



Department for the
Economy
www.economy-ni.gov.uk

NI Skills Barometer

North Belfast Areas Learning Community



November 2017

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- Supply of skills
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Background

- Significant demand for the forecast information from across a wide range of stakeholder groups, including:
 - **Careers advisors, young people and parents** – in order to help inform young people when choosing their career pathway;
 - **Teachers and schools** – to help inform curriculum development;
 - **Employers** – to use as a means to articulate skills needs;
 - **DfE (and wider Government)** – to inform policy development and level of provision to meet skills needs of the NI economy.
- Information updated to ensure information remains current.

Quantitative analysis

Identify demand and supply factors

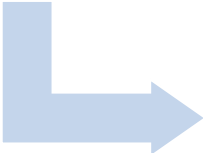
Demand side indicators

- Demand for jobs (by industry and occupation)
 - Expansion demand
 - Replacement demand
- Demand for skills
 - Current and Projected skills mix
 - HE and FE skills (by subject area and NQF level)



Supply side indicators

- Supply of people
 - Demographics (by industry and occupation)
 - Immigration
- Supply of HE and FE skills (by subject area and NQF level)
 - Attainment

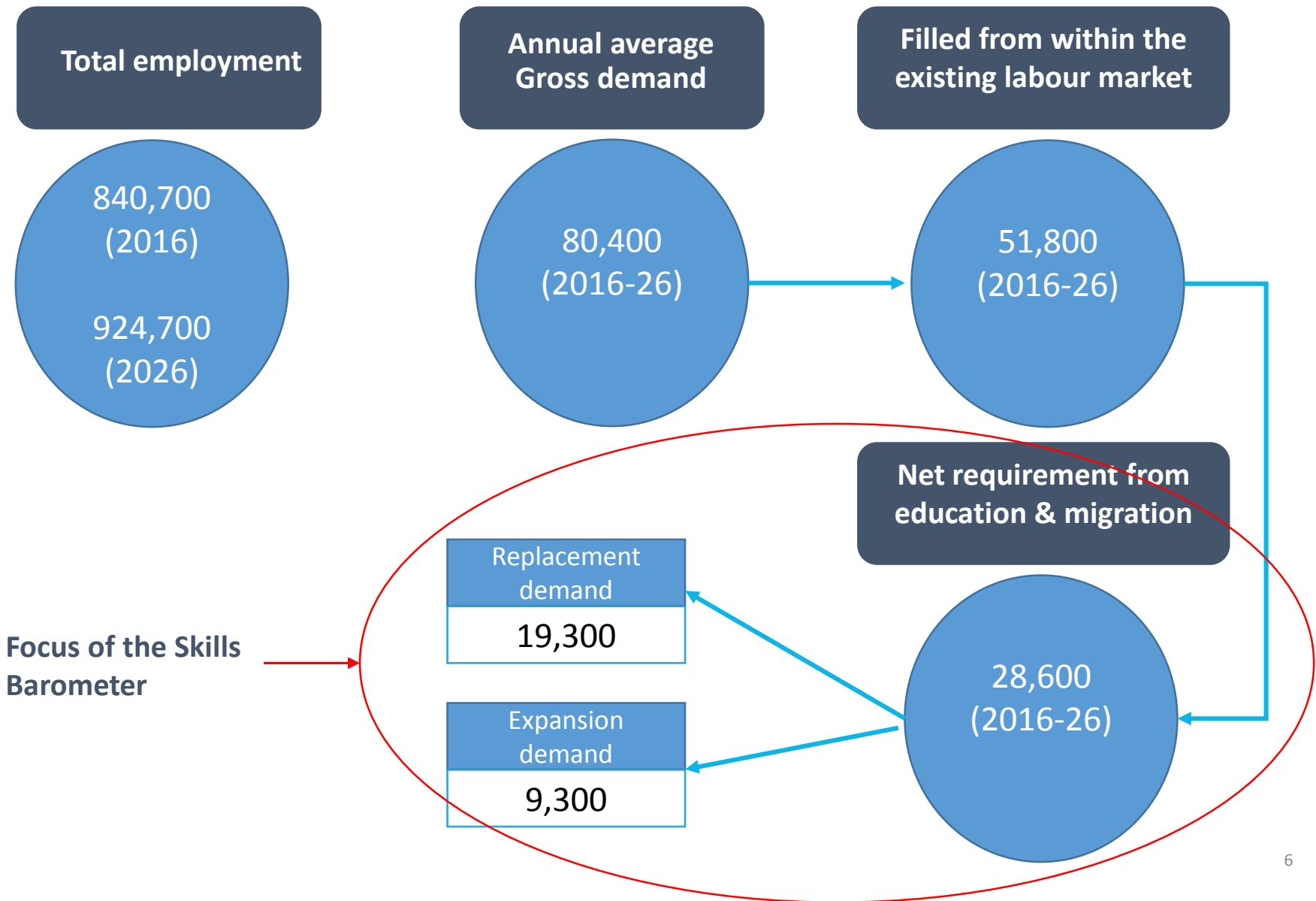


Supply/ Demand (im)balance

- Identify the annual average supply gap
 - by HE (JACS) and FE (SSA)
 - by NQF Level

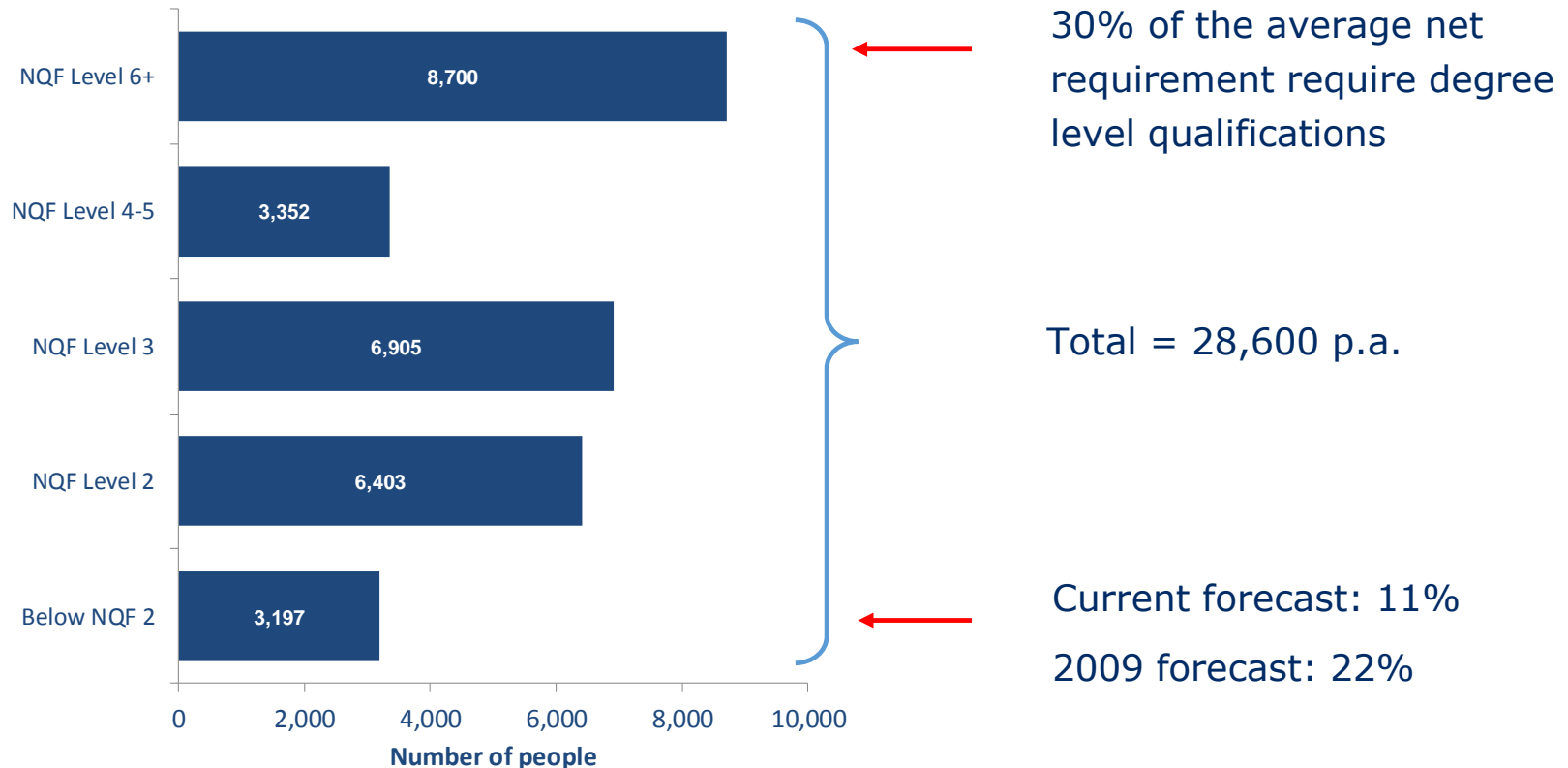
The demand for skills

Numbers of job opportunities



The demand from education (and migration)

Annual average net requirement for skills (2016-26)

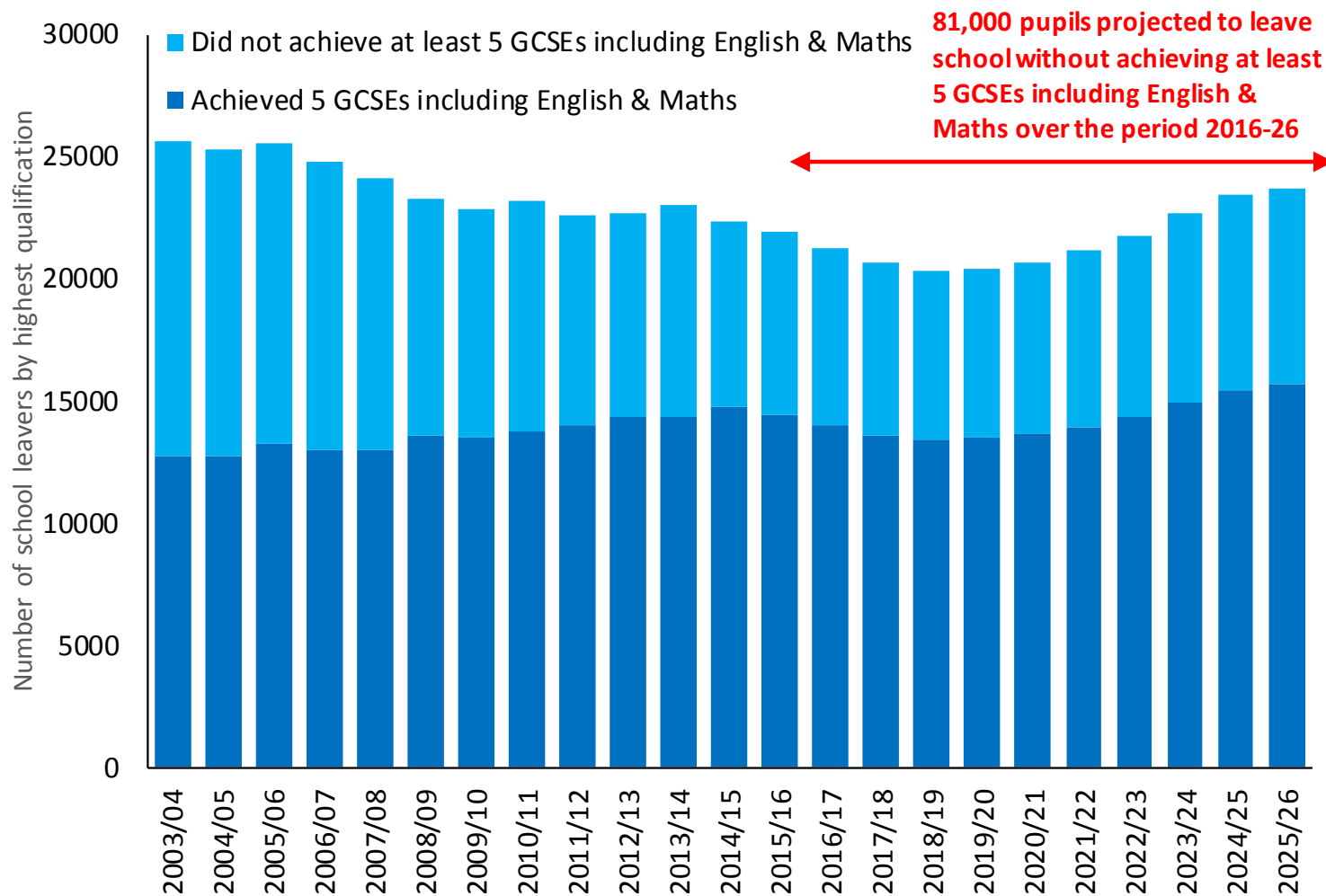


- This chart sets out the annual average net requirement (i.e. **the demand for skills from education and migration**) by skills level.

The supply of skills

Based on current trends NI continues to supply a pipeline of low skills

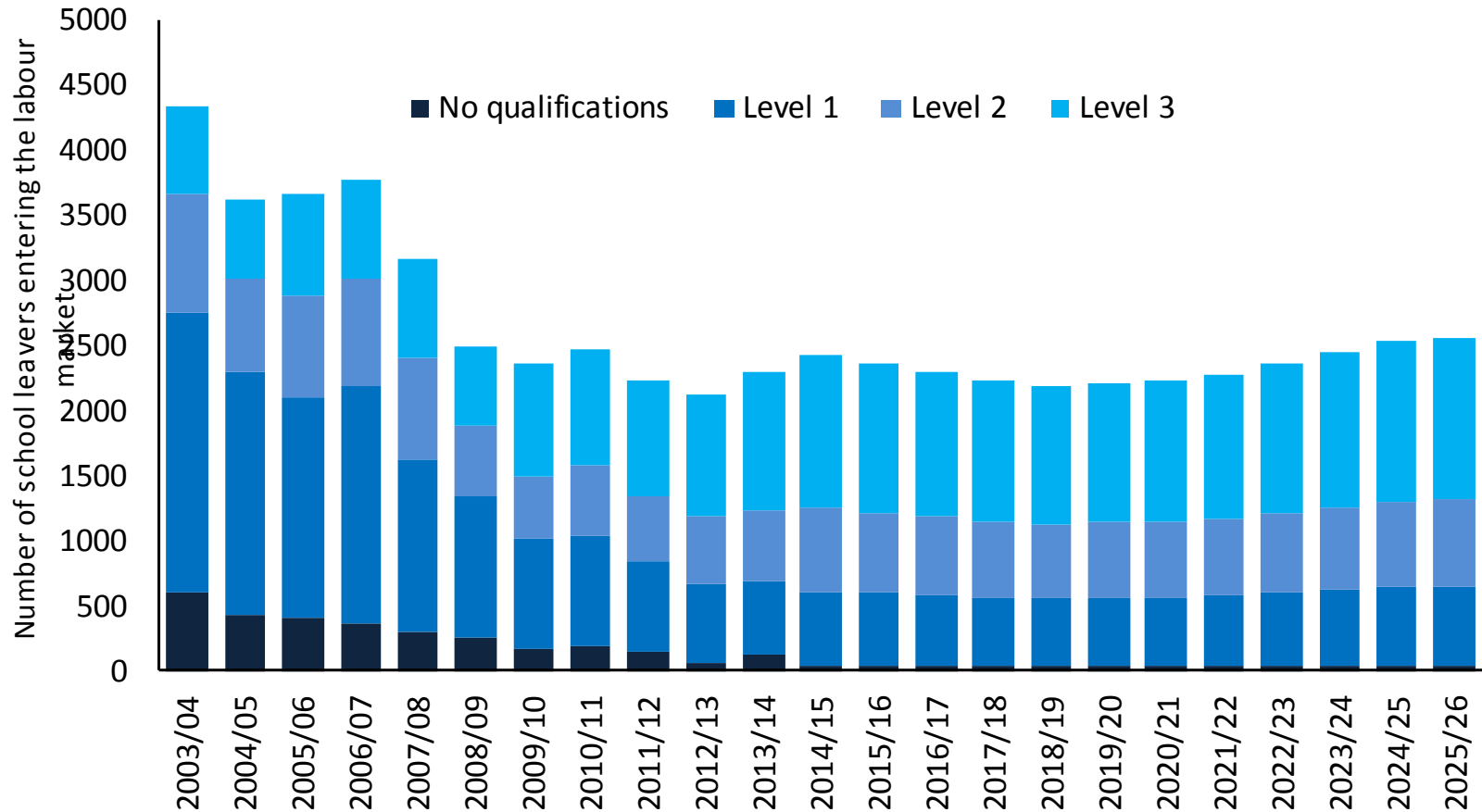
Highest qualification of school leavers



Source: DE, EPC

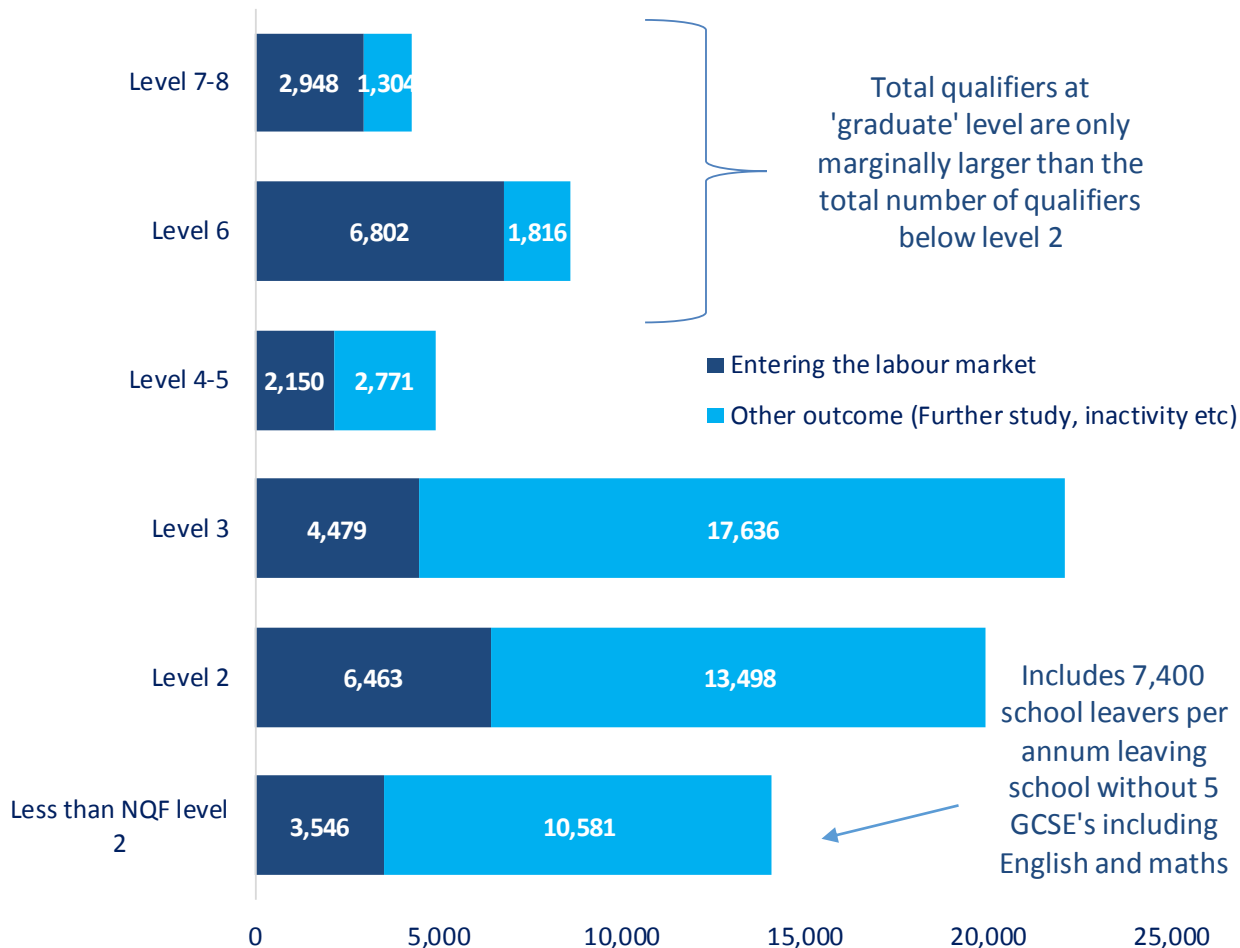
But a smaller proportion of low achievers enter the labour market immediately

Number of school leavers becoming economically active after qualifying



Destination of leavers – NQF Level

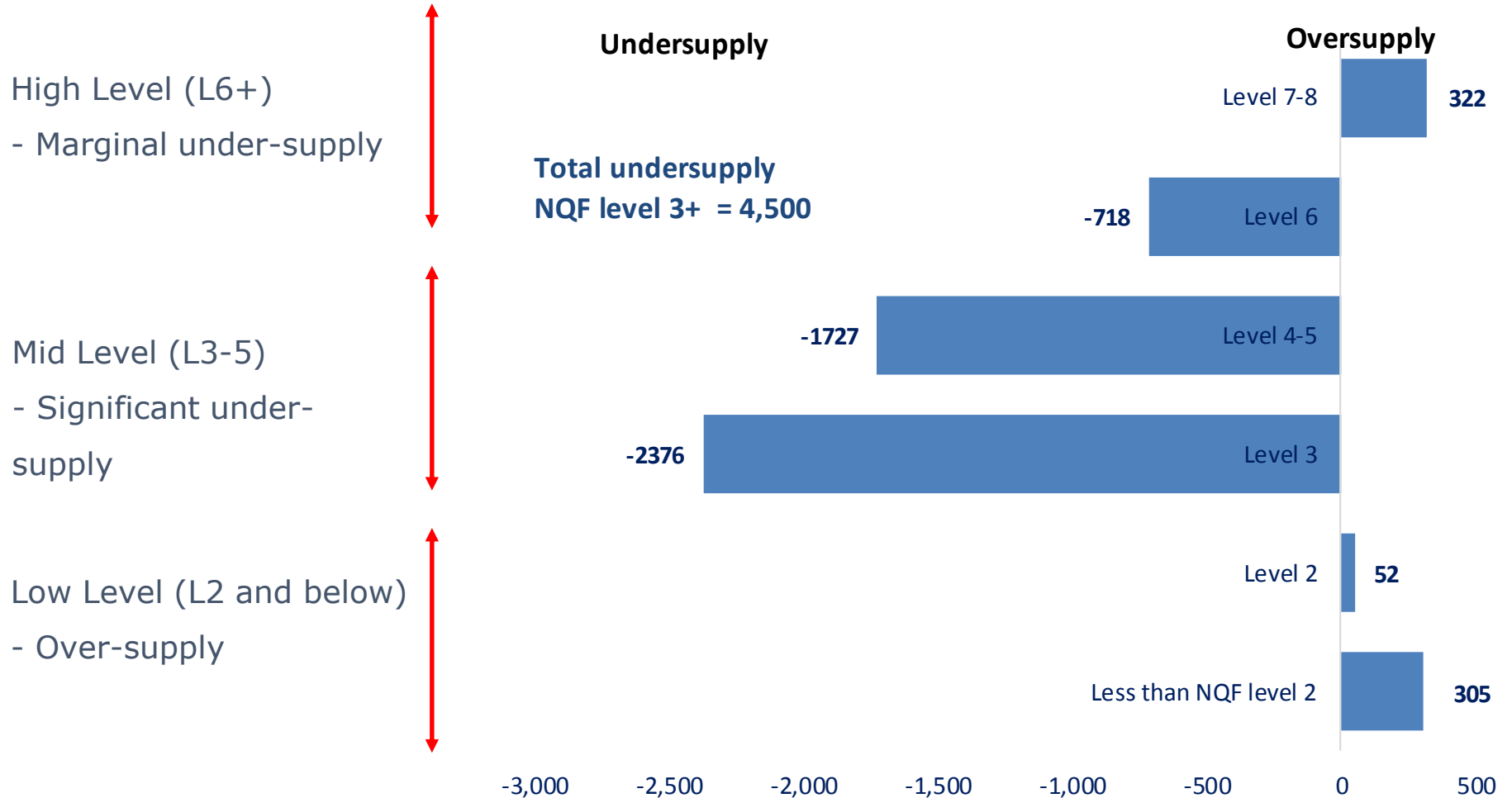
Annual average destination of leavers 2016-26 (NQF L1 to L8)



Demand and supply (Im)balances

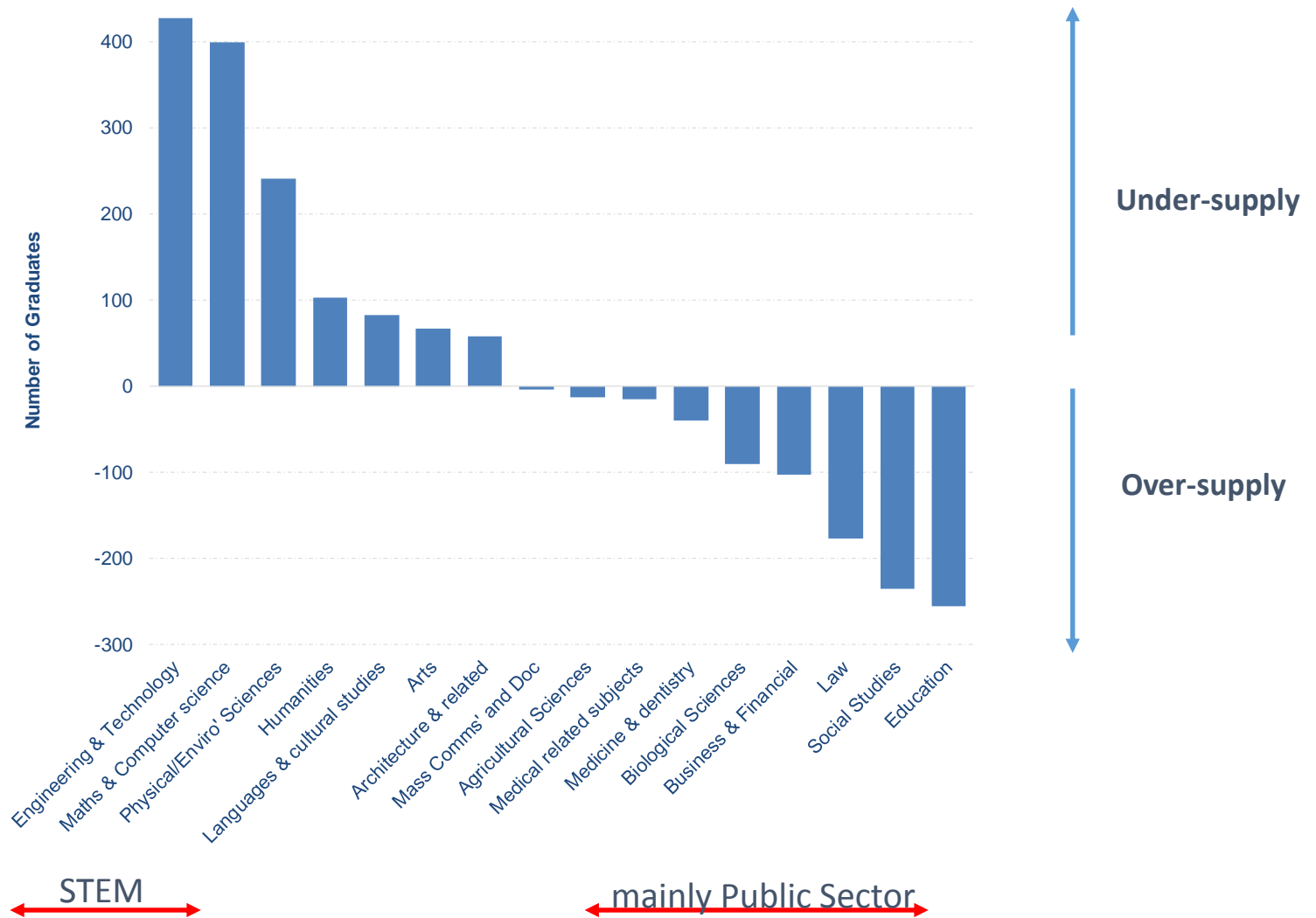
Supply gap – NQF Level

Annual average labour market supply gap (NQF L1 to L8)



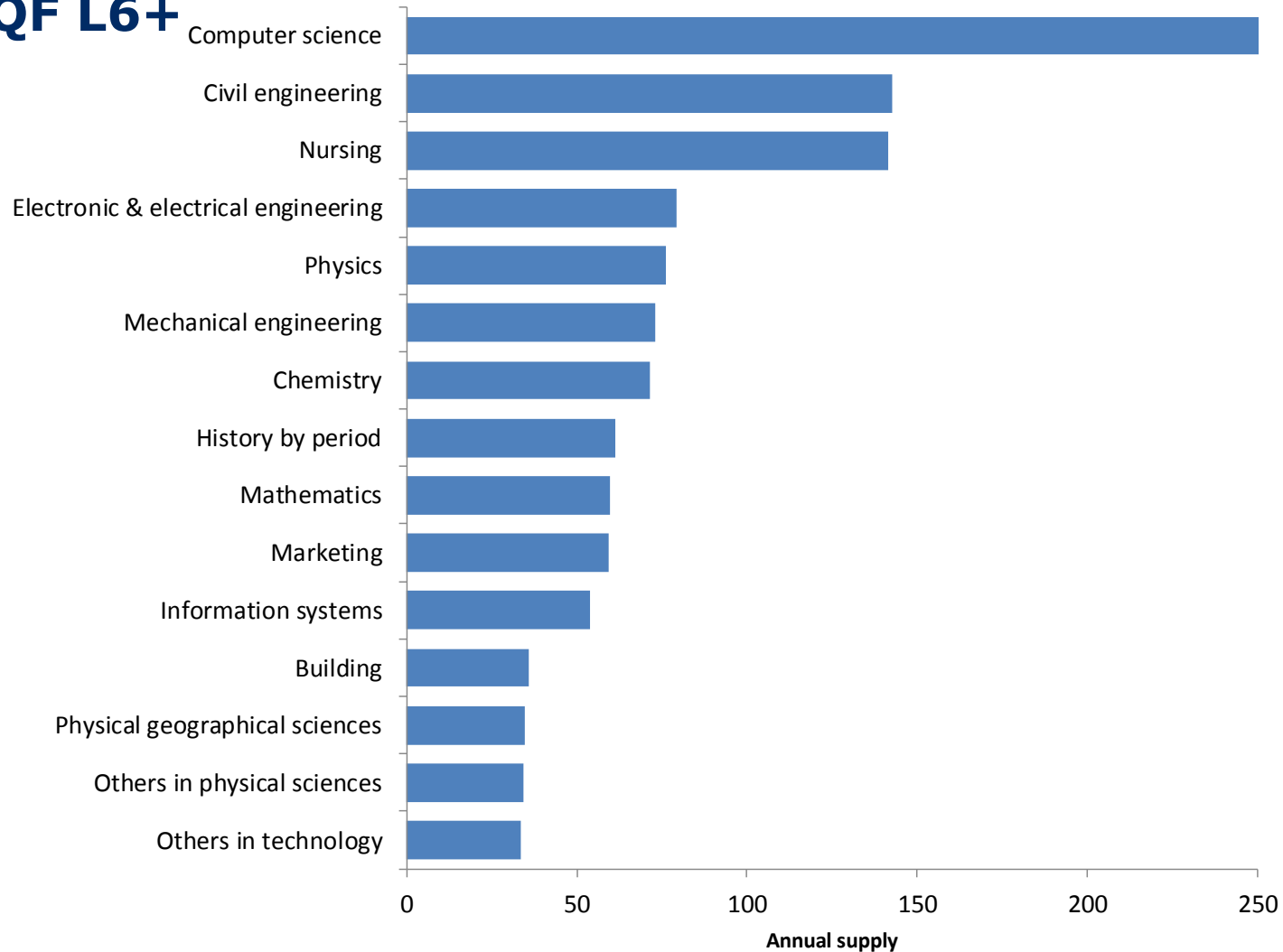
NQF L6+ supply gap – Broad subject area

Annual average supply gap NQF L6+ (JACS 1 digit)



Most under-supplied degree subjects

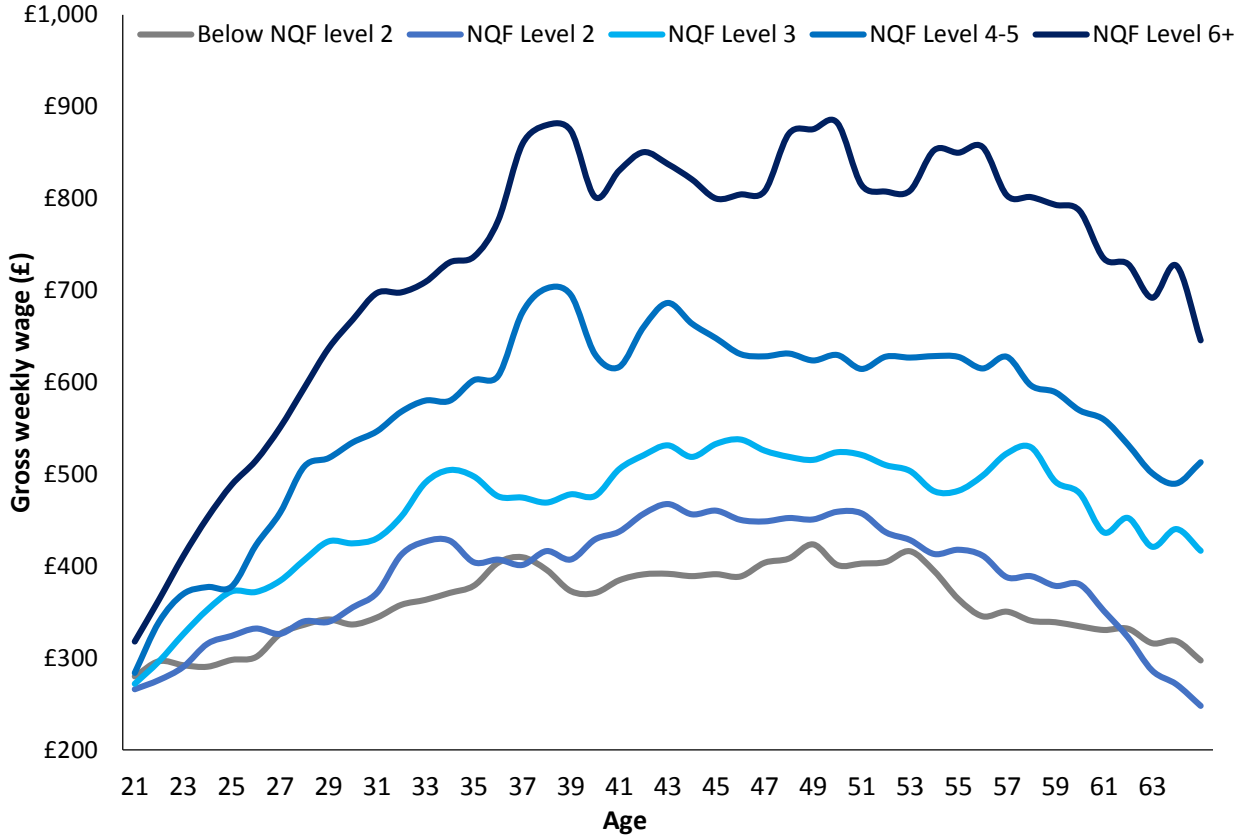
Top 15 Skills Annual Average Undersupply (2 Digit JACS) – NQF L6+



Earnings potential and employment prospects

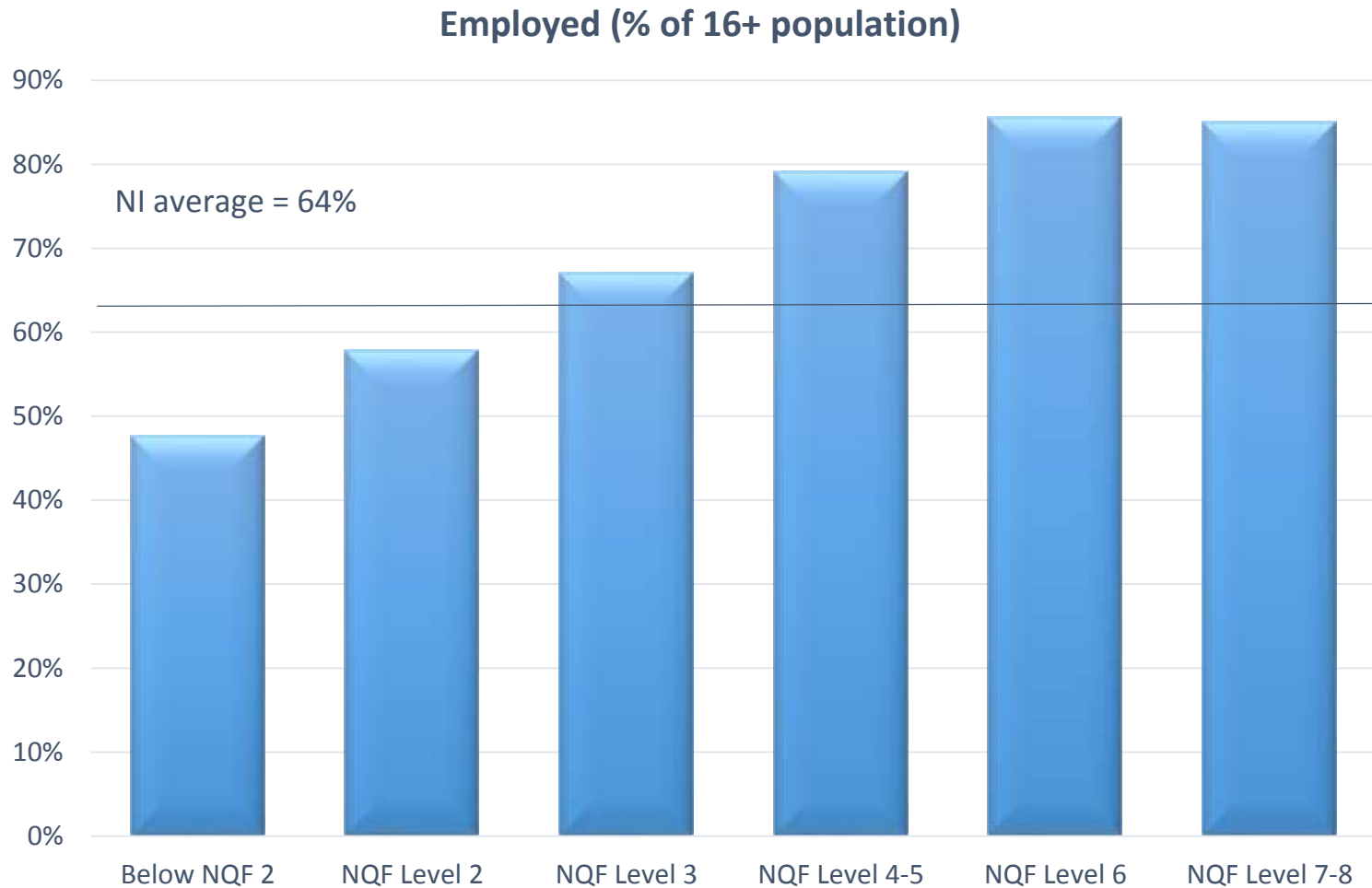
Average earnings by level of education

Gross weekly earnings by age and NQF level, UK, 2015/16



Source: Labour Force Survey, UUEPC analysis

Employment prospects by level of education



Source: LFS

The importance of employability skills and placement experience

The importance of employability skills

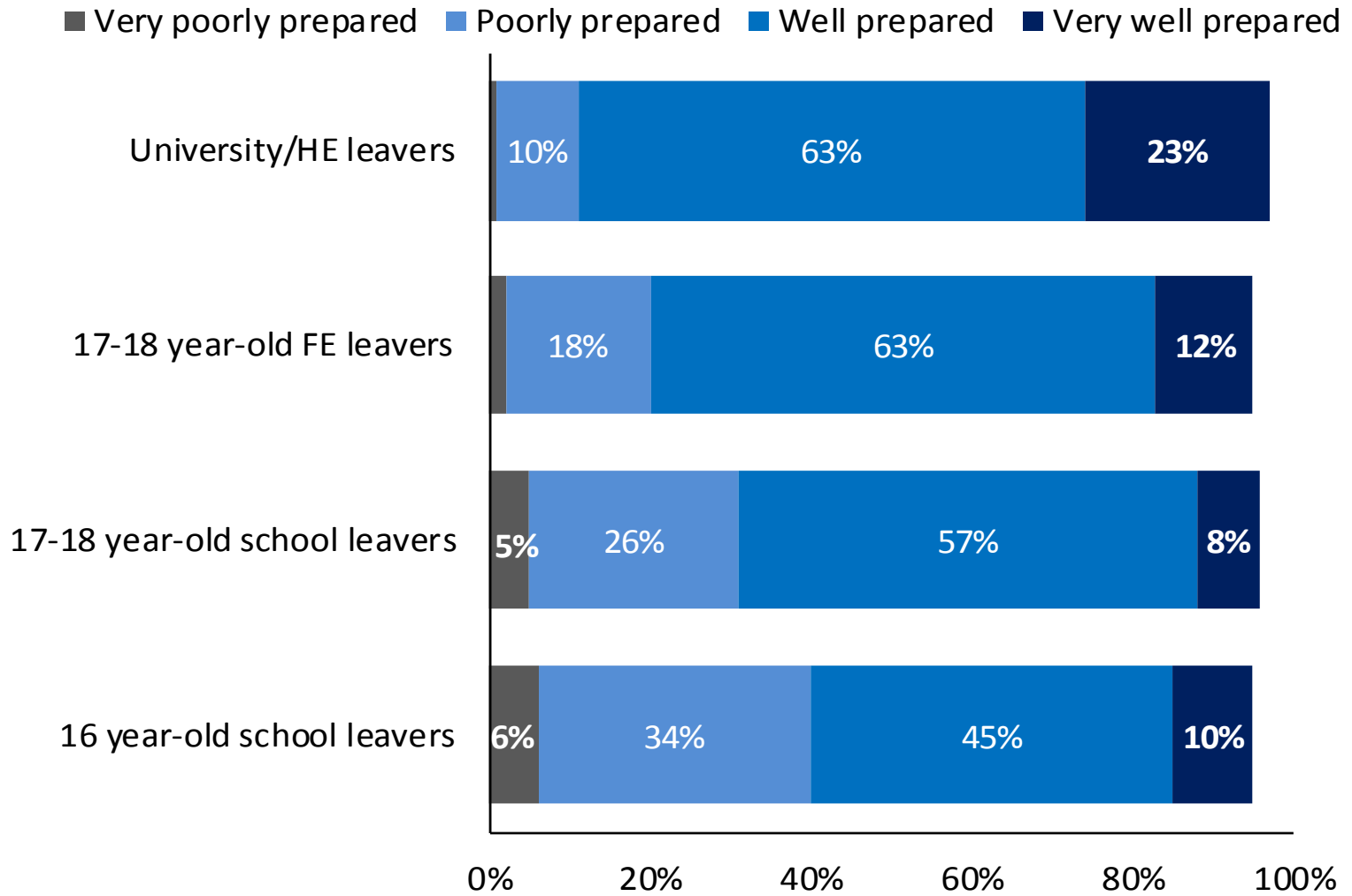
- Examples of employability skills:

- Problem solving;
- Team working;
- Communication;
- People management;
- Commercial awareness;
- Critical/ objective thinking;
- Professional attitude; and
- Initiative.

Employers are seeking to identify these skills (or the potential to develop these skills) in young people during their recruitment process.

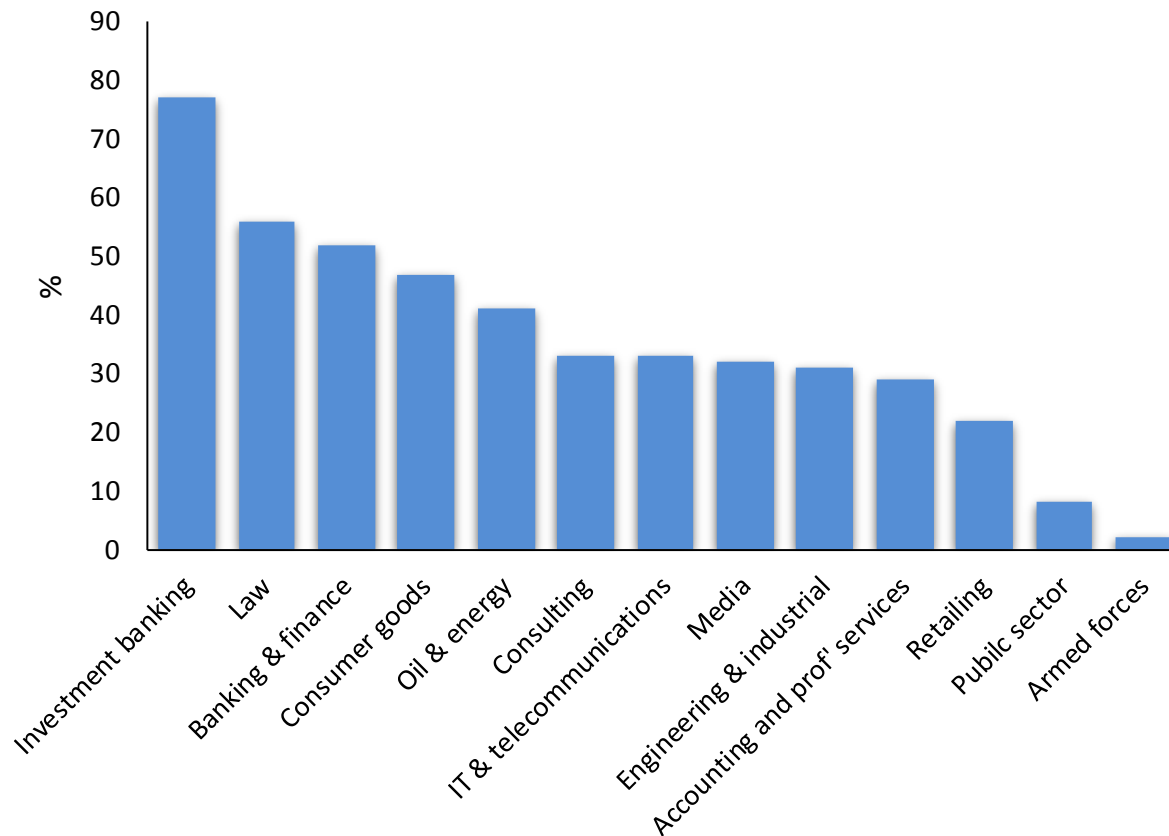
- **Employability skills typically developed through work experience/ placement / internship**

Work readiness of education leavers



Placement experience is very important

Vacancies likely to be filled by grads who had already worked for employer



Source: The Graduate Market 2016

Typically more than a quarter of graduate jobs go to candidates who have already worked for that employer (typically through a placement or internship).

Final thoughts

Final thoughts

- **Work placement and internship** – employment based learning is increasingly important in terms developing the broader employability skills employers require from potential recruits.
- **Professional & Technical v Academic** – P&T qualifications (typically delivered by FE colleges) have a lower status than academic qualifications (typically delivered by HE/ universities). Choose the course that is right for the person, not one based on status.
- **Sector attractiveness** – some sectors need to work harder to make their industry attractive to potential recruits. BUT young people should consider sectors that may not be seen as attractive.
- **Setting appropriate funding incentives to education institutions** – if Government want to encourage improved outcomes (e.g. higher employment outcomes), then the funding regime should incentivise and reward those outcomes.