

WORKING FUTURES 2012 - 2022

Analysing headline findings from the UK Commission for Employment and Skills (UKCES) Working Futures 2012-2022 labour market projections for Coventry and Warwickshire.

The *Working Futures* project was undertaken on behalf of UKCES by the Warwick Institute for Employment Research (IER) in collaboration with Cambridge Econometrics (CE). <http://www.ukces.org.uk/ourwork/working-futures>

Introduction

The UKCES Working Futures 2012-2022 is a detailed set of UK labour market projections, which provide a picture of employment prospects by industry, occupation, qualification level, gender and employment status up to 2022.

As with all projections and forecasts, the results presented in Working Futures should be regarded as indicative of likely trends and orders of magnitude given a continuation of past patterns of behaviour and performance, rather than precise forecasts of the future. The reader should therefore focus on the relative position of sectors, and occupations in 2022 and treat the projected values as broad indicators of scale rather than exact predictions.

Further to the usual caution in using economic projections, the reader should be mindful that these projections were produced around a time of particular uncertainty in the economy after the global financial crisis of 2008 as the UK economy recovers from recession. These projections assume the UK economy will maintain a steady recovery from recession that will support employment growth in the long term (2012-2022).

Employment Projections

Analysis of the Working Futures projections estimate that there were 457,000 people employed in Coventry and Warwickshire in 2012, rising to 485,000 in 2022, an increase of 28,000 more people in work.

Table 1: Employment Status

All industries (000's)	Full-time	Part-time	Self Employed	Total
2002	267	119	42	427
2007	274	126	44	443
2012	266	135	56	457
2017	272	141	56	468
2022	279	149	56	485
Change 2012-2022	13	14	1	28

Projected employment levels by employment type estimate an additional 13,000 people will be in full-time employment by 2022. Levels of part-time employment are forecast to see a larger percentage increase between 2012 and 2022; a 10% increase in part-time employment compared to a 5% increase in full-time employment and a 1% increase in those self-employed.

Due to the accuracy of the model figures are rounded to the nearest 1,000. As a result, totals may not add up due to rounding.

A breakdown of current employment and projections of future employment across industries (table 2) shows that health & social work, transport & storage, support service industries, informational technology and professional services are predicted to see the largest increases in levels of employment (increases of 6,000, 5,000, 5,000, 4,000 and 4,000 over the period 2012-2022 respectively). Information technology is projected to experience the highest percentage growth, with a 29% increase in employment over the 10 years.

See the annex to understand more about what these industries cover in detail.

Table 2: Projections of Employment for 22 Industry Groups

Absolute levels and changes (000's)	Levels			Changes		
	2012	2017	2022	2012-2017	2017-2022	2012-2022
Agriculture	4	4	3	-1	0	-1
Mining and quarrying	2	1	1	0	0	0
Food drink and tobacco	3	3	3	0	0	0
Engineering	9	9	8	-1	0	-1
Rest of manufacturing	30	29	28	-1	-1	-2
Electricity and gas	1	1	1	0	0	0
Water and sewerage	4	4	4	0	0	0
Construction	28	29	31	2	2	3
Wholesale and retail trade	71	72	72	1	1	1
Transport and storage	30	32	35	2	3	5
Accommodation and food	32	31	33	-1	2	1
Media	2	2	2	0	0	0
Information technology	15	18	19	4	1	4
Finance and insurance	12	12	13	0	0	0
Real estate	5	6	7	1	1	1
Professional services	31	33	34	2	2	4
Support services	41	43	45	3	2	5
Public admin. and defence	17	15	15	-2	0	-1
Education	46	45	45	-1	0	-1
Health and social work	51	53	56	2	3	6
Arts and entertainment	10	11	11	0	1	1
Other services	14	15	16	1	1	2
All industries	457	468	485	11	16	28

Replacement Demands

In addition to the 28,000 increase in net employment in Coventry and Warwickshire the labour market will require an inflow of 179,000 people to replace those leaving the labour market (due to retirement, occupational mobility and migration etc.), producing a total requirement of 207,000 new workers between 2012 and 2022 (table 3).

Employment projections by industry (table 3) show that wholesale & retail trade, health & social work and education are projected to have high levels of replacement demand with 27,000 (38% of current employment), 21,000 (42%) and 19,000 (41%) new staff needed to meet replacement demand requirements respectively.

Table 3: Changing Composition of Employment by Industry

Employment Levels (000's)	1992	2002	2012	2017	2022	2012-2022		
						Net Change	Replacement Demands	Total Requirement
Agriculture	2	4	4	4	3	-1	2	1
Mining and quarrying	1	0	2	1	1	0	1	0
Food drink and tobacco	3	2	3	3	3	0	1	1
Engineering	20	15	9	9	8	-1	3	2
Rest of manufacturing	60	54	30	29	28	-2	10	8
Electricity and gas	2	1	1	1	1	0	0	1
Water and sewerage	1	1	4	4	4	0	2	2
Construction	23	26	28	29	31	3	10	13
Wholesale and retail trade	60	77	71	72	72	1	27	28
Transport and storage	13	23	30	32	35	5	12	17
Accommodation and food	26	27	32	31	33	1	13	14
Media	1	2	2	2	2	0	1	1
Information technology	7	12	15	18	19	4	6	10
Finance and insurance	11	12	12	12	13	0	5	5
Real estate	3	4	5	6	7	1	2	4
Professional services	21	28	31		34	4	12	16
Support services	19	29	41	43	45	5	16	21
Public admin. and defence	20	17	17	15	15	-1	6	4
Education	31	35	46	45	45	-1	19	18
Health and social work	33	36	51	53	56	6	21	27
Arts and entertainment	7	10	10	11	11	1	4	5
Other services	9	12	14	15	16	2	6	8
All industries	373	427	457	468	485	28	179	207

Table 4 shows the changing composition of employment across Coventry and Warwickshire by occupation. Between 2012 and 2022 the projections put professional occupations as the biggest growth area in jobs with a 16,000 increase in employment. As the biggest occupation group in terms of numbers employed in the sub-region, the professional occupation group also has the greatest need out of all occupation groups in terms of replacement demands and so its total requirement of workers by 2022 is by far the most significant at around 48,000.

Table 4: Changing Composition of Employment by Occupation

All industries Employment Levels (000's)	1992	2002	2012	2017	2022	2012-2022		
						Net Change	Replacement Demands	Total Requirement
1. Managers, directors and senior officials	29	37	42	46	50	8	18	26
2. Professional occupations	52	63	81	89	96	16	33	48
3. Associate professional and technical	38	47	54	58	62	8	20	28
4. Administrative and secretarial	58	61	59	56	53	-5	26	20
5. Skilled trades occupations	63	62	53	50	48	-5	18	12
6. Caring, leisure and other service	21	31	45	50	55	10	21	32
7. Sales and customer service	28	36	36	35	35	-1	13	12
8. Process, plant and machine operatives	39	40	36	35	34	-2	14	11
9. Elementary occupations	46	50	51	49	50	-1	19	18
Total	373	427	457	468	485	28	179	207

Due to the accuracy of the model figures are rounded to the nearest 1,000. As a result, totals may not add up due to rounding.

Qualification Projections

The Coventry and Warwickshire labour market is forecast to require a net increase of 62,000 workers qualified to level 4 and above (higher education level to doctorate), creating a total requirement of 127,000 new workers qualified to level 4 and above between 2012-2022 (65,000 due to replacement demand). Generally, by 2022 jobs in the sub-region will be filled by a workforce with a higher educational profile; in 2012 about 36% of those employed were qualified to at least level 4, by 2022 this is projected to increase to 47%.

The forecast change in the labour force qualified to level 3 and below shows a net fall between 2012 and 2022, adding replacement demand gives a total requirement of 80,000 staff.

Table 5: Implications for Qualifications

QCF group (000's)	Base year level 2012	Projected level 2022	Net Change 2012-2022	Replacement Demand	Total requirement 2012-2022
QCF 7-8	36	57	21	14	35
QCF 4-6	130	170	41	51	91
QCF 3	92	86	-6	36	30
QCF 2	103	101	-2	40	38
QCF 1	64	51	-13	25	12
No Qualifications	32	19	-13	13	0
Total	457	485	28	179	207
%	% share	% share			
QCF 7-8	8	12			
QCF 4-6	28	35			
QCF 3	20	18			
QCF 2	22	21			
QCF 1	14	11			
No Qualifications	7	4			
Total	100	100			

Table 6 below identifies the number in employment qualified to level 4 and above (HE and above) by industry. The health & social work industry is projected to see the highest increase in demand for higher level qualifications between 2012 and 2022, requiring an additional 18,000 new staff qualified to level 4 and above, due to a projected net increase of 8,000 staff in the industry plus replacement demand of 11,000 staff. Other industries projected to need high growth in the numbers of staff qualified to level 4 and above include education (total requirement of 15,000), wholesale & retail trade (13,000) and professional services (13,000).

Table 6: Level 4 and above Qualifications by industry

QCF 4-8 (000's)	Base year level (2012)	Change (2012-2022)	Projected level (2022)	Replacement Demand	Total requirement (2012-2022)
Agriculture	1	0	1	1	1
Mining and quarrying	1	0	1	0	0
Food drink and tobacco	1	0	1	0	1
Engineering	3	1	4	1	2
Rest of manufacturing	8	2	10	3	5
Electricity and gas	0	0	1	0	0
Water and sewerage	1	0	2	0	1
Construction	5	3	8	2	5
Wholesale and retail trade	15	8	23	6	13
Transport and storage	5	4	9	2	6
Accommodation and food	7	5	11	3	8
Media	1	0	1	0	1
Information technology	9	5	14	4	8
Finance and insurance	6	2	8	2	4
Real estate	2	1	3	1	2
Professional services	19	6	24	7	13
Support services	12	6	18	5	11
Public admin. and defence	8	1	9	3	4
Education	27	4	31	11	15
Health and social work	26	8	33	11	18
Arts and entertainment	4	2	6	2	4
Other services	5	3	8	2	5

Overview

- The Coventry and Warwickshire labour market is forecast to see an overall increase in employment amounting to 28,000 in the 10 years between 2012 and 2022, the increase being particularly amongst employee jobs (as opposed to self-employment).
- The industries that are forecast to see the biggest growth between 2012 and 2022 are health & social work, transport and storage, support service industries, informational technology (IT) and professional services. IT is projected to experience the highest growth proportionally.
- 179,000 new entrants are required to replace those leaving the labour market between 2012 and 2022 (replacement demand).
- Wholesale & retail trade, education and health & social work are predicted to have high levels of replacement demand.
- The Coventry and Warwickshire labour market is forecast a general upskilling, particularly a net increase in the demand for those qualified to higher education level.

Annex – Industry and Qualification

All qualifications

QCF8 - Doctorate
 QCF7 - Other higher degree
 QCF6 - First degree
 QCF5 - Foundation degree, Nursing, Teaching
 QCF4 - HE below degree level
 QCF3 - A level & equivalent
 QCF2 - GCSE(A-C) & equivalent
 QCF1 - GCSE(below grade C) & equivalent

Aggregation of 79 detailed industries to 22 Industry groups

Industry Group [SIC]	Ind79 industry [SIC]
1 Agriculture [01-03]	1 Agriculture, etc [01-03]
2 Mining and quarrying [05-09]	2 Coal, oil and gas [05-06] 3 Other mining [07-08] 4 Mining support [09]
3 Food drink and tobacco [10-12]	5 Food products [10] 6 Beverages and tobacco [11-12]
4 Engineering [26-28]	20 Computer, etc [26] 21 Electrical equipment [27] 22 Machinery n.e.c. [28]
5 Rest of manufacturing [13-25,29-33]	7 Textiles [13] 8 Wearing apparel [14] 9 Leather, etc [15] 10 Wood and cork [16] 11 Paper, etc [17] 12 Printing and recording [18] 13 Coke and petroleum [19] 14 Chemicals, etc [20] 15 Pharmaceuticals [21] 16 Rubber and plastic [22] 17 Other non-metallic [23] 18 Basic metals [24] 19 Metal products [25] 23 Motor vehicles, etc [29] 24 Other transport equipment [30] 25 Furniture [31] 26 Other manufacturing [32] 27 Repair and installation [33]
6 Electricity and gas [35]	28 Electricity, gas, etc [35]
7 Water and sewerage [36-39]	29 Water [36] 30 Sewerage [37]

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		31	Waste management [38-39]
8	Construction [41-43]	32	Construction [41]
		33	Civil engineering [42]
		34	Specialised construction [43]
9	Wholesale and retail trade [45-47]	35	Motor vehicle trade [45]
		36	Wholesale trade [46]
		37	Retail trade [47]
10	Transport and storage [49-53]	38	Land transport, etc [49]
		39	Water transport [50]
		40	Air transport [51]
		41	Warehousing, etc [52]
		42	Postal and courier [53]
11	Accommodation and food [55-56]	43	Accommodation [55]
		44	Food and beverage services [56]
12	Media [58-60]	45	Publishing activities [58]
		46	Film and music [59]
		47	Broadcasting [60]
13	Information technology [61-63]	48	Telecommunications [61]
		49	Computing services [62]
		50	Information services [63]
14	Finance and insurance [64-66]	51	Financial services [64]
		52	Insurance and pensions [65]
		53	Auxiliary financial services [66]
15	Real estate [68]	54	Real estate [68]
16	Professional services [69-75]	55	Legal and accounting [69]
		56	Head offices, etc [70]
		57	Architectural and related [71]
		58	Scientific research and development [72]
		59	Advertising, etc [73]
		60	Other professional [74]
		61	Veterinary [75]
17	Support services [77-82]	62	Rental and leasing [77]
		63	Employment activities [78]
		64	Travel, etc [79]
		65	Security, etc [80]
		66	Services to buildings [81]
		67	Office administrative [82]
18	Public admin. and defence [84]	68	Public administration and defence [84]
19	Education [85]	69	Education [85]
20	Health and social work [86-88]	70	Health [86]
		71	Residential care [87]
		72	Social work [88]
21	Arts and entertainment [90-93]	73	Arts and entertainment [90]

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22	Other services [94-96]	74	Libraries, etc [91]
		75	Gambling and betting [92]
		76	Sport and recreation [93]
		77	Membership organisations [94]
		78	Repair of goods [95]
		79	Other personal service [96]

Coventry City Council Insight Team has the Chancellor of the Exchequer's notice which permits them to access to the full workbook for Coventry and Warwickshire Working Futures. Further analysis of the worksheet can be completed on request but must adhere to guidelines.

If you need this information in another format or language please contact us:

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Coventry City Council

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