



LABOUR MARKET INTELLIGENCE SOURCES

Country fiche - LUXEMBOURG

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Innovating the use of Labour Market Intelligence
within European Universities - LMI-EUniv



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LIST OF ABBREVIATIONS

ADEM	Agence pour le développement de l'emploi
EU	European Union
HEI	Higher Education Institution
IGSS	Inspection Générale de la Sécurité Sociale
INFPC	Institut national pour le développement de la formation professionnelle continue
IO	Intellectual output
ISCED	International Standard Classification of Education
LISER	Luxembourg Institute of Socio-Economic Research
LMI	Labour Market Intelligence
LMI-EUniv	Innovating the use of Labour Market Intelligence within European Universities
OVATE	Skills Online Vacancy Analysis Tool for Europe (Skills OVATE)
RETEL	Réseau d'étude sur le marché du travail et de l'emploi
STATEC	Institut national de la statistique et des études économiques du Grand-Duché de Luxembourg
TU	Tallinn University
WUT	West University of Timisoara

BACKGROUND

LMI-EUniv project

“Innovating the use of Labour Market Intelligence within European Universities - LMI-EUniv”, the project was the subject of a successful application to Key Action 2 - Cooperation among organisations and institutions - of the Erasmus+ programme.

Consortium

The consortium is composed of West University of Timisoara (project leader), University of Milano-Bicocca (Italy), University of Tallinn (Estonia), Prospektiker - (Spain) and Luxembourg Institute of Socio-Economic Research (Luxembourg).

Aims

The primary focus of the project is to understand how are European Universities using labour market information and labour market intelligence in the planning and delivery of their provision and how can this be improved. Therefore, the project aims to help HEI to develop appropriate skills and competencies through better matching of education supply to demand through innovative learning and teaching practices.

Objectives

The LMI-EUniv project has three main objectives: (1) to map essential LMI sources at national level, (2) to explore how HEI in Europe are using LMI, and (3) to produce a training course, guide and a Labour Market Intelligence Hub. This will be an online platform, aggregating LMI sources and information, and aims to become a reference point for all HEI.

INTRODUCTION

This country fiche provides information concerning the essential LMI sources at national level with a particular focus on LMI sources used by HEI. It was developed within the Intellectual Output 1 of the LMI-EUniv project - Mapping essential LMI sources at national level. The role of the country fiches is to systemize information related to LMI sources and gather them into a LMI Hub. The country fiches will form the basis for the Data (Evidence) Report and in turn, will inform the production of the Final Report.

During the inception phase of the project, we have noticed the existence of a large number of LMI sources but also a lack of information about them. We consider that having access to a single point of information with LMI sources will enable HEI to better use this for their activities. Thus, this research represents the first step in this direction through mapping the LMI sources at the European level.

We believe that this study is the first of its kind focused on LMI sources across Europe and is in itself a considerable innovation. Through this activity, we are seeking to influence how universities in Europe view, analyse, utilise and produce their own LMI to aid with their decision-making. Further, we aim to make this available to help stakeholders such as policymakers in national and regional governments, employers, and regional development agencies to be better able to bring their demand-side knowledge to support universities and ensure higher education supply fits to current and future labour market need.

The Final Report Recommendations given the project's geographical coverage and the pressing need for action on using labour market intelligence should have considerable transferability potential.

GENERAL INFORMATION

Luxembourg is a parliamentary democracy in the form of a constitutional monarchy. The Grand Duke is the head of state. According to the Constitution, the Grand Duke is the holder of executive power. In this capacity, he ensures the execution of the laws by issuing the necessary regulations. The prime minister is the head of government. The Chamber of Deputies exercises the legislative power.

Demography

On the first of January 2022, 645,397 inhabitants lived in Luxembourg. Nearly one in two residents was a non-national (47.1%). Mainly due to immigration, the number of inhabitants increased by 26% between 2011 and 2022.

Luxembourg is characterized by the dynamism of these migratory flows. Between 1990 and 2021, the number of immigrants increased from 10,281 to 25,335. The majority of immigrants are from European countries, followed by persons from Asian countries and African countries. Emigration also increased over the period from 6,339 to 15,959. The balance of migration is positive (+9,376 in 2021).

The age structure reflects the existence of demographic ageing phenomenon. The share of young (0-19 years) decreased whereas those of people aged between 40-64 years and aged at least of 80 years increased. However, thanks to immigration of people of working age, the ageing of the population is less significant than in other European Union countries.

In 2021, there were 6,690 births in Luxembourg. The total fertility rate has decreased over the last decades from 1.5 children per woman in 1980 to 1.4 in 2021. The natural balance of the population increased until the mid-2010s and then stagnated or slightly decreased. Life expectancy at birth in 2021 was 80.3 years for men and 84.8 years for women.

Labour market

The Luxembourg labor market is characterized by the importance of cross-border workers. In March 2022, 504,750 employees worked in Luxembourg and 44% of them were cross-border workers. Cross-border workers mainly come from France. In March 2022, 52% of cross-

border workers came from France and 24% from Germany and from Belgium. Non-Luxembourgish residents represented 28.5% of the workforce.

The job market is very dynamic in Luxembourg. Between November 2021 and November 2022, employment increased by 2.9%.

One third of employees work in the trade, public administration and finance/insurance sectors.

Statistics on activity rate, employment rate and unemployment rate are partials as they are only available for residents. In 2021, the activity and employment rates for residents aged between 25 and 64 years stood at 80.5% and 77.1%, respectively, while for those aged between 20 and 24 years, the figures were lower at 52% and 45.4%. However, over the period of 2011 to 2021, both employment and activity rates have displayed a positive trend across all age groups studied. It's worth noting that college graduates have a higher activity rate (89.2%) and employment rate (85.9%) than the overall population of the 25-64 age group.

The unemployment rate among residents aged 25-64 was 4.3% in 2021, with a much higher rate of 12.6% for those aged 20-24. However, there has been a notable improvement in the unemployment rate for the younger age group since 2011, when it was at a higher 16.2%. In comparison, the unemployment rate for those aged 25-64 has remained relatively stable at a comparable 4.1% level since 2011. College graduates have a lower unemployment rate, with only 3.7% of those aged 25-64 being unemployed in 2021.

In 2022, according to OVATE, the most heavily advertised occupations were office associate professionals, ICT professionals, and metal & machinery workers. The most in-demand skills, at level 1 ESCO skill, were communication, collaboration & creativity, attitudes and business; administration & law.

Higher education market

In 2020, 8.5% of 20-24 year olds were tertiary students (ISCED level 5-8), this figure was significantly below the European Union's average of 35.2%. However, among the 25-64 age group, Luxembourg had a higher percentage of individuals with tertiary education than the EU average, with 50.5% of 25-64 year olds residents having completed tertiary education compared to the EU average of 33.4%.

Higher education in Luxembourg is characterized by a single public university created in 2003. The university is composed of three faculties (the Faculty of Science, Technology and Medicine; the Faculty of Humanities, Education and Social Sciences and the Faculty of Law, Economics and Finance) and of three interdisciplinary centres (Interdisciplinary Centre for Security, Reliability and Trust, Luxembourg Centre for Systems Biomedicine, Luxembourg Centre for Contemporary and Digital History). In 2022, university offers 17 bachelors, 47 masters and doctoral studies. It hosts nearly 7,000 students who are coming from 130 countries. The university is ranked 12th in the Young Universities Ranking of universities under 50 years old.

The university's offer is completed by other institutions, foreign and private, which are specialized in higher education. Two institutions are accredited by the Ministry of Education and issue national diplomas (Lunex University specialized in sport, motor and physiotherapy and Luxembourg School of Business which offers a Master in management to bachelor students). Two institutions offer foreign diplomas (Sacred Heart University Luxembourg: an American university specialized in trade and management¹; Miami University Dolibois European Center who offers to American and international students the possibility to study in Europe).

¹ The Sacred Heart campus closed in Luxembourg in July 2022. Only online courses are now offered.

LMI SOURCES AT NATIONAL LEVEL

LMI providers

LMI comprises any information and knowledge about labour market dynamics. It covers topics such as labour demand and supply, unemployment, employment and earnings, emergence of new occupations, new skills required on labour market, post-graduate path, career expectations, etc.

In Luxembourg several organisations provide information on the labour market. This information is, in some cases, provided in the form of interactive statistical tables and in other cases distilled through study and analysis papers. Below we briefly present the main providers of LMI.

Public Employment Service - ADEM

Public Employment Service of Luxembourg (ADEM: Agence pour le développement de l'emploi) finds its legal basis in the amended law of 18 January 2012. ADEM is placed under the authority of the Ministry of Labour, Employment and Social Economy. ADEM is responsible for promoting employment in Luxembourg. One of its missions is to anticipate changes in the Luxembourg labour market and increase the transparency of the labour market. ADEM has seven regional agencies. ADEM provides monthly information on jobseekers and on job vacancies declared by employers to ADEM. These statistics are provided by sector, occupation and sociodemographic characteristics. ADEM also carries out sectoral studies about requested skills.

National Institute of Statistics - STATEC

The national Institute of Statistics (STATEC: Institut national de la statistique et des études économiques) organizes and coordinates official statistics in Luxembourg. STATEC is an administration, placed under the authority of the Ministry of the Economy. STATEC produces statistics, analyzes and studies. In particular, STATEC centralises the data available from Luxembourg administrations in order to carry out its studies, but also to make them accessible

to its users on a single platform (Portail des statistiques du Grand-Duché de Luxembourg). STATEC provides data series about employment structure, unemployment, etc. Statistics are provided by sector, occupation, level of education etc., and are available at local, regional and national level.

General Inspectorate of Social Security - IGSS

The General Inspectorate of Social Security (IGSS: Inspection Générale de la Sécurité Sociale) collaborates with the Ministry of Labour, Employment and Social Economy to analyse the Luxembourg labour market. IGSS is placed under the authority of the minister responsible for social security. IGSS produces labour market statistics, especially, a monthly scoreboard on the employment situation and statistics on labour flows. Statistics are provided by sector, status (employee/blue-collar worker) and sociodemographic characteristics.

Employment Observatory - RETEL

An employment observatory (RETEL: Réseau d'étude sur le marché du travail et de l'emploi) was launched, in 2011, to provide data on Luxembourg labour market and to develop synergies between institutions and organisations, collecting data or carrying out socio-economic analyses on the labour market and employment. In addition to making available the studies already carried out, RETEL collects data to study the determinants and characteristics of the current labour market and employment. RETEL also wants to forecast labour market developments.

Statistical portal of the Greater Region

Developed by the statistical offices of the Greater Region (Belgium, Germany and Luxembourg), the statistical portal of the Greater Region (Portail statistique de la Grande Région) provides access to harmonized economic and social data on the cross-border region. This cross-border vision is important given the Luxembourg context.

This statistical portal provides users from the political, administrative, economic and scientific worlds, as well as all interested citizens, with a whole range of statistical information

elaborated and compiled by the statistical offices of the Greater Region using from regional, national or European sources.

Data about employment structure, unemployment, etc. are available at national and Greater Region level.

National Institute for the Development of Continuing Vocational Training - INFPC

The National Institute for the Development of Continuing Vocational Training (Institut national pour le développement de la formation professionnelle continue) is a public establishment placed under the supervision of the Ministry of National Education, Children and Youth. The INFPC training observatory conducts studies to help decision-makers anticipate economic change and guide training and employment policies. In particular, this observatory collects a survey of training organisations and provides a study on the transition from school to work of VET (Vocational Education and Training) students.

Other Luxembourg LMI providers

Some publications of the central bank of Luxembourg, Economic and Social Council, Employers and employees' Organizations such as the Luxembourg Chamber of Commerce, Federation of Luxembourg Industrialists, Luxembourg Chamber of Employees, provide information on the Luxembourg labor market.

Institutions such as LISER (Luxembourg Institute of Socio-Economic Research) and University of Luxembourg are among the other Luxembourg LMI providers which, through surveys, studies and research provide data on the labor market in Luxembourg.

Assessing the sources of LMI at national level

Once the sources of LMI have been identified, their quality is needed to be assessed. There are many organisations that produce LMI but only through a standardized evaluation process they can be considered as being qualitative. The quality of LMI sources is sustained by their representativeness, validity and reliability.

The **Table 1** below contains a list of LMI sources identified at national level and their rating in accordance with LMI-EUniv methodology.

Table 1: LMI Sources at national level

[SEE THE LMI SOURCES HERE](#)

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