



# Demographic Changes in the Woodworking Industry

# Introduction

The woodworking industry is a major employer in many of the Member States of the European Union. It provides jobs to about 2.3 million people in the EU28.

The companies within the woodworking industry are mostly small and medium-sized enterprises, with only a few large groups. The total number of companies in the EU27 is estimated at 380.000 (including the furniture industry).

The woodworking industry, being an important employer in the European Union, faces an enormous challenge in these difficult times of economic crisis.



Despite an unemployment rate that has never been higher in the EU (10.6% in September 2012), the woodworking industries have difficulties of finding skilled workers and attract them to work in a woodworking company.

When looking a bit deeper in the topic, there are two separate issues that can be distinguished.

First of all, the woodworking industries experience that the sector is not seen as an attractive sector. This was confirmed by a study carried out by the European Commission in 2002 already (Perception of the wood-based industries - Qualitative study).

The social partners, both at European and national level, have worked extensively to improve the working conditions through projects like 'Reducing the Exposure to Formaldehyde in the woodworking industries' and 'Less Dust'. EFBWW and CEi-Bois continue to develop, in the framework of the social dialogue, practical solutions for tackling the challenges relate to working in the woodworking sector.

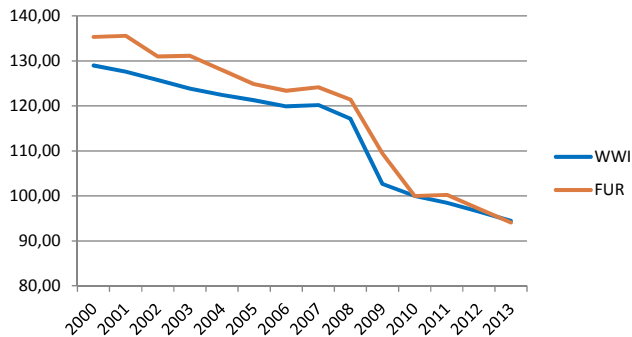
The second aspect related to the demographic changes is that the woodworking industry is being faced with a relatively 'old' work force. Over the coming years, many workers will reach the retirement age and will leave the sector.

Both aspects are very high on the agenda of the social partners of the woodworking industry and play a prominent role on the work programme of the Sectoral Social Dialogue.

More information on the issue of demographic changes in the woodworking sector can be found on the dedicated website:  
[www.demographicchangesinwwi.eu](http://www.demographicchangesinwwi.eu)

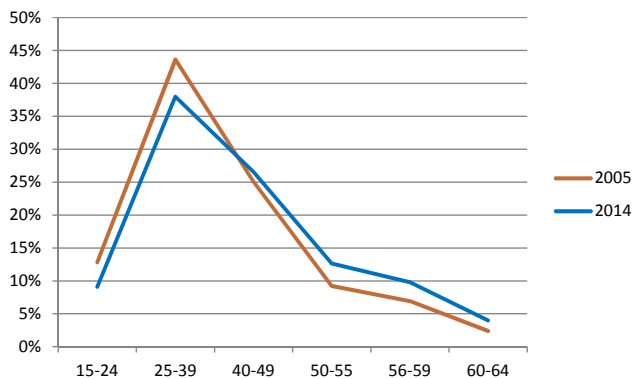
# Statistics

In 2013 the woodworking and furniture industry employed about 2.25 million workers in the EU 28. Over the last couple of years, the sector has been losing employment (-20% compared to 2008). Notwithstanding this important decrease the woodworking and furniture industry remains an important employer in the EU, especially in rural areas as the sector is the EU's fifth largest manufacturing industry.



Source: Eurostat data – own calculations

The ageing of the European population is having a clear effect on the demographic situation of the employment in both the woodworking and furniture industry. In 2014 38% of the employees are between 25 and 39 while this was still 45% in 2005. When in 2005 only 9% of the workforce is older than 55, this has increased to almost 15% in 2014.



Source: Eurostat data – own calculations

# Attracting young workers

Despite everything the EU and its member countries are doing, employment prospects for young people in the EU are bleak.

More than 5.5 million young people are unemployed in the EU28. In 2013, 13% young people between 15 and 24 are neither working, nor in education or training. This represents an increase of 2.1% compared to 2007. When looking at youngsters in the age-group 25 to 29, the percentage is even higher: 20.9% are not in employment and not in any education and training

Although the unemployment figures are very high, there are over 2 million unfilled vacancies in the EU. One of the reasons is that there are significant skills mismatches on Europe's labour market.

In addition, the woodworking industry continues to suffer from a negative image, which affects its attractiveness and which, to some extent, explains the difficulties in hiring and retaining young people in many Member States. In the light of the ageing population, the competition between industries for young skilled and qualified workers will increase.

## UK: Wow I made that

The 'Wow I made that' campaign aims to provide information, advice and guidance to young people interested in a woodworking career in the joinery industry.

Wow I Made That! The home of apprenticeship, careers and training opportunities information for those looking to enter the woodworking manufacturing industry.

You'll find some useful information about types of job roles available, how you can move up the ladder and some guidance on how you get into those roles. There's also lots of videos of apprentices already in the industry talking about why they love the industry and the exciting projects they get to work on.

[www.wowimadethat.co.uk](http://www.wowimadethat.co.uk)



## FINLAND: Koskisen Academy

Koskisen, known for its apprenticeship training programmes, has launched its Koskisen Academy project, which aims to hire 20 young adults to complete a qualification through an apprenticeship.

The programme began in spring 2014 and is carried out under a so-called Youth Guarantee in co-operation with AEL, Finland's leading human resource development partner and provider of technical training. The Finnish Youth Guarantee extends to individuals under the age of 30 who have not yet completed a qualification.

The three-year-long programme results in a process industry further qualification either in the sawmilling or plywood industry. The Koskisen Group offers interesting and challenging jobs at its mills, paid apprenticeships and the possibility of employment after the training programmes. The current mill working environment in the timber trade demands knowledge of automation and a good understanding of wood products from the customer's perspective.

## SWEDEN: Teknikcollege

The problem finding skilled workers has led to a pan industry initiative to increase the collaboration with working life and the quality of the education and vocational training called "Teknikcollege". The aim is all upper secondary and vocational tertiary studies in the technical sector.

Teknikcollege is a model of competence centers where municipalities, providers of education and companies work together with a common aim to increase the attraction and quality of technology-oriented courses for the need of industry. For the woodworking sector, positive effects are being noticed in Falköping and a process is going on in the area of Skellefteå in the north of Sweden.

The small municipality of Norsjö in the north of Sweden have a lot of woodworking companies. In the mid-1990s the companies in Norsjö met a shortage of skilled workers. Most young people moved to bigger cities and the mining industry attracted a majority of their traditional recruitment base. To change the situation the companies together with the municipality created a vocational training following the set of rules for upper secondary vocational training but with a large proportion of on the job training. This has been successful for many years.

## ITALY: TINO SANA GROUP

The TinoSana Group, based in Bergamo, set up a didactic woodworking laboratory located inside the main plant. The laboratory can be used by Vocational Education & Training students (future machine operators) for their learning activities and practical training. Thanks to this facility the student have the possibility to get to know the factory activities from the inside, even before starting the job. In addition, the presence of students inside the plant allows for a easier transfer of skills between current employees and students.

In 1987 the company created "Tino Sana Museum of carpentry Foundation". The museum provides for a school room for design and woodworking practical lessons, freely usable by school classes of the area (even though not necessarily VET schools) at all levels (elementary, middle and higher schools). It also hosts a conference room for cultural activities aimed at promoting the general attractiveness of the sector towards a wide audience, which include pupils in the scholar age.

## BELGIUM: Deductions on social security contributions for employing workers younger than 26

The Belgian social security system is based on the payment of social contributions on the income from work. These social contributions paid by the employer and employee, serve to finance the social security system.

In order to reduce salary costs for employers, legislators have taken a number of measures since the mid-1980s to reduce employer contributions.

Target group reductions are quarterly lump sum reductions of the social security contributions by employers. They stimulate hirings for certain target groups of employees (such as younger employees with a low level of education, jobseekers, ..) since they make hiring cheaper or because they are aimed directly at to certain employers (such as the reduction for first hirings).

The target group reductions for young and lower educated employees consist in a quarterly reduction of the social security contributions depending on the age of the employee and the educational level.

# Older workers

Increasing employment levels and prolonging people's working lives have been important objectives of national and European policies since the late 1990s. The EU28 employment rate for people aged 55–64 rose from 36.9% in 2000 to 51.1% in the first quarter of 2014.

However, this is still far below the general employment rate of the age group 20–64, which was 69% in 2009. The EU28 average exit age from the labour market also increased steadily, from 59.9 in 2001 to 61.5 years in 2012. In 2010, the EU adopted the Europe 2020 Strategy where it aimed to increase the employment rate of the population aged 20–64 to 75%. For this to happen, European citizens will have to work longer.

Pension reforms have been introduced recently in many EU countries. But to prevent a situation where raising the retirement age leads to an increased incidence of early retirement and claims for disability pensions, measures also need to be taken at the workplace to support the changes in pension systems and to enable and encourage people to continue working until the retirement age. These measures include improvement of working conditions, better age management, and promotion of work ability over the person's entire working life.

Prevention of workplace accidents, work-related symptoms and diseases in all age groups should be a high priority. To help workers who already have health problems or chronic diseases to stay in work, the key is the adjustment of the work to their health condition and abilities. The rehabilitation and reintegration of workers excluded from the workplace for a long period because of an accident at work, occupational illness or disability, also needs to be improved.



## NETHERLANDS: Age-conscious personnel policy integrated in collective bargaining

Already in 2009 the Dutch social partners came to the joint conclusion that with a rapid ageing workforce, on one hand and a diminished influx of young people and/or outflow of younger people due to closure of companies due to the economic crisis, there were several challenges to be met.

In each collective bargaining agreement measures were taken to adapt working conditions, expand learning and training capacities of workers and enhance the overall wellbeing on the work floor. A good human resource management is essential.

In many of the collective agreements there are special arrangements for the elderly workers such as more paid holidays (ranging from 2 till 13), no compulsory overtime (as of the age of 55), no obligation to work in shifts) and in some agreements they have possibility to exchange their holidays and working time reduction hours for a work week of 4 days.

## DENMARK: The participatory approach

Both aspects, keeping people healthy at work and attracting the young generation are in focus of the social partners. In general, the level of participation and the influence of workers and their representatives, including trade unions, in determine company policies are on a high level. Therefore, a participatory approach is also the characteristic element of the Danish approach.

Focus is on prevention to avoid situations where early retirement is needed especially do to arduous work. More focus on prevention, working methods and the organization of work, not only for older workers but for all workers to secure a long secure and healthy work life.

At the same time, this will make it more attractive for young or new workers to want job in the sector/workplace.

## BELGIUM: Sustainable careers

In Belgium, the debate on 'retirement' and 'end of career' is ongoing. all social partners recognize the need to reorganize retirement regulations in view of the ageing of the population and to keep the system affordable.

The social partners introduced the concept of 'sustainable careers': many initiatives are already in place, like 'landingsbanen' (time credit system for employees as from the age of 55: reduction of the working hours with ½ or 1/5th until the pension age), "Ervaringsfonds" which is a fund that pays subsidies to companies who file a project to improve the working conditions of the employees as from the age of 45. next to that there are also deductions on social security contributions for the employment of employees as from the age of 54.

Some sectoral initiatives have also been launched: social partners organize courses for older employees on how to train the 'newcomers'. In addition, the social partners have agreed on sectoral organised outplacement for employees older than the age of 40 and with an seniority of 5 years at least, in case of dismissal: training sessions to support the employees to find a new job opportunity are made possible.





Project carried out with the  
financial support of the  
European Commission

## Contact

### EFBWW-FETBB

European Federation  
of Building  
and Woodworkers



Rue de l'hôpital 31/1  
B - 1000 Bruxelles  
Tel: +32 2 227 10 40

Fax: +32 2 219 82 28  
E-mail: [info@efbh.be](mailto:info@efbh.be)  
Web: [www.efbww.org](http://www.efbww.org)

### CEI-Bois



Rue Montoyer 24/20  
B-1000 Brussels  
Tel: +32 2 556 25 85

Fax: +32 2 287 08 75  
E-mail: [info@cei-bois.org](mailto:info@cei-bois.org)  
Web: [www.cei-bois.org](http://www.cei-bois.org)