The Economy

Gross Value Added (GVA) in 2018
Total regional GVA is: £5,050m
4% of total Scottish output

Forecast annual growth (2018-2028):
South of Scotland: 1.2%
Scotland: 1.6%
United Kingdom: 1.9%

Productivity (GVA per job) in 2018
Regional productivity is: £40,100
Compared to national productivity of: £47,300

Forecast annual growth (2018-2028)
South of Scotland: 1.4%
Scotland: 1.3%
United Kingdom: 1.4%

Current Demand for Skills (2018)

Total Employment in 2018
126,100 jobs

Total employment between 2008 and 2018:
2% or 2,700 jobs
Compared to a national increase of 2%

Sectoral Employment
Top 3 employing sectors in 2018:
Wholesale & retail (19,900 jobs)
Human health & social work (19,600 jobs)
Agriculture, forestry & fishing (12,500 jobs)

Employment by Occupation (people)
This is what the occupational structure looks like in 2018:
34% Higher level occupations
35% Mid-level occupations
31% Lower level occupations

* As with all forecasts, certain caveats need to be applied. They are based on what we know now and include past and present trends projected into the future. Their value is in identifying likely directions of travel rather than predicting exact figures. It is recommended therefore that users examine trends over time rather than focusing on changes in individual years. Finally, the more disaggregated they become, especially at smaller geographical units, the less reliable they are likely to be.

1 GVA is the measure of the value of goods and services produced within the economy.
2 Forecasts by Oxford Economics (unless otherwise stated).
3 Data for 2019 to 2028 used as 2018 is based on the change between 2017-18. Please see RSA and Technical Notes for more details.
4 Higher level occupations are defined as Managers, directors & senior officials; Professional occupations; Administrative & secretarial occupations; Skilled trades occupations; Caring, leisure and other service occupations; Sales & customer service occupations; Process, plant & machine operatives; Elementary occupations.
South of Scotland
Current and Future Skills Demand

The Regional Skills Assessments (RSAs) are a single, agreed evidence base on which to base future investment in skills. The infographic below is designed to support the South of Scotland RSA Summary report, using Oxford Economics forecasts over the period 2018-2028 to show current and future economic contribution as well as current and future demand for skills.

**Future Supply**

**Population 2016-2028**

Total population between 2016-2028:
- 0% or -300 people

Forecast change:
- South of Scotland: 0%
- Scotland: 4%
- United Kingdom: 6%

**Total employment structure**

The working age population (16-64) between 2016-2028:
- down by 8% or 12,100 people

Forecast change:
- South of Scotland: -8%
- Scotland: -1%
- United Kingdom: 8%

**Job Openings (2018-2028)**

Between 2018-2028 there will be a:

- Total requirement for 35,600 people

Expansion demand: 32%
Replacement demand: 41%
-1,800 people

-37,400 people

This is what actual job openings within the total employment structure look like over the next 10 years:

- 32% Higher level occupations
- 27% Mid-level occupations
- 41% Lower level occupations

**Future Demand for Skills (2018-2028)**

**Total Employment 2018-2028**

-2% or 2,300 jobs

Forecast average annual change:
- South of Scotland: -0.2%
- Scotland: 0.3%
- United Kingdom: 0.4%

**Top 3 employing sectors in 2028 are forecast to be:**

- Wholesale & retail (19,800 jobs)
- Human health & social work (19,400 jobs)
- Agriculture, forestry & fishing (11,800 jobs)

**Between 2018–2028**

The largest employment growth is forecast in:

- Construction (8%)
- Arts, entertainment & recreation (8%)
- Admin & support services (7%)

The largest employment decreases are forecast in:

- Mining & quarrying (-26%)
- Manufacturing (-16%)
- Public admin. & defence (-13%)

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* Source: National Records of Scotland
* i.e. the number of jobs across the region is forecast to decrease over the period due to contraction of the economy. Expansion demand is the measure of an increase/decrease in jobs, as a result of economic growth or contraction; replacement demand is the number of job openings generated through labour market churn (i.e. those who retire, move away, or change jobs). N.B. Some figures may not sum due to rounding.
* Throughout this section, figures for 2018 - 2028 use 2016 to 2018 data as per Oxford Economics calculations. Please see RSAs and Technical Note for more details.