

FORECASTS OF EMPLOYMENT NEEDS IN THE CYPRUS ECONOMY 2014-2024

The **systematic monitoring of employment trends over time** and **projecting the future situation of the labour market** are key elements for **improving the adaptability of the human resources** and **establishing an effective and flexible labour market**. The Human Resource Development Authority of Cyprus (HRDA) undertook the complex task of providing long-term forecasts of employment needs for economic sectors and occupations for a 10-year period.

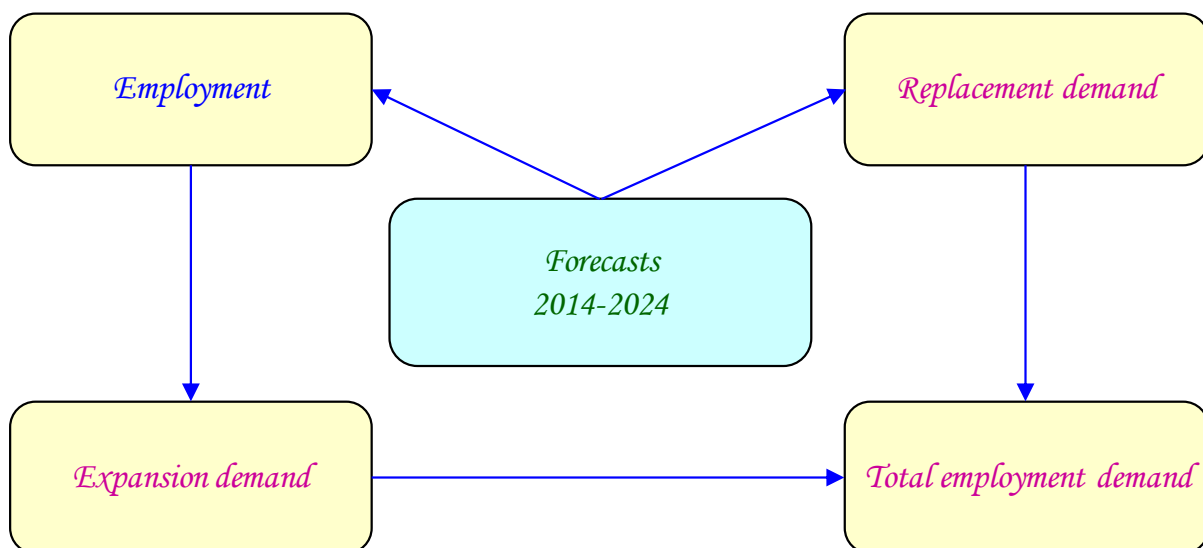
The HRDA completed a research study **providing forecasts of employment needs** in **economic sectors** and **occupations** in the Cyprus economy, covering the period **2014-2024**.

A. Aim of the Study

The study aims to contribute **substantially to the planning and implementation of education and training activities** through the provision of employment needs forecasts in the Cyprus economy covering the period 2014-2024. Forecasts are made of the size of total employment and the allocation of employment in economic sectors and occupations, thus providing expansion demand. Replacement demand is also forecasted and total employment demand is estimated by aggregating expansion and replacement demand in economic sectors and occupations.

B. Scope of the Study

The study provides **forecasts for employment demand in economic sectors** (3 broad sectors, 21 main sectors and 52 sectors) **and in 309 occupations** (173 high level occupations, 130 middle level occupations and 6 low level occupations) covering the whole spectrum of the Cyprus labour market for the period **2014-2024**.



C. Methodology

The methodology has been developed by the HRDA and is based on its extensive experience in providing employment forecasts as well as on similar methodologies, which have been developed in European countries and the USA.

It must be noted that the **forecasts cover only employment demand** in economic sectors and occupations and **do not cover the respective supply**, which consists of unemployment, new entrants to the labour market, outflows from the educational system and net migration.

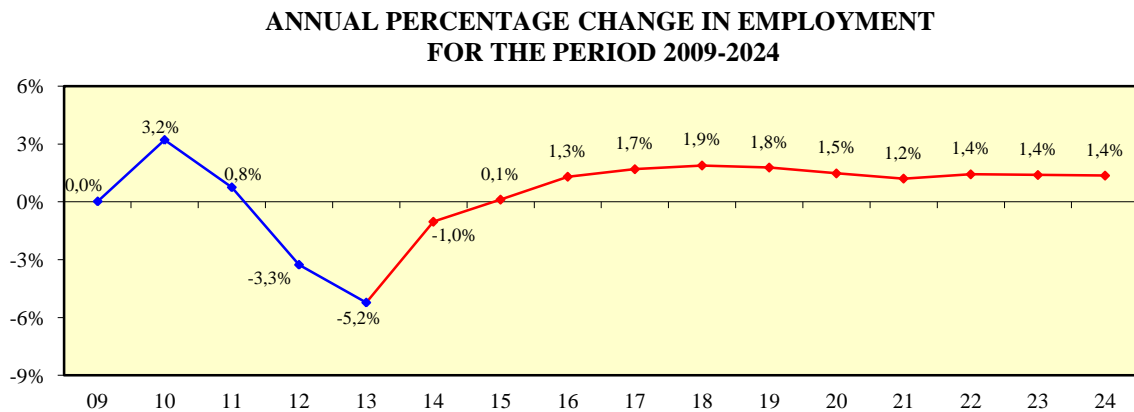
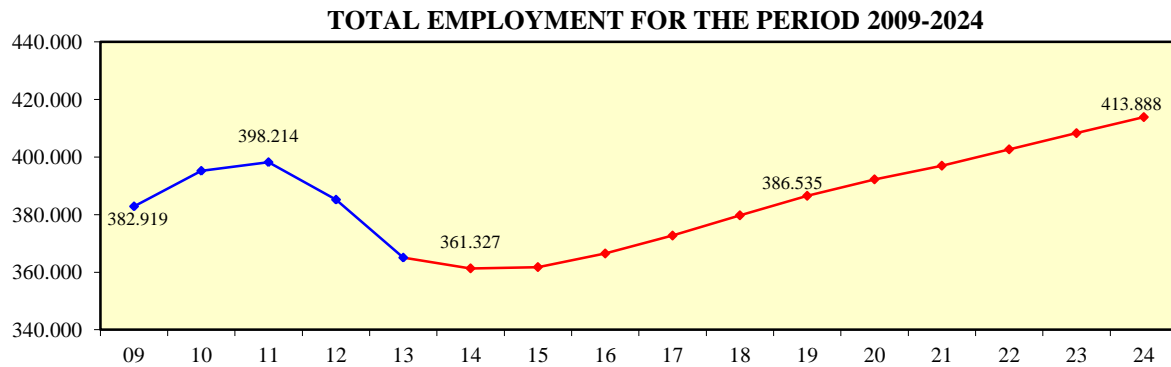
In order to produce the employment forecasts, **the strategic objectives of Cyprus were taken into account**, as these were expressed through the various programming documents. As a consequence specific **assumptions and working scenarios** were adopted.

ASSUMPTIONS AND WORKING SCENARIOS

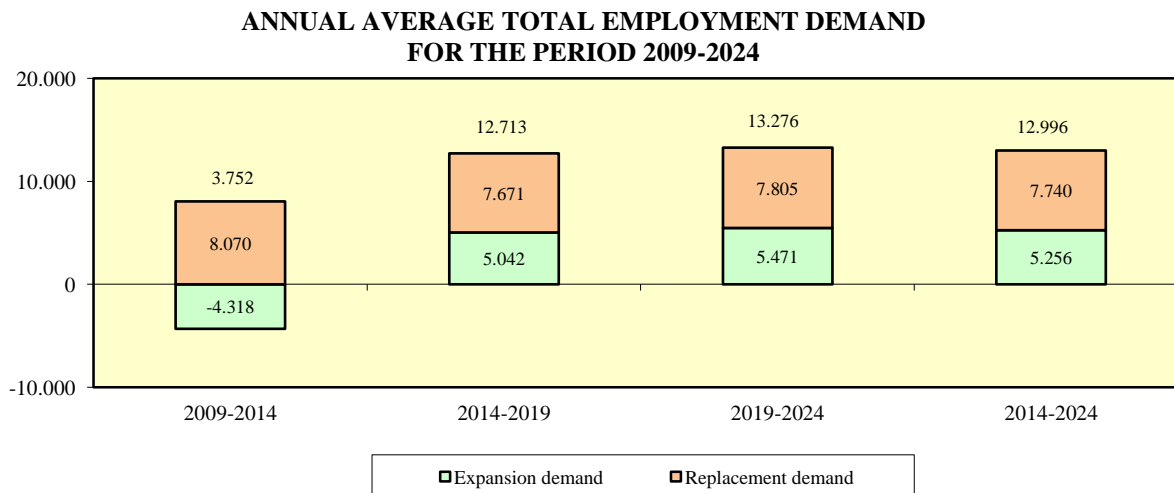
- Development of specific economic sectors and occupations as a result of the envisaged exploitation of the hydrocarbon reserves in the Exclusive Economic Zone of Cyprus.
- Development of a casino resort, which will include the construction of a luxury hotel and quality restaurants.
- Further promotion of the tourist product of Cyprus, enriching it with alternative forms of tourism and provision of enhanced support from related economic sectors.
- Further development of health and social care services, following the implementation of the National Health System and the continuing ageing of the population.
- Increase of investments in the education sector, particularly in Post-secondary and Tertiary education.
- Provision of support in the construction sector with an emphasis on contemporary building design with high energy efficiency.
- Further promotion of the green economy, focusing on rational use of resources, reduced carbon emissions and an increase in the use of renewable energy sources.
- Promotion of the marine/blue economy, including the dynamic development of the merchant shipping sector.
- Further promotion and utilisation of information and communication technologies across the whole range of business activities such as production, marketing and management.
- Further downsizing of the Public Administration and Defence sector as well as the Financial sector.

D. Total Employment

Total employment in the period 2014-2024 is forecasted to exhibit an **upward trend** recovering gradually from the adverse consequences of the economic crisis. Employment during **2000-2008** increased by **3,4% per year**, during the period **2008-2011**, as a result of the world economic crisis, increased by **only 1,3% per year**, while during the next two years, employment, for the first time in Cyprus since 1974, decreased significantly by **-3,3% in 2012** and **-5,2% in 2013**. It is forecasted that during the decade **2014-2024** employment will **increase by 5.256 persons or 1,4% per year**, albeit at a slower rate than the rate during the period 2000-2008.



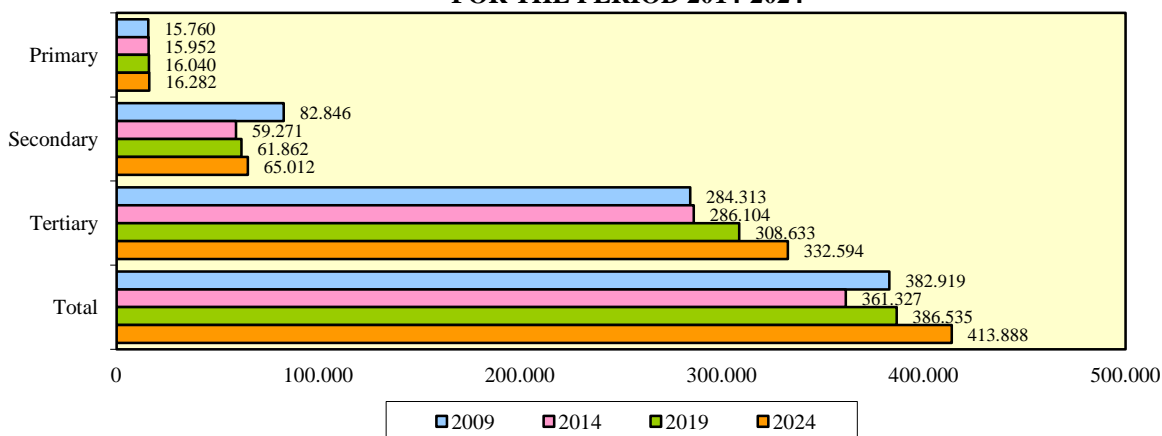
Annual employment demand for the period 2014-2024 will reach **12,966 persons** with an **average annual growth of 3,4%**. Expansion demand is forecasted to be 5.256 persons or 1,4% per year and replacement demand will be 7.740 persons or 2,0% per year. It is noted that the **annual average total employment demand for the period 2014-2024** will be **considerably higher** than the corresponding demand for the period 2009-2014 (3.752 persons or 0,9% per year).



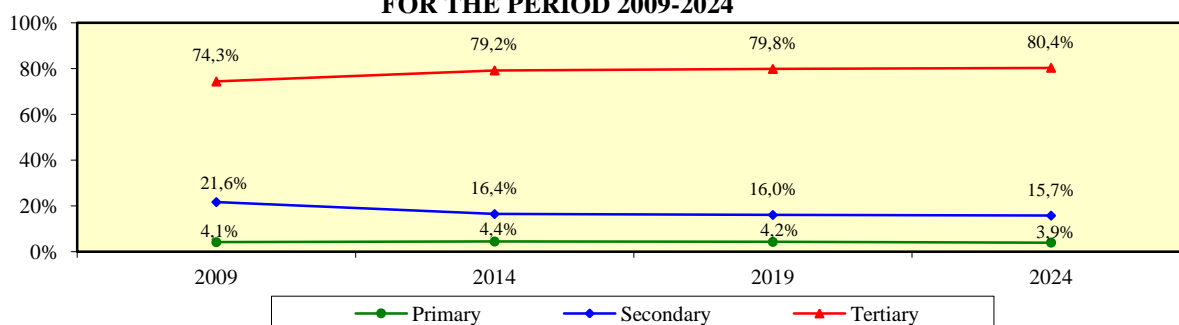
E. Economic sectors

The vast majority of employed persons will continue to be in the **tertiary sector** showing a **significant increase**. As a result, around **8 out of 10** persons will be employed in the **tertiary sector**, reflecting the **dependence of the Cyprus economy on Services**.

EMPLOYMENT FORECASTS IN BROAD ECONOMIC SECTORS FOR THE PERIOD 2014-2024



EMPLOYMENT SHARES IN BROAD ECONOMIC SECTORS FOR THE PERIOD 2009-2024



Among the **economic sectors** with the **highest employment demand**, **11** sectors belong to the **tertiary sector**, **2** to the **secondary sector** and **1** to the **primary sector**.

SECTORS WITH THE HIGHEST EMPLOYMENT DEMAND

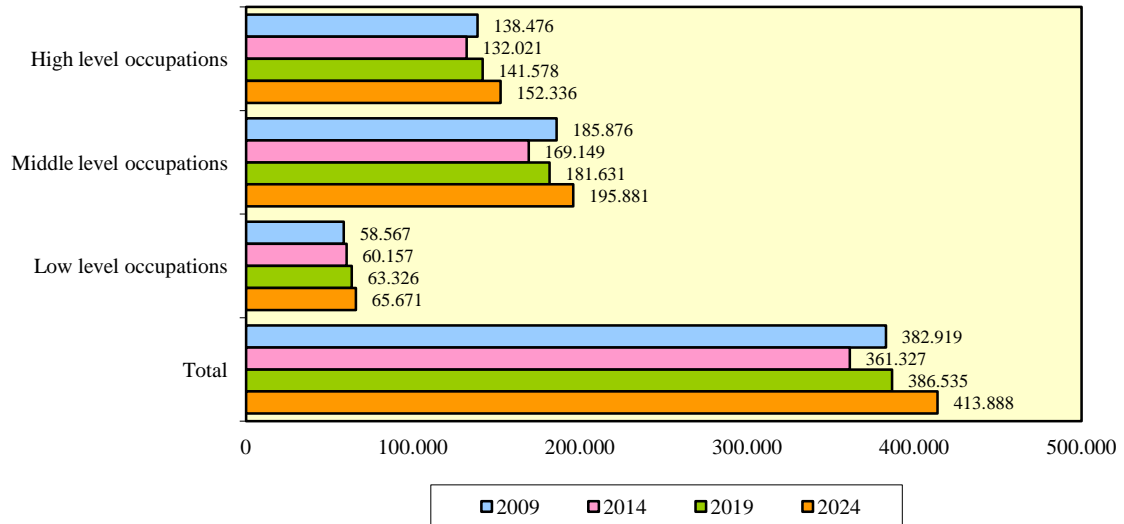
- **Retail trade (1.762 persons or 4,4% per year)**
- **Food and beverage service activities (1.091 persons or 5,4% per year)**
- **Education (1.074 persons or 3,2% per year)**
- **Wholesale trade (914 persons or 4,4% per year)**
- **Health and social work activities (818 persons or 4,3% per year)**
- **Accommodation (787 persons or 6,1% per year)**
- **Legal and accounting activities (715 persons or 4,6% per year)**
- **Construction (615 persons or 2,4% per year)**
- **Other service activities¹ (459 persons or 4,1% per year)**
- **Arts, entertainment and recreation (333 persons or 5,7% per year)**
- **Manufacture of food, beverages and tobacco products (319 persons or 2,9% per year)**
- **Trade and repair of motor vehicles and motorcycles (318 persons or 3,3% per year)**
- **Agriculture, forestry and fishing (311 persons or 2,0% per year)**
- **Water transport (297 persons or 6,3% per year)**

¹ Activities of business, employers and professional membership organisations, Activities of trade unions, Repair of computers and communication equipment, Repair of personal and household goods, Other personal service activities.

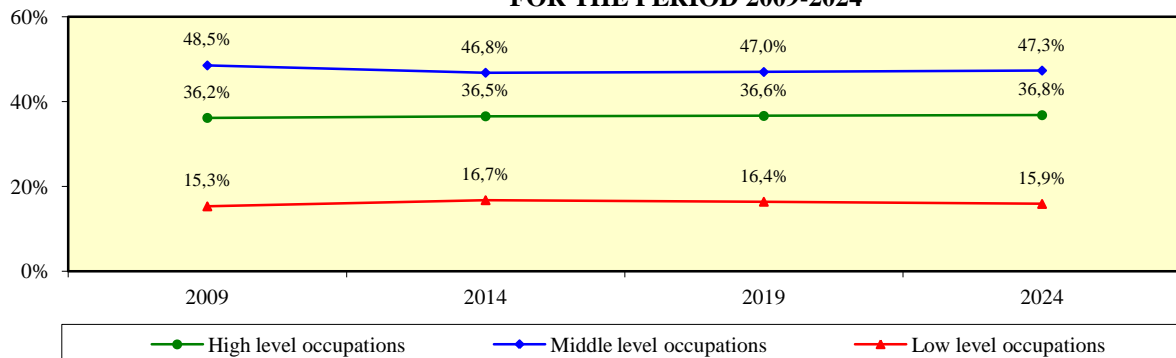
F. Occupations

An increase in employment is expected for all three broad occupational categories. Almost half of employed persons will continue to be in middle level occupations (occupations that require secondary level education) while 1 in 3 employed persons will be in high level occupations (occupations that require tertiary level education).

EMPLOYMENT FORECASTS IN BROAD OCCUPATIONAL CATEGORIES FOR THE PERIOD 2014-2024



EMPLOYMENT SHARES IN BROAD OCCUPATIONAL CATEGORIES FOR THE PERIOD 2009-2024



Among the high level occupations with the highest employment demand, 10 occupations belong to Professionals, 5 to Technicians and Associate Professionals and 3 to Managers.

HIGH LEVEL OCCUPATIONS WITH THE HIGHEST EMPLOYMENT DEMAND

- Accountants (194 persons or 2,2% per year)
- Accounting associate professionals (180 persons or 2,2% per year)
- Administrative and executive secretaries (173 persons or 3,4% per year)
- Secondary education teachers (147 persons or 1,6% per year)
- Nursing and midwifery professionals (140 persons or 3,1% per year)
- Legal professionals (133 persons or 3,2% per year)
- University and higher education teachers (112 persons or 4,9% per year)
- Trade managers (94 persons or 3,4% per year)
- Credit and loans officers (91 persons or 2,2% per year)
- Commercial sales representatives (85 persons or 1,6% per year) (continued...)

***HIGH LEVEL OCCUPATIONS
WITH THE HIGHEST EMPLOYMENT DEMAND***

- **Primary school teachers (79 persons or 1,5% per year)**
- **Real estate agents and property managers (77 persons or 6,1% per year)**
- **Other language teachers (76 persons or 4,6% per year)**
- **Medical doctors (69 persons or 3,0% per year)**
- **Civil engineers (66 persons or 2,9% per year)**
- **Financial and insurance services branch managers (62 persons or 4,7% per year)**
- **Restaurant managers (57 persons or 5,9% per year)**
- **Applications programmers (54 persons or 2,1% per year)**

Among the **middle level occupations** with the **highest employment demand**, **11 occupations** belong to **Service and sale workers**, **5** to **Clerks**, **4** to **Craft workers**, **3** to **Plant and machine operators and assemblers** and **1** to **Skilled agricultural, forestry and fishing workers**.

***MIDDLE LEVEL OCCUPATIONS
WITH THE HIGHEST EMPLOYMENT DEMAND***

- **Shop sales assistants (769 persons or 4,5% per year)**
- **Waiters (498 persons or 5,2% per year)**
- **General office clerks (412 persons or 4,2% per year)**
- **Cooks (315 persons or 6,0% per year)**
- **Shop keepers (292 persons or 4,5% per year)**
- **Secretaries (general) (254 persons or 3,1% per year)**
- **Cashiers and ticket clerks (253 persons or 3,7% per year)**
- **Car, van and motorcycle drivers (249 persons or 4,0% per year)**
- **Market gardeners and crop growers (241 persons or 3,5% per year)**
- **Material-recording and transport clerks (216 persons or 4,7% per year)**
- **Heavy truck and bus drivers (171 persons or 4,1% per year)**
- **Hairdressers (141 persons or 4,1% per year)**
- **Bank tellers and related clerks (133 persons or 4,1% per year)**
- **Shop supervisors (122 persons or 4,5% per year)**
- **Accounting and bookkeeping clerks (120 persons or 2,6% per year)**
- **Mobile plant operators (110 persons or 5,0% per year)**
- **Police officers (110 persons or 2,5% per year)**
- **Beauticians (109 persons or 4,1% per year)**
- **Motor vehicle mechanics and repairers (107 persons or 2,8% per year)**
- **Home-based personal care workers (106 persons or 8,6% per year)**
- **Bartenders (100 persons or 5,2% per year)**
- **House builders (99 persons or 2,2% per year)**
- **Building and related electricians (87 persons or 3,0% per year)**
- **Welders and flamecutters (81 persons or 3,9% per year)**

G. Information for Occupations

The **detailed forecasts for the employment needs of 309 occupations** are provided on the HRDA website (<http://tinyurl.com/HRDA-forecasts>). Users may search and find information on the occupations they are interested in. The website offers **two indexes on occupations** in order to **locate occupations quickly and easily**. The first index contains occupations **for each occupational category** according to the **ISCO-08** international classification and the second contains occupations in **alphabetical order**.

