

Local Labour Market Insights

Aberdeenshire October 2022

What is the Labour Market?

What is the labour market? It's all about the supply and demand of labour. Demand is what employers look for and supply is us - people! A key question is whether we are supplying the right skills to meet the demands of employers?

The labour market operates globally, nationally, and locally with each linked to the other.

Global trends

Industry 4.0 tells us that change is now a constant feature. Covid-19 has accelerated the pace of change. Further change will come through climate challenges with the need to live and work more sustainably.

WATCH – <u>A Human Future</u> (1m19s) and <u>Thriving in the</u> Future (2m14s).

North East Scotland labour market information

Which job sectors will grow?

Scottish Government has recently published Scotland's National Strategy for Economic Transformation (NSET) (March 2022) which sets out the priorities for Scotland's economy including building on our strengths in sectors like energy, financial services, creative industries and lifesciences and carving out new strengths in technology, space and decarbonisation. Woven through all of this is the critical importance of entrepreneurship and enterprising skills. More information on NSET is here.

Locally, Opportunity North East and partners (including Engineering Transition Zone Ltd (ETZ) as lead for Energy) have identified key growth areas for the North East. This local partnership works to create, develop, and deliver projects and programmes in the region's key sectors of:

- Energy (lead by ETZ)
- Food, drink, agriculture and fishing
- Life sciences
- Tourism
- Digital and entrepreneurship
- The green economy



School leaver destinations

Every year SDS and schools follow-up pupils who have left school to ensure that they have moved on successfully to their next step.

This data tells us where Aberdeenshire School leavers are over their first year of leaving school.

- 96.2% of 2020/21 Aberdeenshire school leavers progressed to a positive destination.
- 47% went to Higher Education - this could be a HNC or HND course at College or a degree course at University.
- 26% went to Further Education, studying nonadvanced courses (SCQF Levels 1-6) such as National Certificates, City and Guilds and 'Introduction to' courses.
- 21% went into employment including Modern Apprenticeships.

The rest are in training, voluntary work or looking for an opportunity.

Aberdeenshire Growth Sectors



Food, drink, agriculture, and fishing

An example of local investment is SeedPod which will be a centre of excellence and the go-to place to deliver North East Scotland's ambition to grow the size and value of its £2.2 billion food and drink sector. It will be located on SRUC's Craibstone campus and open in 2023.

Another example is The Seafood Transformation Project which is an ambitious five-year, £75 million action and investment plan to stimulate processing business investment, address labour shortages and establish a new seafood industry park. Half of the region's most prominent 25 food companies are fish processors. Peterhead is Europe's largest white fish port, and Fraserburgh is Scotland's largest shellfish port.

Pathways and routes can be via Further/Higher Education (NESCol and our local Universities (AU, RGU and SRUC) all have relevant courses) or work-based through apprenticeships. Ringlink has a track record in progressing young people into employment through their land-based preapprenticeship programme. Lantra Scotland can also help individuals obtain the training, qualifications and skills needed in the land-based, aquaculture and environmental sector. Jim, The Farmer, has created some video content for Lantra Scotland.

Tourism

- There are a range of investments including North East Adventure Tourism, the extension of Aberdeen Harbour to enable cruise ships to dock and the Gourmet Food Festival.
- Pathways and routes can be via Further/Higher Education or work-based through apprenticeships.
 One specific to young people is Hospitality Apprenticeship North East, which has been delivering training programmes to young adults in Aberdeen City and Shire since 2020. It has also launched a dedicated professional cookery apprenticeship open for 16 to 25-year olds. More information can be found here.

Energy (lead by ETZ)

ETZ Ltd seeks to reposition the North East of Scotland as a globally integrated energy cluster focused on delivery of net zero with significant opportunities in offshore wind, hydrogen and carbon capture and storage.

More information is here

Life sciences

The £40 million BioHub on Aberdeen's Foresterhill Health Campus will provide the support programmes and physical infrastructure for businesses to grow, to nurture new commercialisation opportunities and connect academics and health researchers to industry. It will be the nucleus of the life sciences cluster in the North East of Scotland. The first phase aims to open to tenants in 2023.

ONE notes that the NE has strengths in biologics and clinical-stage biotech. There are 2500+ jobs across industry, research and academia with 900+ people employed in life science companies. The NE has 75% of Scotland's late-stage drug development companies.

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Digital and entrepreneurship

One example of investment is the ONE Tech Hub. This provides early-stage digital business a space to grow and collaborate.

More information at One Digital Tech.

Alongside this, we know that there will be high demand for:

- Human Health and Social work
- Early Years Childcare and Education
- Construction related

Aberdeenshire Growth Sectors



Qualifications

Forecasts show that there will be greater requirement for people with higher level qualifications. This level of qualification can be gained in a number of ways including work-based qualifications.

The table below shows the Future Demands for Skills **2024-2031** with the % estimated to be required at each level. (source: Regional Skills Assessment, SDS 2022).

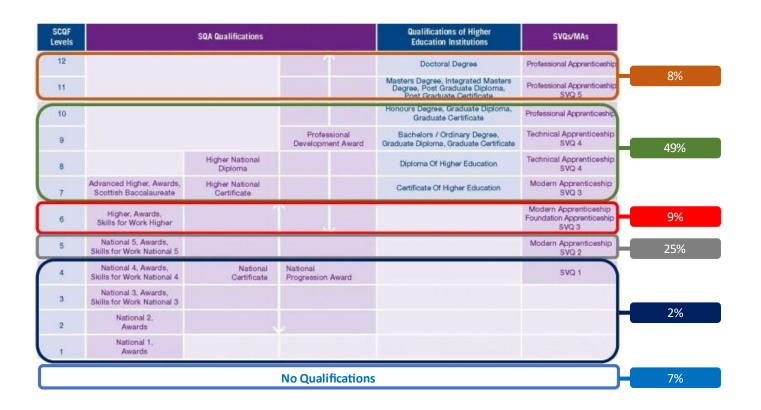
The green economy

The transition to a greener economy means that there will be new and emerging jobs as well as jobs that will need to change to meet different demands e.g. upgrading of the electrical network to support de-carbonisation of heat in buildings; retrofitting/fitting of insulation, heat pumps/solar panels/wind turbines; installation of EV chargers, maintenance of EV and hydrogen vehicles, and changes within offshore / onshore energy production. Many current workers will simply retrain and learn new skills with existing employers. Some examples include:

- A new Wind Turbine Technician Pathway at <u>NESCoL</u>
- Many undergraduate College & University courses now include modules relating to net zero with an increasing number of bespoke postgraduate and short industry courses
- The new Peterhead Academy will be built to a Passive House Design, demonstrating how architects are designing differently
- https://esp-scotland.ac.uk/step-into-renewables/ (ESP is a member's forum made up of Scotland's colleges)

Demand for **technical skills** will grow across sectors and occupations as part of the transition to net zero. Alongside this, a range of cross-cutting skills will be in demand across the whole of the economy.

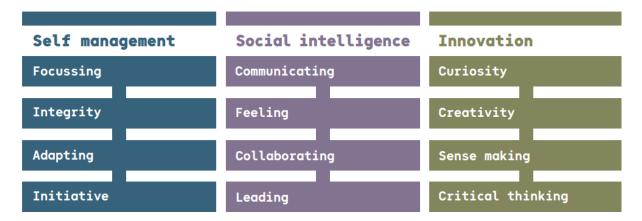
Watch Jobs of the Future (1 min)



Meta skills

The other key aspect to our future is ensuring that we all have the skills that will help us to manage change and to thrive. These meta skills are skills that computers do not have – they are human skills which can be applied to a wide variety of circumstances – for example: problem solving, teamwork, organisational skills, confidence, communication, creativity.

They can be grouped loosely into 3 headings:



SDS's Education Team has a range of Practitioner CPD and Tools on this topic



The Apprenticeship Family of Foundation, Modern and Graduate Apprenticeships are work-based learning routes offering individuals the opportunity not only to develop the experience and practical skills that employers need, but also the underpinning meta and personal skills that are critical to supporting ongoing development.

See here for more information.

Find out more about meta skills at Industry 4.0 and watch Developing meta skills (2m17s)

Where to find more information?



My World of Work has lots more information. Creating a myworldofwork account will give access to the full site including a range of tools that will help individuals think more about self and their strengths under My Career Options Look too at the Industries

section where you can explore **over 600 job profiles** and find out more about **what the job is like**, **subjects to take at school**, **routes and pathways in**, **career outlook** and **links to industry partners**.

Explore Green Careers to find careers that can help our planet and Industries and Jobs and Courses

Data and economic information:

Aberdeen City and Shire Regional Skills Assessment 2022
Skills Development Scotland <u>Data Matrix</u> (specific information on Aberdeenshire)
Statistics on <u>Foundation</u>, <u>Modern and Graduate Apprenticeships</u>

The NE is also awaiting results of bids that could bring significant investment to the area: A bid for Green Freeport status and Just Transition Fund (£50 million over next 4 years with £20 million of that announced for financial year 2021/22).