



# EMPLOYERS' CONFEDERATION OF LATVIA

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Employers' Confederation of Latvia



# CASE OF LATVIA/ ITC LABOUR MARKET

1. Since the end of 2008 reduced demand for labour, increased unemployment and decreased the number of jobs available.
2. Economic recovery demands additional staff, but it is likely that the demand for workers in sectors will be differ.
3. For example, one of the largest European Office solutions company "Regus" considers that labour mobility and mobility of workers will be more important rather than working on one site in the Baltic Bountries. (Nordic and Baltic Regional Director Michael Astrup),
4. Still ITC industry of Latvia and Estonia need ITC professionals already. "CV Online" publishes considerable amount of vacancies in IT industry-related jobs.
5. Data of Latvian Information and Communication Technology Association shows that the ICT sector has up to 17.9 thousand employees per 2 million inhabitants. Finland with 5.4 million people in the ITC industry employs more than 100 thousand of which only 10% are associated with "Nokia".
6. We have to consider the lack of young people who choose to study in a specialty necessary for the employers. In addition, the lack of ITC professionals is faced all over Europe. The trend of shrinking number of students willing to study technologies is visible. However, 18% of young people study technologies in Europe while only 5% in Latvia.



# BALTIC SEA REGION STATES STATUS QUO

1. Unemployment levels and demand for qualified workers are both high;
2. Labour supply decreases. The rapid decline of employment could endanger both the macroeconomic stability and decrease the productivity;
3. Competition for labour increased, and between economic sectors within the country and abroad.
4. The current administrative framework for mobility does not conform to the market situation, creating macro-economic risks (e.g., price stability).
5. Stable and sustainable economic development requires a selective mobility approaches. Long-term policies must be based on skill and talents rather than low-skilled labour.
6. The optimal mechanism for regulating mobility is a minimum salary threshold modification (incl. health & safety requirements, social security, health care).

# FACILITATION OF CROSS-BORDER MOBILITY

- Barriers that restrict cross-border labour market mobility: language skills, access to information on the recruitment process, legislation, taxation, labour market conditions, recognition of qualification between the countries.
- Necessity to identify variety of unrelated sources, to ensure the necessary coordination between the labour market regulatory bodies, as well as to provide information on educational opportunities and qualifications of certain professions.
- Information for employers, because the companies also face difficulties to find information about qualifications and labour supply. Potential employers should be aware of the labour qualifications. It is difficult to find general rules on recognition of qualifications abroad.
- Necessity to provide addition to information for employees on the national system of qualifications and conditions, as well as for its content.

# WHAT SHOULD WE DO?

Let's follow observers of migratory birds:

- Track local knowledge
- Forecast global trends
- Watch the habits of employees
- Secure the nests of employers
- Exchange observations
- Apply intelligence in policy development and implementation





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