

METHODOLOGIES TO PRIORITIZE

The methodology used by Le FOREM to identify the sectors with high job potential

Concerning priorities in the region of Liège, we choosed to focus on an analysis of the FOREM in Liège called "socio-economical state of play in the region of Liège", which presents the methodology used to identify the sectors with high job potential in the region.

Le FOREM analyses the situation as follows:

- 1° FOREM looks at the **distribution of jobs among economic sectors**, how this distribution has evolved over the last 3 years and compares the situation in Liège to the state of play in the region of Wallonie
- 2° FOREM then works out a **specialized index**: the share of a sector in the number of jobs in Liège divided by the share of the same sector in the whole of the Region of Wallonie. This index gives an idea about the sub-regional sectoral specificity of Liège in comparison with the global situation of the region.
- 3° Finally, bringing together the share of a sector in the number of jobs in 2002, the trend in this sector from 1999 to 2002 (in %) and the specialized index, allows us to identify the **high potential sectors in job creation**.

The results for Liège are the following:

The distribution of jobs among sectors shows the important role of the service sector:

- "wholesales and retailing" comes first (34% of jobs)
- trade and real estate represent 2/3 of the sector
- the public sector represents 25% (administration and education)
- the non-sales service sector presents the highest growth (18% of jobs)
- the secondary sector represents 23%

The **sectorial evolution of employment between 1999 and 2002** shows positive developments in wood industry, chemical industry and in production of non-metal mineral products.

The industrial sector showed a minimal increase (+ 1,6%) but this will have to be reassessed when taking into account the closing down of the ARCELOR sites.

Other sectors were encountering a net decrease: extraction, caoutchouc industry, plastic industry, textile and card board industry.

Developments in the DR of Liège are comparable to those in the Region of Wallonie, except for the wood industry.

But in many sectors, the reduction of jobs is much higher in the DR of Liege.

As far as the **specialisation index** is concerned; in 2002, the DR Liège can be seen as particularly specialized in the following sectors :

- metal industry
- medical precision instruments
- optics and watch making
- electricity, gas and water

Concerning **sectors with high job potential**, metal industry, real estate, transport , hotel and catering are amongst the sectors which best meet the 3 criteria. Followed by construction and health.

The closure of the hot rolling plant of ARCELOR may change the position of the metal industry in this list.