

Thessaloniki 8 March 2012 For immediate release www.cedefop.europa.eu

# Increasing shortage of green skills in Germany raises concerns

A lack of long-term investment in green skills has potentially serious repercussions for Europe's economy and labour market. Shortages in fields related to the low-carbon economy are already becoming apparent in countries with low unemployment, such as Germany, the Netherlands and the UK, and are expected to rise in all EU countries.

A forthcoming Cedefop publication suggests this outcome can be avoided if Germany makes a bigger push to recruit new people into science, technology and engineering. All EU countries also need to better integrate skills strategies into environment and energy policy.

The Cedefop study covers all educational levels – from nanotechnologists to recycling collectors – in eight EU countries (Finland, Germany, Greece, Hungary, Italy, the Netherlands, Slovakia and the UK) representing various stages of developing a sustainable economy. The main findings were presented at the OECD/Cedefop Green Skills Forum in Paris on 27 February.

#### Coping with skill shortages in Germany

Germany is one of the best-placed EU countries in terms of training options and sectoral demand for green skills. Yet it too is facing skills shortages in the entire range of occupations(1) related to the low-carbon economy studied by Cedefop.

The country needs to make a bigger push to recruit people into science, engineering and technology. To take an example, the shortfall of qualified engineers is forecast at between 41 000 and 62 000 by 2014. Vacant engineering positions in 2010 cost the German economy a loss of about EUR 3.3 billion, while engineering shortages reached record heights in 2011.

Generally the demand for people trained in science, technology, engineering and mathematics (STEM), is projected to reach 100 000 a year. But the current number of graduates is 85 000 to 90 000 a year – so a considerable shortfall is expected by 2020.

Employer strategies to face the shortfall include raising salaries and retaining employees who would normally be at retirement age. They are also increasingly looking abroad for engineers, but so far with limited success.

<sup>(1)</sup> The occupations studied were: high-skilled: nanotechnologist engineering technologist and environmental engineer; intermediate-skilled: energy auditor, transport vehicle emissions inspector, insulation worker, electrician, solar photovoltaic installer and sheet metal worker; low-skilled: refuse/recycling collector

### A negative image among women and the young

The gender gap in these fields, coupled with demographic decline, means that simply too few people are acquiring the necessary high qualifications in science, technology, engineering and mathematics.

Meanwhile, low-skilled jobs in the sector suffer from a negative image. According to Cedefop's Antonio Ranieri, "national policies on increasing green skills in vocational education and training need to deal with the fact that among two crucial groups - young people and women - green jobs are not considered desirable."



Antonio Ranieri

# Lack of clarity on regulations and qualifications

The study of green skills also reveals problems with the recognition of qualifications and prior knowledge. In many countries, green jobs are new and their qualification pathways not yet recognised. As a result, companies may not know how and where to find the right people for the job – even within their own country.

According to Cedefop's Grethe Haugoy, "in many countries, uncertainty about regulations isn't helping the situation – and regulation is a dominant factor, driving both employers and private consumers to demand energy-efficient technology, products and services."



Grethe Haugoy

### What the green economy means for employment

Pascaline Descy, Head of Research and Policy Analysis, spells out the potential for employment. "Between 2005 and 2009", she said, "the renewable energy sector generated an estimated 220,000 additional jobs. If the EU reaches the objectives set for sustainable growth in the Europe 2020 strategy, the potential for job creation in Europe is over a million new jobs. But these cannot be covered only by fresh graduates — it is imperative to train and retrain workers, especially as part of the process of restructuring."



Pascaline Descy

# What EU policy-makers can do

The study suggests policy makers across Europe should focus on encouraging close **cooperation** between employers, training providers and workers; developing **cohesive** policies; and ensuring the provision of guidance and career **counselling** to make green jobs more attractive.

The Green Skills Forum draws on work conducted by the OECD, Cedefop and other organisations on the implications of the green economy for training policies. It examines what firms, trade unions and other organisations are already doing to foster green growth through skills development; (2) how strategies for green skills are integrated with other areas of workforce development and (3) tools and directions for further research. These insights will contribute to the OECD's Green Growth Strategy studies, such as the LEED projects on Measuring the Potential of Green Growth and Improving the effectiveness of green local development initiatives, and to Cedefop's Green Skills activities, which contribute to the European Commission's initiative on New Skills for New Jobs.

#### More information:

Cedefop briefing note: A strategy for green skills? http://www.cedefop.europa.eu/EN/publications/19538.aspx

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#### **About Cedefop**

The European Centre for the Development of Vocational Training (Cedefop), an agency of the European Union based in Thessaloniki, Greece, supports European policy-making in the field of vocational education and training. <a href="https://www.cedefop.europa.eu">www.cedefop.europa.eu</a>

