

## PRIORITY FOR ACTION N°4

### Data for better skills anticipation and matching, and monitoring labour market outcomes

This recommendation means to address the significant issue of lack of and access to data in the SEMED region, which hamper the decision making process and obstruct sound policy design, implementation and review.

Policy makers, employers, workers, education and training providers, and students all need timely and accurate information about the demand for skills on the labour market and how this relates to the skills supply. Given the speed at which labour markets are changing, the identification of skills needs has become even more key for addressing the skills mismatch, the skills gaps and the substantial levels of unemployment and underemployment in all SEMED countries, regardless of their level of economic development.

To develop adequate education and training programmes, there is a need to better monitor the labour market to identify current and future skills needs. In addition to the skills needs analysis mechanisms at national, sectoral and local level, it is important to have transparent data collection instruments (labour force surveys, PES registers, education and training statistics, active labour market measures, tracer studies, etc.) and analyses of relevant labour market trends.

However, the traditional quantitative and qualitative approaches to skills anticipation and matching are often not sufficiently precise, or require a great deal of time and resources. The increasing use of the internet for publishing job vacancies offers an incredibly rich source of data. It allows access in real time to information on current skills demand, captured through job descriptions. As the information is already there, its use is also efficient in terms of cost. However, the data from this source lacks structure, suffers from duplications and a lack of representativeness, needs cleaning and quality checking, and is subject to many other potential problems, including data privacy issues that stand in the way of its effective use. An additional limitation in SEMED countries is the limited reach of online vacancies owing to poor connectivity and the large share of informal jobs. Nevertheless, online job vacancies and other types of big data analytics have great potential to contribute to a better understanding of labour markets, especially if complemented by more traditional sources of information (ILO, 2020).

The SEMED countries need to create the conditions for a sound and well-articulated LMIS, which does not currently exist in the region. LMISs encompass all the institutional provisions, procedures and mechanisms set up to coordinate the collection, processing, storage, recovery and circulation of labour market information. As there is no general blueprint for a single and effective LMIS, a first step would be to define the aim, scope (education, employment, economy, etc.) and level (national,

regional, sectoral) of the analysis that is most needed. The VET system is an important part of an LMIS and should built its own information system.

Data would also allow strong monitoring of economies and labour markets, thus increasing the relevance of education and training systems and preventing skills depletion and underutilisation, while allowing a regular assessment and review of policies.

The main purpose of data collection and analysis should be to provide actors with the necessary information to bridge the skills gap and mismatches in general, but also to support career guidance services and adapt ALMPs to skills requirements in specific sectors. This requires a substantial reinforcement of capacity building and a high level of cooperation with the private sector, statistical offices, PESs and labour ministries.

### Questions for the working group:

1. Do you consider this priority relevant for the region? Do you think this priority is also applicable in the context of your own country?
2. Based on the recommendations provided, which action do you consider most relevant and appropriate to implement at regional level: (Please precise under which form: Regional projects, Networks, CoP, Peer learning etc.)
3. Do you have a good practice in your country, to share with other participants, on the implementation of one or more actions in the area of data for skills anticipation, monitoring, LMIS etc.?