



SPOTLIGHT ON JOBS AND SKILLS LATVIA

2025

Introduction

Drawing on its rich country-level skills intelligence, Cedefop develops its Spotlights on jobs and skills for EU-27 Member States, Iceland and Norway. The Spotlights provide insights into the current labour market landscape, future trends, and skills anticipation in each country. The analysis is based on Cedefop's skills intelligence online tool, its skills forecast, the European Skills Index (ESI), online job advertisements, sectoral and occupational skills intelligence, and country-specific skills anticipation reports.

Recent employment developments

Latvia has made steady progress in reducing unemployment, which stood at 7% in 2023, the same as the EU average. Unemployment is significantly higher among low-skilled workers (16%), with men experiencing higher unemployment (8%) than women (5%). The long-term unemployment rate (28%), although lower than the EU average of 35%, signals the need for targeted policies. Between 2019 and 2023, the employed population shrank by 2%, diverging considerably from the European average of 4%.

In 2023, the wholesale and retail trade sector was the largest employer ⁽¹⁾ (14%), followed by manufacturing (13%), and education (9%) (Figure 1). Most employees work as professionals (21%), mainly in office and teaching roles. Latvia has also one of the highest shares within the EU of workers in energy and supply services (1%), and in transport and storage (8%). Technical workers (6%) and CEOs, officials and legislators (5%) also have a strong presence in the country's labour force. Latvia has lower shares than the EU average of technical sciences graduates working as construction workers (42%) and as metal and machinery workers (60%).

In 2023, Latvia had one of the highest shares of female workers in the EU-27, making up 51% of the workforce. Women's participation was among the highest in the EU in education (82%),

non-marketed services (76%), and ICT services (38%). Women predominantly worked as business managers (59%), legal and social professionals (72%), health professionals (91%), and sales workers (82%).

Older workers (65+) accounted for 6% of the workforce in 2023, one of the highest shares in the EU (EU average 3%). They were primarily employed as elementary workers (10%) and professionals (7%). Workers aged 25-49 make up the largest share of the labour market, while the youngest cohort (15-24) is the least represented. Latvia has one of the highest shares in the EU-27 of workers aged 15-24 employed in ICT services (15%). The share of 15- to 24-year-olds not in employment, education or training (NEETs) has steadily decreased since 2017, reaching 6% in 2023, significantly lower than the EU average of 9%.

Recent skills and learning developments

The sector most prominent in online jobs advertisements (OJAs) in 2023 was education (27%), followed by administrative services (14%), manufacturing (13%), and wholesale and retail trade (11%). Latvia had above-average OJAs in the EU in non-marketed services, education, and in the public sector and defence. Although demand for skills and transversal skills was modest (24% and 26% respectively) compared with the EU averages (35% and 37%), it was higher in certain occupations. For example, online job advertisements for care workers, teaching professionals, and health professionals showed the highest demand for transversal skills, such as taking a proactive approach, showing willingness to learn, and working efficiently. Digital skills, including the ability to access and analyse digital data and use digital tools for collaboration, content creation, and problem-solving, were highly sought after across occupations, particularly among CEOs, officials and legislators, office clerks, and technical and business managers.

Half of workers (50%) hold medium-level

⁽¹⁾ To learn more about the classification of sectors, occupations, and qualification levels discussed in this report, see [Annex 2 of Cedefop skills forecast methodological framework \(2023\)](#).

qualifications, while 43% are highly qualified. Latvia has one of the highest shares among EU Member States of highly qualified workers in the public and defence sector (79%), and in legal and social associate professional roles (74%). Overqualification among tertiary graduates is relatively low: almost one fifth are overqualified, below the EU average of 23%. There are no significant differences between male and female graduates.

Latvia ranked 18th of 31 countries in [Cedefop's European Skills Index](#) (ESI) in 2024. Latvia's strongest indicators compared with other countries are the low overqualification rate for tertiary graduates (15%, ranked 4th), and the high upper secondary attainment (85%, ranked 6th). According to the ESI, since 2017, Latvia has also improved its ranking in terms of long-term unemployment. Performance is weaker in advanced digital skills attainment (24%, ranked 26th) and participation in training (10%, ranked 21st). Qualification mismatches increased by 5% since 2017.

Only 20% of people in Latvia have above-basic digital skills (EU average 33%). The share for the 25-34 age group (30%) is also below the EU average for the same age cohort (39%). While participation in training remains low, it increased significantly among the employed population between 2020 and 2023, rising from 7% to 13%, close to the EU average of 14%. Women participate in training significantly more than men (17% compared with 9%), a trend that has remained stable since 2018.

Future employment trends

The labour force is projected to decline by 1% between 2020 and 2035, a marked improvement on the 10% fall in the previous 15 years. The milder decline reflects an aging population, offset by higher participation rates, particularly among those aged 60-64 (26%) and 20-24 (23%).

According to Cedefop's skills forecast, up to 2035 the sectors with the highest employment growth will be information and communication (32%), electricity and gas (28%), accommodation and food services (20%), and transport and

storage (17%). Net employment of science and engineering associate professionals will grow by 43%. By contrast, education (-9%), administrative support (-12%) and agriculture (-7%) will decline. Occupations with the largest expected employment declines include hospitality managers (-57%), clerical support workers (-54%), and handicraft workers (-49%).

There will be substantial job openings in skilled non-manual roles, especially for technicians, associate professionals, and ICT professionals. Skilled manual occupations such as drivers and plant operators will also see strong demand due to replacement needs. Elementary roles such as labourers and cleaners will likewise have many opportunities driven by replacement demand.

Future skills and learning trends

Latvia faces higher demand for medium-level qualifications than the EU average, while jobs requiring low-level qualifications account for 5% of total openings, far below the EU average of 9%. By 2035, the employment shares of low- and medium-qualified workers are expected to fall by 14% and 8% respectively, while the share of highly qualified workers is set to rise by 14%.

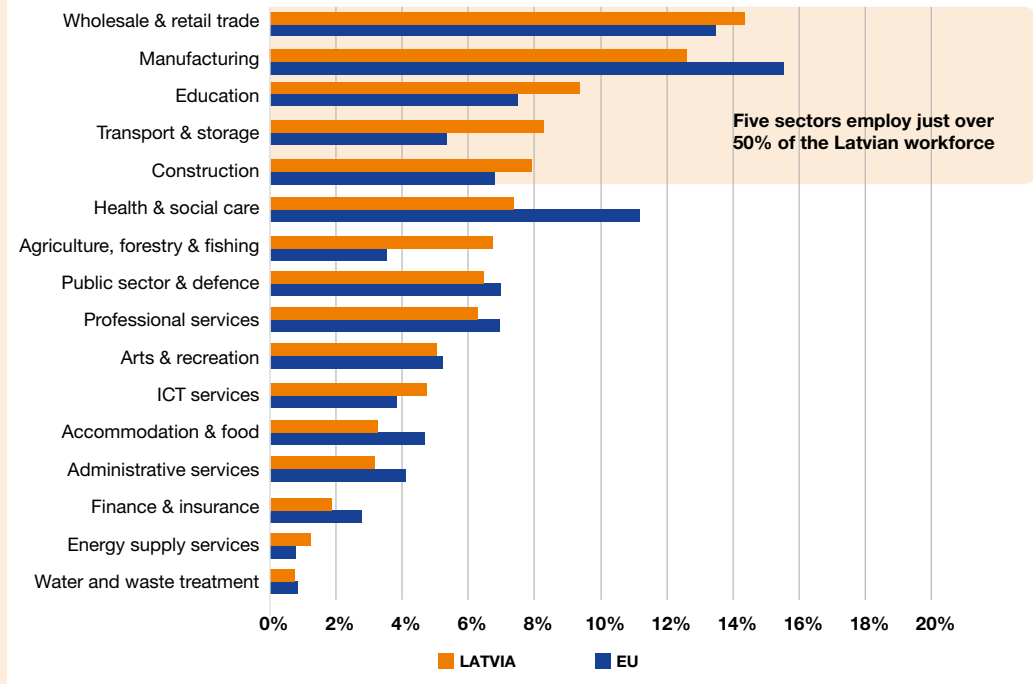
Employment growth in Latvia's high-tech economy is projected to outpace the EU average significantly (29% versus 11%). Compared with the EU, growth will be much higher in high-technology manufacturing (23%), and knowledge-intensive services (33%), where the employment share (5%) will be higher than the EU average (4%) in 2035. Latvia is expected to see strong growth in high-tech occupations, particularly in accommodation and food services, the public sector and defence, and energy supply services. The country already has a higher share of high-tech occupations in energy supply services (41%) than the EU average (38%).

Expected skill shortages

According to [Cedefop Labour and Skills Shortage Index](#), on average there will be shortages for market-oriented skilled agricultural workers because of significant job growth and high replacement needs. Among skilled manual occupations, the highest shortages are projected for assemblers because of significant employment growth and existing imbalances. Among skilled non-manual roles, employers recruiting personal care workers will experience the greatest shortages because of high replacement demand and employment growth. Overall, shortages will be highest for highly skilled legal, social, and cultural professionals and associate professionals. Shortages of professionals are driven by employment growth and replacement demand; shortages among associate professionals are mainly due to existing supply-demand imbalances.

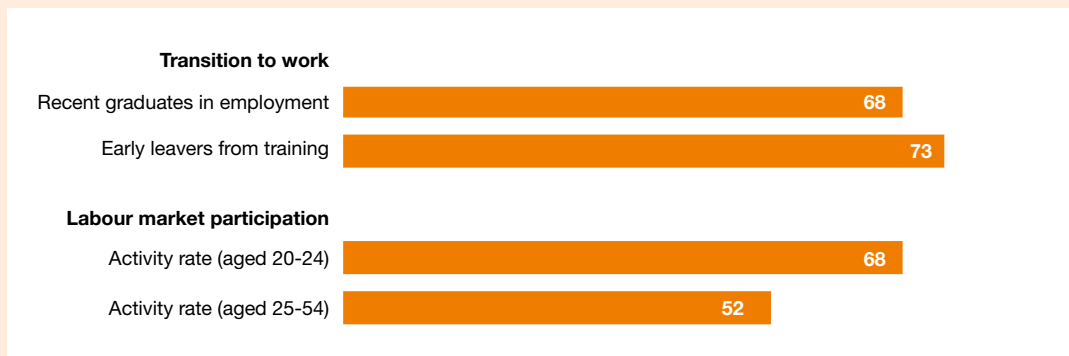
Jobs and skills in figures

Distribution of employment across sectors in Latvia and the EU, 2023, (%)



Source: [Cedefop Skills Intelligence](#)

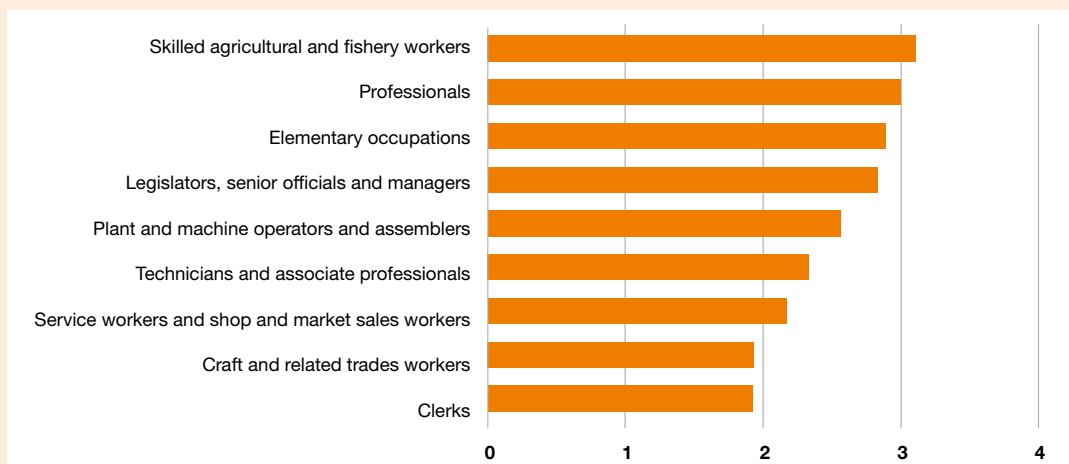
ESI skills activation pillar in Latvia, 2024



NB: The ESI measures countries' 'distance to the ideal' performance, i.e. the highest achieved by any country over a period of seven years. The ideal performance is scaled to 100, with national scores computed and compared to that. Example: a score of 65 suggests that the country has reached 65% of the ideal performance, with 35% (100-65) room for improvement.

Source: [Cedefop ESI](#).

Cedefop Labour and Skills Shortage Index, 2022-35, Latvia



NB: The Labour and Skills Shortage Index is the simple average of the quartiles in each of the three pillars: (1) employment growth; (2) replacement demand; (3) supply/demand imbalance (FIOD). With 4 indicating a higher level of shortage, and 1 no shortage. The outcome of the pillars is based on the relative evaluation in quartiles of the occupation (here for the entire EU-27 region).

Source: [Cedefop Labour and Skills Shortage Index](#).



Further information

- Cedefop. (2023). [Cedefop Skills forecast methodological framework](#).
- Buligina, I., & Zvejniece, P. (2024). [Implementing European priorities in VET: making national VET agile, flexible, innovative, attractive, inclusive and quality-assured: Latvia](#). Cedefop ReferNet thematic perspectives.
- Cedefop. (2023). [Skills anticipation in Latvia](#). Data insights series.
- Cedefop. (2024). [Evolution of European skills systems: performance 2015 to 2022](#). Publications Office of the European Union.
- Cedefop. (2024). [Vocational education and training policy briefs 2023 – Latvia](#). Cedefop monitoring and analysis of vocational education and training policies.
- Cedefop. (2025). [2025 skills forecast Latvia](#).

[Cedefop Skills intelligence tool](#)

[Cedefop Skills forecast](#)

[Cedefop Skills OVATE](#)

[Cedefop European Skills Index](#)

[Cedefop Labour and Skills Shortage Index](#)

This Spotlight was drafted by Cedefop's Skills intelligence and foresight team. Cedefop would like to thank Paula Zvejniece from ReferNet Latvia (Ministry of Education and Science) for her valuable feedback. This Spotlight was validated by the National Representative of the ReferNet Latvia team, Ieva Suškeviča.

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