

**LABOUR
MARKET
INTELLIGENCE**
ENABLING
BETTER
DECISIONS

INTRODUCTION

High quality labour market intelligence (LMI) is vital for a healthy well-functioning economy, allowing businesses, individuals and training providers to make informed decisions about investment, training and careers.

The UK Commission for Employment and Skills produces a wealth of robust data and high quality analysis on employment and skills issues across the UK. This booklet provides an overview of our flagship LMI products and headline results from each of these.

As well as producing high quality LMI the UK Commission also seeks to be a leader in open data, ensuring that the results of our LMI activities are presented for use by others in line with open data principles. This booklet also provides information on LMI for All, an innovative open data pilot being conducted by UKCES.

Our key products are outlined below.

The UK Commission's Employer Skills Survey

The UK Commission's Employer Skills Survey 2013 is our second UK-wide employer skills survey (following the first iteration in 2011), and one of the largest surveys of its kind in the world. The survey looks at training and staff development, vacancies that are unfilled because of skills shortages, gaps in employees' skills, recruitment of education leavers, and a host of other measures to provide a comprehensive and robust picture of skills needs and training investment in UK businesses.

Working Futures

What will the UK labour market look like in the future? Where will the jobs be? These critical questions are addressed by Working Futures, the most detailed and comprehensive labour market model available for the UK. The fifth and latest set of results in the Working Futures series covers the period 2012-2022.

Employer Perspectives Survey

This UK-wide survey covers employer perspectives on recruitment and people development, with particular regard to Apprenticeships, work placements, and employing young people.

WORKING FUTURES

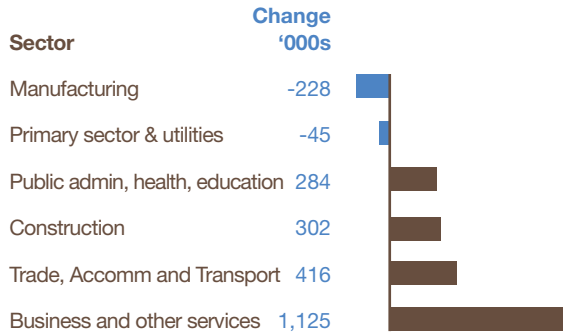
Working Futures is a series of comprehensive labour market projections.

Which sectors are expected to see future growth?

More than 80 per cent of growth is forecast to come from private services whilst construction is expected to see a significant employment bounce back.

Manufacturing is expected to see continuing jobs decline but to see growth in output as productivity increases. This suggests fewer jobs in the sector but at a higher level of skill.

Projected employment change in the UK by sector ('000s) between 2012-2022

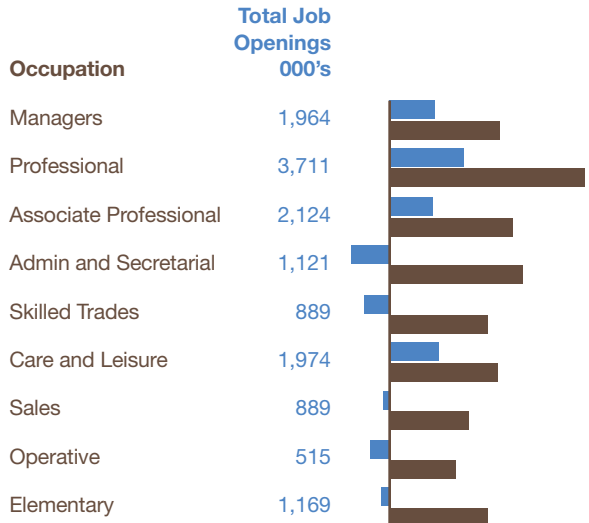


Where will the future jobs come from?

Job growth is projected to be fastest for higher level occupations with some middle ranking roles seeing net decline.

However, replacement demands (which account for almost nine out of 10 job openings) mean that there will still be career opportunities into the future for suitably skilled people in all broad occupational areas.

Projected UK future job openings (000s) between 2012-2022



UK COMMISSION'S EMPLOYER SKILLS SURVEY

The survey provides a comprehensive and robust picture of skills needs and training investment in UK business and is one of the largest surveys of its kind in the world.

How many employers train?

The majority of employers train their staff but a significant minority do not.

The key barriers to training among those who train and those who do not are cost, lack of time and lack of awareness of provision available. Worryingly, a significant minority of employers see no business need for training.

There are 1.7 million businesses with a headcount of 2+ across the UK. Of which...

66%
Train

34%
Do not train

Of those who do not train:

69%

Said they had no training need

33%

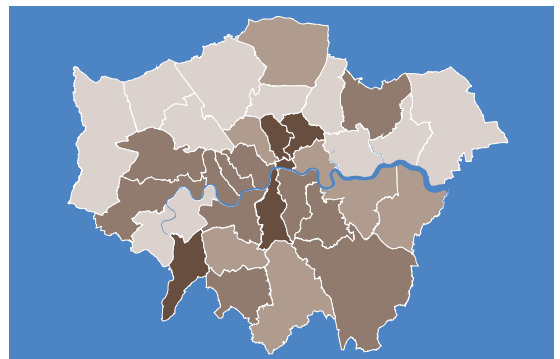
Met perceived training barriers

What are the local patterns of training?

A vast amount of data is available from the skills survey to a very low geographical level (LEA and LEP), with open access to research users.

This example from London shows the level of granularity available and the degree of local variation in training activity.

Proportion of businesses training by local education authority in London (%)



■ 70% and above ■ 65-69% ■ 60-64% ■ 60% and below

Are skills mismatches a problem?

UK skills deficiencies are not universal (18% of employers are affected) but are concentrated and persistent and employers report significant impacts. Skills shortages outpaced vacancy growth between 2011 and 2013.

One example is skilled trades where there is a persistent concentration of skills shortage vacancies (over one in three vacancies).

Skilled trades such as farmers and electricians have a persistent concentration of skills shortage vacancies.

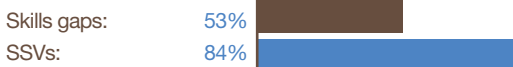


What is the impact of skills deficiencies?

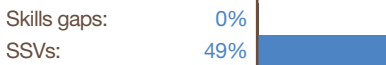
The impact on employers experiencing skills deficiencies is significant and prevents them from functioning properly.

95% of businesses with a skills shortage vacancy reported that it was having an impact on their business, and 63% of businesses with a skills gap.

Increased workload for staff:



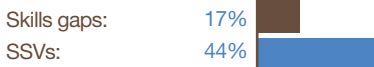
Struggle to meet customer services:



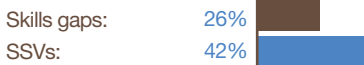
Lose business to competitors:



Delay in developing goods or services:



Higher operating costs:



EMPLOYER PERSPECTIVES SURVEY

The Employer Perspectives Survey (EPS) aims to provide robust evidence on how employers go about meeting their skills needs, exploring employers' interactions with a range of public and private workforce development and recruitment services.

What sources of advice, information and practical help are used by employers?

Only 28% of employers had sought or received external information, advice or practical help in the 12 months preceding the survey.

Colleges are one of the most commonly used sources of help, along with training providers and professional bodies.

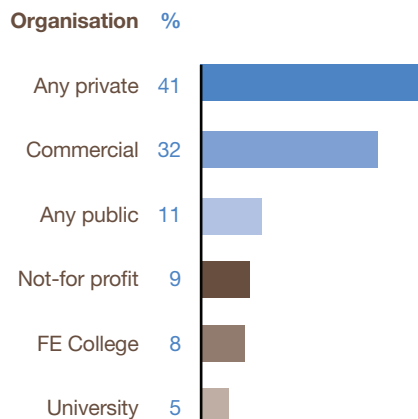


Sources of external training

45% of business establishments use training from an external source.

Commercial organisations are the most common source of external training, with around a third of all establishments having used their services in the past 12 months.

A much smaller proportion had used an FE college in the previous 12 months.



LMI FOR ALL

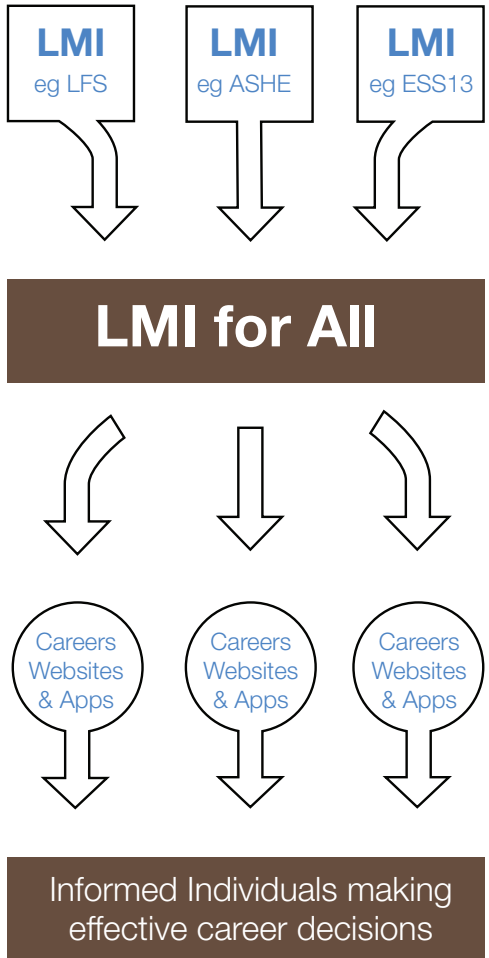
LMI for All brings data from a range of LMI sources together in one place for the first time. It makes the data available to developers in an open access format for use in websites and applications that provide high quality careers intelligence for their users.

What is LMI For All?

LMI for All, is a pilot online data portal which brings together a wealth of existing labour market information, which was previously located in a number of locations and difficult for non-LMI experts to access. It aims to support individuals and businesses to make better and more informed decisions about careers and learning options.

LMI for All does not offer a website for individuals to access but provides an open data tool that seeks to make the LMI freely available and to encourage its use by applications and websites which can bring the data to life for varying audiences.

The data tool includes information that can answer some of the common questions that people ask when thinking about their careers from how much a certain job pays, to the kind of people who typically do that job and their qualifications. It allows comparisons to be made across different jobs and regions.



The LMI for All data tool can be accessed at: <http://www.lmiforall.org.uk/>

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