Future requirements and challenges especially regarding the labour market

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Transitions of welfare states

• The old story: agriculture, industry, services
• Service sector combines jobs with few and many skills
• Demand for economic competitiveness increases the likelihood and need for new approaches
• Welfare states in Europe under pressure in the wake of the fiscal crisis
• Balance between state, market and civil society constantly under change – therefore also requirements for and change in qualifications
• Demographic transitions, cf. Figure DK, impact need for other types of labour force in the future
Befolkningsfremskrivning for hele landet efter alder og tid.
(Aantal)
Economic challenges

• Economic pressure on the welfare states has not diminished
• Labour market demand for new competences and quality of work change constantly and at a higher speed
• Economic growth including money for the welfare states are limited – combined with increased expectations
• The welfare state seen as a social investment state can have an impact
Convergence in old-age dependency ratio (65+/20-64)
Expected trends on the labour market

• Continuously high level of migration – both of persons with and without skills
• Migration from within Europe and from outside Europe
• Europe and especially Northern Europe – there will be fewer jobs for unskilled labour
• People with lower level of educational attainment also have, on average, lower participation rate, higher levels of unemployment and lower income.
• Later retirement?
Education – basic and life-long learning

• Ensure both in-depth and basic skills – in Denmark there is an ambition that 60% gets a higher level education
• Ensure continuity and options to develop and build upon previous experiences
• Focus on life-long learning
Flexi-curity?

• Nordic welfare states known for it – the ability to have high level of both income and job security – and also a high flexibility with regard to hiring and firing

• However, flexicurity under pressure, although still high level of movement in and out of the labour market

• There is a continuous need for higher level of education to ensure flexibility under changing labour market conditions
Flexi-curity for all?

• How to ensure jobs and integration for all – and also persons with a different background, traditions, linguistic, experience etc.

• Ability to ensure that all have access to the labour market can be difficult if lack of competences or lack of documented competences

• In times of high demand integration and use of all competences seems to work best
Conclusion

• There will be a need for a still higher level of qualifications
• Unskilled jobs will move away from Northern Europe
• Migration will continue and also influence highly skilled labour market
• Integration as an important issue.