

GVA per Hour Worked and GVA per Filled Job for 2020

Introduction – Measuring subregional labour productivity in 2020.

Gross value added (GVA) per hour worked is the preferred measure of labour productivity. In 2020, in response to the coronavirus pandemic, both the UK chained volume measure (CVM) GVA and hours worked declined substantially (by 10% and 11%, respectively). In the majority of areas, the decline in hours worked was greater than the decline in GVA. Positive productivity growth was mainly because of the distribution of economic activity between industries.

For 2020, GVA per job data needs to be treated with some caution. The productivity jobs metric only declined around 1% in the UK during 2020 as a result of the Coronavirus Job Retention Scheme (CJRS) which protected job status. Therefore, the average amount of hours worked per job will have been much lower than normal. In terms of productivity, this means large year-on-year declines in the levels of output per job for 2020. As such, GVA per job data for 2020 are not very representative of longer-term trends.

In Summary

- Smoothed GVA per hour worked for the Black Country area increased by 3.6% (+£1.06) since 2019 to reach £30.67 in 2020, the UK¹ increased by 2.1% (+£0.78 to £37.73). There was a shortfall of £7.06 when comparing the Black Country area to the UK.
- Smoothed GVA per filled job for the Black Country area increased by 0.7% (+£344) since 2019 to £46,568 in 2020. Over this period, the UK increased by 0.4% (+£246 to £58,054), meaning the Black Country area had a shortfall of £11,486.

Full brief

Smoothed compared to unsmoothed data - Ideally, all year-on-year change in the productivity estimates in this data would represent "true" changes. However, it is also possible that the data can reflect volatility because of sampling and non-sampling errors. This is more likely where sample sizes are small, which can occur at smaller geographical areas. For this reason, both temporally smoothed and unsmoothed estimates are provided for current price data.

GVA per hour²

- Smoothed GVA per hour worked for the Black Country area increased by 3.6% (+£1.06) since 2019 to reach £30.67 in 2020, the UK³ increased by 2.1% (+£0.78 to £37.73). There was a shortfall of £7.06 when comparing the Black Country area to the UK.
- In 2020, within the Black Country area, smoothed GVA per hour work varied from £28.66 (+3.8%, +£1.05 since 2019) in Walsall to £32.76 (+3.2%, +£1.01 since 2019) in Sandwell. Dudley had the highest increase at 5.1% (+£1.49 to £30.66) and Wolverhampton had the smallest increase at 2.2% (+£0.65 to £30.24).

¹ UK less Extra-Regio has been used.

Source: [Office for National Statistics \(ONS\), Subregional productivity in the UK: July 2022](#)

²GVA per hour worked divides GVA by the total hours worked by the workforce in the area.

³ UK less Extra-Regio has been used.

Smoothed and unsmoothed GVA per hour worked in the Black Country and the UK, 2019-2020:

| | Smoothed | | | | Unsmoothed | | | |
|--------------------------|---------------|---------------|-------------|-------------|---------------|---------------|--------------|--------------|
| | 2019 | 2020 | % Change | Num. Change | 2019 | 2020 | % Change | Num. Change |
| Dudley | £29.17 | £30.66 | 5.1% | £1.49 | £26.98 | £36.20 | 34.2% | £9.22 |
| Sandwell | £31.75 | £32.76 | 3.2% | £1.01 | £30.78 | £35.67 | 15.9% | £4.89 |
| Walsall | £27.61 | £28.66 | 3.8% | £1.05 | £26.21 | £32.48 | 23.9% | £6.27 |
| Wolverhampton | £29.59 | £30.24 | 2.2% | £0.65 | £28.84 | £32.73 | 13.5% | £3.89 |
| Black Country LEP | £29.61 | £30.67 | 3.6% | 1.06 | £28.29 | £34.36 | 21.5% | £6.07 |
| UK (less Extra-Regio) | £36.95 | £37.73 | 2.1% | £0.78 | £36.49 | £39.94 | 9.5% | £3.45 |

GVA per Filled Job⁴

- Smoothed GVA per filled job for the Black Country area increased by 0.7% (+£344) since 2019 to £46,568 in 2020. Over this period, the UK increased by 0.4% (+£246 to £58,054), meaning the Black Country area had a shortfall of £11,486.
- In 2020, smoothed GVA per job filled in Dudley was £44,440 (+0.9%, +£389 since 2019). Smoothed GVA per job filled in Sandwell was £52,503 in 2020 (+1.6%, +£847 since 2019). Smoothed GVA per job filled in Walsall was £42,248 in 2020 (+0.2%, +£83 since 2019). Wolverhampton's GVA per job filled remained broadly unchanged since 2019 at £46,505.

Smoothed and Unsmoothed GVA per Job Filled in the Black Country and the UK, 2019-2020:

| | Smoothed | | | | Unsmoothed | | | |
|--------------------------|----------------|----------------|-------------|-------------|----------------|----------------|--------------|-------------|
| | 2019 | 2020 | % Change | Num. Change | 2019 | 2020 | % Change | Num. Change |
| Dudley | £44,051 | £44,440 | 0.9% | £389 | £44,174 | £45,200 | 2.3% | £1,027 |
| Sandwell | £51,656 | £52,503 | 1.6% | £847 | £51,673 | £53,975 | 4.5% | £2,302 |
| Walsall | £42,165 | £42,248 | 0.2% | £83 | £43,099 | £41,795 | -3.0% | -£1,304 |
| Wolverhampton | £46,504 | £46,505 | 0% | £1 | £47,944 | £45,634 | -4.8% | -£2,310 |
| Black Country LEP | £46,224 | £46,568 | 0.7% | £344 | £46,842 | £46,817 | -0.1% | -£25 |
| UK (less Extra-Regio) | £57,808 | £58,054 | 0.4% | £246 | £58,871 | £57,625 | -2.1% | -£1,246 |

⁴ GVA per filled job allocates GVA to the number of jobs in the area.