

Will labour shortages and skills mismatches throw sand in the gears of the green transition in Belgium?

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Summary

- Analyse factors (incl. skills) that facilitate transitions into green (shortage) jobs
- Focus on Belgium using rich data: longitudinal LFS, green job classifications, and regional shortage job classifications
 - regional public employment services (Actiris, FOREM and VDAB)
- Regressions for probability of transitions
 - log-log regression to account for the fact that there is a large imbalance in the number of 0 and 1 outcomes
- Technical skills emerge as key across all education levels
- Transitions to green shortage jobs tend to involve less skill disruption than the green transition might require
 - differ significantly from other categories in terms of income, required skills and education, and training needs

Comments

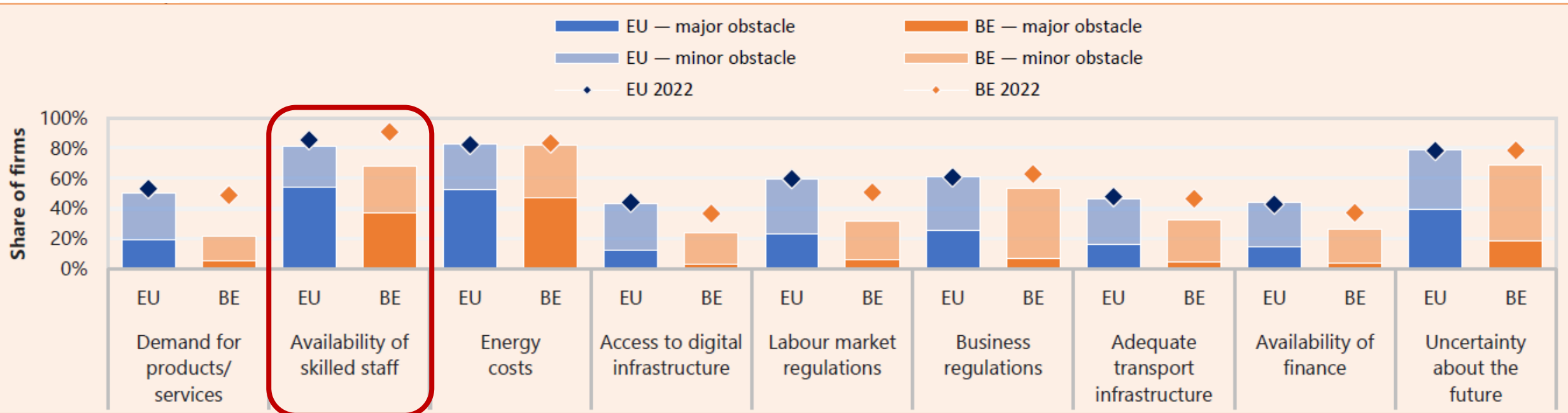
“Europe is suffering from skills gaps across the economy [...] The report recommends that, first, the EU and Members States enhance their use of skills intelligence by making much more intense use of data to understand and act on existing skills gaps.”

Draghi report

Highly relevant RQ. Very detailed. Well written. Pleasure to read!

Comments

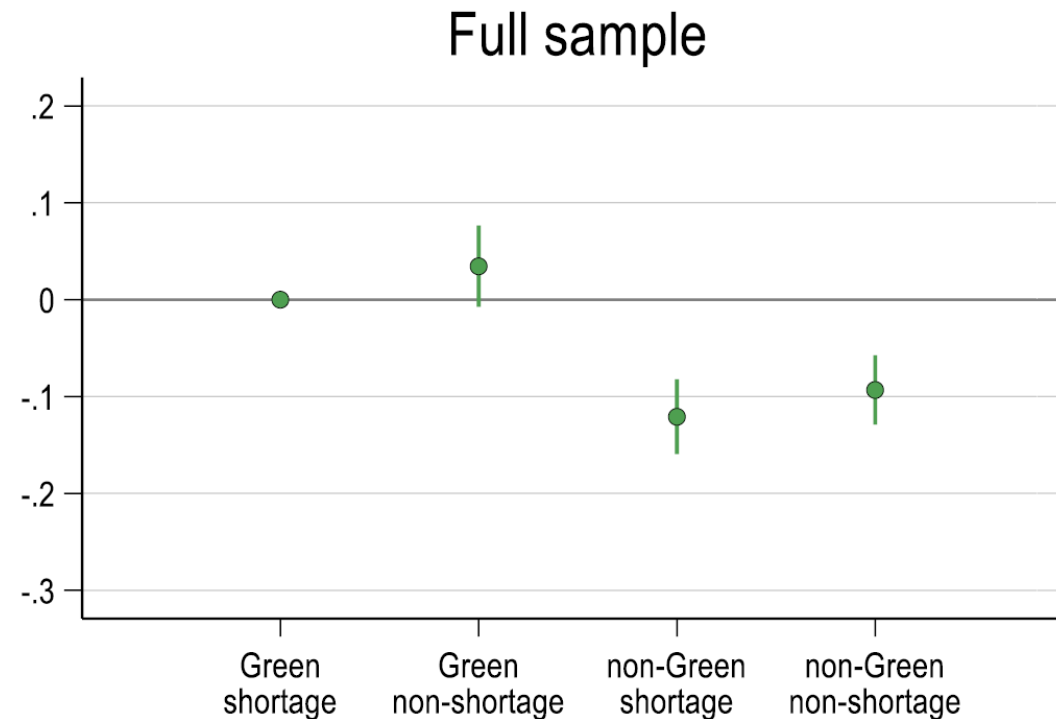
- The share of firms across EU countries with skills as a major barrier to investment has increased since the pandemic
- North-West Europe saw an increase in skills as a major barrier, Central Eastern Europe and Southern Europe a decline



Source: EIB Investment Survey 2023

Comments

- There is an earnings premium for green jobs. Yet, no significant premium for shortage versus non-shortage jobs.
- How do you explain this? Inefficient labour markets? Is it related to the fact that (green) shortage jobs occupy a niche?



Comments

- It would be interesting to explore further the sectoral component of the data. This could help further underpin policy recommendations.
- Regarding the relevant skills for transitioning, one could frame the results further relative to existing evidence (e.g., LinkedIn)
- Technical skills are found to be crucial. How do they map into other pre-existing findings?

Comments

Skills of LinkedIn members transitioning into green jobs

How much more (or less) likely are workers who move into green and sustainability-related jobs to have certain skills?

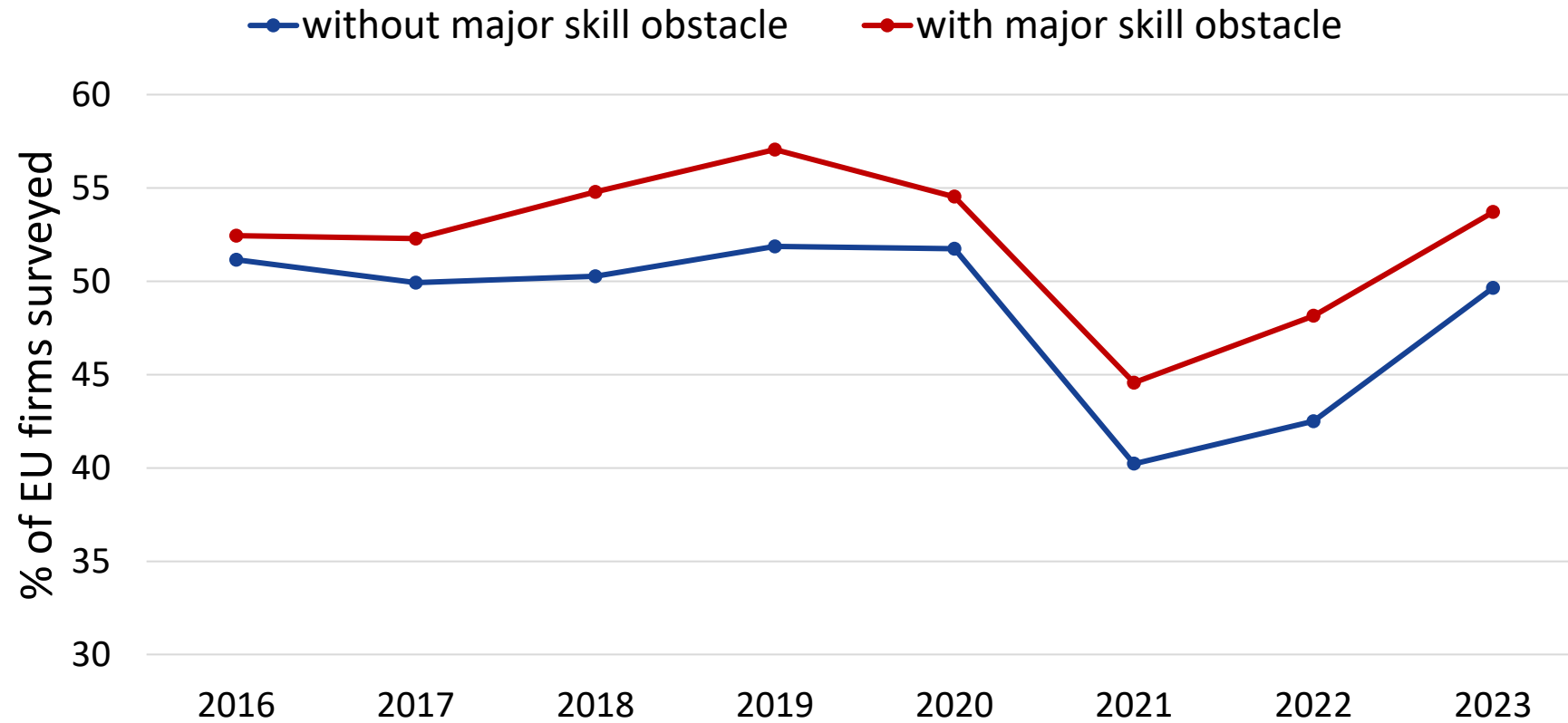


Comments

- The evidence confirms that training matters!
- Yet, we observe that firms with skilled staff shortage as major obstacle seem to only marginally train their staff more than firms without
- Over time, while facing an increasing skill gap, firms also seem to provide less training in sectors most in need of skills
 - Even though preliminary evidence hints at a positive and significant relationship between firm growth and the level of in-house training provided
- In addition, adults' participation in learning is still low, especially for the low-skilled

Comments

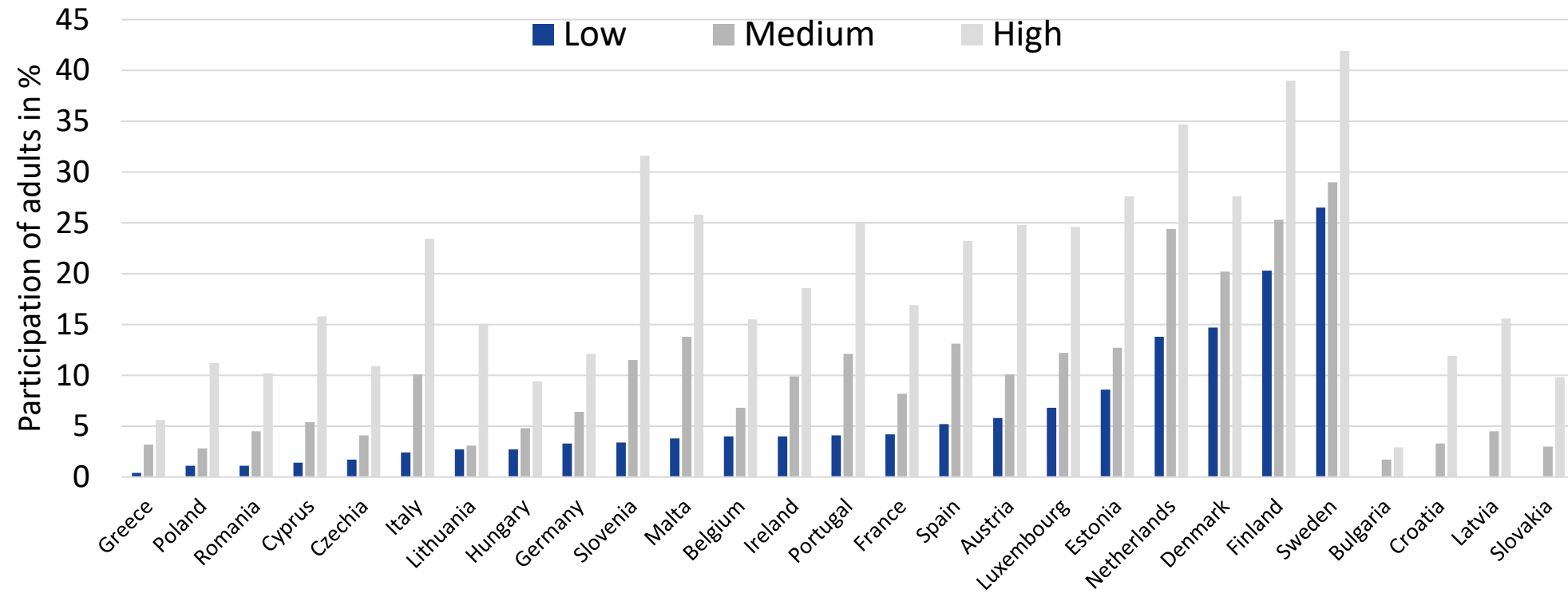
Investment in training for firms WITH vs. WITHOUT skills as major obstacle, EU



Source: EIB Investment Survey

Comments

Participation of adults in learning by educational attainment (low, medium, high qualified) in the last four weeks (2021, in %)



Source: EU LFS

Comments

- In discussion you mention a role for “stringent experience and accreditations requirements” in deterring transitions.
- One could link this to existing proposals on a more universal system for skills acquired through training, including across the EU (cf. Draghi report).