

Migrant workers and future markets - Key Findings/ Recommendations

→ European Union countries are still recovering from the outset of the 2008 Financial Crisis. In 2010, they set out five headline targets that they wanted to meet by 2020. One of these targets was to attain a 75% employment rate in the working age population. In order to achieve this goal the EU27 labor market will have to create roughly 16 million jobs between 2012 and 2020 and recover 6.5% in employment rate. Recipient countries are also suffering from demographic challenges due to a population-ageing trend. Germany, Italy, Poland and Spain combined are expected to lose more than a million working age persons. Instilling economic activation policies domestically has proved too costly for these debt landed economies. Recipient countries will be dependent on overseas workers to revitalize the economy.

→ Remittances sent back by laborers have been utilized by many countries as an important tool for economic development. To reap the benefits of this growth in labor demand, policies should focus on encouraging the migration of individuals who fit the 15-60 years age demographic. Migrant laborers with low and medium skills will find the greatest opportunities in Nordic countries with the exception of Finland. While Southern European countries, namely Italy and Spain, are in demand for high skilled laborers. In EU member states occupational shortages were most commonly reported in healthcare, ICT, manufacturing and construction sectors. Attached at the bottom of the document are country specific imbalances in promising markets for migrant laborers.

→ Sri Lanka needs to avoid contributing to labor market imbalances by avoiding skill mismatches. Other South Asian countries have created a database of potential candidates for foreign employment that will match job orders and candidates according to skillsets. Overseas employers have expressed a strong preference for workers with NVQ qualifications and employees with university degrees. They also demand a high competence in modern technology that Sri Lanka is not meeting. Training providers are currently molding their programs based on information from TVEC Labor Market, which is more relevant to the local context. In addition, not enough emphasis is placed on developing language programs. Migrant laborers have reported language barriers and an absence of country specific soft skills to be the primary difficulties in the employment search. Over qualification is a consistent trend in the immigrant working community. This occurs as recipient countries struggle to recognize foreign qualifications. A method of standardization should be pursued to address this issue.

→ It is also important to build solid bridges between vocational training programs and the labor market to facilitate the transition from training to working. Transnational partnerships are effective in ensuring that trainees will secure a job once deployed. For example, the Memorandum of Understanding between Italy and Sri Lanka has been useful in securing employment for many Sri Lankans. Pursuing more agreements of that nature will create an effective channel for migrant workers. Transnational agreements can also mitigate the abuses that migrants currently have to endure such as exorbitant recruitment fees, misleading terms and conditions and human trafficking. It is important to offer protection to migrant laborers so that potential candidates are not discouraged from pursuing employment opportunities abroad.

Member State	Sectors with bottleneck vacancies	Occupational shortage groups	Reasons for shortages
Austria	ICT, hospitality, healthcare and nursing, industrial production and construction and building sectors	Engineering professionals and associate staff, construction workers and electricians, machinery and metal workers	<ul style="list-style-type: none"> • Decreases in VET training • Applicant mobility to rural regions • Lack of work experience for school leavers
Belgium	Construction, manufacturing, healthcare, ITC, restaurants	Engineers and technicians, IT professionals, sales staff, nurses, (technical) teachers in secondary education	<ul style="list-style-type: none"> • Lack of supply of graduates • Need for up-skilling due to technological change • Motivation and specific language skills
Denmark	Hospitality, travel agencies, ICT, healthcare, construction	Mainly skilled occupations e.g: professionals in sales, hospitality and skilled trades. Also software developers, mechanical engineers, nurses and medical doctors.	<ul style="list-style-type: none"> • Lack of technical competencies • Rapid technological change • Mobility • Poor working conditions
Finland	Healthcare, social services, education	Mainly high skilled occupations, health care (nurses and doctors), practical nurses, special education teacher and social workers	<ul style="list-style-type: none"> • Need for healthcare services in the whole country • Gender imbalances
France	Construction, industry, health	Mainly skilled occupations e.g: construction and industry (metallurgy workers), but also high skilled occupations in health and computer engineering	<ul style="list-style-type: none"> • Lack of skilled candidates • Candidates unwilling to move • Rapidly evolving technology
Germany	Electrical industry, mechanical and plant engineering sector, healthcare	Mainly high skilled occupations in the electrical industry, engineering and ICT. Also health, care and other service occupations	<ul style="list-style-type: none"> • Lack of required qualifications • Unfavorable conditions such as low salary • Replacement demand
Ireland	ICT, life-sciences, financial services, food and beverages and healthcare	Mainly specialists within occupations, in particular in ICT sectors and engineers.	<ul style="list-style-type: none"> • Lack of technical skills and graduates • Rapidly developing technologies • Salary, regulation and other factors
Italy	Manufacturing (metallurgic, automotive), health, ICT, green jobs	Mainly high skilled and skilled manual occupations such as ICT professionals, engineers and pharmacists, mechanics and repairers	<ul style="list-style-type: none"> • Lack of technical competencies • Technical progress in manufacturing • Unsociable hours
Malta	Healthcare, ICT, Finance	In high skilled occupations in particular in healthcare, ICT and Finance professions. In unskilled professions in hospitality and tourism.	<ul style="list-style-type: none"> • Strong sectoral growth • Unattractive working conditions • Emigration
Netherlands	Manufacturing, construction, business services, energy supply, health care, ICT	Occupational shortages of technicians in manufacturing, construction, health care personnel and technical consultancy. Also, highly skilled ICT, administrative and economic staff and certain type of teachers.	<ul style="list-style-type: none"> • Growing demand and insufficient supply • Negative image and unattractive working conditions • Changes in the kind of profiles sought
Portugal	ICT, forestry and farming, construction, manufacturing	Low skilled professions such as manual workers, machine operators, craft and trade workers, also occupations in deep-sea fishing and forestry. Skilled occupations in telecommunications, electronics and system analysis.	<ul style="list-style-type: none"> • Salary considered too low • Lack of technical competencies • Shift work/ unsociable hours
Spain	n/a	Mainly high skilled occupations, e.g: translator, occupation therapist, business intelligence consultant. Particularly ICT occupations are affected: mobile architect, JAVA architect	<ul style="list-style-type: none"> • n/a
Sweden	Mining, healthcare, ICT	Mainly high skilled occupations e.g: health professionals, engineers, occupations in ICT. In lower skilled occupations miners, pre school teachers and cooks	<ul style="list-style-type: none"> • Lack of technical competencies • Specific requirements for occupations

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Labour Market Shortages in the European Union, Study for the EMPL Committee: March 2015.

