Labor market analysis & forecasts - Sweden
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Arbetsförmedlingen

Swedish Public Employment Service

- Government agency under the Ministry of employment
  - Our goals and assignment

Department of Analysis

- Statistics
- Evaluations
- Forecasts

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Available data sources

- Data on registered unemployed

- Data on job postings

- Register data from Statistics Sweden
  - Matched employer-employee data since late 80's

- Centralised system of notifications

Evaluations

- Recent examples:

    - Effects of subsidized employment on learning and integration
    - Effects of three labor market policy programs 2010–2020

Four different forecasts

- National labor market outlook

- Regional labor market outlook

- Long term forecast (for the government)

- Occupational forecasts

Labour market outlook
autumn 2022 – Summary
Outlook for the labour market 2022–2024

Purpose of our forcasts
Internal

Improve knowledge of the labor market – nationally, regionally and locally

- Provides added value for jobseekers through increased quality in the information to jobseekers about recruitment needs and demand for various occupations, now and in the future.

- Provides added value for employers through increased quality in the information to employers regarding the lack or surplus of job seekers with different skills.

- Creates the opportunity for a needs analysis for planning the size and focus of the labor market policy programs.

Purpose of our forcasts
External

Inform and influence external actors

- Schools and universities (teachers and guidance councelors)

- People who are faced with a study/career choice

- Government, parliament, municipalities and regions

- Employers

- Employers' organizations and trade unions

- Other agencies and organizations at regional, national and local level

- Media

- Public

The traditional forecasting method (PES-method)

- A PES model –on local employment offices

- Knowledge of the local labor market; familiar with corporate recruitment needs and abilities of job seekers

- Make added values for companies and job seekers

- The local employment offices develop a strong network of employers

- Network of employers gives better opportunities to help job seekers with difficulties in entering the labor market

- Good platform for efficient matching, but also for a solid planning and development of labor market policy instruments

Methods under developement..

- The reform of the agency requires reorganization

- New data collection method - digital survey together with Statistics Sweden

- Occupational forecasting method based on register data

- A more data-driven and automated way of working

- Larger datasets and new models

- Role-assigned teams with analysts and data scientists

Labor markets forecasts– sample of establishments

- A sample of establishments with 5-99 employees:
    - County
    - Industry
    - Establishment size

- Full population study of larger establishments

- Full population study of municipal and regional employers and a sample of employers that are state owned

Labor markets forecasts– digital survey

- Survey questions about:
    - Demand for goods and services (private employers)
    - Business development (public employers)
    - Firms' capacity utilization
    - Recruitment needs
    - Labor shortage and its consequences

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Labor markets forecasts– other sources

- The results from our own survey are complemented with data from other sources, such as:

  - PES data
  - The National Institute of Economic Research (KI)
  - Purchasing Managers Index (PMI)
  - Statistics Sweden
  - The central bank - Riksbanken
  - Commercial banks
  - International data

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Five steps in the analysis

1. Summarize and analyze the results of the survey
2. Access to labor? >> skills in demand/regional differences?
3. Analyze trends in various statistical sources
4. Other forecasters
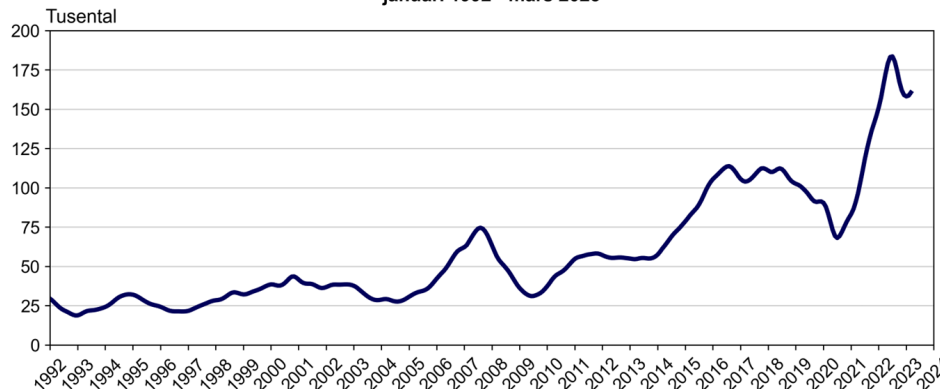5. Draw conclusions >> recommendations for action

Labor market – assessment & forecast

Indicators for demand for labor
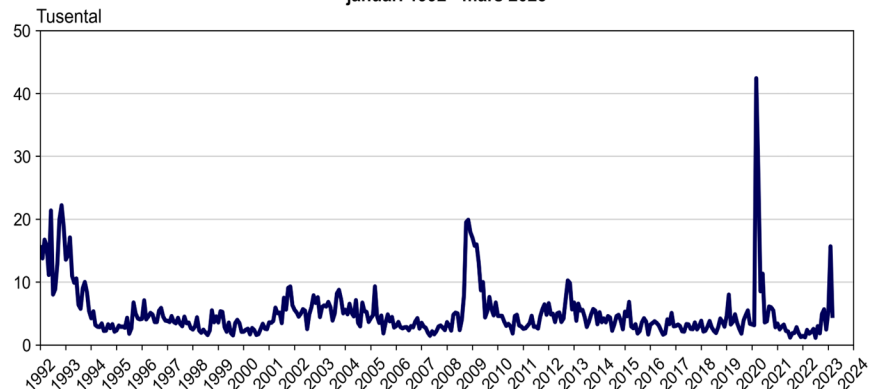## PES - data

Job postings

januari 1992 - mars 2023

Tusental

Platser över tio dagars varaktighet. Säsongrensade data, trendvärden
Källa: Arbetsförmedlingen

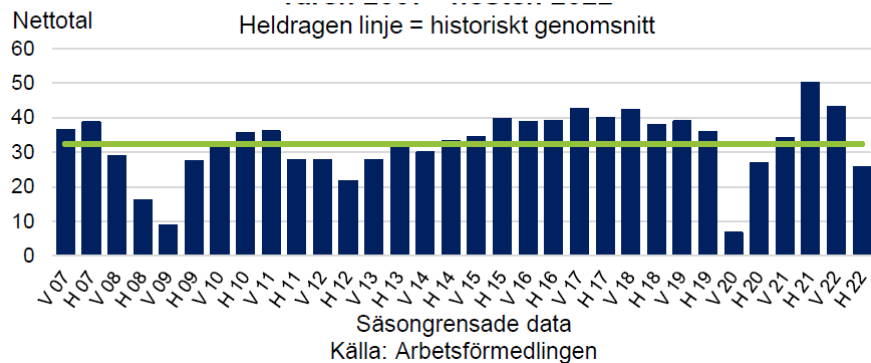### Number of individuals affected by notice of dismissal

januari 1992 - mars 2023

Tusental

Källa: Arbetsförmedlingen

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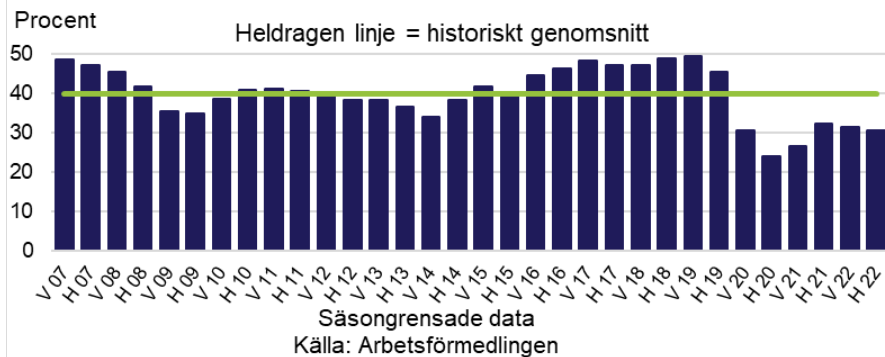SWEDISH PUBLIC EMPLOYMENT SERVICE

Indicators for demand for labor
Survey data

Employers planning to expand the workforce in the coming year
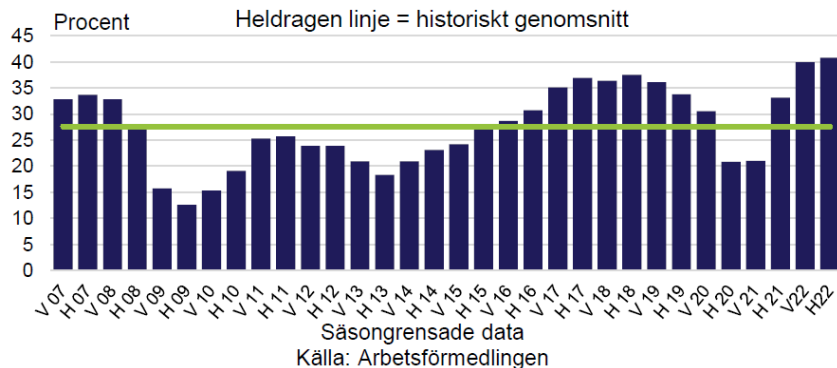**Spring 2007- autumn 2022**

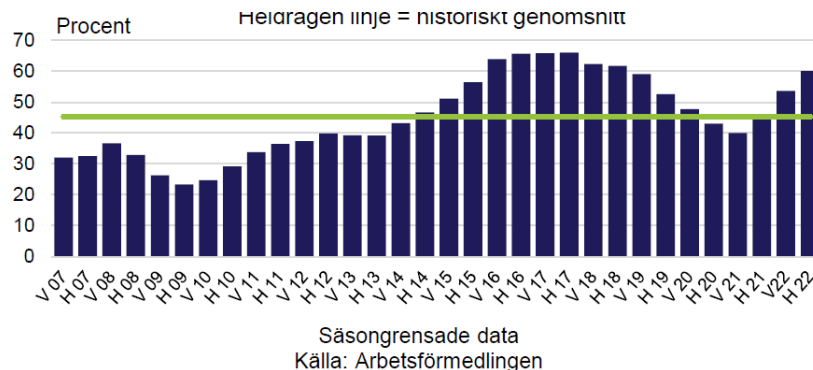**Employers who can increase production with at most 5% before hiring**
Spring 2007- autumn 2022

Increase in recruitment problems in both private and public sector

Labor shortage, private employers
Spring 2007- autumn 2022

Procent

Heldragen linje = historiskt genomsnitt

Säsongrensade data
Källa: Arbetsförmedlingen

Labor shortage, public employers
Spring 2007- autumn 2022

Procent

Heldragen linje = historiskt genomsnitt

Säsongrensade data
Källa: Arbetsförmedlingen

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How labor shortages affect recruitments

- Recruitment failed (50%)
- Recruitment took longer time than usual (49%)
- We had to lower the requirements regarding professional experience (30%)
- We had to lower the requirements regarding education(19%)

Källa: Arbetsförmedlingens prognosundersökning hösten 2022, näringslivet.

Consequences of labor shortage

- Existing staff had to work more (64%)
- Declined orders (26%)
- Production/service decreased (23%)
- Used temporary workers (17%)

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Number of unemployed 16-65 year old as a share of the labor force

January 1995 – Mars 2023

Procent
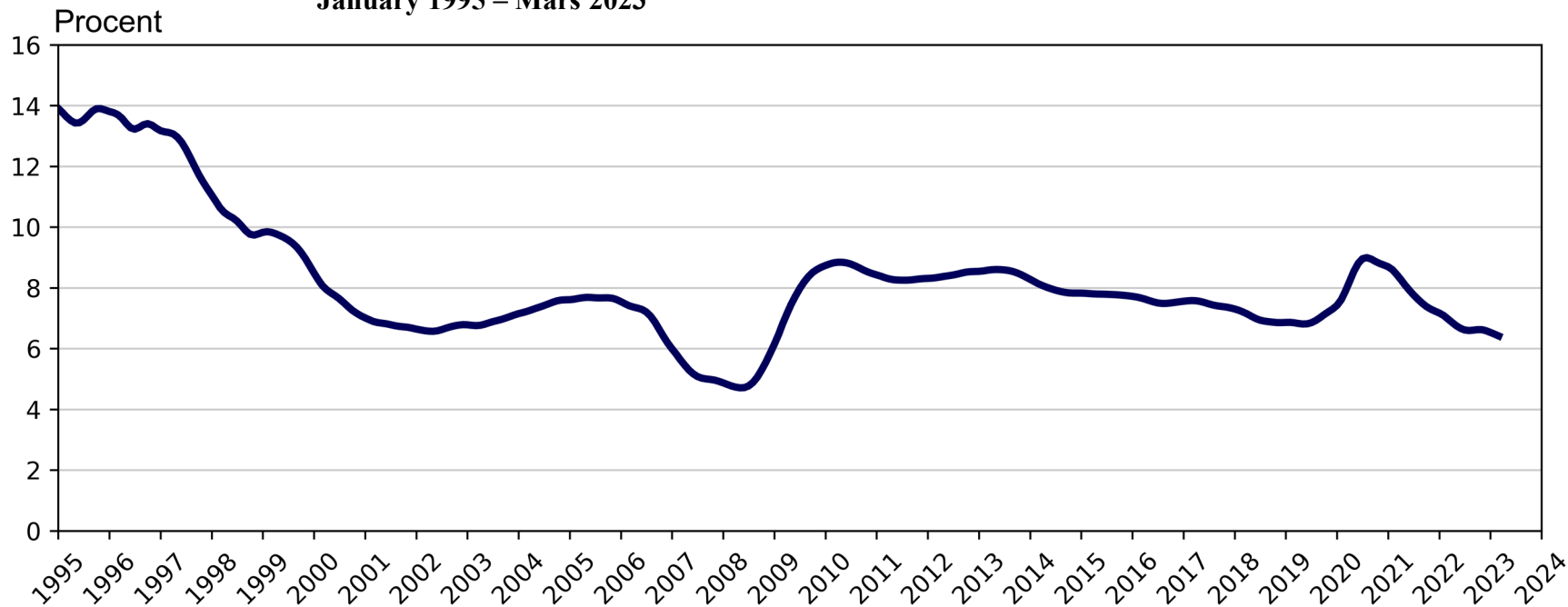
Avser 16-65 år från och med januari 2023. Tidigare statistik avser 16-64 år.
Säsongrensade data, trendvärden. Källa: Arbetsförmedlingen och SCB

ARBETSFÖRMEDLINGEN
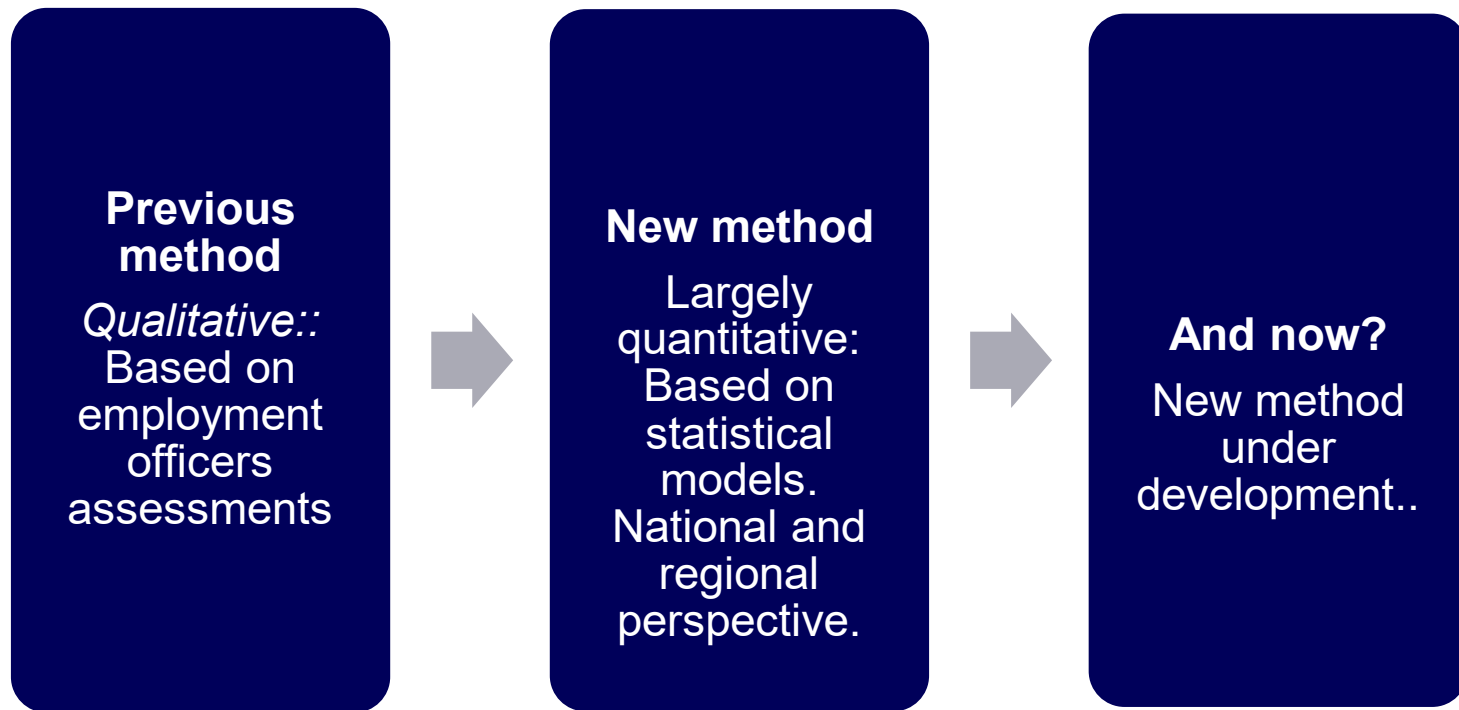SWEDISH PUBLIC EMPLOYMENT SERVICE

Labor market challenges

- The economic downturn will have an impact on the labor market going forward
  - Unemployment will increase in 2023 and the beginning of 2024
  - The decreased demand for labor causes long-term unemployment to rise again to high levels
  - Unemployed with weak competitiveness are at risk of having a particularly difficult time
- Clear imbalances in the labor market
  - The lack of skilled workers persists despite a weaker economic situation
  - Education, subsidized employment and a chain of efforts to counter an increase in long-term unemployment
  - A well-functioning collaboration is fundamental to be able to provide support to jobseekers

Occupational forecasts

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Developing methods for occupational forecasts

Previous method

Qualitative:: Based on employment officers assessments

New method

Largely quantitative: Based on statistical models. National and regional perspective.

And now?

New method under development..

What is an occupation? And how can it be measured?

○ Seemingly easy question. Carpenter is an example of an occupation, but how many carpenters do we have in Sweden?

  ○ Everyone who is employed as a carpenter?

  ○ Everyone who is employed or self-employed as a carpenter?

  ○ Every one with a vocational training or education?

  ○ Everyone who is employed or unemployed, actively seeking job as a carpenter?

Short about our model: Supply in an occupation

- Our definition of the supply: Those who work as carpenters and those who should be able to work as carpenters
  - Those who work as carpenters = the number of people with an income from employment as carpenter
  - Those who should be able to work as carpenters = the expected number of people who are not carpenters but at some point in the future are expected to be able to work as carpenters
    - + Takes into account trends in education flows, population forecasting and employer preferences by educational background
    - - Does not take non-formal education or experience into account

Short about our model: The demand

- Our definition of the demand: Those who work as carpenters and number of job openings
  - Those who work as carpenters= number of people who are employed as carpenters
  - Job openings
    - + Data available
    - - Few job postings within ceratain occupations (carpenters for example!)

Short about the model

- Based on forecasts of components:
  - Demand (how many carpenters are demanded?)
  - Pensions (how many carpenters will retire?)
  - New supply (how many non-carpenters will be able to work as carpenters?)

- The relationship between forecasts of new supply and demand plus expected retirements.

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Which occupations are included?

- Arbetsförmedlingen makes forecasts for about 175 occupations
- A "forecast-occupation" consists of one or several SSYK4-occupations (similar to ISCO)
  - Homogenous
  - No additional education or training
  - Exclude heterogenous occupations
  - Exclude small occupations
  - Exclude managers

Occupational forecasts

Hitta yrkesprognoser

Hur ser framtidsutsikterna ut i olika yrken? Se prognoser för ett eller fem år fram i tiden.

Yrkesprognoserna bygger på en datadriven modell. Vi använder Arbetsförmedlingens verksamhetsstatistik samt statistik från Statistiska centralbyrån (SCB) för att bedöma möjligheterna att få jobb i varje yrke.

⌄ Om du inte hittar ett yrke

Sök på yrke

| Skriv t.ex. snickare | 🔍 |

Förklaring till prognoser

Mycket stora möjligheter:
Efterfrågan på arbetskraft i yrket är betydligt större än utbudet. Konkurrensen om jobben är mycket liten.

Stora möjligheter:
Efterfrågan på arbetskraft i yrket är större än utbudet. Konkurrensen om jobben är liten.

Små till medelstora möjligheter:
Efterfrågan på arbetskraft i yrket är tillfredsställt, och det förekommer konkurrens om jobben.

Ingen prognos:
Bedömning för detta yrke saknas på grund av otillräckligt underlag. Det kan alltså vara både större och mindre möjligheter till arbete även i yrken där prognos saknas.

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13 yrkesprognoser inom Försäljning, inköp, marknadsföring

Sortering ⌄

Apotekstekniker
Prognosen är en samlad bedömning av: **apotekstekniker**

Stora möjligheter till arbete år 2023

Stora möjligheter till arbete år 2026

Inköpare och upphandlare
Prognosen är en samlad bedömning av: **inköpare och upphandlare**

Stora möjligheter till arbete år 2023

Stora möjligheter till arbete år 2026

Företagssäliare

Små till medelstora

Stora möjligheter

Occupational forecasts

Apotekstekniker

Prognosen är en samlad bedömning av: apotekstekniker

Yrket ingår i yrkesområdet försäljning, inköp, marknadsföring

Apotekstekniker sammanfattning

Det finns cirka 4000 yrkesverksamma apotekstekniker i Sverige, varav cirka 83 procent är kvinnor och 17 procent är män. Yrket kräver att du har en specifik utbildning.

Arbetsförmedlingen bedömer att det kommer vara liten konkurrens om jobben för apotekstekniker under det närmaste året. Det innebär att personer som har den utbildning eller erfarenhet som krävs kommer ha stora möjligheter till arbete.

Även på 3 års sikt bedömer Arbetsförmedlingen att möjligheterna till arbete för apotekstekniker kommer vara stora.
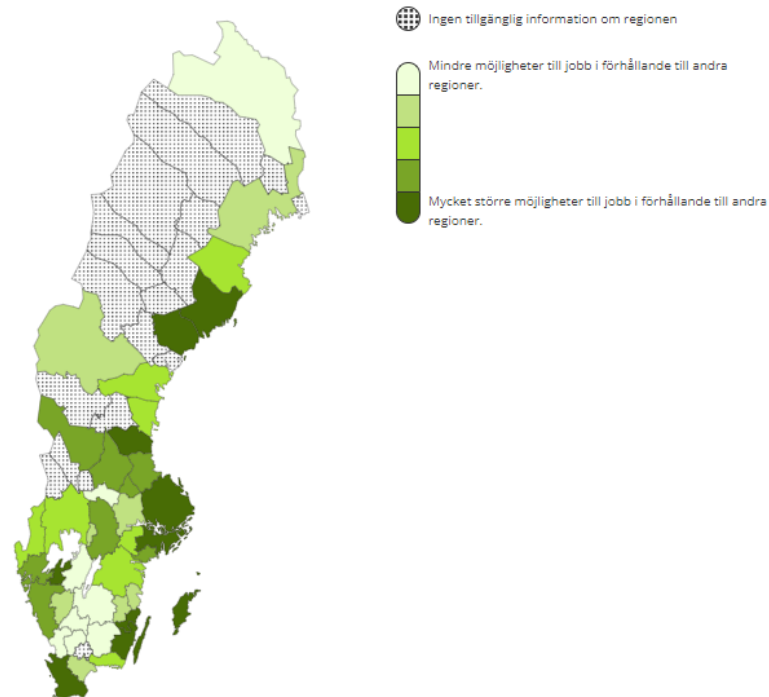
Prognos för apotekstekniker 2023

Stora möjligheter till arbete år 2023.

Prognos för apotekstekniker 2026

Stora möjligheter till arbete år 2026.

Occupational forecasts

Kartan visar spridningen av stora möjligheter över hela landet.

Ingen tillgänglig information om regionen

Mindre möjligheter till jobb i förhållande till andra regioner.

Mycket större möjligheter till jobb i förhållande till andra regioner.

Välj en region för att se en yrkesprognos.

Borås

Prognos för Installations- och serviceelektriker i Borås 2023

Möjligheterna till arbete för installations- och serviceelektriker bedöms vara stora på nationell nivå. I Borås bedöms möjligheterna till arbete vara mindre än i de flesta andra regioner.

Current developments: Survey on recruitments

- Digital survey to employers

- Job postings

- Twice a year

- Results:

  ➢ Categories describing current possibilities of finding a job and the recruiting situation within a certain occupation
  ➢ + components describing the future (such as retirement forecasts) to discribe the (short-term) future labor market for the occupation

Current developments: Survey on recruitments

- Combining results from survey with indicators for:
  - Unemployment
  - Leavers
  - Turnover

- Different measures for different users

- Aiming at defining "shortage"

Employment opportunities	Recruiting situation
Very large opportunities	Widespread shortage
	Shortage
	Paradox problems 1,2,3
Large opportunities	Ample supply
Small to medium large opportunities	Surplus

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Links

Analytical reports

[Analyser och prognoser - Arbetsförmedlingen (arbetsformedlingen.se)](arbetsformedlingen.se)

Statistics

[Statistik - Arbetsförmedlingen (arbetsformedlingen.se)](arbetsformedlingen.se)

Occupational forecasts

[Hitta yrkesprognoser - Yrkesområden (arbetsformedlingen.se)](arbetsformedlingen.se)