The impact of labour shortages and surpluses

on EURES services by 2030

Strategic foresight summary report

August 2024

ELA
EUROPEAN LABOUR AUTHORITY

EURES

Table of Contents

List of Tables

List of Figures

Executive summary

Established in 1994, the European network of employment services (EURES) aims to facilitate the free movement of workers in the European Union (EU), along with Iceland, Liechtenstein, Norway and Switzerland. The network offers a wide variety of services to jobseekers and employers through a common IT platform – the EURES portal – and a network of about 270 public and private employment services and other organisations with about 1 000 EURES Advisers who provide advice and support locally.

Confronted with a situation of substantial and aggravating labour shortages across Europe, the European Labour Authority (ELA), in its role as the European Coordination Office of EURES, wanted to explore how labour market imbalances might develop by 2030 and what impact these developments might have on EURES. Accordingly, from autumn 2023 to spring 2024, ELA engaged a group of diverse experts in a strategic foresight exercise to jointly develop a range of potential plausible futures. All potential futures might realistically materialise, but there is no indication of which ones are more likely to materialise than others.

As a first step, the experts identified about 20 factors that they deemed to have an influence on labour shortages and surpluses in Europe by 2030. Eight of these have been assessed to be most important and least predictable:

- employment and work aspects of technological advancements;
- technology as matchmaker';
- short-term/cyclical economic developments;
- climate change and greening;
- jobseekers' preferences;
- job quality and working conditions;
- education and training gaps;
- housing market and policy.

By combining hypotheses about the developments of each of these factors, the group developed nine scenarios about how the future might look like. They cover the full spectrum of potential economic and labour market developments by 2030 – from full recovery and growth, through economic and labour market stability, to continued instability and ongoing crises.

The expected labour shortages and surpluses by 2030 differ across the nine scenarios. That said, sectors like construction, IT, care and transport are expected to remain candidates for labour shortages by 2030. As regards agriculture, hotel, restaurant and catering (Horeca), and retail, the regional aspect tends to make a difference to whether labour shortages or surpluses are expected. In general, sectors concerned by proactive developments in the field of the twin transition and strategic/growth sectors are likely to face labour shortages. As regards the expected demand for low-versus high-skilled workers, a substantial variety was identified across the scenarios.

That said, several of the scenarios recommend an enhanced focus of EURES services on vulnerable workers, including low-skilled and newly registered unemployed or young people. In addition, workers positively or negatively affected by technological change, those aiming to return to their country of origin after an employment spell abroad, and small and medium-sized enterprises (SMEs) materialise as groups to which EURES should pay more attention in the years to come.

Several scenarios emphasise the enhanced need for targeted, tailored and personalised services. The current core functions of EURES are expected to remain relevant, with likely more need to provide information on labour market developments and living conditions. Several scenarios explicitly mention the need to ensure that the EURES portal is based on state-of-the-art contemporary technology and provides user-centric digital services that take into account the variety among EURES/portal users. Current portal functionalities might require modernisation and new ones might need to be introduced, such as chatbots.

To further improve the effectiveness of EURES services, several scenarios pinpoint the need for an active outreach and communication strategy, targeted at the respective user groups. This might also require new or enhanced training of EURES Advisers and strong collaboration within the network and with national authorities, social partners, private employment services and education providers.

1.0 Introduction

1.1 Background

EURES was established in 1994 to 'facilitate the exercise of the freedom of movement for workers within the Union'[1]. As of 2024, it involves the cooperation of the European Commission, ELA and about 270 public and private employment services and other organisations. EURES objectives are, among others, to improve 'the functioning, cohesion and integration of the labour markets in the Union, including at cross-border level', to promote 'geographical and occupational mobility […], including in cross-border regions' and to support 'transitions into the labour market'[2]. This is done through a common IT platform – the EURES portal – which brings together job vacancies and job applications of the participating countries to enable matching on the labour market[3] and about 1 000 EURES Advisers who provide support services to jobseekers and employers locally[4].

The 2023 annual work programme of ELA[5] established that ELA 'will conduct a strategic foresight exercise, building potential scenarios of the future of labour mobility in the EU'. In this context, further reference was made to 'a future-oriented, forward-looking perspective for EURES'.

Against this background, ELA conducted a strategic foresight / scenario-building activity on the topic of 'The impact of common labour market imbalances (labour shortages and surpluses) on EURES services by 2030'. This specific topic was chosen due to the perceived aggravating labour market imbalances and the resulting challenges for employers, workers, jobseekers and labour market institutions, including EURES, public employment services (PES), national authorities, social partners and other stakeholders.

1.2 Methodological approach

Scenario building is a well-established and recognised scientific methodology for strategic foresight. It is a qualitative analytical approach. In contrast to quantitative forecasting which results in a numerical estimation of future developments, scenario building aims to develop a range of potential plausible futures. In the framework of the exercise, a variety of 'stories' about how the future could look like are developed. All potential futures might realistically materialise, but there is no indication of which ones are more likely to materialise than others.

The aim of the activity is to coordinate a diverse group of experts to jointly think about what might happen in the future, including considering 'out of the box' developments. If scenario building is used as part of applied policy research, it is expected to assist labour market stakeholders in the design and preparation of policies and interventions.

The methodology applied in this specific activity followed a standardised approach.

---

1 Article 1 of Regulation (EU) 2016/589 of the European Parliament and of the Council on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013.

2 Article 6 of Regulation (EU) 2016/589 of the European Parliament and of the Council on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013.

3 Article 17 of Regulation (EU) 2016/589 of the European Parliament and of the Council on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013.

4 Articles 21-28 of Regulation (EU) 2016/589 of the European Parliament and of the Council on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013.

5 https://www.ela.europa.eu/sites/default/files/2023-02/ELA-Single-Programming-Document-2023-2025-2.pdf.

In a first stakeholder workshop in October 2023, more than 20 experts from more than 10 European countries (from the EURES network, PES, national authorities, trade unions, employer organisations, ELA staff) jointly identified factors deemed influential for labour market imbalances in Europe by 2030 and ranked them based on their perceived importance and predictability. In this context, worker- and employer-related aspects, institutional factors, 'mega-trends' in the economy and the labour market (i.e. demographic change, digitalisation, climate change and globalisation) along with other societal developments were considered. As an outcome, the participants agreed to prioritise – among about 20 identified influence factors – the following factors as a basis for the next steps of the scenario-building exercise:

- Employment and work aspects of technological advancements;
- Technology as 'matchmaker';
- Short-term/cyclical economic developments;
- Climate change and greening;
- Jobseekers' preferences;
- Job quality and working conditions;
- Education and training gaps;
- Housing market and policy.

For each of these eight influence factors, the project team drafted a driver file[6], summarising the definition, developments over time (including future outlook) and hypotheses about the aspect's potential future development (see Chapter 2).

In a second stakeholder workshop in December 2023, the experts outlined potential future scenarios on the expected economic and labour market developments, their impact on labour shortages and surpluses, and – as a result – on EURES services. This was done by selecting one hypothesis for each of the eight influence factors and combining them into a coherent, realistic and plausible 'storyline'. Accordingly, the scenarios cover a wide spectrum from negative to positive economic and labour market developments (see Chapter 3), resulting in varying expected impacts on labour market imbalances (see Chapter 4) and EURES services (see Chapter 5). Nine scenarios[7] about potential futures were developed:

- Low-skilled workers falling behind in an adaptive labour market;
- Mismatches and inequalities in an active twin transition;
- The EU looking for home and belonging;
- The gloom and doom;
- Stronger PES and EURES cooperation in an unpredictable environment;
- Labour market in times of crisis;
- Digitalisation at its worst;
- Proactive and effective policies;
- Ongoing crises: no satisfactory solution for the labour market.

In a third stakeholder workshop in February 2024, the experts provided feedback to the draft scenarios, on the basis of which they were finalised. This report summarises the key findings of the various activities related to this scenario-building exercise and therewith supplements the online resource available at https://www.ela.europa.eu/en/publications/impact-labour-shortages-and-surpluses-eures-services-2030 , which provides all related material.

---

6   The individual driver files are available at https://www.ela.europa.eu/en/publications/impact-labour-shortages-and-surpluses-eures-services-2030.

7   The individual scenarios are available at https://www.ela.europa.eu/en/publications/impact-labour-shortages-and-surpluses-eures-services-2030.

# 2.0 Factors expected to influence labour shortages and surpluses by 2030

The experts involved in the scenario-building exercise identified about 20 factors as being likely to influence the situation of labour market imbalances, that is labour shortages[8] and surpluses[9], in Europe by 2030. The factors can be grouped in the following categories.

- **Mega-trends**: Climate change/greening, digitalisation.
- **Societal factors and social policies**: Demographic change, gender issues, migration flows, urbanisation, training/education, housing.
- **Political and geopolitical factors**, Mobility, political climate, regulations, EU enlargement, migration flows, brain drain.

- **Economic and business-related factors**: Short-term economic developments and long-term economic developments, company structures, new business models.
- **Labour market-related factors**: Job quality, remote work, workers' preferences.

Among those, eight influence factors have been prioritised as they were assessed to be most important and least predictable – hence most relevant for monitoring when aiming to 'predict' future developments. These are highlighted in purple in Figure 1 and elaborated on in the following paragraphs[10].

Figure 1: Identified influence factors for labour market imbalances by 2030
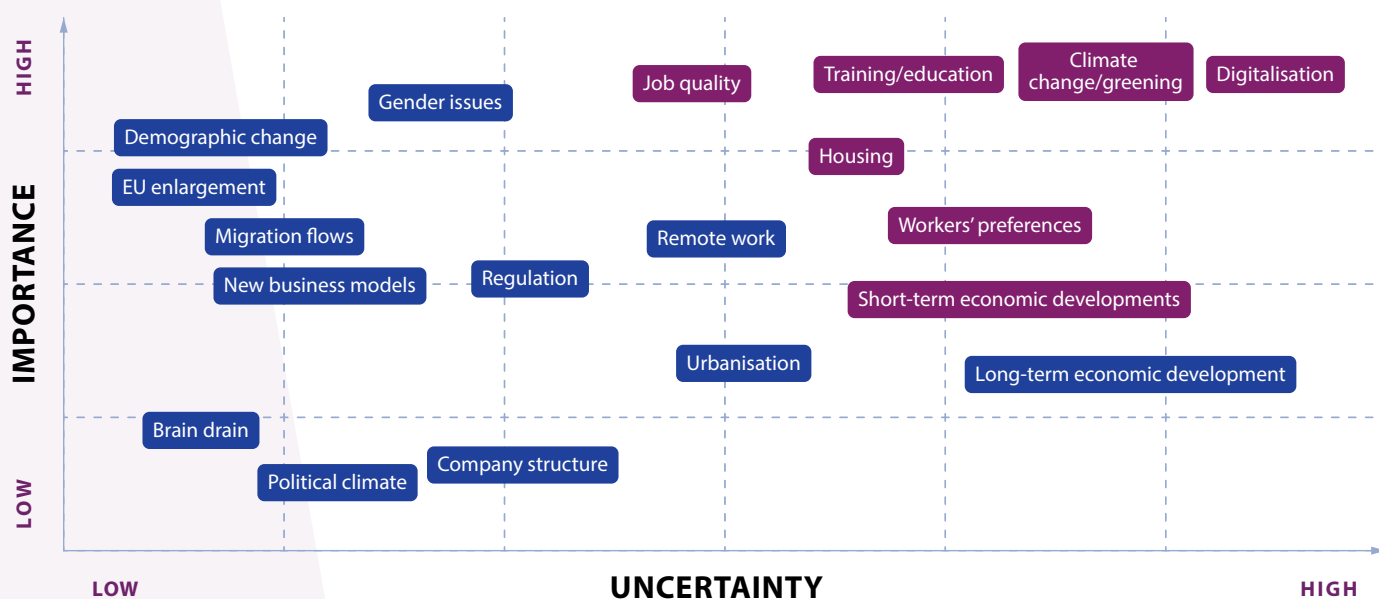
Source: Expert workshop.

For the purpose of this scenario-building exercise, the influence factor 'digitalisation'[11] was divided into two aspects: **employment and work aspects of technological advancements** are understood as the impact of the adoption

of digital technologies on the labour market. It considers automation (i.e. the replacement of human activities by technology), digitisation (i.e. the use of sensors and rendering devices to translate physical production processes into

---

8   When there is a sufficient number of people with the required skills, but for various reasons an insufficient number of them take up employment in the occupation and location in question.

9   When there is a higher number of people with the required skills looking to take up employment in the occupation and location in question than there are jobs available.

10 The full versions of the driver files are available at https://www.ela.europa.eu/en/publications/impact-labour-shortages-and-surpluses-eures-services-2030.

11 The process of converting analogue information to a digital form, enabling storage, processing and transmission of data using digital technology.

digital information) and coordination by platforms (i.e. digital networks that coordinate transactions in an algorithmic way). It has been observed that technology contributes to both the creation and destruction of jobs and alters task profiles within existing jobs. The impact differs by sector, occupation and region and already shows some effects on labour shortages and surpluses. For the future, it is expected that the majority of jobs will be affected in one way or the other and that the further adoption of technology could contribute to the alleviation of labour shortages (e.g. through automation) while at the same time aggravating them (e.g. in specialised technology-dominated occupations).

Technology is also considered as a **'matchmaker'**, i.e. it can facilitate labour market information and advice (including through machine translations), recruitment and automated matching. It has been noted that while adoption to date – with a few exceptions – remains relatively limited, labour market institutions have the ambition to increasingly use technology in the future. Online job portals are perceived to have already changed the recruitment process, and it is expected that innovative services will elevate the role of PES in connecting jobseekers with employment opportunities in the years to come. Concerns were raised regarding the application of advanced technology tools for vulnerable groups and regarding workers' privacy rights and data protection.

As regards the other mega-trend considered, **climate change and greening** are understood in this project as the anticipated long-term shifts in average temperatures and adverse effects on specific sectors and regions. Active adaptation initiatives aim to tackle the immediate effects, while mitigation initiatives aim to address the long-term developments. Similarly as for digitalisation, the observed and expected labour market impacts include both job destruction (e.g. in traditionally carbon-intensive sectors) and job creation (e.g. in green[12] or white jobs[13]). Inequalities are expected to materialise across countries and regions due to differences in climate exposure affecting certain sectors (such as agriculture or tourism) or labour productivity.

Next to long-term, structural developments, **short-term and cyclical economic developments** are also expected to be highly relevant for the future situation of labour shortages and surpluses. To date, they have been observed to have substantial imprints on the European labour market in the fields of society (e.g. energy supply, cost of living, food supply), economy (e.g. inflation, raw material supply) or technology (e.g. cyberattacks on critical infrastructure). For the future, a stronger interrelationship between the mega-trends, notably environmental risks, and short-term/cyclical effects on the economy and the labour market is expected.

The experts furthermore assessed **education and training gaps** as being highly decisive for the future development of labour market imbalances, thereby referring to a mismatch between supply and demand of education and training offers. As regards developments to date, an increased emphasis on reskilling and upskilling was noted, including a focus on access to lifelong learning and quality assurance of education and training programmes (particularly in the field of vocational education and training). For the future, an increased use of new technologies to deliver education, training and more flexible and responsive initiatives is expected.

In the societal / social policy field, the **housing market and housing policy** were identified as influential for future labour market imbalances. Thereby, availability, affordability and quality of housing along with policies affecting these elements were discussed. During the last decade, a substantial increase in accommodation costs was observed, and for the future, a further decline in housing affordability is expected.

From a labour market perspective, the experts assessed that **job quality and working conditions** will be important influence factors for labour shortages in the next decade. This refers to the multidimensional concept covering all work and employment characteristics that impact employees' health and well-being. Available data shows current differences by country, sector, gender and type of employment. For the future, digitalisation (e.g. automation, telework / hybrid work) is expected to affect job quality and working conditions, but for the time being it is not clear whether the overall effect will be positive or negative.

From a more micro perspective, **jobseekers' preferences** refer to the individual priorities, values and considerations when seeking employment opportunities. Taking into account the increasing spread of new forms of employment and societal developments, it is to be seen whether future generations might prioritise flexibility over job stability and certain elements of working conditions[14] over others (e.g. working time flexibility, meaningfulness of work compared to income). This might result in increased inequalities where workers with in-demand skills can attract the type of employment they prefer while others face intense competition for the remaining posts that are less aligned with their personal preferences.

---

12 While there is no unanimous definition of green jobs yet, these can be broadly defined as employment opportunities that contribute to environmental sustainability, conservation and the transition to a more environmentally friendly and sustainable economy. These jobs focus on activities that have a positive impact on the environment and contribute to the reduction of carbon emissions and other types of environmental degradation. Green jobs span various sectors, including renewable energy, energy efficiency, environmental conservation, waste management, sustainable agriculture and green technology.

13 White jobs correspond to the large majority of jobs in the EU. They are relatively neutral in their environmental impact and are expected to see only moderate changes in task content, related to the broad greening of activities.

14 Working conditions refer to the working environment and aspects of an employee's terms and conditions of employment. This covers aspects such as the organisation of work and work activities; training, skills and employability; health, safety and well-being; and working time and work–life balance. Pay is also an important aspect.

3.0 Expected economic and labour market developments by 2030

The nine future scenarios[15] developed in the framework of this project cover the full spectrum of potential economic and labour market developments by 2030.

Some of them are drawing a positive picture of **full recovery and growth**. This is, for example, the case in the scenario 'proactive and effective policies'. Continuous technological advancements (notably in the field of automation) allow both employers and workers to incrementally adapt to and take advantage of the benefits of technology while avoiding its pitfalls. Employment growth is also expected in the field of 'green jobs'[16] or in the construction sector. Both are supported or even driven by active public policies, including in the fields of climate adaptation and mitigation, housing and education/training. Similarly, active policy interventions – by both national authorities and social partners – ensure fair and inclusive employment practices, partly with a specific focus on vulnerable groups. Operationally, this is also supported by increasing cooperation between PES, private employment services and third-sector actors. As regards intra-EU labour mobility, a tendency of highly skilled mobile workers and return mobility materialises, and new policies are being developed to enhance spatial mobility.

In other scenarios, the future is characterised by **economic and labour market stability**. However, **inequalities** are prominent. In the scenario 'low-skilled workers falling behind in an adaptive labour market', for example, the economic and labour market recovery is expected to benefit employers more than workers. The ongoing incremental technological developments are likely to result in shifts in the task profiles of jobs, with differentiated impact on sectors, regions and types of workers. Low-skilled workers might be in a particularly challenging situation. In combination with the expected lack of available, quality housing along with education/training offers that mainly focus on higher-end needs, this could result in substantial societal problems. Promoting and facilitating intra-EU labour mobility might become more difficult as low-skilled workers are increasingly reluctant to move, and their language

and occupational competences do not sufficiently meet employers' needs. Accordingly, PES services will be in high demand and increased cooperation with social partners (notably in the field of skill needs and training measures) will be needed.

In '*The EU looking for home and belonging*', ongoing incremental technological advancements and the strategic orientation of certain sectors to enhance the competitiveness of the European economy are expected to result in a positive net quantitative employment effect. Nevertheless, inequalities are likely as digitalisation is expected to benefit more highly skilled workers while eliminating low-skilled routine jobs. Similarly, regional differences are likely to materialise as regions focusing on short-term solutions to face climate change experience growth and job opportunities. However, in the long run, the lack of effective mitigation[17] might result in an uneven distribution of the impact of climate change. While employers are expected to adapt to workers' preferences due to a tightening labour market but also increasingly hire workers from third countries to cover their labour demand, working conditions of vulnerable groups are likely to deteriorate. As education and training offers are also expected to focus on certain sectors and occupations, deepened inequalities in the labour market and in society generally might be the result. As regards intra-EU labour mobility, attracting low-skilled individuals to relocate for jobs in other EU/EEA countries is challenging due to their typically lower foreign language proficiency and qualifications that might not meet employers' expectations.

In the scenario 'digitalisation at its worst', too, technological advancements benefit economic development. However, this is expected to happen at the expense of working conditions and job quality, particularly for vulnerable groups. Inequalities and job polarisation[18] are likely to materialise in the labour market, due to the unequal impact of climate change on regions and the limited opportunities for reskilling and upskilling. Rural–urban (i.e. the spatial mobility of high-skilled workers towards urban areas) and

---

15 The full versions of the scenarios are available at https://www.ela.europa.eu/en/publications/impact-labour-shortages-and-surpluses-eures-services-2030.

16 While there is no unanimous definition of green jobs yet, these can be broadly defined as employment opportunities that contribute to environmental sustainability, conservation and the transition to a more environmentally friendly and sustainable economy. These jobs focus on activities that have a positive impact on the environment and contribute to the reduction of carbon emissions and other types of environmental degradation. Green jobs span various sectors, including renewable energy, energy efficiency, environmental conservation, waste management, sustainable agriculture and green technology.

17 Climate mitigation includes strategies and actions implemented to reduce or prevent the emission of greenhouse gases into the atmosphere to mitigate or slow down climate change. These policies aim to address the root causes of global warming by decreasing the release of pollutants that contribute to the greenhouse effect. Mitigation efforts typically involve transitioning to cleaner and more sustainable energy sources, improving energy efficiency, promoting the use of renewable energy and implementing measures to reduce emissions from various sectors such as transportation, industry and agriculture.

18 The phenomenon where employment opportunities are concentrated in high-skill and low-skill occupations, with a decline in middle-skill jobs.

intra-EU cross-border mobility are increasingly seen as a solution to labour market imbalances, but low-skilled and vulnerable workers do not benefit from these opportunities.

A third group of scenarios shows an economic and labour market situation characterised by **instability**. The scenario 'mismatches and inequalities in an active twin transition', for example, predicts economic instability due to continued coping with the effects of COVID-19, regional conflicts and increasing inflation with reduced labour demand in some sectors, and an overall mixed labour market impact of the twin transition. The economic situation is expected to be particularly challenging in rural areas. While workers' preferences are relatively well-satisfied in the labour market, negative societal consequences are expected due to an unfavourable housing situation (notably in urban areas due to a population increase that is not matched by housing supply) and education/training market. Intra-EU labour mobility is expected to persist, notably from southern and eastern European countries to the north and west of Europe. Employers might increasingly seek to recruit talent from third countries. Collective agreements and policy interventions actively address these developments in this scenario. PES, for example, put enhanced focus on assisting jobseekers to acquire digital skills.

In the scenario 'stronger PES and EURES cooperation in an unpredictable environment', the economic instability caused by local and regional crises (including climate-driven ones) and the increased adoption of technological solutions result in a state of uncertainty which, for example, negatively affects the investments in training, social integration and living conditions. The labour market is characterised by changing job profiles, employment and wage instability, and workers facing alternating spells of employment and unemployment. A growing mismatch between employers' and workers' preferences results in dissatisfaction and inequalities in the labour market. Larger employers, with a higher endowment of financial and human resources, discover technological solutions to deal with the labour market issues they are confronted with. Smaller companies and a diverse range of workers show an increasing demand for PES services. In the labour mobility field, increasing cooperation between PES, EURES and social partners is expected.

Finally, some scenarios depict a rather negative future in which **permacrises and polycrises**[19] persist. This is, for example, the case in the scenario 'the gloom and doom', where continuous crises hinder economic and employment growth, investment and hence competitiveness. Economic and labour market uncertainties are the consequence, with increasing inequalities across the workforce and regions emerging – not least due to the effects and reactions to the twin transition (e.g. diffusion of artificial intelligence (AI)[20] and teleworking, varying effects of climate change across European regions) along with intra-EU mobility flows from the south to the north. Social partners take the active initiative to tackle this situation, but are challenged by limited support from national authorities.

In the scenario 'labour market in times of crisis', too, permacrisis has become the 'new normal', resulting in a decreasing balance in the labour market (including 'more fluid' labour markets with people more frequently moving between jobs) and social cohesion. A more substantial skills mismatch is expected, both as regards sectors/occupations and regions. The concentration of skilled workers in cities is likely to result in brain drain in rural areas and decreasing availability and affordability of housing in urban regions. Working conditions are widely deteriorating. The role of private employment services becomes stronger, but PES remain the important go-to point for vulnerable groups. However, service provision becomes more and more challenging due to constrained public budgets. Employers voice a growing demand for non-EU country nationals on the EU labour market.

In the scenario 'ongoing crisis: no satisfactory solution for the labour market', a similar negative future development is expected. Ongoing economic and geopolitical crises along with negative impacts of the twin transition (such as a fast-paced deployment and adoption of automation and robotics to which employers and workers struggle to adapt to) dominate Europe and other world regions. This is expected to lead to a decrease in job opportunities and have detrimental impacts on job quality and working conditions. Unfavourable situations in the housing and education/training markets add to this disadvantageous picture. These developments are expected to impede occupational and spatial mobility. PES are likely to see their role diminish and to face increasing competition from private support services providers.

---

19 A state of ongoing or persistent crisis, where various crises, shocks or challenges continuously interact and compound, making it difficult for a society, economy or system to fully recover and stabilise.

20 Software (and possibly also hardware) systems designed by humans that, given a complex goal, act in the physical or digital dimension by perceiving their environment through data acquisition, interpreting the collected structured or unstructured data, reasoning on the knowledge or processing the information derived from these data and deciding the best action(s) to take to achieve the given goal. AI includes several approaches and techniques, such as machine learning.

4.0 Expected labour shortages and surpluses by 2030

The expected labour shortages and surpluses by 2030 differ across the nine scenarios (see Table 1). That said, all scenarios identify both shortages and surpluses, irrespective of whether the economic and labour market development is considered to be more positive or more negative.

From a **sectoral perspective**, construction, IT, care and transport are identified in a number of scenarios as being candidates for labour shortages by 2030. In the scenario 'the gloom and doom', this is limited to the construction sector in the north of Europe and retrofitting and reconstruction across Europe, while the new building construction sector is expected to experience surpluses. Agriculture is expected to experience labour shortages in a few scenarios and surpluses in others – or even the same scenarios when looking at different European regions. The Horeca and retail sectors feature as candidates for labour surpluses in a few scenarios. When looking at more 'abstract' sectors, those related to the twin transition (e.g. clean or renewable energy, green sectors, sectors related to climate adaptation or mitigation, sectors experiencing productivity growth due to digitalisation) and 'strategic sectors' (like pharmaceuticals or defence) are identified in several scenarios as likely to face labour shortages.

In line with the sectoral approach, from an **occupational perspective**, several scenarios hint towards IT professions, occupations related to science, technology, engineering and mathematics qualifications, and green jobs facing shortages by 2030. As regards low-skilled occupations, the expected demand strongly depends on the respective scenario. While some of the scenarios identify low-skilled occupations as candidates for labour surpluses (e.g. 'the gloom and doom', 'digitalisation at its worst', 'proactive and effective policies'), in others (e.g. 'low-skilled workers falling behind in an adaptive labour market', 'the EU looking for home and belonging', 'ongoing crisis: no satisfactory solution for the labour market'), low-skilled occupations are discussed as experiencing both shortages and surpluses, depending on the geographic area. Thereby, shortages might, for example, materialise in urban areas due to the developments in the housing market.

This also points towards the expected **regional impact** varying across scenarios. Rural areas are seen to experience labour shortages or surpluses, depending on the economic, labour market and societal developments (including, for example, climate migration). As a tendency, however, northern Europe might be more affected by labour shortages, and southern Europe by labour surpluses.

Table 1: Expected labour shortages and surpluses by 2030

SCENARIO	SHORTAGES	SURPLUSES
Low-skilled workers falling behind in an adaptive labour market	• construction, IT, care sectors • low-skilled occupations • rural areas, areas experiencing depopulation, areas suffering from climate change	• vulnerable workers (particularly low-skilled ones) in deserted areas
Mismatches and in-equalities in an active twin transition	• construction, IT, care, transport, agriculture, agri-foods, Horeca, pharmaceuticals, clean energy sectors	• Horeca, retail sectors
The EU looking for home and belonging	• construction, IT, care, transport, defence, renewable energy sectors • agriculture sector in the north and west of Europe • low-skilled occupations	• agriculture sector in the south of Europe • low-skilled workers in rural areas
The gloom and doom	• green sector • construction sector in the north of Europe and retrofitting and reconstruction across Europe • rural areas	• agriculture, Horeca, retail sectors in the south of Europe, new building construction sector • jobs affected by automation • low-skilled jobs
Stronger PES and EURES cooperation in an unpredictable environment	• care, construction sectors • sectors related to sustainable infrastructure, disaster management, climate-resilient technologies in regions actively investing in climate adaptation strategies • science, technology, engineering and mathematics qualifications	• customer service, transport, retail sectors
Labour market in times of crisis	• services sectors • sectors experiencing enhanced productivity growth due to technological change • high-skilled IT jobs, green jobs	• manufacturing sectors
Digitalisation at its worst	• low-skilled jobs in urban areas and affluent countries, high-skilled jobs in rural and less affluent areas • green skills in economically depressed areas	• low-skilled workers in rural areas and less affluent countries
Proactive and effective policies	• construction, real estate sectors • IT and green jobs	• low-skilled and routine jobs
Ongoing crises: no satisfactory solution for the labour market	• green sectors • IT jobs • essential workers in cities • high-skilled jobs • regions with limited economic opportunities	• agriculture, travel and on-site shopping sectors • coastal regions • low-skilled routine jobs

Source: Scenarios.

5.0 Expected impact on EURES services by 2030

The labour market imbalances arising from the varying economic and labour market developments show different effects on EURES services (see Table 2).

As regards **EURES user groups**, traditionally defined as jobseekers and employers, several of the scenarios identify an enhanced need to focus on vulnerable workers, including low-skilled and newly registered unemployed people, along with young people and students (hence, to address them even before the enter the labour market). Given the expected strong influence of the twin transition on future developments, workers affected by technological change also materialise as a workforce group to which EURES should pay more attention in the years to come. This does not only refer to those negatively affected by digitalisation (such as the ones being displaced by technology), but also to those positively affected (e.g. by the facilitation of cross-border job matching in technology- or climate-driven shortage occupations). In a few scenarios, mobile workers aiming to return to their country of origin also emerge as an increasingly important EURES user group. From an employer perspective, a number of scenarios pinpoint the need to explicitly address SMEs or specific sectors – notably growth sectors characterised by labour shortages (in terms of exploring and tackling their specific support needs).

Differentiating EURES services along their two broad strands, for **human network services**, several scenarios emphasise the enhanced need for targeted, tailored and personalised services. Identifying job opportunities and candidates, supporting the matching and recruitment activities and information provision are expected to remain the core focus of EURES Advisers. As regards the latter, however, the scope is expected to expand as future EURES users are likely to have increased needs for anticipatory labour market information for both employers and workers. From the perspective of individuals, across most scenarios it has been deemed likely that more details on living and working conditions and social aspects (e.g. related to moving with one's family, finding housing or education/training or

integrating into the host country's society) will be needed. In a variety of potential futures, it is expected that counselling related to work perspectives might be more and more digitalised (e.g. advice on how to draft a CV or a motivation letter could be covered by AI), suggesting that EURES Advisers should adapt and offer more advice related to the life perspective of mobile workers.

Some scenarios suggest a stronger focus on support to employers, such as by providing them with detailed information about available workers in other countries and their potential training needs to fully satisfy the employer's requirements, or to help them improve their vacancy notices to make them more informative and attractive for jobseekers from abroad. A few of the scenarios also discuss the expectation of EURES users' need for financial support, which, for example, could be satisfied through the Targeted Mobility Scheme [21].

To provide comprehensive EURES services, all scenarios conclude that the human network services should continue to be complemented by the functionalities of the **EURES portal** [22]. In several scenarios it is explicitly mentioned that it needs to be ensured that the portal is based on state-of-the-art contemporary technology and provides user-centric digital services that take into account the variety among EURES/portal users. That means a combination of, for example, digital and self-service tools for high-skilled users, and user-friendly and intuitive solutions for less digitally literate users should be provided.

Chatbots could be applied as a helpdesk function or in an advisory capacity. Several scenarios point towards the need to improve the posting of vacancy notices (e.g. accessibility, completeness, timeliness) and the information provision through the portal (notably by ensuring that access to information on the portal is barrier-free, easy to read and understand, e.g. by using simple texts), and the need to consider basing the job matching on a task- or skill-based mechanism. Additional portal functionalities which, for example, assist employers in translating skill needs into vacancy notices are encouraged in a few scenarios.

---

21 https://eures.europa.eu/eures-services/eures-targeted-mobility-scheme_en.

22 https://eures.europa.eu/index_en.

To further **improve the effectiveness** of EURES services, several scenarios pinpoint the need for an active outreach and communication strategy, targeted at the respective user groups. Next to increasing awareness of EURES services, EURES information campaigns could also be used to better promote the general benefits of intra-EU mobility for jobseekers and employers. Furthermore, a few scenarios suggest enhanced training of EURES Advisers on outreach to user groups, on new or enhanced service provision and on the field of digitalisation. Last but not least, stronger collaboration within the networks and with national authorities and social partners, private employment services and education providers is a common feature across the scenarios. Thereby, in a few cases, a regional approach is suggested, to take into account the regional/sectoral particularities of the labour market.

Table 2: Expected impact on EURES services by 2030

SCENARIO	USER GROUPS	HUMAN NETWORK SERVICES	EURES PORTAL	APPROACHES TO IMPROVE EFFECTIVENESS
Low-skilled workers falling behind in an adaptive labour market	• low-skilled and vulnerable workers • SMEs	• assisting jobseekers in the use of portal functionalities • provision of labour market intelligence, information on living and working conditions, training, administrative issues, taxation, social partner contact points	• state-of-the-art contemporary technology • user-centric approach, e.g. intuitive navigation, tutorial videos or manuals • digital and self-services for high-skilled workers • improved posting of vacancy notices	• outreach strategy targeted at low-skilled workers and SMEs • Advisers' training on outreach, targeted advice and advice topics • enhanced collaboration with social partners, education/training providers, business leaders
Mismatches and inequalities in an active twin transition	• SMEs • growth sectors with labour shortages	• extended support to employers, e.g. informing employers about available workers in other countries and their training needs • Targeted Mobility Scheme • provision of up-to-date information on labour shortages/surpluses	• task-based CVs and skill-based matching • digital and self-services for workers • chatbots for advisory services	• enhanced collaboration with social partners, private employment services, online job platforms
The EU looking for home and belonging	• low-skilled and vulnerable workers • SMEs, employers seeking low-skilled workers	• advice on social issues, housing, healthcare, upskilling opportunities, tax implications, social partner contact points • services to employers to enhance their understanding of their recruitment needs and improve vacancy notices • Targeted Mobility Scheme	• improved country information • task-based CVs and skill-based matching • AI-based tool for employers to translate skill needs into vacancy notices • user-centric approach, e.g. intuitive navigation, tutorial videos or manuals • links to suitable platforms for micro jobs	• social media presence at regional level • Advisers' training on advice topics • enhanced collaboration with regional authorities, public and private employment services, social partners
The gloom and doom	• newly registered jobseekers • young people • low-skilled workers	• post-recruitment services • information provision related to moving the family, housing, integration, administrative procedures, social partner contact points	• state-of-the-art contemporary technology • user-centric approach, e.g. intuitive navigation, tutorial videos or manuals • helpdesk chatbots • automated notifications of jobseekers on relevant vacancy notices	• outreach strategy targeted at EURES users, monitoring of communication activities • Advisers' training on the use of AI and machine-dominated self-service provision • enhanced collaboration within the EURES network and with social partners

SCENARIO	USER GROUPS	HUMAN NETWORK SERVICES	EURES PORTAL	APPROACHES TO IMPROVE EFFECTIVENESS
Stronger PES and EURES co-operation in an unpredictable environment		• personalised and tailored services • European (Online) Job Days with smaller group sessions and discussions	• information on working conditions • resource library with downloadable material, including link to skills assessment tools, learning opportunities, collective agreements • virtual reality solutions • improved posting of vacancy notices	• Advisers' training on targeted advice and advice topics • enhanced collaboration with public employment services, European networks
Labour market in times of crisis	• workers affected by digitalisation • newly registered jobseekers • young people • growth sectors	• practical support related to finding housing, language courses • holistic advice and support on a wide range of topics and issues • extended support to employers, e.g. informing employers about available workers in other countries and their training needs • Targeted Mobility Scheme	• task-based CVs and skill-based matching • improved posting of vacancy notices	• enhanced collaboration with European mobility services, private employment services
Digitalisation at its worst	• low-skilled workers • newly registered jobseekers • young people • self-employed people • SMEs seeking low-skilled workers • returnees	• provision of details on job opportunities, living and working conditions (including related to platform work) • advice on cultural differences • help with social integration	• information for returnees • links to suitable platforms for micro jobs • links to collective agreements • digital and self-services for workers • improved posting of vacancy notices	• outreach strategy targeted at vulnerable groups • Advisers' training on outreach, targeted advice and advice topics • enhanced collaboration with social partners, education/training providers, employers
Proactive and effective pol-icies	• workers affected by digitalisation • high-skilled workers • returnees • SMEs	• advice before and after returning to the country of origin • multilingual support	• updated and transparent details on living and working conditions • links to collective agreements • real-time communication tool • enhanced interconnections to Members' and Partners' platforms	• promotion of the benefits of EURES services, success stories • Advisers' training on the development and use of automated systems • enhanced collaboration with local and regional authorities, social partners, education/ training providers, European networks
Ongoing crises: no satisfactory solution for the labour market	• vulnerable workers	• supporting jobseekers to input the required accurate information in the CV or portal tools	• labour market anticipation instruments • task-based CVs and skill-based matching	• outreach strategy targeted at EURES users • enhanced collaboration with social partners, private employment services

Source: Scenarios.

6.0 Concluding remarks

While the nine scenarios developed to explore the potential future of labour market imbalances in Europe by 2030 and their impact on EURES services show a wide variety, a few common elements could be identified.

- In the years to come, the European economy and labour market are expected to be characterised by ongoing transformation, resulting in the need for flexibility and adaptation by all involved actors.
- Differences in the impact of developments by sector, occupation, region, employer and worker characteristics are to be expected.
- There seems to be a tendency to expect more negative effects for rural areas and regions in the south of Europe, and on more vulnerable workers and employers.
- Impacts are not only expected for the labour market, but also for the quality of life and social inequalities in Europe.
- The structural labour shortages observed in the last few years are expected to persist, and new shortages might arise in strategic sectors or sectors related to the twin transition. The north of Europe might be more affected by shortages than the south.
- Labour surpluses might arise particularly among low-skilled workers and those conducting routine tasks, hence likely to further deteriorate the labour market situation for vulnerable groups. Rural and deserted areas along with southern Europe might be more affected by labour surpluses than other regions.
- The expected economic and labour market developments, including forthcoming labour market imbalances, are expected to have implications for EURES services. EURES might require enhancing its focus on specific user groups, such as low-skilled or other vulnerable workers, young people, workers affected by technological change or people engaging in return mobility. As regards employers, the particular needs of SMEs or specific sectors might need to be considered.

- The scenarios hint towards the continued need to combine targeted, tailored and personalised on-site support with digital user-centric tools that are intuitive to use.
- The current orientation of EURES services on matching and recruitment support and information provision will likely remain important in the future. However, some adaptations might need to be considered, such as identifying job opportunities and candidates on a skills-and-task basis or extending the information provision to social aspects and improved labour market intelligence.
- Active outreach and communication, enhanced networking and a more regionalised approach might be required to improve awareness of EURES services and their effectiveness.

As a final remark, it is to be reiterated that as for any strategic foresight exercise, no prediction can be made about which of the developed scenarios is more likely to materialise than others. Decision makers are encouraged to consider the scenarios as inspiration when designing their interventions and activities and think about what could be done to realise a future that is deemed positive rather than negative.

facebook.com/europeanlabourauthority

instagram.com/eulabourauthority

ela.europa.eu

ELA

EUROPEAN LABOUR AUTHORITY

Subscribe to our newsletter

x.com/EU_ELA

youtube.com/@EULabourAuthority

facebook.com/europeanlabourauthority

linkedin.com/company/
european-labour-authority/

instagram.com/eulabourauthority

ela.europa.eu