higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

DHET Occupations/Skills Forecasting
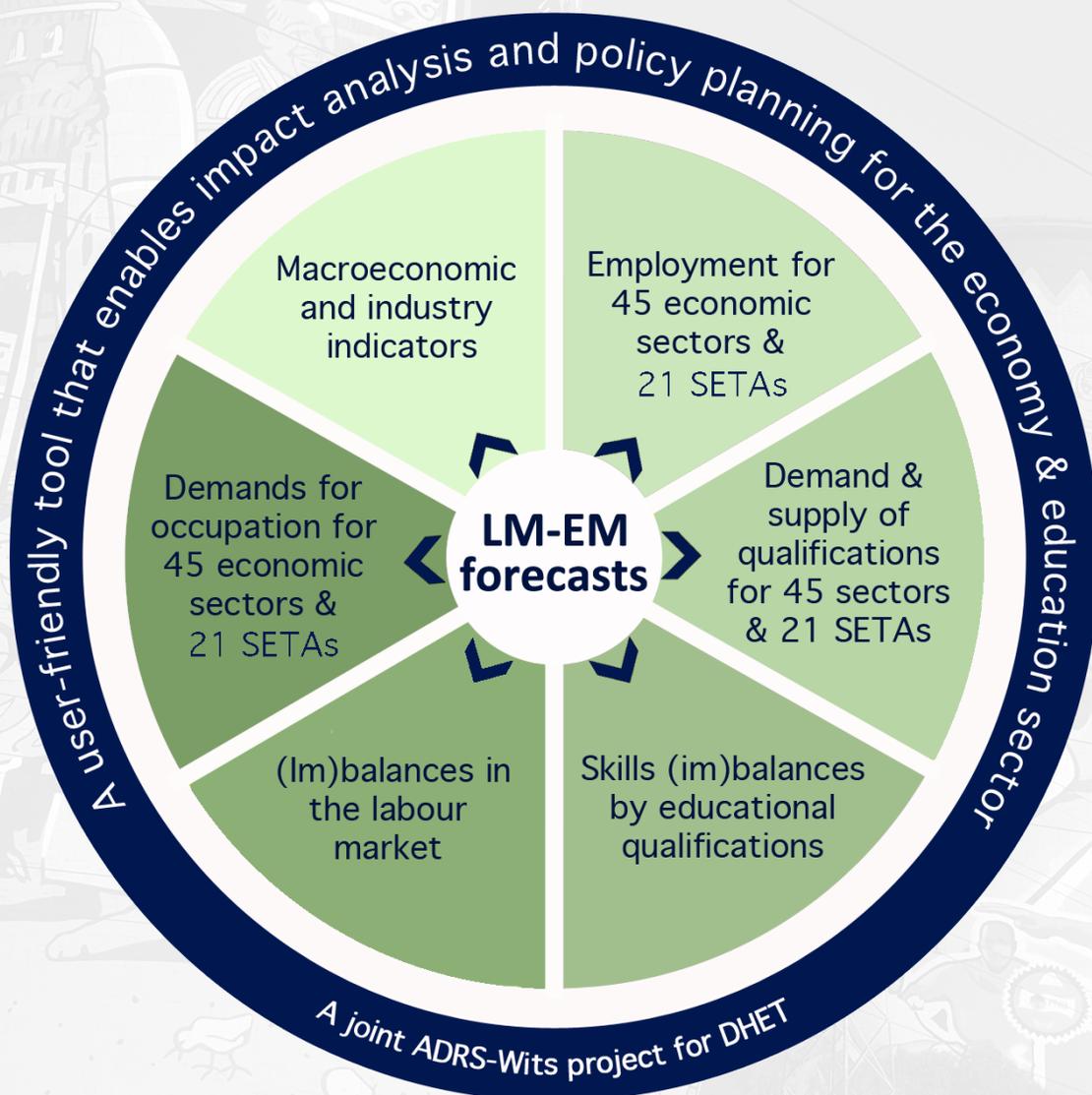
LM-EM

Linked Macro-Education Model

Linked Macro-Education Model (LM-EM)

LMIP Skills Forecasting & Planning Tool

The Linked Macro-Education Model (LM-EM) is the economic model of the DHET Labour Market Intelligence Programme (LMIP). LM-EM enables users to design economic and education policy scenarios, quantify their impact, and forecast trends in economic indicators and the demand and supply of skills.

LM-EM: Forecasting Tool

The Linked Macro-Education Model was developed to capture the interactions between macroeconomics and the education sector in South Africa by linking the ADRS multi-sector Macro-Economic Model of South Afrcia (MEMSA) to models of supply and demand for occupations and skills. LM-EM enables users to design economic and education policy scenarios, quantify their impact, and anticipate future economic trends in the demand for and supply of skills from the education and training sector. The graphic below illustrates the types of forecasts that can be produced.
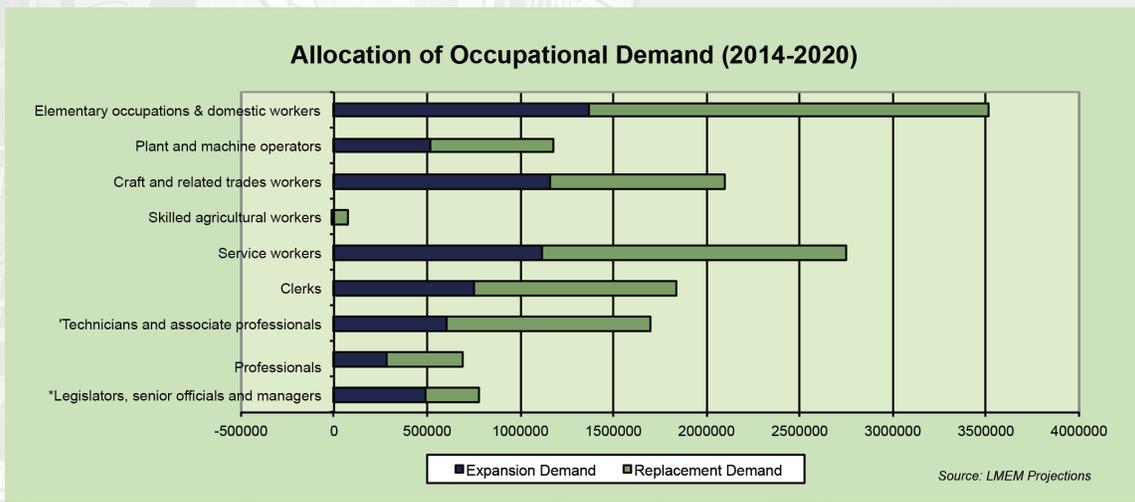
A user-friendly tool that enables impact analysis and policy planning for the economy & education sector

Macroeconomic and industry indicators

Employment for 45 economic sectors & 21 SETAs

Demands for occupation for 45 economic sectors & 21 SETAs

LM-EM forecasts

Demand & supply of qualifications for 45 sectors & 21 SETAs

(Im)balances in the labour market

Skills (im)balances by educational qualifications

A joint ADRS-Wits project for DHET

How does LM-EM work?

Once changes to policy parameters and/or specific shocks are introduced, LM-EM will quickly simulate the annual impact of these scenarios on the South African economy and the education sector.
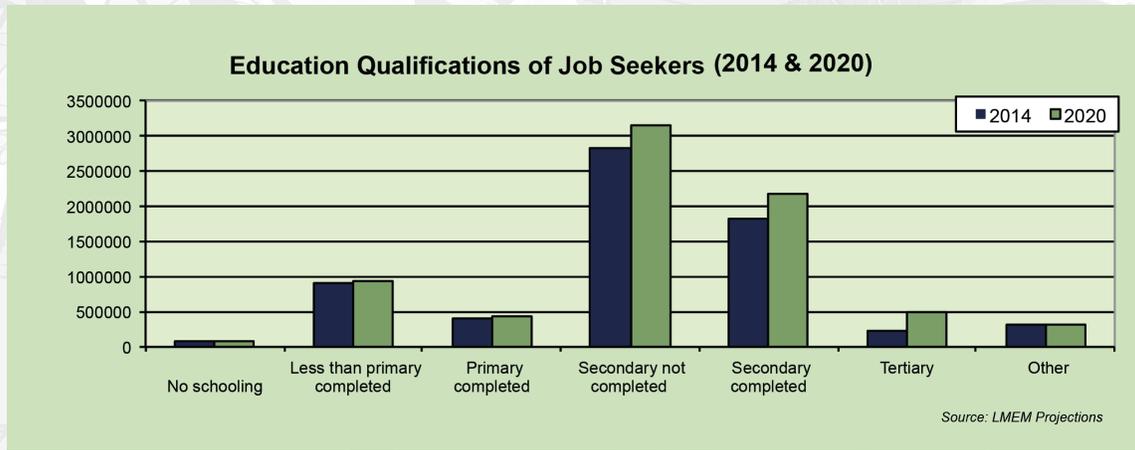
Sample Results

LM-EM output reveals the connections between the macroeconomy and education sector and gives important insight into future labour and education trends. Below are two examples of LM-EM results for a hypothetical economic and education scenario.

Occupation Demand

Allocation of Occupational Demand (2014-2020)

Source: LMEM Projections

In this graph, forecasts of demand for various occupations are represented for the period from 2014-2020 with a distinction between expansion demand and replacement demand.

Supply of Qualifications

Education Qualifications of Job Seekers (2014 & 2020)

Source: LMEM Projections

This graph shows forecasts of the number of job seekers and their level of educational qualifications in 2014 and 2020.

To view sample results from a particular area of interest, email your request to **lm-em@adrs-global.com.**

LM-EM insight

LM-EM provides insight on the working of the economy and the interaction with the education sector. LM-EM projections of important economic indicators and impact analysis provide actionable insight on the effect of prospective interventions. Better insight. Better decisions. More effective problem solving.

Gain LM-EM insight on critical questions, such as:

✎ What is the impact of changes in macroeconomic performance on the education sector?

✎ Which occupational groups will be in most demand during the next 10 years?

✎ What are the future trends in demand for various educational qualifications?

✎ What are the implications of IPAP for the demand and supply of skills over 5 years?

✎ What are the implications of various growth scenarios for the demand/supply of skills?

What LM-EM insight do you need?

For more information about LM-EM or Labour Market Intelligence Programme, contact:

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