

# Skills for the Future

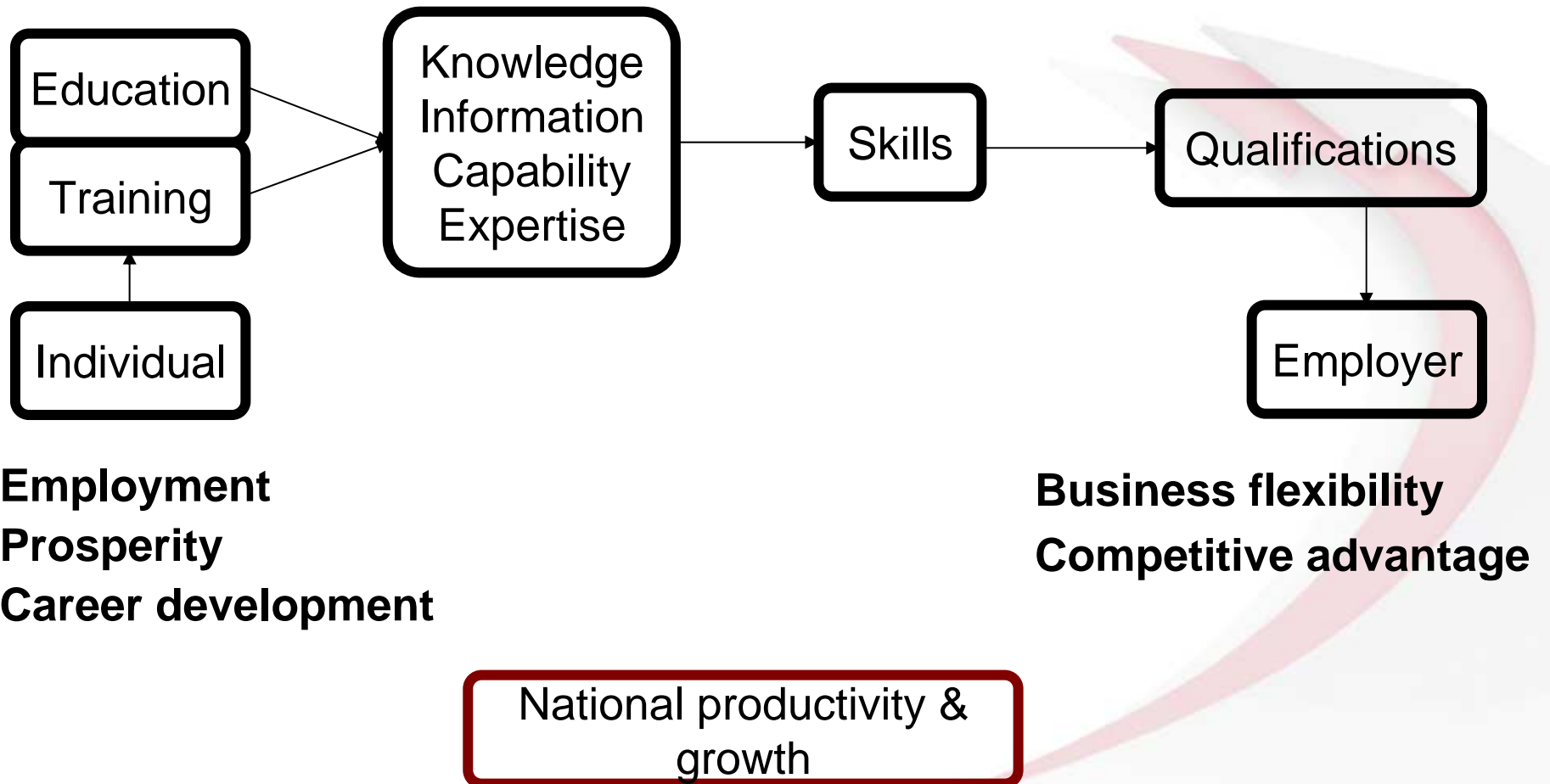
Ms. Kirsten M. Miller – Commission Officer

27<sup>th</sup> March 2009

## Introduction

- Education → Skills → Qualifications → Employment
- Dynamics of the Maltese labour market
  - Vision 2015 – Potential Job Creation
  - Sectoral Skills Developments
- New Skills for New Jobs
- NCHE Recommendations

## Education → Skills → Qualifications → Employment



## Education → Employment

*“The best [educational] systems are those that produce graduates who **succeed** in the labour markets...education systems that produce large numbers of graduates who go to face unemployment, under-employment or difficulty in entering the labour market should ask themselves more directly if they are adequately **fulfilling the role that society and citizens expect of them.**”*

*Lisbon Council Policy Brief, 2008*

## Education → Employment

- Skills gap – a significant gap between an organisation's skills needs and the current capabilities of its workforce. Reasons for a skills gap:
  - Education institutions not addressing needs to the industry;
  - Changing job requirements;
  - Dynamics of the labour market;
  - Lack of business investment in the workforce

## Dynamics of the Maltese labour market

- Retirement - 37,500 jobs would be made vacant in next decade.
- Low total activity rates - 40,000 more workers to achieve to 70% from 58.8%.
- Low female activity rates - 16,600 more women to reach 41%
- Low 55-64 year old employment - 3,400 more to reach 35%.
- 77,500 jobs will need to be created to sustain these target activity and retirement rates.

NB: not factoring for an ageing population!

## Vision 2015 – Potential Job Creation

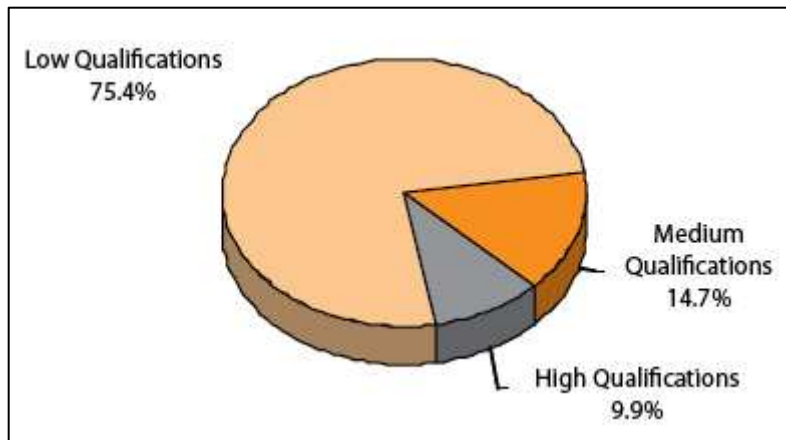
Sectors	Job Potential
Tourism	5,467
Financial Services	6,072
Health Services	4,625
Education Services	4,331
Communications and IT	4,000
Manufacturing and related services	4,364
Gozo as an ecological island	(N/A)
Marine	659
<i>Total Job Potential</i>	29,518

NB: Figures are to be interpreted with caution



## Dynamics of the Maltese labour market - existing

### Malta 15+ population in 2007



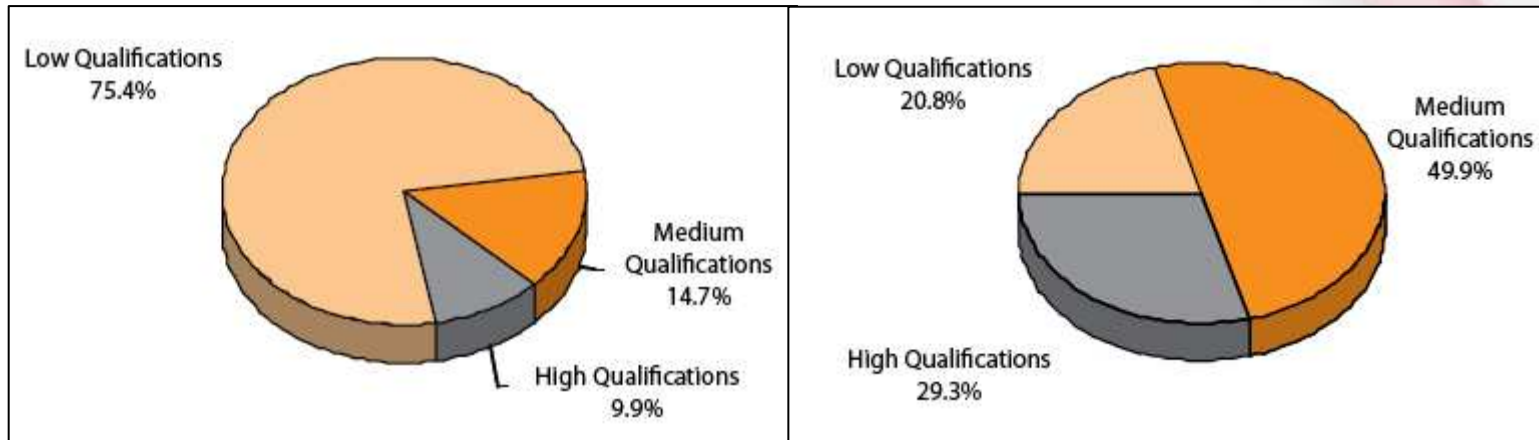
Low qual. – pre-primary, primary and lower secondary

Medium qual. – post secondary and post secondary non-tertiary

High qual. – tertiary

## Dynamics of the Maltese labour market - future

**Malta 15+ population in 2007    EU-27 workforce in 2015**



## Dynamics of the Maltese labour market - incoming

- 17 year olds not participating in PS education (**41%**):
  - Entry point into labour market – 16 years
  - Low levels of qualifications
- 19 year olds participating in PS education (**31%**):
  - Entry point into labour market – circa 20 years
  - Medium level of qualifications
- 19 year olds participating in tertiary education (**23%**):
  - Entry point into labour market – circa 22 years
  - High level of qualifications

## Dynamics of the Maltese labour market - future

- If target participation rates for 16-24 year olds are reached up to 2015, the total 16-24 year population between 2008-2015 will be distributed as follows:
  - 21,000 will be highly qualified;
  - 35,000 will be medium qualified;
  - 26,000 will be low qualified.

Qualifications	2008		2015		Difference
	%	Labour Supply	%	Labour Supply	
High	9.9	16,843	29.3	72,555	55,713
Medium	14.7	25,009	49.9	123,567	98,558
Low	75.4	128,277	20.8	51,507	(76,770)
Total	100.0	170,129	100.0	247,629	77,500

## Sectoral skills developments

Occupations	2006	2006-2015	2006-2015	2006-2015
	Share of Labour Force	Expansion Demand	Replacement Demand	Total Demand
	%	No.	No.	No.
Armed forces	0.7	1,000	0	2,000
Legislators, senior officials, and managers	8.9	4,000	6,000	10,000
Professionals	11.7	(3,000)	8,000	5,000
Technicians and associate professors	16.8	4,000	11,000	15,000
Clerks	12.1	(2,000)	8,000	6,000
Service workers and shop	13.7	4,000	9,000	13,000
Skilled agricultural and fishery works	1.2	0	1,000	1,000
Craft and related trades workers	11.5	2,000	7,000	9,000
Plant and Machine operators and assemblers	10.4	(3,000)	7,000	4,000
Elementary occupations	13.0	6,000	8,000	14,000
Totals	100.0	14,000	65,000	80,000

## New Skills for New Jobs

- Addressing mismatches
  - *European Labour Market Monitor*
  - Multilingual dictionary of occupations
  - *Match and Map*
- Strengthening the Union's capacity for forecasting and anticipation
- Deepening international cooperation
- Mobilizing Community instruments

## NCHE Recommendations

- Undertake more research, provide better statistics and develop foresight capacity to identify trends and anticipate change;
- Create synergies between education, business and government development agencies;
- Professionalize the guidance services in schools and in further education institutions;
- Develop a more responsive education sector;
- Address skills gaps identified.

[www.nche.gov.mt](http://www.nche.gov.mt)