



## DETERMINING LABOUR SHORTAGES AND THE NEED FOR LABOUR MIGRATION FROM THIRD COUNTRIES IN THE EU

### LUXEMBOURG

First Focussed Study 2015

European Migration Network  
National Contact Point Luxembourg

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The European Migration Network, created by Council Decision no. 2008/381/EC of 14 May 2008, has the objective of supplying up-to-date, objective, reliable and comparable information on migration and asylum in the Community institutions, to the authorities and institutions of the Member States and to the general public with a view to support policy- and decision-making with the European Union.

## PREFACE

The opinions expressed in this report are those of the author. They do not necessarily reflect the positions of the Luxembourg Ministry of Family and Integration or the Ministry of Foreign and European Affairs.

The present report were drafted by Adolfo Sommarribas and Fabienne Becker, staff members of the National Contact Point Luxembourg within the European Migration Network, under the overall responsibility of Prof. Dr. Birte Nienaber. Continuous support was provided by the members of the national network of the National Contact Point Luxembourg: Sylvain Besch (CEFIS), Sylvie Prommenschenkel and Catherine Stronck (Directorate of Immigration, Ministry of Foreign Affairs), Germaine Thill (STATEC), and Marc Hayot (OLAI Reception and Integration Agency, Ministry of Family and Integration).

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

## Top-line “Factsheet” (Luxembourg National Contribution)

### National contribution (one page only)

*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.*

Since almost 150 years, Luxembourg depends on two kinds of migration, qualified and non-qualified, in order to deal with the workforce needs of its economy.<sup>1</sup> Compared to the other EU Member States, Luxembourg is the country with the largest proportion of foreigners; however, this foreign population is mainly composed of EU citizens.<sup>2</sup>

Due to its size and geographic position, Luxembourg was able to have access to a very particular form of economic migration: cross-border workers. Globalisation has also played a decisive role in the development of economic migration for the Luxembourgish labour market. The financial centre was obliged to become highly specialised in order to remain competitive in regards to other financial centres and to maintain its volume of business. In order to maintain its competitive advantage, Luxembourg needs highly skilled personnel, which the country has found, up until now, within the Greater Region.

This reality is even more pronounced with regards to the labour market: the number of actives (salaried and non-salaried) on 31 March 2014 shows that Luxembourgish nationals represented only 31%, EU citizens 65% and third-country nationals only 4%. Cross-border workers from Belgium, France and Germany<sup>3</sup> represented 42% of the workforce and the resident migrant population (EU citizens and third-country nationals) 28%.<sup>4</sup> Cross-border workers, which consist of skilled and highly skilled labour<sup>5</sup> are substantially attracted for two reasons: 1) more competitive salaries on the Luxembourgish labour market<sup>6</sup>; and 2) a geographical location which allows the commuting of cross-border workers.<sup>7</sup>

A special parliamentary commission on migration<sup>8</sup> as well as a study<sup>9</sup> commanded by the government raised awareness on labour immigration in 2004 in the framework of an evaluation of the immigration needs of the Luxembourgish economy. The necessity of satisfying labour demand through immigration was also raised by the Economic and Social Council in its opinion of 12 October 2006.<sup>10</sup>

The Luxembourgish labour market is not a national labour market but rather a labour market of the Greater Region with a trend to become an international labour market. This situation can be explained in the context of the free movement of services and the posted workers coming from other Member States to Luxembourg. According to a memo of the European Commission entitled “Posting of Workers: EU safeguards against social dumping”, of 13 May 2014<sup>11</sup>, Luxembourg was in the 12<sup>th</sup> position of the posting by destination country in

2011, having issued 27,730 A1 portable documents (PD A1) in 2010 and 24,295 in 2011.<sup>12</sup>

The problem of workforce needs must be placed in this particular context, taking into account the “internal reserves”, the free movement of persons from which EU citizen, who reside in the country, benefit and the large majority of cross-border workers. To this framework one must add a range of measures that were introduced by the Luxembourgish authorities in order to regulate the labour market. Some of these measures did not have labour market needs as their only objective, but also to manage integration processes (see Q.1.(c)):

- a) Measures taken in regards to the transitory conditions on free movement of persons for the citizens of the new EU Member States;
- b) Measures taken to the reform of the working permit system<sup>13</sup>;
- c) Measures taken to the access to the labour market of third-country nationals, who do not migrate with the objective of exercising an economic activity (i.e., family reunification, students, etc.)<sup>14</sup>;
- d) Measures taken to the successive regularisations of irregular migrants in Luxembourg (see Q.1 (b) 5).<sup>15</sup>

The attitude of the successive governments was to adapt immigration to the economic needs of the country.<sup>16</sup> The government policy intends to focus on attracting highly added value activities focussed on new technologies (biomedicine and information as well as communication technologies – focusing on IT security), logistics and research.<sup>17</sup> However, being one of the smallest countries in the European Union, Luxembourg has limited human resources to guarantee the growth not only of the financial sector but also of the new technologies sectors. The government introduced the highly qualified worker residence permit in the bill on free movement of persons and immigration approved by law of 29 August 2008 almost a year before of the enactment of the Blue Card Directive<sup>18</sup> to facilitate the entry of third-country national highly qualified workers.<sup>19</sup> However, this reform was isolated and incomplete and took place without making a real evaluation of the workforce demand of the different sectors of the economy.

Even though until now Luxembourg has been relying on the workforce from the Greater Region, for some socio-economic and political stakeholders, highly qualified workforces began to become scarce in the Greater region.<sup>20</sup> In addition to the cross-border workers, the lifting of restrictions to access all the sectors of the labour market<sup>21</sup> for citizens of the new Member States (EU-8)<sup>22</sup> can be considered as a mitigating factor for the need to make an evaluation of the workforce demand, because the high salaries paid in Luxembourg became a real pull factor for the highly qualified workers.<sup>23</sup> As a consequence, the political authorities did not foresee a systematic plan on how to address labour shortages in specific sectors of the economy, because there has not been a significant need for doing so.<sup>24</sup>

The workforce of the Greater Region is not sufficient to find the profiles of qualified and highly qualified workers that the new technologies require. This is the reason why some economic stakeholders go beyond the borders of the Greater Region (i.e. Paris, Nantes, Nice, Grenoble in France or in Belgium)<sup>25</sup> to obtain these profiles. Due to the financial crisis, there have been some recruitments of people coming from Greece, Spain and Portugal as well.<sup>26</sup>

Nevertheless, one of the contributing factors to a decline of Luxembourgish productivity is the lack of skilled workforce in the Greater Region and the lack of the retention of third-country national skilled workers within the territory.<sup>27</sup>

An analysis of the distribution of the different groups of salaried workers by economic sector shows a clear segmentation and a strong dependency of Luxembourg on a foreign workforce.<sup>28</sup> At the moment, foreign residents and cross-border workers are needed to compensate for the ageing workforce of the Grand-Duchy.<sup>29</sup> However, the increase of the rate of unemployment (7,0%)<sup>30</sup> is not directly related to cross-border workers,

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but related to the incapability of the Luxembourgish working population to occupy the new jobs that are being created.<sup>31</sup> However, there is no clear policy to address labour shortages and Luxembourg does not have a strategy to fill the shortages through labour migration. There are surveys from different actors on the national level that determine labour needs in different sectors. However, the aim of these surveys is rather to guide young people to choose a training/profession that is needed on the Luxembourgish labour market or to guide teaching staff to adapt the training to the actual needs of the economy.

The Luxembourgish economy is based on highly added value services.<sup>32</sup> However, to maintain its competitiveness, the government must find solutions to attract highly qualified workers. This is due to the fact that newly established companies are confronted with difficulties when recruiting this type of individuals.<sup>33</sup> One solution is the Nation branding strategy<sup>34</sup>, which consists of trying to "sell" the country, also outside of the EU, as an interesting country to set up companies and not only as a strong financial centre. One main challenge for companies who settle in Luxembourg is to find qualified or highly qualified workers, who are willing to come to Luxembourg and to stay in the country, as the market is highly competitive.

In order for a company to be able to hire a third-country national, the labour market test has to be applied (except for highly qualified workers, who are exempt of this test). The employee must declare the position vacant at the Agency for the development of employment (ADEM). The ADEM will verify if there is a jobseeker who benefits of an employment priority, meaning a national or EU or EEA citizen, who has the necessary qualifications for the position and is available to take the job. If the ADEM does not find such a person within three weeks, the employer will receive the authorisation to hire a third-country national under certain conditions.

For occupations belonging to group 1 or 2 of the "International Standard Classification of Occupations" (ISCO), for which a particular need is recognised by the government, a lower salary threshold (1,2 instead of 1,5 times the average annual gross salary) can be applied. In order to do so, the government has to make an evaluation of the needs and to publish a list by a Government Council regulation. However, no list has been published so far.

Furthermore, there is no monitoring of the outcomes of labour migration in Luxembourg neither by the government nor by social partners.

## 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)



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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?

Luxembourg has by far the highest degree of economic openness of the European Union.<sup>35</sup> One of the main objectives until 2013 was to adapt legal immigration to the economic needs of the country<sup>36</sup> regardless of the immigrants' country of origin. Even though this policy remains, the new government has put the emphasis on attracting highly qualified workers.<sup>37</sup> This policy is complemented by the strategy of attracting foreign capital.<sup>38</sup> In the context of economic diversification, new investments and projects in different economic sectors<sup>39</sup> can also result in the attraction of (highly) qualified workers or researchers to the territory.

There is no policy concerning qualified third-country nationals. They are included in the same category as "salaried workers".<sup>40</sup>

(a) No. Conditions of entry and stay for the different categories of third-country nationals provided in national legislation are in general not linked to labour shortages.

When the amended law of 29 August 2008 on the free movement of persons and immigration (Immigration law) entered into force, it did not foresee a mechanism for labour shortages. Nonetheless, by a derogation from the general rules for applying for an authorisation of stay as a salaried worker (article 42, paragraphs (1) and (2)), the legislation established a simplified procedure for sectors or professions, which are characterised by recruitment difficulties.

Article 42, paragraph (3) of the law of 29 August 2008<sup>41</sup> tackled the question of short supply of labour and the manner in which the authorities plan to solve this problem. In the terms of this article, the minister could grant a residence permit to a third-country national, who intended to work in a sector or in a profession characterised by recruitment difficulties, and determined as such by a grand-ducal regulation.<sup>42</sup> In order to do this, the third-country national must only present the professional qualifications required to practice the activity in question and must be in possession of a work contract, which has been concluded for an unfilled vacancy that was declared to the Administration for the Development of Employment (ADEM). The opinion of the Consultative Commission of Salaried Workers was not required. In the exposition of motives of the bill n° 5802 the legislator only mentioned, as a justification for introducing this exception, that the profession or economic sector was confronted with difficulties in recruiting salaried workers and that these professions or sectors will be listed in a grand-ducal regulation.<sup>43</sup>

However, with the reform of the ADEM by law of 18 January 2012<sup>44</sup>, article 42 (3) of the Immigration law was abrogated and a simplified procedure was established for hiring third-country nationals as salaried workers.<sup>45</sup> During the period between the entering into force of the Immigration law and the abrogation of article 42 (3), the government did not issue a grand-ducal regulation on sectors or professions, which were confronted with labour shortages.<sup>46</sup>

Today, the national labour migration policy is related to the economic needs of the Luxembourgish economy and has an employer-based system.<sup>47</sup> However, there is no clear policy to address labour shortages.<sup>48</sup>

The conditions of entry and stay are linked to each category of authorisation of stay (salaried worker, self-employed worker, transferred worker, posted worker, highly qualified worker – European blue card holder) and they are not linked to labour shortages. The only exception is the European blue card holder (highly



qualified worker). This category allows to establish a lower salary threshold<sup>49</sup> than the normal salary threshold, which consists of at least 1,5 times the average annual gross salary<sup>50</sup>. A derogation is foreseen for occupations belonging to groups 1 and 2 of the "International Standard Classification of Occupations" (ISCO) for which a particular need for workers from third countries is recognized by the government: the salary threshold is 1,2 times the average gross annual salary.<sup>51</sup> These occupations have to be determined by a grand-ducal regulation.<sup>52</sup> The exact list of professions for which this derogation is foreseen is decreed yearly by a regulation of the Government Council and communicated to the European Commission.<sup>53</sup> However, since 2012 the government has not published a list of jobs belonging to groups 1 and 2 of ISCO for which a particular need for workers from third countries is recognised. A parallel can be drawn in regards to the abrogated article 42 (3) mentioned above. This phenomenon should be situated in the context of Luxembourg's particular situation of an important presence of a workforce of EU citizens who benefit from free movement; the labour market of the Greater Region<sup>54</sup>; and, for certain sectors, the early termination or the relaxation of the restrictions to the free movement of EU citizens in the context of successive expansions of the European Union (i.e. EU-8 countries).<sup>55</sup>

One of the main problems concerning the salary threshold is that the average annual gross salary of Luxembourg is very high in comparison to neighbouring countries because it includes the salaries of public servants, and the health and social welfare sector collective convention<sup>56</sup> and some financial sectors. These particular financial sectors create a distortion in regards to other economic sectors such as industry, ICT, Biotech, Ecotech, Crafts and Trades, which are not able to attract highly qualified workers because they are not able to afford the salaries.<sup>57</sup>

(b) There are several instruments that the Luxembourgish government can use and has already used in the past for managing economic migration.

- 1) The instrument most commonly used for non-highly qualified workers is the labour market test (See answer to Q.6).<sup>58</sup>

The labour market test works in the following manner:

Any employer who wants to hire a third-country national employee must declare the position vacant at the ADEM<sup>59</sup>. This declaration allows the ADEM to verify if there are job seekers available for that position who benefit of an employment priority ("priorité d'embauche") on the national or European labour market. If the position cannot be taken by a national or European citizen (EU or EEA) job seeker registered at the ADEM, the employer is authorised to hire a third-country national after a deadline of 3 weeks and under certain conditions. The Director of the ADEM will issue a certificate authorising the employer to hire a third-country national for the position.<sup>60</sup> When the third-country national has passed the labour market test s/he can apply for an authorisation of stay and must fulfil the conditions established in article 42 (1) 1-4 of the amended law of 29 August 2008.<sup>61</sup>

Highly qualified workers do not have to pass the labour market test required for normal salaried workers<sup>62</sup>, but the respective position has to be declared vacant at the ADEM<sup>63</sup>.

- 2) There is a regulation instrument of the labour market: the first issued salaried worker residence permits are valid for a maximum duration of one year, for only one sector and for only one profession with any employer.<sup>64</sup> This instrument was more restrictive before, but has been simplified over time.<sup>65</sup>
- 3) Another regulation instrument used is the access to the labour market for third-country nationals, who do not migrate with the objective of exercising an economic activity (i.e., family reunification, students, etc.).<sup>66</sup>
- 4) The Luxembourgish government has always adopted an oscillating attitude between protectionism and openness concerning the transitory conditions on free movement of persons with regards to citizens of

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the new Member States, taking into consideration the needs of the economy and the factual situation of the labour market. In certain cases, depending on the economic conjuncture, the transitory regime was lifted before the fixed deadline imposed by the Council of Government expires, and in some cases it was softened by sector or by the profile of the individuals (i.e. highly qualified workers, researchers, etc.) at an earlier stage.<sup>67</sup>

- 5) Several collective administrative regularisations of irregular migrants were made, focusing on the housing and labour situation of the applicants (i.e. decision of the Council of Government of 25 June 1993, which granted an extension of stay and the possibility to work to nationals of Bosnia-Herzegovina until 15 July 1994; the decision of the Council of Government of 21 June 1996 regularising asylum seekers coming from war zones in the Balkans; the regularisation of rejected asylum seekers and irregular migrants in 2001; and the regularisation of irregular migrants between 2 January and 28 February 2013).<sup>68</sup> These regularisations allowed to indirectly solve certain needs of the economy and, at the same time, to facilitate the integration of the concerned individuals.<sup>69</sup>

Besides the labour market test described above, there are no quotas, no point system schemes or other instruments.

- (c) As mentioned above, first immigration and afterwards free movement of persons and migration have been addressing labour shortages of the Luxembourgish economy since the 1870's, which existed due to a limited active population and a lack of skills that could not be satisfied on the national level.<sup>70</sup> Nevertheless, the role of migration from third-countries in order to tackle labour shortages remains minor until now. The shortages have been satisfied by EU citizens who benefit from free movement of persons, especially by cross-border workers coming from the Greater Region and by highly qualified individuals who work for transnational corporations (i.e. Deloitte, PwC, KPMG and EY). The latter come to Luxembourg on short missions (i.e. during the audit season) under a short-term visa scheme.<sup>71</sup> The Labour Market Observatory (RETEL<sup>72</sup>) can be a potential instrument to determine labour shortages and the need to satisfy these shortages through migration. However, at the moment, RETEL focuses on determining the flows of the salaried workforce (number of recruitments in comparison to the termination of contracts) in order to determine the net balance of created salaried posts.<sup>73</sup> This information is disaggregated by sex and by economic sectors (using the NACE classification).<sup>74</sup> RETEL also plans on disaggregating it by nationality.<sup>75</sup>

There are some topics that until now have been neglected or have not been treated in depth, such as: a) the inflows and outflows of the labour market; b) the profiles, qualifications and training required by the employers; c) the employment and the employability of sensitive categories such as young people<sup>76</sup>, women and workers over the age of 40; d) the dynamic of the flows of employment (creation and destruction of employment and migration).

Q2. Please briefly describe any recent public and policy debates in the area of labour migration, especially with regard to debates on how labour migration is planned to be utilised to address labour market shortages. (Maximum 0, 5 pages)

Until now, there have been very few public or political debates on the subject of labour shortages. Mostly these debates occurred during the legislative process in the immigration field.

The governmental programme 2013-2018 mentions expressly that the Government will improve the administrative procedures and will consider the creation of new categories of authorisation to stay at the national level, which are not covered by European harmonisation, so that the Luxembourgish economy will be able to benefit of an immigration with certain capacities and experiences. The government is taking steps to reach these objectives: a) the creation of a "fast track" procedure for certain categories of employees (highly qualified workers - European blue card, transferred workers); b) the granting of a priority status to researchers and c) the development of "privileged partnerships" with companies/highly performance enterprises in certain economic sectors, which ensure the flow of the processing of requests for an authorisation of stay with an increased inter-ministerial collaboration (Directorate of Immigration, Ministry of Economy and Ministry of

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Finances).<sup>77</sup>

There are discussions within the Greater Region on how to handle labour shortages of qualified workers. On 22 July 2014, the mayors of the cities of Luxembourg, Trier, Saarbrücken and Metz, which compose the QuattroPole network, established a draft framework agreement for life-long learning as well as an initial training for the younger generation.<sup>78</sup> However, this discussion tends to address the case of cross-border workers and not third-country national workers. There have also been limited and specific discussions on labour shortages between employers' associations, but they have not been focused on solving these issues through the immigration of third-country nationals.

The Chamber of Trades and Crafts established in its evaluation of 2013, that, even though craft enterprises continue to be the largest employers in the Grand-Duchy and even though this sector is constantly developing, the companies are in need of recruiting qualified workers and are having difficulties to find any.<sup>79</sup> The main occupations that are needed are managers, this is due to the complexity of new infrastructures, where economists and engineers are required.<sup>80</sup> The Chamber of Trades and Crafts wants to find a long-term solution to avoid a stagnation of activity.<sup>81</sup> However, their Roadmap LuxBuild2020 also does not foresee qualified third-country nationals as a solution to address the labour shortages in these sectors.<sup>82</sup> The main solutions proposed are life-long learning, vocational training, support measures.<sup>83</sup> Even though the priority of the Government focuses on highly qualified workers, the needs of the Luxembourgish economy also require qualified workers.

Other public debates took place during 2014 when two major software developing companies decided to relocate from Luxembourg to Berlin, Germany (Zynga<sup>84</sup> and Kabam<sup>85</sup>).<sup>86</sup> The main reasons for this relocation were the difficulties to recruit qualified and highly qualified workers, especially in a highly technical and specialised sector.<sup>87</sup> The Ministry of Economy recognised this situation<sup>88</sup> and mentioned that a similar system to the one used in Quebec, Canada could be interesting for Luxembourg. This system facilitates access to nationality in order to keep these highly skilled individuals in the country.<sup>89</sup> Some employers' organisations<sup>90</sup> recognise that, although Luxembourg has a great infrastructure, a head-start in managed data (data centres) and IP solutions and is business oriented, it is difficult to find a qualified and highly qualified workforce, even in the Greater Region.<sup>91</sup> Other software developing companies that are still established in Luxembourg (i.e. Valve, OnLive, MGame, Noxon, Big Fish) are confronted with the same dilemma: Luxembourg is a trying to portrait itself as an IT centre, but there is very little training in this field within the country.<sup>92</sup> The Luxembourgish Chamber of Commerce, the ADEM, the Ministry of Education and the Ministry of Higher Education and Research have agreed to address the issue that there has to be more training, which is adequate to the positions needed.<sup>93</sup>

According to Docler CEO, his Luxembourgish companies are compelled to recruit their qualified and highly qualified workforce outside the European Union, mostly in India, the United States or in different African or Asian countries.<sup>94</sup> Also, Netflix decided to relocate not only because of the lack of a highly qualified workforce, but also because of the increase of the VAT rate.<sup>95</sup>

To respond to these concerns, the Luxembourgish government has disclosed the broad lines of the strategy "Digital Lëtzebuerg", whose main objective is to reinforce and consolidate the position of the country in the ICT sector in the medium term.<sup>96</sup> Furthermore, the idea is to become a "smart nation", which is open, modern, and highly connected and to become a digital society.<sup>97</sup> The main objective of this strategy is to solve the labour shortages in the digital economy.<sup>98</sup>

Even though the project is in an embryonic phase concerning the addressing of thematic working areas, it includes "e-skills", which foresee to make the Grand-Duchy attractive for a foreign qualified workforce.<sup>99</sup> This initiative will be implemented in a joint effort by the public, private and academic sector and will be coordinated by the Prime Minister, the Deputy Prime Minister, the Ministry of Economy and the Ministry of Finances.<sup>100</sup>

Another discussion on the subject, taking into consideration the actual economic conjuncture, was launched by the world report of PWC entitled "Remoulding your workforce for a new marketplace<sup>101</sup>", which indicates that companies in the financial sector are willing to recruit during 2015. The positions of the banks on this issue are divided. However, some of the banks are recruiting highly qualified personnel (i.e. BIL, in sectors such as risk assessment, legal, finance).<sup>102</sup> Positions in finance (ie. audit, private equity, real estate), marketing, supply chain, logistics and IT are confronted with labour shortages (i.e. network engineers and data storage specialists) to the extent that employers are willing to pay higher remunerations for certain types of profiles in these sectors where high qualifications are needed.<sup>103</sup>

Finally, there have been some debates in regards to general practitioner shortages (family doctors). A member of parliament launched a parliamentary question for the Ministry of Health concerning the medical

demography in the Grand-Duchy of Luxembourg.<sup>104</sup> The answer of the Minister was that there has been a continuous increase of the number of general practitioners since 2004.<sup>105</sup> Nevertheless, the former president of the General Practitioners' Circle (1999-2005) challenges these affirmations and mentions that it is unrealistic to solve the problem by bringing foreign doctors into the country because the neighbouring countries are confronted with the same dilemma.<sup>106</sup>

## 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?

- (a) At the moment there is no definition of labour shortages. The only indication is established in article 1 paragraph (2) of the amended grand-ducal regulation of 26 September 2008, which establishes that a lower threshold (1,2 times the average annual gross salary) can be applied for jobs in occupations belonging to groups 1<sup>107</sup> and 2<sup>108</sup> of the "International Standard Classification of Occupations" (ISCO) for which a particular need for workers from third countries is recognised by the government. The identification has to be made by the government after an evaluation of the affected occupations and it has to be published by a Government Council regulation (règlement du Gouvernement en Conseil). This is the same situation that occurred with article 42 (3) of the Immigration Law, where the grand-ducal regulation determining economic sectors with labour shortages was never published (See Q.1 Background information).

There are surveys conducted by the private sector on the need of a workforce in certain sectors, but they are not used for the official evaluation of the needs of a workforce and of qualifications.<sup>109</sup> For example:

- A survey on qualifications needed in the future in the Information and Communication (ICT) sector.<sup>110</sup> This survey on the required qualifications needed in the private sector is conducted every two years by the Business Federation of Luxembourg (FEDIL)<sup>111</sup>, the Luxembourg Bankers' Association (ABBL)<sup>112</sup>, and the Luxembourg Confederation of Commerce (CLC)<sup>113</sup>, in collaboration with ICT Luxembourg.<sup>114</sup> The initiative has been supported by institutional partners: the Chamber of Commerce through the Luxembourg School for Finance, the Ministry of National Education, the Ministry of Higher Education and Research, the Ministry of Labour, Employment and Social and Solidarity Economy and the ADEM. The survey has been conducted in 2004, 2006, 2008, 2010, 2012 and 2014.<sup>115</sup>

The brochures entitled «Les qualifications de demain dans le domaine des TIC»<sup>116</sup> and «Les TIC, ton job d'avenir!»<sup>117</sup> are targeted to young people and their parents, to teaching staff as well as

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to educational and vocational guidance services. These documents provide a vocational guidance adapted to the labour market reality by indicating the sectors/branches, which offer employment opportunities for professional profiles that meet the needs of the private sector.<sup>118</sup> This information also allows economic actors to better adapt vocational training policies to the economic reality of the country and to better adjust the workforce and the vocational training provided for the workers of the future to the labour market needs.

- The Business Federation of Luxembourg (FEDIL) has the objective to prevent unemployment by establishing a vocational training policy based on the economic needs of enterprises.<sup>119</sup> Every two years the FEDIL conducts a survey in the industry sector to determine the needs of the enterprises and to achieve a better adjustment between offer and demand in vocational training in order to guarantee the required qualifications for the future. This survey has been conducted in 2005, 2007, 2009, 2011, 2013 and 2015.<sup>120</sup>
- Furthermore, the Chamber of Trades and Crafts carries out a survey on labour shortages (See Q.5).<sup>121</sup> In the Trade and Crafts sector the Chamber of Trade and Crafts is trying to make the sector attractive to young people.<sup>122</sup> Traditionally, the Trades and Crafts sector has not been considered as having highly added value activities and they have been neglected by young people in Luxembourg.<sup>123</sup> The Chamber of Trades and Crafts wants to valorise their activities through the programme "Hands up" and to promote vocational training for young people so that they can benefit of the existing labour opportunities in that sector.<sup>124</sup>

The private sector determines labour shortages as a forecast for the next two years; this forecast serves students as a vocational guidance adapted to the labour market needs and determines the needed workforce, however, without trying to establish a link with immigration.

- (b) As mentioned above, to determine labour shortages, the analysis is made based on occupations and on qualifications levels. Only groups 1 and 2 of the ISCO are considered in the grand-ducal regulation in regards to labour shortages.<sup>125</sup> This creates a major problem because there is a significant shortage of engineers<sup>126</sup>, but as the list has not been published by the grand-ducal regulation, the salary threshold (1,5 times the average gross annual salary) is too high. The same issue exists for software computer developers, who fall in group 2 subgroup 25.<sup>127</sup> In consequence, if the enterprise wants these individuals, there are only two solutions: a) the individual passes the labour market test; or b) the individual is paid as a highly qualified worker (independently of his/her productivity) with a remuneration that equals at least 1,5 times the average gross annual salary. These solutions can cause two main problems for the company: a distortion in the business cycle of the enterprise because the procedure can take several months if the individual has to pass the labour market test and a distortion in the finances of the enterprise because it has to pay 0,3 times more than it would have to pay if the list was published.
- (c) No, even though the list describe in point (b) has to be issued by a Government Council regulation (règlement du gouvernement en conseil).
- (d) No.

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.

No. There is no official distinction between different types of labour shortages in Luxembourg. Nevertheless one can conclude that there are structural shortages in the Luxembourgish economy.<sup>128</sup> There is a paradox between the

constant increases of the demand for a qualified and a highly qualified workforce and the constant increase of unemployment.<sup>129</sup> This consists of a structural problem because most of the job seekers do not have any type of the qualifications that would allow them to retrain in the economy, especially with the adoption of new technologies within economic sectors of highly added value, which require highly skilled workers.<sup>130</sup> According to the Chamber of Commerce and the Luxembourg Employers' Association, these are structural shortages because the required profiles cannot be found in Luxembourg nor in the Greater Region (See campaign HEC ALUMNI Paris – Annex 2).<sup>131</sup> According to Deloitte Luxembourg, the Chamber of Commerce and the Luxembourg Employers' Association, there is a clear need for engineers, programmers and software developers in order to satisfy the demand in the ICT sector, which is a service provider for the other sectors (i.e. Biotech, Fintech, Ecotech).<sup>132</sup> These specific types of profiles are scarce and the companies have to look for them outside of the borders of the Greater Region. Once they attracted them into the country, it is difficult to keep them as there is a high demand in the labour market, which by definition is highly competitive,<sup>133</sup> because of other companies of the private sector and also because of the role of the Luxembourgish state which offers higher wages to these types of individuals.<sup>134</sup> There are companies, which recruit outside of the Greater Region<sup>135</sup>, that are promoting their vacancies at other French business schools (Hautes Ecoles de Commerce) in Nice, Nantes Lille, Grenoble, and Paris or in Belgium.<sup>136</sup> In some cases these companies require third-country national workers to satisfy periodic and cyclical needs.<sup>137</sup>

Most of the economic stakeholders agree that it is better to talk about specific profile shortages than of labour shortages in general.<sup>138</sup> Profiles such as IT safety (Security Network Trust, attack and penetration) are especially hard to find in Luxembourg and the Greater Region. It is necessary to create a competence centre in this field of high technology security.<sup>139</sup> These stakeholders consider that the labour shortages in these fields are structural and that the unemployment level remains high as the job seekers do not have the required skills.<sup>140</sup>



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**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.

In Luxembourg there are no specific tools used to identify labour shortages and to determine if these needs can be solved using migration needs.<sup>141</sup>

<b>Instruments and tools used for identifying labour market shortages and the need for migration labour</b>	<b>Is this instrument/tool used in your (Member) State? (Y/N)</b>	<b>Is this instrument used for determining labour migration needs? (Y/N)</b>  <b>If yes, does the instrument:</b> <b>(a) focus exclusively on the identifying the need for migration labour or;</b> <b>(b) it is a tool which aims to identify shortages for the whole workforce (including national/EU) and has a component focusing on migration?</b>	<b>Please briefly describe the respective tool(s) and the methodology(ies) used for anticipating the need for migration labour.</b>	<b>(1) Please describe the level of analysis of the particular instrument/tools (i.e. skills, occupations, sectors, professions, level of qualifications, others).</b>  <b>(2) Is an international (e.g. ISCO-08) or national classification of occupations used?</b>	<b>Which national organisation(s) use this mechanism/tool to produce information on skill shortages?</b>	<b>What is the geographical level of the mechanisms/tools used (e.g. national, regional, municipal)?</b>	<b>Additional comments</b>
<b><i>Lists of shortage occupations</i></b>	Yes, it is mentioned in the amended grand-ducal regulation of 26 September 2008. However, this instrument has not been used until now.	Yes.  It is focused on identifying the sectors in which migrant labour is required.	This instrument can be applied for jobs in occupations belonging to groups 1 and 2 of the "International Standard Classification of Occupations" (ISCO) for which a particular need for workers from third countries is recognised by the government.	The identification has to be made by the government after an evaluation of the sectors and the determination of the affected occupations, and it has to be published in a Government Council regulation (règlement du Gouvernement en Conseil).  Yes. Groups 1 and 2	The Ministry in charge of immigration in collaboration with the Ministry of Labour Employment and Solidarity Economy and the Ministry of Economy.	National level.	



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				of ISCO-08 are used.			
<b>Sector analysis (See Employer Surveys)</b>	Yes.	No.  It is a tool, which aims to identify shortages in the concerned sectors and it does not address the issue of migrant labour.	This instrument is not used to determine the need for migration labour. However, it can be used for this purpose. <sup>142</sup>  In the 2nd semester of 2015 the Chamber of Trades and Crafts plans to launch a survey to determine the labour shortages in the Trades and Crafts sector. <sup>143</sup> The methodology will be the same as the one used in 2011-2012 that had a standard form for the questionnaire. <sup>144</sup>	As mentioned above, the objective is to determine the labour shortages in the sector in order to evaluate the perspectives of employability and the creation of employment in the different trades. <sup>145</sup>	Luxembourg Chamber of Trades and Crafts.	National level.	
<b>Employer Surveys</b>	Yes, for the ICT sector. See answer to Q.3 (a)	No. There are two main objectives in this survey <sup>146</sup> :  a) To guide young people, their parents, teaching staff as well as to educational and vocational guidance services and inform them of the needs of the labour market in the study field chosen by the	This instrument is not used to determine the need for migration labour. However, it can be used for this purpose. <sup>149</sup>  The survey is conducted every two years and targets industrial, financial and commercial enterprises for their hiring projections in the following two years. These recruitments can take place because of the retirement of people or because of the creation of new posts. <sup>150</sup>  A list of qualifications is predefined in collaboration	The following sectors are covered by this survey:  -construction  -financial services  -commerce and services to enterprises  - manufacturing industry <sup>155</sup>  The choice of professions is based on the nomenclatures of jobs on IT systems (2011). <sup>156</sup>	FEDIL, ABBL, CLC and ICTLUXEMBOURG.	National level.	

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		<p>student.<sup>147</sup></p> <p>b) It provides information to the State and the training professionals in order to assure the adaptation of the curricula between the needs of qualifications required by the enterprises and the provided vocational training. It also provides useful information to better adapt "life-long learning" training to the needs of the enterprises.<sup>148</sup></p>	<p>with experts of the different sectors and is validated by the human resources departments of big enterprises, which are chosen as part of the representative sample.<sup>151</sup></p> <p>Fedil, ABBL and CLC define their own representative sample and they sent the questionnaire by courier or e-mail.<sup>152</sup></p> <p>In 2014, 183 enterprises participated in the survey. This amounts to an average answering of 23,17% of the 727 questionnaires that were sent, and represents 51.324 employees.<sup>153</sup> In 2012, 184 enterprises participated with an average response of 28% (686 questionnaires were sent), representing 42.265 employees.<sup>154</sup></p>	No. The ISCO classification is not used in this survey.			
<b>Employer Surveys</b>	Yes.	<p>No. There are two main objectives of this survey :</p> <p>a) To guide young people, their parents, teaching staff as well as to</p>	<p>This instrument is not used to determine the need for migration labour. However, it can be used for this purpose.</p> <p>The survey is conducted every two years and targets industrial, construction and public work enterprises for</p>	<p>The following sectors are covered by this survey:</p> <ul style="list-style-type: none"> <li>-construction</li> <li>-industry</li> <li>-public works</li> </ul> <p>Not all branches of</p>	FEDIL.	National level.	

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		<p>educational and vocational guidance services and inform them about the needs of the labour market in the study field chosen by the student.<sup>157</sup></p> <p>b) It provides information to the State and the training professionals in order to assure the adaptation of the curricula between the needs of qualifications required by the enterprises and the provided vocational training. It also provides useful information to better adapt "life-long learning" training to the needs of the</p>	<p>their hiring projections in the following two years. These recruitments can take place because of the retirement of people or because of the creation of new posts.<sup>158</sup></p> <p>A list of qualifications is predefined in collaboration with experts of the different sectors and is validated by the human resources departments of big enterprises, which are chosen as part of the representative sample.<sup>159</sup></p> <p>The FEDIL defines the representative sample and they sent the questionnaire by courier. In case there is no answer within the fixed deadline a direct telephone call will be made. The average response rate in 2015 was 42,15%.<sup>160</sup> In 2013 the response rate was 62,13%.<sup>161</sup></p>	<p>the industry and the construction sector, as defined by the NACE codification, are included.<sup>162</sup></p>			
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		enterprises.					
<b>Forecasts/foresight analysis</b>	Yes.	See employers surveys above: FEDIL (ICT & Industry), Chamber of Trades and Crafts.	This instrument is not used to determine the need for migration labour. However, it can be used for this purpose. See above.	See above.	FEDIL and Luxembourg Chamber of Trades and Crafts.		
<b>Qualitative studies or analysis</b>	N/A						
<b>Other instruments/tools Issuance and renewal of salaried worker residence permit</b>	The procedure for issuance and renewal of the salaried worker residence permit.	Yes. The labour market test is compulsory before the first residence permit is issued to the salaried worker.	This instrument is applicable for each individual application. The employment priority ensures that job seekers who are nationals or EU and EEA citizens benefit from vacant positions and only if there is no candidate available after three weeks the employer can hire a third-country national.	This instrument is not used to anticipate labour shortages but to verify on a case by case basis if there is a candidate for a specific vacant post, who benefits from the employment priority. <sup>163</sup>	Directorate of Immigration.	National level.	
<b>Vacant posts not satisfied</b>	Yes.	No. Every employer has to declare any vacant post to the ADEM. The ADEM will try to find job seekers for the vacant post. In principle it is an instrument to fight unemployment,	Every employer has to declare any vacant post to the ADEM. In case that the employer has established a precise profile and the ADEM cannot find a jobseeker that fits the profile within three weeks after the employer declared the vacancy, the employer	The analysis is based on the profile established by the employer and it is made on a case by case basis. The declaration of the vacant post must include <sup>165</sup> : a) The identity of	Administration for the development of employment (ADEM).	National and European level.	

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		<p>which gives employment priority to EU citizen and national residents.</p> <p>Only if the post cannot be taken by an EU citizen, it can be used for labour migration as part of the labour market test. This test is made on a case by case basis.</p>	<p>can ask for an attestation and proceed to hire a third-country national.<sup>164</sup></p>	<p>the employer;</p> <p>b) The description of the vacant position;</p> <p>c) The profile needed for the post or at least the necessary training or the qualification level;</p> <p>d) The working conditions.</p> <p>The ADEM does not use the ISCO-08 classification.<sup>166</sup></p>			
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Q6. Concerning **lists of shortage occupations**, please briefly describe:

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

N/A. At the moment there are no shortage occupations lists issued by the government.<sup>167</sup> As mentioned above, the Luxembourgish labour market is an employer-led market. Article 622-4 (1) of the Labour Code expressly mentions that in the interest of maintaining full employment, of the analysis of the labour market and of taking motivated decisions in regards to employment of third-country nationals, every vacant position must be posted at the ADEM.<sup>168</sup> The ADEM will try to find a job seeker who can fulfil the requirements for the position. If the ADEM is not capable of providing an adequate candidate within three weeks after the declaration of the vacancy, the ADEM must issue a certificate to the employer so s/he can hire a person of his/her choice. The main problem is that until recently only 1/3 of vacant post were declared to the ADEM.<sup>169</sup> This situation has been recognised by the government, by the ADEM and by the Luxembourg Employers Association (UEL).<sup>170</sup>

This paradox can be explained by the fact that the ADEM requires the collaboration of the enterprises to fulfil its mission. However, the enterprises do not require the help of the ADEM to fulfil theirs. It also shows that there is a transparency problem concerning the labour market and the access of information for job seekers.<sup>171</sup> This is the reason why the government (through the Ministry of Labour, Employment and Social and Solidarity Economy and the ADEM, has concluded a partnership agreement named "Entreprises partenaires pour l'emploi" with the UEL, which has the objective to reinforce enterprises' competitiveness, the reduction of unemployment and economic growth.<sup>172</sup>

The Chamber of Trades and Crafts plans to organise an awareness campaign during 2015/2016 address to artisanal small and medium-sized enterprises with the objective to get them to declare systematically any vacant posts.<sup>173</sup> In Luxembourg statistics of vacant posts are based on administrative statistics (declarations made by employers to the ADEM), however, in other Member States these statistics are based on surveys of enterprises.<sup>174</sup>

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.

The instruments and tools used for identifying labour market shortages have never been used. The government has not yet made an evaluation of the concerned occupations and sectors and there has not been any grand-ducal regulation in the case of the highly qualified workers establishing the occupations that benefit from the derogation of the salary threshold of 1,2 times the average gross annual salary (See answer to Question 3 (a)).

As mentioned above, there are other instruments developed by the private sector (qualifications' survey)<sup>175</sup>, which are mainly used for vocational guidance purposes<sup>176</sup> and not for policy purposes.<sup>177</sup>

The labour market test serves to determine on a case by case basis if a post can be granted to a third-country national after having verified that it cannot be occupied by an EU or EEA citizen who benefit from an employment priority as mentioned above.

Data in regards to the job vacancies is published monthly by the ADEM (Bulletin Luxembourgeois de l'emploi).<sup>178</sup> However, as it was mentioned above this is an administrative statistic and it does not reflect the total labour market because not all the enterprises report the vacant posts to the ADEM (See Q.6). Information on job vacancies, for which no jobseeker could be found, exists in the "Note de conjuncture" published by STATEC, which is produced from data of the ADEM and the STATEC.<sup>179</sup>

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 (See answer to Question 3 (a)).

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No. The government has not established a contingency plan.<sup>180</sup> The labour shortages mechanism only apply in order to lower the salary threshold of highly qualified workers and this category of third-country nationals is exempted from passing the labour market test.

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.*

Yes. In Luxembourg the jobseekers, who benefit of an employment priority are monitored by the labour market test (see explanation above).<sup>181</sup>

Since this market test has already been carried out, there is no longer any need to systematically consult the Advisory Committee on Salaried Employees ("Commission consultative pour travailleurs salariés").

However, there are no mechanisms or tools in place to monitor intra-EU mobility in regards to shortage and non-shortage occupations.

The table below shows that the number of job offers (by nationality), which have not been satisfied has been increasing in the "Other" nationality category. This includes not only third-country nationals but also other EU citizens.

Table n° 1 Number of job offers that have not been satisfied – by nationality.

Year	2010	2011	2012	2013
Luxembourg	30.8	29.2	27.1	27.7
Portugal	33.8	35.5	36.5	35.8
Italy	4.0	4.0	4.1	4.1
France	7.6	7.6	7.6	7.5
Belgium	3.4	3.3	3.2	3.2
Germany	2.6	2.4	2.2	2.1
Others	17.8	18.1	19.3	19.6
Total	100	100	100	100

Source: Statec, 2014 © LU EMN NCP

The table also shows that the largest group of EU citizens, who do not satisfy job offers are the Portuguese (35,8% in 2013), follow by the French (7,5%), the Italians (4,1%), the Belgians (3,2%) and the Germans (2,1%).

This table is correlated with the foreigner population of the country as one can see in the table below:

Table n° 2: Luxembourg's foreign population by nationality (x1000)

2011 – 2014

Year	2011	2012	2013	2014	2015
Portugal	82.4	85.3	88.2	90.8	92.1
France	31.5	33.1	35.2	37.1	39.4
Italy	18.1	18.1	18.3	18.8	19.5
Belgium	16.9	17.2	17.6	18.1	18.8



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Germany	12	12.3	12.4	12.7	12.8
United Kingdom	5.5	5.6	5.7	5.9	6
Netherlands	3.9	3.9	3.9	4	4
Other EU MS	21.5	23.2	24.8	27	29.6
Non-EU citizens	28.7	31.2	32.7	34.5	36.5
Total	220.5	229.9	238.8	248.9	258.7

Note: At 1 January of each year.

Source: Statec, 2015 © LU EMN NCP

Nevertheless, the proportion of job seekers is not symmetrical to the percentage of the population. Portuguese population represented in 2013 16,4% of the population, the French nationals 6,6%, the Italians 3,4%, the Belgians 3,3% and the Germans 2,3%.

The statistics or data on EU citizens working in Luxembourg can be found on the STATEC website, under the following link:

<http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx>, and

[http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=9624&IF\\_Language=fr&MainTheme=2&FldrName=3&RFPPath=92](http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=9624&IF_Language=fr&MainTheme=2&FldrName=3&RFPPath=92)

In general, in these statistics, EU citizen are regrouped in one category when they are residents but they are distinguished when they are considered cross-border workers. This data is not focussed on labour shortages.<sup>182</sup>

More detailed information has to be requested directly from the Inspectorate General of Social Security (IGSS), which can provide data on the labour market.<sup>183</sup> The IGSS can provide detailed data on the active population (resident and non-resident) by nationality and by economic sector.<sup>184</sup>

Other institutions that can provide data are ADEM, RETEL, Banque Centrale du Luxembourg, Conseil économique et sociale, the University of Luxembourg, the LISER (CEPS/INSTEAD) and the l'Observatoire interrégional de l'emploi de la Grande Région.<sup>185</sup>

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?

Social partners and other stakeholders play a role in identifying the need for migrant labour. They conduct surveys, which allow to raise awareness of the workforce needs in certain sectors.

As mentioned above, there are private initiatives such as the qualification survey to determine the qualifications needed by a specific sector of the economy (i.e. ICT, industries, crafts and trade). The aim of these initiatives, which are supported by some of the Ministries as mentioned above (see Q.3 (d)), is to try to find a local solution to the problem and does not address the issue whether labour shortages can be filled by a migrant workforce.

The Chamber of Trades and Crafts is continually publishing data that show the needs for skilled workers in the different sectors of its members. The chamber conducts a trends survey four times per year between its members to determine the positive and negative influence of the Trades and Crafts sector. Even if there was an increase in this sector in 2014, the increase was not as significant as in 2013.<sup>186</sup>

The law establishes that the legal opinion of the professional chambers must be requested for each bill, for each draft of a grand-ducal regulation and for each draft of a ministerial regulation, which is related to their respective field.

During the discussion of bills concerning migration policy (i.e. Immigration Law) the Chamber of Commerce, the Chamber of Salaried Workers and the Chamber of Trades and Crafts provide their legal opinion on these issues.

For example, the Chamber of Commerce considered that the conditions for obtaining a residence permit as a salaried worker are still too stringent. According to the chamber, the requirement that the activity must serve the economic interest of the country is hardly understandable when there are labour shortages in some economic sectors.<sup>187</sup> It also

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regretted that the notion of a forecasting recruitment plan, which should be drawn by the government and the economic actors, was not part of the bill n° 5802.<sup>188</sup> This instrument would have allowed enterprises to establish the quota of third-country nationals required annually in advance and in conjunction with the authorities and to obtain the authorisation of stay for these workers through a fast-track procedure.<sup>189</sup>

The Chamber of Private Employees considered that the bill eliminates the duality between working permit and authorisation of stay unifying both under the authorisation of stay for salaried workers.<sup>190</sup>

In its legal opinion, the Chamber of Trades and Crafts underlined that the bill is mainly concerned with assuring the competitiveness and the attractiveness of the Luxembourgish economic workplace by establishing clear and transparent rules. It also welcomed the simplification of the administrative procedures but considered that using a third-country national workforce will not be a long-term solution to satisfy the workforce needs of the Luxembourgish economy.<sup>191</sup>

In case of need, there can be bilateral or trilateral meetings to discuss these issues.

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)

As mentioned above, the national instruments to determine labour shortages are principally used for vocational guidance and adapting the curricula to the labour market needs. They do not tackle the need for migrant workers. However, as some stakeholders have mentioned, some of the profiles (especially in the ICT field) have to be searched for outside of the external borders of the EU.<sup>192</sup> One of the reasons for this phenomenon is the fact that the population of the country cannot satisfy the demand and the same profiles are searched for in the other Member States of the Greater Region. Not enough individuals are graduating with the required profiles from the higher education institutions in the Greater Region,<sup>193</sup> so the only possibility is to recruit them abroad.<sup>194</sup>

The surveys have determined the following qualifications needs (profiles) in the ICT sector<sup>195</sup>:

Position	2012	2014
Software Developer	59	49
Project Manager	31	34
Account representative	18	28
System administrator	21	25
System engineer		21
Helpdesk Support Technician	21	20
System/Field Technician	12	20
Network Administrator	21	20
Customer Support Technician	17	15
Quality Manager Coordinator		14
Database Administrator	17	
Analyst	15	
Tester	14	
Operator	14	
Business System Administrator	13	
Total	273	246

Source: Fedil 2012 & 2014 © LU EMN NCP

In the industrial sector the surveys have determined the need for qualified and highly qualified staff as can be seen from the tables in annex n°1. The surveys conducted by the FEDIL show that the required qualification levels are higher in every sector within the industrial sector. For example, in the posts forecast 13,9% require a university bachelor's

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degree and 23,4% require a master or PhD degree in the administration/management/commerce sector. In the production field the posts forecast require 0,8% with a bachelor degree and 4,6% with a master/PhD degree. However, in the technical field the requirements are higher: 6,0% with a bachelor degree and 35,7% with a Master/PhD degree.<sup>196</sup>

The results showed by the ICT and Industry surveys confirm the employment trends by sector for Luxembourg, which were established by the European Centre for the Development of Vocational Training (CEDEFOP) (see table below).

Table n° Employment trends by sector - Luxembourg

	Levels (000s)				Change (%)		
	2008	2013	2020	2025	2008-2013	2013-2020	2020-2025
Primary sector & utilities	8	8	8	7	0.00%	0.00%	-12.50%
Manufacturing	35	33	32	31	-5.70%	-3.00%	-3.10%
Construction	39	41	44	44	5.10%	7.30%	0.00%
Distribution & transport	90	99	107	111	10.00%	8.10%	3.70%
Business & other services	116	119	138	148	2.60%	16.00%	7.20%
Non-marketed services	61	68	69	68	11.50%	1.50%	-1.40%
All industries	350	369	396	409	5.40%	7.30%	3.30%

Source: CEDEFOP, 2015

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?

Q.12 (a). Based on the documentary analysis and the interviews of some economic stakeholders the following challenges could be identified:

- (a) One of the major challenges that Luxembourg is confronted with is that it is not using any type of instrument for identifying labour shortages and the need for labour migration. A reason for this was that Luxembourg has benefited during decades of the effects of free movement of persons and has satisfied its workforce needs by relying on the workforce reservoir of the Greater Region. Lately this reservoir diminished and it does not have the profiles that companies are looking for. Even though there are some higher education institutions that are training some of the required professionals, the quantities are not sufficient to satisfy the demand.<sup>197</sup>
- (b) A second challenge relates to bringing third-country nationals to Luxembourg in order to solve labour shortages, especially with specific profiles. The issue consists of how to convince them to come to the country (the salary and other financial benefits are appealing, but the cost of living and the language barriers can become an obstacle) and to keep them in the country.<sup>198</sup>
- (c) Depending whether it is a highly qualified worker or a qualified worker automatic family reunification becomes an issue, because although it is automatic in the first case<sup>199</sup>, in the second case it is not automatic and the individual will have to wait 12 months to bring his/her family into the country.<sup>200</sup>
- (d) Another challenge is the access to the labour market for family members.<sup>201</sup> Moreover, there is the problem

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of finding an adequate and affordable school, even though the Luxembourgish authorities are trying to increase the offer.<sup>202</sup>

- (e) Also, the bureaucratic procedures are sometimes very long. For a highly qualified worker the Directorate of Immigration has reduced the processing time to one month (the law establishes a deadline of three months from the date the file is complete).<sup>203</sup> This differs when it is an application of a qualified worker that has to be treated as a normal salaried worker. The treatment of the application can take a maximum period of 4 months.<sup>204</sup> Some economic stakeholders consider that this deadline is too long especially with companies that have a good standing in Luxembourg.<sup>205</sup> This can seriously interfere with the business cycle of a project<sup>206</sup> and go against the openness for business that Luxembourg tries to present.<sup>207</sup>
- (f) Another challenge is the need to increase vacant posts declarations by employers to the ADEM (see Q. 6) to get a global perspective of the workforce needs of the labour market.
- (g) Furthermore, a challenge is the creation of electronic tools by the ADEM to get a better diffusion of the vacant posts not only for the job seekers but also electronic tools that allow the enterprises to have access to the profiles of the job seekers.<sup>208</sup>
- (h) There is a need for a closed collaboration between enterprises and the government for determining labour shortages and fight unemployment.<sup>209</sup> Programmes such as "Entreprises, partenaires pour l'emploi"<sup>210</sup> are a good solution to deal with the problem.

## Q.12 (b)

No. As it has been mentioned, in Luxembourg, labour shortages have not been satisfied through migration because of the geographical dimensions of the country and the existence of a workforce in the Greater Region that has been used due to the free movement of persons, as well as due to the pull factors (i.e. higher wages, living conditions, social security system, advantageous tax system) to attract highly qualified workers from other Member States.

### 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)?

No. There is only a punctual analysis on diverse subjects in regards to the labour market but they are not related to labour shortages.

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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

No. As mentioned above, there has not been yet a determination of occupations made by the government that allows the implementation of the instrument.

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?

N/A. There have not been any studies made by the social partners that are monitoring the effects of labour migration on the labour market. As it was mentioned above the third-country nationals working population amounts to 5,7% of the resident workforce<sup>211</sup> and 3,2% of the national workforce.<sup>212</sup>

The AMCHAM and the Chamber of Commerce<sup>213</sup> promote the idea of a more open migration policy to attract third-country nationals into the country when their specific profiles are required and to adapt the policy to the cyclical needs of the company.

Also the Parliament ("Chambre des députés") and parliamentary commissions play a major role in the debates concerning migration policy<sup>214</sup> and the needs for legal migration.<sup>215</sup>

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)

N/A.

*Determining labour shortages and the need for labour migration from third countries*Statistical AnnexA1. 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 (last available year)

Luxembourg cannot provide this information because the classification of employment is made by economic sectors (ROME)<sup>216</sup> and not using the ISCO-08 classification. Also the TCN working population only represented in the 4<sup>th</sup> Quarter of 2014 3,2% (11.839) of the national workforce (375.195).<sup>217</sup>

Specific occupations	Total employment			Employment of EU-nationals from other Member States			Employment of third-country nationals			Number of residence permits issued to third-country nationals for specific occupations <sup>218</sup>			Number of unfilled vacancies	Comments
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total		
<b>Health Professional (22)</b>										<u>0</u>	<u>1</u>	<u>1</u>		
<i>Of which: Medical doctors (221)</i>										<u>0</u>	<u>1</u>	<u>1</u>		
<i>Of which: Nursing and Midwifery Professionals (222)</i>										<u>0</u>	<u>0</u>	<u>0</u>		
<b>Personal care workers (53)</b>										<u>0</u>	<u>12</u>	<u>12</u>		
<i>Of which: Child Care Workers (5311)</i>										<u>0</u>	<u>9</u>	<u>9</u>		
<i>Of which: Health Care Assistants (5321)</i>										<u>0</u>	<u>3</u>	<u>3</u>		
<i>Of which: Home-based Personal Care Workers (5322)</i>														
<b>Personal Services Workers</b>										<u>51</u>	<u>16</u>	<u>67</u>		

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<b>(51)</b>														
<i>Of which: Cooks (5120)</i>										<u>46</u>	<u>6</u>	<u>52</u>		
<i>Of which: Waiters (5131)</i>										<u>5</u>	<u>6</u>	<u>11</u>		
<i>Of which: Cleaning and Housekeep services in offices, hotels and other establishments (5151)</i>										<u>0</u>	<u>4</u>	<u>4</u>		
<i>Of which: Domestic Housekeepers (5152)</i>														
<b>Skilled Agricultural, Forestry and Fishery Workers (6)</b>										<u>0</u>	<u>0</u>	<u>0</u>		
<i>Of which: Field Crop and Vegetable Growers (6111)</i>										<u>0</u>	<u>0</u>	<u>0</u>		
<i>Of which: Gardeners; Horticultural and Nursery Growers (6113)</i>										<u>0</u>	<u>0</u>	<u>0</u>		
<i>Of which: Livestock and Dairy Producers (6121)</i>										<u>0</u>	<u>0</u>	<u>0</u>		
<b>Information and Communications Technology Professionals (25)</b>										<u>54</u>	<u>10</u>	<u>64</u>		
<i>Of which: Software and Applications Developers and Analysts (251)</i>										<u>27</u>	<u>3</u>	<u>30</u> <sup>219</sup>		
<i>Of which: Database and Network Professionals (252)</i>										<u>27</u>	<u>7</u>	<u>34</u> <sup>220</sup>		
<b>Teaching professionals (23)</b>										<u>6</u>	<u>15</u>	<u>21</u>		
<b>Engineering Professionals (excluding Electro-technology) (214)</b>										<u>13</u>	<u>5</u>	<u>18</u>		
<b>Architects, Planners, Surveyors and Designers (216)</b>										<u>1</u>	<u>0</u>	<u>1</u>		
<b>Finance Professionals (241)</b>										<u>35</u>	<u>38</u>	<u>73</u>		



**Determining labour shortages and the need for labour migration from third countries****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**

	ISCO-08 (4 digit level)				Equivalent national classification of occupations			
	Occupation included in the list of shortage occupations	Is there a specified number of vacancies to be filled with labour <u>migrants from third-countries</u> ? (Y/N) If yes, please provide the number	Are there any special conditions for <u>migrants from third-countries</u> applying for shortage occupations? (Y/N) If yes, please describe.  <i>Please describe conditions which are targeted to TCNs <u>as well as</u> other conditions that may affect TCNs' employment (for example, some professions may be regulated and may concern only MS nationals)</i>	Source and additional information	Occupation included in the list of shortage occupations	Is there a specified number of vacancies to be filled with labour migrants from third-countries? (Y/N) If yes, please provide the number	Are there any conditions that <u>migrants from third-countries</u> need to fulfil when applying for shortage occupations? (Y/N) If yes, please describe.  <i>Please describe conditions which are targeted to TCNs <u>as well as</u> other conditions that may affect TCNs' employment (for example, some professions may be regulated and may concern only MS nationals)</i>	Source and additional information
	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

***Determining labour shortages and the need for labour migration from third countries***

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

In Luxembourg the labour shortages are not determined using the ISCO-08, but using the ROME classification<sup>221</sup>. The number of vacancies declared at the ADEM has increased at the end of 2013.<sup>222</sup>

Even if the number of job seekers has been continuously increasing, the number of job seekers per vacant post has gone down to 7,2 from the 2nd quarter of 2013 to 5,3 in the 1st quarter of 2014.<sup>223</sup>

Most job offers between the 4th quarter of 2013 and the 4th quarter of 2014 are from services which require highly qualified personnel such as specialised<sup>224</sup>, scientific and technical services (17%) and financial and insurance services (13%). However, the public administration shows a lower rate on vacancies (0,1%).

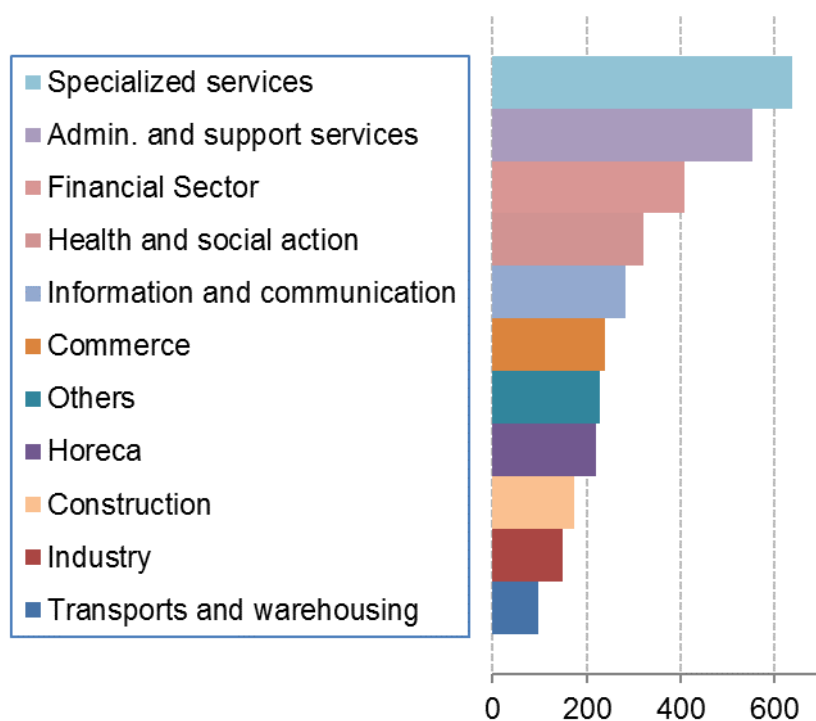
Table n ° 2: Job offers by economic sector in the 4th quarter of 2014

	Industry	Construction	Commerce	Transports and warehousing	Horeca	Information and communication	Financial Sector	Specialized services	Admin. and support services	Health and social action	Others <sup>225</sup>
2013 T4	134	139	301	87	179	240	344	428	308	258	174
2014 T1	164	174	320	138	383	325	338	477	501	398	179
2014 T2	138	162	294	82	275	422	369	517	685	397	243
2014 T3	153	161	335	74	238	376	463	617	725	312	251
2014 T4	150	175	238	96	220	284	408	637	554	320	229

Source: ADEM, STATEC, EUROSTAT, 2014

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Graph n ° 1: Job offers by economic sector in the 4th quarter of 2014



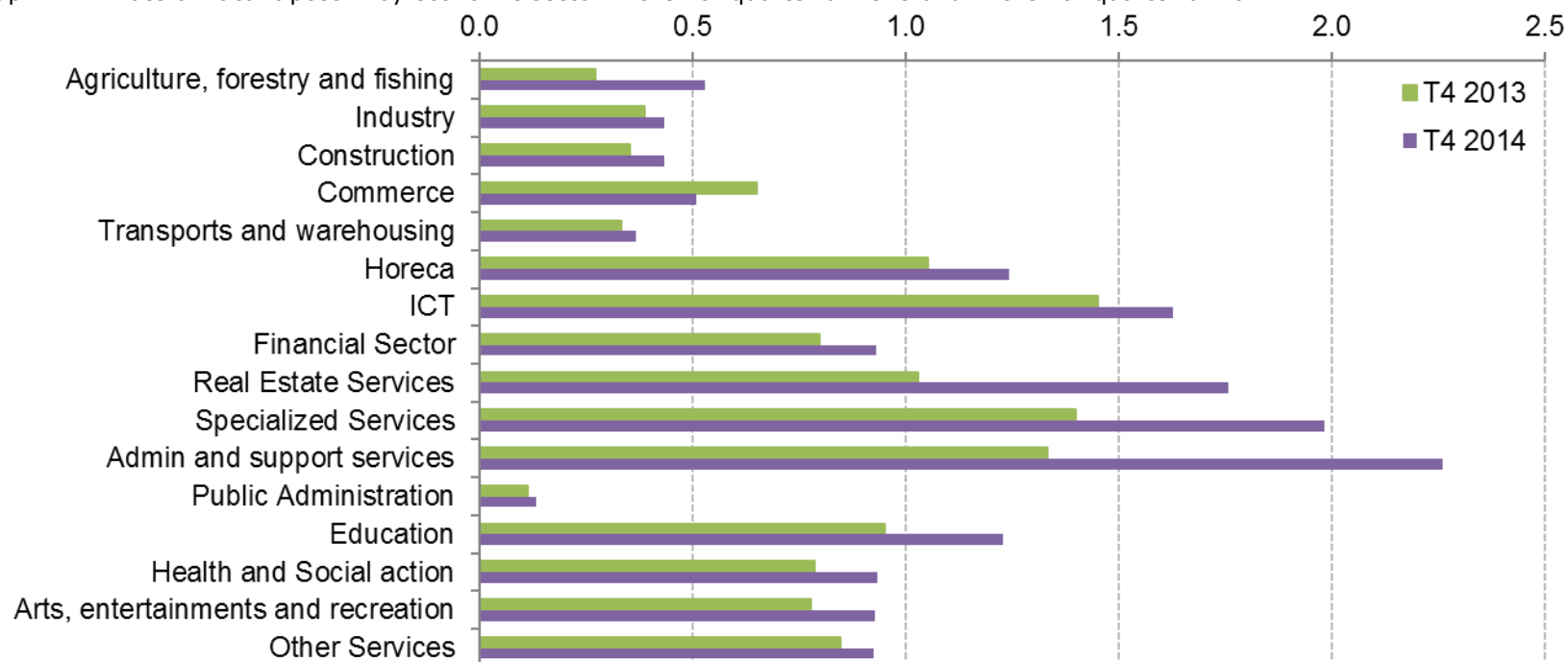
Source: ADEM, STATEC, EUROSTAT, 2014

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Table n° 3: Rate of vacant post by economic sector in the 1st quarter of 2012 and the 4th quarter of 2014

Source: Statec, Eurostat, 2014

	Agriculture, forestry and fishing	Industry	Construction	Commerce	Transports and warehousing	Horeca	ICT	Financial Sector	Real Estate Services	Specialized Services	Admin and support services	Public Administration	Education	Health and Social action	Arts, entertainment and recreation	Other Services
T1 2012	0.5	0.3	0.4	1.0	0.3	1.6	0.5	0.9	1.5	1.9	0.8	0.2	1.5	1.3	1.3	0.9
T2 2012	0.6	0.3	0.4	1.0	0.2	1.8	0.6	0.8	1.5	1.9	1.1	0.2	1.4	1.2	1.4	0.8
T3 2012	0.6	0.3	0.5	1.0	0.2	1.6	0.8	0.6	1.0	1.5	1.1	0.2	1.9	1.1	1.0	0.8
T4 2012	0.4	0.3	0.3	0.9	0.2	1.5	0.5	0.6	1.1	1.4	1.0	0.1	1.6	0.6	0.9	0.7
T1 2013	0.9	0.3	0.4	0.7	0.2	1.3	0.6	0.7	1.1	1.4	1.3	0.2	1.0	0.8	0.9	0.8
T2 2013	0.6	0.3	0.3	0.5	0.2	1.3	1.6	0.8	0.9	1.6	1.2	0.1	0.9	0.9	1.1	1.1
T3 2013	0.6	0.4	0.4	0.6	0.2	1.3	1.6	0.8	1.1	1.6	1.1	0.1	1.0	0.9	0.6	0.8
T4 2013	0.3	0.4	0.4	0.7	0.3	1.1	1.4	0.8	1.0	1.4	1.3	0.1	1.0	0.8	0.8	0.8
T1 2014	0.7	0.5	0.4	0.7	0.5	2.2	1.9	0.8	1.1	1.5	2.1	0.1	0.8	1.2	1.0	0.9
T2 2014	0.9	0.4	0.4	0.6	0.3	1.5	2.5	0.8	1.2	1.7	2.7	0.1	0.7	1.2	2.6	1.1
T3 2014	0.8	0.4	0.4	0.7	0.3	1.3	2.2	1.1	0.8	2.0	2.9	0.2	2.1	0.9	0.8	1.0
T4 2014	0.5	0.4	0.4	0.5	0.4	1.2	1.6	0.9	1.8	2.0	2.3	0.1	1.2	0.9	0.9	0.9

*Determining labour shortages and the need for labour migration from third countries*Graph n° 2: Rate of vacant post<sup>226</sup> by economic sector in the 4th quarter of 2013 and in the 4th quarter of 2014

Source: Statec, Eurostat, 2014

As we can see from table n°3 the rate of vacant post is higher in education (1,2%), HORECA (1,2%), ICT (1,6%), real estate services (1,8%), specialised services (2%) and administrative and support services (2,3%).

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## Annex n° 1

Table n° 1: Projection of profiles required in administration/management/commerce in the industrial sector for the next two years (2013 – 2015)

Profiles required	2013	2015
Office clerk, secretary, receptionist	43	16
External commercial technician	18	16
Accountant	26	14
Buyers	15	14
Auditor and financial and accounting controller	9	9
Human resources	10	8
Receptionist and information		8
Customer service		8
Accountant secretary		7
Project manager (Public works)		6
Product Management		5
Construction surveyor		5
Management/software programmer	10	4
Marketing		4
Civil engineer in Public Works		3
Salesmen/sales representative	16	2
Technical intervention in industrial HSE		2
Public relations		2
Commercial assistant		2
Jurist	2	1
Communication	2	1
Project assistants (public works)	21	
Internal commercial technician	9	
Reviser (price study)	9	
Security	7	
Others	6	
Tax accountant	3	
Total	206	137

Source: FEDIL 2013, 2015 © LU EMN NCP

Table n° 2: Projection of profiles required in technical areas in the industrial sector for the next two years (2013 – 2015)

Profiles required	2013	2015
Electro-mechanic / Energy electrician	37	31
Maintenance mechanic	28	18
Civil engineer	20	16
Laboratory technician	3	10

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Chemical engineer	16	9
Electronic engineer	10	9
Technical/industrial designer	10	8
Quality control agent	8	8
Conception and design of mechanical products		8
Communication electrician	3	7
Conception and design of electric and electronic products		7
Management and engineering in industrial HSE		7
Refrigeration mechanic	19	6
Industrial engineer	8	5
Mechatronics engineer	14	4
Maintenance engineer	8	4
Air conditioning maintenance agent		4
Mechanical engineer	32	3
Welder	14	2
Technical and industrial programmer	6	2
Aeronautical engineer		1
Machine operator	33	
Metallurgic engineer	3	
Civil defence and emergency	1	
Organisation and management consultant	1	
Physical engineer	1	
Others	27	
Total	302	169

Source: FEDIL 2013, 2015 © LU EMN NCP

Table n° 3: Projection of profiles required in technical areas in construction of public works in the industrial sector for the next two years (2013 – 2015)

Profiles required	2013	2015
Geometrician	1	12
Construction surveyor		7
Civil engineer in public works	4	5
Construction electrician		3
Security and health protection in public works construction		2
Air conditioning maintenance and management	16	1
Industrial engines mechanic	6	1
Architect in public works	3	1
Industrial electrician		1
Civil engineer	8	
Quantity Surveyor	6	
Structural engineering draughtsman	4	



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Site manager	4	
Total	52	33

Source: FEDIL 2013, 2015 © LU EMN NCP

Table n° 4: Projection of profiles required in the production areas in the industrial sector for the next two years (2013 – 2015)

Profiles required	2013	2015
Manufacturing agent	163	62
Computer numeric control machine operator	32	54
Warehouseman/Logistics manager	19	27
Operator	15	26
Truck driver	8	12
Automated facilities operator		11
Bridge operator	4	11
Plasturgist	3	8
Driver/Delivery driver	11	5
Boilermaker		5
Cement worker		4
Welder		1
Public works machine operator	15	
Plumber	12	
Others	12	
Total	294	226

Source: FEDIL 2013, 2015 © LU EMN NCP

Table n° 5: Projection of profiles required in the production area (specific public works construction) in the industrial sector for the next two years (2013 – 2015)

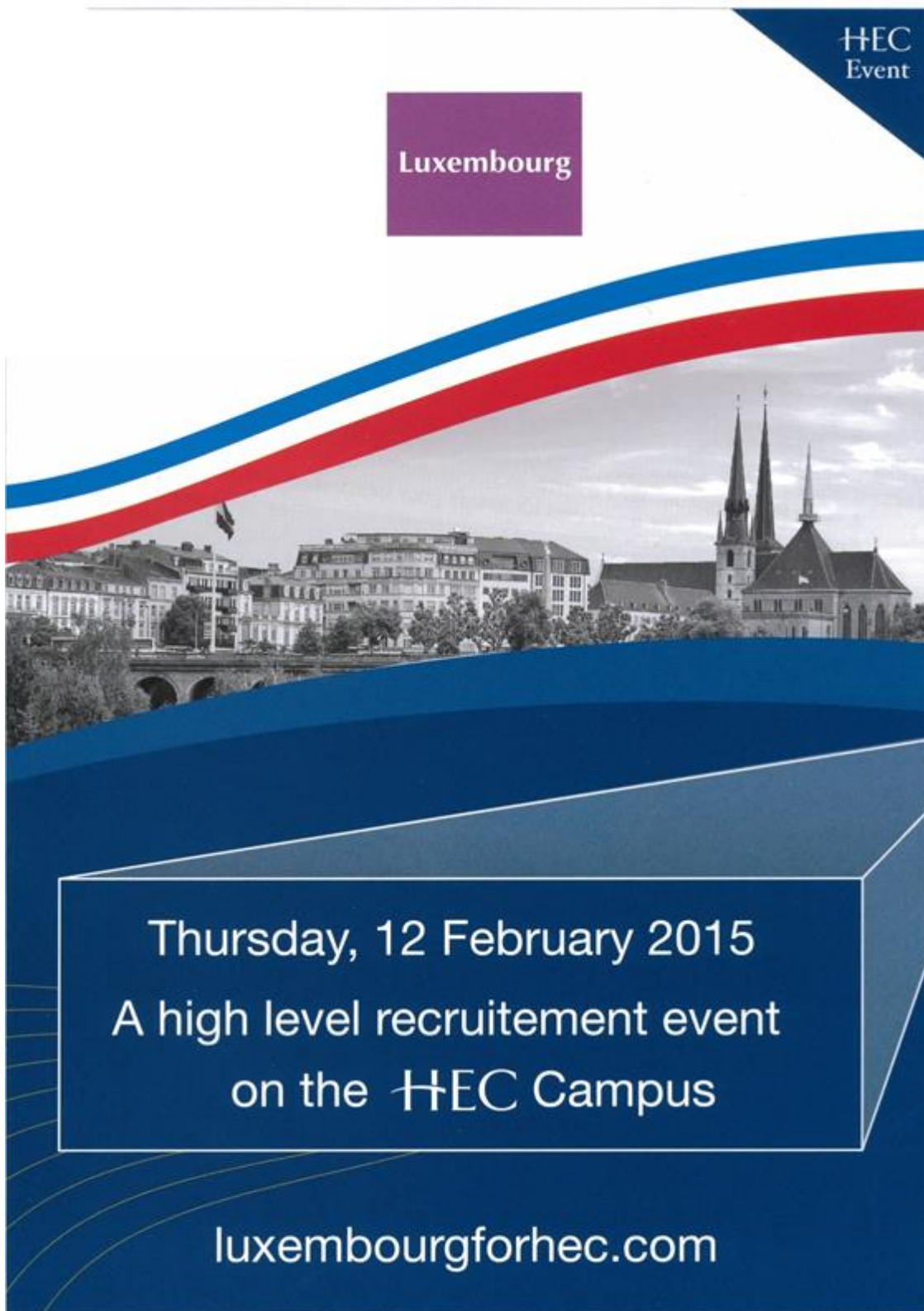
Profiles required	2013	2015
Mason	60	60
Labourer	33	31
Cement finishers/worker	27	83
Site manager	21	29
Works managers	19	20
Machine operator	14	21
Truck driver	12	2
Tile setter	11	5
Paver	10	8
Construction locksmith	9	
Facade specialist	8	38
Assembler	7	7

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Project manager	6	8
Roofer/Water proofer	6	
Pipe layer	6	7
Digger	5	8
Welder	3	1
Roof carpenter	3	
Joiner	2	
Tower crane operator	2	12
Finisher	2	5
Plumber	2	
Mobil crane operator	1	
Total	269	345

Source: FEDIL 2013, 2015 © LU EMN NCP

Annex n° 2: HEC ALUMNI Paris Recruitment Campaign – 12 February 2015



# HEC PARIS ALUMNI

## Luxembourg

After the success of the **1st Luxembourg for HEC Day in March 2013**, the Luxembourg chapter of **HEC Alumni Association** has decided to renew and extend this event on:

**Thursday, 12 February 2015**  
on the **HEC Campus**  
From **2 pm to 6 pm**

**A high level recruitment event:**  
find an internship or a job and kickstart your international career !

**A business event:**  
come & meet potential clients, investors & commercial partners from Luxembourg

**A conference and specialised workshops to give you the real information on Luxembourg**

Please visit our website for the details of the programme :

[www.luxembourgforhec.com](http://www.luxembourgforhec.com)



HEC Alumni Luxembourg asbl  
7 rue Alcide de Gasperi  
L-1030 Luxembourg



Telecom



ArcelorMittal

**Deloitte.**

Kurt Salmon



BNP PARIBAS

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## Annex n° 3:

Table n° 1: First issuance of salaried worker residence permits by occupation and sex (2014)

CODE ISCO	TITLE	FEMALE	MALE	TOTAL
112	Managing directors and chief executives	1	1	2
211	Physical and earth science professionals	1		1
213	Life science professionals	2		2
214	Engineering professionals (excluding electrotechnology)	5	13	18
215	Electrotechnology engineers	1	6	7
216	Architects, planners, surveyors and designers		1	1
221	Medical doctors	1		1
232	Vocational education teachers		1	1
233	Secondary education teachers	6	3	9
234	Primary school and early childhood teachers	9	2	11
241	Finance professionals	38	35	73
242	Administration professionals	19	18	37
243	Sales, marketing and public relations professionals	14	12	26
251	Software and applications developers and analysts	2	12	14
252	Database and network professionals	5	17	22
261	Legal professionals	3	2	5
263	Social and religious professionals		2	2
264	Authors, journalists and linguists		1	1
265	Creative and performing artists	1		1
311	Physical and engineering science technicians		2	2
325	Other health associate professionals		1	1
331	Financial and mathematical associate professionals	2	2	4
333	Business services agents	1	2	3
341	Legal, social and religious associate professionals	1	3	4
351	Information and communications technology operations and user support technicians	3	4	7
352	Telecommunications and broadcasting technicians		1	1
411	General office clerks	2	1	3
412	Secretaries (general)	3		3
431	Numerical clerks		2	2
432	Material-recording and transport clerks		1	1
441	Other clerical support workers	1	1	2
512	Cooks	6	46	52
513	Waiters and bartenders	6	5	11
514	Hairdressers, beauticians and related workers	3		3
515	Building and housekeeping supervisors	4		4



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516	Other personal services workers		1	1
522	Shop salespersons		1	1
523	Cashiers and ticket clerks	1		1
524	Other sales workers	1	1	2
531	Child care workers and teachers' aides	9		9
532	Personal care workers in health services	3		3
633	Subsistence mixed crop and livestock farmers		1	1
711	Building frame and related trades workers		5	5
712	Building finishers and related trades workers		2	2
713	Painters, building structure cleaners and related trades workers		1	1
731	Handicraft workers		1	1
751	Food processing and related trades workers	1	1	2
832	Car, van and motorcycle drivers		2	2
833	Heavy truck and bus drivers		1	1
911	Domestic, hotel and office cleaners and helpers	11	2	13
921	Agricultural, forestry and fishery labourers	1	1	2
931	Mining and construction labourers		2	2
932	Manufacturing labourers		1	1
933	Transport and storage labourers		1	1
941	Food preparation assistants	2	6	8
962	Other elementary workers	3	13	16
TOTAL		172	240	412

Source: Directorate of Immigration, 2015 © LU EMN NCP

Table n° 2 : Renewal of salaried worker residence permits by occupation and sex (2014)

CODE ISCO	TITLE	FEMALE	MALE	TOTAL
121	Business services and administration managers		1	1
122	Sales, marketing and development managers		1	1
133	Information and communications technology service managers		1	1
134	Professional services managers	1		1
142	Retail and wholesale trade managers	1		1
143	Other services managers		2	2
211	Physical and earth science professionals		1	1
212	Mathematicians, actuaries and statisticians	2	1	3
213	Life science professionals	1	2	3
214	Engineering professionals (excluding electrotechnology)	7	15	22
215	Electrotechnology engineers	3	1	4
216	Architects, planners, surveyors and designers	1	2	3
221	Medical doctors		3	3

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226	Other health professionals	1		1
231	University and higher education teachers	1	1	2
232	Vocational education teachers	1		1
233	Secondary education teachers	5	3	8
234	Primary school and early childhood teachers	11	3	14
235	Other teaching professionals	1	1	2
241	Finance professionals	37	45	82
242	Administration professionals	10	20	30
243	Sales, marketing and public relations professionals	16	12	28
251	Software and applications developers and analysts	4	17	21
252	Database and network professionals	4	15	19
261	Legal professionals	7	1	8
262	Librarians, archivists and curators		1	1
263	Social and religious professionals	1	1	2
264	Authors, journalists and linguists	1	1	2
265	Creative and performing artists			0
311	Physical and engineering science technicians	1	1	2
312	Mining, manufacturing and construction supervisors		2	2
313	Process control technicians		3	3
322	Nursing and midwifery associate professionals	1		1
325	Other health associate professionals	3	1	4
331	Financial and mathematical associate professionals	17	7	24
333	Business services agents	3	2	5
334	Administrative and specialised secretaries	3		3
341	Legal, social and religious associate professionals	2	2	4
342	Sports and fitness workers		1	1
343	Artistic, cultural and culinary associate professionals		1	1
351	Information and communications technology operations and user support technicians	2	6	8
352	Telecommunications and broadcasting technicians		1	1
411	General office clerks	5	6	11
412	Secretaries (general)	8	2	10
422	Client information workers	2		2
431	Numerical clerks	6	5	11
432	Material-recording and transport clerks		2	2
441	Other clerical support workers	8	12	20
511	Travel attendants, conductors and guides	1	4	5
512	Cooks	22	183	205
513	Waiters and bartenders	86	32	118
514	Hairdressers, beauticians and related workers	4		4
515	Building and housekeeping supervisors	3	4	7
516	Other personal services workers	4	16	20

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521	Street and market salespersons	2	1	3
522	Shop salespersons	11	11	22
523	Cashiers and ticket clerks	1		1
524	Other sales workers	5	6	11
531	Child care workers and teachers' aides	8	2	10
532	Personal care workers in health services	7	1	8
541	Protective services workers		4	4
611	Market gardeners and crop growers		3	3
613	Mixed crop and animal producers		3	3
621	Forestry and related workers		2	2
631	Subsistence crop farmers		4	4
633	Subsistence mixed crop and livestock farmers		2	2
711	Building frame and related trades workers		43	43
712	Building finishers and related trades workers		19	19
713	Painters, building structure cleaners and related trades workers		25	25
721	Sheet and structural metal workers, moulders and welders, and related workers		3	3
722	Blacksmiths, toolmakers and related trades workers		2	2
723	Machinery mechanics and repairers		8	8
731	Handicraft workers		6	6
741	Electrical equipment installers and repairers		10	10
751	Food processing and related trades workers		3	3
752	Wood treaters, cabinet-makers and related trades workers		1	1
753	Garment and related trades workers	1	1	2
754	Other craft and related workers	1	19	20
818	Other stationary plant and machine operators		1	1
832	Car, van and motorcycle drivers		22	22
833	Heavy truck and bus drivers		6	6
834	Mobile plant operators		1	1
835	Ships' deck crews and related workers		1	1
911	Domestic, hotel and office cleaners and helpers	291	21	312
912	Vehicle, window, laundry and other hand cleaning workers	7	8	15
921	Agricultural, forestry and fishery labourers	3	12	15
931	Mining and construction labourers		19	19
932	Manufacturing labourers			0
933	Transport and storage labourers		3	3
941	Food preparation assistants	14	74	88
952	Street vendors (excluding food)	1		1
961	Refuse workers		1	1
962	Other elementary workers	42	204	246
TOTAL		691	996	1687

Source : Directorate of Immigration, 2015 © LU EMN NCP



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Table n° 3: First issuance of Blue Card residence permits by occupation and sex (2014)

CODE ISCO	TITLE	FEMALE	MALE	TOTAL
111	Legislators and senior officials		1	1
112	Managing directors and chief executives	1	12	13
121	Business services and administration managers	9	35	44
122	Sales, marketing and development managers	18	51	69
132	Manufacturing, mining, construction, and distribution managers		1	1
133	Information and communications technology service managers		2	2
134	Professional services managers	1	6	7
212	Mathematicians, actuaries and statisticians	2	1	3
213	Life science professionals		1	1
215	Electrotechnology engineers	2	2	4
233	Secondary education teachers	1		1
235	Other teaching professionals		1	1
241	Finance professionals	7	27	34
242	Administration professionals	9	8	17
243	Sales, marketing and public relations professionals	8	15	23
251	Software and applications developers and analysts	1	15	16
252	Database and network professionals	2	10	12
261	Legal professionals	6	4	10
351	Information and communications technology operations and user support technicians		3	3
TOTAL		67	195	261

Source: Directorate of Immigration, 2015 © LU EMN NCP

Table n° 4: Renewal of Blue Card residence permits by occupation and sex (2014)

CODE ISCO	TITLE	FEMALE	MALE	TOTAL
112	Managing directors and chief executives	3	6	9
121	Business services and administration managers	5	19	24
122	Sales, marketing and development managers	11	28	39
132	Manufacturing, mining, construction, and distribution managers		1	1
133	Information and communications technology service managers		5	5
134	Professional services managers	3	11	14

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212	Mathematicians, actuaries and statisticians		2	2
214	Engineering professionals (excluding electrotechnology)		6	6
215	Electrotechnology engineers		3	3
231	University and higher education teachers		2	2
241	Finance professionals	11	42	53
242	Administration professionals	4	4	8
243	Sales, marketing and public relations professionals	6	21	27
251	Software and applications developers and analysts	1	8	9
252	Database and network professionals		7	7
261	Legal professionals	1	3	4
311	Physical and engineering science technicians		2	2
313	Process control technicians		1	1
331	Financial and mathematical associate professionals	1	2	3
351	Information and communications technology operations and user support technicians		2	2
TOTAL		46	175	221

Source: Directorate of Immigration, 2015 © LU EMN NCP

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- <sup>1</sup> Pauly, Michel, Le phénomène migratoire : une constante de l'histoire luxembourgeoise, in ASTI 30+, 2010, p. 72. Pauly says : « Au Luxembourg l'immigration a toujours été et reste double : à toutes les époques elle concerne le haut et le bas de l'échelle sociale. Et vu le manque structurel de main d'œuvre les migrants n'ont pratiquement jamais constitué une concurrence pour les autochtones sur le marché du travail. »
- <sup>2</sup> In Luxembourg, 258.679 residents (46%) of a total population of 562.958 are foreigners. 222.192 are EU citizens representing 39% of the total population of the country and 76% of the foreign population of the country. The 36.487 third-country nationals only represent 6,5% of the total population and 14,1% of the foreign population. Source: Statec, 2015. This phenomenon can be explained by a high level of immigration, which is attracted by the permanent needs for workers in the Luxembourgish economy. Observatoire Interrégional du marché de l'emploi, Situation du marché de l'emploi dans la Grand Région, Evolution démographique, 9ème rapport, November 2014, p. 18.
- <sup>3</sup> Since the country is located at very important crossroads of the Union, bordering two large economic motors of the Union (France and Germany), Luxembourg has always benefited from a highly skilled workforce coming from the Greater Region. See Chambre de Commerce Luxembourg, Actualité & Tendances, n° 12, March 2012, p. 59.
- <sup>4</sup> Chambre de Commerce Luxembourg, Actualité & Tendances, n° 12, March 2012, p. 61.
- <sup>5</sup> « Une étude des Offices statistiques de la Grande Région parue en 2011 a révélé que dans la comparaison avec les actifs résidents, on trouve parmi les frontaliers une part plus importante d'hommes, de jeunes et de personnes d'un niveau de qualification plus élevée. Par ailleurs, les travailleurs frontaliers occupent moins souvent un emploi à temps partiel et sont un peu plus rarement touchés par les contrats à durée déterminée. En outre, les frontaliers sont plus souvent employés dans de plus grandes entreprises (de 50 employés et plus). » See Observatoire interrégional du marché de l'emploi, Neuvième rapport de l'OIE - Mobilité des frontaliers, 2014, p. 14.
- <sup>6</sup> This is a "pull" factor that has to be measure in parallel with a "push" factor from the country of origin. As Ad Knotter says: "Deindustrialization at the "push" side is also part of the explanation of the growth of cross-border labour in the Luxembourg-Lorraine borderland: the demise of the steel industry in the Longwy basin caused a loss of employment in the 1980s of several ten thousands, in spite of fierce resistance by the steel workers. The next generation massively crossed the border to find work in Luxembourg and Belgium..." Ad Knotter (2014) Perspectives on Cross-Border Labor in Europe: "(Un)familiarity" or "Push-and-Pull"?, Journal of Borderlands Studies, 29:3, 319-326, p. 321.
- <sup>7</sup> A national orientation in labour market behaviour seems to be the rule. Cross-border labour only emerges in specific circumstances; it depends on a combination of distance and "push-and-pull," on the attainability of higher wages and employment opportunities within easy reach across the border. As economic development, also in specific regions, is often connected to national economic performance (the Luxembourg, Swiss and Baden-Württemberg cases are clear, it is within this logic that cross-border labour is stimulated more

by national differences than by European transborder integration (Kayali and Van Gheluwe 2001, 3). See Ad Knotter (2014) Perspectives on Cross-Border Labor in Europe: "(Un)familiarity" or "Push-and-Pull"?, *Journal of Borderlands Studies*, 29:3, 319-326, pp. 321-322. See also, Observatoire interrégional du marché de l'emploi, Frontaliers et marché de l'emploi transfrontalier dans la Grande Région Résumé (version longue) du cahier thématique dans le cadre du projet général « Etat d'avancement, perspectives et exigences d'action du marché de l'emploi dans la Grande Région d'ici l'année 2020 », 2004, pp. 4-5. Observatoire interrégional du marché de l'emploi, Neuvième rapport de l'OIE - Mobilité des frontaliers, 2014, p. 21.

- <sup>8</sup> Rapport Intermédiaire de la Commission Spéciale "immigration", Débat d'orientation sur la politique d'immigration, 17 June 2002. Parliamentary document n° 4999.
- <sup>9</sup> Étude d'orientation politique commanditée à M. Marcel Glesener par le gouvernement suite à la déclaration du Premier Ministre M. Jean-Claude Juncker sur l'état de la Nation. Appui scientifique assuré par le Sesopi-Centre Intercommunautaire en collaboration avec l'Institut de Formation Sociale, April 2004.
- <sup>10</sup> Conseil économique et social, Pour une politique d'immigration et d'intégration active, CES/Immigration (2006), 12 October 2006, pp. 15-16.
- <sup>11</sup> See [http://europa.eu/rapid/press-release MEMO-14-344\\_en.htm](http://europa.eu/rapid/press-release_MEMO-14-344_en.htm)
- <sup>12</sup> EUROPEAN COMMISSION Employment, Social Affairs and Inclusion DG Posting of workers in the European Union and EFTA countries: Report on A1 portable documents issued in 2010 and 2011, October 2012, pp. 13-14. This document allows workers living in an EU Member State to be posted in another Member State and do not be compelled to pay contributions to the other Member State social security scheme in order to be entitled to state-funded healthcare there.
- <sup>13</sup> Article 43 (2) of the law of 29 August 2008 on free movement of persons and immigration and its modification by law of 19 June 2013, which transposed the single permit directive.
- <sup>14</sup> Article 59 paragraph 1 (students) and article 74 (2) (family reunification) of the amended law of 29 August 2008.
- <sup>15</sup> The last collective administrative regularisation was on 18 December 2012. The Minister of Labour, Employment and Immigration, announced to open a regularisation process within the legal framework of the law of 21 December 2012. In the service note dated 21 December 2012, two essential conditions to be met by candidates for regularisation are stated: providing proof of having been engaged for at least 9 months in Luxembourg and presenting an indefinite-term contract (CDI) with a remuneration equivalent to the minimum social wage for a weekly period of work of 40 hours. The period for making an application for regularisation to the Directorate of Immigration of the Ministry of Foreign Affairs was set between 2 January 2013 and 28 February 2013. Service note of 21 December 2012 of the Ministry of Employment, Labour and Immigration. The other two conditions were: holding a valid passport and not constituting a danger to public order. *Le Quotidien*, "The hope of regularisation", 28 December 2012, <http://www.lequotidien.lu/politique-et-societe/40837.html>

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- <sup>16</sup> [Government programme 2009 – 2014](#), p. 21.
- <sup>17</sup> [Government programme 2013-2018](#), pp. 35-40.
- <sup>18</sup> Directive n° 2009/50/EC of 25 May 2009.
- <sup>19</sup> [Parliamentary document n° 6306/00](#), p.8.
- <sup>20</sup> Vandermeir, Marc, Forum PwC/L'Echo - PME: les conditions de l'essor et de la réussite, Paperjam.lu, 7 December 2012. « Quant aux barrières à l'expansion des PME, une étude de PWC en désigne quatre: l'augmentation de l'intensité concurrentielle (il faut en permanence se remettre en question ce qui n'est guère facile au sein d'une PME), la pénurie de main d'œuvre qualifiée (même le réservoir de la Grande Région s'épuise), les procédures administratives lourdes et le prix élevé de l'immobilier. Pour ce dernier, la flambée est telle "qu'il faudra, à terme, trouver des solutions dans la Grande Région". Et l'on sait qu'un nombre d'entreprises s'installent d'ores et déjà autour de nos frontières. »
- This was also mentioned by the Report of the Parliamentary Commission of the Foreign and European Affairs, Defense, Cooperation and Immigration on the bill n° 6306. The commission mentioned: « Le Luxembourg est particulièrement touché par la pénurie de main-d'œuvre hautement qualifiée.
- Ceci est dû à l'importance de sa place financière et au poids très important des entreprises de services dont les activités se situent dans un environnement international. L'intensification des relations avec des marchés plus lointains, y compris les marchés émergents, et la spécialisation de l'activité économique font que le réservoir classique de main-d'œuvre du Luxembourg, à savoir, d'une part, la population résidente et celle de la Grande Région, et d'autre part, les personnes provenant des autres pays de l'Union européenne, n'arrive pas à combler les besoins en ressources humaines hautement qualifiés. »
- See Parliamentary document n°6306/04 of 9 November 2011.  
[http://www.chd.lu/wps/PA\\_RoleEtendu/FTSByteServingServletImpl/?path=/export/exped/sexpdata/Mag/151/039/105308.pdf](http://www.chd.lu/wps/PA_RoleEtendu/FTSByteServingServletImpl/?path=/export/exped/sexpdata/Mag/151/039/105308.pdf)
- <sup>21</sup> On 20 September 2007, the Ministry of Employment lifted the restrictions to access the labour market for all the citizens of the EU-8 countries. The Ministry emphasised that there was an interest for the financial institutions for the workforce of these countries. See frontaliers.lu, « [Ouverture du marché du travail du Luxembourg aux travailleurs de 8 nouveaux États membres de l'UE](#) », 25 Septembre 2007.
- <sup>22</sup> During the peak of the economic crisis in 2009, there was a major inflow of EU citizens coming to look for jobs in Luxembourg. The main problem was that most of these persons have no qualifications. Nevertheless, seen that the Luxembourgish economy has an employer-led system, it works as a filter during that period. See further information on this discussion, europaforum.lu, « [Un débat sur la migration interne dans l'UE à la Chambre a révélé les divergences économiques entre pays et ses conséquences en pleine crise](#) », 10 May 2012.
- <sup>23</sup> Europaforum.lu, « [Alors que l'ouverture complète du marché du travail européen aux Roumains et aux Bulgares inquiète certains Etats membres, le ministre du Travail](#)

[luxembourgeois met en garde contre "le jeu dangereux" d'y voir une menace](#) », 10 January 2014.

- <sup>24</sup> Already in 2006, the Economic and Social Council had expressed: « It is thus illusory to think that the domestic labour market can find its resources *ad aeternam* only in the frontier regions of Luxembourg or in the countries of Southern and Eastern Europe; countries which themselves are suffering from a demographic deficit and a noticeable short supply of labour. In the presence of employment policies which aim to retain workers in their countries, in the presence of the expansion of their economies and in the presence of the ageing of their own populations, the migratory flux coming from European emigration countries will lessen and will finally disappear.” Economic and Social/Immigration Council (October 2006), Opinion « Pour une politique d’immigration et d’intégration active », p. 15.
- <sup>25</sup> Interview with the Luxembourg Employers’ Association, 25 March 2015 and Interview with Deloitte, 26 March 2015. See document attached.
- <sup>26</sup> Interview with Deloitte, 26 March 2015.
- <sup>27</sup> ADAM, Ferdy and SINNER Véronique, Analyse comparative de la productivité apparente du travail Luxembourg/Zone euro depuis le début de la crise, Working Papers du STATEC n° 60, July 2012, pp. 1-2. « Pour le secteur financier, la chute plus forte de la productivité sur les années 2007 à 2010 se joue à quatre niveaux: (1) Très forte baisse de la VAB, (2) maintien en emploi probablement dû à un manque de main-d’œuvre qualifiée, (3) effet de rattrapage et (4) part plus importante des banques dans le secteur financier. »
- <sup>28</sup> The Luxembourgish workers work mainly in the (semi-)public sector (i.e. public administration 87,2%), in the health sector and the social welfare sector (45,1%))<sup>28</sup>. In contrast, there is a strong concentration of resident foreigners in domestic services (77,3%), HORECA (53,9%), agriculture and forestry (48,4%) and construction (39,2%). Cross-border workers are centered in the manufacturing sector (62, 8%), commerce and repairs (53,6%), administrative and support sectors (53,3%) specialised, scientific and technological activities (53,1%), information and communication activities (52,6%) and construction (51,1%). Observatoire Interrégional du marché de l’emploi, Situation du marché de l’emploi dans la Grande Région, Mobilité des Frontaliers, 9ème rapport, November 2014, p. 23.
- <sup>29</sup> Observatoire Interrégional du marché de l’emploi, Situation du marché de l’emploi dans la Grande Région, Mobilité des Frontaliers, 9ème rapport, novembre 2014, p. 27. Between 2003 and 2011 average age of the Luxembourgish workforce increased 2,8 years, the workers with less than 35 years decreased from 44% to 34% and the workers over 50 increased from 13% to 19%.
- <sup>30</sup> Agence pour le développement de l’emploi (ADEM), Bulletin de presse, 23 February 2015.
- <sup>31</sup> This means that Luxemburg is confronted with an employability problem of its own workforce. See Agence d’urbanisme et de développement durable Lorraine Nord, La Grande Région en 2030: mutations démographiques et économiques, Metz, 15 October 2013, p. 5.
- <sup>32</sup> Luxembourg has at least 19 data centres that are certified Tier III or Tier IV, which represent the highest level of quality in the subject. 10% of all the data centres type Tier IV are located in Luxembourg. Even though, Luxembourg was the first Member State to transpose the

directives on electronic commerce (directive 2002/38/CE) and electronic after fourteen years, the strategy has produced mixed results: positive on the infrastructure side but less positive in regards to online public services. Guadron, Jean-Michel, Un nouveau visage se dessine, Paperjam, September-October 2014, pp. 26-28.

- 33 Guadron, Jean-Michel, Un nouveau visage se dessine, Paperjam, September-October 2014, p. 28.
- 34 The think tank idea of the Luxembourgish Chamber of Commerce considers that the image of Luxembourg is blurred and heterogeneous, even if the country is known abroad. See Guadron, Jean-Michel, [Nation branding: stratégie à affiner](#), selon Idea, Paperjam, 2 July 2014.
- 35 Chambre de Commerce Luxembourg, Actualité & Tendances, n° 12, Mars 2012, p. 2. Interview with the Chamber of Commerce, 7 April 2015.
- 36 Government programme 2009 – 2014, p. 21.
- 37 [Government programme 2013-2018](#), p.p. 35-40.
- 38 « The socio-economic history of the country is closely linked to migratory flows and to foreign direct investments. » See Chambre de Commerce Luxembourg, Actualité & Tendances, n° 12, March 2012, p. 3.
- 39 Government programme 2009 – 2014, p. 59.
- 40 Articles 42 to 46 of the amended law of 29 August 2008.
- 41 Article 42 (3) of the law of 29 August 2008 on free movement of persons and immigration as published in [Mémorial A-138 of 10 September 2008](#).
- 42 This grand ducal regulation was never published since the entering into force of the law of 29 August 2008 and its abrogation by the law of 18 January 2012.
- 43 [Parliamentary document n° 5802/00](#), p.68.
- 44 Law of 18 January 2012, published in [Mémorial A-11 of 26 January 2012](#).
- 45 See [parliamentary document n° 6232/00](#) of 22 December 2010, pp. 14-15. See also legal opinions of the Chamber of Commerce ([parliamentary document n° 6232/02](#), p. 20).
- 46 LU EMN NCP, Satisfying labour demand through migration in Luxembourg, April 2011, p.p. 61-62.
- 47 LU EMN NCP, Satisfying labour demand through migration in Luxembourg, April 2011, p.p. 43-44.
- 48 Interview with the Chamber of Commerce, 7 April 2015. Even though the immigration law exists and transposed European directives, it does not create a tailored legal framework to satisfy the economic needs of the country.
- 49 Article 45 (1) 3 of the amended law of 29 August 2008 in relation with article 1 of the amended grand-ducal regulation of 26 September 2008 fixing the minimum remuneration



threshold for a highly qualified worker. The average annual gross salary and the salaried threshold for highly qualified workers are yearly established by ministerial regulation.

- <sup>50</sup> Article 2 of the [ministerial regulation of 5 March 2014 establishing the average annual gross salary](#), established the average annual gross salary of 46.572 Euros. Therefore, the minimum salary threshold for a highly skilled worker is  $46.572 \times 1,5 = 69.858$  euros for the year 2014. The Council of State criticized this choice saying: « Cette dernière condition risque, le cas échéant, de défavoriser notre pays qui, par ailleurs, figurera parmi les premiers bénéficiaires des nouvelles règles dans la mesure où le Luxembourg souffre, bien plus que d'autres pays européens, d'une pénurie de main-d'œuvre hautement qualifiée pour assurer le développement continu de son économie. » Opinion of the Council of State, of 11 October 2011, Parliamentary document n° [6306/02](#).
- <sup>51</sup> The minimum salary threshold for a highly skilled worker  $46.572 \times 1,2 = 55.886,40$  euros for the year 2014.
- <sup>52</sup> Article 1 paragraphs 2 and 3 of the amended grand-ducal regulation of 26 September 2008 as amended by [grand-ducal regulation of 25 January 2012](#).
- <sup>53</sup> This obligation is established in article 5 (5) of the Directive 2009/50/EC which establishes: "...In this case, the Member State concerned shall communicate each year to the Commission the list of the professions for which a derogation has been decided each year to the Commission." The reason for this communication is explained in consideration 11 of the directive which says: "...The sole purpose of this salary threshold is to help to determine, taking into account a statistical observation published by the Commission (Eurostat) or by the Member States concerned, the scope of the EU Blue Card established by each Member State on the basis of common rules, taking into account a statistical observation published by the Commission (Eurostat) or by the concerned Member States."
- <sup>54</sup> LU EMN NCP, La force de l'emploi intérieur et la politique migratoire, Luxembourg, 2011, p. 21.
- <sup>55</sup> The restriction was lifted on 1 January 2014. See <http://www.guichet.public.lu/entreprises/fr/actualites/2014/01/06-bulg-roum-travail/index.html>. In regards to Croatian citizens the restrictions are in place and they required for a work permit with the exception of highly qualified workers. See <http://www.guichet.public.lu/entreprises/en/ressources-humaines/recrutement/ressortissant-UE/travail-croate/index.html>.
- <sup>56</sup> La Convention collective de Travail dans le secteur d'aide et de soins et du secteur social (CCT SAS).
- <sup>57</sup> Interview with the Chamber of Commerce, 7 April 2015 and interview American Chamber of Commerce (AMCHAM), 27 March 2015.
- <sup>58</sup> Article 41 (1) 1 of the amended Law of 29 August 2008.
- <sup>59</sup> Article 42 (1) 1 of the amended Law of 29 August 2008. See <http://www.guichet.public.lu/citoyens/fr/citoyennete/immigration-visa/sejour-plus-3-mois/salarie-hautement-qualifie/index.html>



- <sup>60</sup> Article L-622-4 (1) and (4) paragraph 2 of the Labour Code and article 2 of the amended grand-ducal regulation of 5 September 2008 fixing the conditions and modalities for granting an authorisation of stay to a salaried worker. See also [First instance Administrative Court, n° 33050 of 17 September 2014](#). See also <http://www.guichet.public.lu/citoyens/fr/travail-emploi/non-luxembourgeois/engagement-ressortissant-pays-tiers/salarie-pays-tiers/index.html>
- <sup>61</sup> Article 42 of the amended law of 29 August 2008 establishes that when a third-country national applies for an authorisation of stay the Minister has to verified whether, in addition to the conditions laid down in Article 34, the following conditions are fulfilled: 1) "the priority in matters of recruitment and employment accorded to certain workers under Article L. 622 4(4) of the Labour Code is not thereby affected"; 2) the pursuit of the activity in question serves the country's economic interests; 3) the third-country national possesses the professional qualifications needed to pursue the activity in question; the third-country national has an employment contract concluded in respect of a position which has been declared to the ADEM as being vacant. If the Minister considers that the conditions are not fulfilled, he shall refer the matter to the Consultative Commission of Salaried Workers.
- <sup>62</sup> Article 42 (1) 1 of the amended Law of 29 August 2008.
- <sup>63</sup> Article 42 (1) 1 of the amended Law of 29 August 2008. See <http://www.guichet.public.lu/citoyens/fr/citoyennete/immigration-visa/sejour-plus-3-mois/salarie-hautement-qualifie/index.html>
- <sup>64</sup> Article 43 (1) and (2) of the amended law of 29 August 2008.
- <sup>65</sup> Articles 24 to 30 of the [law of 28 March 1972 on 1. entry and stay of foreigners; 2\) medical control of foreigners and employment of foreign workforce](#), and article 43 (1) of the [law of 29 August 2008 on free movement of persons and immigration](#) as well as article 43 (1) of the [amended law of 29 August 2008](#) as amended by law of 19 June 2013.
- <sup>66</sup> Article 59 paragraph 1 (students) and article 74 (2) (family reunification) of the amended law of 29 August 2008.
- <sup>67</sup> A clear example was with the adhesion of Spain and Portugal, where the temporary restrictions were fixed for 10 years but Luxembourg decided to lift them on 31 December 1992.
- Concerning the EU-8 Member States from East and Central Europe, Luxembourg has introduced restriction on the free movement for the citizens of these countries on 1 May 2004. However, in April 2006, Luxembourg softened the transitory restrictions in certain sectors such as (i.e. agriculture, viticulture, HORECA and in some social services). The government decided to open the labour market for these citizen on 1 November 2007.
- In regards to Bulgaria and Romania which have adhered to the EU in 2005, the Council of government decided on 9 December 2011 to extend the restriction on free movement of person of these citizens to 1 January 2014. However, the government decided as well to soften these restrictions for certain sectors of the economy and for certain type of workers as well (i.e. highly qualified workers, researchers and trainees).

Finally concerning Croatian citizens the Council of Government took the decision to establish restrictions on the free movement of citizens for 2 years beginning on 1 July 2013 (expiration day 30 June 2015). Nevertheless, the government lifted these restrictions in the following cases: for salaried workers who have already continuously worked at least 12 months before the adhesion of Croatia to the EU, for salaried workers, who are family members of an EU citizen who does not required a working permit, for highly qualified workers and for students. See [http://www.gouvernement.lu/859708/27circulation\\_travailleurs?context=519177](http://www.gouvernement.lu/859708/27circulation_travailleurs?context=519177); Europaforum.lu, [Le gouvernement maintient pour deux ans les restrictions transitoires en matière d'accès des citoyens bulgares et roumains au marché du travail luxembourgeois](#), 22 December 2011 and Council of Government of 14 June 2013. See <http://www.luxembourg.public.lu/fr/actualites/2013/07/01-croatie/index.html>.

- <sup>68</sup> Service note of 21 December 2012 of the Ministry of Employment, Labour and Immigration. Other regularisations have taken place in the 1990's and 2000. See Sylvain Besch, *Les réfugiés entre droit et politique 1990-2006*, ASTI 30+, p.p. 111-112.
- <sup>69</sup> See LU EMN NCP, *Rapport politique sur les migrations et l'asile*, 2012, p.p. 95-96.
- <sup>70</sup> Pauly, Michel, *Le phénomène migratoire : une constante de l'histoire luxembourgeoise*, in ASTI 30+, 2010, p. 72.
- <sup>71</sup> Interview with Deloitte, 26 March 2015.
- <sup>72</sup> [Réseau d'étude sur le marché du travail et de l'emploi \(RETEL\), également nommé Observatoire du marché de l'emploi](#).
- <sup>73</sup> RETEL, *Tableau de bord du marché de l'emploi*, 30 septembre 2013 – 30 septembre 2014, n° 2, February 2015, p. 1.
- <sup>74</sup> RETEL, *Tableau de bord du marché de l'emploi*, 30 septembre 2013 – 30 septembre 2014, n° 2, February 2015, p.p. 7-10.
- <sup>75</sup> Information provided by an official of the RETEL, 30 April 2015.
- <sup>76</sup> Interview, with the Chamber of Commerce, 7 April 2015.
- <sup>77</sup> See Governmental programme 2013-2018, p. 203. This coordinated action will include the diplomatic missions of Luxembourg abroad. The Ministry of Foreign and European Affairs coordinates this inter-ministerial group. Interview with an official of the Ministry of Finances and an official of the Ministry of Economy, 25 November 2014.
- <sup>78</sup> Quattropole, [Formation professionnelle transfrontalière: les maires du QuattroPole saluent le projet d'accord-cadre](#), 22 July 2014.
- <sup>79</sup> Chambre de Métiers Luxembourg, *Communiqué de presse*, 24 April 2014.
- <sup>80</sup> Chambre de Métiers Luxembourg, *Communiqué de presse*, 24 April 2014.
- <sup>81</sup> Chambre de Métiers Luxembourg, *Communiqué de presse*, 24 April 2014.
- <sup>82</sup> Chambre des Métiers Luxembourg, IFSB, myenergy Luxembourg, LuxBuild2020, *Feuille de route nationale*, August 2013, p.p. 17-21.

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- <sup>83</sup> Chambre des Métiers Luxembourg, IFSB, myenergy Luxembourg, LuxBuild2020, Feuille de route nationale, August 2013, p.p. 18.
- <sup>84</sup> [Zynga](#) is a provider of social game services.
- <sup>85</sup> [Kabam](#) (formerly Watercooler, Inc.) is an interactive entertainment company that develops and publishes massively multiplayer social games (MMSG's).
- <sup>86</sup> Sorlut, Pierre, [Après Netflix, Kabam et Zynga s'en vont](#), paperjam.lu, 26 May 2014. Also, Cencetti, Jessica, [Zynga et Kabam quittent le Luxembourg](#), ITnation.lu, 27 May 2014.
- <sup>87</sup> Lennihan, Mark, [Pourquoi Luxembourg doit comprendre "l'alerte Zynga"](#), Luxembourg Wort, 28 May 2014.
- <sup>88</sup> Chambre de Députés, Commission de l'économie, [Procès-verbal de la réunion du 26 mai 2014](#), p. 3. The reasons mentioned by the Ministry of Economy were a better fiscal treatment abroad and the difficulties to find highly qualified personnel. The Minister said: continuer à se développer au Luxembourg. Toutefois, les problèmes ayant plaidé, dans le cas de Netflix, en défaveur du Luxembourg se posent également pour cette société – notamment au niveau du recrutement du personnel qualifié dont elle a besoin.
- Ces difficultés au niveau du recrutement amèneront deux autres entreprises, actives dans le secteur des jeux en ligne, à quitter le Luxembourg : Zynga et Kabam. Leur choix s'est porté sur Berlin. Elles y profiteront d'une métropole disposant de facultés universitaires offrant des formations dans ce domaine. L'Université de Berlin propose d'organiser ses programmes de stage dans ces entreprises qui disposeront ainsi à leur tour d'une main d'œuvre gratuite de stagiaires et d'un constant réservoir de recrutement parmi ces étudiants, qui, une fois embauchés, travailleront pour un salaire significativement moins élevé qu'au Luxembourg. Par ailleurs, pour des raisons commerciales, la société japonaise Sony cesse également ses activités au Luxembourg. Elle vendra son portefeuille à une autre société établie au Luxembourg et active dans le domaine des ebooks et ereaders (Kobo). Parallèlement, néanmoins, certaines entreprises actives dans ce secteur ont signalé leur intérêt de s'installer au Luxembourg. En conclusion, Monsieur le Ministre rappelle qu'il est d'une importance cruciale pour le développement économique futur du Luxembourg que ce pays parvienne à attirer une main d'œuvre qualifiée capable de travailler dans les secteurs de haute technologie que le Luxembourg souhaite promouvoir. L'orateur renvoie à l'exemple du Québec confronté à un problème similaire dû, notamment, à la fuite de jeunes talents formés au pays pour des destinations plus attractives, notamment aux Etats-Unis. Afin de maintenir ces jeunes diplômés au pays, le Québec accorde désormais la nationalité à ces jeunes qui, une fois leurs études dans certaines formations jugées utiles terminées, acceptent un contrat de travail au Québec. Cette politique attire de jeunes étudiants de l'espace asiatique. Toute porte à croire que la mise en place de tels programmes ciblés pourrait s'avérer hautement utile pour le développement économique du Luxembourg. La possibilité d'obtenir la nationalité luxembourgeoise, permettant de circuler librement dans « l'espace Schengen », devrait constituer un incitant important pour des talents non-européen à s'installer au Luxembourg."
- <sup>89</sup> Ibid. Sorlut, Pierre, [Après Netflix, Kabam et Zynga s'en vont](#), paperjam.lu, 26 May 2014.

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- <sup>90</sup> Interview Luxembourg Employers' Association (UEL), 25 March 2015, Interview with the American Chamber of Commerce (AMCHAM), 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>91</sup> The Paris Graduate School of Digital Innovation (EPITECH) in Nancy is training students, which could work in the Luxembourgish digital market but does not have the necessary dimensions and cannot satisfy all the needs. Interview Luxembourg Employers' Association (UEL), 25 March 2015.
- <sup>92</sup> Cencetti, Jessica, [Zynga et Kabam quittent le Luxembourg](#), ITnation.lu, 27 May 2014.
- <sup>93</sup> Cencetti, Jessica, [Zynga et Kabam quittent le Luxembourg](#), ITnation.lu, 27 May 2014.
- <sup>94</sup> Lennihan, Mark, [Pourquoi Luxembourg doit comprendre "l'alerte Zynga"](#), Luxembourg Wort, 28 May 2014.
- <sup>95</sup> Wort.lu, [Un dernier coup d'œil dans le rétro](#), 6 January 2015.
- <sup>96</sup> Service des medias et des communications, Gouvernement du Grand-Duché de Luxembourg, [Digital Lëtzebuerg](#), 20 Octobre 2014, p. 1. This strategy is planned to produce its effects in the medium and long term. The government will demonstrate through reliable statistics the financial attractiveness of the profiles required and to promote change in national education in order to adapt it to the digital economy. Interview with the Media and Communication Service of the Ministry of State and the Directorate of Immigration, 6 May 2015.
- <sup>97</sup> Gouvernement.lu, [Xavier Bettel présente l'initiative "Digital Lëtzebuerg"](#), 21 October 2014. See also, Guadron, Jean-Michel, Un nouveau vissage se dessine, Paperjam, September-October 2014, p. 26.
- <sup>98</sup> Interview with the Media and Communication Service of the Ministry of State and the Directorate of Immigration, 6 May 2015.
- <sup>99</sup> Service des medias et des communications, Gouvernement du Grand-Duché de Luxembourg, [Digital Lëtzebuerg](#), 20 Octobre 2014, p. 7.
- <sup>100</sup> Gouvernement.lu, [Xavier Bettel présente l'initiative "Digital Lëtzebuerg"](#), 21 October 2014.
- <sup>101</sup> See <http://www.pwc.com/gx/en/financial-services/publications/remoulding-your-workforce-for-new-marketplace.jhtml>
- <sup>102</sup> Wort.lu, [Quelles opportunités pour 2015?](#), 11 January 2015.
- <sup>103</sup> Wort.lu, [Quelles opportunités pour 2015?](#), 11 January 2015.
- <sup>104</sup> [Parliamentary question n° 477](#) of 21 August 2014
- <sup>105</sup> [Answer to the parliamentary question n° 477](#) of 19 September 2014. See also, Wort.lu, [Médecine générale: pénurie oui ou non?](#), 8 September 2014.
- <sup>106</sup> Wort.lu, [Médecine générale: pénurie oui ou non?](#), 8 September 2014.
- <sup>107</sup> Managing directors and chief executives, administrative and commercial managers, production and specialized services managers, hospitality, retail and other services managers.

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- <sup>108</sup> Intellectual and technical professionals: science and engineering professionals, health professionals, teaching professionals, Business and administration professionals, information and communications technology professionals, Legal, social and cultural professionals
- <sup>109</sup> Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015.
- <sup>110</sup> [Les qualifications de demain dans le domaine des TIC](#), Edition 2012 and [Les TIC, ton job d'avenir!](#), Edition 2014.
- <sup>111</sup> [Business Federation of Luxembourg](#)
- <sup>112</sup> [The Luxembourg Bankers' Association](#)
- <sup>113</sup> [Confédération luxembourgeoise de commerce](#)
- <sup>114</sup> <http://ictluxembourg.lu/>
- <sup>115</sup> <http://www.fedil.lu/en/publications/publications/>.
- <sup>116</sup> [Les qualifications de demain dans le domaine des TIC](#), Edition 2012 and [Les TIC, ton job d'avenir!](#), Edition 2014. In the 2014 edition 183 enterprises participated in the survey (out of 727 questionnaires sent). This amounts to 25,17%. However the amount of workers represented by the survey amounts to 51.324. In 2012, the participation rate was higher (28% - 187 enterprises out of 668 questionnaires sent) but the amount of employees represented was significantly lower: 42.265.
- <sup>117</sup> [Les TIC, ton job d'avenir!](#), Edition 2014.
- <sup>118</sup> [Les qualifications de demain dans le domaine des TIC](#), Edition 2012, p. 3.
- <sup>119</sup> <http://www.fedil.lu/en/publications/publications/>.
- <sup>120</sup> <http://www.fedil.lu/en/publications/publications/>.
- <sup>121</sup> Chambre de Métiers, Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), Conférence de presse, slide 20, 30 March 2015.
- <sup>122</sup> Chambre de Métiers Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), 30 March 2015.
- <sup>123</sup> Interview Luxembourg Employers' Association (UEL), 25 March 2015. Interview with the Chamber of Commerce, 7 April 2015. Chambre de Métiers Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), 30 March 2015. « C'est d'ailleurs dans cette optique que s'inscrit « Hands Up », le programme de promotion et de valorisation de l'Artisanat mené par la Chambre des Métiers et visant à sensibiliser les jeunes aux métiers du secteur, qui souffre trop souvent et à tort de préjugés et véhicule malgré lui une image fréquemment négative, principalement induite par une méconnaissance des activités qu'il recèle. »
- <sup>124</sup> Chambre de Métiers Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), 30 March 2015.

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- <sup>125</sup> See article 1 paragraph 2 of the amended grand-ducal regulation of 26 September 2008. [Mémorial A-80 of 26 April 2012](#).
- <sup>126</sup> They fall in the group 2, sub-group 21, 214 (2141, 2142, 2143, 2144, 2145, 2146 and 2149) and 215 (2151, 2152 and 2153) of ISCO-08.
- <sup>127</sup> This category is entitled: Information and communication technology professionals. It includes software and application developers and analysts (251) and database and network professionals (252). There is a critical need for engineers, computer developers, security and safety network specialists with the economic diversification that Luxembourg is implementing but these kind of profiles cannot be obtained easily and the Luxembourgish educational system is not providing the required workforce to satisfy this workforce need. Interview with the Chamber of Commerce, 7 April 2015; Interview with the American Chamber of Commerce, 27 March 2015 and Interview with the Luxembourg Employers' Association (UEL) 25 March 2015.
- <sup>128</sup> Interview with the Media and Communication Service of the Ministry of State and the Directorate of Immigration, 6 May 2015. Interview with the President of the Parliamentary Committee of the Economy, 7 May 2015.
- <sup>129</sup> Interview with the American Chamber of Commerce, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>130</sup> Interview with the Luxembourg Employers' Association (UEL), 25 March 2015, Interview with the American Chamber of Commerce, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>131</sup> Interview with the Luxembourg Employers' Association (UEL), 25 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>132</sup> Interview with Deloitte, 26 March 2015, Interview with the Luxembourg Employers' Association (UEL), 25 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>133</sup> Interview with the Luxembourg Employers' Association (UEL), 25 March 2015.
- <sup>134</sup> Interview with the Luxembourg Employers' Association (UEL), 25 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>135</sup> See HEC ALUMNI Paris Campaign in which members of Luxembourgish companies members of the UEL go to Paris every two years. Some of the companies that take part on this activity are: Post Luxembourg, ArcelorMittal, Kurt Salmon, Deloitte, KPMG, BNP Paribas, Société Générale, Loyens & Loeff, ING, McKinsey & Company, PwC, EY, Banque Centrale du Luxembourg and Amazon. See annex n° 2.
- <sup>136</sup> Interview with Deloitte, 26 March 2015.
- <sup>137</sup> Interview with Deloitte, 26 March 2015. Under some special circumstances Deloitte hired personnel from the Philippines for audit purposes. These people were well trained and they are fluent in English, but the hiring of third-country nationals remains a marginal phenomenon. Also there are some season needs that are covered by seasonal migration.



During the audit season staff from other countries, where Deloitte has offices, come to Luxembourg to help from Malta, Canada and South Africa.

- <sup>138</sup> Normally they considered that the main required profiles are: in new technologies, and in ICT, especially in domains such as software developers and programmers, attack and penetration and safety network and trust (SNT). Interview with the Luxembourg Employers' Association (UEL), 25 March 2015, Interview with Deloitte, 26 March 2015, Interview with the American Chamber of Commerce, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>139</sup> Interview with Deloitte, 26 March 2015.
- <sup>140</sup> Interview with the Luxembourg Employers' Association, 25 March 2015
- <sup>141</sup> Information provided by ADEM, 7 May 2015.
- <sup>142</sup> For example, in the case there is a determination of a particular type of profile and one of the members of the Chamber needs this type of profile, the Chamber would facilitate the labour market test when hiring a third-country national.
- <sup>143</sup> Chambre de Métiers Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), 30 March 2015.
- <sup>144</sup> Chambre de Métiers, Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), Conférence de presse, slide 20, 30 March 2015.
- <sup>145</sup> Chambre de Métiers Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), 30 March 2015.
- <sup>146</sup> See [Les qualifications de demain dans le domaine des TIC](#), Edition 2012, p. 6.
- <sup>147</sup> [Les TIC, ton job d'avenir!](#), Edition 2014, p. 6.
- <sup>148</sup> See [Les qualifications de demain dans le domaine des TIC](#), Edition 2012, p. 25.
- <sup>149</sup> See endnote 145.
- <sup>150</sup> [Les TIC, ton job d'avenir!](#), Edition 2014, p. 6.
- <sup>151</sup> [Les TIC, ton job d'avenir!](#), Edition 2014, p. 6.
- <sup>152</sup> [Les TIC, ton job d'avenir!](#), Edition 2014, p. 6.
- <sup>153</sup> [Les TIC, ton job d'avenir!](#), Edition 2014, p. 7.
- <sup>154</sup> [Les qualifications de demain dans le domaine des TIC](#), Edition 2012, p. 7.
- <sup>155</sup> Enterprises involved in the manufacturing industry are included in the survey because they are directly involved in the ICT field and that can be divided as follows: a) production (fabrication of office machines and of computer material, fabrication of isolation cables, fabrication of electronic components, fabrication of emission and transmission equipment, fabrication of sound and image reception and recording equipment, fabrication of measure and control instruments and fabrication of industrial process control equipment); b) services (wholesale trade of household appliances, radio and TV, wholesale of office machines and

computer equipment, telecommunications, rental/leasing of office machines and computer equipment, program development, coding and database related activities). [Les TIC, ton job d'avenir!](#), Edition 2014, p.p. 6-7.

- 156 Nomenclature 2011 des métiers des systèmes d'information. This is a periodic publication produced by the CIGREF (IT association for major French companies)).
- 157 FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2015, p. 4.
- 158 FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2015, p. 4.
- 159 FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2015, p. 4.
- 160 FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2015, p. 5.
- 161 FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2013, p. 9.
- 162 FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2015, p. 4.
- 163 Article 42 (1) 1 of the amended law of 29 August 2008.
- 164 Article L 622-4 (4) of the Labour Code.
- 165 Article L 622-4 (2) of the Labour Code.
- 166 See methodological note.
- 167 Information provided by ADEM, 7 May 2015.
- 168 Article L 622-4 (1) of the Labour Code.
- 169 Interview with the Luxembourg Employers' Association (UEL), 25 March 2015 and written information provided by the Inspectorate General of the Social Security (IGSS), 20 March 2015.
- 170 Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015.
- 171 Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015.
- 172 Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015. The strategy is to develop a closed cooperation between ADEM and UEL in order to facilitate the professional insertion of job seekers in the labour market and increase the number of recruitments of job seekers (the target is fixed in 5.000 in 3 years).
- 173 Chambre de Métiers Luxembourg, [L'importance de l'Artisanat sur le marché de l'emploi : des statistiques révélatrices du dynamisme du secteur](#), 30 March 2015.
- 174 STATEC, Note de conjoncture : La situation économique au Luxembourg - Évolution récente et perspectives, 2014, p. 79. Even though the declaration of vacant posts is mandatory in Luxembourg, it is possible that not all the vacant posts are declared at the ADEM and that the real number of vacant posts is under estimated in Luxembourg. Nevertheless, the ADEM has introduced new measures to solve this problem (creation of the Employers department) with the objective to promote the declaration of vacant posts.



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- <sup>175</sup> Information provided by ADEM, 7 May 2015.
- <sup>176</sup> <http://www.men.public.lu/fr/actualites/communiqués-conference-presse/2015/03/31-qualifications-demain/index.html>
- <sup>177</sup> <http://www.men.public.lu/fr/actualites/communiqués-conference-presse/2015/03/31-qualifications-demain/index.html>
- <sup>178</sup> See as an example, [http://www.adem.public.lu/actualites/2015/03/news\\_02\\_15/Bulletin-Adem-Fevrier-2015.pdf](http://www.adem.public.lu/actualites/2015/03/news_02_15/Bulletin-Adem-Fevrier-2015.pdf)
- <sup>179</sup> STATEC, Note de conjoncture : La situation économique au Luxembourg - Évolution récente et perspectives, 2014, p.P. 79-80.
- <sup>180</sup> Information provided by ADEM, 7 May 2015.
- <sup>181</sup> Article L 622-4 (4) of the Labour Code.
- <sup>182</sup> Information provided by ADEM, 7 May 2015.
- <sup>183</sup> The IGSS published a "tableau de bord" on employment every month. See [http://www.mss.public.lu/publications/tableau\\_emploi/index.html](http://www.mss.public.lu/publications/tableau_emploi/index.html)
- <sup>184</sup> See [http://www.mss.public.lu/publications/tableau\\_emploi/tdb\\_decembre14/emploi\\_decembre14.pdf](http://www.mss.public.lu/publications/tableau_emploi/tdb_decembre14/emploi_decembre14.pdf)  
[http://www.mss.public.lu/publications/rapport\\_general/rg2013/rg\\_2013.pdf](http://www.mss.public.lu/publications/rapport_general/rg2013/rg_2013.pdf)
- <sup>185</sup> Information provided by ADEM, 7 May 2015.
- <sup>186</sup> See <http://www.cdm.lu/news/2015/03/conjoncture-4-2014>.
- <sup>187</sup> [Parliamentary document n° 5802/05](#), 27 February 2008, p. 2.
- <sup>188</sup> [Parliamentary document n° 5802/05](#), 27 February 2008, p. 2.
- <sup>189</sup> [Parliamentary document n° 5802/05](#), 27 February 2008, p. 2.
- <sup>190</sup> [Parliamentary document n° 5802/06](#), 21 February 2008, p. 5.
- <sup>191</sup> [Parliamentary document n° 5802/14](#), 28 March 2008, p. 2. The Chamber of Trades and Crafts cited the conclusion of the Social and Economic Council of 2006 (Pour une politique d'immigration et d'intégration active, point 63) that says: « L'immigration ne saurait toutefois à elle seule répondre durablement au déficit structurel de l'offre de travail. Elle doit être accompagnée d'un ensemble d'actions visant à mobiliser le potentiel interne de main-d'œuvre: meilleure formation, information et orientation scolaires, élargissement et meilleur ciblage des programmes de formation continue, réorientation des chômeurs, promotion du travail féminin et des personnes âgées et autres. »
- <sup>192</sup> Interview with the Luxembourg Employers' Association 25 March 2015, Interview with the AMCHAM, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>193</sup> Interview with the Luxembourg Employers' Association 25 March 2015, Interview with the AMCHAM, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.

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- <sup>194</sup> Interview with the Chamber of Commerce, 7 April 2015.
- <sup>195</sup> These surveys determine labour needs but they do not reflect actual recruitments.
- <sup>196</sup> FEDIL, [Les qualifications de demain dans l'industrie](#), Edition 2015, p. 19.
- <sup>197</sup> [EPITECH Nancy](#) (European Institute of Information Technology or l'École pour l'informatique et les nouvelles technologies)
- <sup>198</sup> Interview with Deloitte, 26 March 2015.
- <sup>199</sup> Article 71 of the amended law of 29 August 2008.
- <sup>200</sup> Article 69 of the amended law of 29 August 2008.
- <sup>201</sup> LU EMN NCP, [Attracting highly qualified and qualified third country nationals](#), Luxembourg, 2013, pp. 39-40 and LU EMN NCP, Admitting third-country nationals for business purposes. Luxembourg, 2014, p.p. 9-10.
- <sup>202</sup> [Attracting highly qualified and qualified third country nationals](#), Luxembourg, 2013, pp. 38-39.
- <sup>203</sup> Article 45 (4) of the amended law of 29 August 2008.
- <sup>204</sup> Article 42 (3) of the amended law of 29 August 2008.
- <sup>205</sup> Interview with the AMCHAM, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>206</sup> Interview with the AMCHAM, 27 March 2015.
- <sup>207</sup> Interview with the Chamber of Commerce, 7 April 2015.
- <sup>208</sup> The FEDIL is putting into place an electronic tool named « Jobboard » that will allow enterprises to have access to the profiles of the job seekers. Fedil, [Assemblée générale annuelle: La lutte contre le chômage requiert des actions fortes, concrètes et communes](#), 30 March 2015. See also, Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015.
- <sup>209</sup> Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015. The creation of a steering board committee is going to be implemented with members of the government and the enterprises to analyse the workforce needs of targeted groups and determine an action plan to deal with them.
- <sup>210</sup> Gouvernement.lu, [Présentation du programme "Entreprises, partenaires pour l'emploi"](#), 23 March 2015.
- <sup>211</sup> Source: Statec 2015. Of a resident working population of 208.807 workers, there are 11.839 third-country nationals residing and working in Luxembourg from a resident working population of 208.807. See [http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=7255&IF\\_Language=fra&MainTheme=2&FldrName=3&RFPPath=92](http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=7255&IF_Language=fra&MainTheme=2&FldrName=3&RFPPath=92).
- <sup>212</sup> Source Statec 2015. There are 11839 third-country nationals workers of a total national workforce of 375.195 which includes 166.484 cross-border workers. See

[http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=7255&IF\\_Language=fra&MainTheme=2&FldrName=3&RFPPath=92](http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=7255&IF_Language=fra&MainTheme=2&FldrName=3&RFPPath=92).

- <sup>213</sup> Interview with the AMCHAM, 27 March 2015 and Interview with the Chamber of Commerce, 7 April 2015.
- <sup>214</sup> See debate on the bill n° 5802 on free movement of persons and immigration.  
<http://chd.lu/wps/portal/public/RoleEtendu?action=doDocpaDetails&backto=/wps/portal/public&id=5802>
- <sup>215</sup> Rapport Intermédiaire de la Commission Spéciale "immigration", Débat d'orientation sur la politique d'immigration, 17 June 2002. [Parliamentary document n° 4999/01](#).
- <sup>216</sup> ROME file (Jobs and positions operational directory published by the French national employment agency - Répertoire Opérationnel des Métiers et des Emplois)
- <sup>217</sup> Source: Statec, 2015.  
[http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=7252&IF\\_Language=fra&MainTheme=2&FldrName=3&RFPPath=92](http://www.statistiques.public.lu/stat/TableViewer/tableView.aspx?ReportId=7252&IF_Language=fra&MainTheme=2&FldrName=3&RFPPath=92)
- <sup>218</sup> Source: Directorate of Immigration, 2015. This information only contains the first issuance of residence permits. In the annex n° 3 all the categories are disaggregated by sex and by occupation according to ISCO. Also the renewal of residence permits is included.
- <sup>219</sup> This includes 1 female and 15 male individuals who were granted a Blue Card residence permit. Source: Directorate of Immigration, 2015.
- <sup>220</sup> This includes 2 females and 10 male individuals who were granted a Blue Card residence permit. Source: Directorate of Immigration, 2015.
- <sup>221</sup> ROME file (Jobs and positions operational directory published by the French national employment agency - Répertoire Opérationnel des Métiers et des Emplois)
- <sup>222</sup> STATEC, Note de conjoncture : La situation économique au Luxembourg - Évolution récente et perspectives, 2014, p. 79.
- <sup>223</sup> STATEC, Note de conjoncture : La situation économique au Luxembourg - Évolution récente et perspectives, 2014, p. 79.
- <sup>224</sup> Specialised services: Legal, accounting and management services, corporate headquarters services; architecture and engineering services; control and technical analysis services, Research and scientific development, advertising and market research and veterinary services. STATEC, Note de conjoncture : La situation économique au Luxembourg - Évolution récente et perspectives, 2014, p. 79.
- <sup>225</sup> Agriculture, forestry and fishing; real estate services; education; arts, entertainments and recreation; other service activities; public administration.
- <sup>226</sup> In Luxembourg a vacant post is a job offer that is not fulfilled which has been declared to the ADEM. The rate of vacant posts is the proportion of the vacant posts in regards to the total amount of posts (occupied and vacant).