MINERALS MATTER
SHAPE YOUR WORLD

LABOUR MARKET INTELLIGENCE STUDY 2023

Executive Summary

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www.minerals-matter.co.uk

Foreword

Mineral Products Qualifications Council (MPQC) commissioned the first Labour Market Intelligence Study (LMIS) in 2016. Its purpose was to inform and guide the sector with what its future needs for training and skills development are. Over the years its usefulness and reputation within industry has grown and now with this 3rd edition of the study, it has become part of the wider work that Minerals Matter undertakes. This work on behalf of the industry supports the recruitment and retention of a diverse workforce and raises the industry's profile amongst the next generation.

Having a diverse workforce is more than just making a moral or ethical standpoint, it provides a strategic advantage. It enhances creativity, decision-making, market reach, employee engagement, and economic performance. Organisations that embrace diversity are better positioned to thrive in an increasingly global and competitive market.

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The legacy of the pandemic and on-going geopolitical events has created turbulence, still sending waves of uncertainty across the economy. This certainly has not helped with the planning, demand, and supply of mineral products. It is a less than welcome backdrop in which to confidently invest in both plant and people.

Unsurprising therefore that the LMIS found that the sector is still experiencing recruitment challenges across a wide range of roles, and ongoing skills needs, particularly in areas relating to new technologies and engineering.

Nevertheless, it has also revealed that employers have an increased appetite to recruit younger workers though some barriers remain when trying to recruit workers from younger demographics, including apprentices.

In broadening the appeal of the industry to younger demographics, the industry needs to think about affecting all phases of education, raising the aspirations from primary, through to secondary and into further education by engaging with and capturing the young minds. It needs to ensure they have regular opportunities for young people to experience and be inspired by working environments.

Our collective responsibility is to then ensure that learning and development pathways covering vocational training and professional education programmes are navigable and accessible to everyone working in the sector. This will give our sector the competitive advantage in attracting the best talent to this vital industry.

Viv Russell
MPQC Chair and IQ President

Labour Market Intelligence Study 2023

The 2023 Labour Market Intelligence Study (LMIS), undertaken by Pye Tait Consulting on behalf of Minerals Matter, provides a valuable insight into the current challenges facing the workforces of the quarrying, mineral products and mining sector.

Over 300 companies were contacted to complete the online survey between the 10 July to 1 September 2023. Invitations to take part were sent out by Minerals Matter, Mineral Products Association (MPA), the British Aggregates Association (BAA) Mining Association UK (MAUK), Materials Handling Engineers' Association (MHEA), The Institute of Quarrying (IQ), The Institute of Asphalt technology (IAT) and the Institute of Concrete Technology (ICT). A total of 91 responses were received, representing a response rate of 30% of members.

Companies that responded to the survey employ a total of 46,789 people with employee numbers ranging from 1 to 15,000. Around one in five responding firms (19%) are large companies (250+ staff) which account for the bulk of employees. Most of the companies that completed the survey on average employ five workers – a slight increase from four in 2019 and three in 2016.

Viv Russell, MPQC Chair & IQ President, said, "We are grateful for the increased participation in the survey from industry, enabling us to have more reliable data to guide policy and future decision making."

The latest survey found that the sector is still experiencing recruitment challenges across a wide range of roles, and ongoing skills needs, particularly in areas relating to new technologies and engineering. Employers have an increased appetite to recruit younger workers though some barriers remain when trying to recruit workers from younger demographics, including apprentices.

> **We are grateful for the increased participation in the survey from industry, enabling us to have more reliable data to guide policy and future decision making.**

Viv Russell, MPQC Chair and IQ President

Unprecedented external events since 2019 survey

Since the last Labour Market Intelligence Study research undertaken in 2019, the UK economy has been impacted by two major shocks, the Covid-19 pandemic and Russia's war in Ukraine. Such unexpected and unprecedented change hastened the need to gather the latest available data to take informed action and to learn from any longitudinal trends.

Industry workforce and demographics

Almost two thirds (65%) of respondents are involved in the quarrying of stone, sand, and clay, 29% in the manufacture of concrete and a further 23% in the manufacture of articles of concrete, cement and plaster (including pre-cast and pre-stressed concrete products).

As in 2019, most of the workforce (91%) is employed full time and the majority (55%) of employees are over 45 years of age. Whilst the sector is still predominantly (80%) made up of male workers, this has declined from 2019 (89%), with the proportion of females almost doubling from 11% to 20% over the same period.

Vacancy numbers increase

Almost two thirds (62%) report having vacancies to fill, this is a substantial increase on the 38% reported in 2019. There are noticeable differences by size of company with 88% of large companies, and 77% of medium sized companies having current vacancies, compared with 48% and 27% in small and micro businesses, respectively. Expectations of vacancy trends can be seen in figure 1.

Of those with vacancies the number of current vacancies also varies by size of company. The number of vacancies ranges from 1 to over 200 with the average being 19 vacancies.

Figure 2 highlights where employers are continuing to face difficulties in recruitment in a number of areas, with more than half (52%) struggling to attract people with engineering skills (a marked increase from 36% in 2019), 44% also highlight challenges in recruiting staff into operational and technical roles (an increase from 36% in 2019), whilst more than a quarter (28%) are facing challenges with craft skills (a decrease from 34% in 2019).

Broadly speaking, employers are therefore finding it harder to recruit for most roles compared to 2019. Survey feedback on possible reasons for this can be found in figure 3.

A smaller proportion highlight more generic roles such as staff management (22%), general management (21%), health and safety (15%), process management (13%) and office/admin skills (13%) where they are facing difficulties, whilst sourcing LGV operators (20%) is also challenging.

Looking to the future, over the next five years the need for new skills is predominantly in areas associated with new technologies.

Overseas workers

Over a tenth (12%) have employed overseas workers in the past year to gain access to the skills they require, a slight increase from 11% in 2019.

Of those recruiting overseas workers, the job roles sourced abroad varied widely and none of the job roles named were repeated amongst respondents. The roles ranged from drivers and plant operatives to engineers and geologists. Some respondents also looked abroad for more senior roles.

Growth of new technologies will impact skills' needs

Looking to the future, over the next five years the need for new skills is predominantly in areas associated with new technologies. Almost two thirds (62%) see automation as an area where there will be a need, and 54% saying increased use of hydrogen vehicles.

Other areas mentioned include digital robotics (45%), drones (42%) and operational intelligence (41%). Respondents also highlight an increased demand (33% in 2019 to 48% in 2023) in environmental and compliance operations and engineering which has increased from 27% to 39%.

Skills demand for employers

Engineering
52%

Operational/ technical roles
44%

Craft skills
28%

Staff management
22%

The biggest change since 2019 is seen in the need for training in leadership and management skills, which has seen the immediate need increase from 3% to 18% and a further 59% seeing a need for training in the future.

Access to and engagement with good training has improved

In terms of training provision, more than a third (36%) report no difficulty in finding training for any occupation. The roles where companies struggle most to access training are technical skills linked to extractives, mining, and related products (30%), engineering (26%) and operations (23%).

45% of employers find it hard to release staff from the business to undergo training, a decrease from 55% in 2019. Perhaps because more training providers can now deliver training when or where best suits the employer and learner (30% in 2023, down from 45% in 2019). Cost is also now less of a barrier to employers than it was in 2019 (down from 40% to 23%). Almost a third (29%) of employers see no barriers to providing staff training.

Softer skills training needed

When looking at the need for training by area, with the exception for mobile plant operators (a decrease from 23% to 17%), the immediate need for training across all categories has increased since 2019. The greatest need for training is for supervisory skills, with a fifth (20%) of respondents identifying an urgent training need (an increase form 11% in 2019), and a further 49% identifying a future need. The biggest change since 2019 is seen in the need for training in leadership and management skills, which has seen the immediate need increase from 3% to 18% and a further 59% seeing a need for training in the future.

Apprenticeships and young people

Nearly two thirds (63%) of employers have recruited young people (aged 16-19) in the last three years, an increase from 55% in 2019. The majority (62%) of these have been apprentices with most reporting taking on at least two apprentices.

Two in five (39%) companies specifically target younger demographics in their recruitment strategy, though the larger the company, the more likely they are to target younger workers. The findings indicate greater than two thirds (69%) of large as opposed to 9% of micro businesses will target this age group.

Greater than half (57%) of respondents have employed an apprentice in the last two years, a similar number (60%) expect to take on an apprentice in the next two years, an increase on 42% in 2019.

Approximately three quarters of employers are aware of the sector specific apprenticeships (mobile and static plant operator, sampling and testing operator, weighbridge operator and mineral product technician (higher apprenticeship) on offer. Between 13% and 15% use and plan to continue to use each standard.

The main barriers to taking on apprentices are a low volume of candidates (43%), a lack of locally available training provision (37%), and apprentices leaving once they have completed the apprenticeship (24%)

For those companies that do not employ young people the main reason given was they like to employ people with experience.

More than half (57%) of respondents have employed an apprentice in the last two years

Need for employers to collaborate with education

Whilst most companies have recruited younger workers in the last year, almost half (43%) of them do not currently engage with the education system, this is considerably less than 73% reported in 2019. The most common (43%) form of engagement is with further education (college/ sixth form).

For those currently engaging with the education system, almost three quarters (74%) provide work experience, 68% participate in career related activities and events and 66% provide internships, graduate placements or supported internships.

Of companies who provide work experience, almost two thirds (65%) provide it to further education, 62% to secondary education, with less than half (43%) of them providing it to higher education. Participating in career related activities and events is done with all levels of education, the most popular being 71% with secondary, down to 21% with primary, as is hosting site visits, where more than half of companies do this for secondary (57%), further education (57%) and higher education (53%). Providing/sponsoring machinery or other supplies to education is a popular (39%) way to engage with primary.

Less than a fifth of companies experience any problems when engaging with schools across all levels of education.

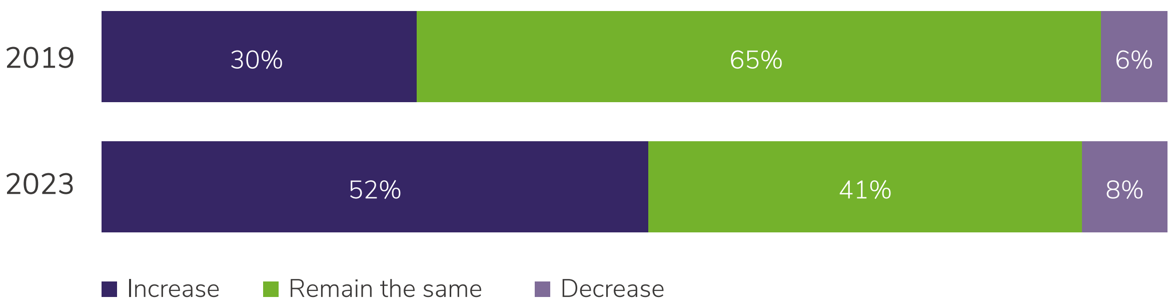
“The need for industry to work consistently with both primary and secondary education to build a greater awareness of the opportunities available can help deliver long term recruitment to the sector. One way to do this is for more people to become Minerals Matter STEM Ambassadors, each of whom can play a vital role in promoting the career pathways that can resonate with young people”, commented, James Thorne, CEO, MPQC & IQ.

Signpost for the future

“The report is an excellent read with a lot of data and interesting trends following on from previous surveys. The impacts of the post covid economic situation and technological transformation of the sector are evident. It is an invaluable resource that can signpost us towards the creation of a talented pipeline of workers, capable of leading the sector”

Viv Russell, MPQC Chair and IQ President

Vacancy trends
Figure 1. Comparison of workforce growth expectations over the next 18 months



Bases: 54 (2019) and 91 (2023) respondents.
Sources: *Pye Tait surveys, 2019 and 2023.*

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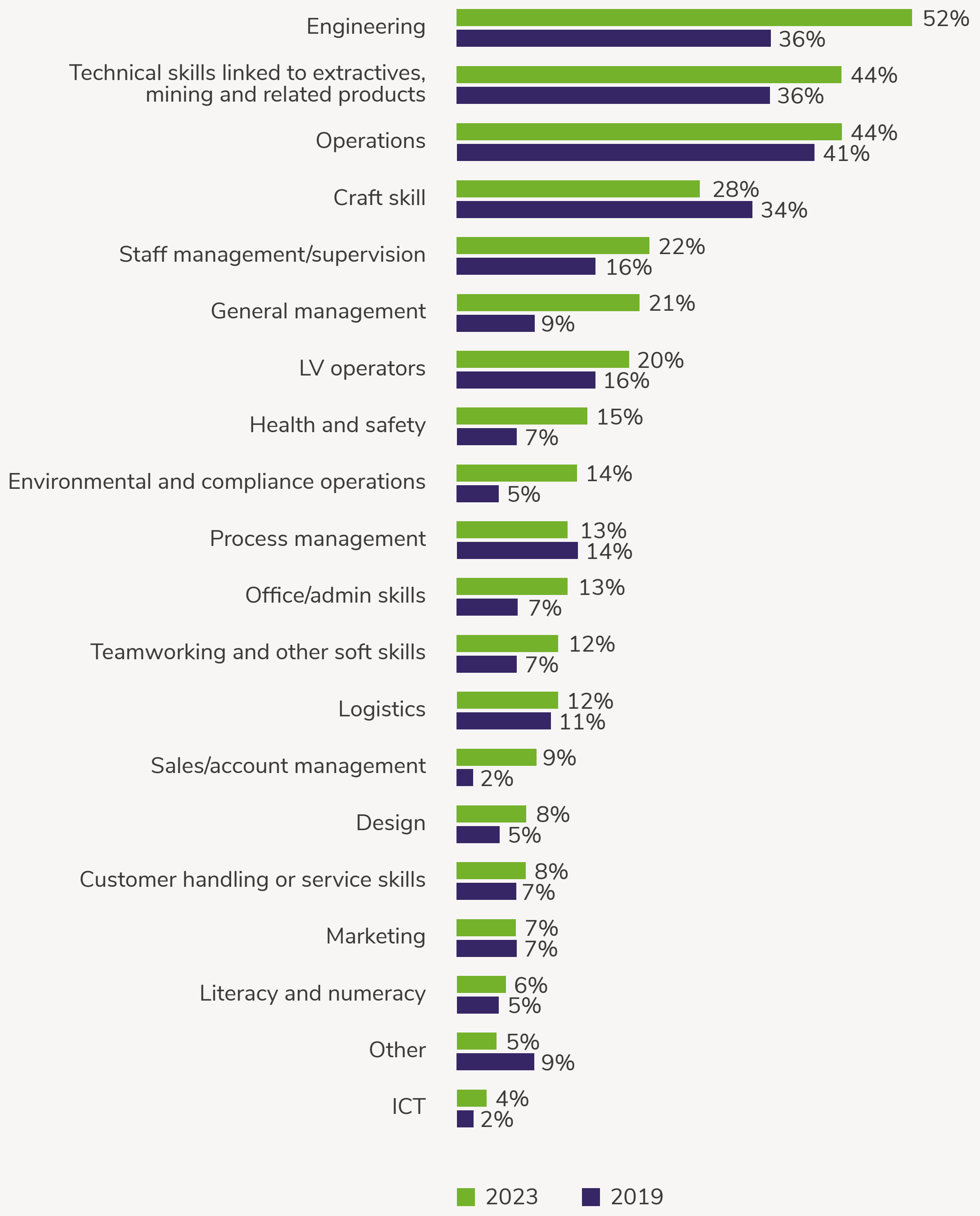
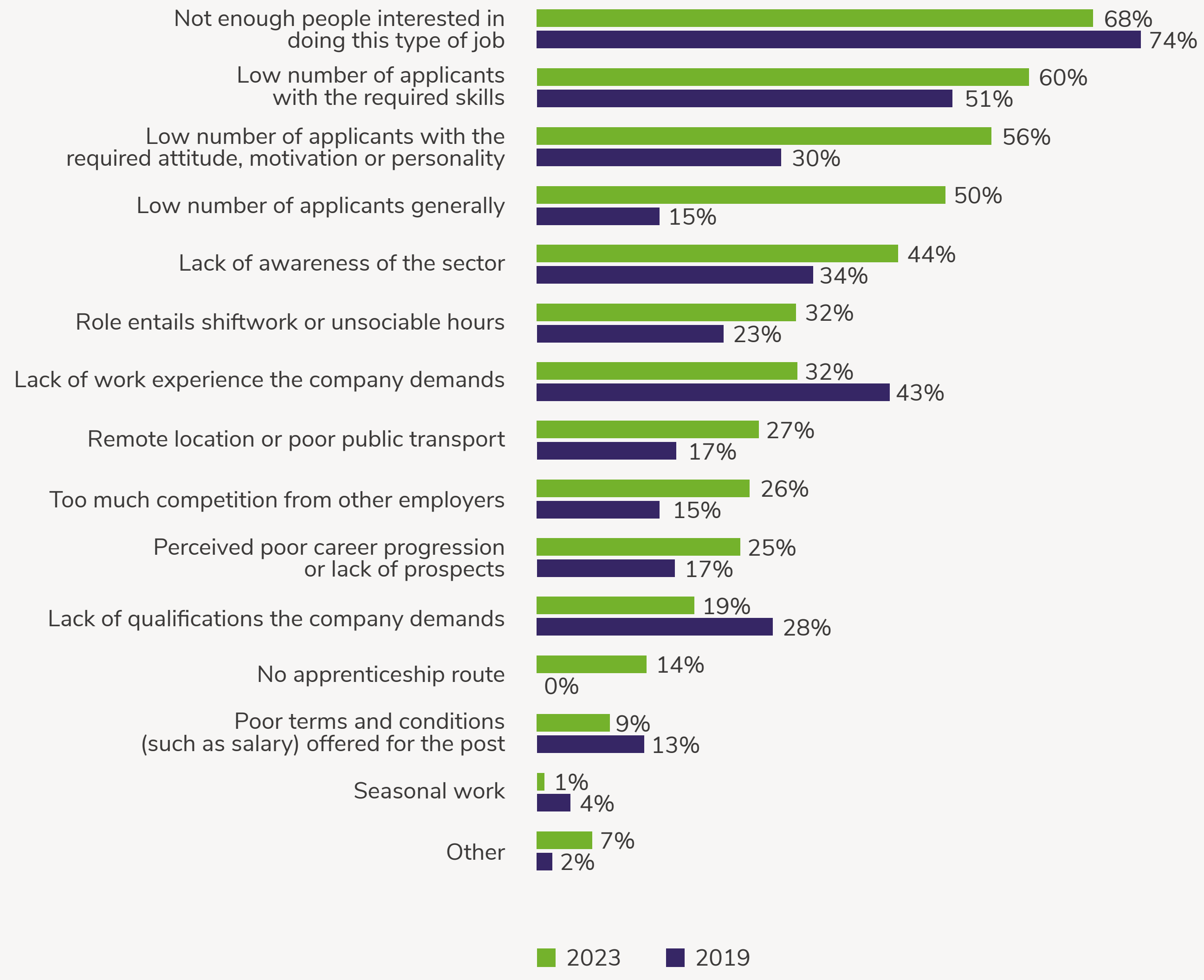
Figure 2. Sector Skills Needs



Bases: 44 (2019) and 86 (2023) respondents (multiple responses permitted).
Sources: *Pye Tait surveys, 2019 and 2023*

Figure 3. Feedback on causes of hard to fill vacancies



Bases: 53 (2019) and 88 (2023) respondents (multiple responses permitted).
Source: *Pye Tait surveys, 2019 and 2023.*

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