

A more agile, high skilled and professional labour market

PROF ROSE MARIE AZZOPARDI

Highlights from the final report

- ❖ Changes on the local and global scenes
- ❖ Evolution of labour structures and attitudes towards work
- ❖ Technology, automation and skills
- ❖ Managerial transformations
- ❖ Breaking career stereotypes
- ❖ Malta's labour market: transformations, skills shortages, and productivity
- ❖ Gauging the needs of the market
- ❖ Policy implications and recommendations

Research method



- Desk research on recent reports, studies, conferences and articles in renowned journals.
- Interviews were held online with several international organisations, such as the International Labour Organisation, CEDEFOP, Jobs and Skills Australia (JSA), other national skills organizations, and experts from the labour market field, including academics and practitioners.
- Other entities such as the Directorate General for Employment, Social Affairs and Inclusion, and Skills England were contacted via email.
- In total 22 interviews were held.

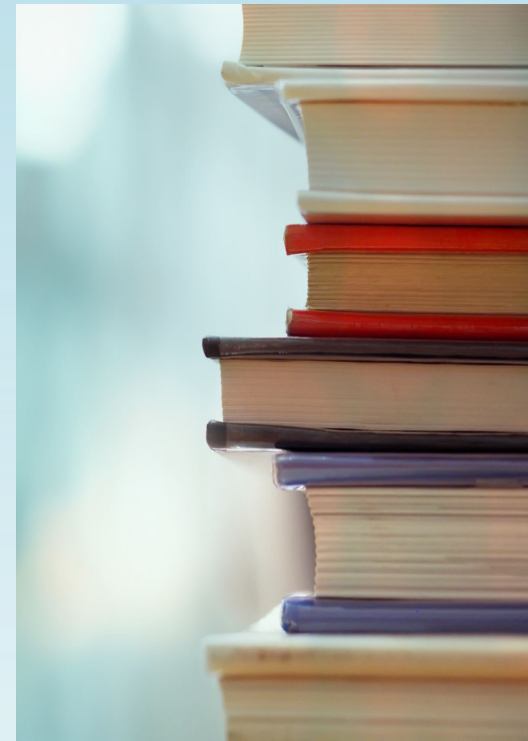
Six main questions

1. What changes do you anticipate in the labour market of the future and why?
2. How are these changes going to impact future skills needed?
3. What do you consider the top skills needed for future jobs?
4. What impact is this likely to have on education?
5. Whose responsibility is it to upskill and reskill?
6. What are the ethical and societal implications in a labour market which includes AI, robots, machine learning, with some of these taking over certain current jobs?



Malta figures

- According to the 2021 Census Final Report (Volume 3), there were over **20,000 illiterate persons** in Malta, including 519 young individuals aged 10-19, and 632 youths aged 20-29.
- Eurostat data puts the figure of early school leavers at **9.6%** in 2024.
- Adult learning (18-69), 11.6% engaged in formal education. Only **5.74% of 25-54** engaged in formal learning. Over 55 years unlikely to engage in further training.
- Non-formal education higher at 41.6% but no certification to use in the labour market





Changes in the Maltese labour market

- Increase in **quantity** from 149,859 (Sept. 2011) to 337,234 (Sept. 2025).
- Yet National Skills Survey shows significant skills mismatches, which impacts on productivity and thus **quality** concerns. Survey showed only **16.3%** of workers are working at the level and field of studies commiserate with the job.
- Across the OECD countries **skills mismatches** are about a third compared to **83.7%** in Malta.

CEDEFOP – OVATE – Online vacancy analysis tool for Europe - Q3 24 to Q2 25 – (Q4 23 to Q3 24)

- **Most requested skills in Malta– ESCO level 3 classification**
- Demonstrating willingness to learn 75.4% – (68.9)
- Collaborating in teams and networks 72.5% – (62.7)
- Personal skills and development 66.3% – (60.4)
- Taking a proactive approach 58.5% - (50)
- Accessing and analysing digital data 54.1% – (48.5)
- Using digital tools for collaboration and productivity 53.7% - (48.1)

Sectors (through adverts analysis)

Needing employees in past year

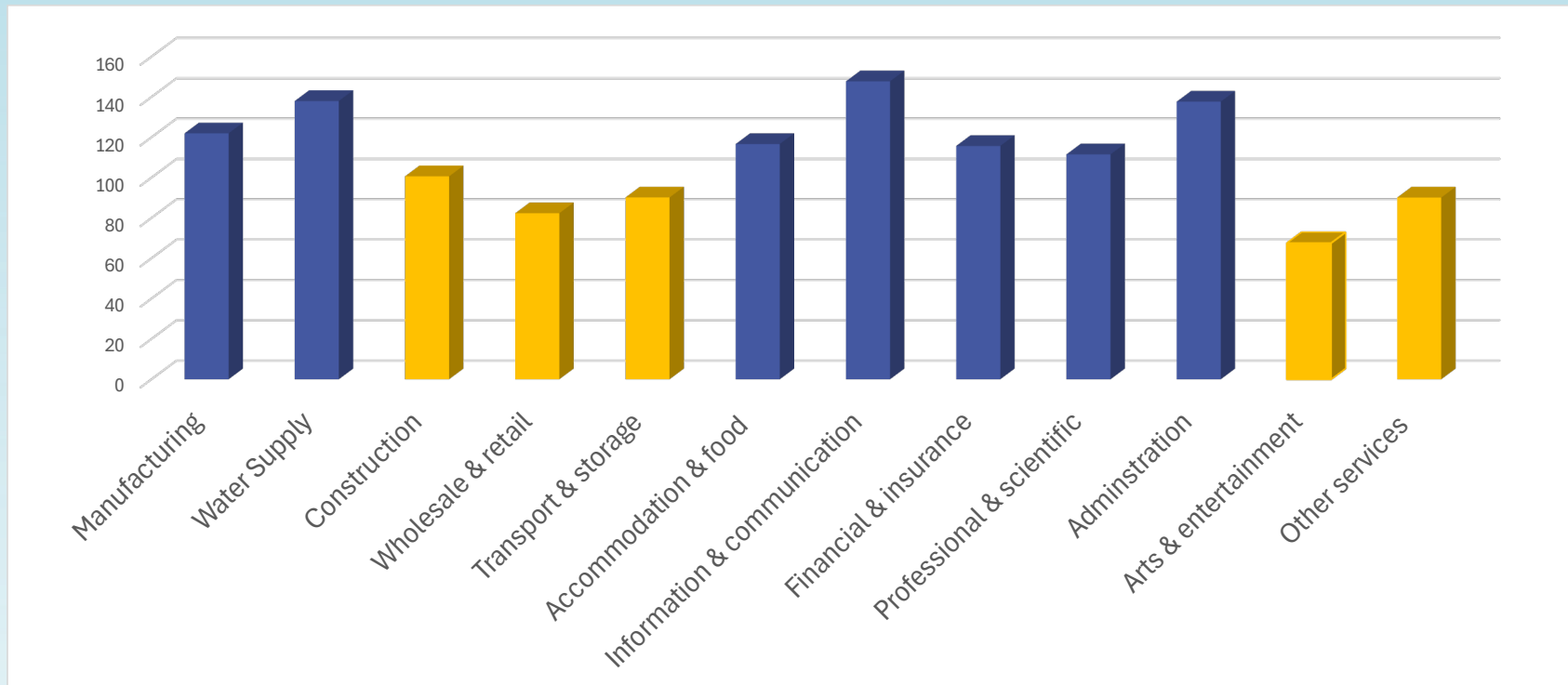
- Admin and support services (17.6%)
- Consultancy, marketing, accounting and legal services (16%)
- Financial and insurance (11.5%)
- Manufacturing (11.2%)
- Information and communication (7.9%)

Employment change until 2035

- (In absolute numbers)
- Human health
- Retail trade
- Education
- Wholesale trade
- Residential care

Real productivity per person in Malta (2024)

2015 = 100



Changes in employment structures and attitudes to work

- 8-5 jobs
- Remote work (research shows it has not decreased productivity but in some cases actually increased it)
- Gig economy – freelancing, freedom, choice, insecurity and volatility – also more income is possible
- Platform work (legal lacunae still in place) – exploitation and low income
- Hybrid model
- Flexibility in terms of time and environments
- More autonomy on the job; more emphasis on well-being, mental health and rationale for working; not just salaries but other conditions.

Generational attitudes to work and *stereotypes*

- Baby boomers (1946 – 1965) quantity and willing to work hard, work ethic. *But they resisted change*
- Gen X (1966 -1980) saw significant changes in technology, computing, internet, and adapted. *But seen as apathetic and cynical.*
- Millennials (1981 – 1996) saw advances in communications and telephony, became more tech savvy. *But job hoppers and feeling entitled.*
- Gen Z (1997 – 2012) different attitudes to life, work and leisure. They also know their skills have a shorter shelf-life. *But seen as more difficult to work with.*

Gen Zers

- More agile mindset, curious, sometimes easily bored, need to be kept interested
- Core values challenging perspectives on life and work
- Adaptive skills, knowledge of ever-changing technologies, so able to find solutions quicker and easier, their whole lives have been immersed in technology.
- They appreciate, feedback, seek mentorship, and crave a sense of community in the workplace, while wanting autonomy over their workday.
- Willing to keep on learning, and to be innovative and curious.

Job security

- Not related to the employer but rather to remain relevant in the labour market.
- Skills not job titles create this new type of job security.
- So traditional loyalty issues are changing
- To be treated as human beings not workers.
- If employers do not understand this, they will see more burnouts, disengagement and expensive labour turnover.

Human and AI interaction depend on:

- Uptake of technology
- How skills develop
- How humans adapt to a changing labour market environment
- Hurdles being faced by both companies and workers (legally, financially, capabilities)
- Government policies
- Economic directions
- Demands from consumers and clients
- Degree of competitiveness in the market and trading partners

Managerial Transformations and Careers

- Non-linear career path (Jobs and Skills Australia allows one to gauge transversal skills in changing careers) – some simultaneously via the gig economy.
- Recruitment changing from degrees to skills – time, shortages, technology, demand for adaptable and job-ready professionals.
- Quicker learning needed: online courses and certificates from platforms (LinkedIn learning, Google and Coursera, micro-credentials and digital badges). Testing skills as part of recruitment. In house training, boot-camps.
- Degrees signal levels of understanding, but not capability of transversal skills.

Gauging the needs of the labour market through national skills entities

- Skills England – Occupations in Demand Index (7 indicators)
 - Four strata of skills levels (based on educational level needed for different jobs)
- Jobs and Skills Australia – Victoria University employment forecasting model
 - Projections available by industry, occupation, skill level and state/territory
 - Estimates on 355 occupations across 88 regions on a monthly basis
- Requires access to a plethora of updated and flowing administrative data

17 Recommendations

- Quality vs quantity
- Information is power
- Labour law amendments
- Certification, micro-credentials and digital badges
- Transversal or transferable skills
- Upskilling and reskilling
- Trade and craft-related skills
- Life and work balance
- Encouraging entrepreneurship
- Innovation ecosystem for economic growth

Recommendations (contd.)

11. Millennials and Gen Zers

12. Mental health and well-being

13. Shorter working week experimentation

14. An employee value proposition

15. Aligning education and the labour market

16. Career guidance: not job-related but skills-related

17. AI-induced transformation

Thank you