



Belgium: Forecast highlights up to 2025

Between now and 2025:

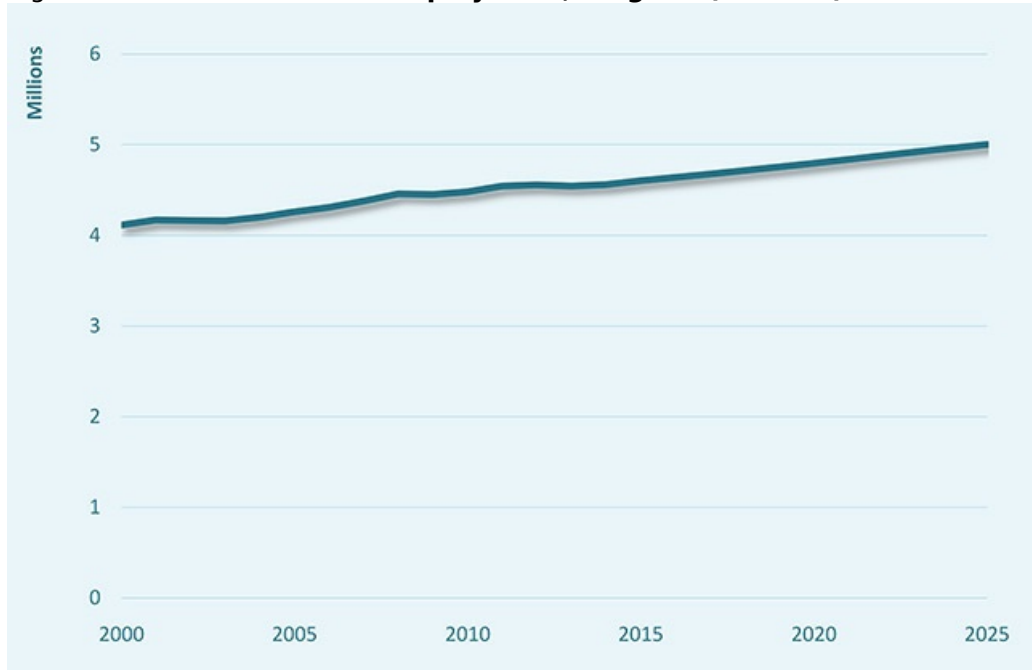
- Employment passed its 2008 pre-crisis level in 2014 and is forecast to continue to increase.
- Most employment growth will be in non-marketed (mainly public sector) services.
- Most job opportunities, around 30%, will be for professionals.
- Around 46% of the labour force will have high-level qualifications, compared to 40% in 2013.

Following the economic crisis in 2008, Belgium's GDP started to recover in 2010. In 2013, Belgium's unemployment rate was 8.4%, below the European Union (EU) average of 11%. The European Commission forecasts GDP growth for Belgium of 0.9% in 2015 and 1.0% in 2016.

Employment outlook

According to Cedefop's skills supply and demand forecasts ([see scenario assumptions](#)) economic growth is expected to have positive effects on job growth and employment in Belgium, which passed its 2008 pre-crisis level in 2014 (Figure 1). This is faster than employment growth forecast for the EU as a whole, where average employment is expected to reach its pre-crisis level in 2020.

Figure 1 **Past and forecast employment, Belgium (millions)**

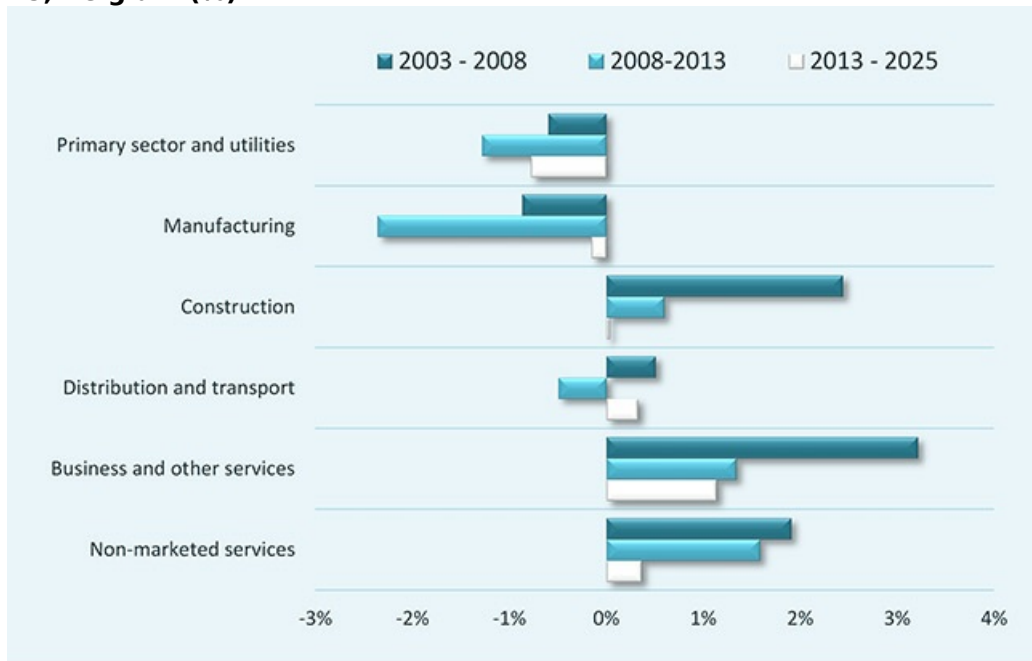


Source: Cedefop skills forecasts (2015)

Sector developments

The economic crisis reduced employment mainly in the primary, manufacturing, and distribution and transport sectors between 2008 and 2013 (Figure 2). In contrast, employment in the construction, business and other services and non-marketed (mainly public sector) services sectors increased over the same period. Future employment growth in Belgium, up to 2025 will be concentrated in business and other services, with some increases in the distributing and transport sector and non-marketed (mainly public sector) services. The employment share of the manufacturing and construction sectors is expected to be broadly stable; however, in primary sector employment will continue to fall.

Figure 2 **Employment trends by sector, average annual growth rate 2003-25, Belgium (%)**



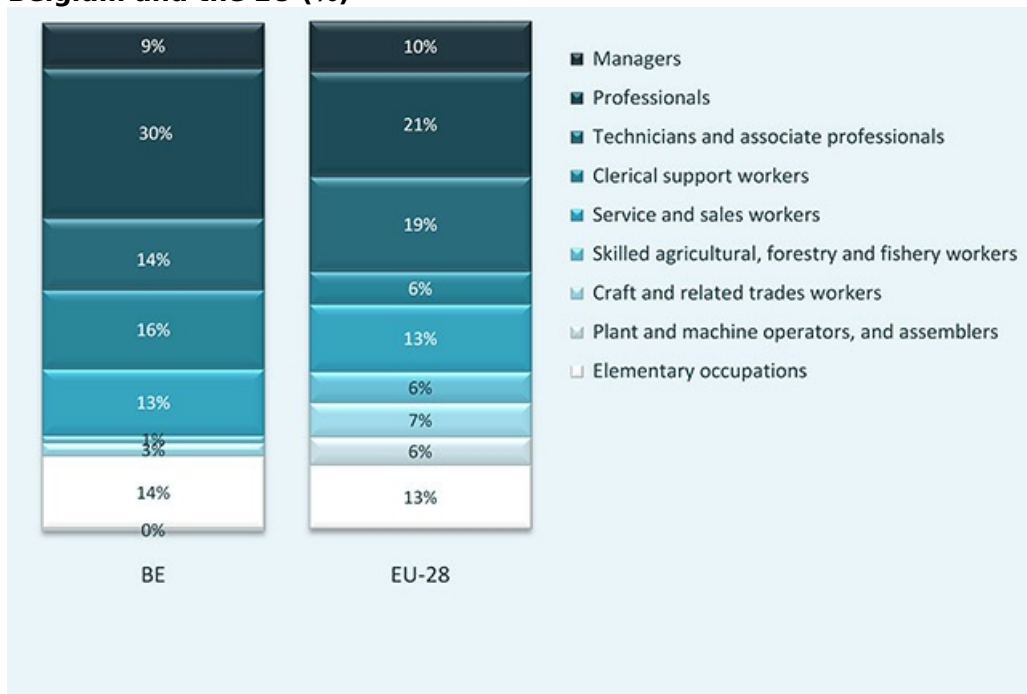
Source: Cedefop skills forecasts (2015)

Occupations and qualifications prospects

Cedefop's forecasts give insights on job opportunities between now and 2025. Total job opportunities are the sum of newly created jobs (expansion demand) and job opportunities arising because of the need to replace people who either go on to other jobs or leave the labour market, for example due to retirement (replacement demand). Often, replacement demand provides more job opportunities than expansion demand, which means that there will still be job opportunities even if the overall level of employment falls. Given relatively high job creation and a stable labour force, between now and 2025, replacement demand in Belgium is forecast to provide about three times more job opportunities than expansion demand.

In Belgium, most job opportunities, around 30%, will be for professionals (high level occupations in science, engineering healthcare, business and teaching), followed by 16% for clerical support workers and 14% for elementary occupations (Figure 3). The proportion of job opportunities for professionals, in Belgium is significantly higher than the 24% forecast for the EU as a whole.

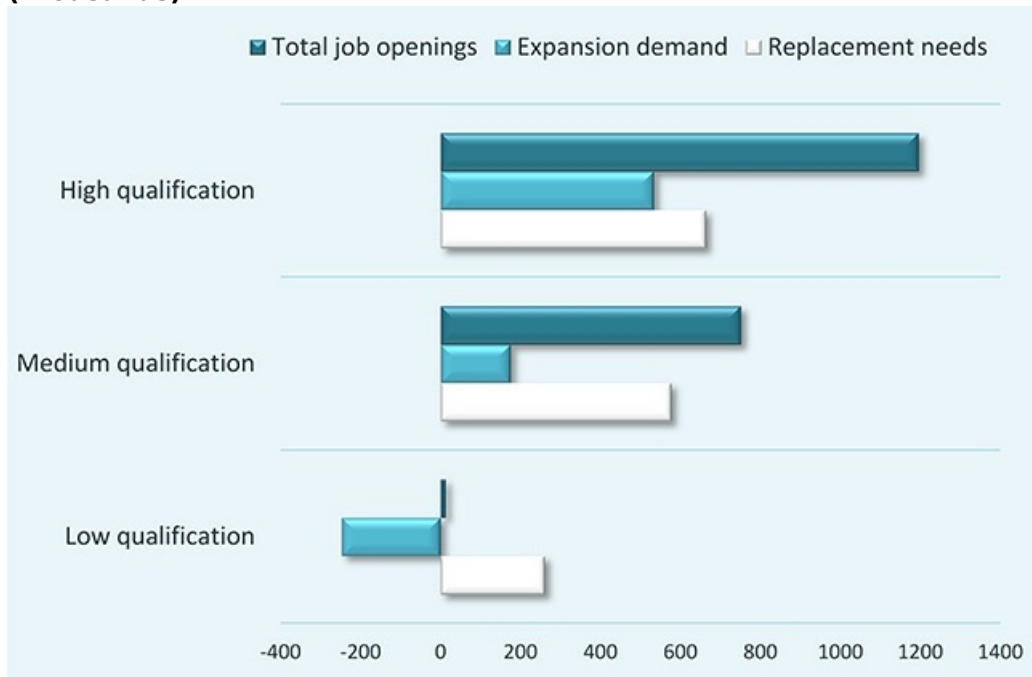
Figure 3 **Distribution of total job opportunities by occupation 2013-25, Belgium and the EU (%)**



Source: Cedefop skills forecasts (2015)

Most job opportunities in Belgium will require high-level qualifications (ISCED 97 levels 5 and 6) (Figure 4). However, replacement demand will also provide significant numbers of job opportunities requiring medium-level qualifications (ISCED 97 levels 3 and 4).

Figure 4 **Total job opportunities by qualification, 2013-25, Belgium (thousands)**



Source: Cedefop skills forecasts (2015)

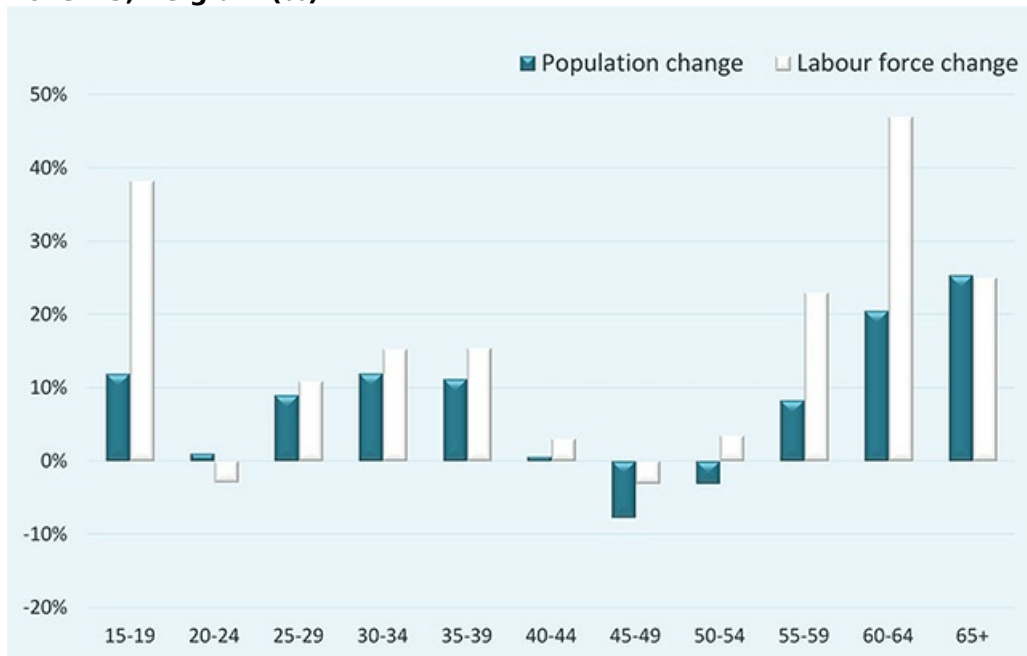
Labour force trends

Future labour supply trends depend mainly on demographics and the size of the working-age population (defined in the forecasts as people aged 15 and older), participation in the labour force (people in the working-age population either in or actively seeking work) and how quickly people acquire formal qualifications.

Eurostat's latest population projection (Europop 2013) for Belgium reflects the current trends in fertility rates and net migration flows. Belgium's working-age population is projected to grow by about 10 % between now and 2025. Labour market participation up to 2025 is forecast to remain stable at around 53%, below the EU forecast average of 55.5%.

In contrast to EU demographic trend the growth of Belgium's population is not expected to be concentrated solely among older age groups (Figure 5). Even though the largest increases are in the working age population aged over 55 years, by 2025, numbers of people in the working-age population aged between 25 and 39 years old are also forecast to rise.

Figure 5 **Changes in working-age population and labour force by age, 2013-25, Belgium (%)**

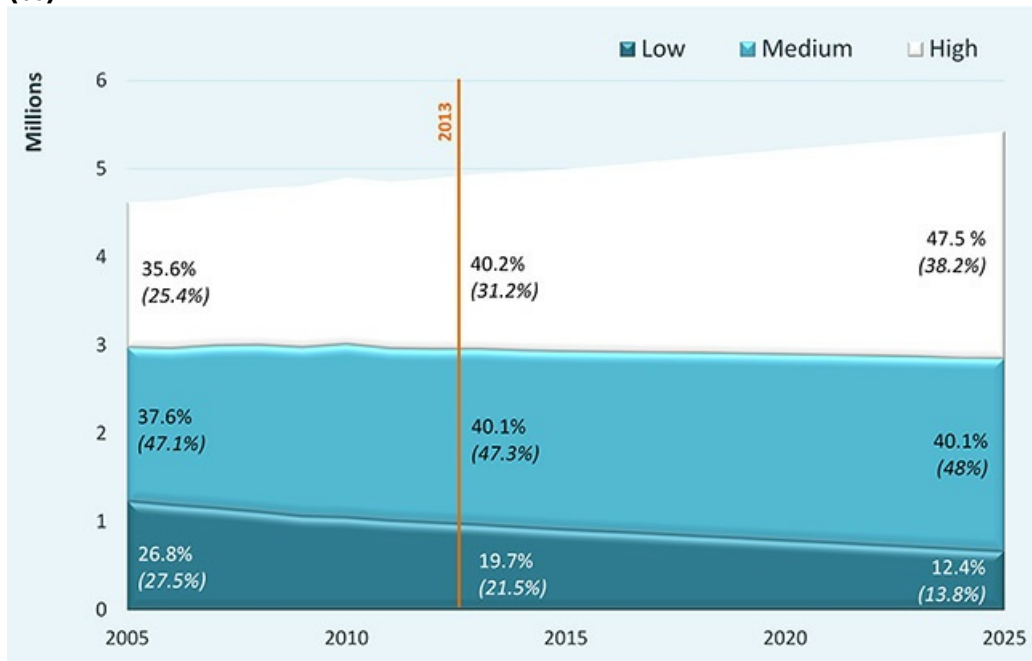


Source: Cedefop skills forecasts (2015)

Belgium's labour force is becoming more highly qualified (Figure 6). By 2025, the share of those with high-level qualifications should rise to 47.5% compared to 40.2% in 2013 and 35.6% in 2005. People with medium-level qualifications in 2025 will be the same as in 2013, around 40.1% of the labour force. The share with low-level or no qualifications is forecast to fall from 19.7% in 2013 to 12.4% in 2025.

According to Cedefop's forecasts, by 2020 in Belgium, around 51.6% of 30 to 34 year-olds will have high level qualifications, significantly above the EU's educational attainment benchmark of 40% by 2020. On current trends, around 54.2% of 30 to 34 year-olds in Belgium will have high-level qualifications by 2025.

Figure 6 **Labour force trends by qualifications, 2005-25, Belgium (and EU)** (%)



Source: Cedefop skills forecasts (2015)

In Belgium, in 2013, 11% of young people left the education and training system with low-level qualifications, above the national target of less than 9.5% by 2020. In the EU, the average, in 2013, was 11.9%, still higher than its benchmark of less than 10 % of young people leaving the education and training system with low-level qualifications by 2020.

Experts' view

Cedefop's forecasts and their assumptions are regularly discussed with national experts. Mr. Koen Hendrickx, Research Officer at the Federal Planning Bureau considers the forecasts' underlying assumptions and results plausible.

He adds that vigorous employment growth up to 2025 crucially depends on continuing high growth of the working-age population of around 0.5% per annum for the period 2014-25 as forecast by Europop 2013. National demographic forecasts predict much lower growth in Belgium's working age population, mainly due to different assumptions regarding future immigration and emigration flows. Since these differences affect primarily the age groups where labour market participation are highest, the national forecast reduces the scope on the supply side for sustained high employment growth. This may be partially offset by recent policy measures changing eligibility conditions for retirement and pre-retirement schemes, which may increase labour market participation among older age groups and which have not yet been taken into account in Cedefop's forecast.

He also comments that the projected increase in the share of the working-age population and with high-level qualifications in Cedefop's forecast may be high, given that, since 2008, increases in the proportion of people aged 30-34 with high-level qualifications has tended to level off.

Cedefop skills supply and demand forecasts' scenario

Cedefop skills supply and demand forecasts take account of global economic developments up to October 2014. Despite significant differences between countries, the forecasts generally assume that a modest economic recovery will slowly increase confidence in the EU, increasing investment, consumer spending and exports. Inflation stays in target range and interest rates low, while higher tax revenues help governments reduce debt.

The assumptions reflect the latest Eurostat population forecast (Europop 2013, published in spring 2014) and the short-term macroeconomic forecast produced by the European Commission in November 2014.

Cedefop's forecasts use harmonised data and methodology for all countries covered to allow cross-country comparisons. They do not substitute national forecasts. Total employment data correspond to those reported in national accounts.

Cedefop's latest skills demand and supply forecasts up to 2025 cover 28 EU Member States plus Iceland, Norway and Switzerland. Results are regularly updated and together with key assumptions and methodological developments are reviewed by national experts.

For the latest update and more detailed skills forecast data visit: www.cedefop.europa.eu/forecast

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