

Regional Skills Assessments (RSAs) are a single, agreed evidence base created to inform future investment in skills. This infographic is for Shetland Islands, all RSA regional Summary reports can be found online. 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 **Local Authority** GVA is: **1%**
£750m of total **Scottish** output

Forecast² annual growth (2019-2029):

Shetland Islands: 1.2%
Scotland: 1.7%
United Kingdom: 2.0%



Productivity (GVA per job) in 2019

Local Authority productivity is: **£48,600** **Scottish** productivity is: **£50,400**

Forecast annual growth (2019-2029)

Shetland Islands: 1.2%
Scotland: 1.4%
United Kingdom: 1.5%

Current Demand for Skills



Total Employment in 2019³

15,400 jobs

From 2009-2019, Total Employment:

down by 7% or 1,200 jobs
Compared to a **Scottish increase of 1%**



Current Demand for Skills

Sectoral Employment

Top 3 employing sectors in 2019:



Human health & social work
(2,200 jobs)



Construction
(1,700 jobs)



Wholesale & retail
(1,600 jobs)

Employment by Occupation (people)

Occupational structure 2019:⁴

35%
Higher level occupations



38%
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 2% or 500 people

Working age population (16-64):
down by 13% or 1,900 people

Forecast change:
Shetland Islands: -2%
Scotland: 5%
United Kingdom: 11%

Forecast change:
Shetland Islands: -13%
Scotland: -4%
United Kingdom: 8%

Future Job Openings

From 2019 to 2029 there will be a requirement for:

100 people
Expansion Demand

3,600 people
Replacement Demand

3,700 people
to fill Job Openings⁹

Occupational structure 2029:

32%
Higher level occupations



29%
Mid-level occupations



38%
Lower level occupations



Future Demand for Skills

From 2019-2029, Total Employment:



up by 1% or 100 jobs

Forecast average annual change:
Shetland Islands: 0.1%
Scotland: 0.3%
United Kingdom: 0.5%

Top 3 employing sectors in 2029 are forecast to be:



Human health & social work
(2,300 jobs)



Construction
(1,800 jobs)



Wholesale & retail
(1,600 jobs)

From 2019 to 2029

The largest employment growth is forecast in:



Admin & support services
(12%)



Arts, entertainment & recreation
(10%)



Professional, scientific & technical
(9%)

The largest employment decreases are forecast in:



Mining & quarrying
(-28%)



Manufacturing
(-15%)



Public admin. & defence
(-11%)

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.