

Review of the answers to questions 16 to 21

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The research evidenced that:

- In most countries there is a shortage of highly skilled workers
- Many countries (Brazil, Canada, China, Germany, Luxembourg, Korea, New Zealand, Holland, Singapore, Taiwan, Belgium, Australia) are taking actions to attract highly skilled workers. This is done by different methods. For example:
 - (i) By setting quotas for specific sectors, for example in Brazil special quotas were issued for doctors, in Japan for construction workers (in view of the 2020 Olympics);
 - (ii) By granting tax benefits to highly skilled workers willing to relocate in the country (Luxembourg)
 - (iii) By creating a new visa category (R visa for highly skilled and trained workers – China)
 - (iv) By extending the criteria for allowing skilled workers in the country (like in Germany, where professional qualifications can be used instead of a diploma);
 - (v) By granting permanent residency to workers moving to the country (ex. Korea)
- In other countries, the need of highly skilled workers is not properly addressed by the Government (Chile, Colombia, England, Hong Kong, Israel, Italy)
- Some European countries (Italy, Germany, France, Holland, Spain, Belgium) are partially solving the issue of the need of highly skilled workers, through the implementation of the Blue Card Directive (work permits granted to workers holding a 3 year University diploma and other qualifications)
- An exception are India and Pakistan, where the research indicated that there is no skill shortage. Actually, in India there is a reverse phenomenon of IT experts going back to India after having studied and/or worked abroad
- In many countries the rules for obtaining “low-skill” work permits (for non educated workers) have been tightened and become more strict (Canada, China, Colombia, Israel, New Zealand)
- Poland and Sweden appear to be the most flexible and open countries for granting permits to foreign workers;
- India, Pakistan, UAE and Russia seem to be more protectionist against the entry of foreign workers.

The results of GEI research are in line with the data shown other reports, namely:

- According to the **OECD Migration outlook 2013¹**,”*Many Governments have become more restrictive towards foreign recruitment, seeking to protect their workforces in face of rising unemployment. However, countries have also introduced measures to ease the situation for foreign workers who have lost their jobs, mainly by allowing them to stay and search for work. More*

¹ International Migration Outlook 2013 – OECD

countries are adopting point-based systems, because of the flexibility they provide in the selection of highly skilled candidates. Programmes to attract investors and entrepreneurs are also receiving attention.

- According to the 2012 report prepared by the **McKinsey Global Institute**², by 2020, there will be:
 - (i) A potential shortage of about 38 to 40 Million high-skill workers (13% demand of such workers)
 - (ii) A potential surplus of 90 to 95 Million low-skill workers (10% of supply of such workers)
 - (iii) A potential shortage of nearly 45 Million medium-skill workers in developing economies (15% demand of such workers)

As to immigration trends, the McKinsey report highlights that:

- a) Advanced economies could avoid a shortage of high-skill workers by doubling the growth rate in tertiary education attainment, retraining mid-career workers and allowing more high-skill workers to immigrate. Even these measures could leave 20 to 23 Million workers in advanced economies without the skills that employers will need;
- b) The challenge in developing nations could be even more daunting. If current trends persist, in 2020 there could be one Billion workers in the global labor pool who lack secondary education;
- c) Unemployment of low-skill workers would continue to rise and global growth rate would fall if high-skill jobs were to go unfilled.;
- d) Patterns of migration and trade flows could adjust to address labor shortage and surpluses across regions. But given the volumes of low and medium-skill workers that would need to be employed, and rising resistance to immigration in some nations, these adjustments could have limited impact.

The report concludes that as the 21st century unfolds, the supply of high-skill workers is not keeping up with growing demand while too many workers are left with inadequate or outdated skills.

² The world at work: jobs, pay and skills for 3.5 Billion people - 2012