

THE INSTITUTE OF ECONOMICS' LABOUR-MARKET FORECASTING SYSTEM

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The article presents the overall structure, and main principles followed in devising the structure, of the labour-market forecasting system developed by the Institute of Economics of the Research Centre for Economic and Regional Studies of the Hungarian Academy of Sciences (MTA KRTK KTI). The authors present the broad, comprehensive data system unprecedented in Hungarian practice, from which the estimate and forecast are made. The article diverges briefly onto the forecasting of branch GDP, the mode of operation of the supply and demand sides of the model, and examination of the dynamics of discrepancies between supply and demand.

INTERNATIONAL EXPERIENCE IN FORECASTING LABOUR MARKETS – OVERVIEW OF QUANTITATIVE METHODS AND THEIR APPLICATIONS

János Gács and Anikó Bíró

The aim of the article is that on the experience of 12 countries and the European Union it provides ideas, lessons and benchmarks for similar forecasting exercises in Hungary. The basic model of quantitative labour-market forecasting consists of detailed forecasting of future demand for employment, a less detailed estimation of future employment supply, and comparison of these two. After outlining the basic model, technical conditions for model building, quantification, and organizing forecasting activities are discussed. This analysis is based on cross-country comparisons and on examples from individual countries. Various paths of improvement in the traditional forecasting model, such as substitution in terms of occupations and qualifications, and inclusion of generic skills as a new variable are investigated. One section is devoted to analytical tools, such as shift-share analysis and the Indicator of Future Labour Market Situation. Discussion of forecast labour shortages and vacancies, and of measured accuracy of the forecasts leads up to one of the prime issues of labour-market forecasting: should the results of the calculations be considered forecasts appropriate for future developments, or should they be seen simply as well-informed, systematic projections?

MIRACLES IN EUROPE – THE SUPPLY-SIDE SOURCES OF EMPLOYMENT GROWTH IN SIX COUNTRIES PRIOR TO THE ECONOMIC CRISIS

János Köllő

The paper behind this summary looks at the composition of employment growth in six European countries (Finland, the Netherlands, Ireland, Italy, Spain and Bul-

garia), where aggregate employment grew markedly between 1998 and 2008. It relies on micro-data from the European Labour Force Survey. The author breaks down the changes in aggregate employment and activity into compositional and parameter effects, i. e. growth in the size and employment rates of social groups distinguished by age, gender, education and foreign origin. Secondly, it breaks down the net growth of aggregate employment into changes in occupational structure versus changes in educational composition within occupations. Finally, it sees how small firms and “atypical work” (part-time jobs, non-standard work schedules, temporary contracts, self-employment, and micro-firms) have contributed to employment growth. The data suggest that employment growth had three main supply-side sources: (i) major changes in educational composition of the working-age population, (ii) growth in the number and activity rate of elderly people, and (iii) massive immigration. Between-occupation changes had relatively weak effect compared with skill upgrading within occupations. Finally, the data do not suggest any common pattern for the contributions of segments of the economy that are easy to observe or hard to observe.

LABOUR-DEMAND FORECASTING BASED ON BUSINESS EXPECTATIONS LESSONS LEARNED FROM TWO CONSECUTIVE ENTERPRISE SURVEYS

Ágnes Czibik, Mihály Fazekas, Nándor Németh, András Semjén and István János Tóth

The article examines the possible role of enterprise surveys in forecasting labour market processes. Based on two large-sample surveys, the authors examine the extent to which firms of different types are open to predicting their future manpower requirements for different time horizons. The authors explore the firms' characteristics and planning features determining the maximum time horizon and accuracy of their manpower forecasts. These factors seem crucial to determining the scope and limitations of enterprise surveys in producing forecasts for aggregate manpower needs of the economy or predicting labour demand by occupations and qualifications. The authors also investigate the ways firms perceive the qualitative changes in job content; and the managers' perception of changes in qualification and skill requirements by job categories in their own firm and in the economy as a whole.

ATYPICAL FORMS OF EMPLOYMENT IN HUNGARY IN THE 1990S AND 2000S

Ágnes Hárs

Atypical employment is a term used to describe types of employment that differ from regular employment in one or more, or even in all aspects. These types of employment promise a renewal of the labour markets. The paper discusses the penetration and structure of atypical employment during the two decades of transition, examining the segments in which these forms are relevant and concentrated. The time series follow the structure of atypical employment up to 2010. The paper presents descriptive analysis on changes in the demographic structure of atypical employment, and the differences across branches and regions. Logit models are used to estimate the chances of obtaining atypical employment, using demographic variables, regions, branches and some other indicators of social and welfare situation.