

Positional Paper Discussions on Skills Assessment and Forecasting methods in the Kyrgyz Republic (Kyrgyzstan)

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How are skills defined in KR?

- Usually, by skills (perhaps, because of the translation into local languages-навыки) it is meant some specific technical skills related to manual labour, e.g. IT or construction workers, workers in mining, energy, textile, transportation, agriculture workers, and so on.
- Speaking of high-level skills, it may mean so called knowledge-workers, i.e. who have higher education.

Main method of skills assessment

- The government Program for the Employment Facilitation and the Regulation of External Labor Migration until 2020 notes that one of the problems is the "practical lack of a labor market forecasting system" and one of the tasks set in this Program is to "improve the system of analyzing and forecasting the labor market."

Which methods/models are used for the input of information on macroeconomic forecasting and (sectoral) employment projections?

- A government decree postulates that the current forecasting methodology should combine: quantitative data analysis method based on macroeconomic indicators, social and economic development strategies of the Kyrgyz Republic, and method of expert opinion based on the direct surveys among employers.
- Data collection problem...

Input of information on macroeconomic forecasting and (sectoral) employment projections

- The government decree stipulates that the sectoral ministries should use the following formula to determine their need for labor resources:
- $PPK = PO_v \text{ short and medium term.} / O / Q$

Where - PPK - demand in skills (employees),
PO_v - forecasted output for the short term (1 year) and
medium term (3-5 years) periods.

O-Output volume in previous year (GDP).

Q-Quantity of Employees in previous year.

Input of information on macroeconomic forecasting and (sectoral) employment projections, cont.

- Thus, the forecasts of the need for labor resources the following information is taken into account:
 - forecast of GDP;
 - the forecast on growth in various sectors of economy;
 - the forecast on creation of new jobs.

Forecasting for skills needs by industries and territories.

- $\Pi = i \ 1, 2, \dots, 8 \times t \ 1, 2, 3 \times j \ 1, 2, 3, 4$
- Where - Π - general need of enterprises, organizations and institutions in the workforce or skills, measured in people.
- $i \ 1, 2, \dots, 8$ - types of economic activity-industries (agriculture, forestry, fisheries, industry, construction, wholesale and retail trade, transport and communications, finance, insurance, real estate, information technology, public administration, military security, education, provision of communal, social and personal services);
- $t \ 1, 2, 3$ - short-term (1 year) and medium-term periods (3-5 years).
- $j \ 1, 2, 3, 4$ - Occupations (technical specialists, office employees, skilled workers, or unskilled workers, and so forth).

4. Does the skill needs assessment method only include evaluation of total demand or also expansion demand and replacement demand?-

No

6. Does the approach also consider (exogenous) factors such as impact of technologies, work organization..... globalization/relocation of jobs, etc? – No

7. Which classifications (for example, ISCED, ISCO) are in used at different stages of the skills assessment? - No

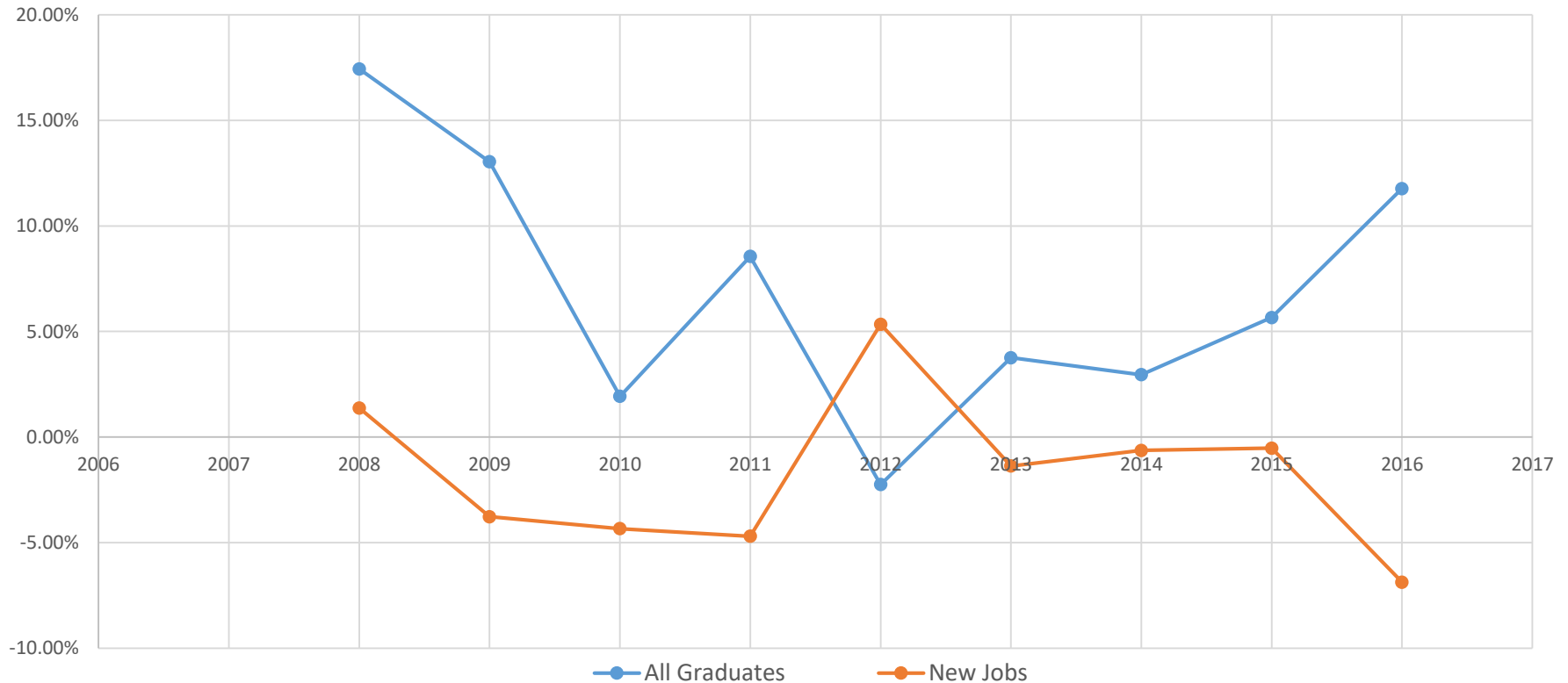
5. Does the method consider the supply side, and possibly interaction between supply and demand?-No correl =0.02

Growth Rate in % in Number of Graduates of Higher Education and TVET Educational Institutions and Employment in All Sectors of the Economy in KR, 1995-2015



Negative corr= -0.37 btn the Growth rates in Graduates and New Jobs in all sectors of the economy, 1995-2015

Growth Rate in % in Number of Graduates of Higher Education and TVET Educational Institutions and New Jobs in All Sectors of the Economy in KR1995-2015



Critical occupations, related qualifications

- Agriculture – farmer of agricultural production, tractor driver-operator, veterinary operator of animals, gardener.
- Construction – electric welder, carpenter (building), locksmith plumber, mason-plasterer, construction finishing worker.
- Service - the hairdresser, electrician for maintenance and repair of complex electrical household appliances, master on repair of refrigerators and conditioners, radio mechanic for the repair of radio and television equipment.



What is the output of the skills assessment?

- Time-series data sets by NSC
- The summary of consolidated forecast of skill needs determined by the Ministry of Labour and Social Development is sent to the Ministry Education and Science (MES) of KR to be used in training/retraining the necessary skills.
- Yet, MES can't really control the number of students being admitted, except for the number of government funded scholarships or grants for some specialists.

14. What is the use/target group of the skills assessment?

- Employers such as enterprises, organizations and institutions, specifying particular professions, specialties and positions for short-term (1 year) and medium-term period (3 to 5 years). Some of them are selected to provide their Expert opinions on the future number of jobs and/or occupations.

15. Who does the skills assessment?

- The state employment agencies located in different parts of the country.
- Then, based on the information provided by the sectoral ministries and territorial employment agencies, the MLSD develops a consolidated forecast of the need for skills in the context of occupations and specialties for short-term (1 year) and medium-term periods (3-5 years).

16. Who pays for the skills assessment work and the necessary data?

- Government, since only state agencies and Ministries are involved in this process.

What are your ideas for establishing a skills assessment approach?

- The skills assessment approach should involve multi-actors, including employers, local private research companies, and international organizations' (UNESCO, ILO) experts, local educational institutions, including TVET and higher educational institutions.
- The consolidated information or report should be submitted to the Prime Minister's office that would make a decision on how to use or implement these reports' findings or recommendations