



Network of European Labour Market Research Institutes

LABOUR SHORTAGES IN GERMANY

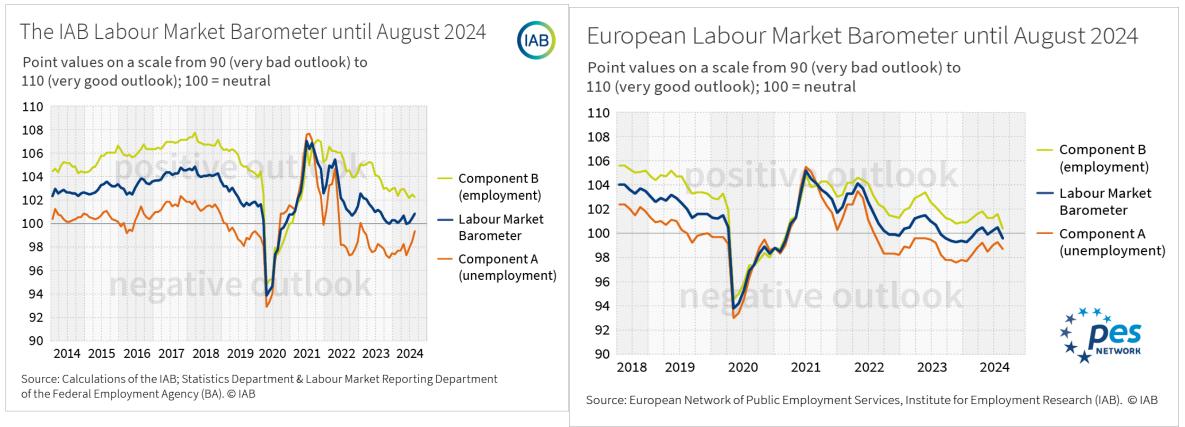
Policy Panel "Labour Shortages: A Problem everywhere?" EALE Conference 2024 September 06, 2024

Bernd Fitzenberger IAB Nuremberg and Friedrich-Alexander University Erlangen-Nuremberg



LABOUR MARKET BAROMETER: LOW/NEUTRAL SINCE FALL 2023 – GERMANY SLIGHTLY IMPROVING – EUROPEAN TURNS NEGATIVE

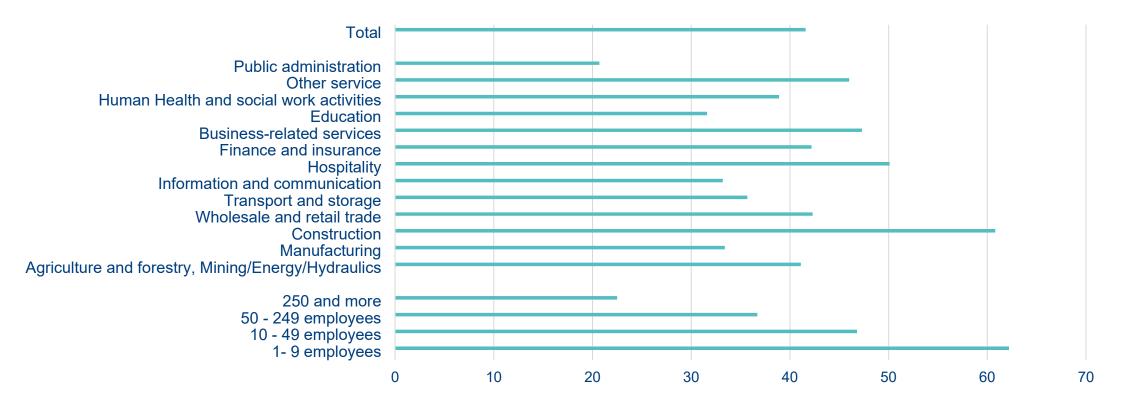
Values on a scale from 90 (very bad outlook) to 110 (very good outlook); 100=neutral



Source: Hutter, Christian, Weber, Enzo (2024): Time Series IAB Labour Market Barometer 2014 until August 2024. Available at: https://iab.de/en/daten/iab-labour-market-barometer/

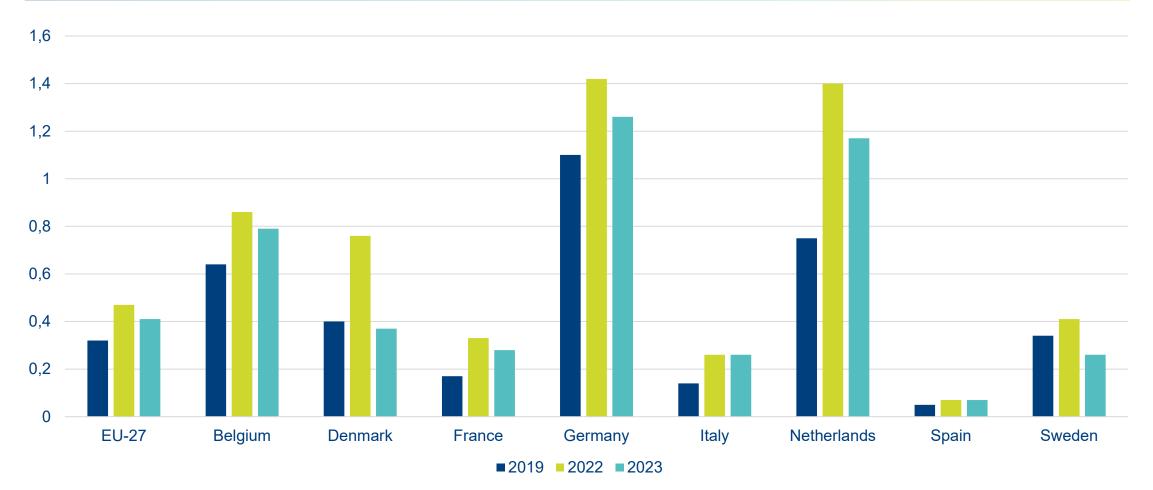
GERMANY: UNFILLED VACANCIES FOR SKILLED LABOUR VERY HIGH: HIGHEST IN CONSTRUCTION AND HOSPITALITY SECTOR

Rate of unfilled vacancies for skilled labour positions in 2023 (total, by sector and size category)



Source: IAB Establishment Panel 2023

TIGHTNESS (VACANCY TO UNEMPLOYMENT RATIO) IN EU COUNTRIES, 2019, 2022 AND 2023



Source: Eurostat, own calculations

GERMANY: SHORTAGES OF (SKILLED) WORKERS IN MANY SECTORS AND REGIONS – UNLIKELY TO DISAPPEAR SOON

- Employment at record levels (despite economic slump), yet shortage of (skilled) workers
- Still historically high number of vacancies but 25 percent less than one year ago
- **Mismatch**: Unemployment rate for unskilled workers 2021 = 20.5 percent
- General decrease in worker flows (hiring and firing) at the establishment level between 2019 and 2021 (Bennewitz et al. 2022)
- Transformation-related mismatch in the labour market and aging [2023: Around 24 percent of employees subject to social insurance contributions are over 55 years old (2001: 9,7 %)]
- Decline in apprenticeship market since Covid
- Demands for reduced working hours and lack of productivity growth

THANK YOU FOR YOUR ATTENTION!

Prof. Bernd Fitzenberger, PhD

Bernd.Fitzenberger@iab.de

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