

# Occupational trends in Britain to 1990

from Richard Pearson

*The United Kingdom's biggest employer-based study highlights future employment change.*

THE labour market in the 1980s is undergoing a period of prolonged and difficult change throughout the world. Oil price rises, new technologies and increased competition have led to new working patterns and rising levels of unemployment. The recession of 1979–82 has had the most visible effect, pushing unemployment levels higher than ever before, while the collapse in the oil price over the past year has not led to the expected boom in world output and improved employment prospects. As the old industries such as shipbuilding are contracting in the West, and the new technologies are being introduced at an increasingly rapid rate, what will happen to employment patterns over the rest of the decade and what are the implications for occupational change? The results of an employer-based study, cover-

700 jobs, most of them unskilled operatives. In the same year, it opened a new factory, producing a higher volume of a better product using the latest technology, but requiring only 100 staff, more of whom were skilled.

In order to concentrate on their core activities companies are also subcontracting services such as catering, cleaning and legal services to specialist, often smaller companies. As a result, although the production industries are expected to shed around 650,000 jobs over the period to 1990, up to half of them will reappear in the service sector. Thus the apparent decline in production and manufacturing and the growth in services is partly a statistical trick of changing classification.

Nevertheless, the service sector will continue to increase its employment, in part due to this subcontracting, but also due to market growth in sectors such as distribution, financial and leisure services. Not all service activities will grow. Jobs in transport and communication are expected to fall due to a reduction in overcapacity and increased competition, while that in the public sector is expected to fall due to a combination of expenditure restraint, improving working methods, reduced service provision and the transfer of activities to the private sector through privatization and subcontracting.

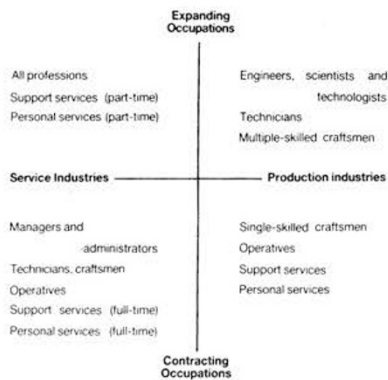
Within these sectoral shifts, other major changes will be the growing share of employment taken by small companies and the self-employed, and by part-time jobs. Part-time work is expected to account for nearly one in four jobs by 1990. The corollary of this is that full-time "male" jobs will continue to contract, perhaps by as much as a million jobs.

Despite the overall contraction in production-related employment, the employment of engineers, scientists and technologists and also of multi-functional craftsmen and technicians will continue to expand as a result of the growing introduction of new technologies, lessening job demarcations and the increasing emphasis on "value added". A key skill needed by these people, relates to the use and application of information technology, not just in products but also in support activities such as design and marketing. Other important skills for the future will be an ability to work across disciplines, and to develop improved project management and human relations skills. Individuals with these skills will be scarce for sometime.

Other expanding occupations during

this period will be professional staff in areas such as accountancy and marketing as companies seek to improve financial management and increase their understanding of and links with the market and the customer. These skills are seen as increasingly important not just in the private sector but also in the public sector, in both the mainstream services of health and education as well as in administrative activities. Medical and welfare jobs are also expected to continue growing.

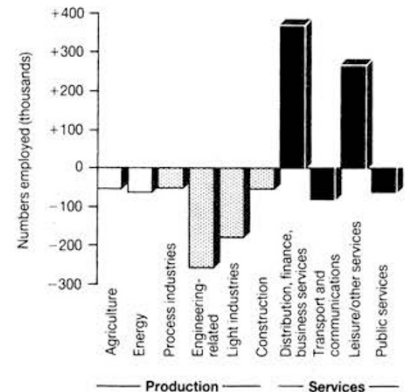
Personal and support staff occupations will expand significantly as the service sector expands, resulting in more jobs, main-



**Fig. 1** Predicted sectoral changes in the UK workforce between 1985 and 1990. From the report *UK Occupation and Employment Trends to 1990*, by A. Rajan and R. Pearson (Butterworth, 1986).

ing 3,500 organizations, highlight the key trends for the period to 1990. While total employment levels will be broadly static, there will be major compositional changes.

Output is expected to continue to grow, but the decline in employment in the production industries is likely to continue due to continued weak demand in the United Kingdom and insufficient international competitiveness (Fig. 1). In order to improve competitiveness, employers are expected to continue to close uneconomic factories, cut back on surplus labour, improve working methods and, particularly in the larger companies, to apply the new technologies to both production and support activities. These developments were illustrated by the food division of a major national company which closed one uneconomic factory with out-dated technology and a low quality product, shedding



**Fig. 2** The changing occupational balance by part-time, in activities such as selling, financial services and catering. Here, staff interacting with customers are being expected to develop broader based social, product diagnostic and entrepreneurial skills to further their organization's success. Occupations in decline will be the predominantly unskilled or single skilled. Across the economy there will be a shift towards occupations with high knowledge content and/or multiple skills (Fig. 2).

In all types of organization, employers see a need to improve and broaden the skills of their workforce and increase their flexibility. This applies particularly to management and professional staff who are viewed as a key to business success in a changing market environment. The challenge will be whether existing management and their workforces can, in conjunction with the external education and training system, increase the level and breadth of skills in the United Kingdom fast enough not just to maintain employment levels but also to increase them and so to reduce unemployment. □

Richard Pearson is at the Institute of Manpower Studies, Mantell Building, University of Sussex, Brighton BN1 9RF, UK.