



# Forecasting skill supply and demand in Europe

## SKILLSNET TECHNICAL WORKSHOP

**9-10 June 2009, Thessaloniki, Greece**

Cedefop continues its forecasting activities with a new project entitled *Forecasting skill supply and demand in Europe*. The project is focussing on the anticipation of the demand for and supply of skills at a pan-European level, using quantitative methods.

The research team is led by the Warwick Institute for Employment Research, and includes also Cambridge Econometrics (both from the UK), Alphametrics (Belgium), the Research Centre for Education and the Labour Market ROA (Netherlands), as well as a number of other experts, including EPC (from the Czech Republic). This is all taking place within the wider framework of Cedefop's international network on early identification of skill needs '*Skillsnet*' ([www.cedefop.europa.eu/skillsnet](http://www.cedefop.europa.eu/skillsnet)).

## General information

**Workshop venue** Cedefop, Thessaloniki, Greece

### Organisers

- ⇒ European Centre for the Development of Vocational Training (Cedefop), Greece;
- ⇒ Institute for Employment Research (IER), University of Warwick, United Kingdom;
- ⇒ Alphametrics (AM), Belgium
- ⇒ Cambridge Econometrics (CE), United Kingdom;
- ⇒ Research Centre for Education and the Labour Market (ROA), Maastricht University, the Netherlands.

**No of participants** Max. 40

**Participants' profile** Experts in statistics on skill demands and supply, including: drivers of the changing pattern of demand for occupations and qualifications; demographic developments and labour supply projections; and statistics on labour demand, occupations, qualifications, education (participation, graduation, flows, and transition from education to the labour market)

**Working language** English

## Background to the workshop

In October 2005, Skillsnet/Cedefop organised an expert workshop in Cyprus, to explore the feasibility of a pan-European skill needs forecasting approach. A decision was taken to proceed along two main paths:

- ⇒ in the short term to explore the development of a pan-European forecasting framework, using data available for all Member States and common models and methods;
- ⇒ in the longer term to involve all European countries with the aim of harmonising and matching sources and methods used at individual country level, creating a new core forecasting system for use by all European countries.

Following this decision Cedefop launched a pilot project on developing **Medium-term forecasts of occupational skill needs in Europe**, focusing on the demand side. A research team comprising IER, ROA and CE was entrusted to carry out this work. Preliminary results demonstrating the feasibility of producing a regular and consistent set of pan-European projections were published at Cedefop's Agora conference "Skills for Europe's future" which took place in Thessaloniki in February 2008. This was complemented in 2008 by a second study undertaken by the same team, entitled **Medium-term forecast of skills supply in Europe**. The main objective of this project was to develop data sources, models and methods for conducting forecasts of the supply of skills at a pan-European level, based on available data, and to begin to explore how these compared with the previous demand projections. The results of this project will be announced at Cedefop's June 2009 Agora event "Matching skills and jobs: anticipating needs in challenging times".

The new project is intended to build on these foundations and to develop a robust system for projecting both skills demand and supply at a pan-European level and to explore the implications of these for skill imbalances and mismatches.

## Workshop rationale and objectives

This workshop aims to take the process described above a further step forward, focusing on further development and first update of both skill supply and demand projections. The project is still at an early stage, and the workshop will provide an opportunity for *Skillsnet* members to hear about work planned and to help shape future priorities.

The workshop will:

- present an overview of the work planned for the project, focusing primarily on task to be done in 1<sup>st</sup> year, but also sketching out the overall plans for another 3 years;
- focus on the general approach and include details of the methodologies to be used (the 1<sup>st</sup> year will involve a reassessment of the basic data as well as updates of the main demand, supply projections and their implications for imbalances and mismatches);
- provide opportunities to discuss and verify with Member States questions relating to data quality and related matters;
- allow detailed discussion about the methodologies for modelling and projecting demand and supply, as well as the balances between the two;
- provide opportunities to consider some alternative approaches to anticipation, including comparisons with the results from the DG Employment Sectoral Scenarios.

## Draft agenda

| <b>Tuesday, 9<sup>th</sup> June 2009</b> |  |
|--|--|
| 09.30-10.00                              | <b>Registration of participants</b>  |
|  | <i>Chairperson: Alena Zukersteinova (Cedefop)</i>  |
| 10.00-10.20                              | <b>Welcome and introduction to the workshop</b><br><i>Alena Zukersteinova (Cedefop)</i>  |
| 10.20-11.00                              | <b>Forecasting skill supply and demand in Europe: An overview of the approach to the requirements of the new 4 years project</b><br><i>Rob Wilson (IER)</i>  |
| 11.00-11.30                              | <i>Tea/Coffee break</i>  |
|  | <i>Chairperson: Peter Szovics (Cedefop)</i>  |
| 11.30-12.30                              | Roundtable discussion:<br><b>A major reassessment of the main data sets used for modelling skill demand and supply at a pan-European level</b><br>Introduction by <i>Terry Ward (Alphametrics)</i>       |
| 12.30-13.30                              | Roundtable discussion:<br><b>Macroeconomic scenarios for skill demand and supply projections, including dealing with the recession</b><br>Introduction by <i>Hector Pollitt (Cambridge econometrics)</i> |
| 13.30-15.00                              | <i>Lunch</i>   |
|  | <i>Chairperson: Ben Kriechel (ROA)</i>   |
| 15.00-16.00                              | Roundtable discussion:<br><b>Approaches to modelling the supply of skills</b><br>Introduction by <i>Ilias Livanos and Rob Wilson (IER)</i>   |
| 16.00-16.30                              | <i>Tea/Coffee break</i>  |
|  | <i>Chairperson: Ben Gardiner (CE)</i>  |
| 16.30-17.30                              | Roundtable discussion:<br><b>Approaches to modelling demand, including replacement</b><br>Introduction by <i>Ilias Livanos (IER) and Ben Kriechel (ROA)</i>  |
| 20.00                                    | <i>Dinner</i>  |

## Wednesday 10<sup>th</sup> June 2009

|             |   |
|-------------|---|
| 09.30-10.30 | Chairperson: <i>Rob Wilson</i> (IER)  |
|             | Roundtable discussion:<br><b>Implications for future labour market imbalances</b><br>Introduction by <i>Ben Kriechel</i> (ROA)  |
| 10.30-11.30 | Roundtable discussion:<br><b>Alternative approaches and developments</b><br>Introduction by <i>Jan Koucký</i> (EPC) and <i>Unnada Chewpreecha</i> (CE) covering : <ul style="list-style-type: none"><li>• Aspects of the analyses of social and economic determinants of changing skill structure; International comparisons of changing skill structures and projections; or Implications for generic skills and disciplines; and</li><li>• Improving the links between skills and technological progress;</li></ul> |
| 11.30-12.00 | <i>Tea/Coffee break</i>   |
|             | Chairperson: <i>Alena Zukersteinova</i> (Cedefop)   |
| 12.00-13.00 | Roundtable discussion:<br><b>Further contributions from individual country experts and lessons learned</b><br>Introduction by <i>Rob Wilson</i> (IER)   |
| 13.00-13.30 | <b>The way forward</b><br><i>Alena Zukersteinova</i> (Cedefop)<br>Discussion  |
| 13.30       | <i>End of the workshop</i>  |

## Contact details

### Cedefop/Skillsnet

Alena Zukersteinova, Peter Szovics, Torsten Dunkel, Roula Panagiotou  
European Centre for the Development of Vocational Training (Cedefop)  
PO Box 22427, GR-55102 Thessaloniki, Greece  
Tel: +(30) 2310 490 /103/097/251/078  
fax: +(30) 2310 490 117  
E-mail: [skillsnet-team@cedefop.europa.eu](mailto:skillsnet-team@cedefop.europa.eu)  
Cedefop homepage: [www.cedefop.europa.eu](http://www.cedefop.europa.eu)  
Skillsnet website: [www.cedefop.europa.eu/skillsnet](http://www.cedefop.europa.eu/skillsnet)