

Guide on foresights and forecasts

Workshop: Guides to skills anticipation and matching

Cedefop-ILO-ETF expert seminar

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Guide on foresights and forecasts

Part I: Foresight

Martin Bakule (NTF)

Part II: Forecasts

Ben Kriechel (Economix)

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Why forecasting?

- Understanding complex developments developing 'views of a likely future'.
- Informing the actors – giving the insights as a public good
- Forecasting is not 'exact predictions', rather developments can be sketched, and early warnings given.
- Actors are likely to react upon problems identified by the forecast.

Type of forecasts

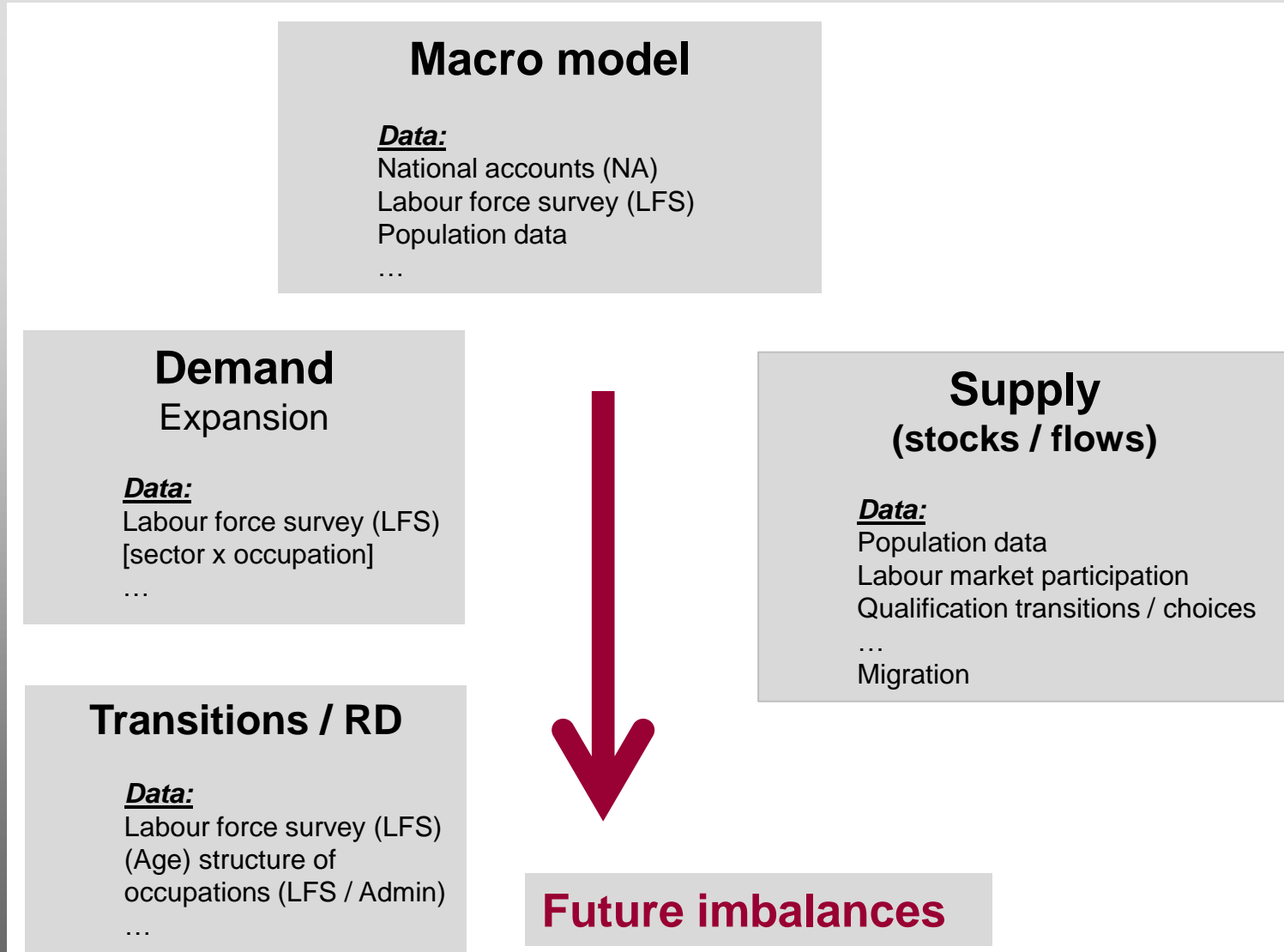
We are interested here in labour market forecasting to identify the most likely trends in the economic and labour market development

- People employed / working by
 - sector;
 - occupation;
 - qualification;
 - skills.
- What is the approach used for?
- Which data is available / has to be collected?

Tools and models of skills forecasting

- Expert evaluation
- Structural models (CGE)
- Macro – models
- Combinations

A generic quantitative skill forecasting model



Macro models

- Large-scale macro models:
 - E3ME (EU)
 - Athena (NL)
 - HERMIN (several countries)
- I-O Models of employment change
 - no feedback dynamics

Skills demand

- **Occupations shares**
Estimating the relation between demand by sector and demand by occupation.
- **Replacement demand**
Estimating the transition (net outflow) of workers out of occupations.

Skills supply

- Supply models
 - Stocks of qualification (Cedefop)
 - Flow models of entry (e.g. NL)

How to choose what to do ...

There is no one size fits all solution.

One has to consider:

- Goals
- Resources available
- Data availability

Views on the future

- Grounded in history (evolution)
- ‘This time is different’: paradigm shifts

Our guide

- **Discussion of current practice and insights**
- **Data considerations**
- **Modelling approaches**
 - **Macro model (e.g. E3ME, Hermin, I-O Models)**
 - **Occupation shares**
 - **Replacement / Transitions**
 - **Supply**
- **Specific issues**
- **Examples**

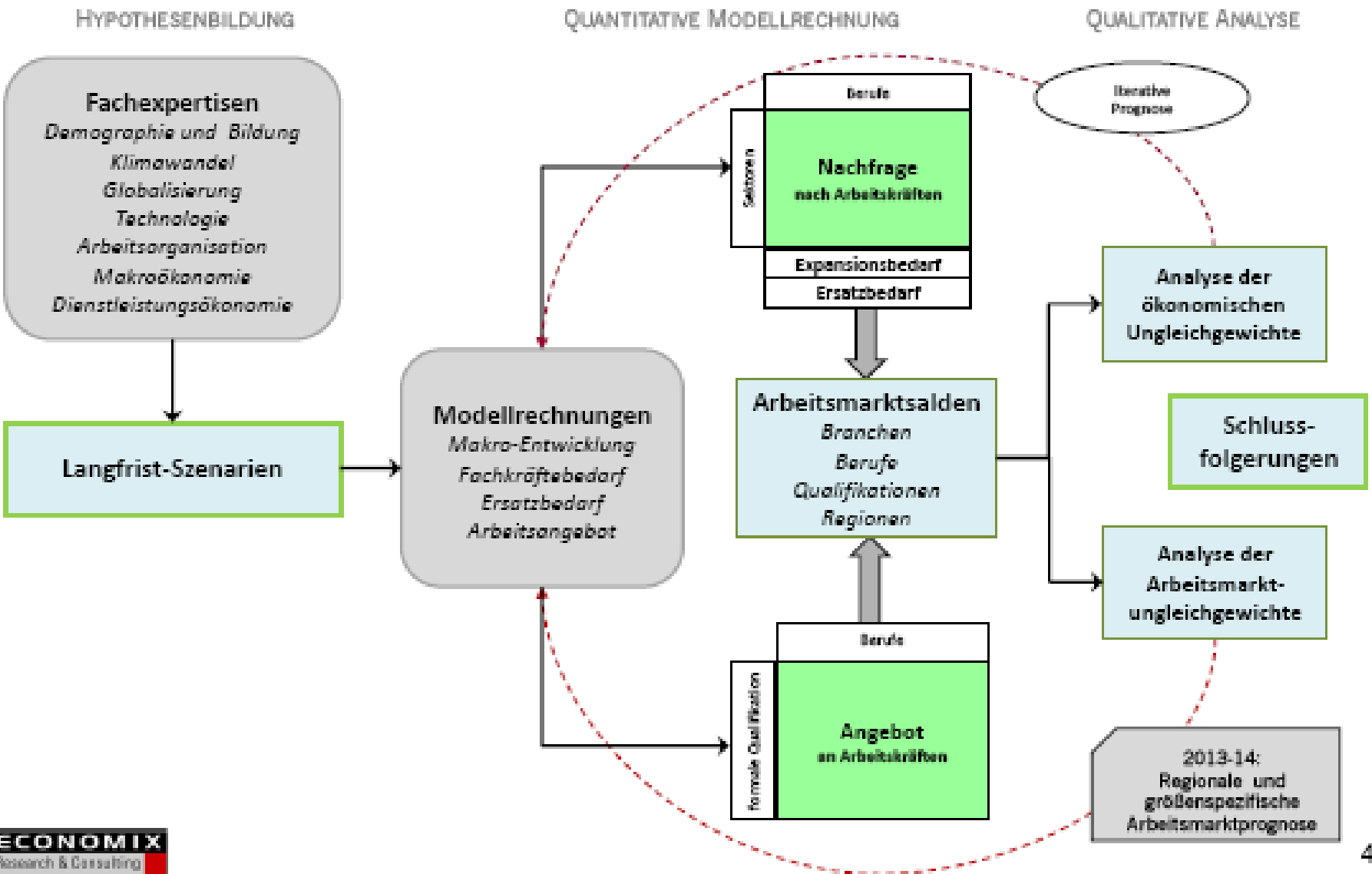
Foresight and Forecasting

Similar goals;

Different approaches;

Why don't we combine them?

Prognosemodell



Contact

Dr. Ben Kriechel

Economix Research & Consulting

Lindwurmstr. 9

D-80337 München

T 0049-89 875 790 27

<Ben.Kriechel@economix.org>