

GLO-UM JOINT LABOR ECONOMICS SEMINAR

FORECASTING LABOR DEMAND: INTERNATIONAL BEST PRACTICES

21 AUGUST 2018 11.00 A.M. - 1.00 P.M.
DK4, FACULTY OF ECONOMICS & ADMINISTRATION
UNIVERSITY OF MALAYA

ABSTRACT:

Job openings in an occupation are a result of growth in the occupation and the need to replace workers retiring from, or permanently leaving, the occupation. At a time when the world of work is rapidly changing due to new technologies, there's growing demand for information on future labor demand and new job openings. This talk will briefly review international best practices on modelling labor demand. It then uses Australia as a case study and provides forecasts of job openings for new entrants to the Australian labour market by industry and occupation from 2017 to 2024. For forecasting growth, we use a computational general equilibrium model of the Australian economy, and for projecting replacement demand, we use a cohort component method. These forecasts reflect the evolution of the industrial and occupational structure of the economy as it adjusts to changes in demography, technology, business investment decisions, government spending, household preferences and international trade. The modelling suggests job openings for new entrants will total 4.1 million in Australia from 2017-24, with more than half of these owing to the need to replace people who retire or permanently leave their current occupation. The forecasts provide job seekers, students and career advisors information on future job opportunities, helping them to make informed choices about which education and training courses to undertake. Policymakers may use the forecasts for long-term planning in education and training and workforce development; and firms may use them for recruitment and human resource management purposes. The report also reviews international practice in labour and skills forecasting.

Speaker Bio:

Dr Chandravadan Shah is an Adjunct Professor at the Centre for International Research on Education Systems (CIRES), Victoria University and Affiliate of Monash University in Australia. For 21 years until 2016, Chandra served as an Associate Professor in the Centre for the Economics of Education and Training (CEET) at Monash University. He has extensive experience in labour market and economics of education research. He has completed many research projects for governments, both state and Commonwealth, and other public and private organisations. The projects cover a broad range of topics, including forecasting the supply and demand for labour; employer-supported training; future demand for teachers and nurses; skill shortages; migration; geographical dimensions of social inclusion; and analysis of course completions in vocational and higher education.

