



Labour and skills shortages in the EU: Action Plan

Dialogue with CPR Partners

12 June 2024

Anita Halasz

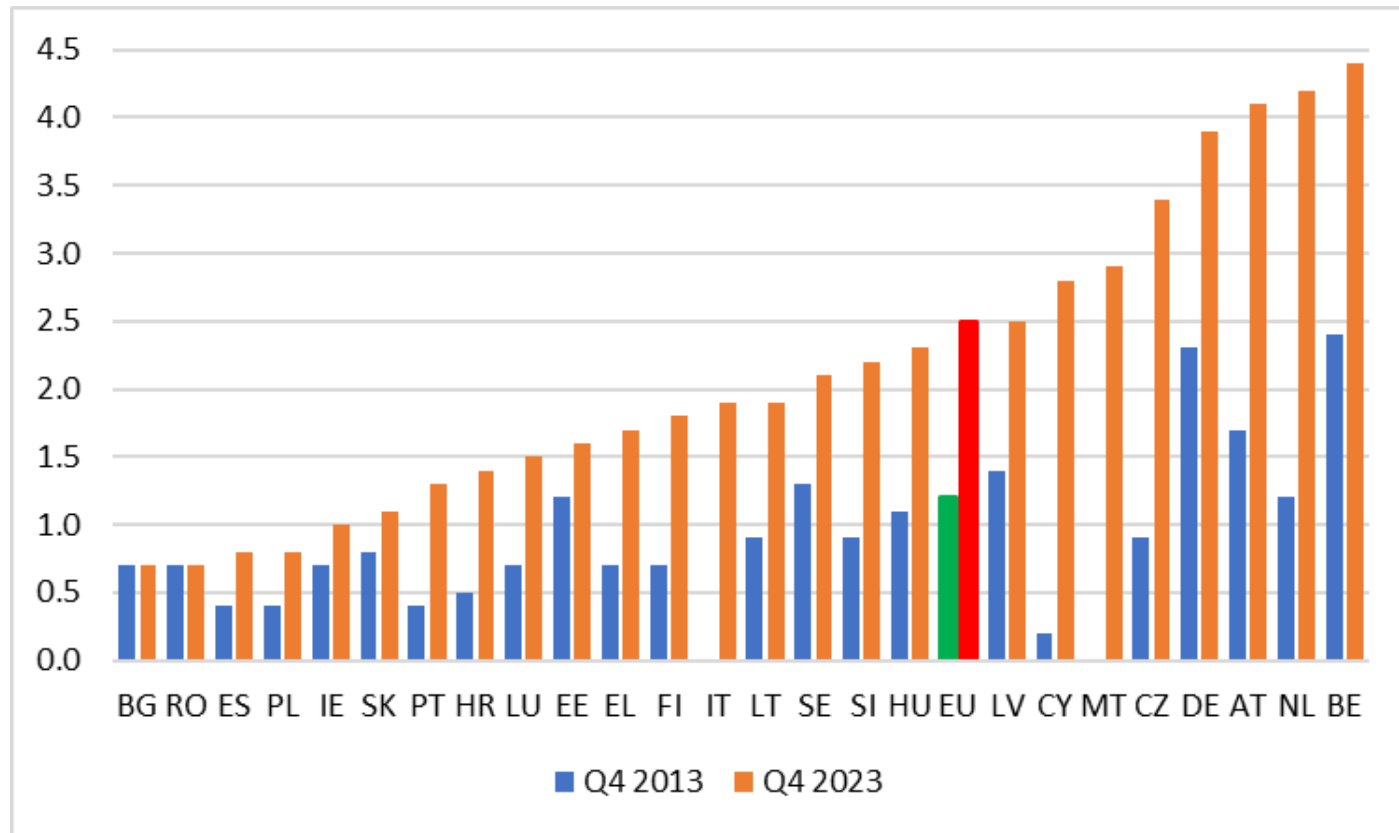
Unit F2 – Labour Market and Wages, Eurofound

European Commission, DG Employment, Social Affairs and Inclusion

Labour and skills shortages: the challenge

Decade-long rise in labour shortages in almost all Member States

Job vacancy rate - Q4 2013 vs Q4 2023



Note: Data are not available for Denmark and France.

Source: Eurostat dataset jvs_q_nace2.

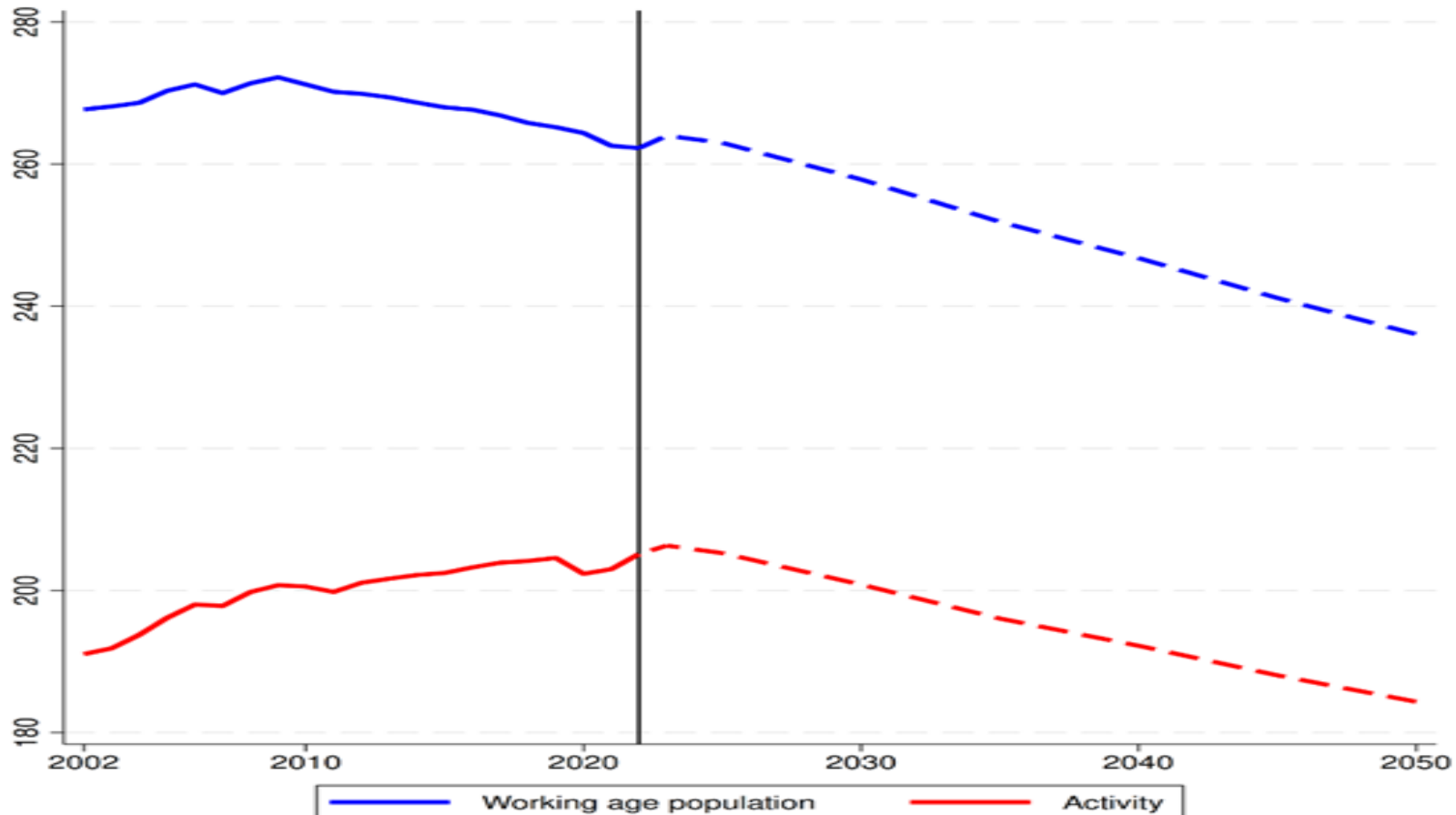
Major risk for:

- EU growth and competitiveness
- twin transition
- social cohesion and democracies' health
- EU security and open strategic autonomy

Follow-up to the commitment taken in the Val Duchesse Declaration

Structural drivers – demographic change

Working age population and activity are expected to decrease in the coming decades

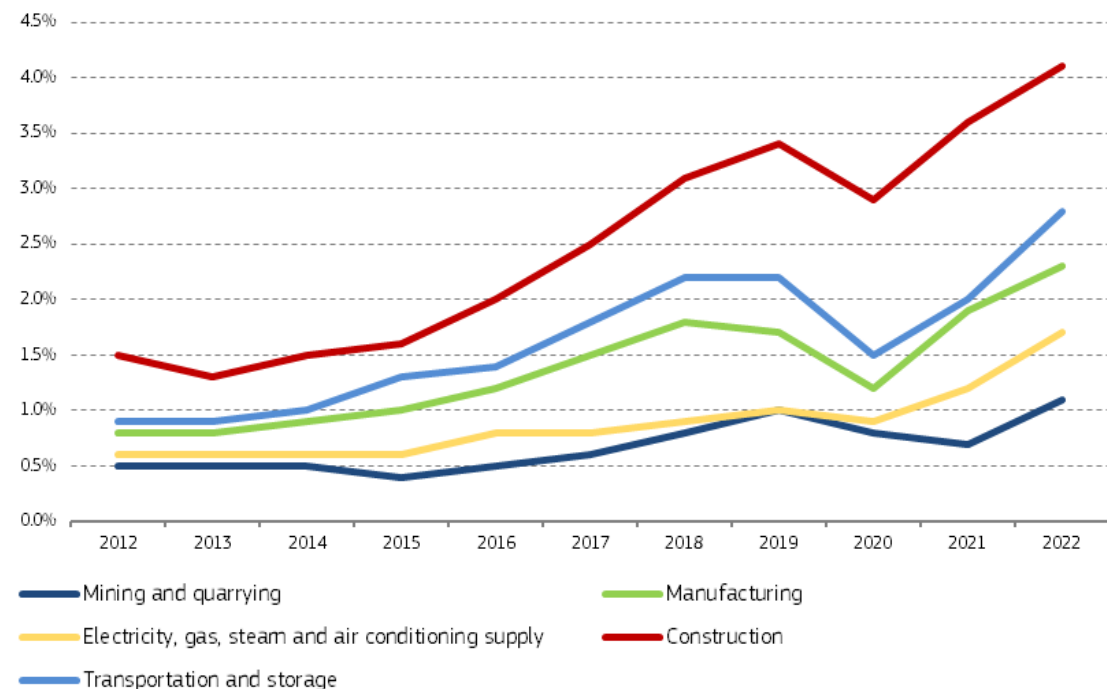


Source: DG EMPL calculations, based on Eurostat and OECD data, and EUROPOP2023 population projections.

Structural drivers – changes in skills needs

Labour shortages are growing in sectors relevant for the green transition and decreasing in polluting activities

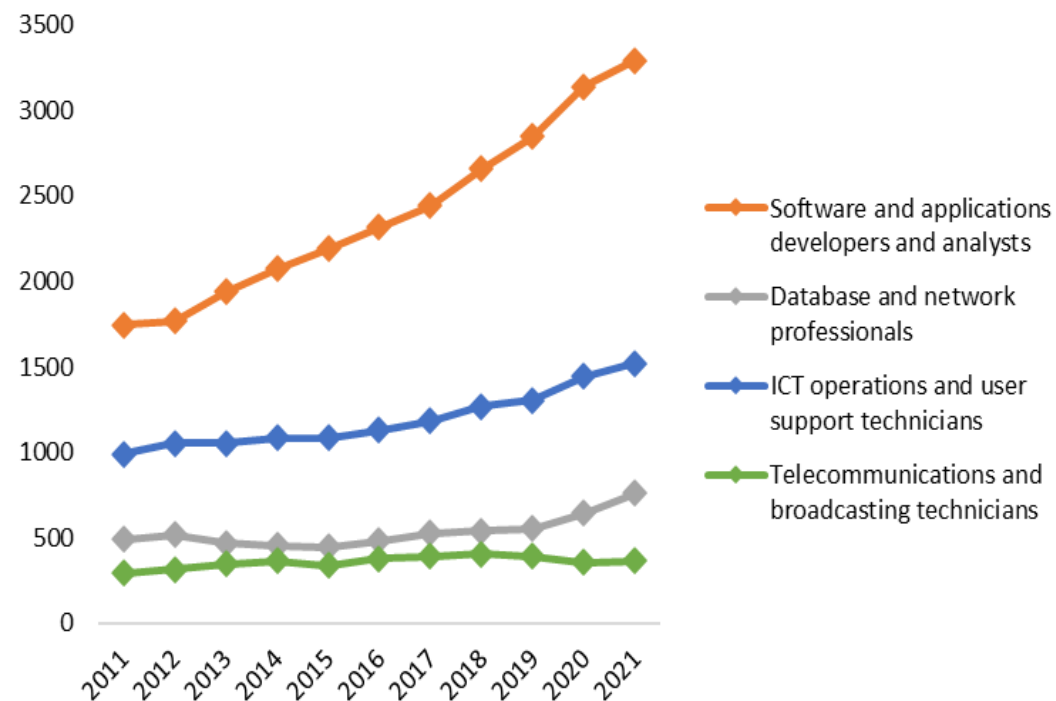
Job vacancy rate in transformation sectors (NACE 1-digit), 2012-2022, EU-27



Source: DG EMPL calculations, based on Eurostat dataset jvs_a_rate_r2.

Employment in ICT occupations grew since 2011

Number of workers employed in ICT occupations over time (thousands), EU

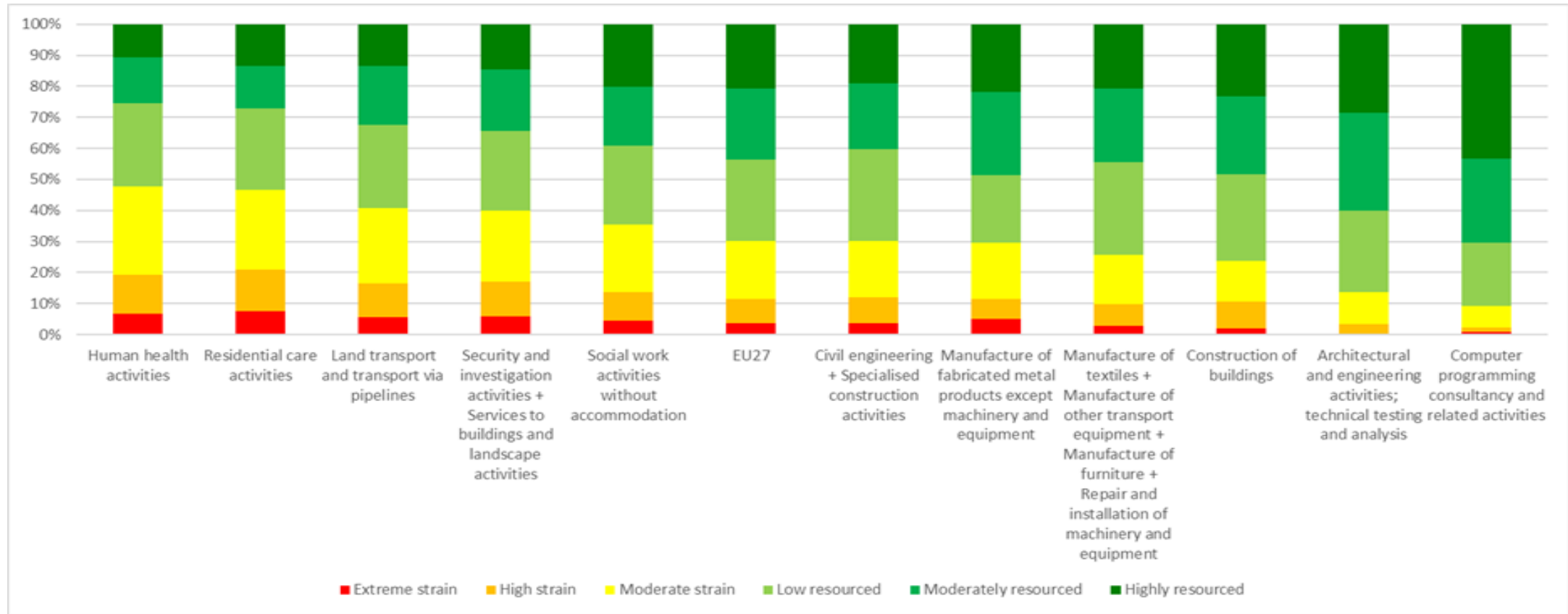


Source: DG EMPL calculations, based on Eurostat and OECD data, and EUROPOP2023 population projections.

Structural drivers – Poor working conditions

Job strain is highest for health, residential care, and transport workers

Job quality index (%), by subsector, EU-27



Source: Eurofound, EWCTS 2021

A comprehensive policy framework

- The **Action Plan** provides a comprehensive policy framework, which:
 - builds on existing initiatives
 - announces new EU actions
 - calls on Member States to take further action
 - welcomes social partners' commitments for action
- It covers action in **five policy areas**:



Support the
activation for
underrepresented
people



Provide support
for skills, training
and education



Improve
working
conditions



Improve fair
intra-EU mobility
for workers and
learners



Attract talent
from outside
the EU

Commission's future actions – some examples

Activation policies

- Finance new projects under ESF+ on activating NEETs and zero long-term unemployment
- Evaluate the impact of some pension reforms



Intra-EU labour mobility

- Implement further synergies between EURES and EUROPASS
- Update the recommendations for MS on how to reform the access to regulated professions



Migration policies

- Establish the EU Talent Pool
- Step up its engagement with MS and social partners in the context of the Labour Migration Platform.



Skills policies

- Set up new sectoral and regional skills partnerships
- Co-finance more Centres of Vocational Excellence
- Adopt a new declaration on VET together with Member States and social partners

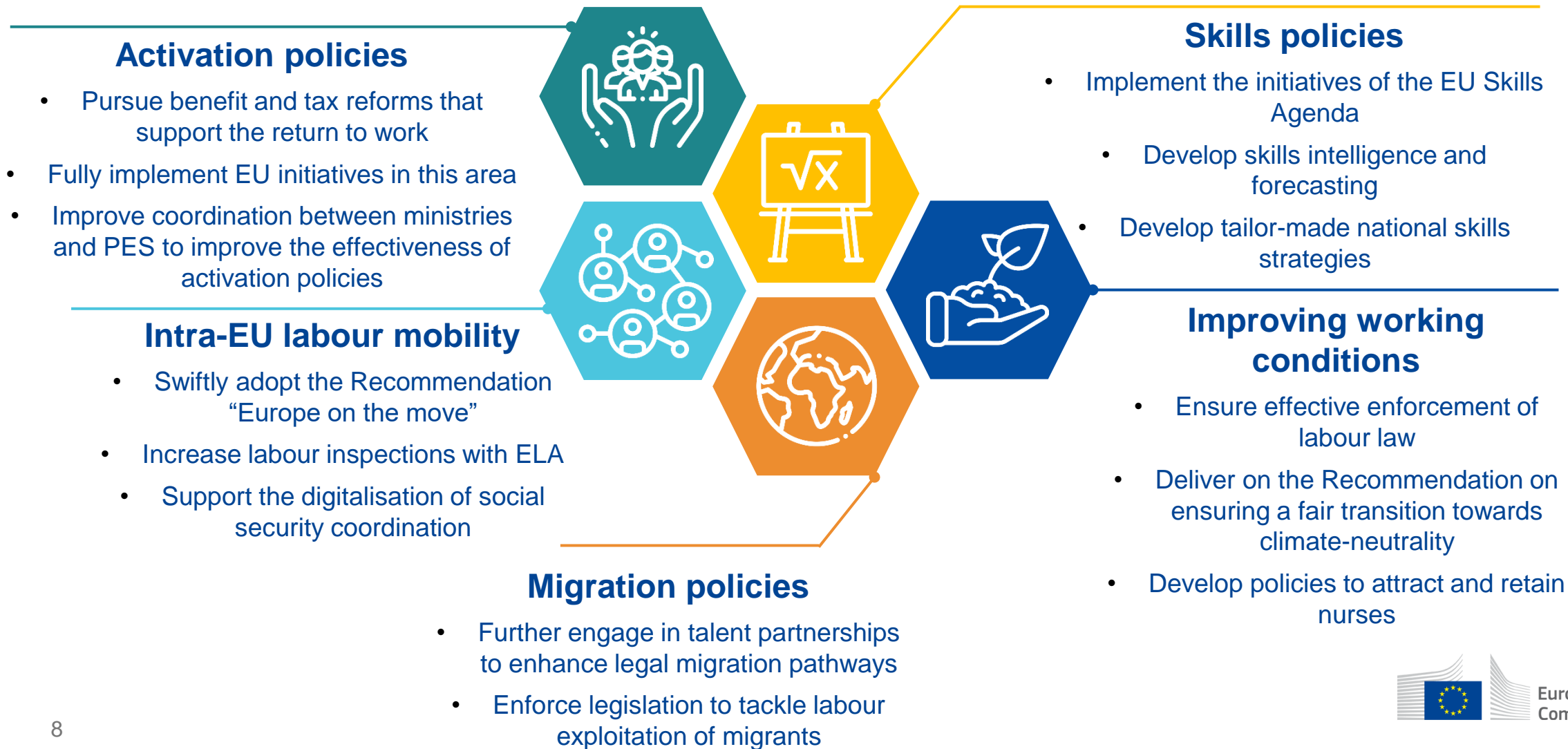


Improving working conditions

- Adopt a proposal for a reinforced Quality Framework for Traineeships
 - Adopt a proposal for the 6th amendment of Carcinogens, Mutagens and Reprotoxic Substances Directive
- Peer review with Member States on national approaches to psychosocial risk at work



Calls on Member States – some examples



Social partners' commitments – some examples

Activation policies

- Find adapted solutions to promote the employment of older workers
- Strengthen collaboration between private employment services and PES

Intra-EU labour mobility

- Help identify regulated professions where shortages are strongest
- Foster transnational mobility for apprentices and young professionals

Migration policies

- Contribute to the establishment of the EU Talent Pool
- Ensure fair working conditions for migrants

Skills policies

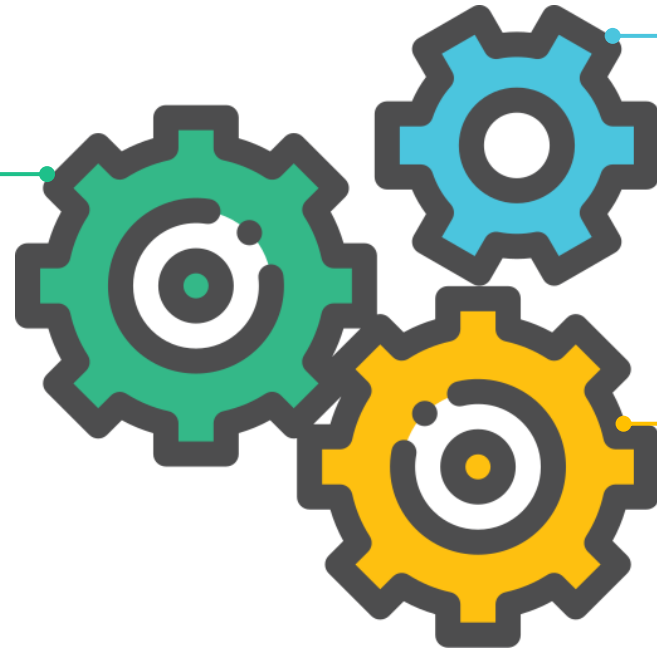
- Contribute to aligning training provision with labour market needs
- Support apprenticeships and partnerships between VET providers and employers

Improving working conditions

- Address inadequate working conditions through collective bargaining
- Promote an EU framework for better working conditions for third-country drivers

Implementation and monitoring

Implementation of the new actions by the Commission, Member States and social partners



Monitoring in the framework of the European Semester

Regular tripartite exchanges at EMCO and SPC with EU and national social partners and consultation of sectoral social partners where relevant

Conclusions

- Labour and skills shortages have been on the rise for almost a decade and are expected to increase further in the coming years, especially in some sectors.
- Many measures have already been put in place by the EU and Member States, in close cooperation with social partners. Their effective implementation is key.
- The EU, Member States and social partners should join forces in addressing this challenge.
- Member States are invited to swiftly implement the calls for action. Social partners have also a crucial role to play.
- Tackling labour and skills shortages will boost the EU's competitiveness, foster quality job creation and increase the EU's economic and social resilience.