

Preliminary findings from the joint OECD-DIHK employer survey 2011

Karolin Krause & Thomas Liebig

International Migration Division
Directorate for Employment, Labour and Social Affairs
OECD

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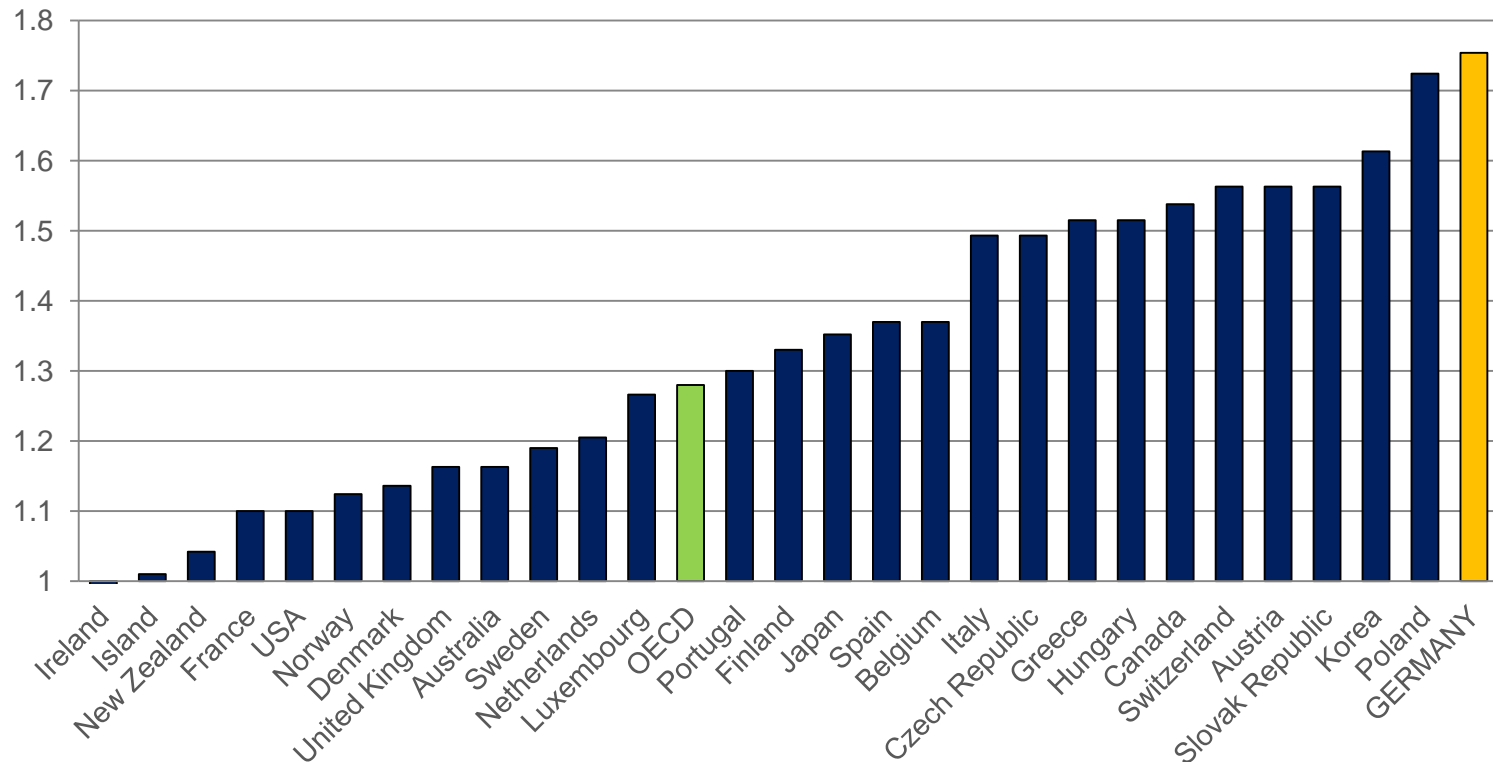
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1. Introduction

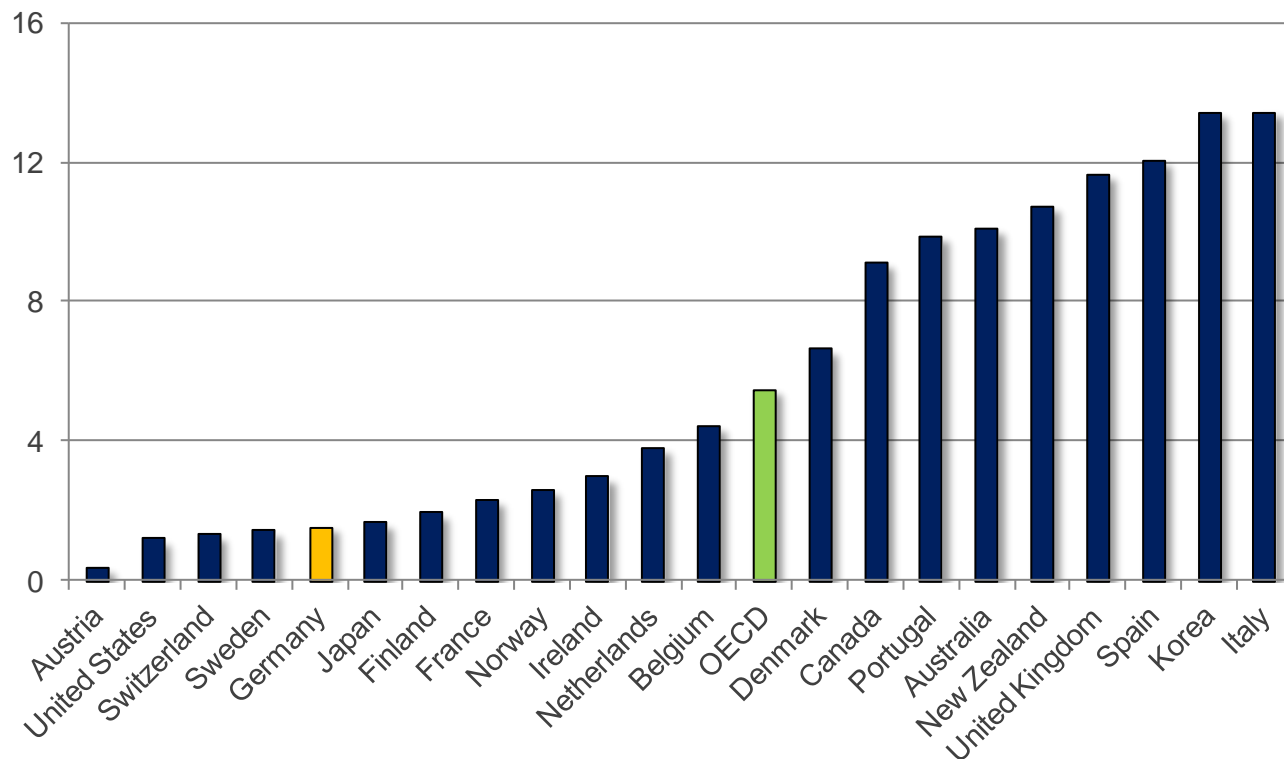
In the absence of migration, there will be about 75% more people leaving the working-age population in Germany than entering it in 2020

Estimated size of the cohort of 60-64-year-olds relative to the cohort of 15-19-year-olds in 2020, based on the age structure of the resident populations of selected OECD countries in 2005



New labour migration represents only a small share of new labour market entries in Germany

Permanent labour migration (outside free movement) as a percentage of new entries into the working-age population, selected OECD countries, 2009



2. The OECD-DIHK employer survey

The joint OECD-DIHK employer survey - background

- Online survey of German employers
- Questions cover:
 - Job openings and unfilled vacancies in the year preceeding the survey
 - Recruitment patterns, experience with hiring from abroad
 - Expected future evolution and plans to hire from abroad
 - Opinion on policy measures to facilitate labour migration
- Survey was accessible online to employers between 15 July and 15 September 2011
- Contact with employers was established by regional Chambers of Industry and Commerce (IHKs)

Scope of the survey

- On the whole, 1113 employers with 10+ employees participated in the survey
- Sampled from the member companies of the IHKs (universal membership) across all...
 - federal states
 - sectors (except fishery & agriculture, crafts)
 - company sizes

Limitations of the survey

- The sample is relatively small
- Participation was voluntary
- No assessment of the *actual* number of unfilled vacancies; the sample includes employers who reported at least one job vacancy which could not be filled with a suitable candidate in the year preceding the survey
- Analysis by company size
 - Small (10-49 employees) and medium-sized enterprises (50-499 employees)
 - Large enterprises (500 and more employees)
- Low number of responses in certain federal states and industry sectors; large firms are overrepresented

Likely overrepresentation of companies with particular interest in issues related to labour needs and labour migration

Weighting to reflect the economic landscape in Germany

Data have been weighted according to the actual distribution of enterprises across regions, industry sectors and company size

Company size	Number of responses	Shares...	
		...in the survey	...among all employers in Germany
Small companies (10-49 employees)	366	33%	79%
Medium-sized companies (50-499 employees)	557	50%	19%
Large companies (500 and more employees)	190	17%	2%

Federal State	Number of responses
Baden-Wurtemberg	463
Bavaria	69
Berlin	4
Brandenburg	59
Bremen	48
Hamburg	11
Hesse	102
Mecklenburg-Vorpommern	19
Lower Saxony	62
North Rhine-Westphalia	125
Rhineland-Palatinate	66
Saarland	1
Saxony	17
Saxony-Anhalt	10
Schleswig-Holstein	8
Thuringia	49

Main industry sector	Number of responses
Mining and Quarrying (B)	7
Manufacturing (C)	439
Electricity, gas, steam and air conditioning supply (D)	19
Water supply (E)	2
Construction (F)	55
Wholesale and retail trade (G)	149
Transportation and storage (H)	52
Accommodation and food service activities (I)	43
Information and Communication (J)	43
Financial and Insurance Activities	57
Real Estate Activities (L)	18
Professional, Scientific and Technical Activities (M)	9
Administrative and Support Service Activities (N)	55
Education (O)	14
Human Health and Social Work Activities (Q)	23
Arts, Entertainment and Recreation (R)	5
Other Service Activities (S)	123

3. Key findings

More than one third of employers with vacancies could not fill all of these

- 88% of surveyed employers had at least one job vacancy over the year prior to the survey
- Out of these, 37% had unfilled vacancies for which they could not find a suitable candidate

Composition of surveyed employers by experiences with job vacancies over the year preceding the survey

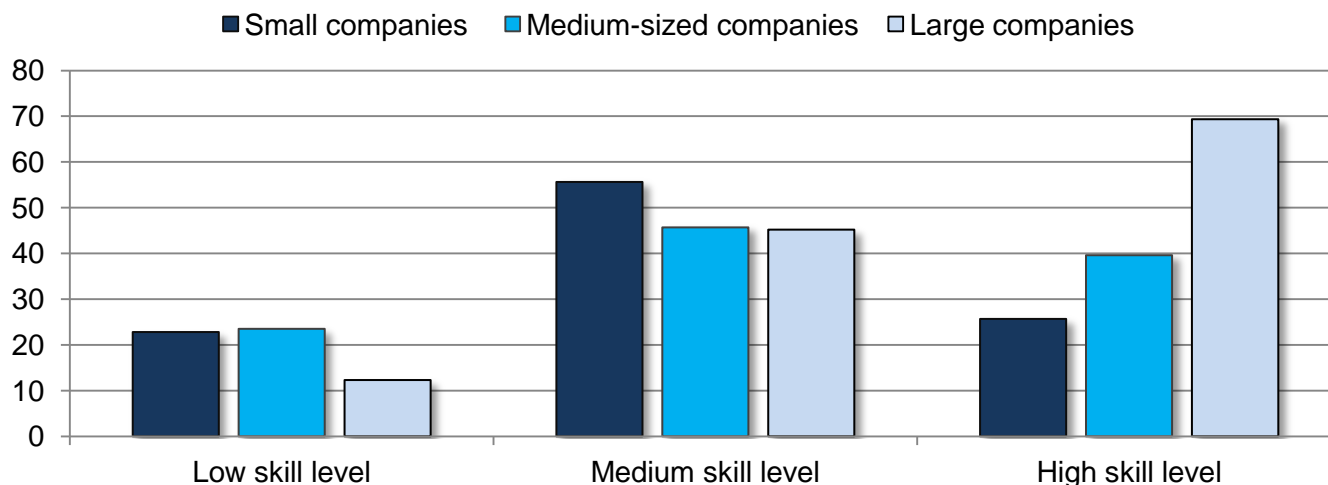
	Shares in %	
Employers who had no job vacancy at all	12	
Employers who had at least one job vacancy, out of which	88	<i>(100)¹</i>
Employers who could fill all open vacancies		61
Employers who kept unfilled vacancies due to a lack of suitable candidates		37

Note 1: Percentages do not add up to 100 % because 1% of respondents with at least one job opening stated that they kept unfilled vacancies because the latter opened up only recently and 1 % said they did not know the reason for keeping unfilled vacancies.

Unfilled vacancies are reported at all skill levels

- Among small- and medium-sized enterprises (SMEs), unfilled vacancies were most pronounced at the *medium* skill level
- Among large employers, unfilled vacancies were most pronounced at the *high* skill level

Percentages of employers who reported unfilled vacancies at the respective skill level, out of all employers with unfilled vacancies, by company size and skill level



Note: Multiple answers were possible, number of employers who responded = 420.

The vast majority of employers recruited only from the German labour market

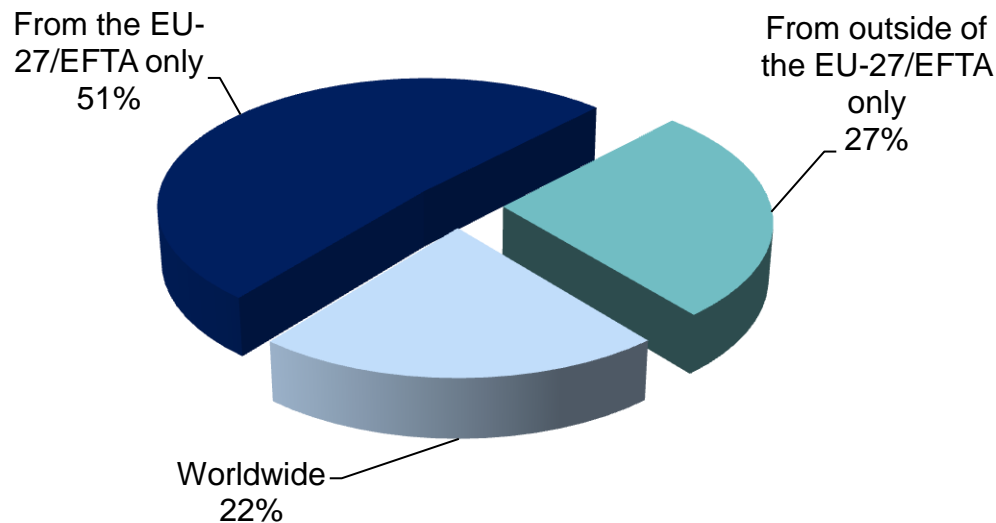
- Less than 10% of all employers who had at least one vacancy to fill over the year preceding the survey recruited foreign workers from abroad
- Among employers who managed to fill all their vacancies, only 7% hired a labour migrant from abroad
- The share is twice as high (14%) among employers who had unfilled vacancies due to a lack of suitable candidates

	Share in %	
Employers who had no vacancies at all	12	
Employers who had at least one vacancy...	88	
A) ...out of which	(100)	
<i>Employers who hired only from Germany</i>	90	
<i>Employers who hired (also) from abroad</i>	10	
B) ...out of which	(100)¹	
<i>Employers who could fill all vacancies, out of which</i>	61	(100)
...hired only from Germany		93
...hired (also) from abroad		7
<i>Employers who kept unfilled vacancies, out of which</i>	37	(100)
...hired only from Germany		86
...hired (also) from abroad		14

Note 1: Percentages do not add up to 100 % because some employers had unfilled vacancies for reasons other than lack of suitable candidates.

The majority of those who did hire from abroad recruited from the EU-27/EFTA

Areas of recruitment by percentage of employers who hired staff from abroad over the twelve months prior to the survey

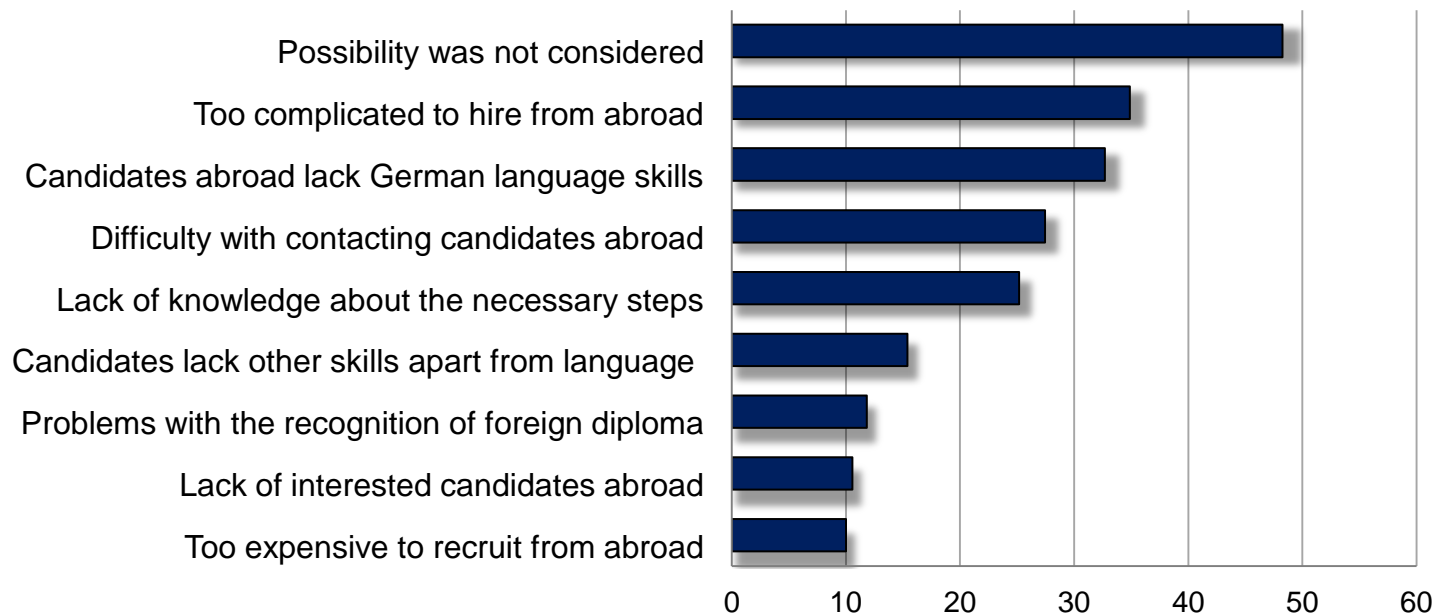


Note: Number of employers who responded = 132.

The remainder recruited at least one worker from outside the EU-27/EFTA.

Many employers did not even consider the possibility to recruit from abroad

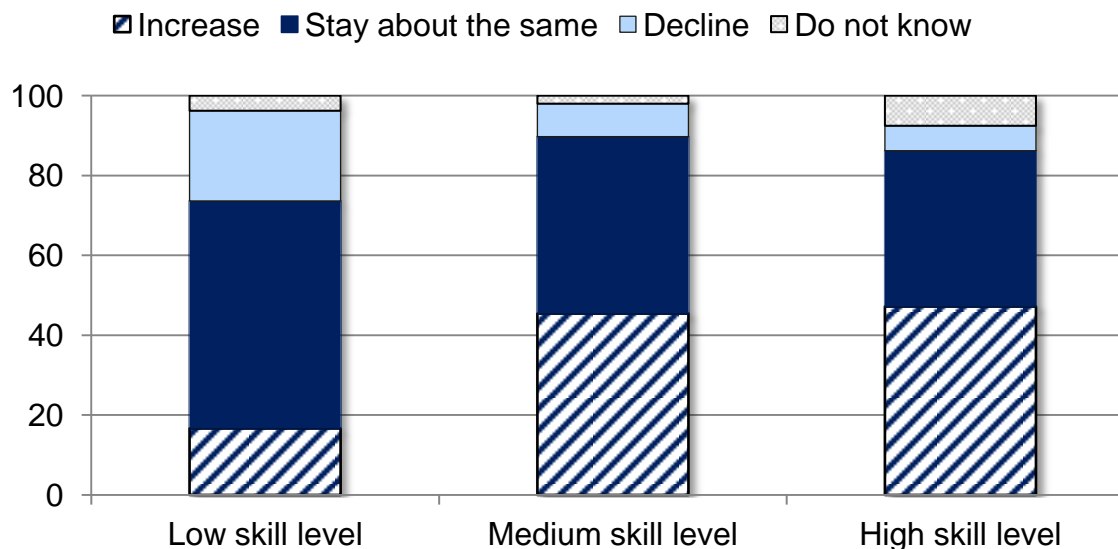
Percentages of employers who stated each of the following reasons for not having recruited from abroad out of all employers who had unfilled vacancies but did not hire from abroad
(multiple answers were possible)



Note: Number of employers who responded = 345.

40% of employers expect the number of vacancies to increase in the future at both medium and high skill level

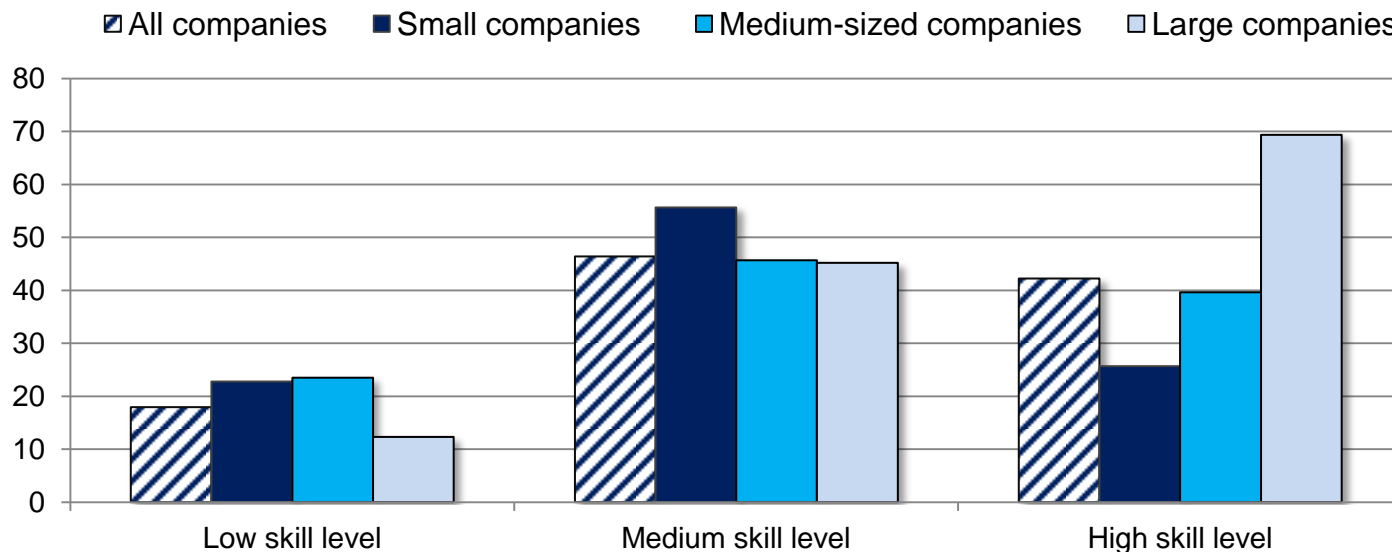
Percentage of employers who expect the number of vacancies in their company to increase, stay the same, or decline within the next five years, by skill-level of the vacancies



Note: Number of employers who responded = 1113.

More than two thirds of large employers, expect the number of high-skilled vacancies to grow...

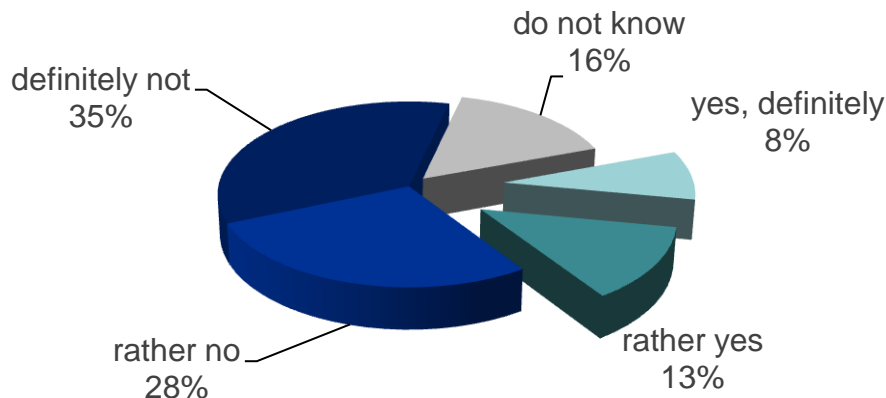
Percentage of employers who expect the number of vacancies to increase over the next five years, by skill level of the vacancies and company size



Note: Number of employers who responded = 1113.

Out of all employers who expect a growing number of vacancies, only 20% plan to hire from abroad in the next two years

Answers to the question “Are you planning to recruit from abroad over the next two years?”, all employers who expect a growing number of vacancies at any skill level



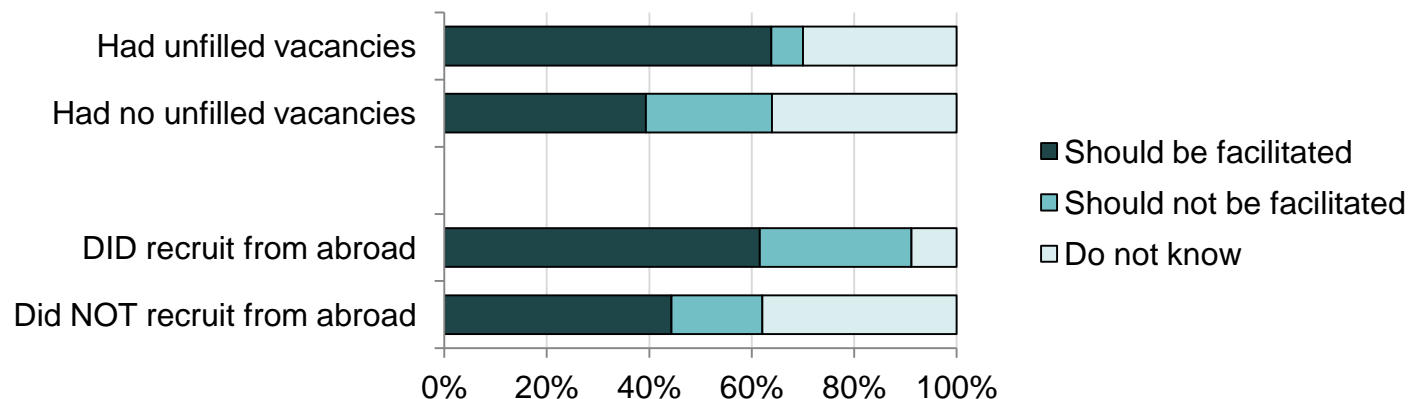
Note: Number of employers who responded = 848.

Even among large employers, only one third plan to recruit from abroad within the next two years.

Almost half of employers favour a facilitation of recruitment from abroad

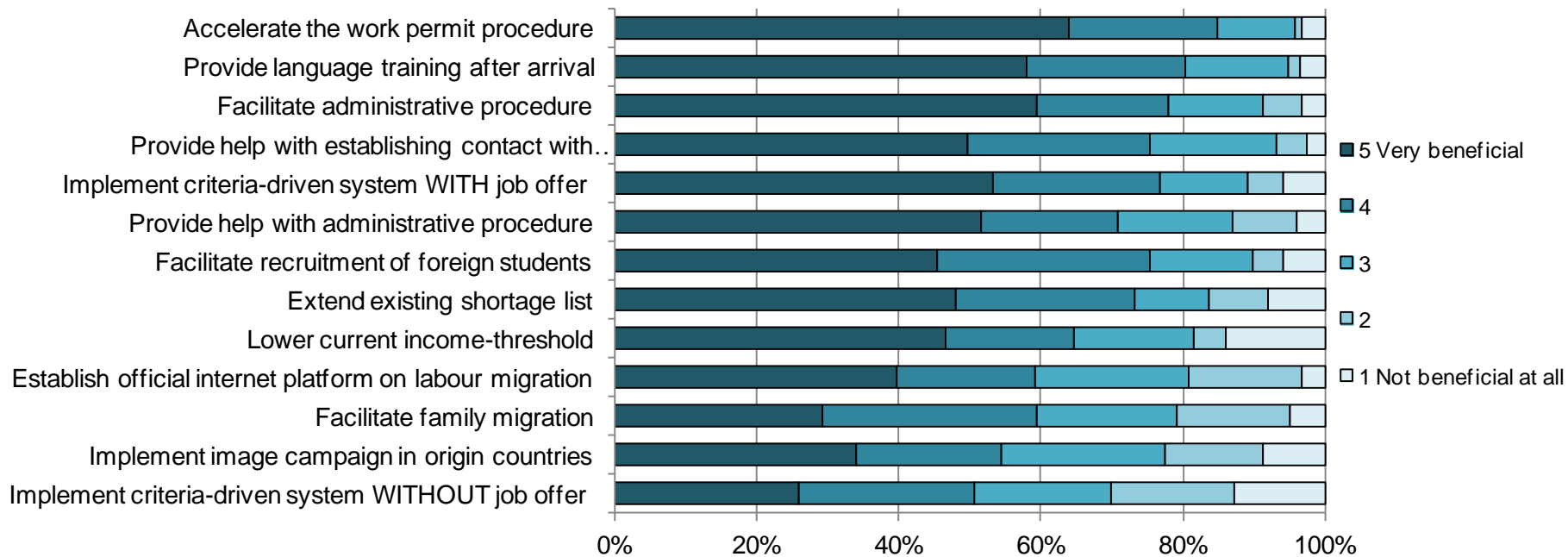
- 46 % of all employers think that the system for the recruitment of foreign workers should be facilitated, 31 % are undecided and 19 % are opposed to this.
- Employers who already used the current system for recruitment from abroad and those who had unfilled vacancies in the year preceding the survey are more strongly in favour of changes (around 60 %).

Percentage of employers who think that the recruitment of foreign workers from abroad should be facilitated, by recent vacancies and recruitment experience



A quicker work permit procedure and post-arrival language support are valued highest among twelve measures to ease recruitment from outside the EU/EFTA

Rating of twelve measures to facilitate recruitment from non-EU/EFTA countries, percentage of employers

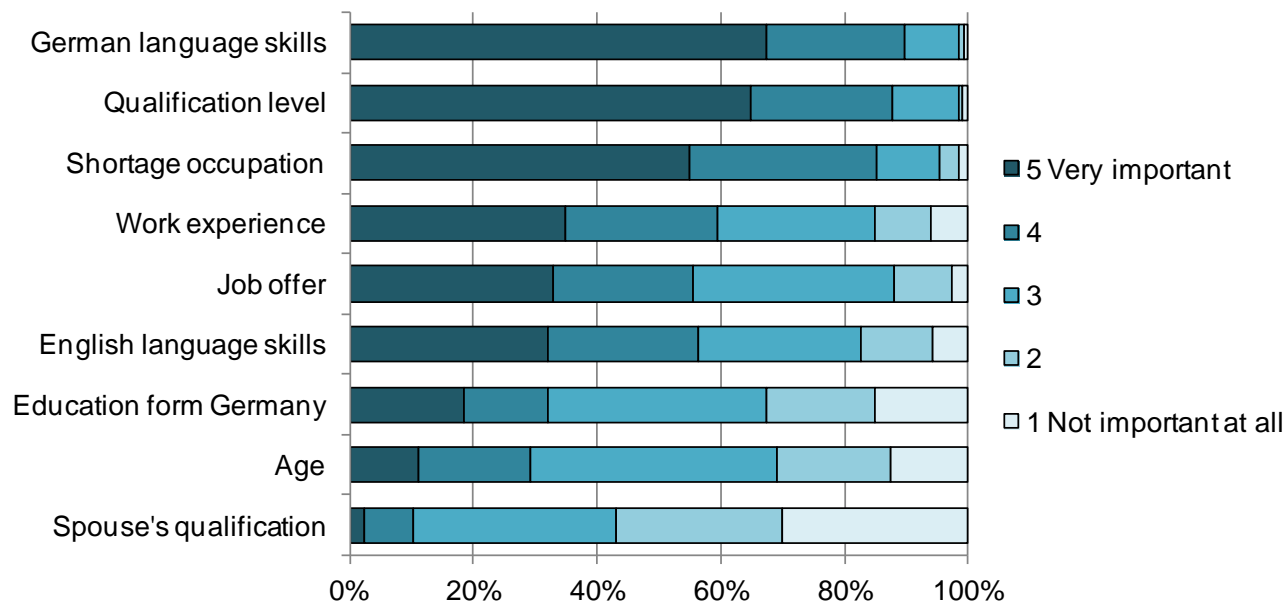


Note: Number of employers who gave valid responses = 668. The figure does not account for employers who responded „do not know“. The ranking is done by the mean value of the rating across all valid answers.

German language proficiency and the qualification level are considered the most important criteria for the selection of labour migrants

Rating of nine criteria for the selection of qualified labour migrants, percentage of employers out of all those who gave valid answers to this question

(Rating scale ranges from 1 - not important at all, to 5 - very important)



4. Concluding remarks

Concluding remarks

- The possibility to recruit from abroad is rarely used by employers in Germany, in particular among small- and medium-sized enterprises.
- In spite of expected growing needs, employers do not plan a large-scale recourse to labour migration in the near future.
- Increasing numbers of vacancies are expected over the whole skills range, but employers nevertheless attach high importance to the qualification level as a selection criterion.
- German language proficiency is perceived as crucial in the process of recruiting from abroad, including by large enterprises.

Concluding remarks

- SMEs perceive the system for recruiting from abroad more often as opaque and complex than large enterprises.
- Overall, employers appear to attach more importance to administrative and procedural facilitations than to fundamental reform.
- A non-negligible share of employers do not even consider facilitations as necessary.
- Employers do not perceive migration without a job offer as a particularly beneficial policy measure.

Thank you for your attention!

For further information on the OECD's work on migration:

www.oecd.org/els/migration

