

Regional Skills Assessment

West Lothian

October 2024



Regional Skills Assessments

First launched in 2014, the Regional Skills Assessments (RSAs) provide a robust and consistent evidence base to support partners in strategic skills investment planning. Skills Development Scotland (SDS) has worked with key partners and stakeholders in the production of RSAs to ensure an inclusive approach to their development, dissemination and utilisation.

RSAs include forecast data that has been commissioned through Oxford Economics. The Technical Note¹ provides full detail on the caveats that must be applied when using forecast data, but broadly, it should be noted that:

- Forecasts are based on what we know now and include past and present trends projected into the future.
- The more disaggregated they become, especially at smaller geographical units, the less reliable they are likely to be.
- Their value is in identifying likely directions of travel rather than predicting exact figures.
- The forecasts do not account for national or regional activities, initiatives or investments that are planned.

Industries and occupations used in the RSAs are defined by standard industrial classifications (SIC)² and standard occupational classifications (SOC).³

This RSA report is for West Lothian, which covers the West Lothian local authority.

The RSAs are part of a suite of Labour Market Insight publications by SDS. Other products in the suite include:



Economy, People and Skills report which provides succinct and up-to-date evidence on Scotland's economy, businesses and people. It is updated monthly.



Sectoral Skills Assessments provide Labour Market Insight for key sectors across Scotland. These are updated annually.



The **Data Matrix** is an interactive tool, offering more detailed data from a variety of sources in a visually engaging format. It is updated frequently.

Throughout the report, we indicate where **local authority information is available through the Data Matrix**. The Data Matrix also contains additional data for the region, including data on employment, unemployment, and economic inactivity from the Annual Population Survey. These are available under the theme Skills Supply.

RSA Summary Infographics are also available, which provide a summary of the forecast data down to local authority level.

Alongside the suite of Labour Market Insight publications, SDS also produces a wide range of reports such as statistics on Modern Apprenticeships and the Annual Participation measure for 16-19 year olds. This includes a wide range of data related to equalities. Further information can be found on the **Publications and Statistics** section of the SDS website.

We value user feedback on the Regional Skills Assessments.

If you would like to provide feedback, please do so **here**. For any further information or queries on the RSAs or any of our other products, please contact: **RSA@sds.co.uk**



We held a series of webinars to complement the publication of the Regional Skills Assessments.



West Lothian was covered as part of the Edinburgh and South East Scotland RSA webinar. The recording of this webinar can be found on the SDS YouTube Channel [here](#).

You can also watch the webinars for other regions and key sectors in Scotland **[here](#)**.

1. RSA Technical Note (2024).

2. Office for National Statistics UK Standard Industrial Classification (SIC) 2007.

3. Office for National Statistics UK Standard Occupational Classification (SOC) 2010.

The Context for Scotland's Labour Market

Within the last 10 years, the economy has faced significant disruption due to events such as the pandemic, Brexit, the war in Ukraine, and the cost-of-living crisis. In addition, megatrends around demography, technology, and the environment have continued shaping Scotland's economy and labour market, many of which are interdependent. Below is an overview of the drivers expected to have the greatest influence on Scotland's labour market outlook in the near term, based on a comprehensive analysis of structural and cyclical factors.



The Economy

The economic outlook for Scotland has improved, but growth is still expected to be modest in 2024, after annual GDP figures estimated the Scottish economy (like that of the UK) remained broadly flat throughout 2023. While inflation rates have eased from their peak in October 2022, the effects of rising prices and high interest rates continue to impact Scottish households and businesses. Scotland has experienced a tight labour market in recent years, but there have been signs of this loosening in 2024.



Demographic Change

Scotland has an ageing population. In 2022, around 20 per cent of Scotland's population was aged 65 years or over, and around 15 per cent were aged under 15 years old. Population growth is also expected to slow in the next decade, and it is anticipated that the country is likely to rely on in-migration for population growth. These demographic changes in Scotland have important implications for the labour market and economy.



Inclusive Growth and Equality

Scotland continues to experience inequality, which can impact individuals' access to labour market opportunities. Cost-of-living pressures have affected different groups disproportionately, particularly in lower-income households. Geographical inequalities also exist across Scottish regions that can affect individuals' access to opportunities. There have been some advances in improving diversity within the workforce and reducing inequality, but challenges remain.



Technology and Automation

Scotland has a strong technology sector, with specific strengths in digital technology, life sciences and financial technology (fintech). The current makeup of the technology sector suggests AI will likely be the most important technological advance for the foreseeable future. It is estimated that 60 per cent of jobs in developed countries will be affected by AI. This could be disruptive within the labour market, creating challenges and opportunities for job roles and businesses.



Climate Change

The Scottish and UK governments have committed to meeting targets for Net Zero carbon emissions. The transition to Net Zero will directly impact jobs, with potential for job growth in Scotland. Upskilling and reskilling will be vital to equip Scotland's workforce with the skills needed to meet the transition. Scotland is well placed to take a lead in the development of new green technologies building on its significant natural resources and strengths in key sectors.



A fuller report on Scotland's Labour Market Drivers can be found [here](#).

The Edinburgh and South-East Scotland Joint Committee provides overarching governance for all elements of the City Region Deal and the Regional Economic Strategy.

Skills and employability elements of the growth deal are governed by the Integrated Regional Employability and Skills Board (IRES).

The Regional Prosperity Framework (RPF) was approved by the Edinburgh and South-East Scotland City Region Deal Joint Committee on 3rd September 2021. The RPF is the next phase of the development of Edinburgh and South-East Scotland's regional economy, building upon the City Region Deal. The RPF Delivery Plan sets out a series of four key programmes to deliver the region's ambitions:

- Green Regeneration;
- Infrastructure for Recovery and Prosperity;
- Visitor Economy and Culture; and
- Data Driven Innovation (DDI) Economy.

The Edinburgh and South-East Growth deal was signed in 2018 and covered a £1.3 billion funding package across:

- Research, Development and Innovation;
- Integrated Regional Employability and Skills;
- Transport, Culture and Housing.

The Integrated Regional Employability and Skills Programme and its cross-sector partnership is a change programme seeking to evolve regional labour market policy and practice to drive inclusive growth. The IRES partnership is funded by a £25 million investment (over eight years) and will deliver an additional 14,700 skill improvements, 5,300 people into employment, and a further 500 career enhancements. With two years of funded activity remaining, partners are currently considering what skills interventions may be required post 2027.

In early 2023, the UK and Scottish Governments announced plans for investment in The Forth Green Freeport. The proposals aspire to deliver up to an additional 50,000 jobs across the UK, generate £6 billion in investment and contribute over £4 billion in GVA across sites in Grangemouth, Rosyth, Leith, Burntisland and Edinburgh Airport. Its activities will focus on Renewables, Advanced Manufacturing, Alternative Fuels, Carbon Capture Utilisation and Storage, Shipbuilding, Logistics and the Creative Industries. Such growth opportunities are clearly positive but are creating a concern among partners about the availability of labour to capitalise on such opportunities. Reducing economic inactivity is therefore a priority and research is currently being undertaken in the region to understand more about how this could be done.



The forecasts used in this Regional Skills Assessment are policy and investment neutral. This means the figures present a baseline outlook that takes into account historical trends and external economic conditions, but the figures do not reflect investment or policy that is unconfirmed or at planning/development stage.

For example, the figures presented in this report do not reflect significant levels of investment expected in the region at the Forth Green Free Port as detailed.

The forecasts should be used in conjunction with other sources, and readers are encouraged to overlay these with their own local knowledge.



West Lothian estimated GVA in 2024: **£5,490m**

West Lothian was estimated to generate 3.8% of Scotland's output in 2024. This share of GVA ranked the region in the second lowest quartile of RSA regions for GVA contribution to the Scottish economy.

In 2024, the highest value industries in West Lothian were estimated to be:



Professional, Scientific and Technical Activities **£896m**



Construction **£699m**



Information and Communication **£688m**



Manufacturing **£654m**



GVA forecast average annual growth (2024-2027)

West Lothian: 1.4%

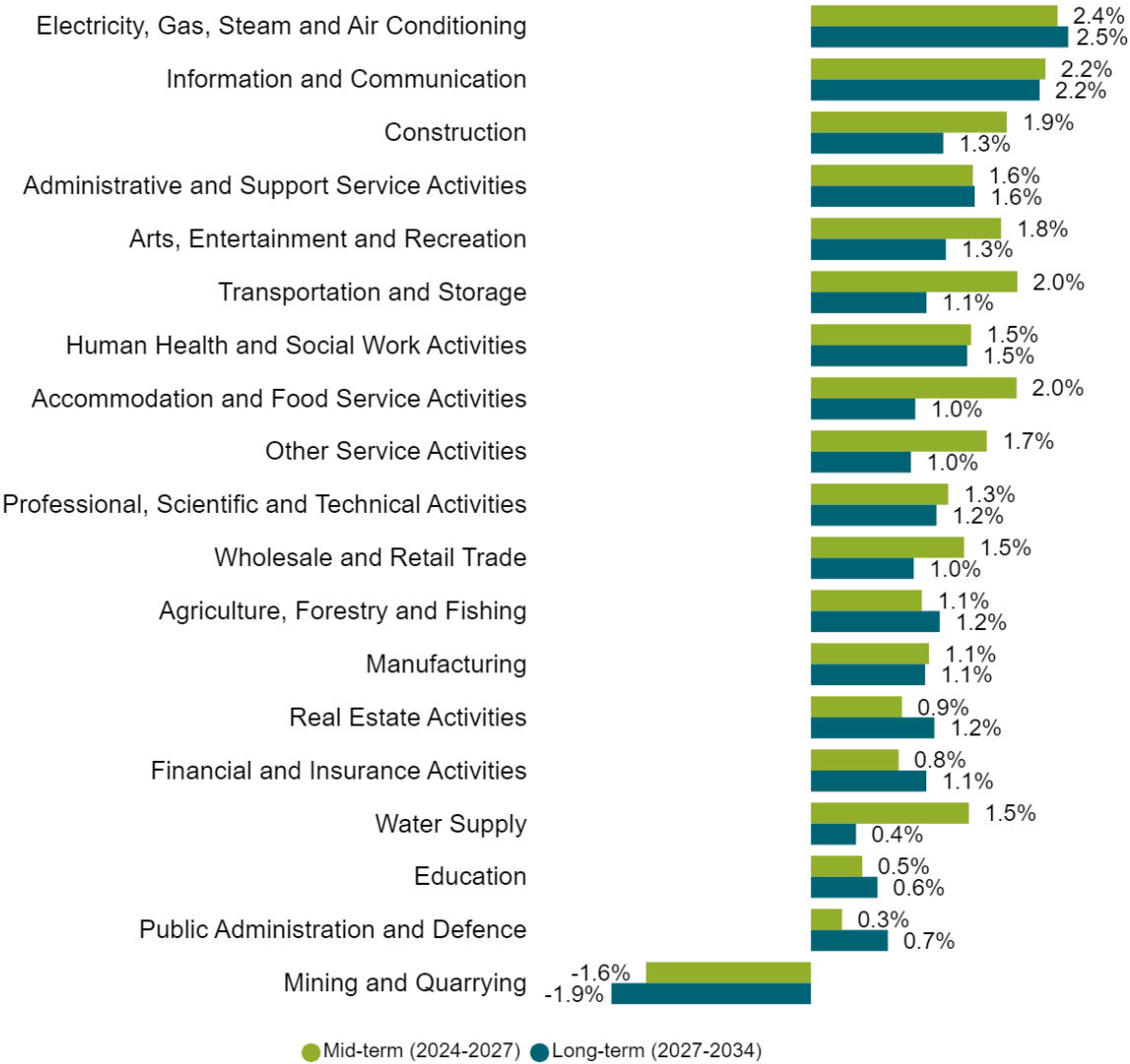
Scotland: 1.4%

GVA forecast average annual growth (2027-2034)

West Lothian: 1.3%

Scotland: 1.3%

Forecast Average Annual GVA Change by Industry (%), West Lothian



Productivity¹

In this report, we have used Oxford Economics' measure of productivity, which is calculated by dividing total regional GVA by total regional employment (measured by jobs). Please note, there are different ways of calculating productivity, and caution is needed when interpreting productivity data presented in this report. It must be considered in the context of other data and insight.

Productivity in **West Lothian** was estimated to be **£64,000** in 2024. In comparison, the Scottish average was estimated to be £52,000.



Mid-term Productivity

From 2024 to 2027, productivity in West Lothian is forecast to grow by 0.8% on average each year. Over the same period, the Scottish growth rate is forecast to be 0.6%.

West Lothian forecast productivity in 2027: **£65,500**

Scotland forecast productivity in 2027: **£53,000**



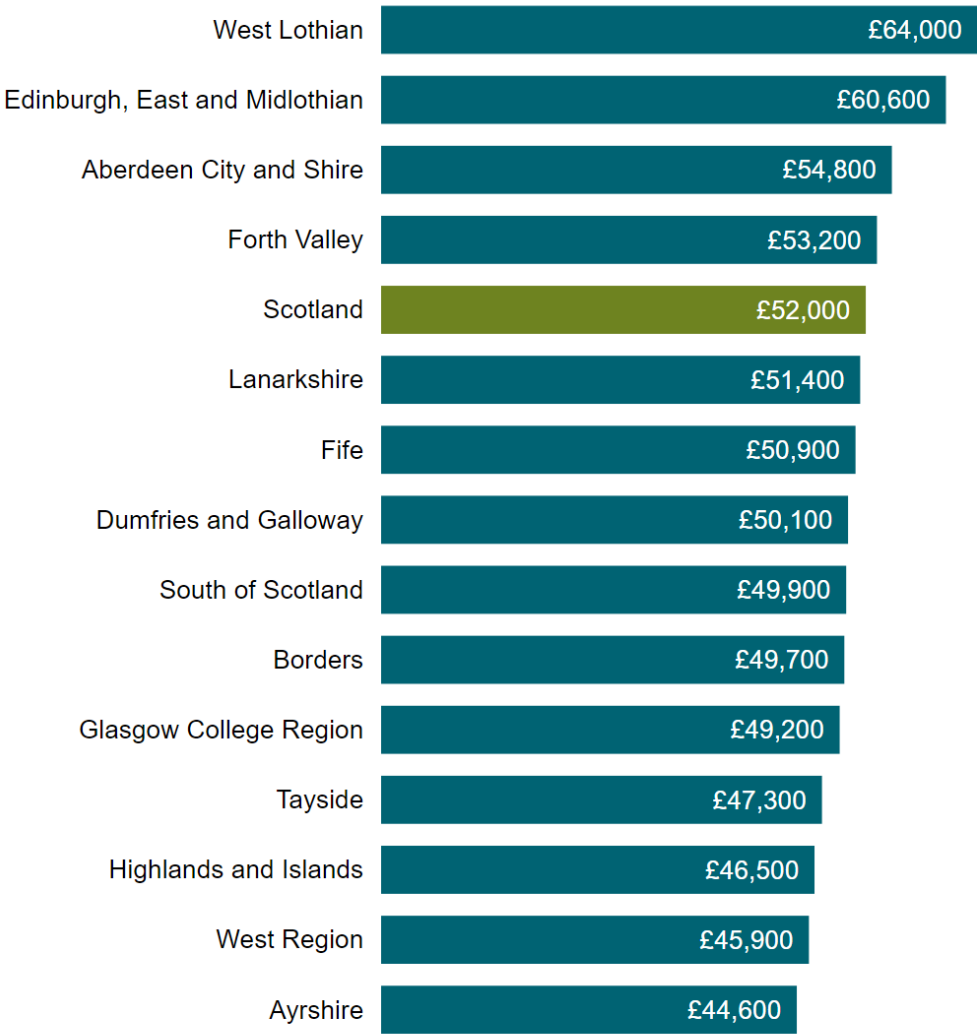
Long-term Productivity

From 2027 to 2034, productivity in West Lothian is forecast to grow by 1.2% on average each year. Over the same period, the Scottish growth rate is forecast to be 1.1%.

West Lothian forecast productivity in 2034: **£71,200**

Scotland forecast productivity in 2034: **£57,100**

Productivity (2024)



Regional Employment¹



Workforce Size 2024:
78,100 people

The region's workforce was estimated to account for **3.0%** of Scottish employment.

Over the last 10 years (2014-2024), regional employment was estimated to have **grown** by **0.8%** (**600** people). In comparison, employment in Scotland increased by 3.8%.



Workforce Size 2027:
79,500 people

The region's workforce is forecast to **grow** by **1.7%** or **1,400** people between 2024 and 2027.

Compared to a Scotland-wide increase of **1.9%** or **49,800** people.

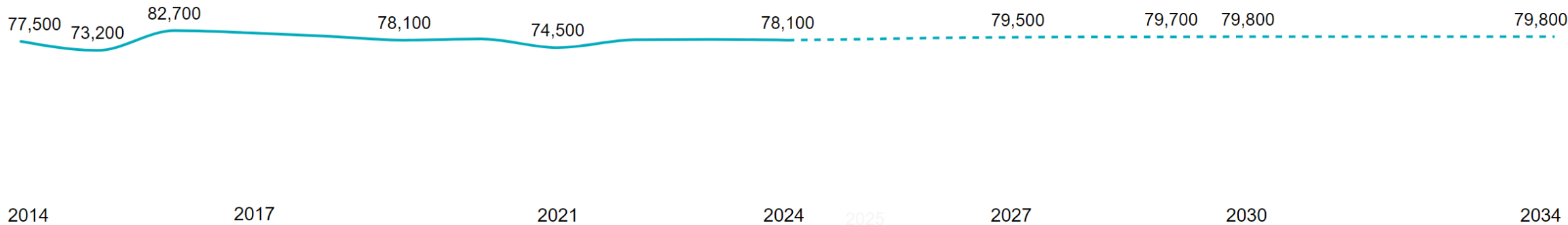


Workforce Size 2034:
79,800 people

The region's workforce is forecast to **grow** by **0.4%** or **300** people between 2027 and 2034.

Compared to a Scotland-wide increase of **1.2%** or **32,000** people.

Employment and forecast employment (2014-2034) (people), West Lothian

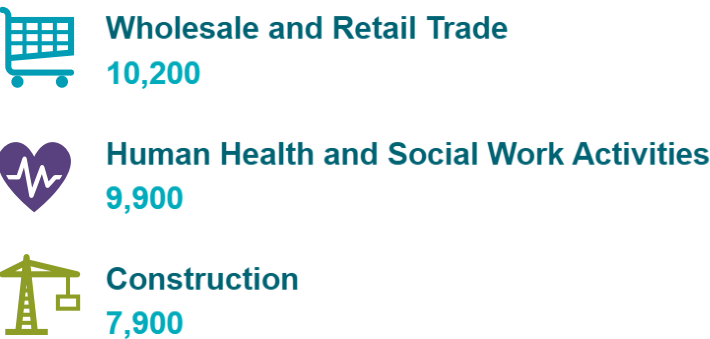


For data on employment and forecast employment at local authority level please see the Data Matrix.
(Theme: Skills Demand; Topic: Employment Forecast)

1. SDS (2024). Oxford Economics Forecasts.

Employment by Industry¹


The largest employing industries in the region in 2024 (based on people) were estimated to be:



Between 2024 and 2027, employment in the region is forecast to grow, however industries will have varying performance. The greatest employment growth is forecast in Wholesale and Retail Trade, with 300 more people by 2027. While Manufacturing is forecast to have the greatest employment contraction (-300 people) in the mid-term.

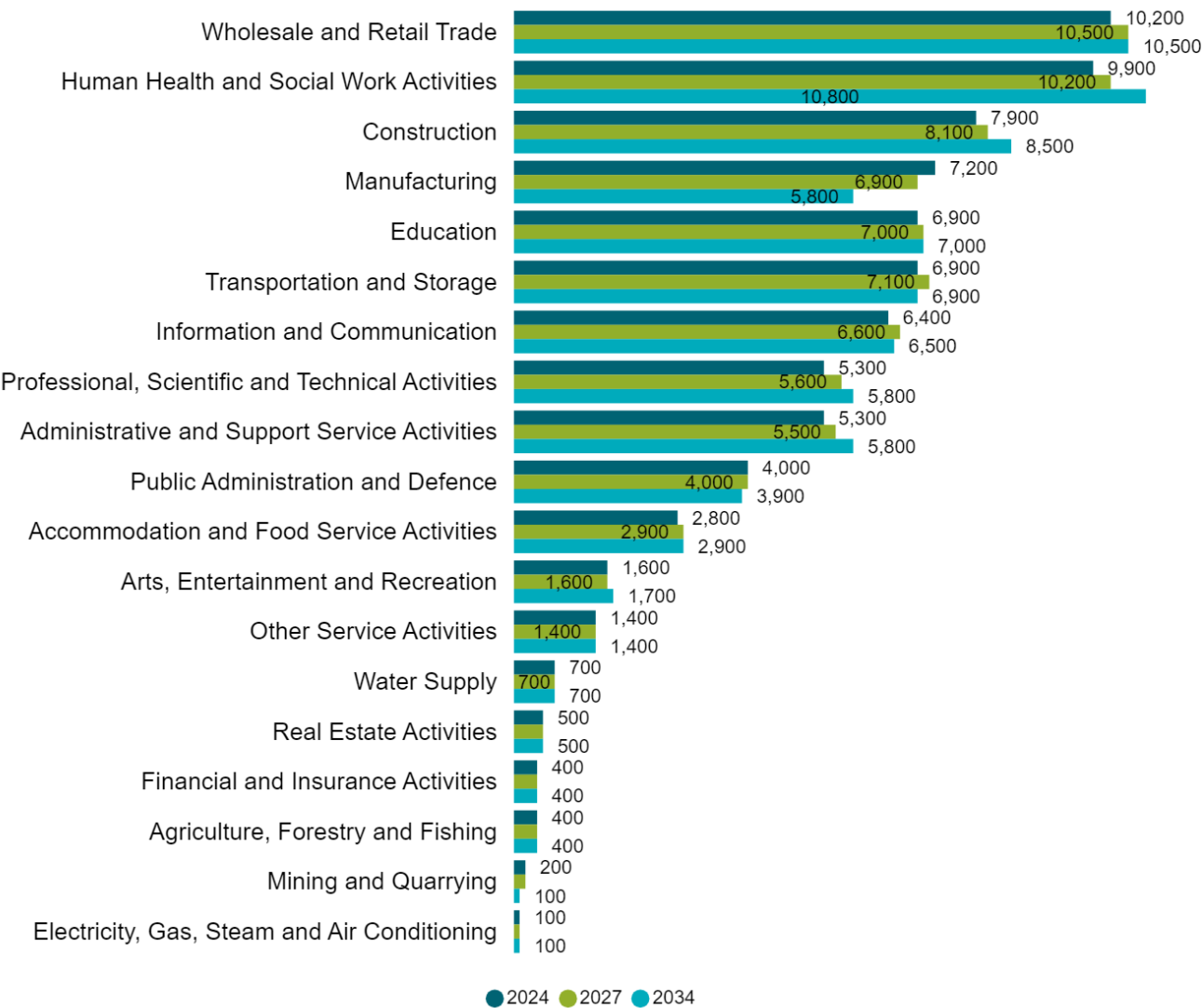
Over the long-term, between 2027 and 2034, the greatest employment growth is forecast in Human Health and Social Work Activities, with 600 more people by 2034. While Manufacturing is forecast to have the greatest employment contraction (-1,100 people) in the long-term.

In 2024, Telecommunications was estimated to be the region’s greatest specialism, with the percentage of employment in this industry 5.9 times greater than the Scottish average. The second largest specialism was estimated to be the Manufacture of Computer, Electronic and Optical Products (3.5 times greater in the region than the Scottish average).



Figures may not sum due to rounding.

Employment by Industry, West Lothian



1. SDS (2024). Oxford Economics Forecasts.

Employment by Occupation¹

The largest employing occupation groups in the region in 2024 (based on people) were estimated to be:

- 

Elementary Occupations: Clerical and Services
9,200
- 

Business and Public Service Professionals
6,100
- 

Business and Public Service Associate Professionals
6,100

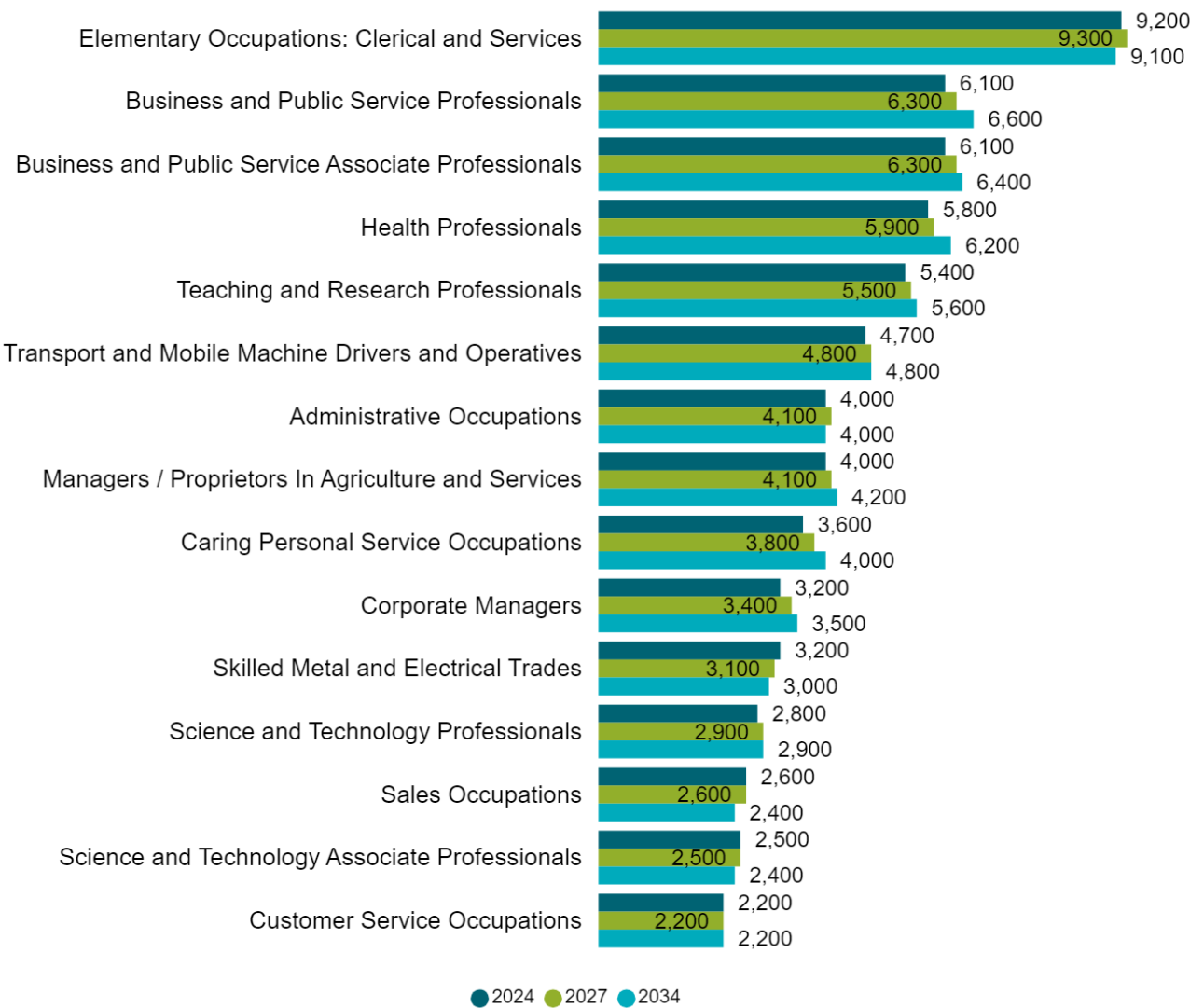
In 2024, 51.3% of employed people in the region were in 'higher-level' occupations*, which was a higher percentage of the workforce than Scotland (49.2%). 'Mid-level' occupations accounted for 21.0% of the workforce, which was a lower percentage of the workforce than Scotland (27.0%). Around 27.7% of people were employed in 'lower-level' occupations, which was a higher percentage of the workforce than Scotland (23.8%).

Between 2024 and 2027, the greatest growth is forecast to be in Business and Public Service Professionals (200 people). While Process, Plant and Machine Operatives is likely to experience the greatest contraction (less than 50 people).

Over the long-term between 2027 and 2034, the greatest growth is forecast to be in Health Professionals (300 people). While Skilled Metal and Electrical Trades is likely to experience the greatest contraction (-200 people).

Figures may not sum due to rounding.

Employment by Top 15 Occupations, West Lothian

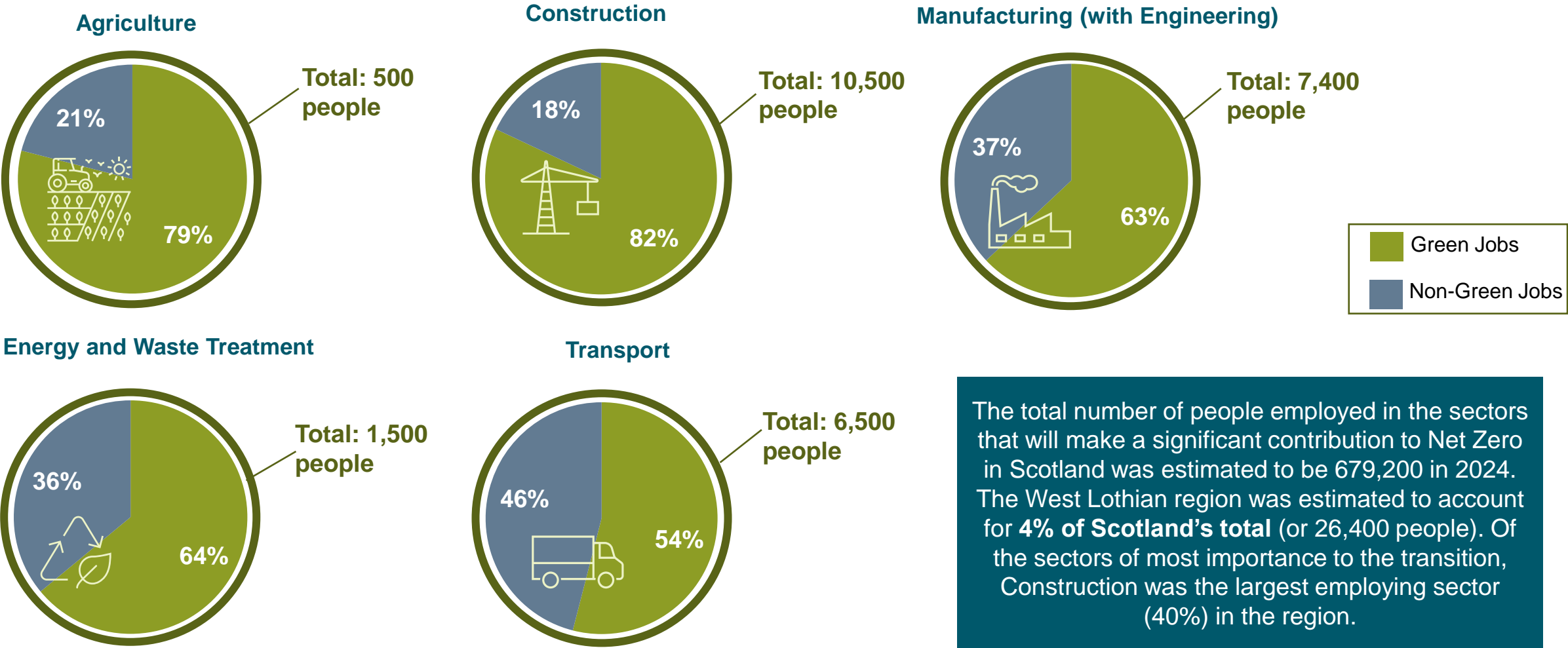


For data on employment by occupation at local authority level please see the Data Matrix.
(Theme: Skills Demand; Topic: Employment Forecast by Occupation)

1. SDS (2024). Oxford Economics Forecasts.
* See RSA Technical Note (2024) for an explanation of what is defined as 'high-level', 'mid-level' and 'low-level' occupations.

Transition to Net Zero¹

Identified as part of the Climate Emergency Skills Action Plan (CESAP), the sectors² listed below **make a significant contribution to the Transition to Net Zero** and have the greatest potential for skills implications and jobs growth arising from it. We have been able to establish the split between green jobs and non-green jobs for the Regional Outcome Agreement (ROA) areas. Green jobs in Scotland are defined by three different categories: enhanced skills and knowledge, increased demand and new and emerging.³ Presented below are the **number of people estimated to be employed in these sectors within West Lothian in 2024**.



Figures may not sum due to rounding.

1. SDS (2024). Oxford Economics Forecasts.

2. The sectors that make a significant contribution to the Net Zero transition were identified in [the Green Jobs in Scotland report](#).

Due to the methodology adopted, the footprint of sectors presented on this page differs from the industry footprint presented elsewhere in this report, and in our Sectoral Skills Assessments (SSAs). Please find a full list of the

Standard Industrial Classification (SIC) codes used to define these sectors in the Green Jobs in Scotland report (and on this page) [here](#).

3. Please see slide 12 for more information.

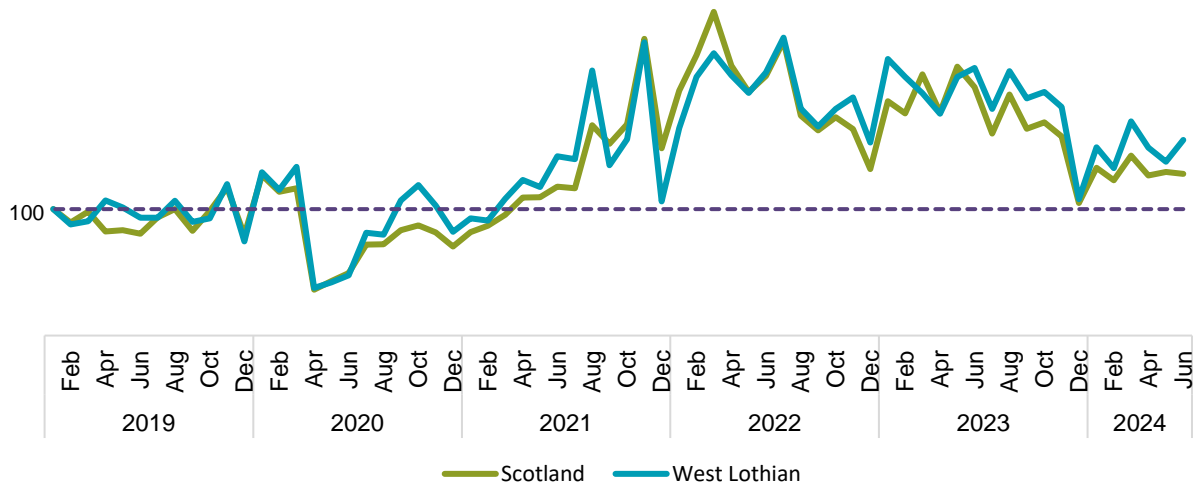
Job Postings in West Lothian¹

Online job postings data provides a useful barometer for the health of the jobs market, real-time employer demand and can indicate changing skills demands. It is important to note that the data does not capture all activity, so it should be considered as an estimate only.

The labour market has been cooling across Scotland, and job postings have declined from a peak in 2022. In West Lothian, the peak in job postings occurred in July 2022, slightly after Scotland's peak in March 2022. Whilst it has cooled, the heat of the labour market in 2021 and 2022 was exceptional, and the levels of job postings across Scotland and West Lothian remain above pre-pandemic levels (January 2019).

In the first six months of 2024, there has been sustained demand for workers in the region. Job postings in West Lothian accounted for 3.1% of Scotland's total job postings between January and June 2024.

Index* of Job Postings, (January 2019 = 100)



Between January and June 2024, there were **7,800 job postings** in **West Lothian**, of which:

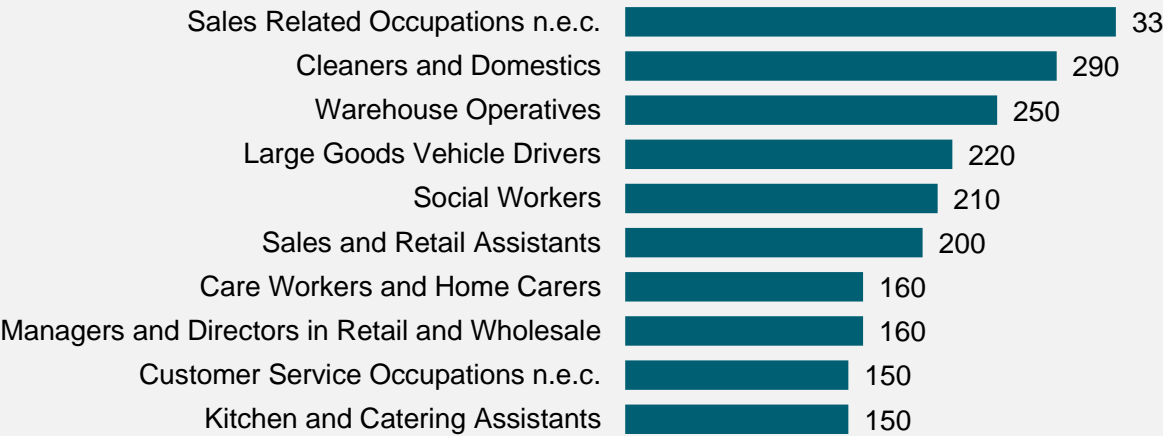
The locations with the most jobs advertised were:



The most requested skills and knowledge were:



The top job postings were:



Figures may not sum due to rounding.

*An Index shows the change over time. This graph displays the data for job postings converted to a reference value. This shows the relative change for Scotland and the region over time. Over 100 indicates where there has been an increase compared to the base or reference year (in this case January 2019), whereas below 100 shows a decrease.

1. Lightcast, 2024.

Green Job Postings in West Lothian¹

The **Green Jobs in Scotland** research uses an **inclusive definition** to define green jobs.

This definition recognises that there will be an ongoing process of ‘greening’ across the economy due to the transition to Net Zero, and a broad range of jobs will be impacted in different ways as a result.

Green jobs can be classified into one of the following three categories:

- 1. Enhanced Skills and Knowledge:** Existing occupations which will require significant change to the work and worker requirements due to green economy activities.
- 2. Increased Demand:** Existing occupations which will be needed in higher numbers due to green economy activities.
- 3. New and Emerging:** New occupations which are created because of the need for unique work and worker requirements due to green economy activities.

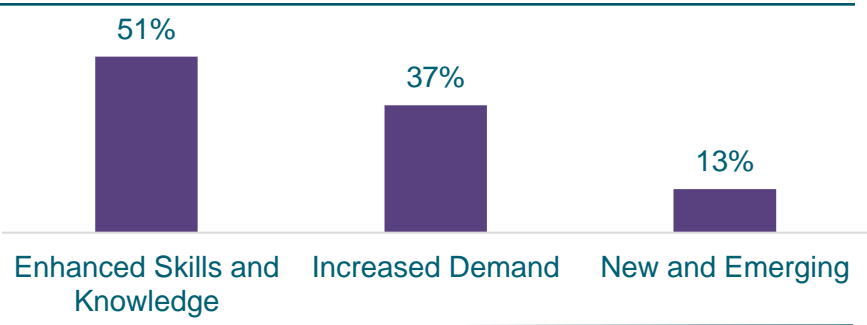
The full list of occupations (defined using Standard Occupation Classification (SOC) 2020) can be found [here](#).



Out of the 7,800 job postings in West Lothian between January and June 2024, **44.0% of them (3,400) were for green jobs**. This was a slightly higher proportion of green job postings than the Scottish average (42.3%). The number of green job postings in the region accounted for 3.3% of all green job postings in Scotland. The demand for green jobs in the region and Scotland peaked in 2022 before cooling. However, demand for green jobs in the region remains above the pre-pandemic level.



Between January and June 2024, **just over half of green job postings** in West Lothian were for Enhanced Skills and Knowledge roles.



The green jobs in demand in each category between January and June 2024 included:

Enhanced Skills and Knowledge:



Vehicle Technicians, Mechanics and Electricians

Increased Demand:



Warehouse Operatives

New and Emerging:



Engineering Technicians



The median advertised salary for **green jobs** in West Lothian was **£32,100*** in the first six months of 2024.

This was higher than the median advertised salary for all jobs in the region which was £28,000**.

Green job postings were prominent in West Lothian, particularly due to high employment in the Construction sector.



¹ Lightcast, 2024.
*Median salary based on 45% of job postings.
**Median salary based on 44% of job postings.

Future Demand in the Mid-Term (2024-2027)¹

Oxford Economics' forecasts should be used as guidance only on the overall trends based on current evidence - rather than definitive numbers. There are still a wide range of factors which may impact on the labour market. It is important to note that the forecasts do not account for national or regional activities, initiatives or investments such as those mentioned in our section on Regional Insight, which are likely to influence the outlook presented. Users of the RSAs are encouraged to overlay the forecasts with their local knowledge.

Earlier in the report, we examined the future total employment in West Lothian. This part of the report focuses on the total requirement, which introduces not only employment growth or contraction but also the need to replace workers leaving the labour market due to retirement and other reasons.

The mid-term forecast suggests there could be a total requirement for **12,100** people in **West Lothian**. Between 2024 and 2027, replacement demand could create the need for **10,800** people, while **positive** expansion demand is forecast to result in **1,400 additional** workers.

In **Scotland**, there could be a total requirement for **370,800** people in the mid-term. Between 2024 and 2027, replacement demand could create the need for **321,000** people, while **positive** expansion demand is forecast to result in **49,800 additional** workers.

Figures may not sum due to rounding.



The total requirement by qualification for **West Lothian**:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No qualifications
1,100	5,900	1,200	2,400	500	1,000
9%	49%	10%	20%	4%	9%

The total requirement by qualification for **Scotland**:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No qualifications
34,000	175,600	46,600	76,800	10,300	27,400
9%	47%	13%	21%	3%	7%



1. SDS (2024). Oxford Economics Forecasts.

Future Demand in the Mid-Term (2024-2027) by Industry¹

By industry, the greatest number of people are forecast to be required in:

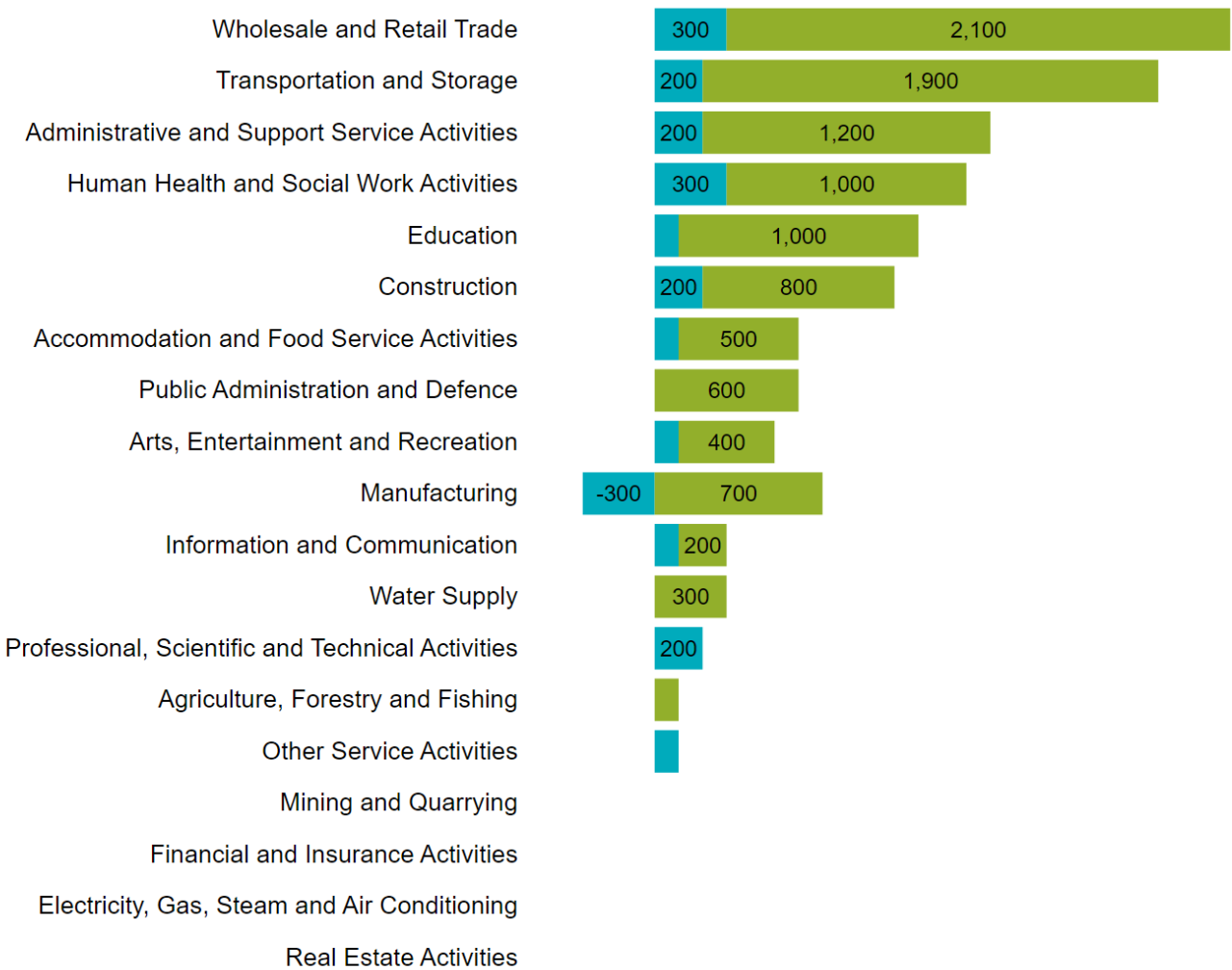
 **Wholesale and Retail Trade**
2,400

 **Transportation and Storage**
2,000

 **Administrative and Support Service Activities**
1,400

Headline figures for each industry do not show how the composition of the industry is changing. Within industries there are changes to operating practices and consumer behaviours driven by automation, digitalisation and the transition to Net Zero. These shifts are not captured in the aggregated groups. We would encourage readers to bear this in mind when interpreting the data. For further sectoral evidence, please see our Sectoral Skills Assessments.

Forecast Total Requirement by Industry (2024-2027), West Lothian



● Expansion demand ● Replacement demand

Figures may not sum due to rounding.



For data on future demand by industry at local authority level please see the Data Matrix.
(Theme: Skills Demand; Topic: Total Requirement by Industry)

1. SDS (2024). Oxford Economics Forecasts.

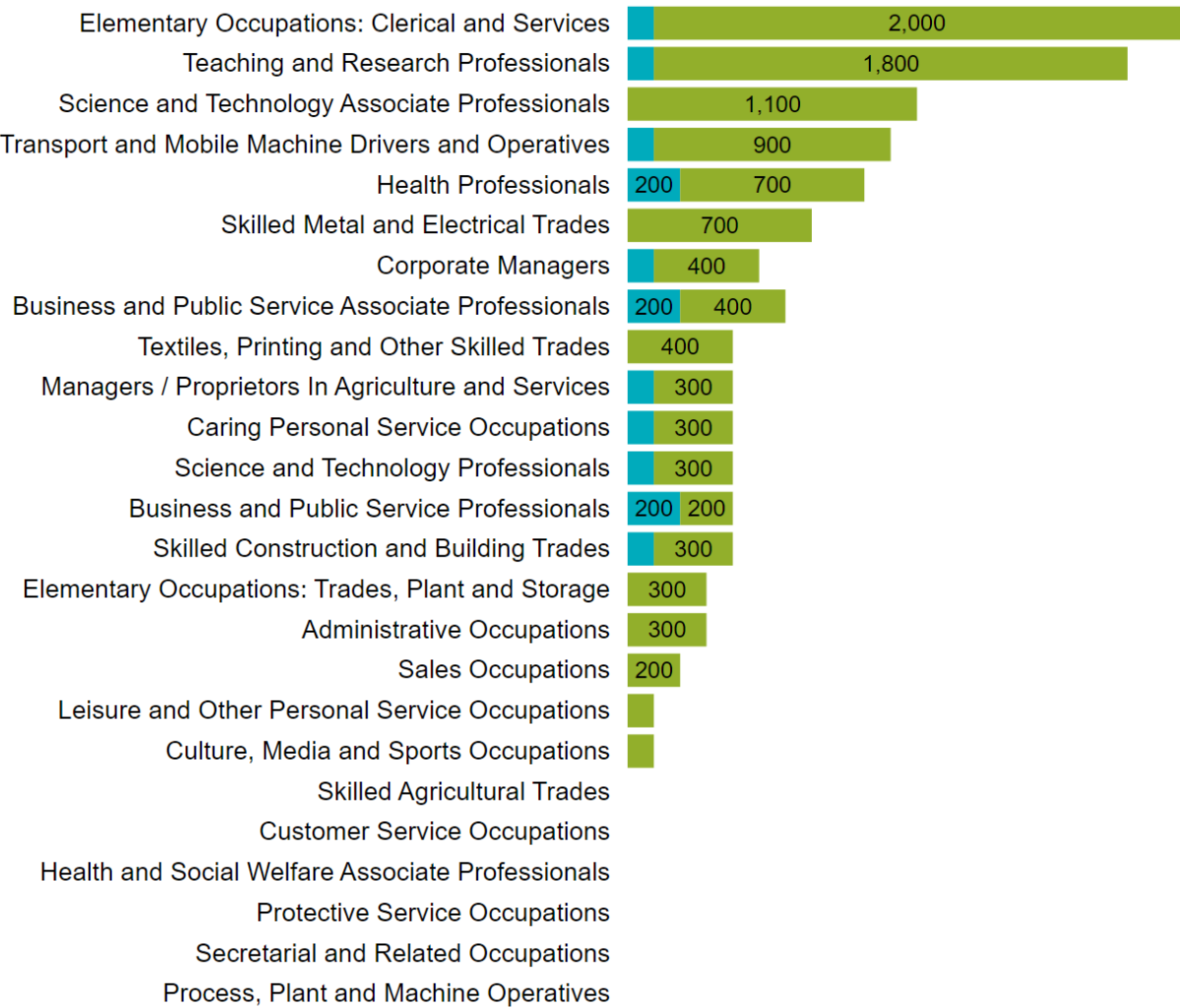
Future Demand in the Mid-Term (2024-2027) by Occupation¹

By occupation, the greatest number of people are forecast to be required in:

- **Elementary Occupations: Clerical and Services**
2,100
- **Teaching and Research Professionals**
1,800
- **Science and Technology Associate Professionals**
1,100

As mentioned, there is forecast to be a total requirement for 12,100 people in the region over the mid-term. 'Higher-level' occupations* are forecast to account for 51.6% of this total requirement, followed by 18.3% in 'mid-level' occupations and 30.1% in 'lower-level' occupations. Across Scotland, 50.4% of total requirement will be in 'higher-level' occupations, 25.0% in 'mid-level' occupations and 24.6% in 'lower-level' occupations.

Forecast Total Requirement by Occupation (2024-2027), West Lothian



● Expansion demand ● Replacement demand

Figures may not sum due to rounding.



For data on future demand by occupation at local authority level please see the Data Matrix.
(Theme: Skills Demand; Topic: Total Requirement by Occupation)

1. SDS (2024). Oxford Economics Forecasts.
* See RSA Technical Note (2024) for an explanation of what is defined as 'high-level', 'mid-level' and 'low-level' occupations.

Future Demand in the Long-Term (2027-2034)¹

The long-term forecast is more changeable than the mid-term forecasts and could be influenced by a range of factors that are less known. It is important to note that the forecasts do not account for national or regional activities, initiatives or investments like those mentioned in our section on Regional Insight, which are likely to influence the long-term outlook presented. Oxford Economics' forecasts should be used as guidance on overall trends based on current evidence - rather than definitive numbers.

In West Lothian, the labour market forecast for the long-term (2027-2034) suggests employment is expected to grow, and there could be opportunities created as a result of the need to replace workers leaving the labour market due to retirement and other reasons.

Forecasts for the long-term suggest there could be a total requirement for **25,100** people in **West Lothian**. Between 2027 and 2034, replacement demand could create the need for **24,800** people, while **positive** expansion demand is forecast to result in **300 additional** workers.

In **Scotland**, there could be a total requirement for **788,900** people in the long-term. Between 2027 and 2034, replacement demand could create the need for **756,900** people, while **positive** expansion demand is forecast to result in **32,000 additional** workers.

Figures may not sum due to rounding.



The total requirement by qualification for **West Lothian**:

SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No qualifications
2,100	12,600	2,200	5,400	800	2,000
8%	50%	9%	22%	3%	8%

The total requirement by qualification for **Scotland**:


SCQF 11-12	SCQF 7-10	SCQF 6	SCQF 5	SCQF 1-4	No qualifications
67,300	378,500	93,400	180,300	12,100	57,200
9%	48%	12%	23%	2%	7%



Future Demand in the Long-Term (2027-2034) by Industry¹

By industry, the greatest number of people are forecast to be required in:

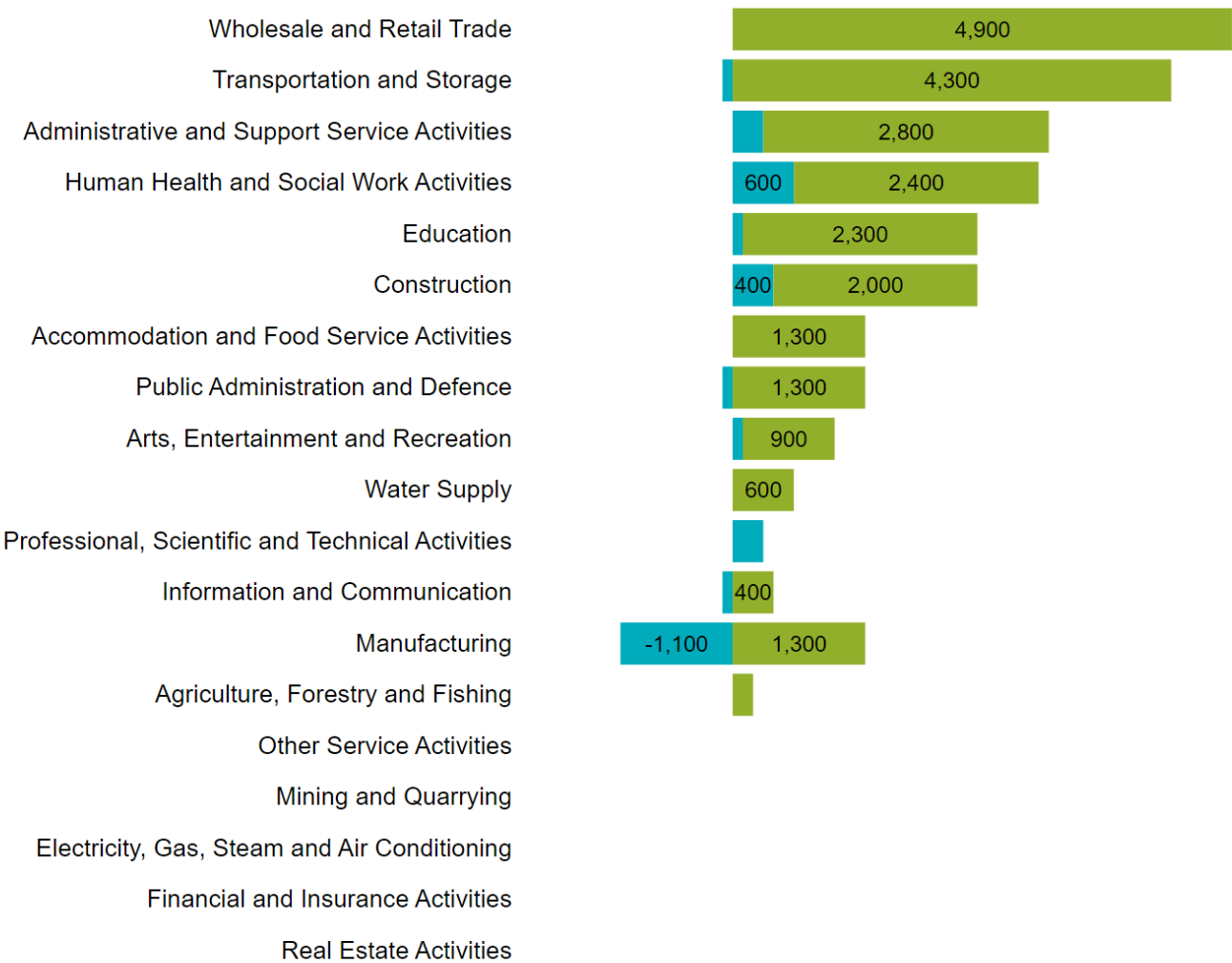
 **Wholesale and Retail Trade**
4,900

 **Transportation and Storage**
4,100

 **Administrative and Support Service Activities**
3,100

The mid-term forecast analysis indicated that some industries are experiencing a shift in their operational practices, and this trend is expected to continue in the long term.

Forecast Total Requirement by Industry (2027-2034), West Lothian



● Expansion demand ● Replacement demand

Figures may not sum due to rounding.



For data on future demand by industry at local authority level please see the Data Matrix.
(Theme: Skills Demand; Topic: Total Requirement by Industry)

1. SDS (2024). Oxford Economics Forecasts.

Future Demand in the Long-Term (2027-2034) by Occupation¹

By occupation, the greatest number of people are forecast to be required in:

- 

Elementary Occupations: Clerical and Services
4,400
- 

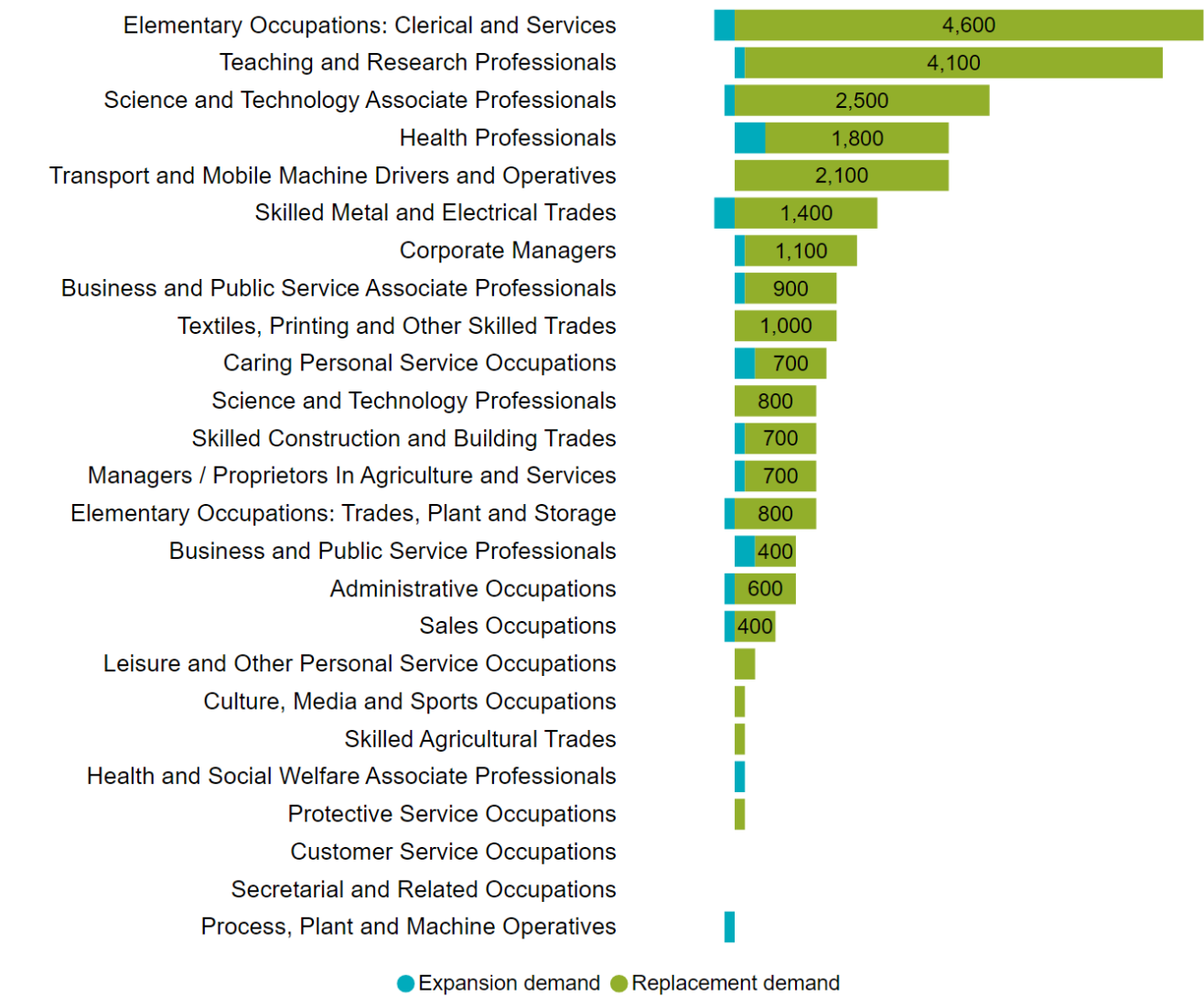
Teaching and Research Professionals
4,200
- 

Science and Technology Associate Professionals
2,400

There is forecast to be a total requirement for 25,100 people in the region over the long-term. 'Higher-level' occupations* are forecast to account for 53.1% of this total requirement, followed by 17.8% in 'mid-level' occupations and 29.2% in 'lower-level' occupations. Across Scotland, 52.4% of total requirement will be in 'higher-level' occupations, 24.7% in 'mid-level' occupations and 22.9% in 'lower-level' occupations.

Figures may not sum due to rounding.

Forecast Total Requirement by Occupation (2027-2034), West Lothian



1. SDS (2024). Oxford Economics Forecasts.
* See RSA Technical Note (2024) for an explanation of what is defined as 'high-level', 'mid-level' and 'low-level' occupations.



For further information or queries on the RSAs or any of our other products, please contact: [**RSA@sds.co.uk**](mailto:RSA@sds.co.uk)