

FORECASTS OF EMPLOYMENT NEEDS IN THE CYPRUS ECONOMY 2017-2027

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 task of providing long-term forecasts of employment needs in Cyprus 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 **2017-2027**.

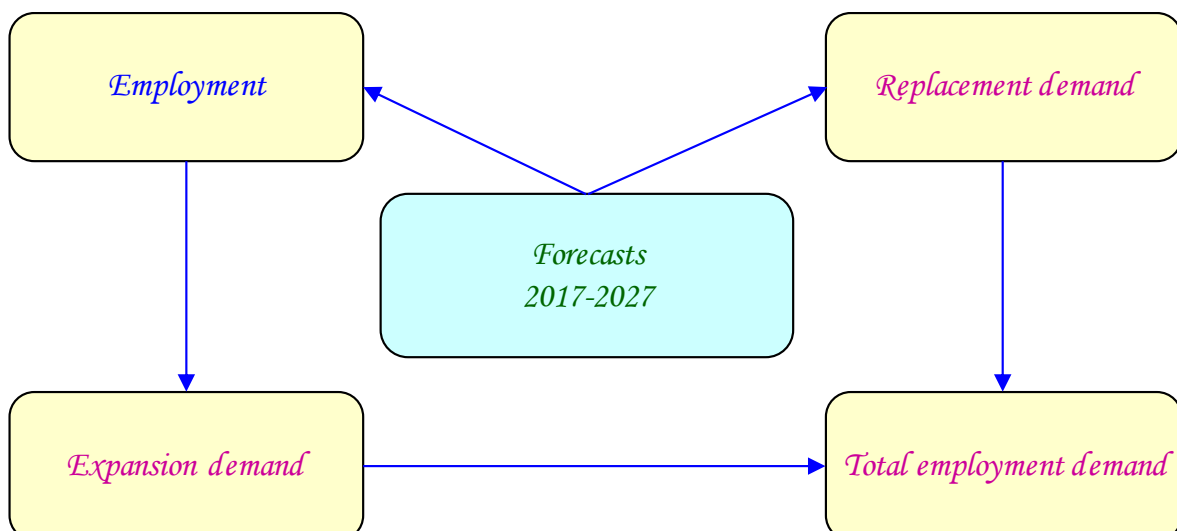
A. Aim of the Study

The study aims to **provide forecasts of employment needs**, in all economic sectors and in all occupations, in the Cyprus economy for the period 2017-2027. This study, contributes substantially to the planning and implementation of education and training activities.

Forecasts are made of the size of total employment and the allocation of employment in economic sectors and occupations, thus providing expansion demand, or new jobs. Replacement demand, or employment needs due to permanent withdrawals from the labour market, 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 needs 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 **2017-2027**.



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.

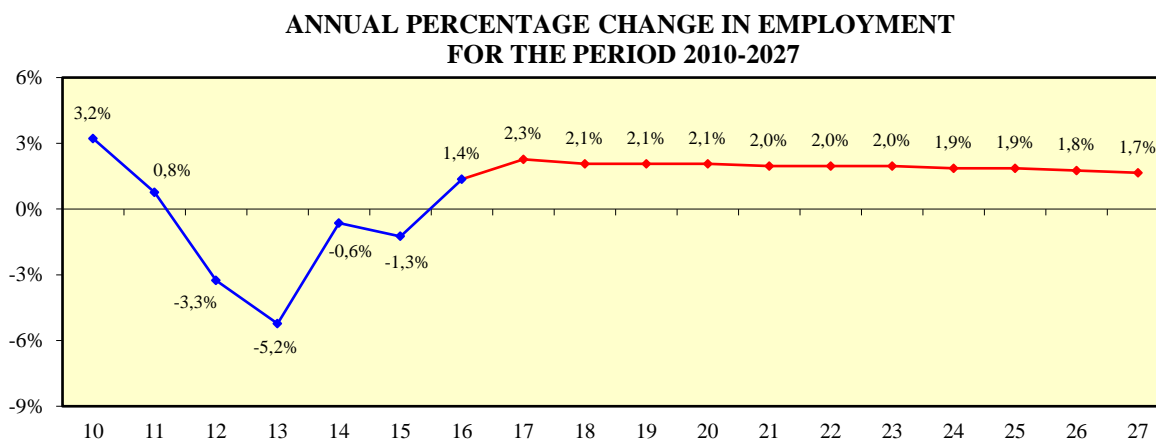
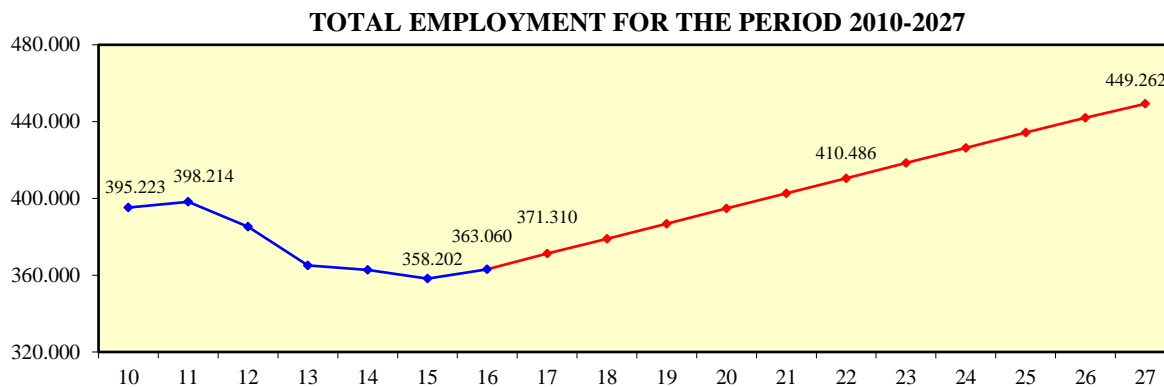
In order to produce the employment forecasts, **the strategic objectives of Cyprus were taken into account**, as these were expressed through the various programming documents. As a consequence, **specific assumptions and working scenarios** were adopted.

ASSUMPTIONS AND WORKING SCENARIOS

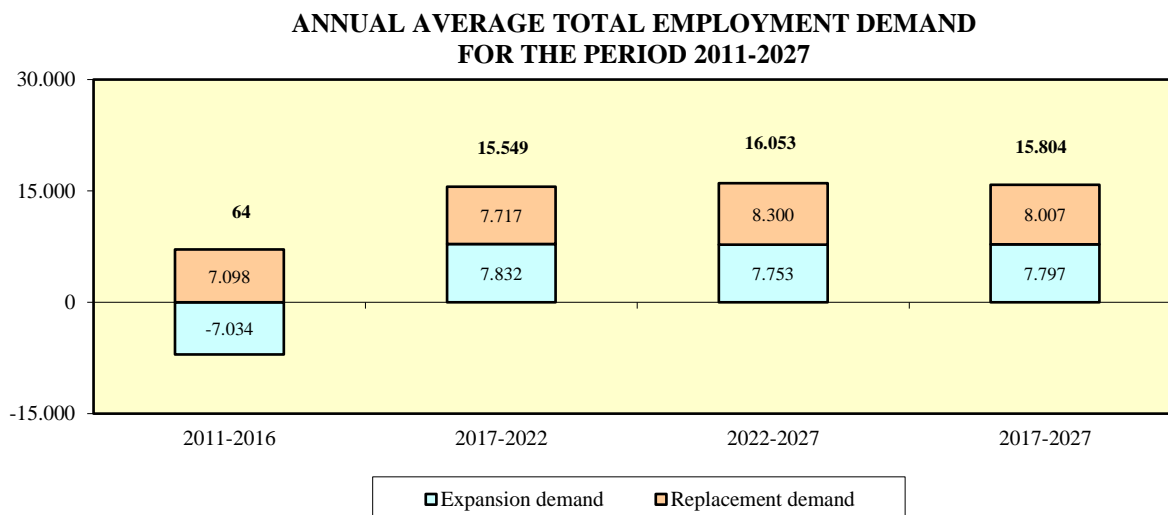
- Differentiation, upgrading and further promotion of the tourist product of Cyprus, enriching it with alternative forms of tourism and mitigation of seasonality.
- Development of a casino resort, which will include the construction of a multi-themed casino, a luxury hotel and quality restaurants, and opening of four satellite casinos.
- 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.
- Further promotion of the green economy, focusing on increasing the use of renewable energy sources, rational use of resources, better waste management, reduced carbon emissions and utilisation of recycled water.
- Further development and modernisation of professional services (legal, financial and accounting) and promotion of Cyprus as an international business centre.
- Increase of investments and modernisation of the education sector, with an emphasis in Tertiary education.
- Further development of health and social care services, following the implementation of the National Health System, the continuing ageing of the population and the efforts to attract patients from abroad taking advantage of the climatic and environmental conditions of Cyprus.
- Promotion of the merchant shipping sector, with an emphasis on improving the services and the existing infrastructure, strengthening the competitiveness of Cypriot ports and enhancing the international reputation of the Cyprus flag.
- Promotion of research, technology and innovation through strengthening infrastructures, increasing the number of researchers and strengthening the ability of firms to develop innovative activities.
- Provision of support in the construction sector, with an emphasis on contemporary building design with high energy efficiency.
- Support of the primary sector, development of the rural economy and agricultural products, as well as support of the fishery and aquaculture sector.
- Further promotion and utilisation of information and communication technologies in all economic sectors and across the whole range of business activities.

D. Total Employment

Total employment in the period 2017-2027 is forecasted to exhibit an **upward trend** recovering gradually from the consequences of the recent economic crisis. It is forecasted that during the decade 2017-2027 employment will **increase by 77.952 persons or 21,0%**. It is noted that **total employment from 2011 (398.214 persons) until 2015 (358.202 persons)** had a **significant drop as a result of the economic crisis** (decrease by -40.012 persons or -10,0%) while in **2016**, for the first time since the economic crisis, employment **rebounded** reaching **363.060 persons** (increase by 4.858 persons or 1,4% compared to 2015).



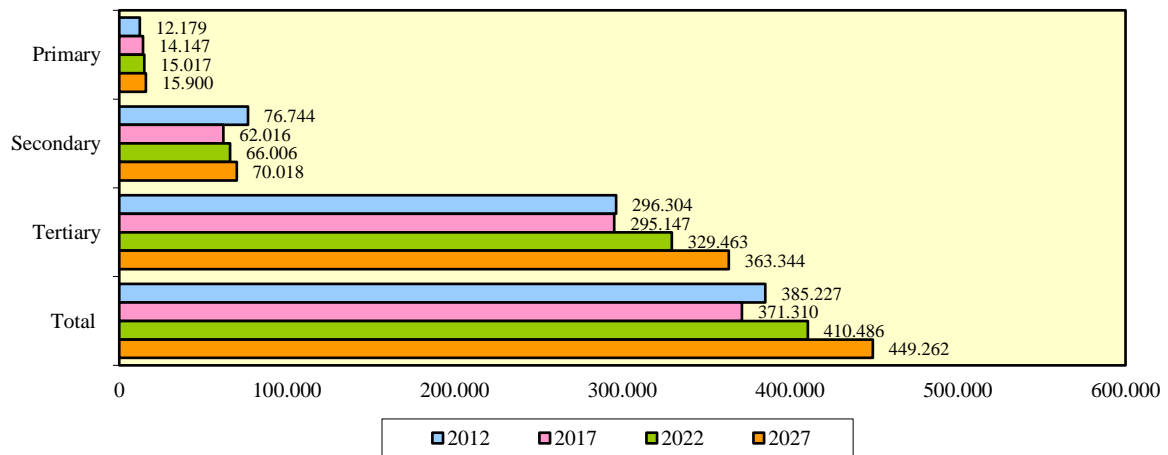
Annual employment demand for the period 2017-2027 will reach **15.804 persons** with an **average annual rate of 3,9%**. Expansion demand, or new jobs, is forecasted to be 7.797 persons or 1,9% per year and will be slightly lower than the employment needs due to permanent withdrawals from the labour market which will be 8.007 persons or 2,0% per year.



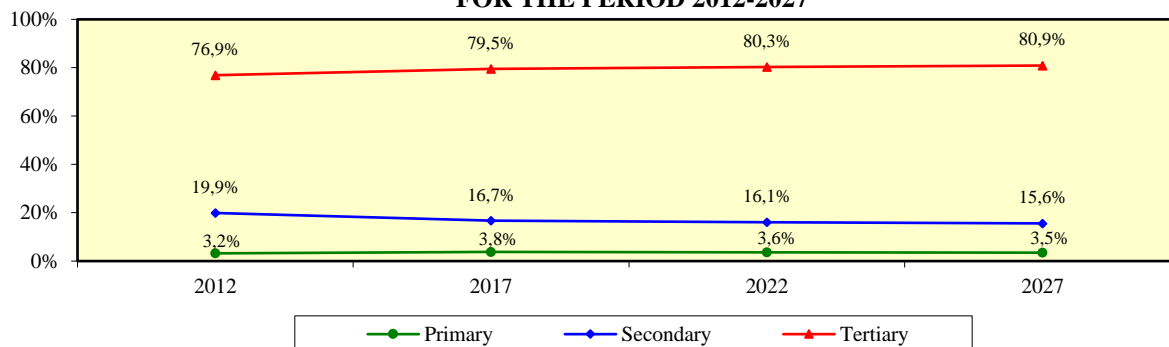
E. Economic sectors

The vast majority of employed persons will continue to be in the tertiary sector showing a significant increase. As a result, more than 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 2017-2027



EMPLOYMENT SHARES IN BROAD ECONOMIC SECTORS FOR THE PERIOD 2012-2027



Among the economic sectors with the highest employment demand, 10 sectors belong to the tertiary sector, 2 to the secondary sector and 1 to the primary sector.

SECTORS WITH THE HIGHEST EMPLOYMENT DEMAND

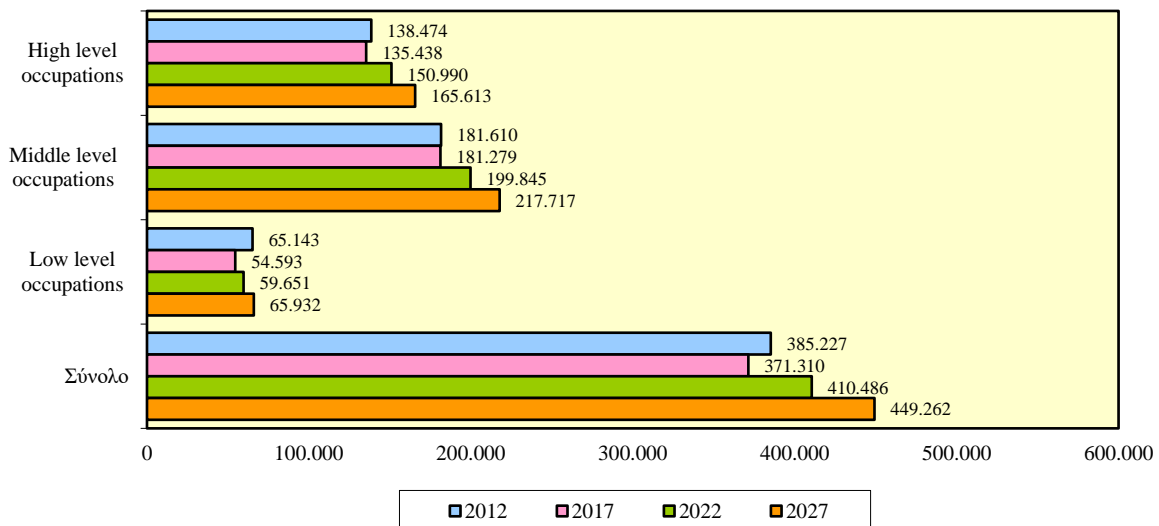
- Retail trade (1.797 persons or 4,1% per year)
- Food and beverage service activities (1.588 persons or 6,5% per year)
- Education (1.224 persons or 3,9% per year)
- Health and social work activities (1.131 persons or 4,9% per year)
- Construction (1.084 persons or 3,3% per year)
- Legal and accounting activities (934 persons or 5,2% per year)
- Accommodation (882 persons or 5,6% per year)
- Wholesale trade (858 persons or 4,1% per year)
- Public administration and defence (820 persons or 2,7% per year)
- Arts, entertainment and recreation (477 persons or 6,1% per year)
- Other service activities¹ (453 persons or 3,6% per year)
- Agriculture, forestry and fishing (435 persons or 3,1% per year)
- Manufacture of food, beverages and tobacco products (334 persons or 3,3% 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.

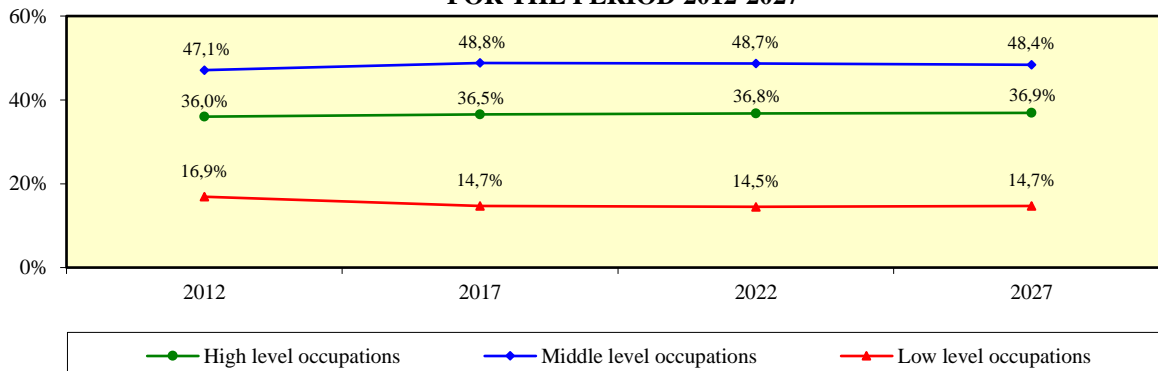
F. Occupations

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 2017-2027



EMPLOYMENT SHARES IN BROAD OCCUPATIONAL CATEGORIES FOR THE PERIOD 2012-2027



Among the high level occupations with the highest employment demand, 14 occupations belong to Professionals, 6 to Technicians and associate professionals and 3 to Managers.

HIGH LEVEL OCCUPATIONS WITH THE HIGHEST EMPLOYMENT DEMAND

- Accounting associate professionals (461 persons or 4,7% per year)
- Legal professionals (254 persons or 4,5% per year)
- Nursing and midwifery professionals (230 persons or 3,7% per year)
- Accountants (157 persons or 3,1% per year)
- Secondary education teachers (141 persons or 1,7% per year)
- Teaching professionals not elsewhere classified (136 persons or 6,0% per year)
- Credit and loans officers (118 persons or 2,6% per year)
- Commercial sales representatives (112 persons or 2,0% per year)
- Journalists (101 persons or 7,1% per year)
- Trade managers (100 persons or 4,8% per year)

(continued...)

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

- Applications programmers (97 persons or 3,4% per year)
- Primary school teachers (96 persons or 2,0% per year)
- Construction supervisors (89 persons or 3,4% per year)
- Medical doctors (88 persons or 3,2% per year)
- Financial and insurance services branch managers (87 persons or 5,2% per year)
- Other language teachers (81 persons or 6,1% per year)
- Armed forces (75 persons or 1,6% per year)
- Sales and marketing managers (73 persons or 3,9% per year)
- University and higher education teachers (73 persons or 3,4% per year)
- Administrative and executive secretaries (71 persons or 1,9% per year)
- Civil engineering technicians (70 persons or 4,0% per year)
- Pharmacists (62 persons or 5,5% per year)
- Economists (58 persons or 6,8% per year)
- Dentists (56 persons or 5,0% per year)

Among the **middle level occupations** with the **highest employment demand**, 11 occupations belong to **Service and sale workers**, 5 to **Craft workers**, 3 to **Clerks**, 2 to **Plant and machine operators and assemblers** and 1 to **Skilled agricultural, forestry and fishing workers**.

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

- Cashiers and ticket clerks (617 persons or 6,6% per year)
- General office clerks (595 persons or 4,1% per year)
- Waiters (567 persons or 5,8% per year)
- Shop sales assistants (535 persons or 3,4% per year)
- Car, van and motorcycle drivers (288 persons or 3,8% per year)
- Material-recording and transport clerks (268 persons or 5,1% per year)
- House builders (251 persons or 3,7% per year)
- Cooks (244 persons or 4,7% per year)
- Secretaries (general) (234 persons or 4,1% per year)
- Heavy truck and bus drivers (228 persons or 4,0% per year)
- Shop keepers (203 persons or 3,6% per year)
- Hairdressers (189 persons or 4,3% per year)
- Police officers (172 persons or 3,4% per year)
- Beauticians (146 persons or 4,3% per year)
- Building caretakers (142 persons or 7,4% per year)
- Motor vehicle mechanics and repairers (138 persons or 3,5% per year)
- Information and communications technology installers and servicers (134 persons or 6,3% per year)
- Bartenders (114 persons or 5,1% per year)
- Child care workers (111 persons or 5,5% per year)
- Carpenters and joiners (110 persons or 3,9% per year)
- Market gardeners and crop growers (104 persons or 2,2% per year)
- Bakers, pastry-cooks and confectionery makers (103 persons or 4,1% per year)

G. Information for Occupations

The **detailed forecasts for the employment needs of 309 occupations** are provided on the HRDA website (<http://www.anad.org.cy>). 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**.

