Forth Valley
Current and Future Skills Demand

Regional Skills Assessments (RSAs) are a single, agreed evidence base created to inform future investment in skills. This infographic is for Forth Valley, and supplements the region’s RSA Summary report. It uses Oxford Economics forecasts* for the 2019-2029 period to show current and future economic contribution, as well as current and future demand for skills.

**The Economy**

**Gross Value Added (GVA)** in 2019

- Total regional GVA is: £7,135m
- 5% of total Scottish output

Forecast annual growth (2019-2029):
- Forth Valley: 1.5%
- Scotland: 1.7%
- United Kingdom: 2.0%

**Productivity (GVA per job)** in 2019

- Regional productivity is: £50,800
- Scottish productivity is: £50,400

Forecast annual growth (2019-2029)
- Forth Valley: 1.3%
- Scotland: 1.4%
- United Kingdom: 1.5%

**Current Demand for Skills**

**Total Employment in 2019**

- 140,500 jobs

From 2009-2019, Total Employment:
- up by 6% or 7,600 jobs
- Compared to a Scottish increase of 1%

**Sectoral Employment**

Top 3 employing sectors in 2019:
- Wholesale & retail (21,300 jobs)
- Human health & social work (20,500 jobs)
- Manufacturing (13,300 jobs)

**Employment by Occupation (people)**

**41%** Higher level occupations

**32%** Mid-level occupations

**27%** Lower level occupations

**Skills Shortages and Gaps**

The percentage of skills shortage vacancies and skills gaps in the Forth Valley region are:

- **Skills Shortage Vacancies**
  - Forth Valley: 35%
  - 7 ppt increase from 2015
  - Compared to Scotland: 24%

- **Skills Gaps**
  - Forth Valley: 5.8%
  - 2.7 ppt decrease from 2015
  - Compared to Scotland: 5.0%

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* As with all forecasts, certain cautions 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 Measured by total number of jobs.
4 Higher level occupations are defined as Managers, directors & senior officials, Professional occupations, and Associate professional & technical occupations.
5 Mid-level occupations defined as Administrative & secretarial occupations, Skilled trades occupations, Caring, leisure and other service occupations, and lower level occupations defined as Sales & customer service occupations, Process, plant & machine operatives, Elementary occupations. Data shown is workplace based.
6 Base: All establishments with vacancies (only 2017 shown). Skill-shortage vacancies as a proportion of all vacancies. This may be due to a lack of skills, qualifications or experience amongst applicants.
7 Base: All establishments (only 2017 shown). Skills gaps: the proportion of the workforce lacking full proficiency.

Evidenc Base Team
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Future Supply

Population 2016-2041

<table>
<thead>
<tr>
<th></th>
<th>Total population:</th>
<th>Working age population (16-64):</th>
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<tbody>
<tr>
<td></td>
<td>up by 7% or 20,200 people</td>
<td>down by 4% or 8,300 people</td>
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Forecast change:
- Forth Valley: 7%
- Scotland: 5%
- United Kingdom: 11%

Future Job Openings

From 2019 to 2029 there will be a requirement for:

2,000 people Expansion Demand

39,300 people Replacement Demand

41,300 people to fill Job Openings

Occupational structure 2029:
- 39% Higher level occupations
- 24% Mid-level occupations
- 37% Lower level occupations

Future Demand for Skills

From 2019-2029, Total Employment:

up by 2% or 2,800 jobs

Forecast average annual change:
- Forth Valley: 0.2%
- Scotland: 0.3%
- United Kingdom: 0.5%

Top 3 employing sectors in 2029 are forecast to be:

- Wholesale & retail (21,500 jobs)
- Human health & social work (21,200 jobs)
- Construction (13,000 jobs)

From 2019 to 2029
The largest employment growth is forecast in:

- Admin & support services (14%)
- Professional, scientific & technical (14%)
- Arts, entertainment & recreation (12%)

The largest employment decreases are forecast in:

- Mining & quarrying (-28%)
- Manufacturing (-16%)
- Electricity, gas, steam and air conditioning (-10%)

Sources:
- National Records of Scotland.
- 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. Figures are rounded to the nearest 100 and as a result totals may not equal the sum of the constituent parts.

Evidence Base Team