



HIGHLANDS AND ISLANDS

AREA PROFILES 2020

MORAY

MORAY: DEMOGRAPHICS AND LABOUR MARKET

PEOPLE MORAY

Population density of
**43 PEOPLE
PER SQ.KM**
versus 12 regionally and 70 nationally

20.4%
of Highlands and
Islands population

Population of
95,820
up 2.5% since 2011, higher than the
increase regionally (0.5%) but lower than
the increase nationally (3.1%)

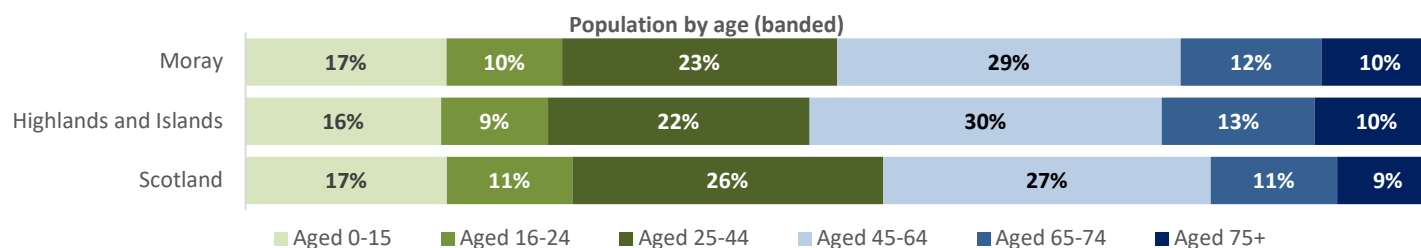
**POPULATION
PROJECTED TO
DECLINE BY 3%**
between 2018 and 2043



YOUNGER AGE PROFILE THAN REGIONALLY

DEPENDENCY RATIO: 62.5 VERSUS **65.5** REGIONALLY AND **56.2** NATIONALLY

(number of people aged 0-15 and 65+ per 100 people of working age):



LABOUR MARKET MORAY September 2020

Employment rate:
74.4%
VERSUS 77.5%
regionally and 73.8% nationally

Economic activity rate:
76.5%
VERSUS 79.4%
regionally and 76.5% nationally

Self-employment rate:
8.4%
Compared to 11.6% regionally
and 8.4% nationally



NOTES:

NRS [Mid-year population estimates 2019](#)

Population projections – NRS 2018 based sub-national population projections.

Employment, economic activity and self-employment – APS 12 months to September 2020, rates based on those aged 16-64.

For the purposes of this report, 'regionally' refers to the Highlands and Islands

MORAY: UNEMPLOYMENT

December 2019 to December 2020



2,760

PEOPLE UNEMPLOYED

MORAY rate of **4.7%** up from **2.5%**

The unemployment rate in Moray increased by 2.2 percentage points, slightly below the increase across the region (2.4 percentage points) and nationally (2.7 percentage points). It peaked at 5.1% in July and August 2020.

YOUTH UNEMPLOYMENT ROSE

from 4.1% to 7.4%

Youth unemployment was 525 in December 2020, an unemployment rate of 7.4%. This was below the Highlands and Islands (7.8%) and national (8.3%) rates, but still suggesting significant barriers for young people wishing to enter the labour market.

Male unemployment: 5.5% up from 2.9%

Female unemployment: 3.9% up from 2.1%

4,100

EMPLOYMENTS FURLOUGHED IN MORAY as at end December 2020

10% of eligible employments, lower than the regional and national (both 11%) rates.

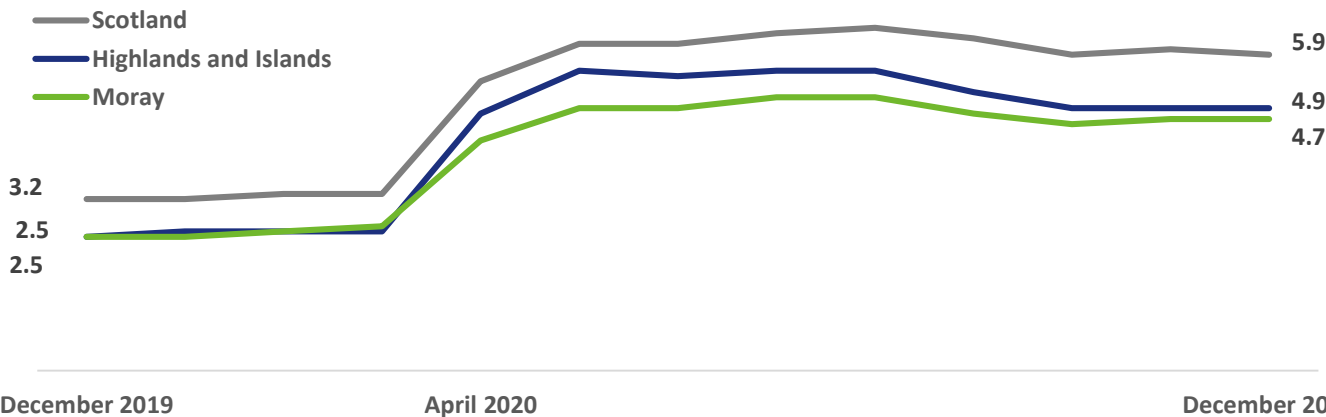
The number of employments furloughed is estimated to have increased from 2,400 (6% of eligible employments) at the end of November 2020.

1,600

workers in Moray have claimed the third **SELF-EMPLOYMENT INCOME SUPPORT SCHEME** grant.

Take-up of the third SEISS grant in Moray was 43%, below the rate across the Highlands and Islands (45%) and Scotland (54%).

Unemployment (Claimant Count) Moray



NOTES:

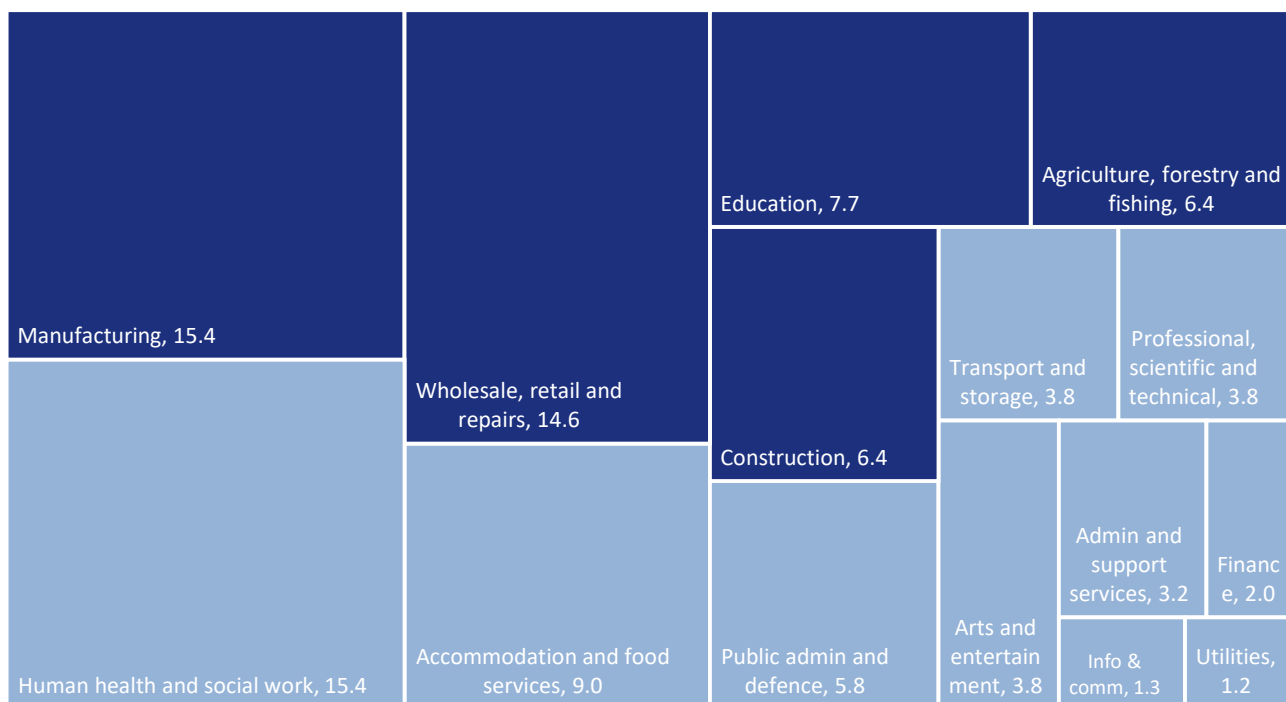
Unemployment based on claimant count. Note that enhancements to Universal Credit as part of the UK government's response to the coronavirus mean that an increasing number of people became eligible for unemployment-related benefit support, although still employed. Consequently, changes in the Claimant Count may not be due wholly to changes in the number of people who are unemployed.

Youth unemployment refers to people unemployed aged 18-24.

UK Government Coronavirus Job Retention Scheme are provisional figures for 31 December 2020. Self-employment Income Support Scheme statistics – claims for the third grant of SEISS to 31 December 2020

MORAY: EMPLOYMENT

Employment by sector (%): Moray



The Treemap represents total employment in the area, with the size of box for each sector relative to its share of employment in the area. Dark blue shading indicates sectors with a greater share of employment than nationally.

The top 3 employment sectors in Moray:

Manufacturing and human health and social work (both 15.4%) and wholesale and retail (14.6%). Together they account for around 17,500 jobs

In Moray:

19,200 people are employed in the sectors most exposed to the economic effects of COVID-19²

49% of total employment – higher than the average regionally (41%) and nationally (38%)

The sectors in Scotland hardest hit to date by COVID-19 include manufacturing, accommodation and food services and arts, entertainment and recreation. The latter two are still facing significant restrictions and have the lowest shares of businesses currently trading and higher than average rates of staff on furlough.

The manufacturing sector accounts for more than double the share of employment in Moray (15.4%) than regionally (6.1%) and nationally (6.5%)

Moray has a lower share of employment in accommodation and food services (9.0%) than regionally (11.8%), but is higher than the national average (8.2%)

The area has a marginally lower share of employment in arts, entertainment and recreation (3.8%) compared to 4.1% regionally and 4.4% nationally

In Moray⁴:

81.6% of private sector registered businesses are micro (0-9 employees)

compared to 86.4% regionally and 87.1% nationally

SMEs account for 61.7% of private sector employment

compared to 67.6% regionally and 50.6% nationally



There is evidence to suggest SMEs are at a greater financial risk from COVID-19 than larger private organisations or public bodies⁵. The dominance of micro businesses and share of employment in SMEs indicates a greater impact of COVID-19 on Moray than across Scotland overall, although less so than other areas of the region.

At the same time, these businesses are the ones that are most flexible and potentially able to respond to the challenge.

NOTES:

1. Employment data: BRES 2019. Based on employment. Total employment in Moray is 39,000

2. Scottish Government analysis of sectors most exposed to COVID-19 – [June monthly economic brief](#) and equivalent analysis for BRES 2019

3. Scottish Government [BICS weighted Scotland estimates](#)

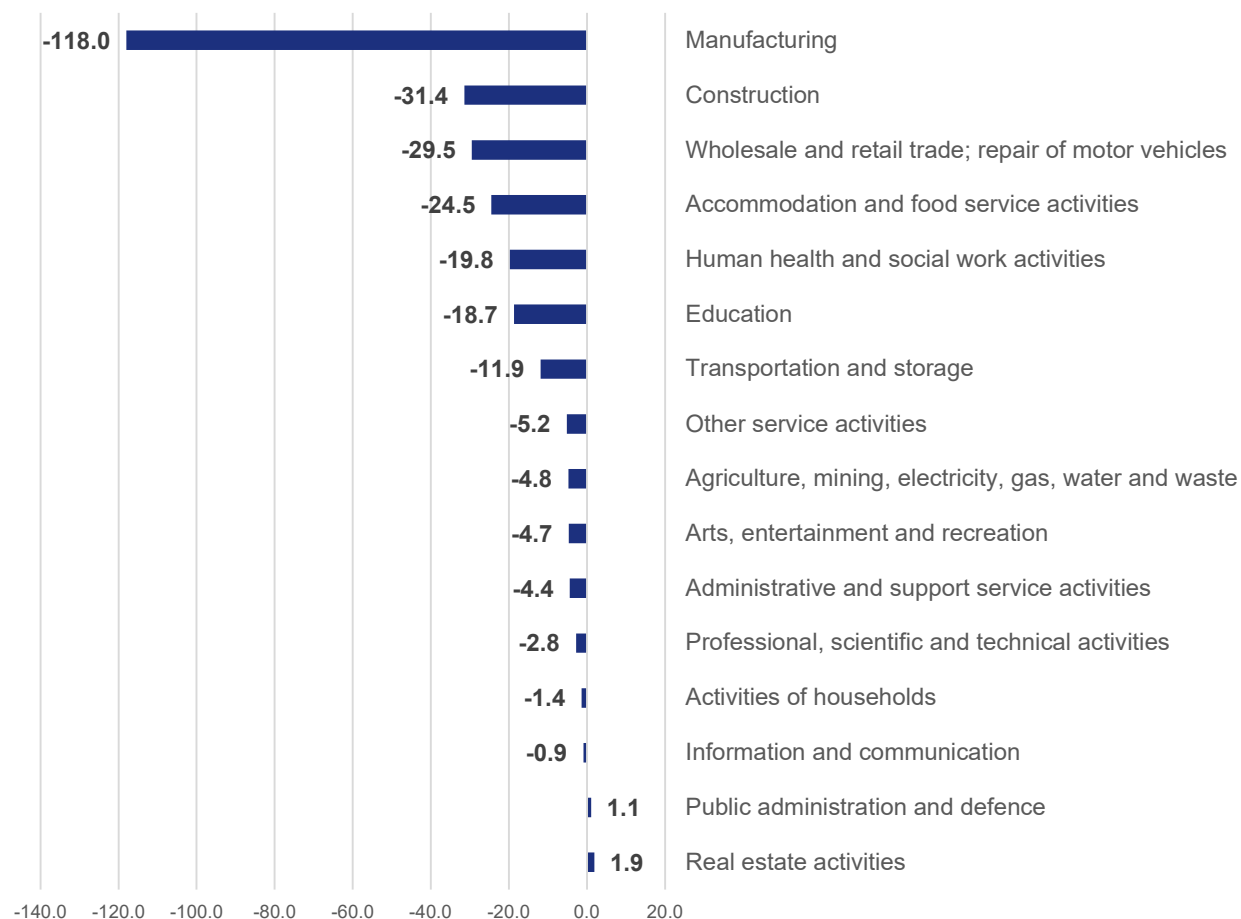
4. Number of businesses and employment by size of business: IDBR 2019 - analysis is based on private sector (VAT and/or PAYE) registered enterprises only so may undercount small businesses not reaching these thresholds

5. [The Impact of Covid-19 on Scottish Small and Medium-Sized Enterprises](#), 25 June 2020, Fraser of Allander

MORAY: GVA IMPACTS

GVA in Moray is estimated to fall by 12.6% in 2020 to £1.91bn compared to a decline of 10.7% nationally and 11.7% regionally under this method*

Est. change in output (GVA, £m) by sector, 2019 to 2020, Moray



**MORAY GVA
ESTIMATED TO
DECLINE BY £275m
IN 2020**

Across Moray, manufacturing (down £118.0m), construction (down £31.4m), and wholesale and retail (down £29.5m) are expected to see the largest declines in absolute terms

Some of the sectors expected to be hardest hit have a greater concentration of employment in Moray

Manufacturing (2.2), construction (1.2) and wholesale and retail (1.1) each have a location quotient above 1, signifying a higher concentration of employment across these sectors in Moray than nationally

There is a considerable degree of uncertainty, especially in relation to further waves of COVID-19 and associated restrictions and how these may impact disproportionately on certain sectors.

NOTES:

*Latest published data on GVA by local authority is for 2018. An adjustment has been made to this to estimate 2019 GVA. The decline between 2019 and 2020 is based on ekosgen modelling of the reduction in GVA at Scottish level by sector and projected onto the business base for each sub-region and sector. Trends for January – May 2020 are assumed to be replicated for the remaining 7 months of the year.

Sources: Scottish Government (2020) GDP Monthly Estimate, Scotland: May 2020; ONS (2019) Regional gross domestic product local authorities, 2018 data; ONS (2019) Regional gross domestic product all NUTS level regions

MORAY: VULNERABILITY INDICES

EMPLOYMENT EXPOSURE:

Measures share of jobs in most exposed sectors (manufacturing, construction, retail and wholesale, accommodation and food services, arts, entertainment and recreation)

% of jobs in sectors most exposed to COVID-19



The share of jobs in sectors most exposed to COVID-19 is higher in Moray than regionally and nationally

BREXIT VULNERABILITY:

Identifies areas of Scotland that are expected to be most vulnerable to Brexit based on access to services, share of working age population, income deprivation, population change, workers in Brexit sensitive industries, EC Payments (CAP and ESF/ERDF) and EU worker migration

COVID-19 is compounding vulnerability already presented by Brexit, which affects rural areas disproportionately. Moray is ranked 12th out of Scotland's 32 local authorities in terms of Brexit vulnerability

In Moray, 21% of communities at datazone level are within the 20% most vulnerable communities to Brexit in Scotland, lower than the proportion regionally (43%)

JOBS AT RISK:

Analysis based on estimated share of jobs furloughed by sector in April 2020

Local Authority	Jobs at Risk (%)	Scotland Rank
Argyll and Bute	32%	1
Highland	29%	3
Orkney	28%	4
Moray	27%	10
Shetland	27%	13
Na h-Eileanan an Iar	26%	18

Moray is ranked 10th out of Scotland's 32 local authorities for jobs at risk

COVID-19 COMMUNITY VULNERABILITY:

Measure is based on available demographic, social and clinical indicators to show the vulnerability of a geographical area to health and care systems and socio-economic impacts.

Moray is ranked 22nd out of Scotland's 32 local authorities in terms of combined community vulnerability score

8% of the population of Moray live in datazones within the 20% most vulnerable in Scotland, lower than the proportion regionally (14%)

NOTES:

Scottish Government analysis of sectors most exposed to COVID-19 – [June monthly economic brief](#) and equivalent analysis from BRES 2019

Jobs at risk – Royal Society for the encouragement of Arts, Manufactures and Commerce (RSA) [analysis of the Business Impact of Coronavirus Survey](#), 27th April 2020

Brexit Vulnerability Index – Scottish Government .

ScotPHO COVID-19 [Community Vulnerability Index](#) Based on demographic, social and clinical indicators relevant either directly to COVID-19 or to socio-economic factors that are likely to modify the impacts of the pandemic and efforts to delay it. Rank is the overall Combined Vulnerability Score rank, and the percentage is the (weighted) population in datazones in the lowest 20% quintile combined vulnerability

MORAY: SUMMARY

Moray experienced population growth between 2011 and 2019, although this is projected to decline by 2043. It has an older age profile than nationally, but younger than the Highlands and Islands as a whole with a **dependency ratio of 62.5**

Claimant count **unemployment was 4.7% in December 2020**. While the unemployment rate is lower than the regional and national average, the number of people that are unemployed or employed and on low income and/or low hours has still increased significantly. Across Scotland, unemployment is expected to rise further as the furlough scheme ends.

Moray is likely to be harder hit than the Scotland average, but potentially lower than the regional average given its sectoral profile. Moray has:

- Expected **GVA decrease of -£275m in 2020**, a decline of 12.6% compared to 11.7% regionally and 10.7% nationally. However this was driven by the decline in manufacturing GVA between March and May 2020, a sector which has since recovered faster than others
- The **highest share of employment in the five sectors¹ most exposed to COVID-19 of all local authority areas in Scotland** (49% compared to 41% regionally and 38% nationally)
- Within this, Moray has a lower share of employment in accommodation and food services and arts, entertainment and recreation, two of the sectors still experiencing significant restrictions and it has a **higher share of employment in manufacturing and wholesale, retail and repairs** (together accounting for almost a third of employment in the area).
- A **higher share of employment in SMEs than nationally (61.7% versus 50.6%)**, but lower than the proportion regionally (67.6%)
- **Some existing vulnerability to Brexit** (ranked 12 of 32 Scotland local authorities)

NOTES:

1. Accommodation and food services, Construction, Manufacturing, Wholesale, retail and repairs, arts entertainment and recreation