Determining labour shortages and the need for labour migration from third countries in the EU

Common Template of EMN Focussed Study 2015

Final Version

**Subject:** Common Template for the EMN Focussed Study 2015 on “Determining labour shortages and the need for labour migration from third countries in the EU”

**Action:** EMN NCPs are invited to submit their completed Common Templates by 11th May 2015. If needed, further clarifications can be provided by directly contacting the EMN Service Provider (ICF International) at emn@ghkint.com

1 STUDY AIMS AND RATIONALE

As identified in a recent study commissioned by the European Commission (DG Employment, Social Affairs and Inclusion), there are several important challenges affecting Europe's future labour market, including an ageing society requiring more effective use of the labour force; rapid technological changes and development; increasing demand for highly skilled labour; and uncertainty about future growth in European economies. In this respect, it is essential to identify and address labour market shortages, which could affect growth through their adverse effects on labour productivity.

While to a certain extent, skills mismatches will always exist as a part of the frictional dynamics of the labour market (i.e. cyclical labour shortages), persistent or structural shortages can be detrimental to economic recovery and growth. Some structural changes, such as the adoption of new technologies, may increase the demand for certain skills that are not immediately available in the labour market, creating skills shortages even when unemployment is high. In this respect, one of the main challenges faced by policy makers is identifying real, structural labour shortages, which cannot be met by the local labour force even if the labour market is functioning well or measures are taken to improve it, e.g. by supporting labour matching or by increasing the attractiveness of the work in light of scarce labour supply.

While migration is not necessarily a panacea for the economic problems in Europe, it is seen as part of the response to labour market policies and identified shortages. Labour and skills shortages are frequently cited by policymakers and employers as amongst the main reasons for attracting foreign labour. The ability to attract skills and talents and to recruit from abroad when necessary can help foster growth and innovation.

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1 “Mapping and analysing the bottleneck vacancies in EU labour markets” (September 2014) commissioned by the European Commission, Available at: ec.europa.eu/social/BlobServlet?docId=12625&langId=en
Access to information and analysis on the functioning of the labour market is crucial in order to develop relevant policy measures. Examining and assessing the extent of labour shortages is key to developing a credible labour migration policy. Mechanisms used for identifying current and future skills shortages and for anticipating the need for migrant labour can include lists of shortage occupations, employers’ needs analysis, labour market needs analysis, survey, forecasts and foresights, qualitative studies, etc.

The aim of this focussed study is to provide an overview of the mechanisms in place in (Member) States to determine labour shortages and to quantify the needs for labour migration. The study will also assess how the impact of labour migration on national labour markets is monitored and what kind of instruments are used to that end.

The study includes in its scope all skill and qualification levels of third-country nationals and is not limited to highly skilled or skilled third-country nationals.

More specifically, the study aims to:

- Provide an overview of national labour migration policy and recent public and policy debates on labour migration;
- Analyse whether there is a link between identified labour shortages and labour migration policy;
- Provide an overview of mechanisms for identifying labour and skills shortages and for anticipating the need for migrant labour, and;
- Examine how are the lists of shortage occupations defined and classified as well as whether Member States make any distinctions between different types of shortages (e.g. current vs. longer-term shortages; temporary vs. permanent shortages);
- Explore the role of social partners and other stakeholders and whether there are any formal mechanisms to consult/involve social partners in determining labour shortages and the anticipated need for migrant labour;
- Compare across (Member) States how the impact of labour migration on shortage occupations is monitored;
- Where available, provide statistical overview on the number of workers employed by selected occupations and estimated unfilled vacancies of the top shortage occupations and occupations included in the shortage lists.

2 TARGET AUDIENCES

The study would benefit primarily national and EU policy makers and officials concerned with labour migration, economic policy and labour market analysis. The study would also be of interest to other stakeholders, including social partners, in the labour markets of the Member States and at the EU level. Finally, it could serve academia and researchers in the above-mentioned fields.

3 EU LEGAL AND POLICY CONTEXT

At EU level, the study should be seen in the context of the overarching Europe 2020 Strategy for economic growth and in particular, within one of its five objectives focusing on high employment levels as well as creation of new skills and jobs.

In March 2014, in view of the discussions on the post-Stockholm Programme (which covers the period from 2010 to 2014), the European Commission adopted a Communication “An open and secure Europe: making it happen which identified the central issues to be tackled over the next years”\(^2\). The Communication underlines that demographic changes in Europe, coupled with significant skill shortages in certain sectors (notably engineering, IT and health care) hinder the EU’s productivity and respectively its economic recovery. At the same time, increasing global competition for skills and talents affects labour markets in many Member States.
and will be a decisive factor for Europe's economic prosperity in the decade ahead. The Communication further highlighted that in recent years, the European Union has followed a sector-by-sector approach to legal migration, which has resulted in a common legal framework, which regulates the admission of certain categories of third-country nationals.

To this effect, a number of policy and legislative measures have been introduced aim to produce flexible admission systems, responsive to the priorities of each EU State, while enabling migrant workers to make full use of their skills. These measures cover the conditions of entry and residence for certain categories of immigrants such as highly qualified workers ("EU Blue Card" Directive 2009/50/EC), seasonal workers (Directive 2014/36/EU) and intra-corporate transferees (Directive 2014/66/EU), as well as the establishment of a single work and residence permit (Directive 2011/98/EU).

With regard to other initiatives at EU level, as reported in the European Commission’s 5th Annual Report on Immigration and Asylum (2013), the Commission joined forces with the Organisation for Economic Cooperation and Development (OECD) in two consecutive projects focused on economic migration and labour market needs. The first project on "Matching Economic Migration with Labour Market Needs" aimed to identify policies and practices required to ensure that migration can effectively respond to labour market needs over the short-to-medium term (2020 horizon). It produced a series of studies aimed at analysing the challenges related to an efficient matching of immigrant skills to labour market needs, as well as policy recommendations. The second project, which will run in 2014 and 2015, aims to assess to which extent the EU, as a destination region for labour migrants from outside the Union, can compete on the global labour market for skills, and to which extent EU policy instruments have helped to foster EU attractiveness. On 11 December 2013, the Commission published a call for proposals containing a research topic on "The European growth agenda (EURO-2-2014)", with a specific research dimension on Migration, prosperity and growth.

4 LIST OF RELEVANT SOURCES AND LITERATURE

EMN Studies, Informs and Ad-Hoc Queries

- Ad-Hoc Query No. 554: Campaigns to attract third country nationals requested by EE NCP on 10th April 2014
- "The application of quotas in EU Member States as a measure for managing labour migration from third countries", EMN Inform, published 2014
- "Approaches and tools used by Member States to identify labour market needs", EMN Inform, published December 2013
- "Attracting highly qualified and qualified third-country nationals", EMN focussed study, published 2013
- Ad-Hoc Query No.508: Regulatory inflow to control inflow of foreign workers launched by LT NCP on 27th September 2013
- Ad-Hoc Query No.388: Establishing a complex monitoring system of the factual employment of third-country nationals in EU Member States launched by PL NCP on 14th March 2012
- "Satisfying Labour Demand through Migration", EMN main study, published June 2011
- "Temporary and circular migration: empirical evidence, current policy practices and future options in the EU", EMN study, published October 2011
- "Conditions of entry and residence of third country highly skilled workers", EMN study, published 2007

Other EU and international studies and reports


"Mapping and analysing the bottleneck vacancies in EU labour markets" (September 2014) commissioned by the European Commission, Available at: [ec.europa.eu/social/BlobServlet?docId=12625&langId=en](http://ec.europa.eu/social/BlobServlet?docId=12625&langId=en)


### 5 AVAILABLE STATISTICS

**EU level**

**European Union Labour Force Survey (EU LFS)**

Labour market statistics are available through the European Union Labour Force Survey (EU LFS).

There are limited indicators of labour market statistics that are disaggregated by nationality or national groups, including:

- Employment by sex, age and nationality (lfsa_ergan) (annual statistics)
- Inactive population by sex, age and nationality (lfsa_argan) (annual statistics)
- Self-employment by sex, age and nationality (lfsa_esgan) (annual statistics)
- Population by sex, age, nationality and labour status (lfsa_pganws) (annual statistics)

In addition, there are a number of labour market indicators which cannot be disaggregated by nationality, including:

- Job vacancy statistics by occupation and NUTS 2 regions (jvs_a_nace2) (annual statistics)
- Participants in labour market policy (LMP) interventions (Imp_particip)(annual statistics)
- Public expenditure on labour market policy (LMP) interventions (Imp_expend) (annual statistics)

**Eurostat migration statistics** is another statistical source in terms of the following indicators:

- Residence permits by reason, length of validity and citizenship (migr_resval) (annual statistics)
- First permits issued for remunerated activities by reason, length of validity and citizenship (migr_resocc)
- EU Blue Cards by type of decision, occupation and citizenship (migr_resbc1)
- EU Blue Cards holders and family members by Member State of previous residence (migr_resbc3)

**European Centre for the Development of Vocational Training (CEDEFOP)** undertakes a number of activities for identifying skills needs. Forecasting skill demand and supply database - Cedefop produces regular skill supply and demand forecasts for Europe and analyses the potential labour market imbalances. The forecasts are for the period 2015-2025 and include forecasting data on the labour force, employment trends and job

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opportunities. It is based on Eurostat population projections Europop 2010 as and macroeconomic forecasts developed by DG ECFIN.

**National level**

At national level, statistics on shortage occupations and estimated unfilled vacancies are likely to be available from Ministries of labour, Employment agencies, National statistical offices and authorities and other competent authorities. The present study aims to collect statistics for the period 2012-2014 on top 15 unfilled vacancies and shortage occupations. (Please see the Statistical Annex tables)

### 6 DEFINITIONS

**‘Circular migration’** is a repetition of legal migration by the same person between two or more countries. (Source: EMN Glossary V3)

**‘Contract migrant worker’** refers to a person working in a country other than their own under contractual arrangements that set limits on the period of employment and on the specific job held by the migrant. (Source: EMN Glossary V3)

**‘Economic migration’** refers to migration mainly for economic reasons or in order to seek material improvements to livelihood. (Source: EMN Glossary V3)

**‘Employee’** is defined as a worker holding an explicit or implicit employment contract, which gives them a basic remuneration that is not directly dependent upon the revenue of the unit for which they work. (Source: EMN Glossary V3)

**‘Employer’** is considered any natural person or any legal entity, including temporary work agencies, for or under the direction and/or supervision of whom the employment is undertaken. (Source: EMN Glossary V3)

**‘Employment’** is defined as the exercise of activities covering whatever form of labour or work regulated under national law or in accordance with established practice for or under the direction and/or supervision of an employer. (Source: EMN Glossary V3)

**‘Immigration quota’** is defined as a quota established for and by the country, normally for the purposes of labour migration, for the entry of immigrants. (Source: EMN Glossary V3)

**‘Intra-corporate transferee’** refers to a third-country national subject to a temporary secondment from an undertaking established outside the territory of a Member State and to which the third-country national is bound by a work contract to an entity belonging to the undertaking or to the same group of undertakings which is established inside this territory. (Source: EMN Glossary V3)

**‘Intra-EU mobility’** is an action of persons (EU nationals or legally resident third-country nationals) undertaking their right to movement by moving from one EU Member State to another. (Source: EMN Glossary V3)

**‘Labour market test’** a mechanism that aims to ensure that migrant workers are only admitted after employers have unsuccessfully searched for national workers, EU citizens (in EU Member States this also means EEA workers) or legally residing third-country nationals with access to the labour market according to national legislation. (Source: EMN Glossary V3)

**‘Labour migration’** is a movement of persons from one state to another, or within their own country of residence, for the purpose of employment. (Source: EMN Glossary V3)
‘Labour shortage’ is a shortage or insufficiency of qualified candidates for employment (in an economy, country) (Collins Dictionary)

‘Mobility partnership’ refers to cooperation arrangement, on the basis of political declarations, that provides the bilateral framework for dialogue and practical cooperation to address relevant migration and mobility issues of mutual concern primarily with EU neighbourhood countries, including short and long-term mobility, on a voluntary basis. (Source: EMN Glossary V3)

‘Occupation’ is defined as a set of jobs whose main tasks and duties are characterised by a high degree of similarity. (Source: EMN Glossary V3)

‘Social partners’ refers to employers’ associations and trade unions forming the two sides of social dialogue (Source: European Quality Assurance in Vocational Education and Training (EQAVET); European Commission Glossary5)

‘Seasonal worker’ is a third-country national who retains their principal place of residence in a third country and stays legally and temporarily in the territory of a Member State to carry out an activity dependent on the passing of the seasons, under one or more fixed-term work contracts concluded directly between that third-country national and the employer established in that Member State. (Source: EMN Glossary V3)

‘Skills shortages’ refers to shortages of particular skills on the labour market. Skills shortages can be cyclical and structural. On the one hand, shortages are common during periods of rapid economic growth, when unemployment is low and the pool of available workers is reduced to a minimum. However, these type of shortages tend to be overcome along the cycle. On the other hand, some structural changes, such as the adoption of new technologies, may increase the demand for certain skills that are not immediately available in the labour market, creating skills shortages even when unemployment is high. In fact, having a large pool of unemployed people provides no guarantee that employers can find appropriately skilled individuals to fill their vacancies. (Source: OECD)

‘Social dumping’ refers to the practice whereby workers are given pay and/or working and living conditions which are sub-standard compared to those specified by law or collective agreements in the relevant labour market, or otherwise prevalent there. (Source: EMN Glossary V3)

7 ADVISORY GROUP

For the purpose of providing support to EMN NCPs while undertaking this focussed study and for developing the Synthesis Report, an “Advisory Group” has been established. The members of the Advisory Group for this study, in addition to COM and EMN Service Provider (ICF International), are HU, IE, LT, NL, SE and UK EMN NCPs. EMN NCPs are thus invited to send any requests for clarification or further information on the study to the following “Advisory Group” members:

★ COM: Jan.Saver@ec.europa.eu and Magnus.OVILIUS@ec.europa.eu
★ EMN Service Provider (ICF International): emn@ghkint.com
★ HU EMN NCP: agnes.tottos@bm.gov.hu
★ IE EMN NCP: EMN.Ireland@esri.ie; alan.barrett@esri.ie; egle.guscute@esri.ie; emma.quinn@esri.ie
★ LT EMN NCP: emn@iom.lt

5 Available at: http://www.eqavet.eu/qa/gns/glossary/s/social-partners.aspx
8 PROVISIONAL TIMETABLE

<table>
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<th>Action</th>
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<tr>
<td>w/c 1st December 2014</td>
<td>EMN Service Provider to prepare a draft Common Template Version 1</td>
</tr>
<tr>
<td>w/c 1st December 2014</td>
<td>Advisory Group to review draft</td>
</tr>
<tr>
<td>w/c 1st December 2014</td>
<td>Circulate to EMN NCPs in advance of the 70th EMN NCP meeting</td>
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<tr>
<td>10th December 2015</td>
<td>Draft Common Template V1 to be discussed during 70th EMN NCP meeting</td>
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<tr>
<td>21st January 2015</td>
<td>Advisory Group Meeting to discuss draft study specifications</td>
</tr>
<tr>
<td>w/c 23rd February 2015</td>
<td>Finalisation of the Common Template and official launch of the study</td>
</tr>
<tr>
<td>w/c 11th May 2015</td>
<td>Completion of the National Reports by EMN NCPs</td>
</tr>
<tr>
<td>w/c 1st June 2015</td>
<td>First draft of the Synthesis Report</td>
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9 TEMPLATE FOR NATIONAL CONTRIBUTIONS

The template outlines the information that should be included in the National Contributions to this focussed study. The indicative number of pages to be covered by each section is provided in the guidance note. For national contributions, the total number of pages should not exceed 28 pages, including the questions and excluding the statistical annex. A limit of 25 pages will apply to the Synthesis Report, in order to ensure that it remains concise and accessible.

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* Provided that a sufficient number of EMN NCPs submit their National Contribution in time for the Synthesis stage.
EMN FOCUSED STUDY 2015

Determining labour shortages and the need for labour migration from third countries in the EU

Top-line “Factsheet” (National Contribution)

Overview of the National Contribution – introducing the study and drawing out key facts and figures from across all sections of the Focussed Study, with a particular emphasis on elements that will be of relevance to (national) policymakers.

The Aliens Act (Official Gazette, No. 130/11, 74/13) defines the categories of foreign citizens who require a permit to work and reside in the Republic of Croatia. Since 2004 the Ministry of Interior is the main institution in Croatia that according to the Aliens Act administers work permits, registers permanent and temporary residence of foreign citizens and publishes relevant statistics. Regarding the work permit system, each year the annual quota for the employment is determined, identifying sectors and occupations in which employment is permitted for third-country nationals.

According to the Decision of the Government of the Republic of Croatia for the employment of foreigners, the Government of the Republic of Croatia establishes the annual quota of work permits for third countries citizens every year as regards the extension of the already issued work permits and new employments, and may also set the quota for the employment of seasonal workers.

The quota is determined by taking into account the proposals and opinions of the Government, the Croatian Employment Service, the Croatian Chamber of Economy, the Croatian Chamber of Trades and Crafts, the Croatian Employers’ Association and representatives of social partners. For that purpose, the Croatian Employment Service also provides an analysis of labour market conditions and the current situation of labour demand and supply for specific occupations taking into account labour market analyses of the CES regional offices. The quota announces the demand for foreign workers in advance.

In order to prepare an official proposal for defining the total number of work permits for foreigners, the Croatian Employment Service provides the analysis of the reported vacancies in the labour market, the number of available unemployed persons registered at the CES, the number of persons employed in the CES during the period of one year, the results of the Employers’ survey, the number of persons referred to education which is based on the ALMP measure “Training of the unemployed”, the labour market analyses of all regional offices, as well as the number of issued work permits for foreigners in the Republic of Croatia for the previous reporting year compared to the total forecasted annual quota of work permits for foreigners for the previous year.

Over the last few years, due to rather high unemployment rate in Croatia (17% in 2014), the immigration has not been in focus when it comes to addressing labour shortages. Over the last three years the annual employment quota for foreign workers has amounted to around 2,000 work permits per year and is gradually
The shortage sectors in 2014 and the annual quota for new employment were the following: Agriculture and Forestry (37), Tourism and Hospitality (100), Culture (31), Transportation (7), Health (36), Science and Education (30), Manufacturing (15). The annual quota for the extension of previously issued work permits was 2000.

In 2014, 122 work permits were issued to the aliens for new employment and 717 work permits for employment in the quota were extended. Outside the annual quota, a total number of 952 work permits was issued to daily migrants, foreigners and their family members, foreigners performing key activities in companies, teachers, university professors and professional sports workers.

**Executive Summary (Synthesis Report)**

*Synthesis Report (up to three pages)*

Executive Summary of Synthesis Report: this will form the basis of an EMN Inform, which will have EU and National policymakers as its main target audience.

**Section 1: General overview of the national labour migration policy and recent public and policy debates on labour migration**

This section aims to outline the national migration policy and recent public policy debates on migration. Firstly, it examines whether the **conditions for entry and stay** for third-country nationals provided in national legislation are directly linked to shortage occupations. It further explores the **policy instruments** in place used for managing economic migration (for example quotas, labour market tests, points-based systems, other instruments). **Secondly, the section focuses on recent public debated on labour migration especially with regard to debates on how labour migration is planned to be utilised to address labour market shortages.** Thirdly, the section looks at the extent to which Member State view immigration as a tool to address labour shortages and the overall role envisaged by policy for migration to address labour shortages.

Q1. Please briefly describe how the **national labour migration policy** functions in your (Member) State. (Maximum 1 page)

Q1 (a). Are **conditions for entry and stay** for (categories of) third-country nationals provided in national legislation linked to shortage occupations?

Q1 (b). What are the instruments in place in your Member State for **managing economic migration** (quotas, labour market tests, points-based systems, other instruments) and how are they linked to labour shortages identified (for example, labour market test is not applied for third-country nationals applying for jobs listed in lists of shortage occupations)

Q1. (c) To what extent does your Member State view immigration as a tool to address labour shortages? What overall role for migration to address labour shortages is envisaged by policy in your Member State?

According to the Article 73 of the Aliens Act (Official Gazette, No. 130/11, 74/13), conditions for entry and stay for third-country nationals can be linked to the **annual quota for employment** which identifies sectors and occupations in which employment is permitted for third-country nationals.

The **annual quota** is determined by taking into account the proposals and opinions of the Government, the Croatian Employment Service, the Croatian Chamber of Economy, the Croatian Chamber of Trades and Crafts, the Croatian Employers’ Association and representatives of social partners. For that purpose, the Croatian Employment Service provides an analysis of labour market conditions and the current situation of labour

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Section 2: Overview of instruments used for identifying current and future labour and skills shortages and for anticipating the need for labour migration

This section aims to examine the existing instruments and approaches used in (Member) States to identify current and future labour and skills shortages and the anticipated need for migration labour. Firstly, it examines how labour shortages are defined and classified at national level (Q3) as well as whether there are any distinctions made among different types of shortages (Q4). Secondly, this section provides an overview of existing instruments and tools used in (Member) States to identify labour shortages and the need for migration labour to fill shortages in the labour market (Q5). The section explores the role and involvement of social partners and other national stakeholders (Q6). Finally, it aims to collect a summary of the results/findings of the identified instruments.

Q3. Definition and classification of labour shortages

Q3.(a) How are labour shortages defined, identified and classified in your Member State?

Q3.(b) What is the level of analysis (e.g. by sectors, by occupations or by qualifications or skill levels)?

Q3.(c) Are classifications of shortages defined in legislation or soft law (e.g. circulars, regulations, policy documents)? If yes, please describe and provide examples for each of the classifications.

Q3.(d) To which extent the level of analysis includes region/local level?

The labour shortage is defined and identified through a formal process of making a list of occupations for work permit quotas for third country nationals. If the job vacancies cannot be filled with domestic workers or workers from other EU countries, it is implicitly considered as a shortage. The shortage is expressed by individual occupations at the national
Q4. Do any distinctions between different types of labour shortages exist in your Member States, such as for example:

- **short-term** (current) shortages and **longer-term** (projected) shortages; or
- **cyclical** shortages (shortages occurring due to short-term imbalances in the supply and demand in the labour market and/or by providing incentives to the labour force) and **structural** shortages (which are due to changes, such as the adoption of new technologies, may increase the demand for certain skills that are not immediately available in the labour market, creating skills shortages even when unemployment is high).

If yes, please describe.

There is no distinction between types of labour shortages.
Q5. Please complete the table below identifying the instruments/tools in your (Member) State used to identify labour shortages and the need for migration labour. You can list more than one instrument/tool per category.

<table>
<thead>
<tr>
<th>Instruments and tools used for identifying labour market shortages and the need for migration labour</th>
<th>Is this instrument/tool used in your (Member) State? (Y/N)</th>
<th>Is this instrument used for determining labour migration needs? (Y/N)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lists of shortage occupations</td>
<td>YES</td>
<td>Yes, exclusively</td>
</tr>
<tr>
<td>Sector analysis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer Surveys</td>
<td>YES</td>
<td>It is a tool to identify bottleneck</td>
</tr>
</tbody>
</table>

Please briefly describe the respective tool(s) and the methodology(ies) used for anticipating the need for migration labour.

(1) Please describe the level of analysis of the particular instrument/tools (i.e. skills, occupations, sectors, professions, level of qualifications, others).

(2) Is an international (e.g. ISCO-08) or national classification of occupations used?

Which national organisation(s) use this mechanism/tool to produce information on skill shortages?

What is the geographical level of the mechanisms/tools used (e.g. national, regional, municipal)?

Additional comments

List of shortage occupations

- YES
- It will be described in the next section.
- 1) Occupations, sectors
- 2) National classification
- The Government uses this mechanism to produce information on skill shortages.
- The geographical level which is used is the national level.

Employer Surveys

- YES
- A sample of employers is surveyed by the CES once a year. They are
- The national classification of occupations
- The Croatian Employment Service
- The geographical level is the national and the...
<table>
<thead>
<tr>
<th>Method</th>
<th>Occupations for the whole workforce</th>
<th>Asked whether they faced difficulties in filling vacancies due to lack of qualified workers</th>
<th>Consistent with ISCO-08 is used</th>
<th>Publishes the results of the survey</th>
<th>Regional level</th>
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<tbody>
<tr>
<td>Forecasts/foresight analysis</td>
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<td>Qualitative studies or analysis</td>
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<tr>
<td>Other instruments/tools (please describe)</td>
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</table>
Q6. Concerning **lists of shortage occupations**, please briefly describe:

- a. The process for developing the shortage occupation lists;
- b. What are the criteria for selecting the shortage occupations (e.g. advertised vacancies are significantly higher than the qualified national job seekers available)?
- c. Which organisations/institutions play a role in determining lists of shortage occupations?
- d. How frequently are the lists of shortage occupations updated?

As regards the anticipation of the labour migration needs, in Croatia there are several legislative mechanisms put in place:

The Aliens Act (Official Gazette, No. 130/11, 74/13) defines the categories of foreign citizens who require a permit to work and reside in the Republic of Croatia. Since 2004 the Ministry of Interior is the main institution in Croatia that according to the Aliens Act administers work permits, registers permanent and temporary residence of foreign citizens and publishes relevant statistics. Regarding the work permit system, each year the annual quota for the employment is determined, identifying sectors and occupations in which employment is permitted for aliens – third-country nationals.

According to the Decision of the Government of the Republic of Croatia for the employment of foreigners, the Government of the Republic of Croatia establishes the annual quota of work permits for third country citizens every year as regards the extension of the already issued work permits and new employments, and may also set the quota for the employment of seasonal workers.

The quota is determined by taking into account the proposals and opinions of the Government, the Croatian Employment Service, the Croatian Chamber of Economy, the Croatian Chamber of Trades and Crafts, the Croatian Employers’ Association and representatives of social partners. For that purpose, the Croatian Employment Service also provides an analysis of labour market conditions and the current situation of labour demand and supply for specific occupations taking into account labour market analyses of the CES regional offices. The quota announces the demand for foreign workers in advance.

In order to prepare an official proposal for defining the total number of work permits for foreigners, the Croatian Employment Service provides the analysis of the reported vacancies in the labour market, the number of available unemployed persons registered at the CES, the number of persons employed in the CES during the period of one year, the results of the Employers’ survey, the number of persons referred to education which is based on the ALMP measure “Training of the unemployed”, the labour market analyses of all regional offices, as well as the number of issued work permits for foreigners in the Republic of Croatia for the previous reporting year compared to the total forecasted annual quota of work permits for foreigners for the previous year.

The lists of shortage occupations are updated once a year.

Q7. For each of the **instruments and tools used for identifying labour market shortages** in Q5, please outline how it is used for policy purposes? Is there a formalised mechanism to disseminate the information produced? (Y/N) If yes, please describe.


Q8. Are any of the **tools/mechanisms for identifying labour market shortages** identified above (e.g. lists of shortage occupations, employers’ needs analysis, surveys, forecasts, etc.) used to determine any of the policy
instruments for managing economic migration (e.g. quotas, labour market tests, points-based systems, etc.)? (Yes/No) If yes, please describe.

The list of shortage occupations is used to determine work permit quotas.

Q9. Do any mechanisms or tools to monitor intra-EU mobility of workers filling job vacancies in the national labour market or leaving to work in other Member States exist in your Member State? (Y/N) If yes, please describe.

If possible, please distinguish between mechanisms or tools to monitor intra-EU mobility with regard to (i) shortage occupations and (ii) other occupations not considered as shortage occupations.

Please indicate the national sources of statistics or data on EU citizens working in your Member State.

The Croatian Central Bureau of Statistics publishes official data on migration. While the most comprehensive dataset can be obtained from the census data, the Central Bureau of Statistics data cover also annual migration flows. The Croatian Bureau of Statistics processes the data collected by the Ministry of Interior and publishes them annually in the Release Migration of the population of the Republic of Croatia, [http://www.dzs.hr/Hrv_Eng/publication/2014/07-01-02_01_2014.htm](http://www.dzs.hr/Hrv_Eng/publication/2014/07-01-02_01_2014.htm).

The Labour Force Survey (LFS) estimates the number of other EU member states’ citizens working in Croatia and is published by Eurostat.

Q10. Please outline the role of social partners (see definition of social partners above) and other stakeholders (please identify which stakeholders) in identifying the need for migrant labour? Is there a formalised mechanism to consult/involve social partners in identifying the anticipated need for migrant labour or is their involvement on an ad-hoc basis?

The proposals and opinions of the working group composed of the representatives of social partners, the Croatian Employment Service, the Croatian Chamber of Economy, the Croatian Chamber of Trades and Crafts and the Croatian Employers’ Association and chaired by the Ministry of Labour and pension System are considered during the process of determining of quota system.

Q11. Q5 in Section 2 examined the types of national instruments used in your Member State to identify labour shortages and the need for migrant workers. Please briefly summarise the results/findings of these instruments for the most recent year(s)

The decision on the annual quota of work permits is made by the Government of the Republic of Croatia and is published in the Croatian Official Gazette. Work permits are issued according to industries and occupations for: new employment, extension of the permits that have been already issued and seasonal employment. A stay and work permit is issued on the basis of an annual quota and outside the annual quota.

The shortage sectors in 2014. and the annual quota for new employment were the following: Agriculture and Forestry (37), Tourism and Hospitality (100), Culture (31), Transportation (7), Health (36), Science and Education (30), Manufacturing (15). The annual quota for the extension of previously issued work permits was 2000.

In 2014, 122 work permits were issued to the aliens for new employment and 717 work permits for employment in the quota were extended. Out of the total number, the highest number of work permits was issued to the citizens of Bosnia and Herzegovina (542), China (48), Macedonia (42) and Serbia (24). Outside the annual quota, a total number of 952 work permits was issued to daily migrants, foreigners and their family members, foreigners performing key activities in companies, teachers, university professors and professionl sports workers. The number of work permits which was issued to citizens of Bosnia and Herzegovina was 170, USA (143) and Serbia (124). The Ministry of the Interior collects most of the migration data. Data are published, other data are available on demand.
Q12. (a) Please indicate any **challenges and risks** associated with the use of instruments for identifying labour shortages and the need for migration labour in your (Member) State. (based on existing studies/evaluations or information received from competent authorities)

Q12. (b) Are there shortage occupations which are not addressed through labour migration (for example because of political concern, sensitivity of the jobs, etc.). If so, how is this determined?

No challenges or risks associated with the use of instruments for identifying labour shortages and the need for migration labour in Croatia are identified.

**Section 3: Monitoring the outcomes of labour migration policy in relation to shortage occupations**

This section examines the tools and mechanisms to monitor the outcomes of labour migration policy in relation to shortage occupations (e.g. workforce analysis, analysis of types of work permits granted, sector analysis, discussions with employers, etc.). It begins with a series of questions on the instruments used. The section also explores the use of these instruments; the role of social partners and other stakeholders and any challenges and risks associated with their use.

Q13. Are the outcomes of labour migration policies in relation to shortage occupations monitored in your (Member) State? If yes, please describe:

(a) What are the monitoring mechanisms (e.g. workforce analysis, analysis of types and number of work permits granted, sectoral analysis, discussions with employers, etc.)? Is there a formal mechanism(s) to monitor the effects of migration on the labour market in your (Member) State or is this done on an ad-hoc basis?

(b) At what level are labour migration policy outcomes monitored (e.g. workforce, sectors, skill levels, occupations)?

(c) Which organisations carry out such monitoring? For example, are these produced by national agencies; academics; NGOs?

(d) Is the monitoring laid out in legislation or soft law (e.g. circulars, policy documents)?
The outcomes of the labour migration policy (analysis of types of work permits granted) are provided to the Croatian Employment Service on a regular basis (four times per year) by the Ministry of Interior. They are monitored at the level of sectors and occupations. The monitoring is based on the Decision of the Government of the Republic of Croatia for the employment of foreigners.

Q14. For each of the instruments and tools used for monitoring the outcomes of labour migration policy in relation to shortage occupations in Q13a, please outline how it is used? Are there formalised mechanisms to disseminate the results of each monitoring mechanism listed in Q13(a)? (Y/N) If yes, please describe.

The outcomes of the labour migration policy (analysis of types of work permits granted) are proceeded to the Croatian Employment Service. The Croatian Employment Service disseminates the data to CES regional offices and the Ministry of Labour and Pension System.

Q15. Please outline the role of social partners (including organised representatives of employers and employees) and other stakeholders in monitoring the effects of labour migration on the labour market? Is there a formalised mechanism to consult/involve social partners or is their involvement on an ad-hoc basis?

While determining the quota, the opinion of social partners, the Croatian Chamber of Economy, the Croatian Chamber of Trades and Crafts and the Croatian Employers’ Association is considered.

Q16. Please indicate any challenges associated with monitoring the outcomes of labour migration policy in relation to shortage occupations in your (Member) State or the impact of labour migration on the labour market at large (based on existing studies/evaluations or information received from competent authorities)

No challenges associated with monitoring the outcomes of labour migration policy in relation to shortage occupations in Croatia or the impact of labour migration on the labour market at large are identified.
**Statistical Annex**

**A1. Workers employed by selected occupations and estimated unfilled vacancies (statistics for the latest available year)**

Member States are requested to also provide statistics on a number of pre-selected occupations. The occupations in the table below are selected on the basis of the occupations that most frequently feature in (Member) States’ shortage lists identified in the recent EMN Inform “Approaches and tools used by Member States to identify labour market needs”. This section of the Statistical Annex is also aimed at collecting statistics on intra-EU mobility in terms of filling in shortage occupations.

If statistics are available based on ISCO-08, please provide the statistic based on the ISCO-08 number in brackets.

If statistics are not available based on ISCO-08, please provide the national equivalent available.

If your Member State has not yet adopted ISCO-08, but can provide ISCO-88 statistics, please provide the ISCO-88 statistics where statistics is available for the categories and sub-categories below.

**Table 1: Workers employed by specific occupations and estimated unfilled vacancies (in 2014)**

<table>
<thead>
<tr>
<th>Specific occupations</th>
<th>Total employment</th>
<th>Employment of EU-nationals from other Member States</th>
<th>Employment of third-country nationals – Inflow to employment</th>
<th>Number of residence permits issued to third-country nationals for specific occupations</th>
<th>Number of unfilled vacancies</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health Professional (22)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: Medical doctors (221)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Of which: Nursing and Midwifery Professionals (222)</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Personal care workers (53)</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Of which: Child Care Workers (5311)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: Health Care Assistants (5321)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Of which: Home-based Personal Care Workers (5322)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Services Workers (51)</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
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<td>1534</td>
<td>5372</td>
<td>6906</td>
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<td>670</td>
<td>951</td>
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<td>3381</td>
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<td>48</td>
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<td>1269</td>
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<td></td>
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<td></td>
<td></td>
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<td></td>
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</tr>
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<td>8</td>
<td>123</td>
<td>131</td>
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<tr>
<td>2</td>
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<td>27</td>
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<td></td>
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<tr>
<td>38</td>
<td>1073</td>
<td>1111</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11825</td>
<td>14805</td>
<td>26630</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Determining labour shortages and the need for labour migration from third countries

<table>
<thead>
<tr>
<th>Occupation</th>
<th>2015</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of which: Cooks (5120)</td>
<td>4846</td>
<td>5995</td>
<td>10841</td>
</tr>
<tr>
<td>Of which: Waiters (5131)</td>
<td>6586</td>
<td>4135</td>
<td>10721</td>
</tr>
<tr>
<td>Of which: Cleaning and Housekeepers in offices, hotels and other</td>
<td>10</td>
<td>214</td>
<td>224</td>
</tr>
<tr>
<td>establishments (5151)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which: Domestic Housekeepers (5152)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Skilled Agricultural, Forestry and Fishery Workers (6)</td>
<td>677</td>
<td>358</td>
<td>1035</td>
</tr>
<tr>
<td>Of which: Field Crop and Vegetable Growers (6111)</td>
<td>71</td>
<td>79</td>
<td>150</td>
</tr>
<tr>
<td>Of which: Gardeners; Horticultural and Nursery Growers (6113)</td>
<td>224</td>
<td>186</td>
<td>410</td>
</tr>
<tr>
<td>Of which: Livestock and Dairy Producers (6121)</td>
<td>9</td>
<td>14</td>
<td>23</td>
</tr>
<tr>
<td>Information and Communications Technology Professionals (25)</td>
<td>352</td>
<td>145</td>
<td>497</td>
</tr>
<tr>
<td>Of which: Software and Applications Developers and Analysts (251)</td>
<td>333</td>
<td>140</td>
<td>473</td>
</tr>
<tr>
<td>Of which: Database and Network Professionals (252)</td>
<td>19</td>
<td>5</td>
<td>24</td>
</tr>
<tr>
<td>Teaching professionals (23)</td>
<td>1921</td>
<td>11480</td>
<td>13401</td>
</tr>
<tr>
<td>Engineering Professionals (excluding Electro-technology) (214)</td>
<td>1185</td>
<td>1033</td>
<td>2218</td>
</tr>
<tr>
<td>Architects, Planners, Surveyors and Designers (216)</td>
<td>1011</td>
<td>1119</td>
<td>2130</td>
</tr>
<tr>
<td>Accountants (2411)</td>
<td>9</td>
<td>27</td>
<td>36</td>
</tr>
</tbody>
</table>
A2. Top 15 professions included in lists of shortage occupations *(statistics for the latest available year)*

This part of the Statistical Annex aims to collect data on the occupations included in lists of shortage occupations and any estimations of unfilled vacancies.

If there are several regional lists of shortage occupations instead of a national list, please fill in the table below providing data for each region. You can create new tables below per region. Alternatively, you can use the box provided below to provide a descriptive overview and any available data.

If statistics is available based on ISCO-08, please provide the statistic based on the ISCO-08 number in brackets.

If statistics are not available based on ISCO-08, please provide the national equivalent available.

**Table 2: Statistics on lists of shortage occupations in 2015**

<table>
<thead>
<tr>
<th>ISCO-08 (4 digit level)</th>
<th>Equivalent national classification of occupations (7 digit level)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation included in the list of shortage occupations</td>
<td></td>
</tr>
<tr>
<td>Is there a specified number of vacancies to be filled with labour migrants from third-countries? (Y/N)</td>
<td>Are there any special conditions for migrants from third-countries applying for shortage occupations? (Y/N)</td>
</tr>
<tr>
<td>9212 Livestock farm labourers</td>
<td>Sheperds, herders</td>
</tr>
<tr>
<td>6111 Field crop and vegetable growers</td>
<td>Grafters</td>
</tr>
</tbody>
</table>

(Statistics for the latest available year)
<table>
<thead>
<tr>
<th></th>
<th>Title</th>
<th>Professionals</th>
<th>2015</th>
<th>Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>3423 Fitness and recreation instructors and program leaders</td>
<td>Tourist program leaders and diving instructors</td>
<td>25</td>
<td>N</td>
</tr>
<tr>
<td>4</td>
<td>4221 Travel consultants and clerks</td>
<td>Travel representatives</td>
<td>10</td>
<td>N</td>
</tr>
<tr>
<td>5</td>
<td>3434 Chefs</td>
<td>Chefs (national cuisines)</td>
<td>31</td>
<td>N</td>
</tr>
<tr>
<td>6</td>
<td>5142 Beauticians and related workers</td>
<td>Specialized masseurs</td>
<td>40</td>
<td>N</td>
</tr>
<tr>
<td>7</td>
<td>2652 Musicians, singers and composers</td>
<td>Opera singers and orchestra musicians</td>
<td>12</td>
<td>N</td>
</tr>
<tr>
<td>8</td>
<td>2653 Dancers and choreographers</td>
<td>Ballet dancers</td>
<td>12</td>
<td>N</td>
</tr>
<tr>
<td>9</td>
<td>2212 Specialist medical practitioners</td>
<td>Specialist medical doctors</td>
<td>4</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y – Their qualifications need to be recognised by</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>the National ENIC/NARIC Office.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>2211 Generalist medical practitioners</td>
<td>Generalist medical doctors</td>
<td>5</td>
<td>Y</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Y – Their qualifications need to be recognised by</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>the National ENIC/NARIC Office.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>2310 University and higher education teachers</td>
<td>Foreign language lecturers</td>
<td>7</td>
<td>N</td>
</tr>
<tr>
<td>12</td>
<td>8332 Heavy truck and lorry drivers</td>
<td>Long-distance truck drivers</td>
<td>20</td>
<td>N</td>
</tr>
<tr>
<td>13</td>
<td>7315 Glass makers, cutters, grinders and finishers</td>
<td>Glass blowers</td>
<td>5</td>
<td>N</td>
</tr>
<tr>
<td>14</td>
<td>3114 Mechanical engineering</td>
<td>Mechanics for Shima weaving machines</td>
<td>5</td>
<td>N</td>
</tr>
</tbody>
</table>
Determining labour shortages and the need for labour migration from third countries

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Region</th>
<th>Need</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3115 Electronic engineering technicians</td>
<td></td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>Programmers for Shima weaving machines</td>
<td></td>
<td></td>
<td>5</td>
</tr>
</tbody>
</table>

Please provide any additional statistics or information regarding the national/regional lists of shortage occupations (Maximum 1 page)