

Regional Skills Assessments (RSAs) are a single, agreed evidence base created to inform future investment in skills. This infographic is for Highlands and Islands, 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)¹ in 2019

Total regional GVA is: **£11,421m** **8%** of total Scottish output

Forecast annual growth (2019-2029):

Highlands and Islands: **1.3%**
 Scotland: **1.7%**
 United Kingdom: **2.0%**



Productivity (GVA per job) in 2019

Regional productivity is: **£44,900** Scottish productivity is: **£50,400**

Forecast annual growth (2019-2029)

Highlands and Islands: **1.3%**
 Scotland: **1.4%**
 United Kingdom: **1.5%**

Current Demand for Skills

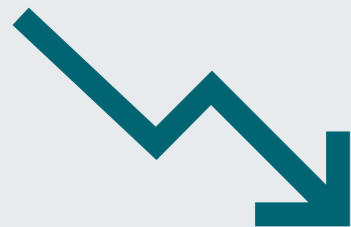


Total Employment in 2019³

254,100 jobs

From 2009-2019, Total Employment:

down by 1% or 3,600 jobs
 Compared to a **Scottish increase of 1%**



Current Demand for Skills

Sectoral Employment

Top 3 employing sectors in 2019:



Human health & social work
 (40,200 jobs)



Wholesale & retail
 (32,100 jobs)



Accommodation & food services
 (22,900 jobs)

Employment by Occupation (people)

Occupational structure 2019⁴:

36%
 Higher level occupations



37%
 Mid-level occupations



27%
 Lower level occupations



Skills Shortages and Gaps

The percentage of skills shortage vacancies and skills gaps in the Highlands and Islands region are⁵:



Skills Shortage Vacancies⁶

Highlands and Islands: **25%**
 -1 ppt decrease from 2015

Compared to **Scotland: 24%**

Skills Gaps⁷

Highlands and Islands: **6.1%**
 1.0 ppt increase from 2015

Compared to **Scotland: 5.0%**

* 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 Measured by total number

of jobs.

⁴ 'Higher level occupations' are defined as Managers, directors & senior officials, Professional occupations, and Associate professional & technical occupations; '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. ⁵ Source: Employer Skills Survey, 2017 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.

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Future Supply

Population 2016-2041⁸

Total population: down by 0% or 2,400 people	Working age population (16-64): down by 12% or 37,200 people
Forecast change: Highlands and Islands: 0% Scotland: 5% United Kingdom: 11%	Forecast change: Highlands and Islands: -12% Scotland: -4% United Kingdom: 8%

Future Job Openings

From 2019 to 2029 there will be a requirement for:

-100 people
Expansion Demand

76,300 people
Replacement Demand

76,200 people
to fill Job Openings⁹

Occupational structure 2029:

34%
Higher level occupations



30%
Mid-level occupations



37%
Lower level occupations



Future Demand for Skills

From 2019-2029, Total Employment:



up by 0% or 200 jobs

Forecast average annual change:
Highlands and Islands 0.0%
Scotland: 0.3%
United Kingdom: 0.5%

Top 3 employing sectors in 2029 are forecast to be:



Human health & social work
(40,700 jobs)



Wholesale & retail
(32,000 jobs)



Accommodation & food services
(23,400 jobs)

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



Admin & support services
(11%)



Arts, entertainment & recreation
(9%)

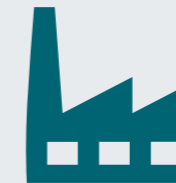


Professional, scientific & technical
(9%)

The largest employment decreases are forecast in:



Mining & quarrying
(-28%)



Manufacturing
(-14%)



Electricity, gas, steam and air conditioning
(-10%)

⁸ Source: National Records of Scotland.

⁹ 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.