

Pressemitteilung**Population Europe****Andreas Edel**

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<http://idw-online.de/de/news824501>Forschungsergebnisse, Forschungsprojekte
Gesellschaft
überregional**Labour force shortages. How to adapt to future needs of European labour markets?**

Before this decade is over, labour force shortages will have become palpable in many sectors of European economies. Strategies to ensure long-term labour market resilience must be put in place now. Find recommendations based on the newest population research in the Policy Brief: “Beyond Education and Training – How Can We Adapt to Future Needs of Local Labour Markets?” co-authored by Professors Melinda Mills (University of Oxford), Heike Solga (Free University of Berlin and WZB), and Jani Erola (University of Turku).

7 million people or 2,6 %: This is the expected decrease in the EU’s working-age population by the end of the decade. Eurostat predicts the number of people at “working age” (20 to 64) to fall from 265 million in 2022 to 258 million in 2030.

Which strategies are needed to address the European labour shortages in a sustainable way?

Find recommendations based on the newest population research in this Policy Brief: “Beyond Education and Training – How Can We Adapt to Future Needs of Local Labour Markets?”. The brief is part of the project Mapping Inequalities Through the Life Course, funded by the European Union.

Melinda Mills, Professor of Demography and Population Health at the Universities of Oxford and Groningen says: “Think about the car factories: when they were booming, they offered housing and lots of infrastructure for their workers. The equivalent of this today could be hybrid and flexible working, or allowing someone to work from another country or another region. It is not only about jobs and skills, it is about the package of people’s lives.”

The first step to create environments that are able to attract, develop and retain talents is to distinguish between short-term fixes and long-term strategies. While upskilling and reskilling of the domestic population as well as immigration can alleviate specific needs of labour markets, there is a need for substantial policy reforms to improve salaries, job security, and working arrangements, as well as for strengthening collective bargaining.

Low-qualified adults (those who have not completed upper secondary education) need particular attention. They are much more likely to be unemployed than their more educated counterparts. According to Eurostat data, in 2022 the unemployment rate was 12.2% for this group, while for those with tertiary education, it was 3.8%.

What do low-qualified people need to gain better access to the labour market? Is it enough to invest in their skills?

“Investments in skills alone are insufficient for reintegrating low-qualified individuals into education or the labour market. In essence: Skills are necessary but not enough for success, particularly among students from disadvantaged backgrounds”. Jani Erola, Professor of Sociology at the University of Turku

“Skills alone have very little impact on the prospects of the low qualified. Activation policies are key to bring them to education or the labour market”, says Heike Solga, Professor of Sociology at the Free University of Berlin and Director of the department "Skill Formation and Labor Markets" at the Berlin Social Science Center (WZB). Activation policies means to encourage people to step up their job search, enhancing their motivation and providing incentives to seek employment. This can include training, job rotation and job sharing, employment incentives, supported employment and rehabilitation, direct job creation, or start-up incentives.

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