



Employers' perspectives on skill shortages and talent mobility

Minutes of the consultation
30 October 2018, Brussels, Belgium



Partners of the project for EU-India Cooperation and Dialogue on Migration and Mobility:



Local Partner



Implementing Partner



Implementing Partner

Employers' perspective on skill shortages and talent mobility

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Executive summary

Though the world is witnessing lingering high levels of unemployment, employers constantly report facing a shortage of talent. While they have an intrinsic interest in migration policies and practices, employers are not necessarily equipped with the arguments to make a business case for migration. Experience sharing of practices amongst employers, as well as dialogue with policy makers are a means to help businesses build capacity as they gain a deeper understanding of the issues, share good practices and strengthen their arguments.

This consultation was funded by the EU through the EU-India Cooperation and Dialogue on Migration and Mobility (CDMM) project aims at strengthening the employers understanding of the business case of migration and contributes towards strengthening regular migration between India and EU. The consultation held in conjunction with the International Organization of Employers (IOE) and the ILO's International Training Centre (ITC), Turin, this consultation between European and Indian businesses is a first step towards building capacity of employers' organizations in the EU-India corridor for developing their stake in migration. The International Labour Organization (ILO) has always held that all social partners - employers, workers and governments should be involved in social dialogue to regulate terms and conditions of employment and to contribute to policy-making.

The day-long consultation held in Brussels, Belgium on the 30 October 2018, was divided into three sections – (i) recognising the need for skills mobility in the India-EU corridor, (ii) sharing the EU regulatory framework for the mobility of skilled workers and (iii) sharing specific cases fostering safe productive and timely mobility between India and EU. The recommendations that emerged from the consultation are - a) developing a balanced skill-related migration framework, b) simplifying administrative processes, c) creating attractive national institutions, d) conducting realistic labour market research and e) strengthening public-private engagement on migration issues. These recommendations will be used to strengthen the business case for migration by employers, as well as inform further policy and research.

I: Opening session





Caroline Vinot

Head of Division ASIAPAC-1,
European External Action Service

Ms Vinot opened the discussion stating that India was a strategic partner for the European Union (EU) and referred to the India–EU joint statement from 2017 with reference, in particular, to the understanding reached in advancing the Common Agenda on Migration and Mobility (Camm).

She underscored consistent efforts undertaken by the EU at ensuring a strong and robust legal migration framework and high priority being awarded to the skills and jobs agenda. Attracting talent to Europe is part of the EU strategy and in fact, India is the highest recipient of the blue card initiative which is targeted at high skilled workers. India, she went on to say, is the source of many highly skilled workers in Europe and is much appreciated for its human resource talent. She valued having this consultation organized by the International Labour Organization (ILO), which brought together employers and was keen to understand what employers needed from the overall relationship to maintain the dynamism in business.

Rakesh Kumar Arora

Counsellor (Pol & EU) & Head of Chancery
Embassy of India, Brussels, Belgium

Counselor Arora attributed India's growing attractiveness in the global migration and mobility landscape to its demographic dividend, policy-driven focus on skill enhancement and fast-growing economic market.

Reflecting on the Camm as a broad and flexible vision document which recognizes the balance of interests between India and the EU on concerned issues. He also referred to some developments pertaining to the first Project Advisory Committee (PAC) meeting and implementation of the work outlined under the technical project by the three project partners – ILO, International Centre for Migration Policy Development (ICMPD) and India Centre for Migration (ICM).

This meeting was expected to enhance a better understanding of the shortages, availability and demand of skill sets and draw synergies for the respective benefit of both sides in the India-EU corridor. He noted that India's visa regime is considerably liberalized and viewed EU to gain from fostering well-managed mobility and liberalizing its own current visa regime. He closed his address by calling out for a comprehensive approach that promotes legal channels of economic migration, mobility and enhances people-to-people contacts.



Irene Wintermayr

Policy Officer
ILO-Brussels

Ms Wintermayr underscored the critical role of the social partners – employers’ and workers’ organizations and governments in sustaining a social dialogue on regulation of terms and conditions of employment and thereby, contributing to forward-looking policy development.

She also noted that as the sourcing of talent is amongst the central concerns of all businesses, transnational migration of people is gaining centrality in the discourse on global employment and the business case for migration is being raised in several platforms. She shared her expectation that this consultation will contribute in strengthening the role and participation of the private sector in migration policy development.

“The ILO strongly believes that the tripartite partners should be involved in the design and implementation of labour migration policies and that they should be supported to engage more effectively in these processes.”



Figure 1: Employers’ engagement plan of the technical project under EU-India CAMM and HLDMM

Role of employers in the technical project under EU-India CAMM and High Level Dialogue on Migration and Mobility (HLDMM)

Following the opening address, the ILO and International Training Centre (ITC) familiarized the participants to the flow of the consultative dialogue foreseen in the one-day programme. The participants were also encouraged to follow a participatory and open discussion during the technical sessions. The ILO project team presented a project brief including the background, core objectives, thematic focus, targeted stakeholders and the five-point employers’ engagement plan illustrated in Figure 1.

II: Need for skills mobility in the EU-India corridor



Session objectives

- Enhanced understanding of the skills and talent requirement of the EU and Indian companies

Key discussion points

- Labour and skill shortages in the EU and the need for developing policies that address these shortages
- Skill landscape in India and skill development initiatives by the Government of India



“OECD data shows that more than 50 per cent of adults in several EU Member States (MS) including Sweden, Finland, Germany, and England were reported to have no or low level of problem-solving skills using computers or in general, digital competence.”

Sonja Van Lieshout

Global Public Affairs Manager
Randstad Holding/World
Employment Confederation

Skill shortages in the EU and India: Current scenario

Some statistics on skill shortages in the EU were presented during this session. Europe will experience a 35 million employment gap by 2050.

Share of talent with Science, technology, engineering, and mathematics (STEM) skills in higher education in the current labour market in the EU was reported to be quite low, especially in Belgium and Netherlands. Despite this shortage, EU MS wise data revealed that STEM courses only accounted for around or lower than 40 per cent of the total enrolments in tertiary education and remained largely dominated by men with women, accounting for less than 50 per cent enrolments in these courses. Skill shortages were also emphasized to be pervasive not only in the highly skilled worker category but also in medium skilled workers.

In India, there continues to be several challenges in skill development as under-employment, informality and low labour force participation of women outweigh the global labour issue of unemployment. Around 40 per cent of the workers in the age group of 18-29 years in India are employed in the primary sector (agriculture), which only contributes to 17 per cent of the Gross Domestic Product (GDP). With the majority of India's labour force working in the informal sector, the predicament of gauging employers' requirements was also raised.



“A quantitative forecast of skills shortages is not feasible. What is more meaningful is a qualitative one where ranges and trends can be observed.”

Uwe Combuchen

Director General
CEEMET

Skills demand in the EU: Future Scenario

The future labour market scenario in the EU offers strong potential for soft skills and life-long learning to be in high demand. Emerging relevance of Arts in addition to STEM sector was also discussed. Some of these skills are listed below. Initiatives to address shortages for the below mentioned skills was urged to be a joint responsibility of the employers as well as the government.

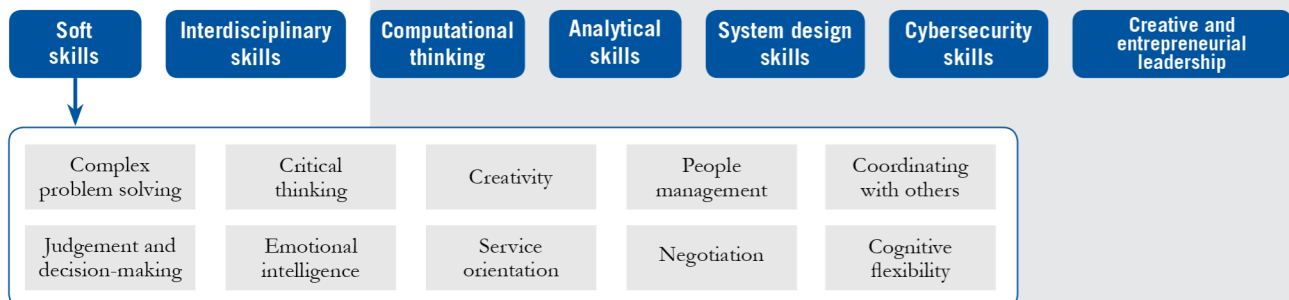


Figure 2: Skill requirement for the future in the EU

Note: Skills illustrated in the top row are drawn from the seven essential skills recommended by CEEMET.¹

1. *Digitalisation and the world of Skills and Education*: CEEMET 2018, https://www.ceemet.org/sites/default/files/ceemet_digitalisation_and_skills_report_spreads.pdf



Migration in the future of work

With the rapidly-declining working age population in almost all industrial economies, there is a shift in the economic power to countries with high population growth. World Economic Forum's Global Talent Report also highlighted the global mismatch of talent in North American, European, some Central Asian and South-East Asian countries. Migration definitely closes the loop of skill shortages and therefore policies to support and ensure better governance of migration are important. One of the behavioural responses of businesses in the EU to the challenge of skill shortages is their decision to offshore business. (in comparison to relocation).²

In India, while acknowledging the economic and cultural benefits of migration addressing global skill shortages, it was also felt that there is a need for balancing domestic priorities to address the skill shortages in its domestic market.

Attractiveness of the EU in the global labour market

According to OECD data³ on concentration of highly skilled Indian migrants, EU MS stand at a comparative disadvantage (attracting only 20 per cent of total emigrants) in comparison to the US (attracting 57 per cent of highly skilled migrants). However, there was an overall appreciation by the employers of the initiatives of the EU to address some of these challenges such as the revision of the EU's Blue Card Directive and increased budgetary allocation for education, training as well as for skill development of migrant workers. The EU employers also shared some recommendations to the governments which are mentioned under Section V.

2. Eichhorst et al.: "People to jobs, jobs to people: Global mobility and labour migration", in *IZA Research report series* (2017, IZA Research Report No. 74)

3. *Recruiting immigrant workers: Europe 2016*, OECD, 2016, <https://doi.org/10.1787/9789264257290.en> [accessed 21 Nov 2018].



Government of India (GoI) Initiatives on skill enhancement

GOI is working to improve the skills and employability of its labour force and has focused initiatives on:-

- **Bringing unorganized workers to the organized sector** – Government has launched scheme in 2016 for incentivizing employers for job creation by Government paying 8.33% contribution of employers to the Employee Pension Scheme (EPS) in respect of new employees having a new Universal Account Number (UAN), thereby enabling access of workers to social security benefits of the organized sector. The scheme is targeted for employees earning upto Rs 15,000 per month and also aims to cover a large number of informal workers to the formal workforce.
- **Promoting women's participation** – Government runs various employment generation schemes for beneficiaries including women. Government has also taken some other prominent steps to increase employment opportunities for women which include enhancement in paid maternity leave from 12 weeks to 26 weeks, provision for mandatory crèche facility in establishments having 50 or more employees etc.
- **Introducing technology to better manage the market** – National Career Service (NCS) Project is a Mission Mode project of the Government which serves as a digital portal for employment related services like career counselling, vocational guidance, information on skill development courses etc. It serves as a nationwide online platform for job seekers and employers for job matching in a dynamic, efficient and responsive manner. It also facilitates organization of job fairs where both employers and job seekers can interact.

Some of the initiatives undertaken by National Skill Development Corporation (NSDC) on skill development includes:

- **Focus on skill enhancement** in the fast-growing services sector, in addition to manufacturing
- **Reaching out to new geographies such as Japan:** The Ministry of Skill Development and Entrepreneurship (MSDE) and the Government of Japan signed a Memorandum of Cooperation (MoC) in October 2017 to allow the participation of Indian youth under Japan's Technical Intern Training Programme (TITP). NSDC is a monitoring and implementing agency for this. The first batch of interns in manufacturing-related trades such as mechanical and electronic assembly and a second batch in agricultural cultivation (strawberry farming) have been placed in Japan.
- NSDC has signed an **MOU with Stockholm Chamber of Commerce** to provide IT and Telecom professionals from India for companies in Sweden. The modalities of the pilot are being worked out.
- Early in 2016, **Indian Sector Skill Councils and the UK Sector Skill Councils** worked together to map their National Occupational Standards (NOS) to develop Transnational Standards. The project was delivered through a collaboration between NSDC, MSDE and the Federation of Industry Sector Skills and Standards (FISSS) and funded by UK-India Education and Research Initiative (UKIERI).
- **Engagement with the UAE:** This capitalizes on a G2G partnership (MoU) between Ministry of Human Resources and Emiratisation (MOHRE) and MSDE for mutual recognition of qualifications/occupational standards. After collaborative meetings between senior officials and technical teams in both countries it was found that 15 QPs mapped to 16 Abu Dhabi QCC Standards. Further work on mapping standards is on-going.
- **India International Skill Centre (IISC)** will act as a network of existing organisations that are in the operational value chain of placing skilled candidates overseas. Role of IISC will include – Counselling, Skill testing, PDOT and Placements (either by themselves or with partners).

III: The EU regulatory framework for the mobility of skilled workers



Session objectives

- Better understanding of the EU government and companies' perspective and initiatives to address skill shortages and regulatory framework for mobility of highly skilled workers

Key discussion points

- Initiatives by the European Union to meet existing and future skill demands in the EU
- Regulatory framework for mobility of skilled workers in the EU
- Common concerns and administrative challenges faced by companies hiring Third Country Nationals (TCNs) in the EU
- Need for immigration policies of the EU to take cognisance of multiple job transitions and increasing globalization of work



Carlo Scatoli

DG Employment
European Commission

Alexandra Sa Carvalho

DG Home
European Commission



Perspective of the EU government

Skill challenges faced by the EU

1. Persistent levels of low skilled workers
2. Digital transformation, globalization, automation
3. Ageing and shrinking workforce
4. Economy of job transitions and life-long learning becoming imperative

Initiatives on skill enhancement by the EU

New skills agenda for Europe

With the New Skills Agenda, the Commission outlined its vision on the strategic importance of skills for sustaining jobs, growth and competitiveness. Key action points under the following three priority areas have been identified by the Commission.

1. Improving the skills quality and relevance across Europe – to improve the matching between skills demand and skills supply in an ever faster evolving labour market
2. Making skills and qualifications more visible and comparable – this facilitates mobility from areas where there is surplus demand of certain skills to those where there is a gap
3. Improving skills intelligence and information for better career choices

As part of this agenda, Key Competence Framework for Lifelong Learning, 2006 was reviewed and revised. The revised recommendation consolidates the purpose of the European Qualifications Framework, namely to improve the transparency, comparability and portability of people's qualifications to the benefit of workers, learners and employers. European Digital Competence Framework, developed in response to the revision process for the Key Competence Framework is illustrated in Figure 3.

DigComp's five key areas and 21 competences

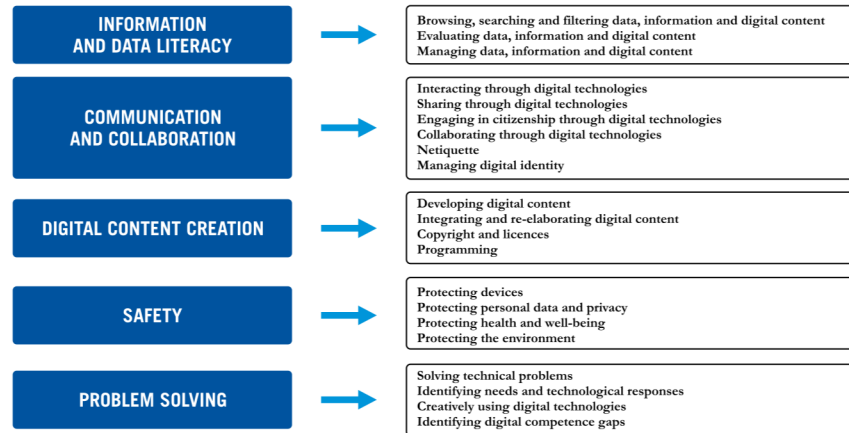


Figure 3: The European digital competence framework for citizens

Third-country national and Indian footprint in the EU

There are 21 million TCNs legally living in the EU (all EU MS). 3 million first permits are issued every year. There has been a spike in admissions in last 3-4 years due to the refugee situation.

Of the total TCNs, 163,000 Indians have been issued a first permit. Of which, 60,000 work permit have been issued, mostly by the UK and 34,000 for academic purpose. One-fourth of the EU Blue Cards have been issued for Indians. Almost half of the Intra-Corporate Transferee (ICT) workers under the EU scheme are Indians, mostly heading to the Netherlands (as per 2017 data).

The EU approach to legal migration

Contrary to free movement guaranteed under the schengen visa, EU's approach to legal migration is nation centric. Attempts by the commission to move to a common approach to admissions met stiff resistance from Member States instead the commission developed an approach that focuses on particular types of migration (e.g. highly skilled to demonstrate that EU could add value to national approaches).

Objectives of the EU migration policy

Three objectives of the EU migration policy (Art. 79, TFEU)

1. Efficient management of migration flows

2. Promotion of fair treatment of TCNs working in the EU

3. Prevention and fight against illegal migration and trafficking and strengthening EU's competitiveness and growth

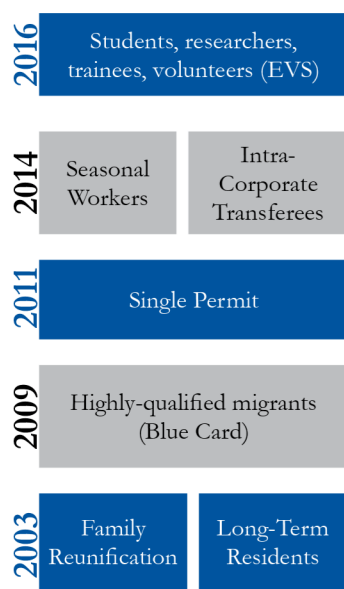


Figure 4: EU's sectoral approach to migration – List of EU Directives

Questions which informed the EUs approach to Legal Migration

- Why does the EU not attract highly skilled migrants (only 30 per cent) in comparison to North America (60 per cent migrants)?
- Is the EU really a single internal market or just 27-28 individual MS in attracting migrants?
- Is the EU good at retaining TCNs who are already in the EU?

Revision of the EU Blue Card Directive

It was recognized that the EU Blue Card Directive was underutilized (except Germany), competes with the national policies of the EU MS and does not reflect the current or future need of skills. The revision process has started but not completed as yet. The objective is to create a single scheme for highly qualified TCNs which replaces the national schemes and it is more accessible, simple and attractive.

Key revisions under the single scheme include coverage of shorter work contracts (6 months), lower salary threshold, facilitation for recent graduates and workers in shortage occupations, recognition of professional experience. Other features of the proposal focus on faster procedures, enhanced rights and intra-EU mobility (short-term business activity and Blue Card in a second state after 12 months of residence).

Intra-Corporate Transfers (ICT) Directive

The ICT Directive is governed by EU-wide common rules for admission covering entry, residence, mobility within the EU, rights of transferees and their families. The Directive ensures equal treatment between the transferees and EU nationals in terms of social security, freedom of association, recognition of qualifications, pensions. The working conditions of an ICT worker are equal to that of a posted worker.

Some of the challenges in implementation of the ICT Directive are regarding the intra-EU mobility, circularity and its link with the existing legislation and agreement.

Q&A

1. How are the employers consulted in the process of development of these schemes? (ILO)

DG HOME: The EU engages in consultations with the private sector. There are several areas where industries are invited and many impact assessments have been conducted with the involvement of the industry (for instance, the assessment of the Blue Card Directive).

A member from the EU Employers' Organizations (CEEMET) interjected that EU's consultations with the private sector could be further improved. Need for more practical rules and schemes by the EU was also suggested.

2. What are the implementation challenges of the schemes? What about fitness check plans? (ICMPD)

DG HOME: Fitness check is an evaluation of the results of a policy of the EU (such as the legal migration legislation) and the objective is to evaluate possible gaps and inconsistencies. It aims to answer questions such as - Does it still require EU level work? Article wise implementation is checked for each EU MS. Specific meetings with trade associations, chambers of commerce, business associations are also held. Some of the preliminary conclusions of the fitness check of the legal migration policy are: some categories of migrants who are not covered by the EU Directives (suggested by the SME Council) need to be incorporated, internal coherence issues in equal treatment/recognition of qualifications, need for further skilling of workers, circular migration, synergy with other EU policies and advantages of action at the EU level.

3. A lot of students coming to the EU, especially Germany, find it difficult to find jobs so they move to other countries such as the US. Many French students do not even find internships. What is being done to address this? (Ceemet and India Media Group)

DG HOME: The new scheme focusing on students, researchers and volunteers reflected on the fact that in many EU MS students could not stay after finishing their studies. The new scheme makes a provision for students seeking a job/internship after completing their studies (9 months to look for jobs) and seven EU MS have ratified this revision. While impact assessments are done after 4-5 years of implementation of a particular scheme, there is a lot that can be done before that as well through other processes.

Language is one of the critical barriers for Indian origin candidates applying for internships. Language skills of Indian workers do not match the skills of the natives.

4. While hiring, language is considered a barrier but the same company gets ICT workers from overseas? How are language issues addressed then?

INFOSYS: Jobs which are open to local candidates are the jobs where language proficiency is mandatory; this is not so for jobs that are open for TCNs.





Perspective of the companies on the need for policies to ease the free flow of talent



Administrative challenges faced by employers in the EU

1. Scattered immigration landscape: Despite the EU being a single market, business is guided by national market policies. The scrutiny in various processes for visas, work permits, quotas, skills recognition, salary-level and the overall compliance ecosystem has increased over the year. This results in high administrative burden borne by migrant dependent companies in the EU. Data analysis by international immigration firms - Fragomen Del Rey, Bernsen & Loewy LLP on various administrative processes practiced by different EU MS confirmed this.
2. Recognition of educational qualification or experience is a challenge as the skills requirement is constantly changing and there is an increased demand of new skills.
3. Working at the client's site is one of the most common challenges faced by many Indian Information Technology (IT) firms working with ICT workers in the EU as the laws do not permit them to work at the client site.
4. Challenges in hiring local graduates arise from the need to conform to the national schemes of high threshold of minimum salary. Conforming to even higher salary thresholds while hiring a migrant worker further adds to this complexity. Many of the employment benefits as part of an expatriate salary package do not contribute in meeting the minimum salary threshold.
5. Social security coordination is an issue as highlighted in the EU ICT permit. With a single Certificate of Coverage (CoC) issued for the first country of entry, it becomes challenging to reap the benefits of intra-EU mobility offered by the ICT Directive.
6. Long processing time for multi-level compliance, repeated documentation for multiple applications and differential processes for 27-28 EU MS were some of the other challenges burdening the companies and migrant workers.

Business travel vs short-term work

There exists lack of clarity on what categorizes as business trip versus short-term work. As per the EU, around 15 per cent of the business trips are now being considered as short-term work. However there is a long application process for attaining a work permit and this may not be suitable for business operations.




Based on travel assessments in Fragomen's Business Visa Matrix (2017 / 2018)	Business trip	Work trip
	64 per cent of business trips are shorter than one week	54 per cent of work trips were 10 days or longer BUT that means 46 per cent of work trips were for short stays
	Nearly all business travelers are paid in home country	Local pay = Strong indicator of work BUT not always the determining factor
	Typical business activities: <ul style="list-style-type: none"> • 25 per cent attend a meeting • 1 per cent fact find • 1 per cent conduct marketing or sales • 5 per cent attend conferences and seminars 	Typical work activities: <ul style="list-style-type: none"> • Managing Staff • Financial auditing • On-the-job training • Preparing / Developing / Designing work product (strategies, documents, roadmaps, etc.) • Hands-on work - repairing machinery & equipment

Figure 5: Definition and differences between business and work trip



Ellen Yost

Partner

Fragomen Del Rey Bernsen & Loewy LLP

Global Forum on Migration and Development (GFMD) Business Mechanism

Established in 2006, GFMD is a voluntary, inter-governmental, non-binding and informal consultative process open to all States Members and Observers of the United Nations. Since its inception, the forum has witnessed a weak representation of businesses in this process. To address this, and with increasing recognition of businesses as a key stakeholder, several initiatives, such as GFMD Business Coordinating Unit hosted by International Organization of Employers (IOE) in 2015, have been taken to strengthen the public-private dialogue on migration policy issues. The consultative processes undertaken to develop The Global Compact for Safe, Orderly and Regular Migration (GCM) reflects the contribution of companies participating in the GFMD.

Within the GFMD members, the EU legal migration framework is considered as a model because it is open to understanding the implementation and administrative issues. The forum also recognizes the complexities within the government in addressing trans national migration issues as governments also need to protect the domestic labour market.

IV: Fostering safe, productive and timely mobility between EU and India




Session objectives

- Potential solutions are identified by the employers to foster migration that can respond to their skills and labour gaps in the EU

Key discussion points

- Good practices based on specific country examples, skill landscape and bilateral relationship with India



“In the next five years,
for every two vacancies
Italy will only be able
to find one worker.
(only 50 per cent of the
labour shortages can
be met)”

Alfonso Balsamo

Employment, Welfare and Human Capital
Department of Confindustria

Italy A welcoming market for India

Italy, the seventh largest manufacturing country of the world, faces acute labour shortages in this sector. Indian labour filling this gap is perceived to be a win-win situation for both the countries. Confindustria proposed that Italy offers opportunities not only to Indian workers but also, through its educational system, to young Indian students in getting trained for this sector, even before obtaining a diploma or a degree.

‘Invest your talent in Italy’ initiative enables on-the-job training opportunities for academic students while they complete their study. This initiative is founded on the strong partnership between Italy’s leading universities and major Italian corporations that have helped tailor courses to meet the requirements of the relevant industry. India is one of the eligible countries for this program.

In the Italian higher education system, important network of collaboration has already been established with India in medicine, fashion, and design sector. The total number of Indian students enrolled at Italian universities has doubled from 2016 to 2018. Cleantech, renewables, ICT, health care, aerospace, education, and cultural heritage are some of the focus areas for the Italian-Indian bilateral cooperation.

Following ideas were shared on strengthening technical education cooperation between India and Italy.

1. Skills observatory (present and future skills shortage)
2. Higher Vocational Education and Training through a training hub
3. Apprenticeships programs (starting for example from the 600 Italian companies located in India)
4. Tech academies (corporate universities, cooperative universities, digital courses – *Swayan* model)



Tom Barrette

Confederation of British Industries

The United Kingdom Challenges and Opportunities

The UK has not only been one of the strongest European labour markets for Indian workers but also unique as it does not follow the EU immigration law (Blue Cards or ICT permits). The on-going Brexit negotiations in the UK offer both opportunities and challenges for the Indian labour market.

56 per cent of all non-EU work visas go to Indians; 39 per cent of non-EU work visas are for the IT sector.

Opportunities	Challenges
<ul style="list-style-type: none"> Restricting migration from the EU could be balanced with easing the rules for non-EU visas Scrapping 20,700 visa cap and 28 day Resident Labour Market Test 	<ul style="list-style-type: none"> Target of reducing net migration below 100,000 Increased effective salary thresholds for Tier 2 (General) visa Health surcharge soon to be increased for immigrants, dependents and international students Tier 4 visas – Indian students to be affected, as India is excluded from the “low risk” countries and students will continue to face rigorous checks and documentary requirements End of free movement will be a concern for Indian companies with European headquarters in the UK

V: Employers' recommendations to foster well-managed migration and mobility



Session objectives

- Recommendations for government and businesses are shared by the employers' organizations and companies

Key discussion points

- Develop a balanced skill-related migration framework
- Simplify administrative processes and fast-track procedures
- Attractive national institutions
- Realistic labour market research
- Strengthen public-private engagement on migration issues



Collective action can best address the various policy-level and administrative challenges in talent mobility in the India-EU corridor. Following points summarize key areas for governments as well as business.

Develop a balanced skill-related migration framework

1. A robust and flexible skilled migration framework with the objective to spur innovation, fill skill gaps and promote development with clearly defined immigration categories and objective eligibility criteria.
2. Policies should avoid narrow qualification requirements and skills definitions, trusting employers to identify the most-qualified candidate.
3. Consider a three-pronged approach – up-skill existing employees, skill youngsters in the region and bring young talent from outside. The intermingling of these groups is likely to create the best results for innovations and growth.
4. Adopt migration policies that accommodate new and longstanding business models. For instance, the example of Germany allowing the transfers of the ICT permit from another EU jurisdiction.

Simplify administrative processes and fast-track procedures

1. With the objective of balancing the administrative requirements of facilitating migration on all stakeholders involved, a clear need on simplified visa, rigorous but fast procedures for the recognition of Indians academic qualifications and skills was identified.
2. Enhanced complementarity of different migration policies and reducing coordination issues between policies such as ICT and Social Security Agreements (SSA).
3. Predictable and transparent policies and processes so that employers can effectively manage compliance.

Create attractive national institutions

1. Strong incentives are required to create institutions that attract and retain skilled and productive migrant workers in an increasingly global market.
2. Encourage a whole-of-government approach: Oftentimes the interests of ministries of labour and ministries of immigration are in conflict because of inconsistent and differing rules/policies, thereby effectively preventing entry of critical labour force required in a country.
3. Companies through the employers' organizations can strengthen local councils' competitiveness in job creation by promoting the business case for migration.

Conduct realistic labour market research

1. Enhanced focus on qualitative research on labour market forecasts will better address the existing knowledge gaps in skills and labour needs than quantitative forecasts.
2. Understand that skills are evolving and cannot be predicted. Skills that may be required tomorrow may not even be known today, particularly in relation to the IT sector where change is rapid.

Strengthen public-private engagement on migration issues

1. Better consultations: Employers are in the best position to determine the skills and business models they need to effectively achieve their objectives, and governments therefore need to actively consult with them, especially when bilateral labour agreements are being negotiated.
2. Greater participation of key industries in education and skilling: This can lead to development of education systems in sync with the need of the labour market. Italy, as a manufacturing leader in Europe, can contribute with its own education system working in close partnership with enterprises and employers' associations.
3. Leadership: Leaders that embrace change are needed.
4. Stronger advocacy: Businesses need to play a more prominent role in advancing fair and open migration policies, identifying policy challenges and emphasizing the benefits of well-managed migration.



“Business changes the way you work; let’s be strategic and creative and bring the voice back to policy-makers”

Christine Sullivan

Senior Manager
Fragomen Global LLP

VI: Participants' learning and feedback



Following are the top learning of the participants

1. Complexity of EU policies and implementation challenges
2. Shortage of talent and skills in the EU
3. Good practices adopted by different EU MS
4. Perspective of different stakeholders on the mobility and skills requirement in Europe

All respondents shared that the workshop themes were relevant to their work. Suggestions for future workshops focused on including break-out sessions on sector specific challenges and linkages with employment opportunities.

VII: Annexures

A. Concept note prepared by ILO



EU India Common Agenda on Migration and Mobility



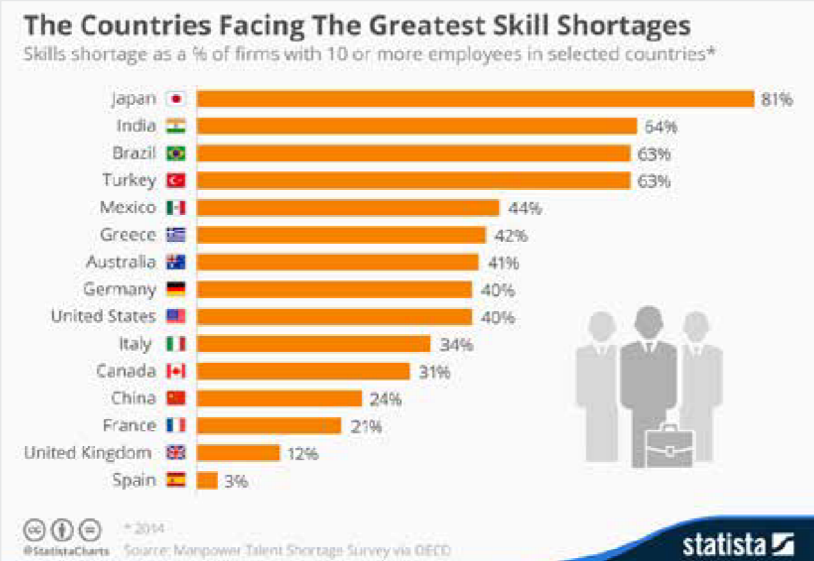
Employers' perspectives on skill shortages and talent mobility

30 October 2018

Hotel Crowne Plaza, Brussels, Belgium

Background and Rationale

Though the world is witnessing lingering high levels of unemployment, employers constantly report facing a shortage of talent. This shortage is not restricted to very high skilled occupations but permeates to all skill levels, hindering efficiency and competitiveness of industry. As the chart below represents, this is true not only for those countries facing demographic challenges like Japan, but also countries with demographic dividends like India. Predictions show that competition for skilled professionals across the world is going to continue to increase in the coming years.



Source: World Economic Forum 2016-2017

Employers regard migration as a positive phenomenon and the sourcing of talent from the world is a key business strategy for many organizations. There have been several studies that highlight the positive contributions of long-term migration to the destination and origin economies. However, governments often create immigration policies in response to the public perception that foreign workers undercut wages and job opportunities for native workers, and that migration is closely associated with unacceptable labour conditions and abuses. The World Economic Forum had raised the point that “one of the main impediments to talent markets is public constraints on mobility.

Organizations, particularly transnational businesses are important users of national migration systems and employers stand to benefit from clear and efficient immigration policies that permit mobility of workers.

Thus employers have an intrinsic interest in migration policies and practices but are not necessarily consulted as key stakeholders in the design of migration policies and the business case for migration has not gained momentum in national policy. At the same time, it is also often reported that destination countries are not taking advantage of the skills that are already present in their societies amongst migrants or that migrants often end up working in jobs that are not commensurate with their skills. The abuses associated with unethical recruitment practices are bringing attention to gaps in the governance of migration, particularly as reports point to migrants ending up in exploitative and precarious employment relations. Such situations make it more difficult for employers to justify the business case for migration. Further, employers also face challenges ranging from legal to linguistic to administrative obstacles in recruiting migrant workers. For migrants from outside the EU region, professional qualifications may not be recognized while for internal mobility in the EU, there exist no common labour laws or a work permit. The OECD and others have also warned that using temporary migrant workers to address structural labour shortages might increase precariousness and impose costs on employers. These issues need to be addressed and therefore the engagement of the employers on the issue of migration is ever more critical.

Employers experience with the practical workings of immigration policies, as well as knowledge of emerging market and staffing trends, can supply important information, to governments and international organisations to enhance migration governance. The participation of the private sector is essential to the development of well-regulated migration systems. In the last couple of years there have been concerted efforts to include the private sector in the deliberations on migration including the creation of the Business mechanism in the Global Forum for Migration and Development, the invitation to private sector for the discussions at the Global Compact for Migration and the inclusion of migration at the World Economic Forum (WEF), all with an aim to better understand the intersections between business and migration. In 2014, the International Organization of Employers developed their position paper on international labour migration focusing on the positive impact of migration. The Federation of Indian Chambers of Commerce and Industry and its allied body, All India Organization of Employers (AIOE), has also been in the forefront of promoting the business case for migration in the region and international fora.

The ILO has always held that all social partners - employers, workers and governments should be involved in social dialogue to regulate terms and conditions of employment and to contribute to policy-making. Since migration is central to global employment, it is only obvious that the tripartite partners should be involved in migration and this was reiterated in the Tripartite Technical meeting that was held with all constituents, at the ILO in 2013. Thus, the consultation will also address the reasons why the involvement of the private sector in policy issues related to migration is not only of great significance but also urgency. It will argue why the private sector deserves to be involved in the highest echelons of migration policy-making, including negotiations of bilateral labour agreements.

India is a key global source country for talent. According to CEDEFOP, Europe's demographic trends and skills shortages indicate a shortfall of 12 million workers by 2020 particularly in the ICT, medical and engineering sectors. Indians received the maximum number of blue cards, increasingly access the ICT visa scheme and is second only to China as the source country for international students. These trends and the demographic complementarity of the two sides present an opportunity for even greater bi-lateral cooperation.

The European Union and the Government of India signed the Common Agenda for Migration and Mobility (CAMM) to foster cooperation in this area. The CAMM is supported by a technical project –EU India Cooperation and Dialogue on Migration

and Mobility (CDMM) funded by the EU and jointly implemented by the ILO and ICMPD, and in collaboration with the India Centre for Migration. The project recognizes the role of the private sector in migration and aims to meaningfully engage with the EU and Indian employers in this dialogue.

This project is jointly implemented by ILO and International Centre for Migration Policy Development to provide technical inputs to the high level dialogue on migration and mobility endorsed by the Government of India and European Union.

Methodology

This one day consultation on 30 October 2018 therefore brings European and Indian employers together to develop the business case for migration in Europe. Hosted by the ILO, IOE and ITC through the Cooperation and Dialogue on Migration and Mobility Project (CDMM) funded by the European Union, the consultation will include discussions on the current situation of skills shortages and how it is impacting productivity, growth and social services. It will be participatory and attempt to address challenges faced by employers and be an opportunity to outline their priorities in what solutions they would like to see to foster migration that can respond to their skills and labour gaps with the governments.

Output

Representatives from EU and India will be present at the meeting and the recommendations and key issues arising out of this consultation will be shared with policy-makers by the project, particularly informing the High-Level Dialogue on Migration and Mobility which oversees the implementation of the CAMM.

B. Agenda

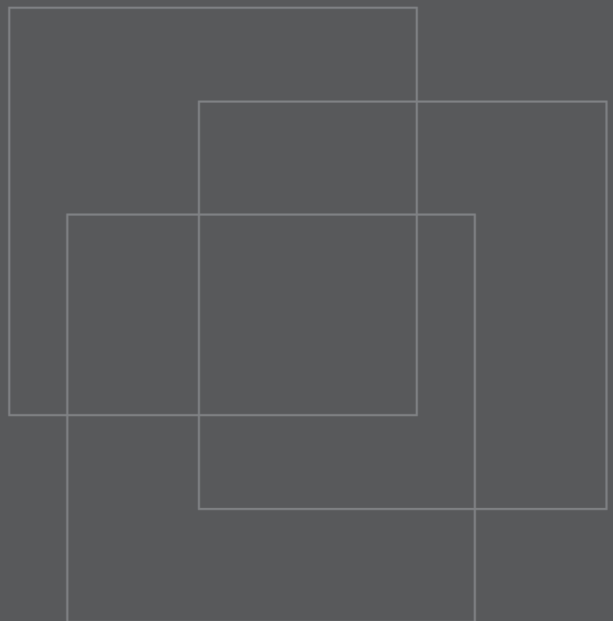


Time	Session	Speakers
09:00 - 09:30	Registration	
09:30 - 10:15	Welcome and opening session	<ol style="list-style-type: none"> 1. Caroline Vinot, Head of Division ASIAPAC-1, European External Action Service 2. Rakesh Kumar Arora, Counsellor (EU), Embassy of India, Brussels, Belgium 3. Irene Wintermayr, ILO-Brussels 4. Sandro Pettineo, ILO-ITC/ Employer's Bureau 5. Seeta Sharma, ILO DWT/CO-India
10:15 - 10:30	Coffee break	
10:30 - 11:30	Discussion on the need of skills mobility EU/India	<ol style="list-style-type: none"> 1. Sonja van Lieshout, Randstad Holding/World Employment Confederation-Europe 2. Uwe Combüchen, CEEMET 3. Shikha Anand, Ministry of Labour and Employment - GOI 4. Soma Sharma, National Skills Development Corporation-GOI
11:30 - 12:00	The EU regulatory framework for the mobility of skilled workers	<ol style="list-style-type: none"> 1. Carlo Scatoli (DG EMPL) European Commission 2. Alexandra Sa Carvalho (DG HOME) European Commission
12:00 - 13:00	Discussion: What policies are needed from a company's perspective to ease the free flow of talent?	<ol style="list-style-type: none"> 1. Christine Sullivan, Fragomen Global LLP 2. Matthias Lommers, Deloitte 3. Ranvir Nayar, Media India Group
13:00 - 14:00	Lunch	
14:00 - 15:00	Fostering safe, productive and timely mobility between EU and India	<ol style="list-style-type: none"> 1. Alfonso Balsamo, Confindustria 2. Tom Barrett, Conf. British Ind 3. J.P. Sahu, TechMahindra
15:00 - 16:00	Open discussion among business representatives, EU and Indian authorities on the way forward	
16:00 - 16:15	Coffee break	
16:15 - 16:45	Closing remarks	ITCILO and ILO

C. List of Participants

S No.	Country	Name of the organization	Participant's name
Employers			
1	Bulgaria	Bulgarian Industrial Association Sofia	Ms Jasmina Saraivanova
2	Belgium	Randstad NV	Ms Sonja van Lieshout
3	Germany	Meetra Thomasiusstr	Dr Christoph Senft
4	France	Media India Group	Mr Ranvir Nayar
5	Belgium	Deloitte Belastingconsulenten / Conseils Fiscaux	Mr Matthias Lommers
6	Belgium	Europe India Chamber of Commerce (EICC)	Mr Sunil Prasad
7	UK	Confederation of British Industries	Mr Tom Barrett
8	Italy	General Confederation of Italian Industry (CONFINDUSTRIA)	Mr Alfonso Balsamo
9	UK	Infosys	Ms Agnieszka Biegluk
10	Belgium	Fragomen Global LLP	Ms Christine Sullivan
11	France	Europe India Foundation for Excellence (EIFE)	Mr Count Christopher de Breza
12	Belgium	CEEMET	Mr Chetan Corten
13	Belgium	CEEMET	Mr Uwe Combüchen
14	Belgium	European Representation of the German Federal Employment Agency	Mr Stefan Schliesske
15	Belgium	Fragomen Del Rey Bernsen & Loewy	Ms Ellen Yost
16	UK	Tech Mahindra	Mr JP SAHU
17	France	CODIFOR	Mr Olivier Dambrine
18	France	UIMM	Mr Christophe Aufort
Organizations from India			
19	India	Ernst and Young	Mr Aashish Batra
20	India	Public Affairs Centre, India	Ms Meena Nair
Government of India			
21	India	Ministry of Labour and Employment (MOLE)	Ms Shikha Anand
22	India	National Skills Development Corporation (NSDC)	Ms Soma Sharma
23	GoI- Belgium	Embassy of India, Belgium	Mr Rakesh Kumar Arora
24	GoI- Belgium	Embassy of India, Belgium	Ms Neha Yadav

The European Union			
25	Belgium	European Commission Directorate-General (DG) EMPLOYMENT	Mr Carlo Scatoli
26	Belgium	European Commission Directorate-General Migration and Home Affairs	Ms Alexandra Sá Carvalho
27	Belgium	European External Action Service	Mr Klas Nyman
28	Belgium	Regional Affairs and South Asia European External Action Service	Ms Caroline Vinot
29	Belgium	European Commission DG Home	Ms Chiara Monti
30	Belgium	European Commission DG Home	Ms Linn Cedervall
31	Belgium	DG Home	Ms Georgiana Plesu
International Labour Organization (ILO)			
32	India	ILO CO-New Delhi, India	Ms Seeta Sharma
33	India	ILO CO-New Delhi, India	Ms Harpreet Bhullar
34	Belgium	ILO Brussels	Ms Anne Francoise Le Grelle
35	Belgium	ILO Brussels	Ms Irene Wintermayr
International Training Centre – ILO			
36	Italy	ITC ILO	Mr Sandro Pettineo
International Centre for Migration Policy Development (ICMPD)			
37	Belgium	ICMPD	Mr Naozad Hodiwala
38	Belgium	ICMPD	Ms Federica La China
University			
39	India	Vlerick Business School	Mr Varun Agarwal
40	India	Vlerick Business School	Mr Nimish Bhargava



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DECENT WORK

A better world starts here.