – year behind – Nov 2019