

# International Mobility

SHIFTS ON EU MARKETS



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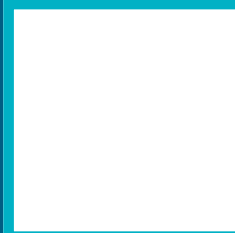
The global labour market, including national job markets in the EU, is increasingly skills-driven.

Not all countries have access to the talent their economies need to achieve full productivity.

Regulatory and structural support for more fluid labour mobility programmes is a promising answer to skills shortages.

BARBARA BRUNO  
Chief Practice Officer, Gi Group

**Skills shortages  
and global unrest  
drive push for  
International Mobility  
among workers**



## Geopolitical and socio-economic changes in Europe

In setting the scene for our latest update on current jobseeker-mover data and trends, we should reflect on the geopolitical and socio-economic changes in Europe over the past year.

As the third year of the **Russia-Ukraine conflict** starts, it is clear that the event had a massive impact on inward migrant worker flows to the EU, with labour markets in Germany, Poland and the Czech Republic integrating the biggest number of refugees.

For most of Europe the **Covid-19 pandemic** has now become a more "back of mind" issue. Current EU data shows that, during 2021, inbound worker numbers dropped by 21%, while EU worker outflows slowed by 14%.

The Annual Report on Intra-EU Labour Mobility 2022 shows the number of EU residents residing in a different member state in pursuit of work remains stable at **10 million persons**.

## THE CONTEXT

There are two main causes that push employers to consider hiring talent from abroad and supporting greater worker mobility:

### 1. Aging populations

The EU Commissioner for Home Affairs noted at the close of 2023 that labour mobility will become more important for EU markets over the next decade, as populations (labour pools) are ageing and current, skilled talent will soon exit the workforce. Commission stats reckon that the EU economy loses **1 million workers per year due to retirement**.

Plus, the number of persons leaving active work life to become **pensioners will grow by 12%** by the end of this century.

### 2. Skills shortages

Destination countries for labour mobility continue to struggle with scarcities of workers possessing required skills their businesses need. Per the World Economic Forum's (WEF's) Future of Jobs Report from mid-2023, over **44% of businesses expect that skills gaps will make hiring more difficult**.

Our own reports from the Gi Group Holding Knowledge Hub highlight how businesses struggle in meeting their needs for skilled talent, especially in sectors like **Manufacturing and Automotive. 66% of companies say that they are having difficulties finding specialised workers** – this is particularly true in Brazil, Germany and Poland.

In such scenarios, **training** becomes instrumental in ensuring younger generations acquire the skills the market is looking for and in keeping the knowledge of experienced professionals up to date with companies' latest requests. In this sense, Gi Group is committed to boosting training efforts for all workers.

Through **Gi Training**, our solution for upskilling and professional training, we support the upskilling of junior talent and reskilling of longer-term employed workers whose industries and skill requirements are evolving.

## Potential Risks

Although the need to engage with internationally mobile workers is clear, there are risks related to international work movements across countries. Those risks require attention.

### ? THE RISK

Possible **lack of integration** and therefore jobseeker-mover isolation, as well as the potential creation of tensions between movers and local workforces. Public sentiment runs at times contrary to the wishes of local businesses who need to hire workers with skills the market lacks.



### ✓ THE SOLUTION

It then becomes incumbent upon employers to put in place **training programmes for proper integration and community inclusiveness** of hires from abroad. These can enhance the creation of bonds between local employees and their new inbound colleagues, as the latter group builds trust among the former by demonstrating cultural appreciation and a willingness to integrate and learn.



## Potential Risks

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### ? THE RISK

**Danger of draining geographical areas of sought-after skills.** Cases of such current brain drain include, for example, engineering talent leaving South Africa in search of roles in Australia, Germany and the UK. There are also flights of talent from Pakistan (830K workers in H1 2023 alone), where recent tech company closures have led IT talent to seek work opportunities abroad, while departures of doctors and nurses are also impacting the country's healthcare sector.



### ✓ THE SOLUTION

These types of emigration need to be monitored and planned for in worker mobility efforts, highlighting the benefits of two-way workflows. If managed and communicated correctly, the longer-term payback is many of **those jobseeker-movers returning in the future with a wider skill set**: able to add value to their homelands' economies.







## THE CONTEXT

Thus, it is critical to understand the key drivers for movers: **what specifically makes them want to move in the first place?** In understanding their motives better, we are all in a much stronger position to create the kind of support services needed for worker relocation. In addition, we ought to know in which countries and industries the mobility phenomena is particularly relevant and why.

Let's dig deeper.

# **Movements within the EU**

## Some key numbers

EURES reports from late 2022 show how **29 national markets in the EU are facing labour shortages**, while 24 member states also report labour surpluses in specific sectors.

Sectors like **software, healthcare, construction and engineering** now face critical talent shortages and mobile (inbound) workers could help ease pressure if hiring and onboarding processes are handled in a pragmatic, fluid way.

Per European Commission data from the close of 2022, support among EU citizens for labour mobility continues to grow as the Single Market celebrates its 30th anniversary.

**18%** of EU national-respondents reported they envisage working in another country in the future. On top of that, support for labour mobility among EU nationals has jumped to **58%** from a 45% level in 2009.

Looking at the current situation, **57% of incoming mover-workers in 2022 were male**, with countries like **Bulgaria, Latvia and Poland** having above-average numbers of men moving for new work roles.

Per the European Labour Authority and European Commission data, most EU movers still come from **Romania (27%), Poland (12%) and Italy (10%)**.

## MOVEMENTS WITHIN THE EU

Here we include a list of countries indicating from where most internationally mobile workers are coming (origin countries) and also in which countries they are finding work (destination countries).

### ORIGIN COUNTRIES

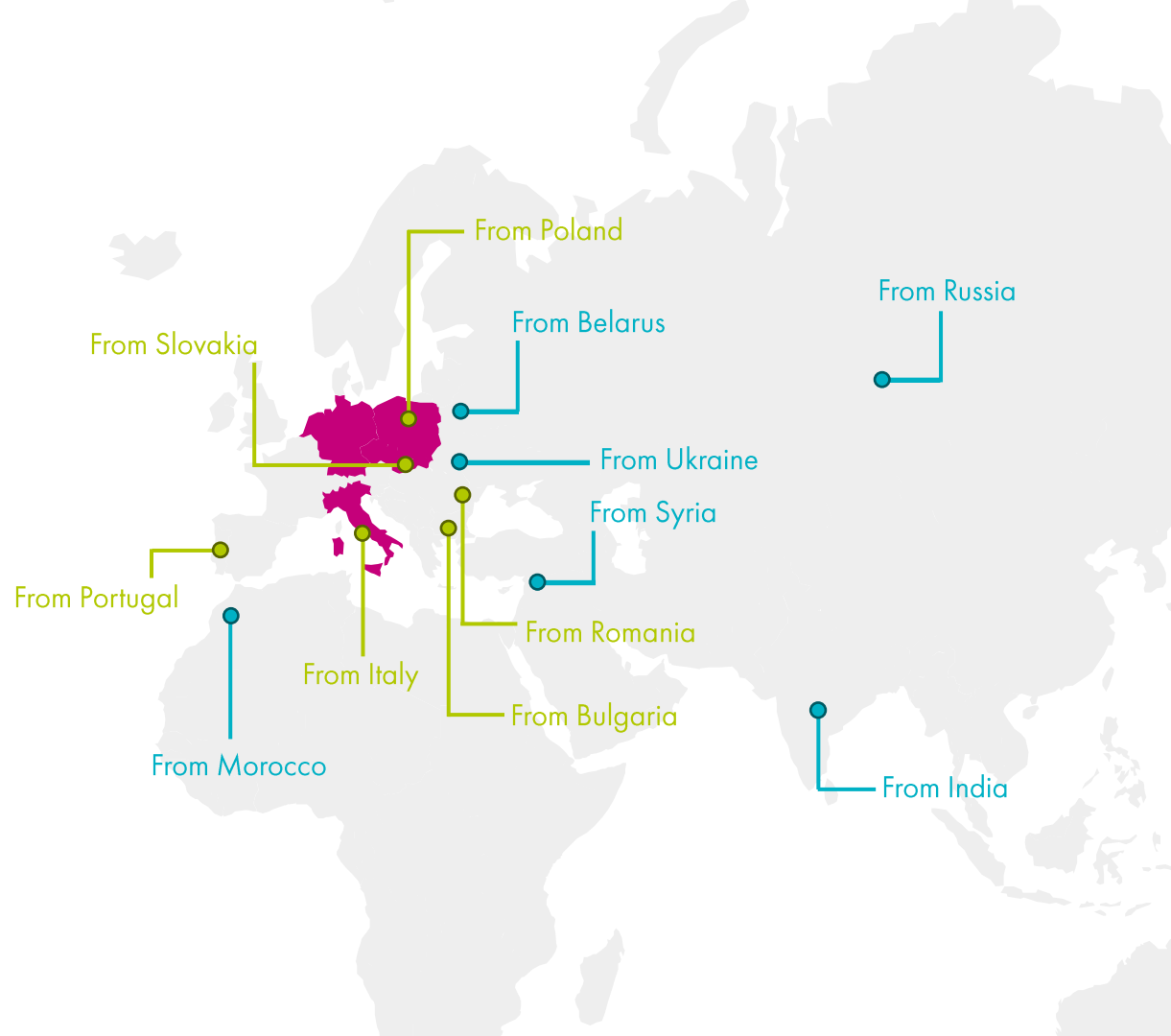
per most recent Eurostat data – issues of new first-time residence/work permits

 From EU member states

 From outside the EU

### DESTINATION COUNTRIES

Czech Republic | Germany | Italy  
The Netherlands | Poland | Slovakia



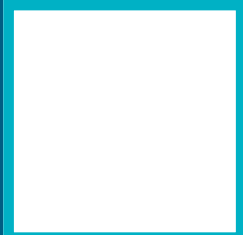


It is interesting to see some new evolutions in how non-EU workers are taking on work roles in EU member states; particularly in Central and Eastern Europe.

This is a trend that will be worth monitoring in the future. As national economies in the CEE region continue to grow and achieve parity with member states in the West, they also find themselves facing challenges similar to those of their western neighbours in their own labour markets: ageing populations, skills shortages and in some cases brain drain.

Recent reporting on migrant worker movements note that Poland's largest employer is bringing in skilled construction workers from India, Pakistan, the Philippines, and Turkmenistan to build new plants. Meanwhile, Chinese workers have moved to Hungary to help build an important new electric vehicle (EV) factory in Debrecen. This suggests **there will be important shifts in international mobility trends in coming years** – some like these which have already begun.

# The candidate perspective



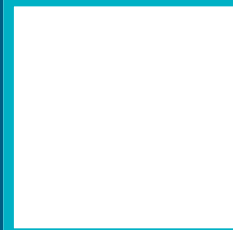
## Our findings

In November 2023, Gi Group Holding completed a survey of candidates that have undergone an international move with us – our observations align with EU data and also deliver some additional insights.

All the points reflect the gravity of decisions that mobile workers face when they decide to move to a different country to work. That is why it is important for businesses to have carefully planned **strategies in place for supporting mobile workers**: it is critical to any business' employer brand that they act as a trustworthy partner for connecting mobile worker talent with career opportunities that deliver future prosperity.

1. In line with EU data, mostly **younger candidates** are driven to move; they are inspired by **better wages and career** development opportunities.
2. **Trust** is a key factor. Candidates want to be supported when moving to take on new work.
3. Candidates expect **quick turnaround** for screening and interview processes.
4. To make decisions on accepting new roles, candidates expect extra support and care with overcoming **language barriers**, communications with family and relatives back home when working far away from their countries of origin, and **employer support for moving** and transfer costs (including support for securing quality accommodation).
5. **Expectations** management is critical. Candidate success in new roles depends heavily on the employer's business delivering on promises concerning job role duties, accommodation, work contract negotiations, training opportunities, transport services, and provision of on-site assistance for handling questions candidates have. This also means that having a reliable, available reference contact in their job location who speaks their native language is critical.

# The socio-economic benefits of international mobility





# The socio-economic benefits of international mobility

## Job mobility brings with it sizable positive economic effects.

A number of studies conducted over the last decade strongly indicate that **mobility directly contributes to growth and social cohesion.**

Across the board, EU nationals surveyed by the Commission view worker mobility as a matter of opportunity – for both personal and professional betterment and access to better economic and financial conditions.

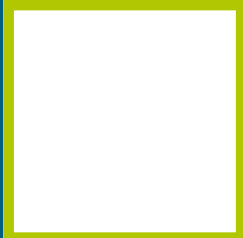


First and foremost workers are able to substantially improve their living conditions (most have a primary mission to access better pay along with improved working conditions and benefits), directly contribute to the GDP of their chosen countries, and **bring added value to their adoptive country** by undertaking jobs for which the relevant skills do not exist locally.

In instances of reverse mobility, newly acquired **skill sets are then brought back to the workers' homelands:** further enriching the pool of available talent resources.

The Centre for European Policy Studies (CEPS) notes that candidates currently finishing studies or active in EU-backed study exchanges are increasingly likely to remain abroad and pursue career opportunities there. The majority of EU nationals queried in the CEPS study and who reported an inclination to work abroad in another EU member state said they would want to return home within five years. It thus remains valid that **for every three people who leave their home country, eventually two return.**

**MoveUp:  
our international  
mobility solution**





**Gi Group's MoveUp solution** takes care of the entire process for recruitment and selection of a potential workforce in the country of origin, as well as the management of all relevant administrative processes (visas, travel arrangements, housing, contracts, etc.) and management of the workforce in the destination country.

This **all-in-one solution** is based on a strong consultancy approach and permits clients to use our expertise to move workers to areas where certain skills are hard to come by.

It also allows for the ethical and reliable management of both routine and sensitive issues. **The focus is very much on the worker** and ensuring that we ease their transition throughout the process in every way possible.

Gi Group **accompanies workers to their new countries**: supporting them with relocation services (search for accommodation, opening bank accounts, accessing medical services, paperwork, language courses and much more). This enables **workers to be included and accepted within the migrant community whilst also easing entry into their new local communities**.

**Gi Group Care Takers** play a vital role in this context. They are a point of reference for the jobseeker-movers and help them get acquainted with their new life whilst reducing the impact of any changes which could potentially be negative. The greater the speed of transition into the social fabric of the adopted country, the higher levels of tranquillity, well-being and optimism gained.

**This, in turn, leads to better performance and productivity in the workplace.**

DISCOVER MORE

**Gi Group's  
international  
mobility  
footprint**

## Key Destination Countries for Gi Group in 2023

As one of the few players in the arena, at Gi Group we are able to map trends in jobseeker-mover flows across Europe.

**Mobility flows remain contingent in nature**, linked to regulatory and economic opportunities.

New EU-wide guidance and programmes are being developed to make member states' national labour markets more flexible in order to address skills shortages.

Over the past year, our teams at Gi Group have also seen a trend we are calling **double mobility**, consistent with the previously mentioned trends identified on job markets inside the EU.

This involves a dual set of westward jumps: in Eastern Europe, countries like Bulgaria and Romania are increasingly becoming destinations for workers from Asia seeking better employment, while their own nationals are heading into Central and Western Europe in pursuit of new work opportunities.

**Destination countries within Gi Group welcoming the most foreign workers:**



## Priority industries & most highly-sought profiles for Gi Group



LOGISTICS



FMCG



MANUFACTURING  
(primarily industrial production)



AUTOMOTIVE



BUILDING & CONSTRUCTION

### General Workers

- Warehouse operators
- Production workers

### Specialised Technical Professionals

- Specialised technicians
- Maintenance operators
- CNC operators
- Welders
- Forklift drivers
- Construction workers



# The future of worker mobility in the EU



"Gi Group, as the core business of Gi Group Holding, remains committed to supporting more fluid, practical worker mobility across EU markets.

While economic uncertainty and the impacts of regional conflicts have increased inbound worker-mover flows during the past year, efforts need to be made to find an acceptable happy medium for sourcing jobs domestically and through inflows of qualified, specialised workers who can fill skills gaps.

Through our association with the WEC and in consultatory work with EU bodies, Gi Group is committed to ensuring we make this happen."

ANTONIO BONARDO

Public Affairs Senior Director,  
Gi Group Holding



## How the EU is facilitating job mobility

Let's take a look then at how the European Commission and national governments can help improve job mobility across Europe whilst generating value.

The European Labour Authority (ELA) is a key institution in facilitating movement across borders. ELA activities concentrate on enhancing job mobility across EU member states by fostering collaboration between key institutions (employment offices, tax offices, social security and pension institutions, etc.), EU authorities, and private employment agencies such as Gi Group.

In November 2023, the European Commission through its Directorate-General for Employment, Social Affairs and Inclusion announced a new **Skills & Talent Mobility Package** aimed at narrowing talent and skills gaps across all EU member states and making it easier in specific cases to hire non-EU talent.

The initiative facilitates recognition of skills certifications and accreditations in all EU members states and calls for the development of an **EU Talent Pool** platform.

The latter instrument, available to member states on a voluntary basis, will enable EU countries to recruit skilled workers from non-EU candidate databases and will deliver information and know-how for managing hiring and migration processes.

Jobseekers from third countries will be able to register their profiles on the platform and provide information on their skills, qualifications, work experience and language knowledge. EU employers' job vacancies will be registered in the EU Talent Pool to make it easier for jobseekers and employers inside the EU to connect and match candidates to current job openings.

## How the EU is facilitating job mobility



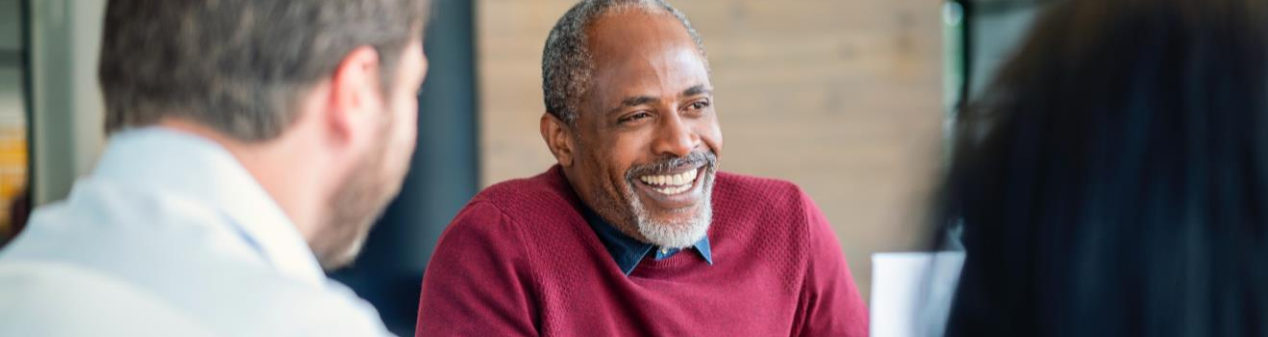
The Commission likewise announced a new **Talent Partnership programme** where employers and training institutions can work with non-EU subjects to boost access to skills training and occupational education. EU nationals who complete skills courses abroad via the programme will receive **Talent Partnership Passes** that show potential EU employers knowledge acquired and skills certifications.

Finally, new EU-wide regulatory proposals also include introduction of a **Europe on the Move training support package** that will boost **learning mobility** opportunities for workers in EU member states.

The programme has the goal of boosting EU workers' overall mobility experience across three groups by 2030: by 25% for higher education graduates; by 20% for learners with few opportunities; and by 15% for vocational learners.

An additional piece of legislation, the Directive 2009/50/EC which pertains to the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment, has led to the creation of an **EU Blue Card**. This involves a fast-track procedure for issuing special residence and work permits so that highly qualified talent can take up employment in EU member states.

# Developments in national legislative norms



DEVELOPMENTS IN NATIONAL  
LEGISLATIVE NORMS

## Worker Mobility Support

When it comes to support for worker mobility at the national level in EU markets, we have seen a few steps taken by governments to improve mobility options.

Per sources like the **Staffing Executive Regulatory Outlook (SERO)** survey, these involve primarily setting up more flexible regulations for accepting and integrating migrant workers, along with talent from outside the EU.

**However, not all labour markets are embracing a general openness to supporting more flexible, generous work visa programmes or welcoming third country nationals to fill skills gaps for longer-term labour shortages.**

Most information below highlights EU member state governments' efforts to regulate for more open labour markets, but there are a few cases like the Netherlands and the UK where social pressures are causing legislators to follow a regulatory approach defined by greater pragmatism.



## Germany



Germany made slight amendments to its Immigration Act for Skilled Workers in March 2023.

The revised norm broadens eligibility terms and conditions for receipt of an **EU Blue Card**, relaxes some restrictions on international inbound labour migration for skilled workers and also makes employment of low-skilled migrant workers easier in specific cases.

German legislation going into effect in March 2024 loosens restrictions on education requirements for skilled workers seeking employment in Germany:

German employers or recruiters can now accept candidates with officially recognised degrees from their home countries without need to undergo validation processes in Germany.

Plus, Germany will introduce an opportunity card (Chancenkarte) that will let some skilled workers enter the country for employment following a point-based system for approving such hires. A key change here is that new worker immigration regulations in Germany will now focus, for roles with labour shortages, more on experience than formal education or training.

At the same time, the German government has put in place stricter regulations on hiring via temporary staffing agencies. New rules require providers of such services to agree to adhere to a minimum set of employment quality standards for workers, including provision of training and accommodation support.

This part of the equation is where companies like Gi Group take extra steps to ensure, fair, just recruiting and hiring practices, building on a strong code of ethics and following standards prescribed through membership in bodies like the World Employment Confederations (WEC).



## Bulgaria



Bulgarian national authorities are reviewing measures to adjust minimum wages for third-country nationals and to streamline processes for work permit applications. The objective is to simplify processes for hiring highly needed, skilled inbound talent.



The Italian government has adopted positive regulatory changes concerning the training of migrant workers abroad prior to their arrival in Italy.

This has the potential to simplify employment and staffing agency work and ensure that primarily qualified talent is being invited to the Italian market and specifically targeted to help bridge skills gaps and curb labour shortages.



## The Netherlands



In the Netherlands, the government has adopted, and is planning further, regulatory changes for 2024. For example, the Dutch parliament is currently debating new norms to deliver greater job security protections for temp workers.

Provisions to adjust and possibly limit zero hours contracts are under way and new norms will likely call for businesses hiring temp employees to guarantee a basic minimum wage for employees on call for temp work.

Legislative amendments in the Netherlands are also meant to address quality of work experience, including rules on minimum accommodation and integration support.





Spain

Spain reformed its General Immigration Law to simplify terms for acceptance of skilled migrant workers who have the potential to curb labour shortages.

Work visa applications are processed and scrutinised with a view to sourcing talent in identified key sectors that have critical talent shortages.



## The UK



On the UK market, there is, in many cases, traditionally less openness to supporting international worker mobility.

In December 2023, the government adopted norms that will raise the minimum required salary by roughly one-third for hiring foreigners on the basis of a skilled worker visa.

Healthcare and social care roles will remain an exemption in the country's clamp down on accepting migrant workers. Still healthcare workers will face restrictions on bringing family members into the country.

## Adjustments to migrant worker quotas

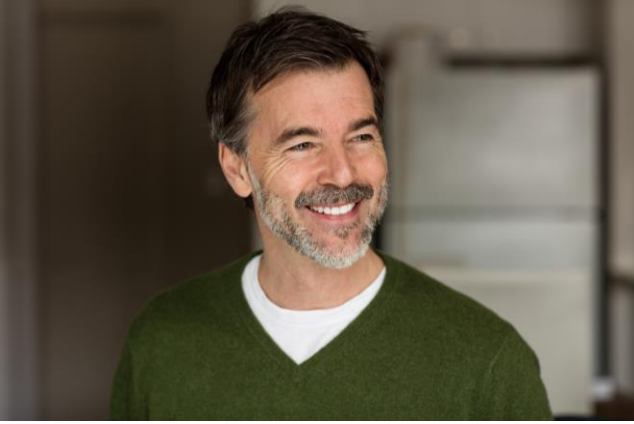
Per the most recent **OECD** data, countries throughout the EU have revised their numbers for accepting skilled workers from other members states and third countries during 2023.

**Italy and Norway**, for example, increased quotas for third-country national workers compared to 2022 levels, and Italy also introduced a new law to issue future quotas every three years instead of annually and to extend the validity of residence permits issued for family reasons, indefinite contract work, and self-employment from two to three years. In July 2023, the Italian government announced sharply higher quotas for 2023-25 of about 150,000 entries annually, as well as 40,000 additional seasonal entries open to those who were excluded from the 2022 quota.

In general, EU member states at the national level (such as **Belgium**, **Germany** and **Slovakia**) are implementing more flexible approaches to supporting worker mobility with a view to addressing skilled talent shortages. During 2023, countries like **Austria** and **Belgium** added dozens of new occupations to their lists of jobs requiring skills sourcing from outside national labour pools. Plus, measures have been put into place to support qualified high-skilled worker integration.

Plus, measures have been put into place to support qualified high-skilled worker integration. **Slovakia** and **Slovenia**, for example, are trying new flexi-programmes where work visas are processed at an expedited pace to bring in skilled labour; however, the visas are valid for shorter periods as these countries pursue recruit and verify programmes when sourcing skilled migrant workers.

Outside the EU the situation is the opposite: in the **UK**, the government hopes that new restrictions on who qualifies for skilled worker visas will lower migrant worker numbers by some 300,000 in the coming year. The current government's goal is to halve the number of entries compared to last year.



## DEVELOPMENTS IN NATIONAL LEGISLATIVE NORMS

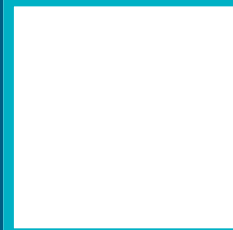
# Return migration programmes

Return migration is a key emerging point for international mobility, which, as such, is yet to be fully documented in official EU data.

The European Union has in place what is called a **Return Directive** which governs the safe, humane return of immigrants, asylum seekers, and some workers asked to leave the EU.

However, from available data in the EU strategy on migrant returns, only one-third of individuals asked to leave actually do and only 21% actually go back to their home country (country of origin).

# A circular socioeconomic model



### We are privileged here at Gi Group to have an overall vision regarding international mobility.

In our day-to-day business activities, we regularly see that companies need international mobility solutions, and this spans a range of national labour markets.

We work hard to deliver maximum benefits for our client-partners, while bearing in mind that such projects are often complex, must account for continuously evolving migration trends, and require that a high standard of social responsibility be factored into them.

We also strive to meet the expectations of cross-border work candidates and to ensure proper levels of care, while recognising that both the expert and lay publics are increasingly observing how businesses interact with internationally mobile, cross-border employees and are keen to make sure such employees are treated with respect and dignity.

Those areas can, over the medium and long term, secure new advantages provided they are able to attract their outgoing human capital back home. Sourcing countries may improve the qualifications and expertise of their original talent as those who return enhance the skills pool thanks to their experiences abroad.

This is a critical part of any sourcing country's economic development.

Active policies at a national level play a key role in ensuring that international mobility becomes a true upskilling engine, generating new value in the country of origin's society.

In essence, if managed responsibly, this is a circular economy model which helps generate **value for all stakeholders involved in the ecosystem.**



To explore International Mobility  
opportunities for your organisation visit

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