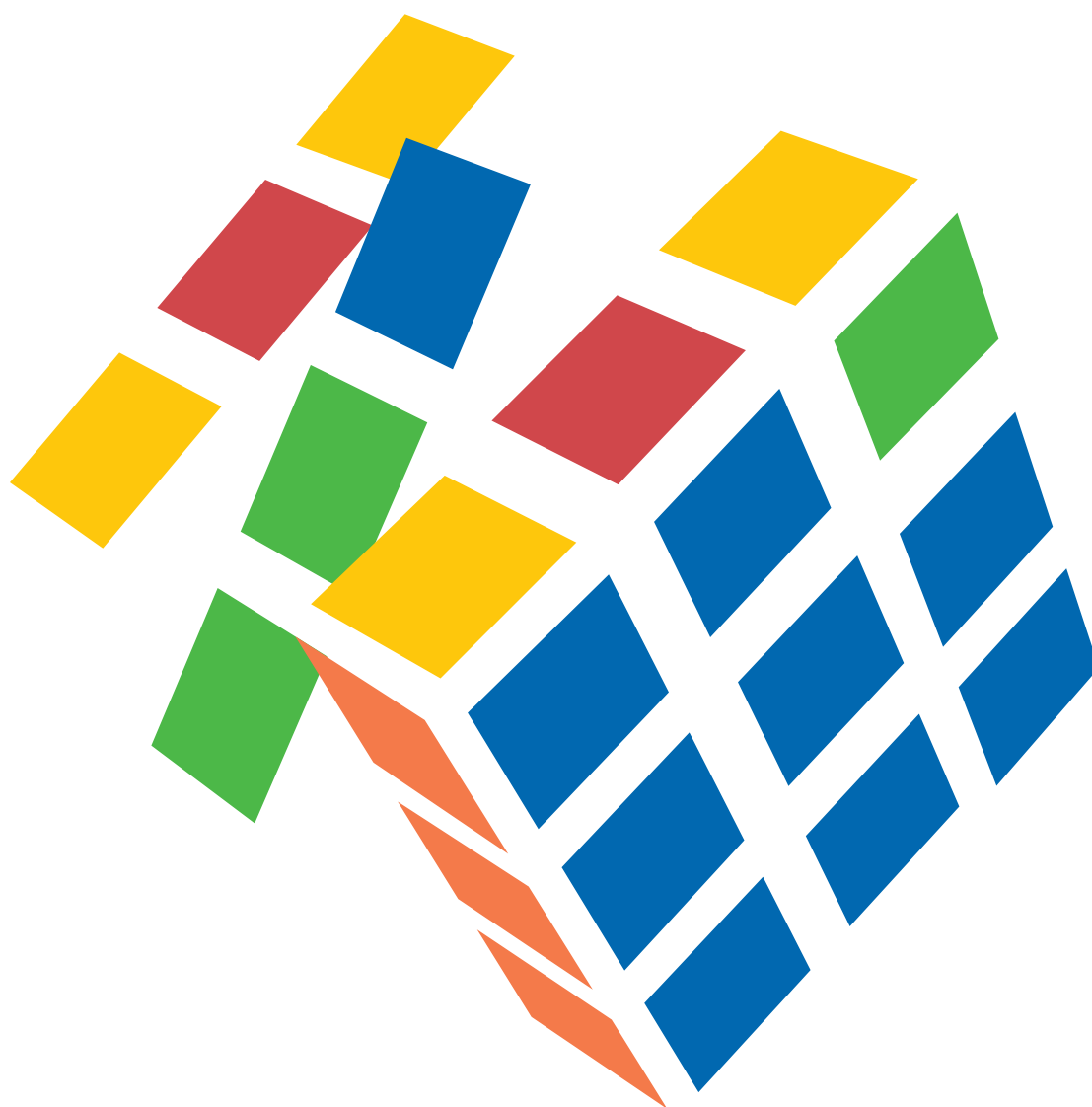




CEDEFOP

European Centre for the Development
of Vocational Training

EN



2018 skills forecast Belgium



Key facts: Belgium

5 072 000

Employment in 2030

9.1%

Increase from
2016 to 2030

% Employment growth 2016-2030

4%

3%

2%

■ 2016-21 ■ 2021-26 ■ 2026-30

FASTEST GROWING SECTORS

Growth per year 2016-30

Business & other services

1.1%

Non-marketed
services

0.7%



HIGHEST DEMAND OCCUPATIONS

Total job openings 2016-30

254 000

Business & administration
associate professionals

187 700

Cleaners and helpers

167 600

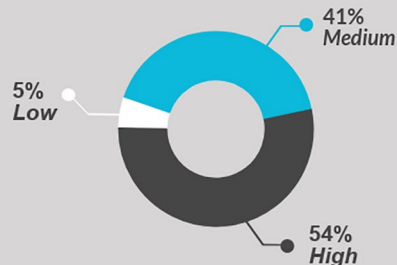
Legal, social and cultural
professionals

2 754 300

Total job openings, 2016-30



■ Replacement needs (84%) ■ New job openings (16%)

Total job openings by qualification level:About **4 in 5** new job openings
will relate to high-skilled occupations

EU

Overview

Top growing sector
Business & other servicesTop demand occupation
Business & administration associate
professionals

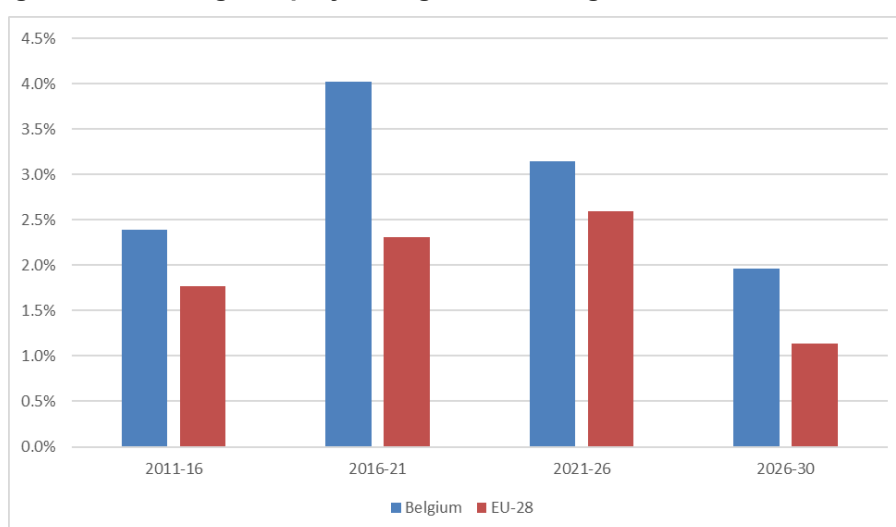
6%

Increase in
employment since
2016

1. Employment outlook

Following an increase in 2011-16, Belgium is expected to show strong employment growth up to 2021, as shown in Figure 1. Employment levels are projected to increase up to 2026 and then slowly increase towards the end of the forecast period (2026-30), but still remaining above the EU-28 average. A total employment growth of 9% is expected over the period 2016-30, a growth rate similar to the United Kingdom and France.

Figure 1 Percentage employment growth in Belgium and the EU-28, 2011-30



Source: Cedefop (2018 Skills forecast)

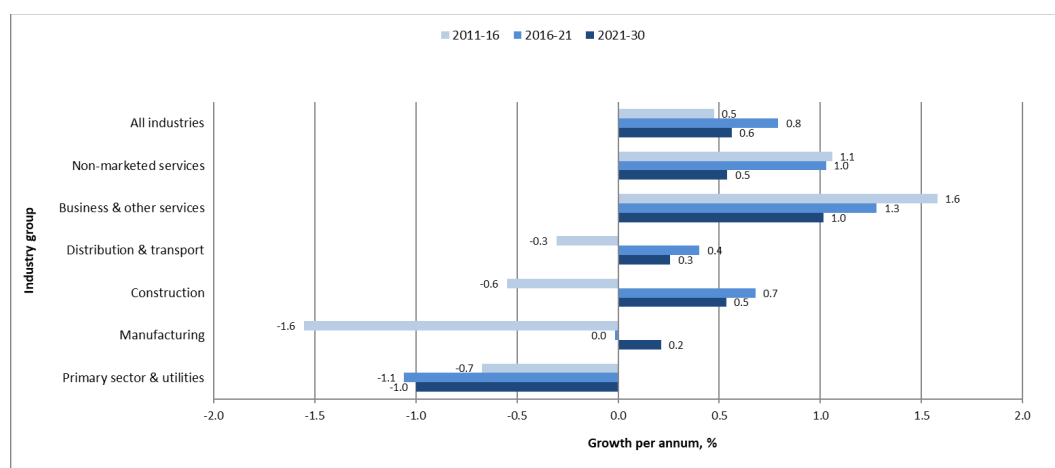
2. Labour force overview

Belgium's labour force is expected to increase by 4.5% (a rate similar to Finland), driven by an annual average increase of the population of 0.6% per annum in the same period. Within the population, most of the age cohorts with high participation rates are expected to increase, except the cohort of 45-59 years which in turn are expected to decrease. Moreover, the age cohort with the highest annual increase is the 60+ age cohort, which has a low participation rate over the period.

3. Sectoral employment trends

Following a decrease in employment observed for some sectors in 2011-16, almost all sectors are expected to increase, as shown in Figure 2. The fastest growing sector in both 2016-2021 and 2021-30 is *business and other services*, followed by *non-marketed services* in 2016-21 and *construction* in 2021-30. On the other hand, *primary sector and utilities* sector is expected to continue shrinking up to 2030. *Manufacturing*, after a decrease in 2011-16, is expected to stagnate in the following periods. In terms of subsectors, *miscellaneous services* and *health and social workers* are those where the highest increase in employment is expected in 2016-30. The subsectors that are expected to shrink the most in the period 2016-30 are *engineering* and, in particular, *agriculture*, which is the subsector driving the decrease in *the primary sector and utilities* broad sector.

Figure 2 Employment growth by broad sector of economic activity, 2016-30



Source: Cedefop (2018 Skills forecast)

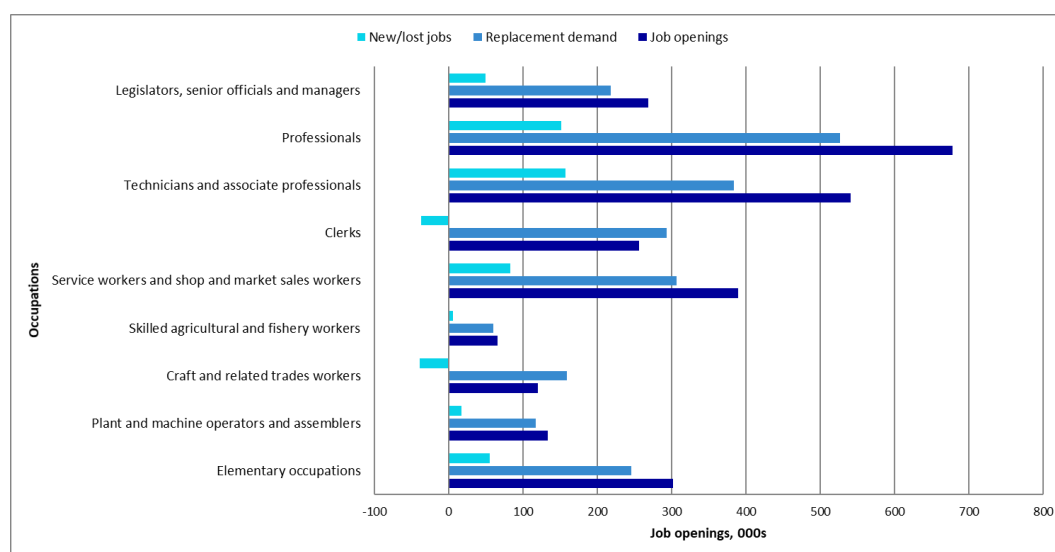
4. Job openings by occupational group

Cedefop skills forecasts estimate the total job openings by occupational group as the sum of net employment change and replacement needs. Net employment change refers to new jobs created due to the expansion of the employment in that sector or occupation. Replacement needs arise as the workforce leaves the occupation due to retirement or career changes. Replacement needs, generally, provide more job opportunities than new jobs, meaning that significant job opportunities arise even in

occupations declining in size (i.e. agricultural workers are a typical example, as ageing workers employed in the sector will need to be replaced).

Figure 3 shows the **total job openings** by broad occupational group over the period 2016–30. The number of job openings is determined by the amount of jobs lost/newly created and by the amount of jobs that are created following the retirement of old workers. Most jobs will come from the need to replace workers retiring or changing occupations. The occupation expected to have the highest number of job openings, 22% of which are due to new jobs, is *professionals*, accounting for 25% of total job openings. Other occupations such as *technicians and associate professionals* and *service workers and shop and market and sales workers* are expected to provide a significant amount of job openings, both due to retirement and new jobs created. *Clerks* and *craft and related trades workers* are expected to shrink in employment, although the need to replace retiring workers will still provide numerous job openings.

Figure 3 Job openings by broad occupational group, 2016-30



Source: Cedefop (2018 Skills forecast)

The more detailed analysis of occupational groups shows that most of the **new jobs** are expected to be created for *legal, social, cultural associates, professionals* and *business and administration associate professionals*. The highest number of **total job openings** are expected among *business and administration associate professionals* and *legal, social, cultural professionals*.

5. Drivers of occupational change

Within the Cedefop skills forecasts, future employment growth (or decline) of occupations is further broken down by separating national economic components from regional industrial and economic effects, helping to interpret what is driving the change. From this perspective employment growth can be explained by three possible drivers: (a) overall trends of the economy (i.e. growth or decline), (b) shifts of employment between sectors and (c) changes in the occupational structure within sectors (i.e. factors making some occupations more important/ others).

The sectoral shift toward *business and other services* and *non-marketed services* is expected to create demand for high-skills occupations such as *health professionals* and *associates* and *legal, social and cultural professionals*, as well as for medium skills occupations such as *personal care workers*. On the other hand, the decrease in *primary sector and utilities* is expected to decrease the employment for *market-oriented skilled agricultural workers* and *agricultural, forestry and fishery labourers*

Developments in technology will significantly shrink employment in occupations such as *hospitality, retail and other service managers*, because of new ways of delivering the service remotely, and such as *metal, machinery and related trades workers*, because of the routine content of their work.

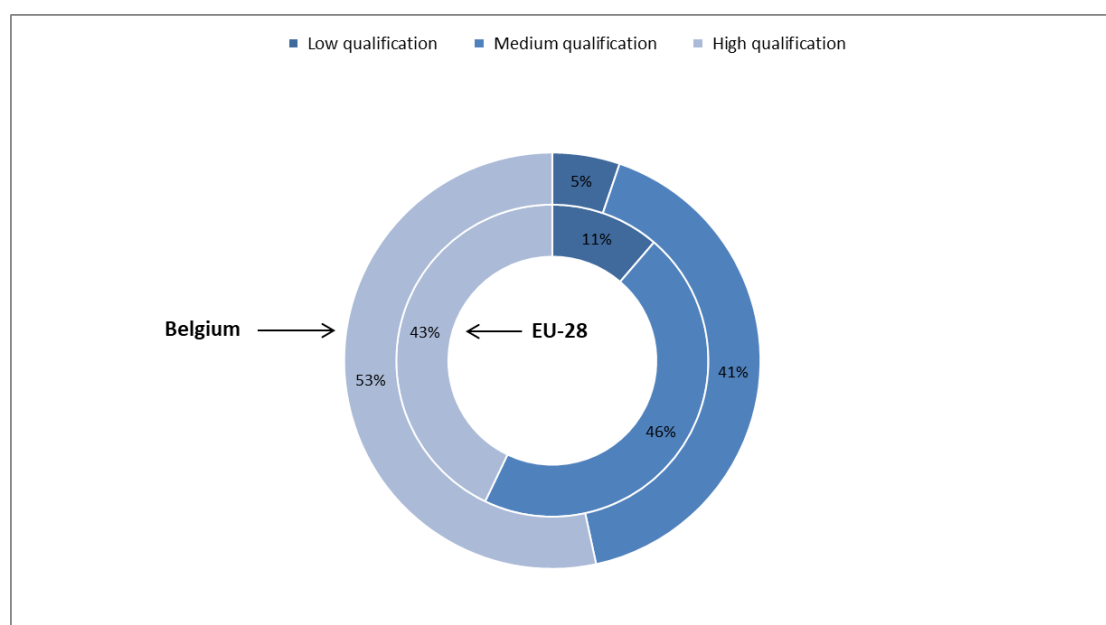
Taking into accounts both occupation and sector effects, the occupation which is expected to show the highest increase in employment is *legal, social, cultural and related associate professionals*. On the other hand, among *health associate professionals* and *health professionals* there will be both positive (sectoral change) and negative effects (within occupation shifts); however, in the case of this occupation, the positive effects are expected to outweigh negative effects over the period up to 2030.

6. Demand for and supply of skills

Within the Cedefop skills forecasts, skills are proxied by the highest level of qualification held by individuals in the labour force and employment. Three levels are distinguished, high, medium, and low, which correspond to the official ISCED classification. The occupational group also offers an indication of the skill level required, as some occupations (e.g. professionals) typically require high-level skills, while some others (e.g. elementary) typically require only basic ones. Therefore, occupational groups are also linked to a skill level.

Figure 4 shows the shares of **total job openings** for qualifications needs. More than half of the job openings, 53%, are expected to require a high-level of qualification, 10 pp above the EU-28 average, while 41% are expected to require medium-level qualifications, 5 pp below the EU-28 average. Only 5% of job openings are expected to require low-level qualifications, 6 pp below the EU-28 average.

Figure 4 Share of total job openings by level of qualification, 2016-30



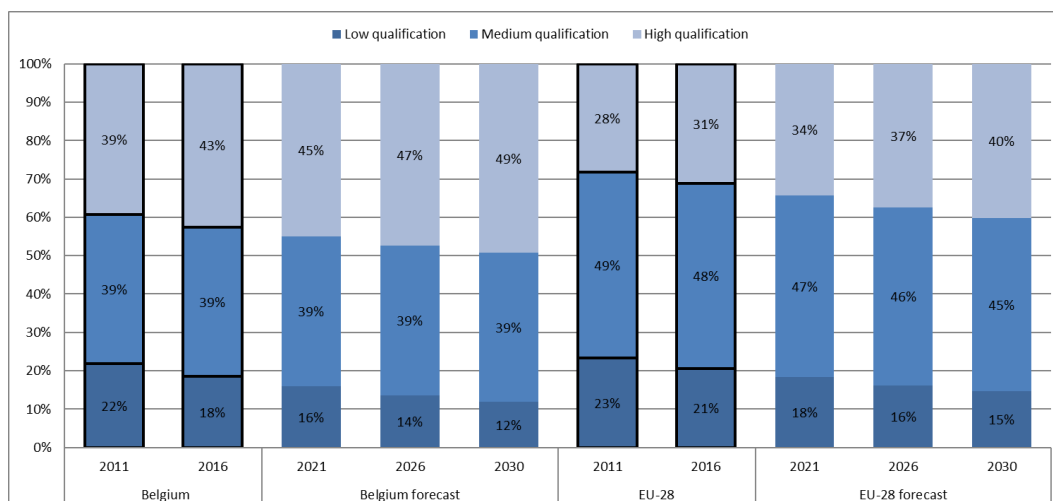
Source: Cedefop (2018 Skills forecast)

The number of job openings requiring high-level qualifications is expected to increase in traditionally high-skill occupations such as *business and administration associates* and *professionals*, *legal*, *social and cultural professional* and *teaching professionals*.

Future labour supply trends depend on the size of the working age population (defined as aged 15 or older), the labour market participation rates, and the extent to which people acquire formal qualifications.

As seen in Figure 5, the share of workers with high-level qualifications is expected to increase to 49% in 2030 and to be at least 10 pp above the EU-28 average through the forecast period. The share of medium-qualified workers is expected to be stable at 39% through the forecasting period, while the share of low-qualified workers is expected to decrease and to be lower than the EU 28 by 2-3 pp.

Figure 5 Labour force share by level of qualification, 2011-30



Source: Cedefop (2018 Skills forecast)

The demand for highly-qualified workers is expected to exceed the supply, while there might be a surplus of low-qualified workers. The demand for medium-qualified workers is expected broadly match the demand.

Cedefop methodology and scenarios

Cedefop skills forecasts offer quantitative projections of future trends in employment by sector of economic activity and occupational group. Future trends on the level of education of the population and the labour force are also estimated. Cedefop's forecasts use harmonised international data and a common methodological approach allowing cross-country comparisons about employment trends in sectors, occupations and qualifications. The forecasts and methodologies applied are validated by a group of national experts. These forecasts do not substitute national forecasts, which often use more detailed methodologies and data, while they also incorporate in-depth knowledge of a country's labour market.

The latest round of forecasts covers the period up to 2030. The forecasts take account of global economic developments up to May 2017. Despite cross-country differences, the EU economy as a whole is expected to show modest growth, after a better-than-expected performance in 2017. Over 2018 and 2019, the EU economy as a whole is expected to grow, albeit at a slower pace compared to 2017, supported by increased household expenditure and falling unemployment, although wage growth remains muted. Investment is also expected to pick up given favourable financing conditions and an improved economic outlook. The key assumptions of the baseline scenario incorporate the Eurostat population forecast available in 2017 (Europop 2015) ⁽¹⁾ and the short-term macroeconomic forecast produced by DG ECFIN in May 2017 ⁽²⁾.

For the latest update and access to more detailed Cedefop skills forecast data please visit:

<http://www.cedefop.europa.eu/el/events-and-projects/projects/forecasting-skill-demand-and-supply>



⁽¹⁾ <https://ec.europa.eu/eurostat/web/population-demography-migration-projections/population-projections-data>

⁽²⁾ https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-forecasts/spring-2017-economic-forecast_it

For more details, please contact Cedefop expert Ilias Livanos at:
ilias.LIVANOS@cedefop.europa.eu