



Northern Ireland Skills Barometer 2023-2033 Summary



Northern Ireland Skills Barometer: 2023-33



Economic Policy
Centre



The Northern Ireland Skills Barometer

Commissioned by the Department for the Economy and produced by Ulster University Economic Policy Centre.

Provides insights into the future skills needs of the NI economy.

Key Findings

Labour Market Demand

- **Employment Growth:** Under a high-growth scenario, NI is projected to add 7.9k jobs per year, reaching 999k workforce jobs by 2033.
- **Sectoral Performance:** The highest job growth is expected in health (+12k jobs), professional services, ICT, and construction.
- **Occupational Growth:** Fastest-growing occupations include data analysts (+5.9% annually), cybersecurity professionals (+4.6%), and R&D managers (+4.3%). However, in absolute terms, care workers will create the most jobs (+4.1k).
- **Replacement Demand:** The majority of job opportunities (three times that of expansion demand) will arise due to workforce churn, especially in sectors like retail and health.

Skills and Qualification Needs

- **Higher-Level Qualification Demand:** Over 40% of future vacancies will require at least an undergraduate degree (RQF level 6+).
- **Subject Areas in Demand:** Medicine and healthcare, business, and computing will have the highest graduate demand.
- **STEM Workforce Challenges:** Gender disparities persist, with only 14% of female HEI qualifiers in STEM subjects compared to 30% of males.

Skills Supply and Demographic Trends

- **Declining Workforce Growth:** NI’s working-age population growth is slowing, with labour shortages expected to persist.
- **Education Trends:** School leaver qualifications have improved, with 76% achieving five GCSEs, including English and Maths.
- **Further & Higher Education:** FE colleges produce the largest number of qualifications, though many remain at lower RQF levels. NI HEIs have a high concentration of health-related graduates but lag in overall graduate intensity compared to the UK.
- **Migration & Labour Market Impact:** Increasing reliance on international workers highlights the need for policy focus on retention and workforce development.

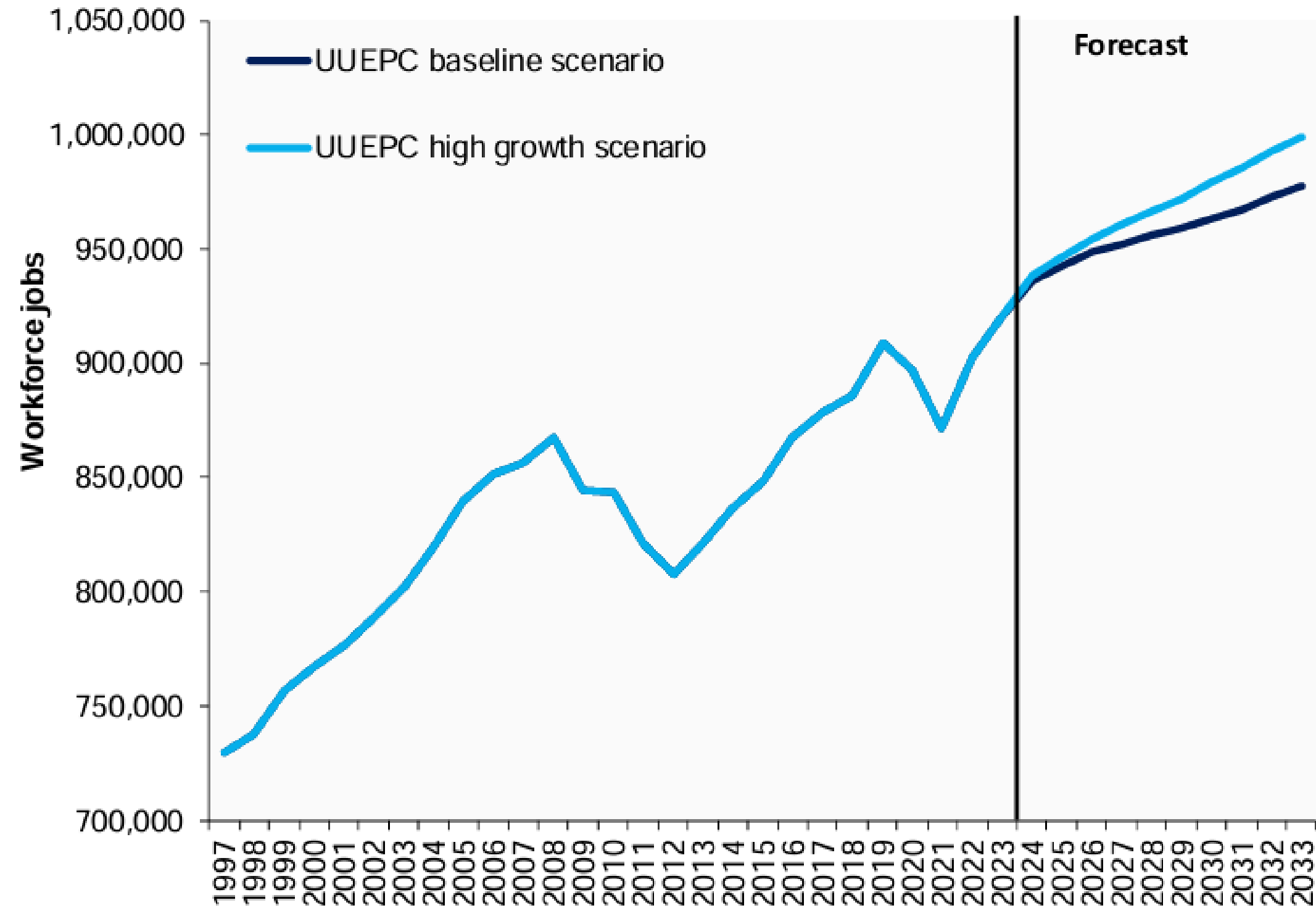
Demand for Education Leavers & Migrants (2023-2033)



Supply from the education system (2023-2033)

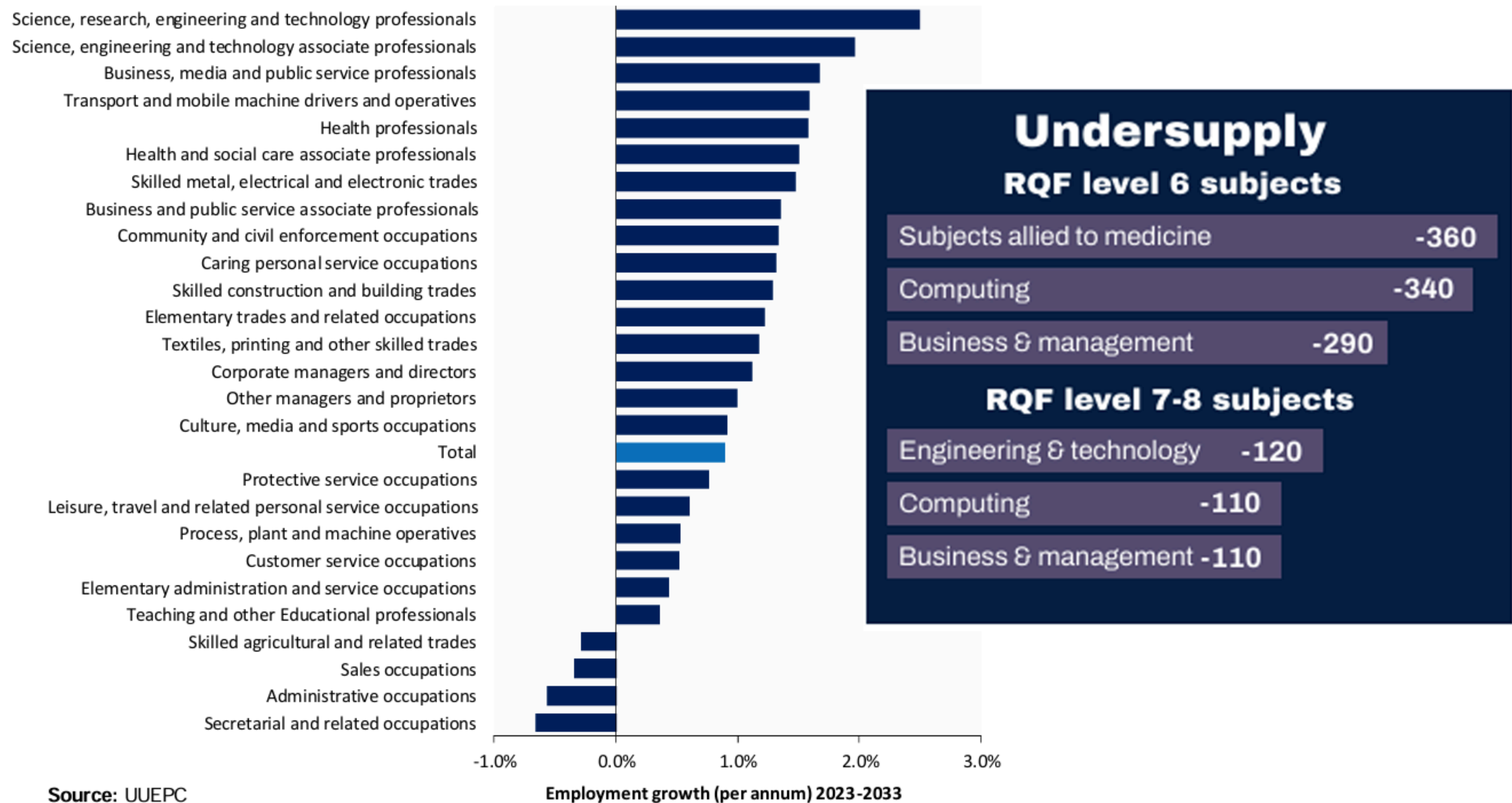


Figure 3: Employment (jobs) by scenario (high growth and baseline), NI, 1997-2033



Source: Workforce Jobs, UUEPC

Figure 4: Employment growth (people based) by occupation (2-digit, SOC) high growth scenario, NI, 2023-2033



Source: UUEPC

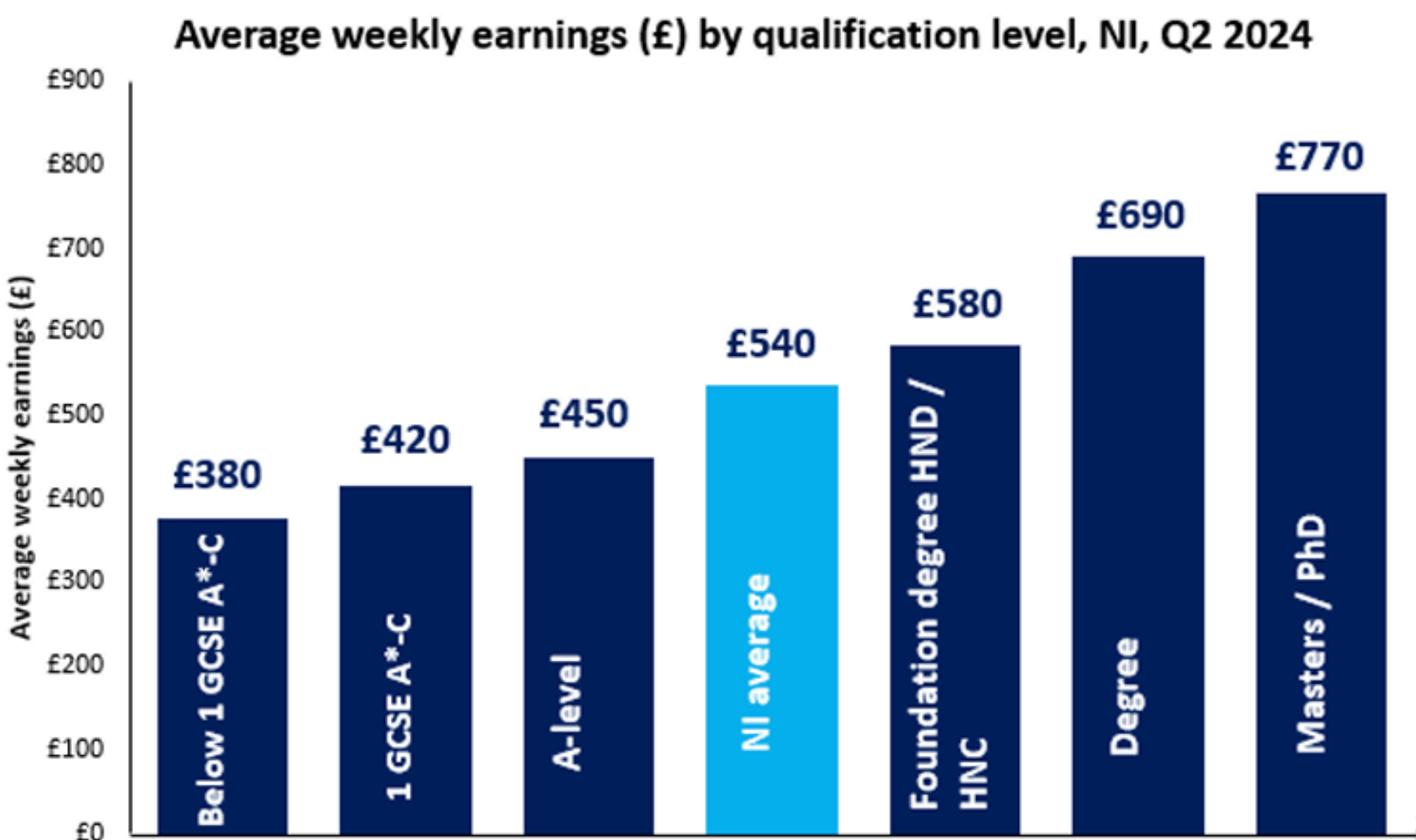
Policy Implications

- 1. Investing in Skills:** Encouraging higher education participation and lifelong learning is crucial to economic growth.
- 2. Workforce Alignment:** Bridging qualification gaps between employment and economic inactivity can improve labour market efficiency.
- 3. Sectoral Focus:** Expanding digital, cybersecurity, and green economy sectors will be key to long-term prosperity.
- 4. Targeted Gender Strategies:** Addressing gender disparities in STEM and healthcare occupations will enhance workforce diversity.

Conclusion

The NI Skills Barometer 2023-2033 highlights the urgent need for skills development and policy interventions to support economic growth.

Addressing workforce shortages, qualification mismatches, and sectoral demands will be essential for sustaining NI’s future labour market competitiveness.



Source: Labour Force Survey
Note: Data is based on a 4-quarter rolling average

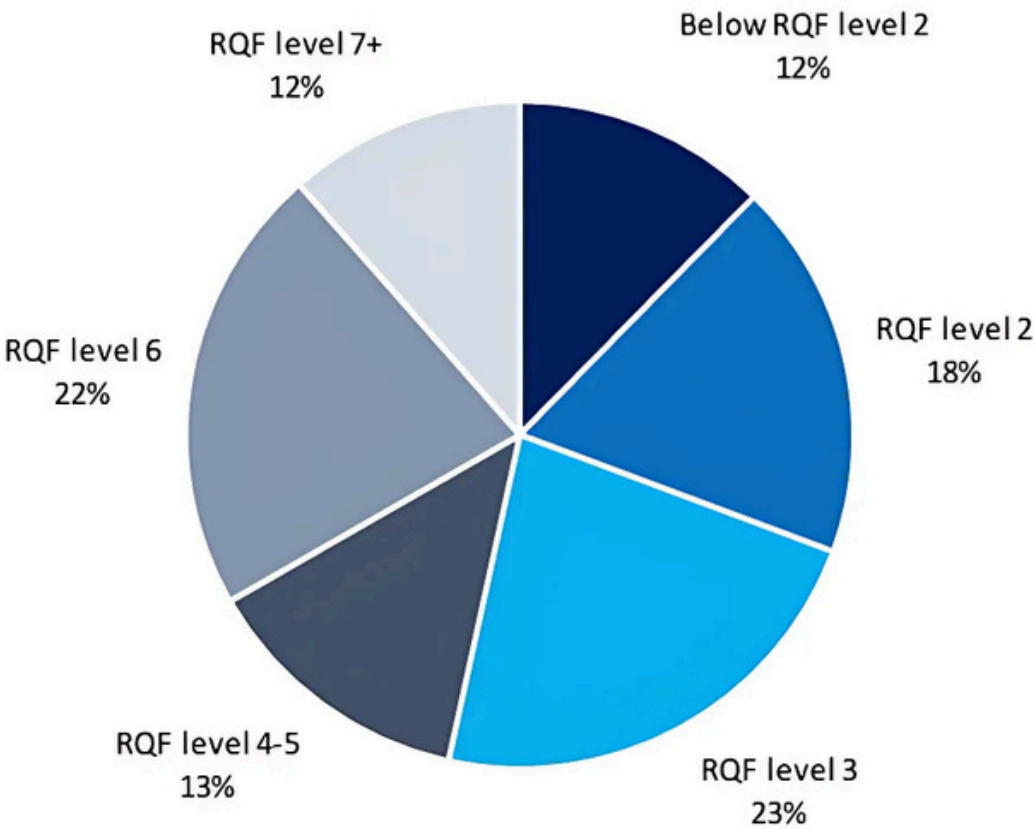
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Summary, policy remarks and further research

- Skills should remain at the core of economic development policy
- The stock of skills in the working age population compares unfavourably to other UK regions.
- The era of ‘easy’ recruitment is over
- Labour shortages limit capacity for employment growth.
- Rethinking NI’s growth model. Raising NI’s productivity growth is one route through which the pressure on skills demand could be eased
- A strategy is needed to play the numbers game and avoid a decade of persistent skills shortages.
- Re-engaging the economically inactive
- Retention of older workers.
- Importing skills from abroad.
- Attracting talent from the rest of the UK and Ireland
- Retention of international students
- Retaining more indigenous graduates.

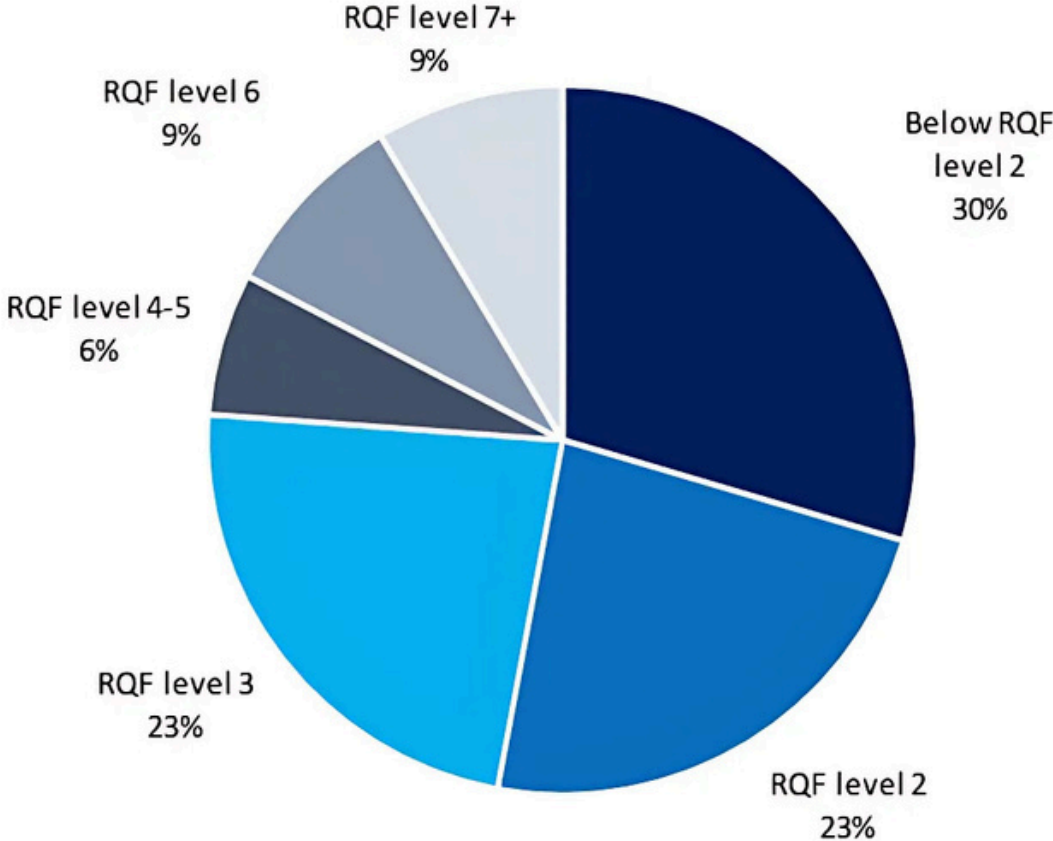
Figure 2: Qualification profile (RQF) by economic status, NI, Q2 2024

Employed qualification profile (RQF) aged 16-64, NI, Q2 2024



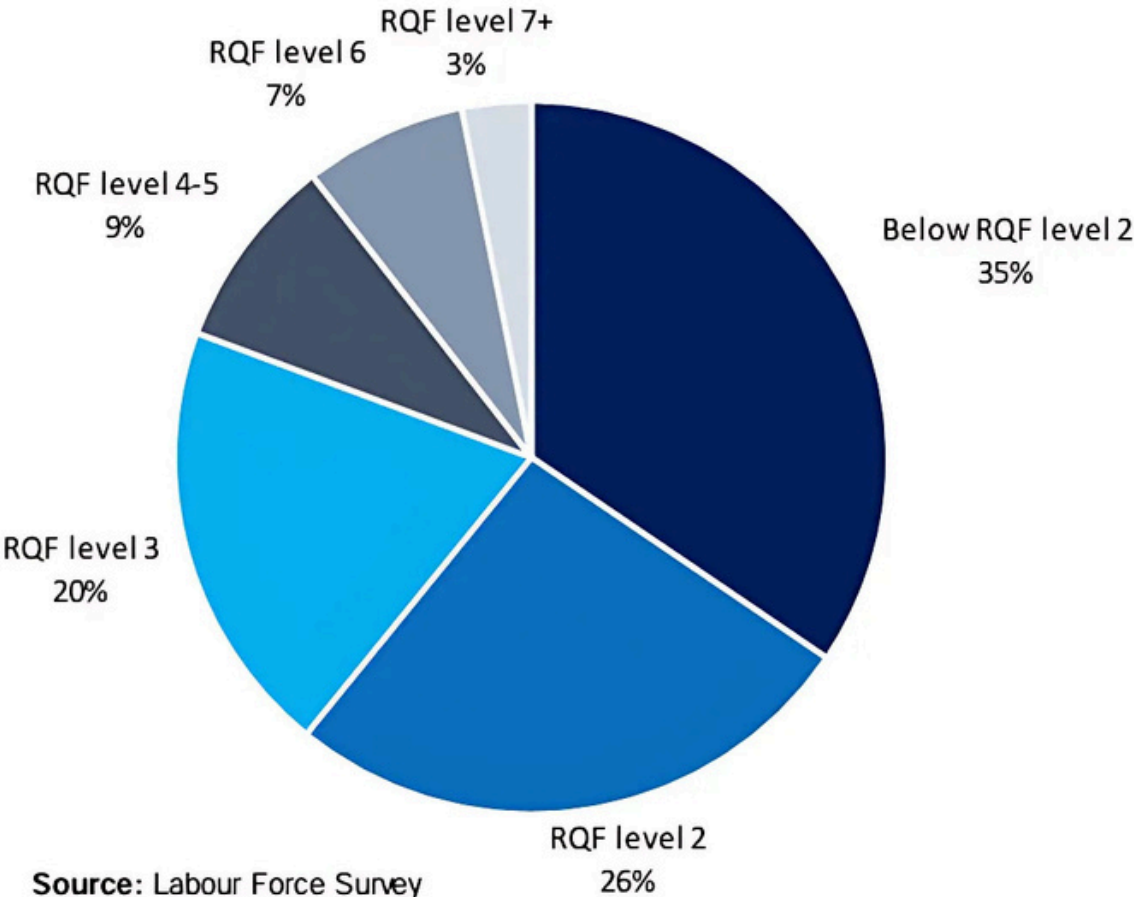
Source: Labour Force Survey
Note: Data is based on a 4-quarter rolling average

Unemployed qualification profile (RQF) aged 16-64, NI, Q2 2024



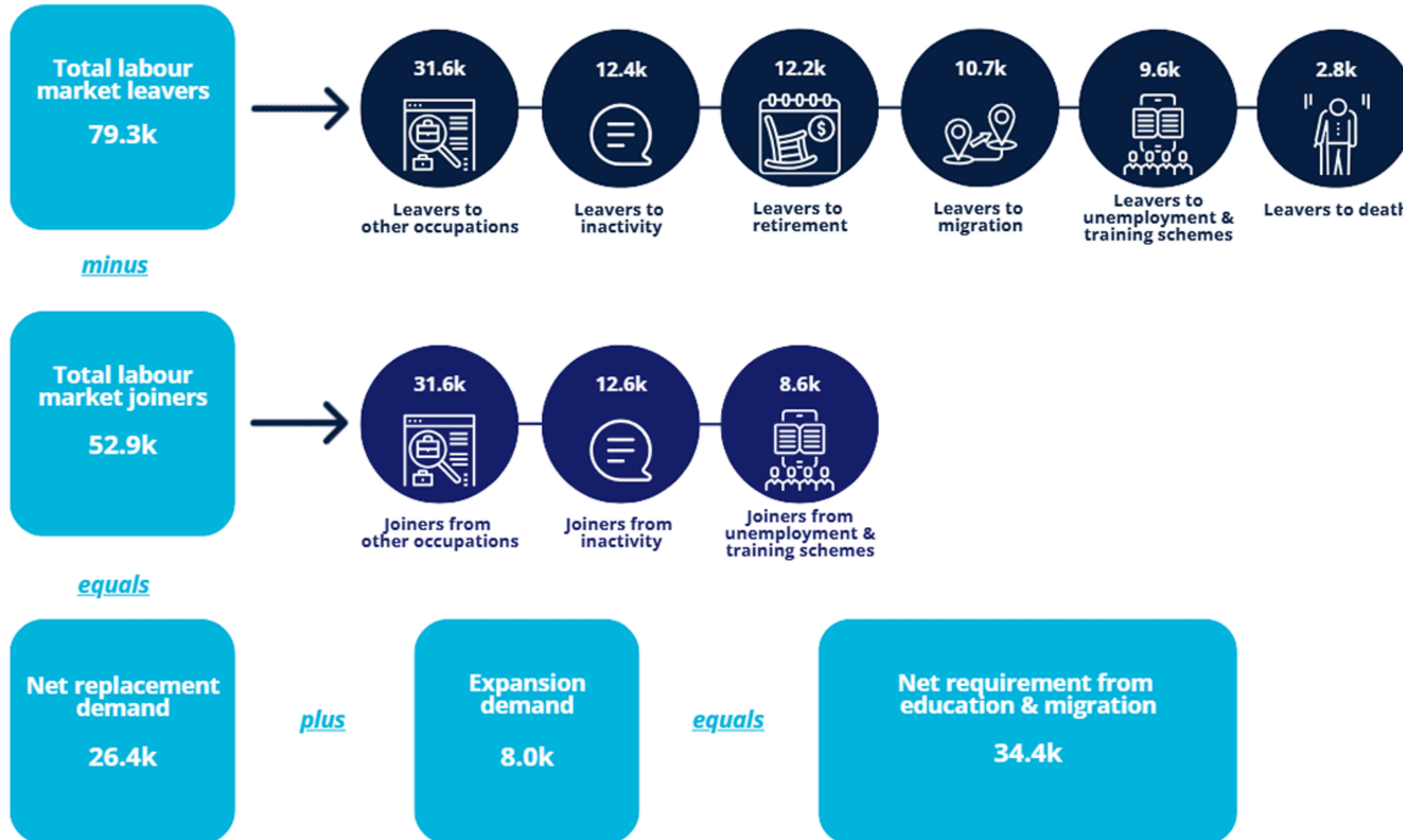
Source: Labour Force Survey
Note: Data is based on a 4-quarter rolling average

Economically inactive qualification profile (RQF) aged 16-64, NI, Q2 2024

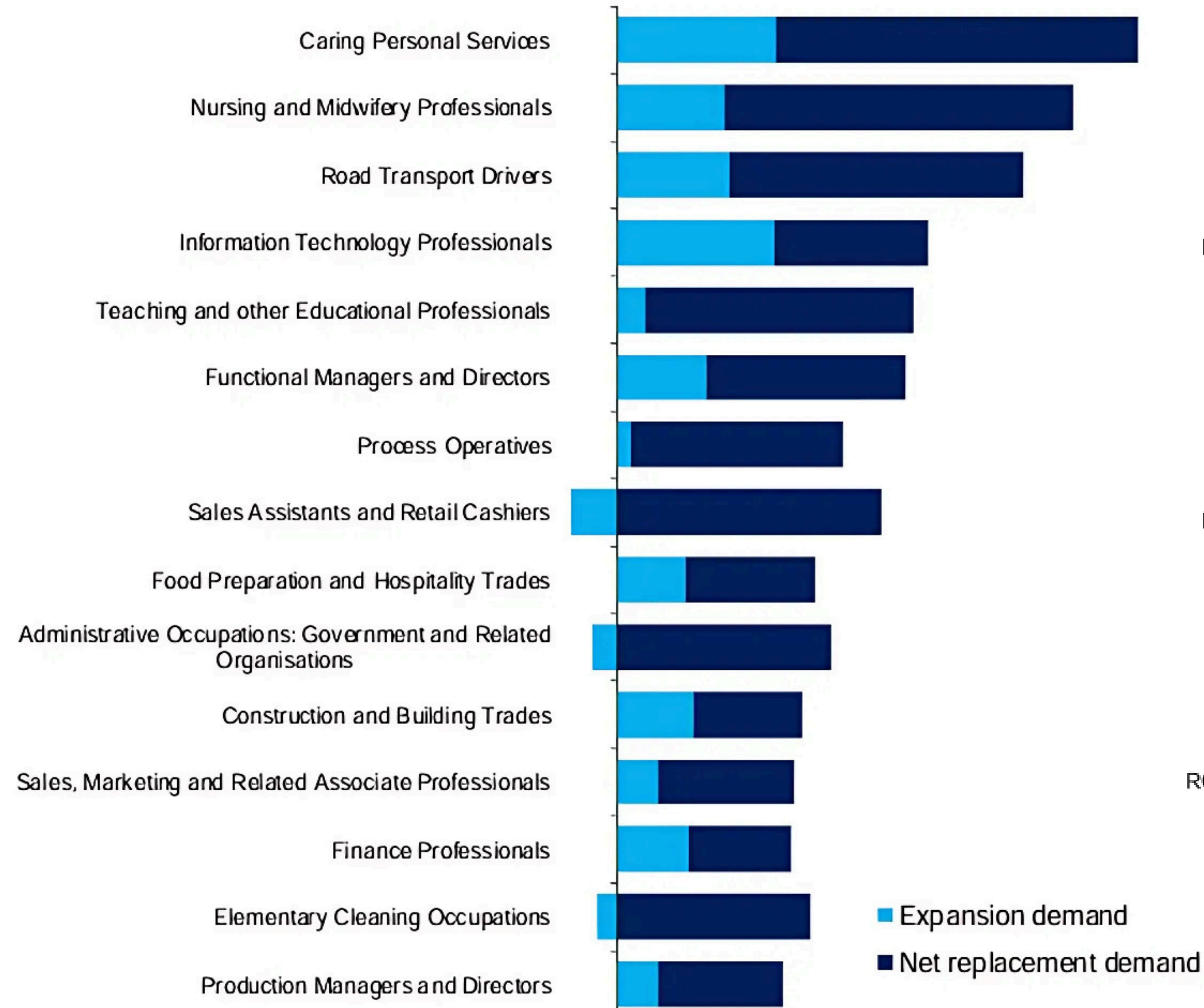


Source: Labour Force Survey
Note: Data is based on a 4-quarter rolling average

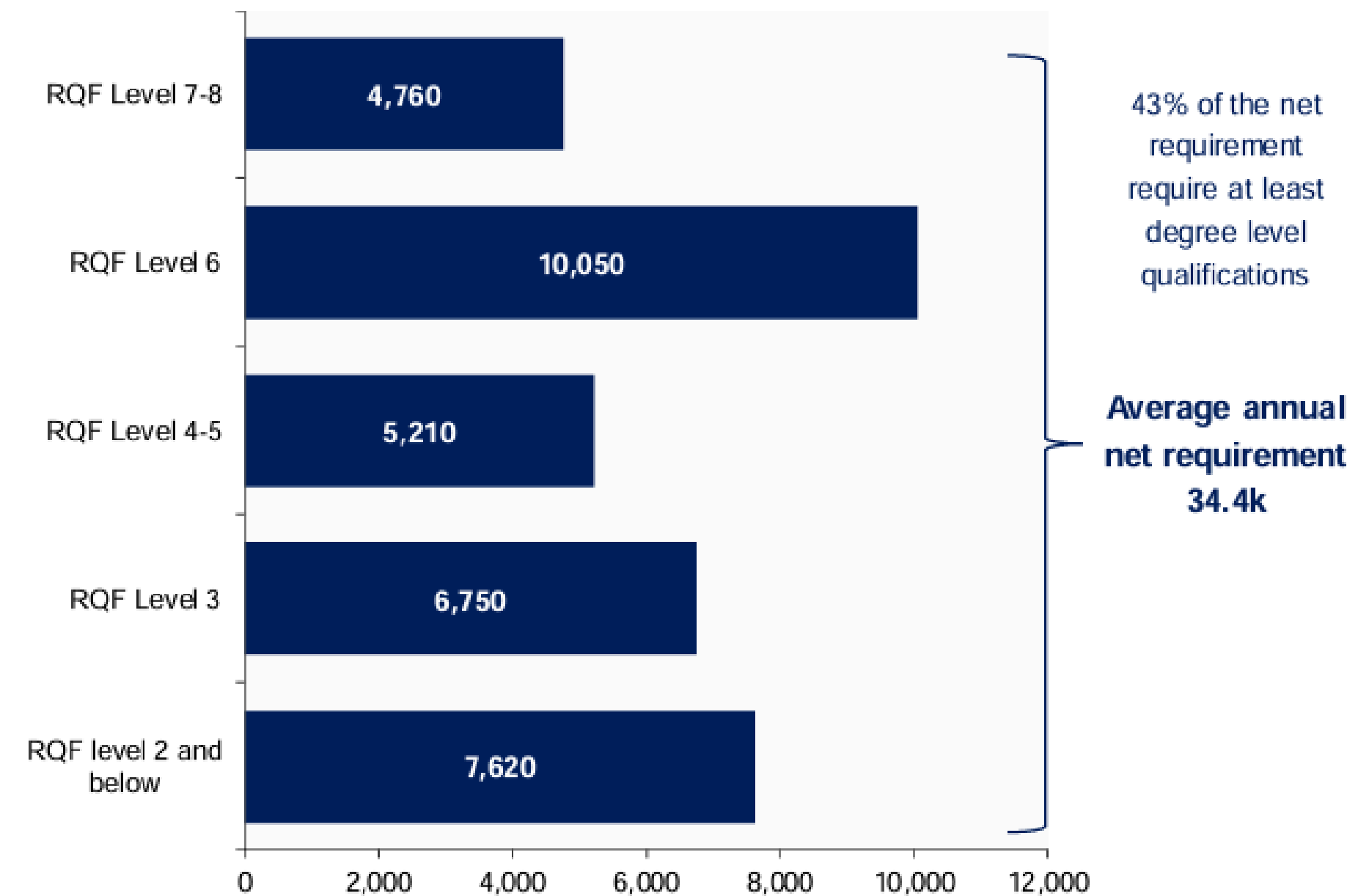
Figure 6: Annual average labour market flows (people based), NI, 2023-2033



Average annual net requirement from education and migration by occupation (top 15, 3-digit), NI, 2023-2033



Average annual net requirement from education and migration by qualification (RQF), NI, 2023-2033



The supply of skills

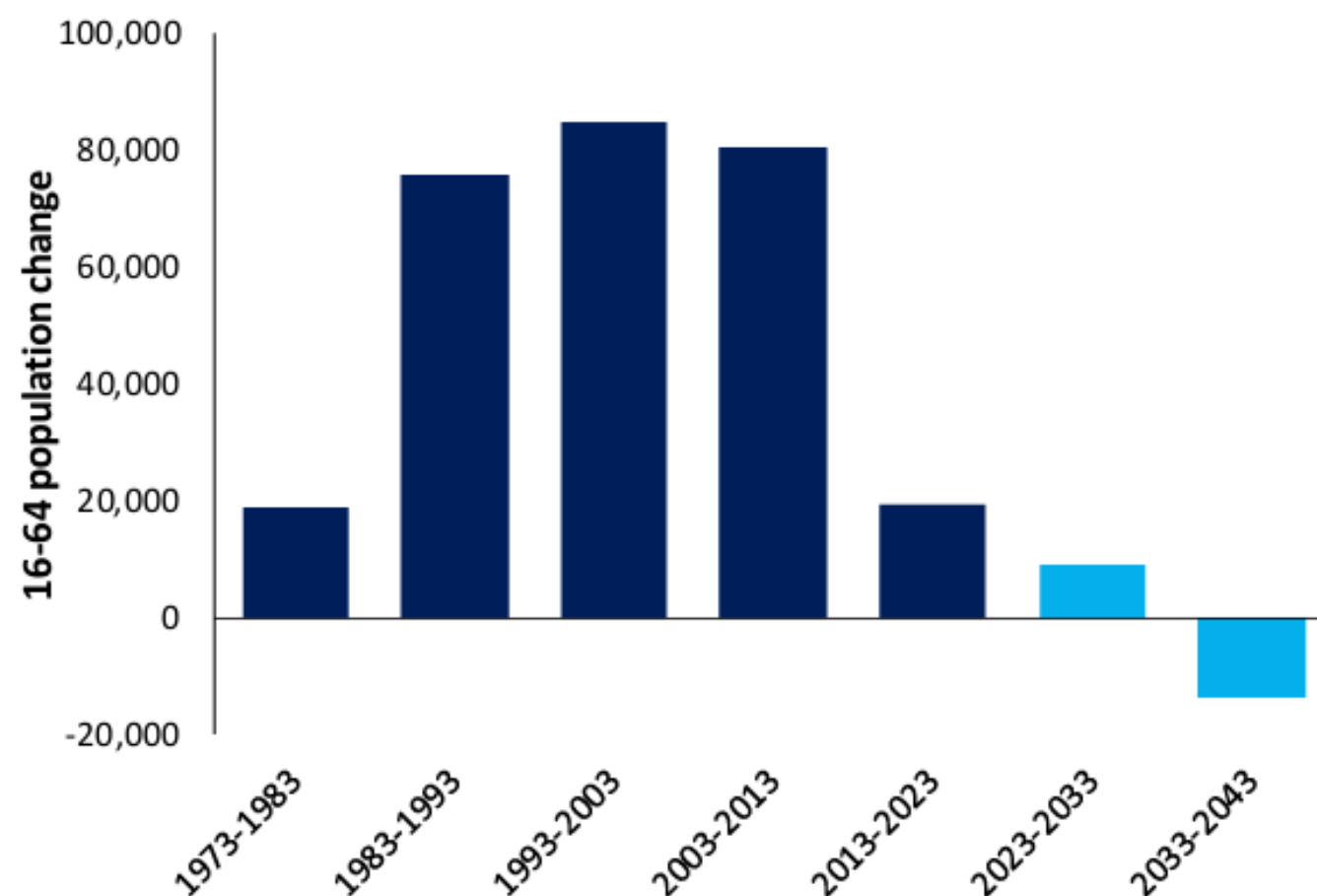
This chapter provides an overview of supply side information, including trends in school performance, Further Education (FE) participation and HE participation.

Demographics

NI's demographic trends indicate that the competition for labour will be a feature of the future labour market. In the period 1983-2003 NI increased its working age population by an average 80k per decade. In the past 10 years NI's working age population has increased by only 20k, and over the coming decade is projected to grow by just 10k, before declining in the 2030's and 2040's.

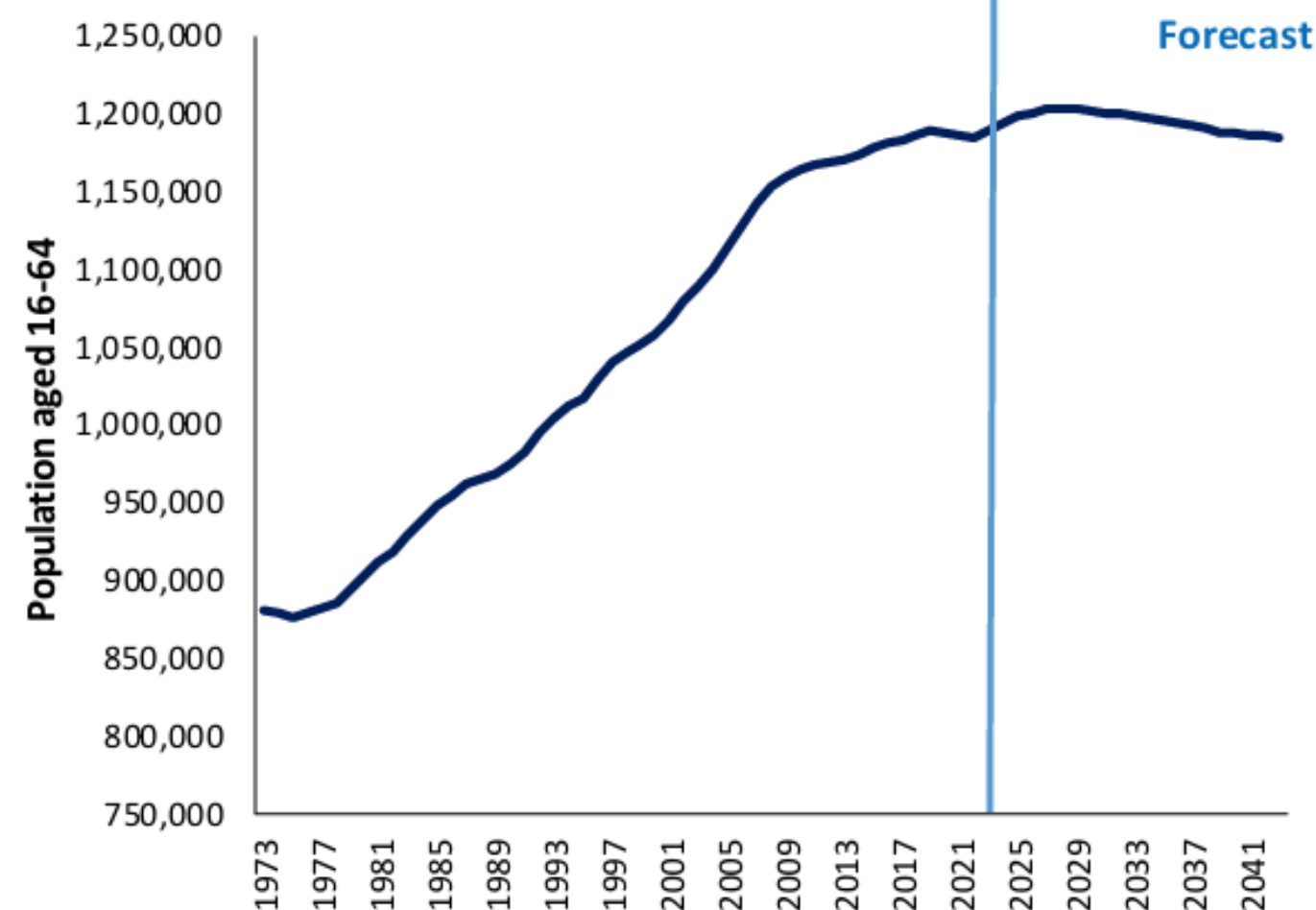
Figure 13: Working age population change by decade and forecasts, NI, 1973-2043

Working-age population (aged 16-64) change by decade, NI, 1973-2043



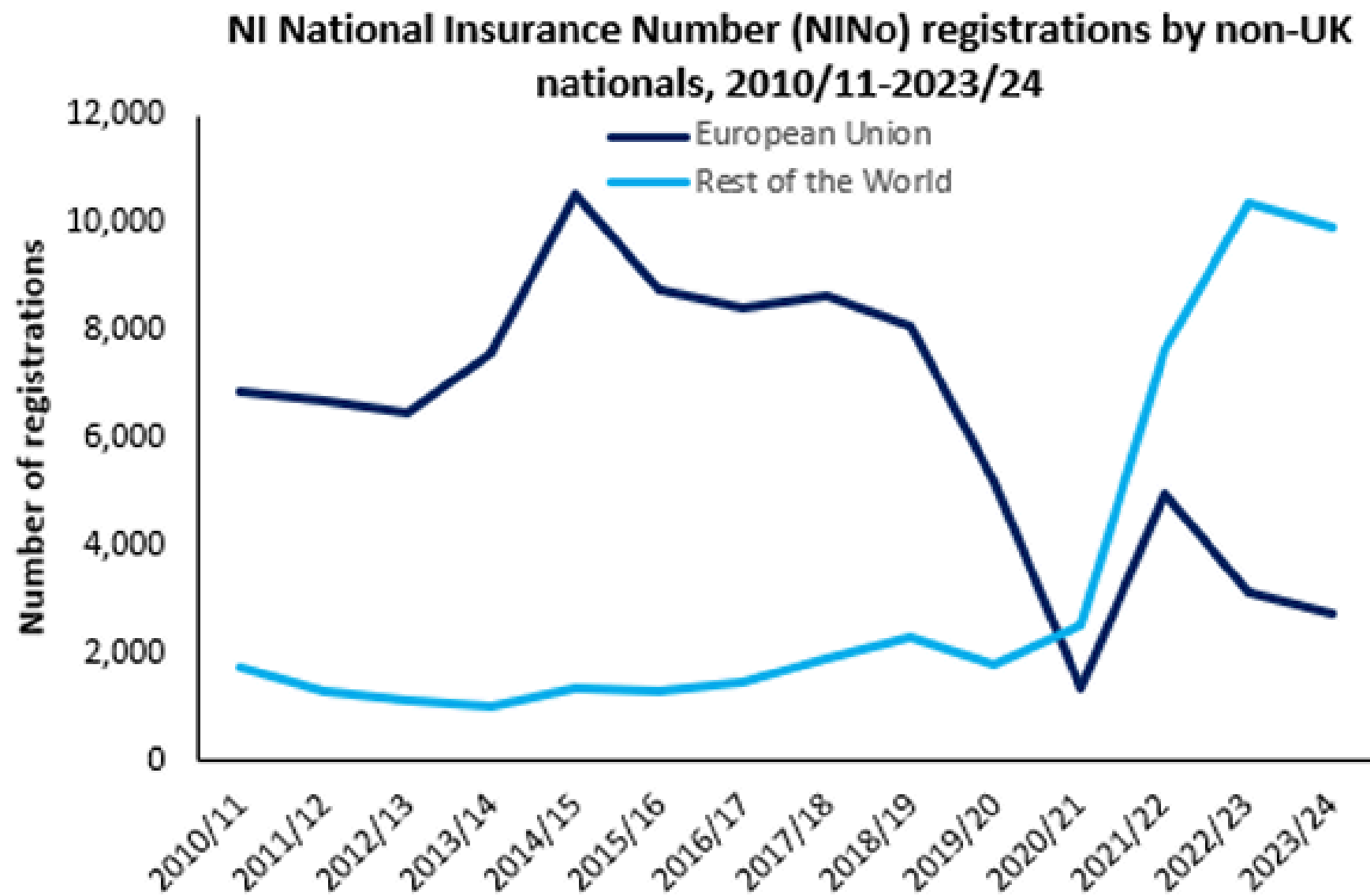
Source: NISRA

Working-age population (aged 16-64), NI, 1973-2043

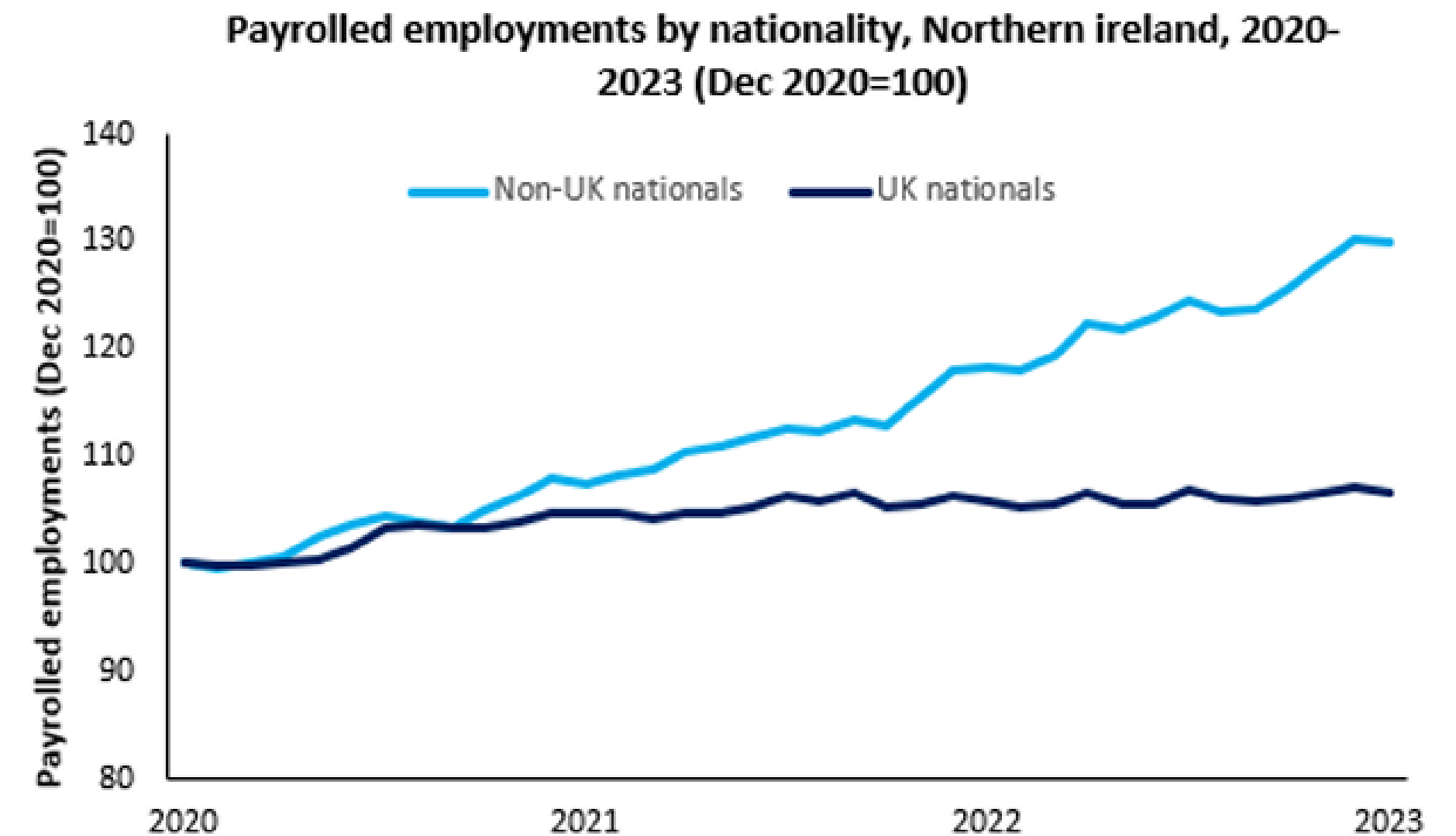


Source: NISRA

Figure 14: NI No registrations by non-UK nationals, NI, 2010/11-2023/24 and Payrolled employments by nationality (Dec 2020=100), 2020-2023

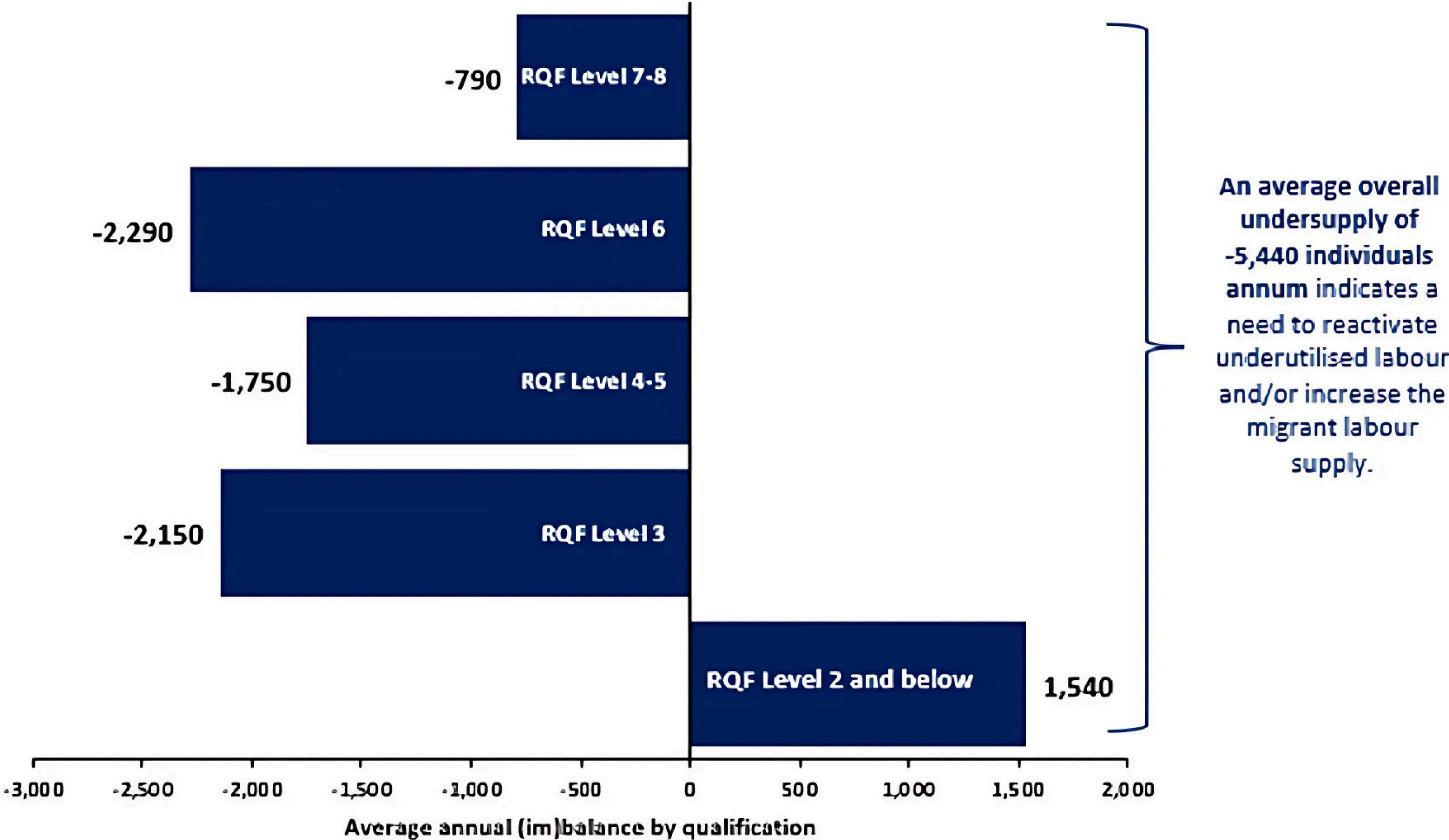


Source: Department for Work and Pensions



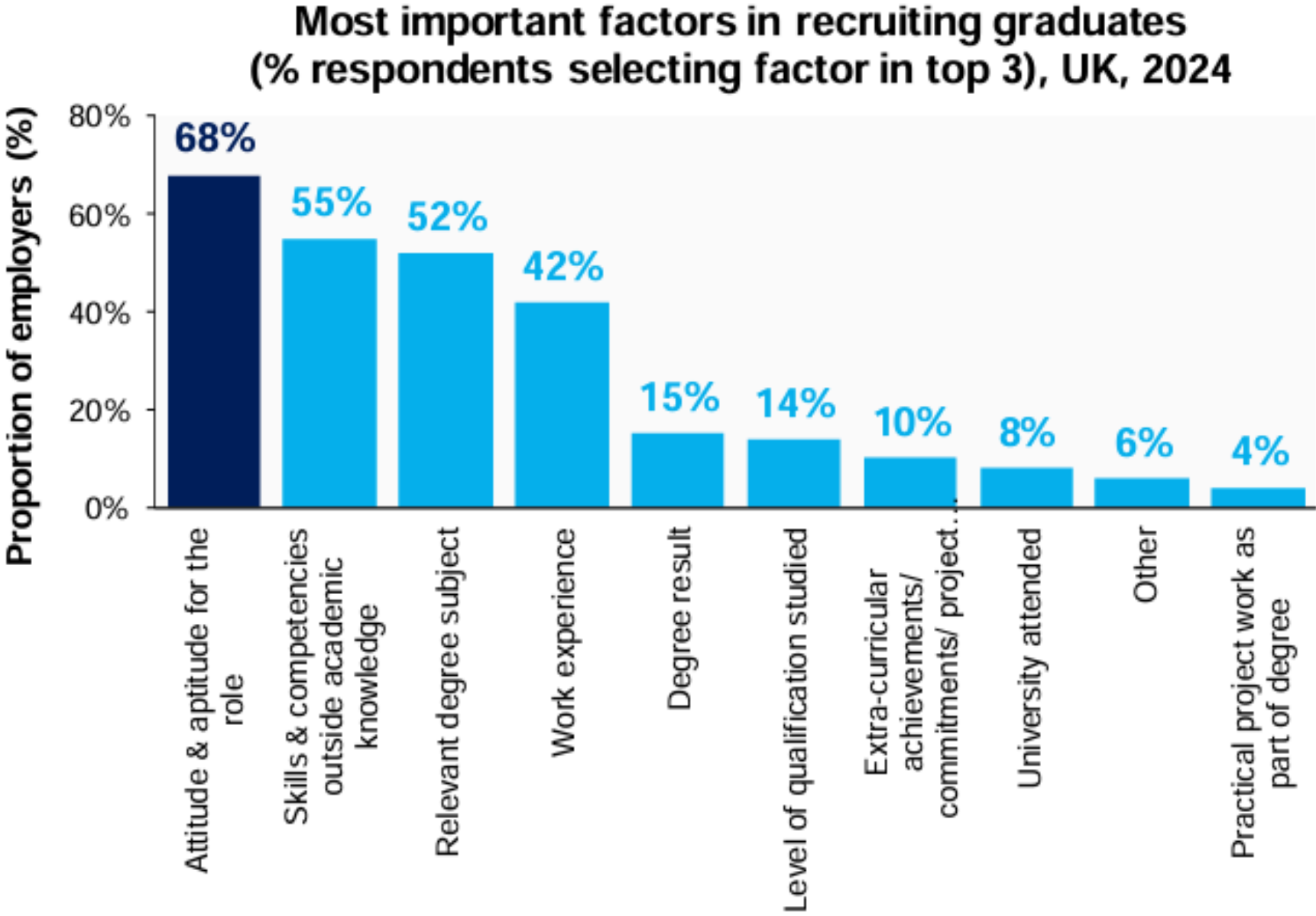
Source: HMRC

Figure 28: Annual average (im)balance by qualification (RQF), NI, 2023-2033

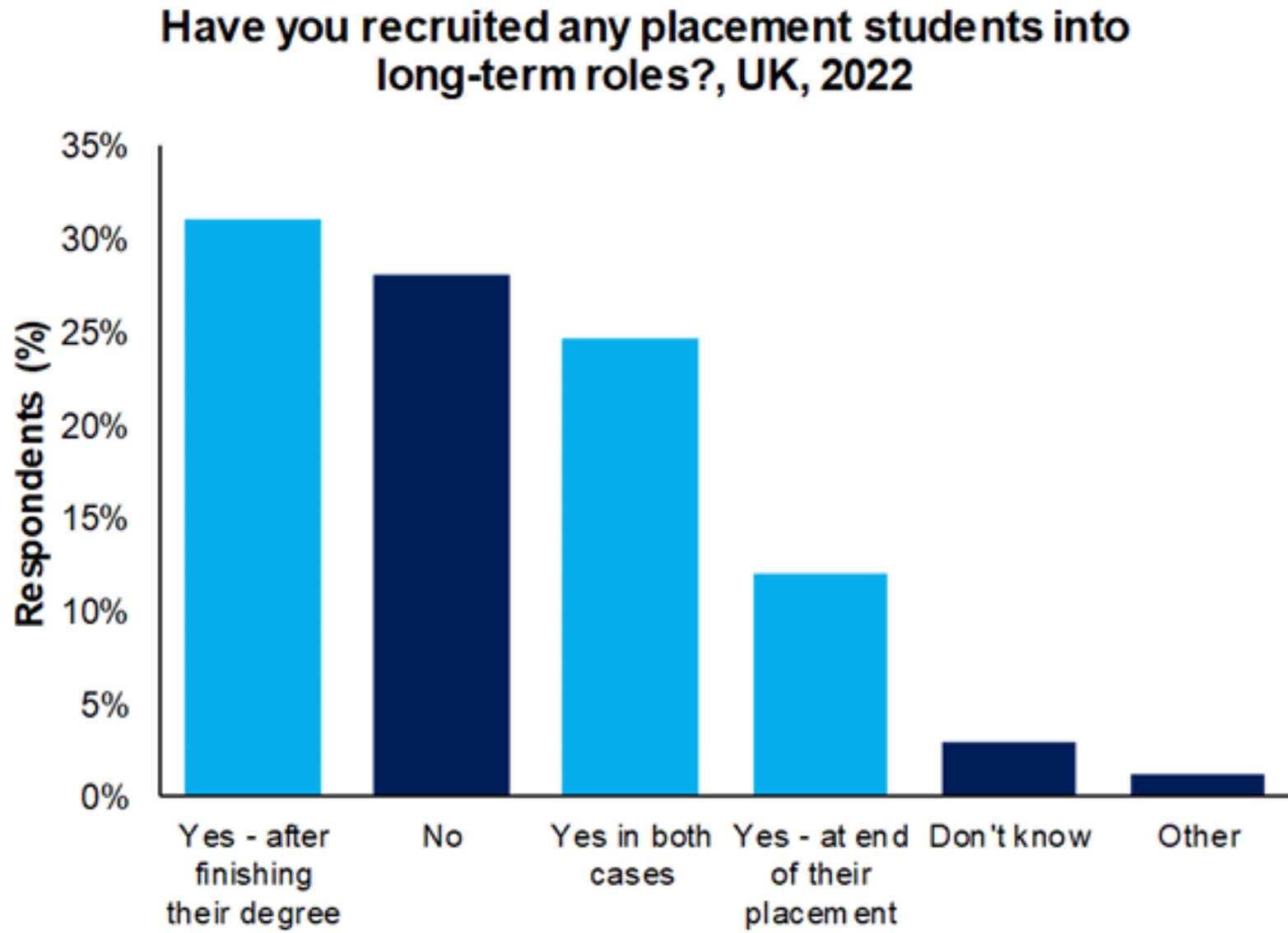


Source: UUEPC

Figure 25: Most important factors in recruiting graduates, UK, 2024 and Recruitment of placement students to long-term roles, UK, 2022



Source: CBI / University Alliance

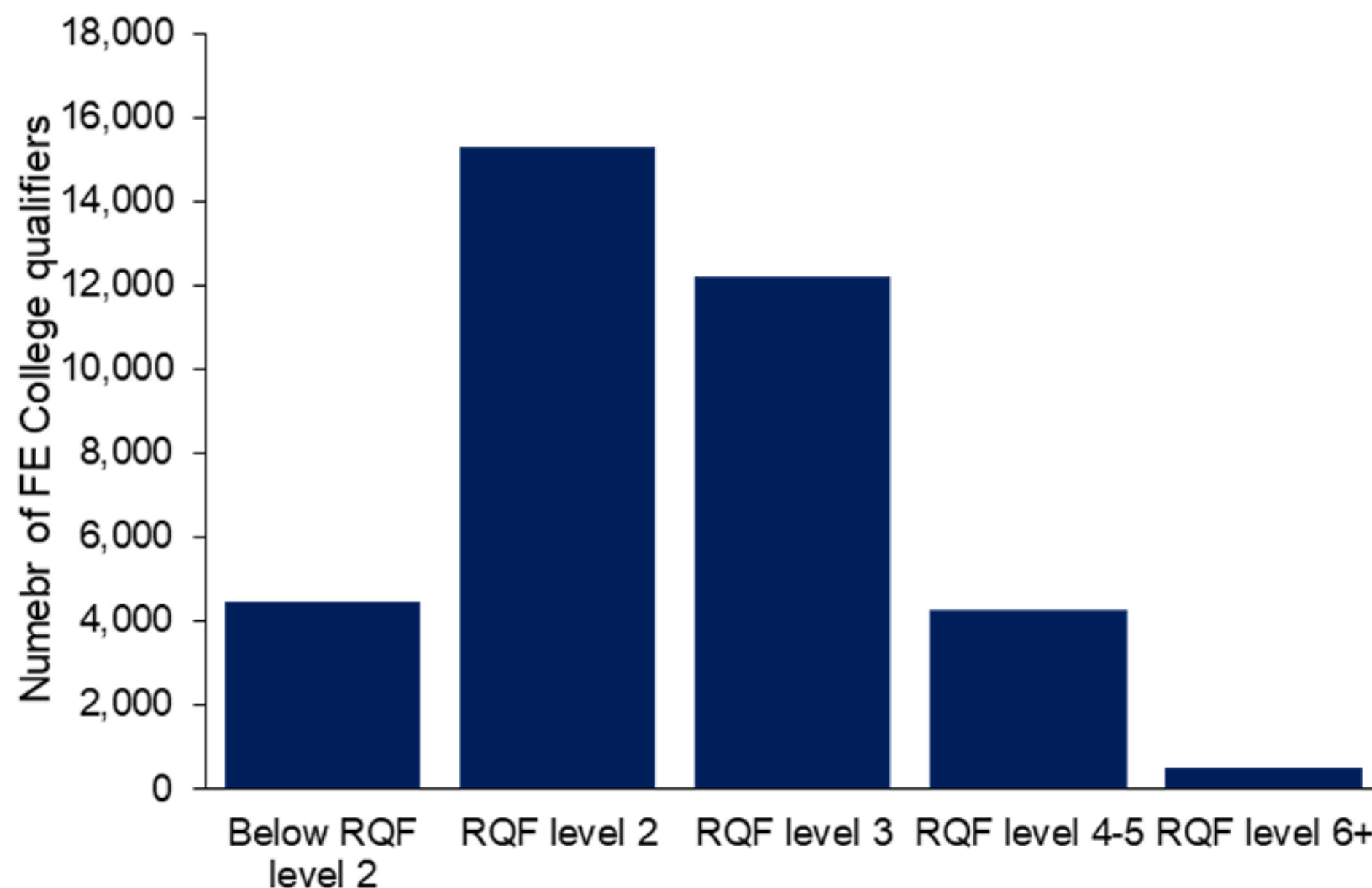


Source: Graduate Employer Survey, Ulster University

Further Education College qualifiers⁹

FE colleges deliver the largest number of qualifications in the NI education system. However, **the majority of qualifiers achieve relatively low-level qualifications**. In 2022/23, 54% of qualifiers highest qualification achieved was equal to RQF level 2 and below.

Figure 16: Further Education College qualifiers by highest level RQF achieved, NI, 2022/23



Source: DfE, Further Education Sector Activity

Note: Data refers to the gross supply of mainstream qualifiers regulated qualifications at NI FE colleges.