

Sneak Peek 2024: Insights from the Labour Market

WEConversations

28th September 2023



Lightcast.io

Macro economic context

OECD Economic Outlook



Global growth is projected to remain moderate

Headline consumer price inflation is declining steadily

Core inflation is easing gradually

Source: OECD Economic Outlook, Interim Report September 2023



What are the impact on the Labour Market?

General trends have always an impact on the Labour Market.

Lighcast analyse online Labour Market using Online Job Vacancies for many reasons:

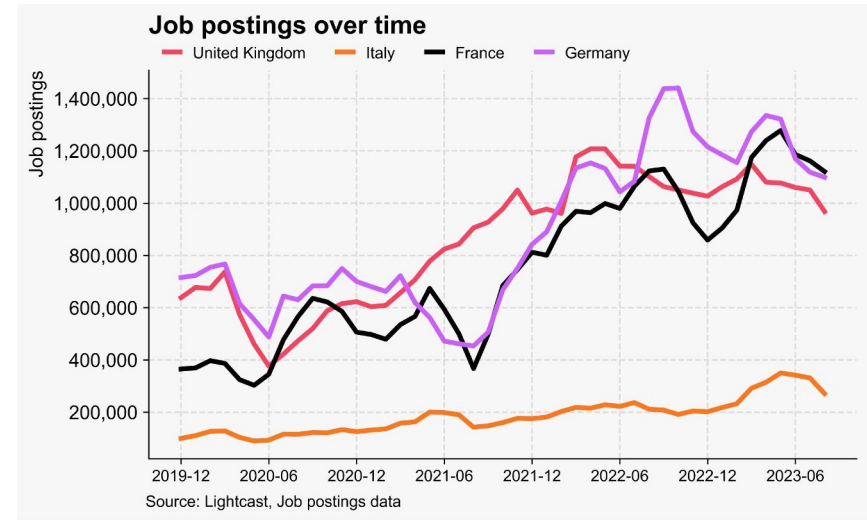
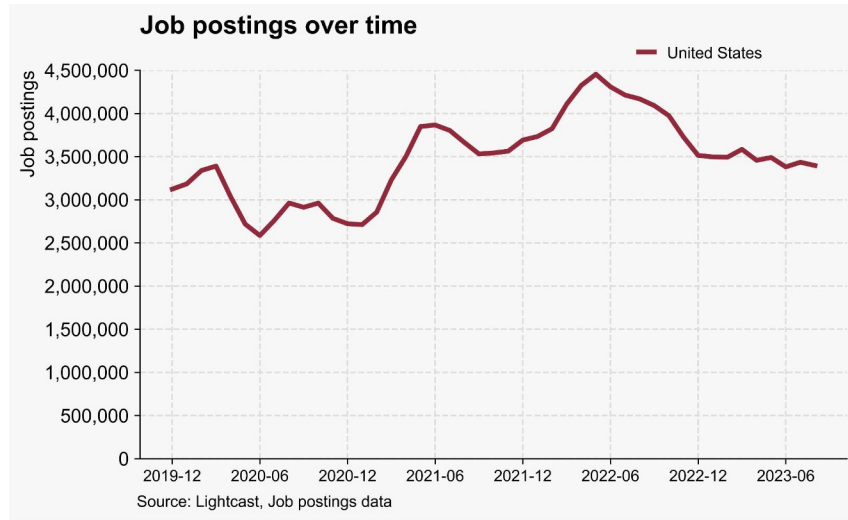
- Up to date
- Detailed
- Adherent to reality



Recruitment activity is cooling

(FROM AN ALL-TIME HIGH)

Over the past few months the number of new posting posted online has gradually declined.



Talent shortage



Talent shortage is a big challenge

EXACERBATED BY DEMOGRAPHIC TRENDS

The slight cooling in the labour market however has not yet given rise to sharp rises in unemployment

This is a challenge particularly affecting advanced economies and also mentioned by the OECD: Europe - particularly southern Europe - has been experiencing this for quite some time but more countries are starting to face similar challenges, including other parts of Europe and the US.

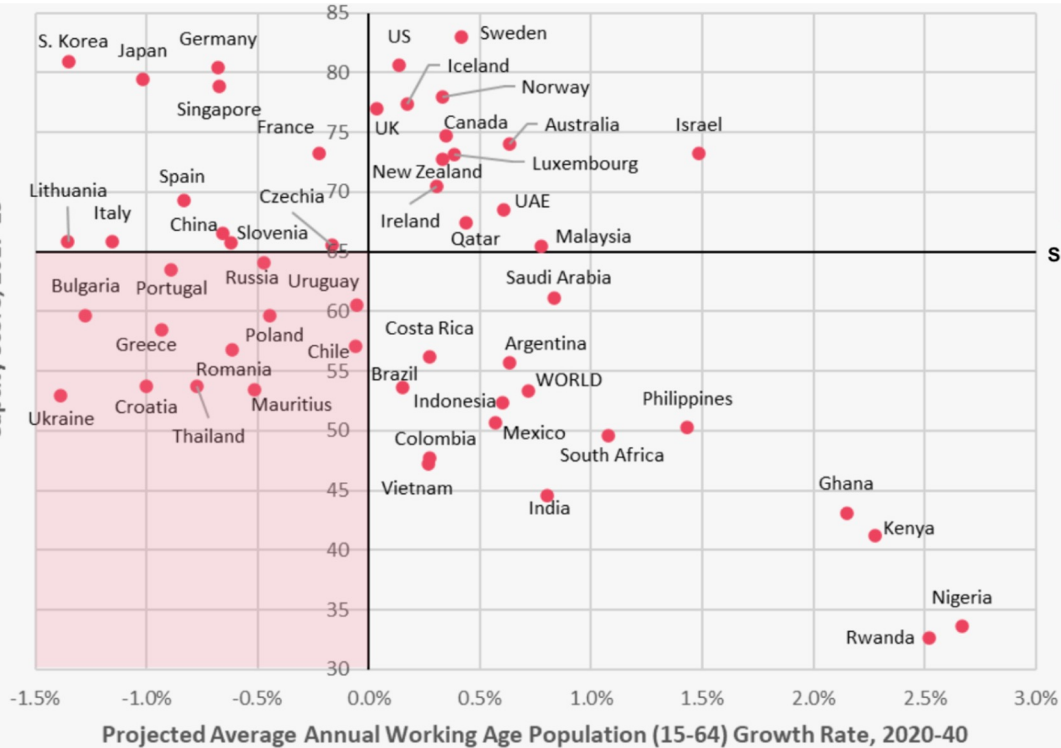


Talent shortage is a big challenge

Lower Risk
 Declining working age population but skilled, tech ready, and innovative
Buy, Bot, Broaden, Bind

Higher Risk
 Declining working age population with skill, tech, and innovation gaps
Borrow, Blend, Build, Broaden, Bind

Workforce Skills, Technological Readiness, and Innovative Capacity Score, 2017-19



Higher Opportunity
 Growing working age population that is skilled, tech ready, and innovative
Buy, Borrow, Blend, Bot

Score = 65

Lower Opportunity
 Growing working age population, but with skill, tech, and innovation gaps
Borrow, Blend, Build



Enlarging the Talent pool

ACCESS TO BIGGER TALENT POOL

- Skill-based hiring
- Diversity and inclusion



Boosting 'diversity and inclusion' employment is one of keys

AN EXAMPLE: CLOSING THE GENDER GAP

- Benefits play an important role in getting women into work
- There's a positive correlation between occupations with higher female participation and higher offer of childcare benefits, parental benefits and flexibility.
- Remote working also seems to be positively associated with female employment.
- Travel is negatively associated.



Green economy and sustainability



Green economy

A CHALLENGING OPPORTUNITY

Investment in green is an area of opportunity identified by the OECD for **economic growth in coming years**

- **Benefit the health of the planet !**
- **Profound impact on the labour market**



European Green deal

EU's 'Fit for 55'

- The package will significantly impact labor markets and skills demand.
- Manual and agricultural workers: 3% decrease in employment
- Other occupations: 4-5% increase.
- Interpersonal communication and digital technology skills.
- Decreasing demand for skills related to traditional tools and technologies.

Borgonovi, Francesca, et al. , OECD, "The effects of the EU Fit for 55 package on labour markets and the demand for skills." (2023).

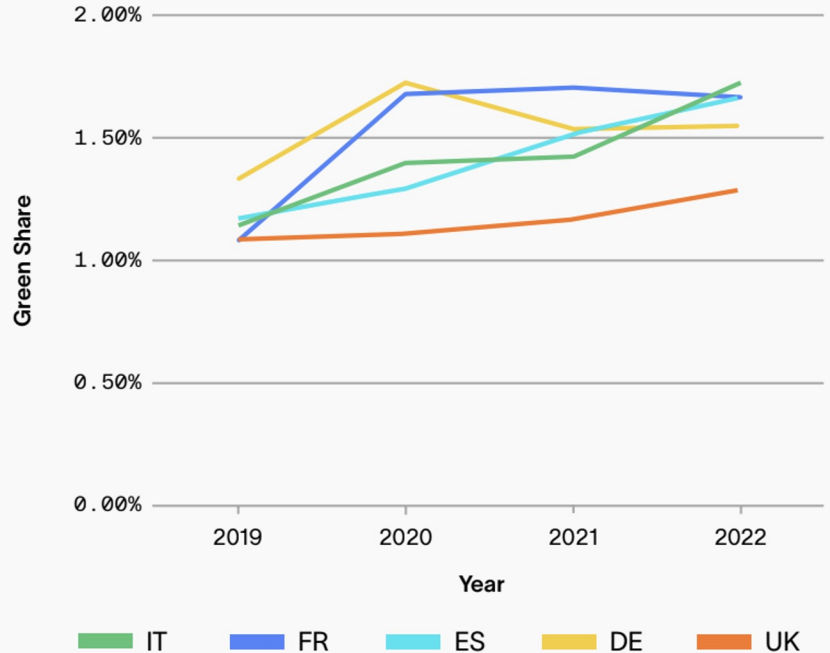


The transition to a greener economy

**INVESTMENTS MEANS
INCREASED JOBS DEMAND AND
CHANGING SKILLS NEEDS**

Top 5 green skills in Germany in 2022
Renewable energy
Energy supply
Recycling
Waste management
Photovoltaics

Figure 1: Share of green postings by country, 2019 - 2022 (%)



Big potential in the United States too

NEW GREEN LEGISLATIONS ARE ALSO HAVING AN EFFECT ON THE US
LABOUR MARKET



1,460,296

Workers in Green Jobs



\$65,068

Average Salary of Green Jobs



51,618,057

Potential Green Workers



5.5%

Projected Five-year Growth for Green Jobs



410,490

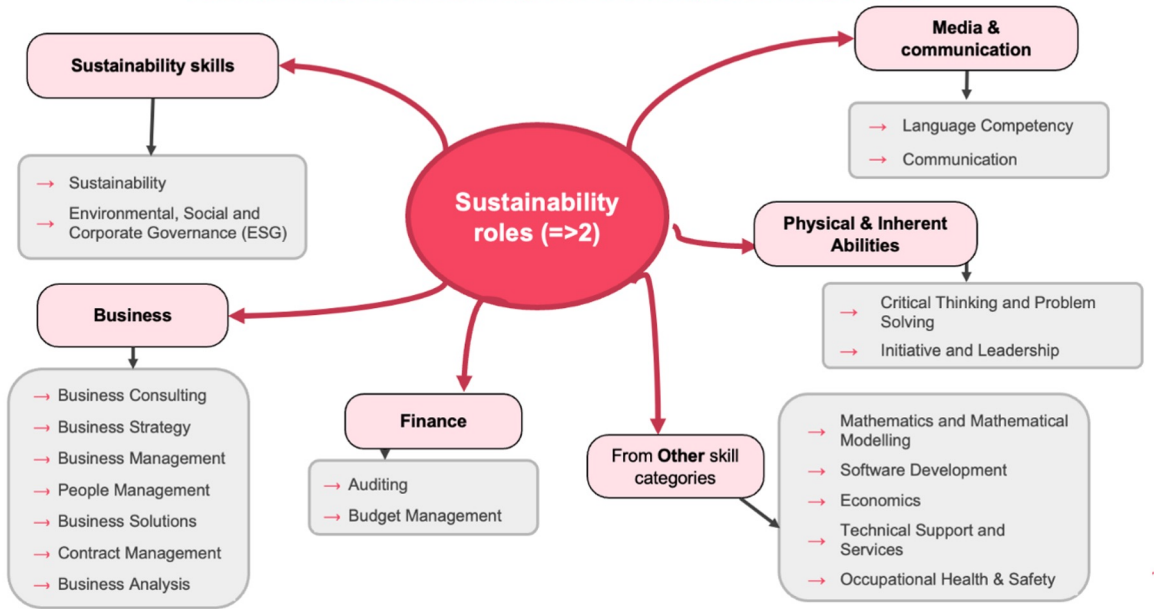
Total Green Job Openings



Sustainability

A CHALLENGING OPPORTUNITY

Skills Mix: Sustainability roles requiring two or more years of experience



Skills mix composition for sustainability roles requiring two or more years of experience in EU in 2022



Artificial intelligence

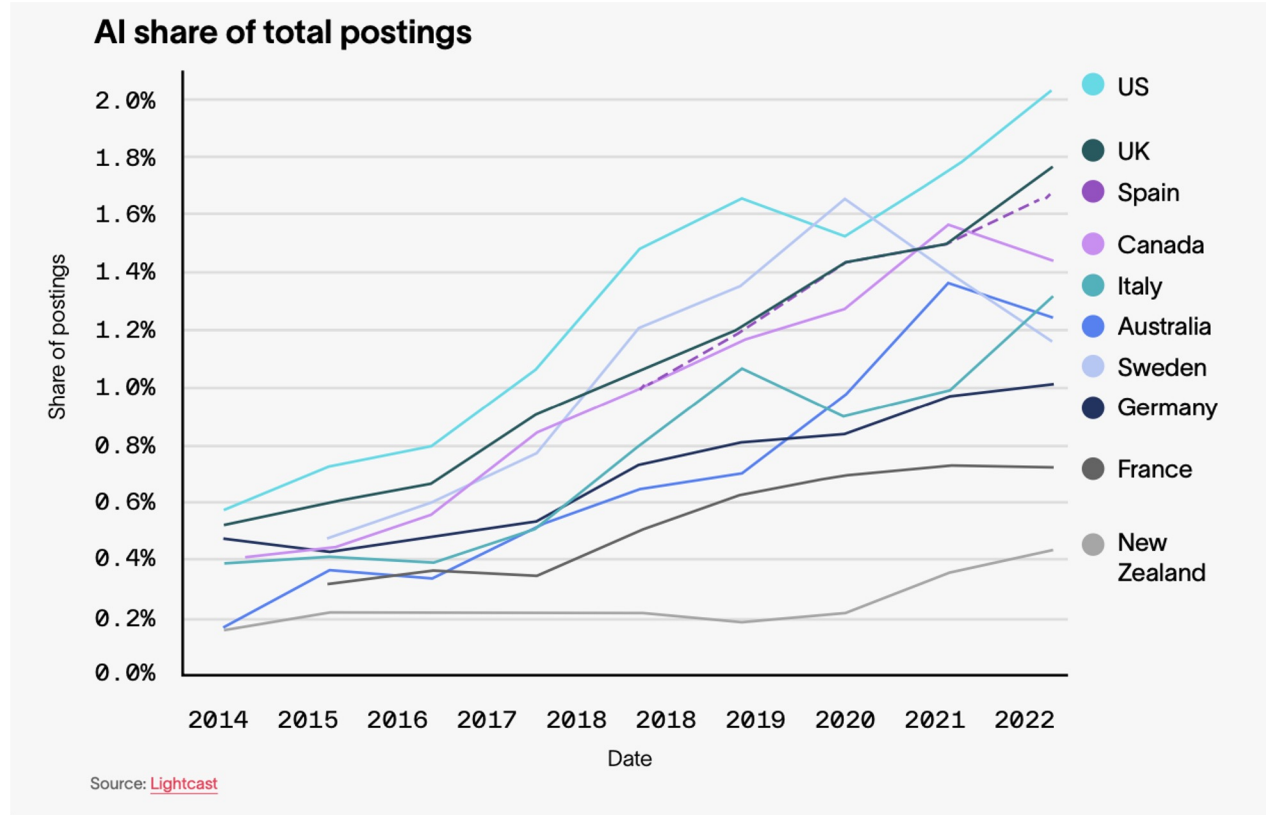


AI disrupting the way we work?

AI RISING FAST

Artificial
Intelligence:

real fact or
only a buzz
word?



AI main trends and skills

HOW?

- Adoption
- Focus on customer experience
- Investment in research
- University-industry collaboration



Examples of impact of AI

DIGITAL SERVICES

- **Cybersecurity**
- **Infrastructure**
- **Project management**

LOGISTICS

- **Analysis of industrial big data**
- **Internet of Things**
- **Supply chain**

AUTOMATION AND ARTIFICIAL INTELLIGENCE

- **Data analysis**
- **Robotics and automation technology**
- **Programming**

