

Re-thinking approaches to labour migration

Potential and Gaps in EU Member States' Migration Infrastructures

Case Study Summary — **France**



KEY MESSAGES

- France experiences structural shortages in the labour market in a number of crucial sectors – both at the high-skill level (e.g. ICT, health sector) as well as the medium-skill and lower-skill level (e.g. hospitality; construction; health care workers). Overall, 8 out of 10 occupations faced high or very high pressure in 2022.
- While France's policies mainly focus on highly-skilled workers, particularly through simplified procedures such as reduced required documentation and dedicated arrival facilities within prefectures, labour shortages cover all skill levels and, therefore, addressing other categories of workers might be beneficial to effectively contribute to the French labour market.
- There are several avenues to increase flexibility in the French labour migration system, such as maximising the use of the 'Passeport Talent' in a way that is more in line with the labour market needs.

BACKGROUND AND CONTEXT

France has long been a country of immigration and several sectors of the French economy strongly depend on labour migrants. Migration has been central to the French political debate for many years.

To accommodate the increased need for labour following World War II, France opened migration channels for foreign-born workers and their families, particularly from nearby European countries (particularly southern Europe). Newly independent former colonies in North Africa were another major source of immigration over the latter half of the 20th century.

France has a positive net migration with the majority of immigrants coming from Africa, especially from northern African countries. Family reunification plays an important role in the issuance of first residence permits, followed by education and labour migration.

The flow of migration from former northern African colonies has become a target of far right movements, which have been on the rise in France. This has driven more centrist politicians to adopt a stricter approach towards immigration. In recent years, the focus has been on attracting highly-skilled migrants deemed to be relevant for the French economy, while being more restrictive to other migrants.

CURRENT AND FUTURE LABOUR SHORTAGES

Labour shortages and skills mismatches remain important issues in France. They peaked in 2022, reaching their highest level since 2011. They remain particularly strong in industry, construction, ICT and telecommunications, and for nurses, but also in the hospitality and tourism sectors. Overall, 8 out of 10 occupations faced high or very high pressure in 2022. Employers report the lack of skilled workers as the main barrier to recruitment.

Twenty-seven of the occupations in the top 30 shortage occupations are in **construction** and **industry**. These are mainly skilled workers and technicians. Other occupations include IT specialists, accounting and financial service technicians, and nurses. Twenty-five occupations in the top 30 require specific training.

Rising job vacancies in a context of skills shortages underline the need for targeted active labour market policies, reinforced access to upskilling and re-

skilling opportunities and a better alignment of the initial education system with labour market needs. Employers' associations have expressed their support for foreign workers to fill gaps, particularly in the **food service and hotel industries**.

LABOUR MIGRATION POLICY IN FRANCE

France has launched an attractiveness policy mostly aimed at highly-skilled migrants and students. Yet a broader approach aimed at attracting third country national workers at all skill levels would be particularly beneficial to effectively address the current labour market needs as labour shortages are widespread at all skill levels. The new immigration bill has opened a new pathway in the vital sector of healthcare, but there is certainly room for further flexibility for middle and low-skilled professions beyond the existing list of shortage occupations (dating from 2021).

Migration remains a politically sensitive issue, as illustrated by debates about the immigration bill, and the government is thus likely to remain cautious in terms of opening further labour migration pathways.

A law relating to asylum and immigration in France was passed in December 2023 thanks to support from the far-right. The government's initial text went further than the adopted text in terms of labour migration, since it provided for the automatic issue of a residence permit for "work in short-staffed occupations" (under certain conditions). Prior to the adoption of the law, the regularisation of undocumented workers in shortage occupations was the subject of intense debates and the measure was strongly opposed by right-wing parties which feared a pull factor (*appel d'air*). It was however reportedly favoured by businesses, which are affected by labour market tensions.

Highly-skilled segment: 'Talent Passport' (Passeport Talent)¹

A multiannual residence permit for 'talents' was created on 7 March 2016 dedicated to attracting international talents for a maximum period of four years. This permit was created to simplify the installation of employed foreigners who want to contribute to France's economic attractiveness. It allows people to work in France and has the dual advantage of exempting the holder from the work permit requirement (in derogation of the conditions for processing professional immigration) and allowing family members to benefit from a long-stay visa (in derogation of the family reunification procedure). It is granted to 10 categories of talented workers in total (11 before the new immigration law), including skilled employees, researchers, highly-qualified employees (EU Blue Card), business creators, investors, people who engage in an innovative economic project recognised by a public body, people who take up a corporate appointment in a French company, internationally renowned individuals and artistic and cultural professions. Conditions vary per category but in general include a minimum salary as well as diploma requirements. To meet recruitment needs in hospitals and medico-social establishments, a new 4-year multi-annual "talent - medical and pharmacy profession" residence permit has also been introduced by the new immigration law for doctors, dentists, midwives and pharmacists with qualifications from outside the EU.

In 2021, almost 37.000 "talent passport" residence permits were issued (around 11.000 first permits and 26.000 renewals), representing an overall increase of 14%, completely wiping out the decline in 2020. This category of permit has returned to the levels achieved in 2019. In 2022, talent passports were up 44,5%, with almost 18.000 first permits issued.

Overall, governmental actors and agencies interviewed were satisfied with the Passeport Talent procedure which facilitates access to various profiles and categories of workers – although some of them highlighted the need to simplify and rationalise the categories to make it easier for employers.

¹ This terminology has been changed to "titre de séjour portant la mention 'talent'" ("residence permit marked "talent") by the new immigration law of 26 January 2024 as the word 'passport' was deemed confusing.

Medium- and low-skilled segments

The medium- and lower-skill segments of the labour market are not supported by a labour migration policy that is specifically geared to them.

The **labour market test** applies to salaried employees subject to a work permit, and thus concerns unlimited-term contracts ("employee" residence permit), fixed-term contracts ("temporary worker" residence permit), seasonal employment ("seasonal worker" residence permit), or students wishing to work more than the amount of time authorised by their permit, or asylum seekers who filed an asylum application at least six months previously.

However, there are various cases in which the employment situation cannot be used as an argument against the recruitment of a third-country national, such as for the **recruitment of a third-country national for a specific profession and in a certain geographical area, characterised by recruitment difficulties**. The list of occupations concerned, by regions, is established by a Decree of 1 April 2021 on the issuance, without the enforceability of the employment situation, of work permits to third-country nationals and has not been updated since 2021.

France has also concluded **bilateral agreements on the concerted management of migration flows** with nine third countries, which establish lists of shortage occupations for which the recruitment of a national of one of these countries cannot be challenged on the ground of the employment situation.

Interviewees (researchers and civil society) considered the procedure for categories falling outside of the *Passeport Talent* as too complex, long and uncertain. Employers are often surprised by the outcome and find the procedure overall unsatisfying to fill their needs. Prefectures face a high administrative burden which makes it difficult to be responsive to a fast evolving labour market.

Youth mobility schemes

The **Young Professionals** scheme allows young people (between the ages of 18 and 35) from 17 third countries, who are already active in the labour market, to gain professional experience in France for up to 18 months, thus focussing on circular and temporary migration. This programme helps them improve their career prospects when they return to their country of origin. The maximum period of

employment, the employment sector and applicable quota vary by country.

The **Working Holiday Programme** (Programme Vacances Travail, PVT) is a form of professional immigration partnership with third countries aimed at French nationals and nationals of third country partners aged 18 to 30 who wish to expatriate for a maximum of one year for tourism and cultural purposes, with the possibility of working on site to supplement their financial means. The framework of this program is specified in a reciprocal manner by a bilateral agreement.

European legal provisions and their use

The **EU Blue Card** scheme is one of the pathways of the multiannual residence permit for 'talents'. In 2022, 3 876 migrants were issued an EU Blue Card (a more than double increase compared to 2021). According to interviewees, this scheme works very well and companies are very satisfied.

The **Seasonal workers Directive** offers third-country nationals the opportunity to work temporarily in the EU as seasonal workers. France makes use of this right of carrying out a labour market test before granting permits under the Directive. Seasonal workers have access to a multiannual residence permit valid for a maximum of three years and renewable. This is considered useful (particularly for agricultural seasonal workers) as it decreases the timeframe to come to France and it removes the need to provide a new residence permit. Seasonal workers are very important for the French economy and employers looking for seasonal workers have increasingly recruited foreign workers in the past few years. The agricultural and hospitality sectors are the sectors most in need of seasonal workers and this has increased since the COVID-19 pandemic. According to figures from the Ministry of the Interior, around a thousand residence permits were granted to foreign seasonal workers ten years ago. This number has gradually climbed to over 5.000 in the last pre-pandemic year, 2019. This can be explained by, on the one hand, the increased recruitment difficulties in several sectors of activity in the wake of the pandemic, and on the other, the dematerialisation of the work permit application procedure which has simplified it and resulted in a significant reduction in processing times from several months to a few days. France has also signed bilateral agreements with Morocco and Tunisia to attract seasonal workers. The number of Moroccan seasonal workers has increased exponentially in recent years: 15.700 Moroccan

seasonal workers came to work in France in 2022, more than 10.000 in 2021 and 6.300 in 2018.

Non-European third-country nationals coming to France (as an executive or expert) to work for a company in the group that employs them can apply for an **Intra-corporate Transferees (ICT)** seconded employee residence permit. The card is valid for a maximum of 3 years.

Bilateral or special labour agreements and partnerships

The nationalities and professional sectors targeted by partnerships for the job mobility of third-country nationals are determined by several bilateral arrangements and agreements. These agreements provide for terms and conditions, specific to each country. France has for instance concluded **bilateral agreements on the concerted management of migration flows** with seven third countries (Senegal, Gabon, Tunisia, Benin, Cape Verde, Burkina Faso, and Congo), which establish lists of shortage occupations for which nationals of these countries can be recruited without being subject to a labour market test. France has also signed three **agreements related solely to labour migration** with Mauritius, Russia and Georgia. Some sixty bilateral agreements signed by France in the field of residence and work, including provisions on labour migration, are currently in force. The authorised periods of employment vary by country and agreement, as do the annual quotas and targeted employment sectors. Some bilateral agreements include lists of shortage occupations that differ from the list provided for under ordinary law. However, these lists are not regularly updated to follow the evolution of the job market. The agreements implemented have reportedly covered very limited numbers of beneficiaries and have not achieved the objectives set in terms of attractiveness.

Over the last few years, the representation of OFII in **Tunisia** has been sharing its know-how through collaborative projects funded by the EU. The latest of these projects is called **THAMM** ("Towards a Holistic Approach to Labour Migration Governance and Labour Mobility in North Africa") OFII. It started in January 2022 and will cover a 4 years period. The programme aims at increasing circular occupational mobility between Tunisia and France and other interested European countries. At least 1.500 Tunisians will benefit directly from THAMM OFII: half will integrate the European labour market and the other half will significantly improve their employability at home and abroad.

Innovative pilot schemes and programmes

France has experience with some pilot schemes on labour migration in the past, including **HOMERe ('High Opportunity for Mediterranean Executive Recruitment')**, an EU-funded pilot project in 2019-2020 that aimed at facilitating cooperation between France and Morocco, Tunisia and Egypt to boost legal temporary migration of talented youth through an innovative internship programme. The project contributed to the development of technical competences that would facilitate the participants' integration into their home labour market. At the end of the project, almost half found their first employment, either in the enterprise where they conducted their internship or in another.

The Migration Partnership Facility (MPF) is funding a new pilot project called "**Promob Skills – Professional Mobility in the Plastics Industry by Reskilling and Upskilling Trainings for Tunisian Talents**" which seeks to upskill more than 800 Tunisian technicians and enable more than half of them to permanently move to France for work in the French plastics industry all while strengthening the Tunisian training capacities longer term. The project is scheduled to start in 2024 and run until 2027, seeking to support objectives of the EU Talent Partnership being developed with Tunisia.

In order to facilitate the admission procedure for foreign start-up founders, the French government launched the **French Tech Visa**. This scheme – which is not technically a visa but an accelerated and simplified procedure for obtaining the Talent Passport residence permit – targets not only start-up founders, but also the international talents employed by these start-ups, as well as foreign investors. There are no diploma requirements. The French Tech Visa for Founders allows foreign start-up founders incubated in a French Tech labelled incubator to develop their project in France. They are eligible for a multiannual residence permit valid for a period of up to four years and renewable. After being selected by an incubator or accelerator partner of the French Tech Capital or obtaining the support of an actor of the French Tech ecosystem, the startup founder must apply for the recognition of the innovative nature of his or her project on the dedicated website. The Ministry of Economy is in charge of assessing the innovative character of the project according to different criteria.

SUGGESTIONS FOR POSSIBLE FUTURE ADAPTATIONS TO LABOUR MIGRATION POLICY AND THE USE OF EXISTING PROVISIONS

The French government is currently focused on attracting highly-skilled migrants rather than designing a labour migration policy meeting the demand for workers across skill levels. While migration remains a politically sensitive issue and the government is likely to remain cautious in terms of opening further labour migration pathways, there are several options to increase flexibility in the French labour migration system and open pathways through adjusting policies within the existing French legal framework.

Maximising the use of the 'Passeport Talent' in a way that is in line with the labour market needs

The *Passeport Talent* (which will now have a different name, as pointed out above) is seen as a useful innovation that facilitates administrative procedures and provides attractive conditions to a certain number of profiles considered as bringing added value to the French economy. This is an interesting pathway for labour migration, however the rationale for its creation has mostly been to strengthen the competitiveness of the French economy rather than to create more pathways for legal migration. It thus does little in terms of filling shortages on the French labour market and would benefit from being more strongly tied to an analysis of labour market needs across skills levels. Some flexibility has been introduced with a new multiannual residence permit for medical and pharmacy professions, and it will be key to learn from the effectiveness of this permit in terms of addressing labour shortages in the health sector and – if successful – to reproduce it in other sectors. It is worth noting however that the political feasibility of opening up the *Passeport Talent* to more profiles in the middle skilled segment seems rather limited at the time of writing.

Some interviewees have highlighted the need to rationalise and simplify the categories of the *Passeport Talent* in order to make it clearer and easier for employers (which was done to some extent with the new immigration bill). However the right balance must be found between simplifying procedures for employers and allowing more profiles needed on the labour market to have access to this pathway.

Another possible avenue would be to relax the minimum resource conditions for junior applicants in their field of activity so as to include in the potential beneficiaries of a Talent Passport certain target audiences who are currently excluded.

There is a need for an evidence-based policy as well as an institutionalised dialogue with the private sector that matches effective needs for a diversity of profiles. Such a dialogue would help determine the specific needs in terms of jobs for each geographical area and field of activity as well as potentially revise the list of shortage occupations once a year, after consultation with all the stakeholders. Civil society actors have indeed pointed at the rigidity of the current system of lists of shortage occupations, which do not allow for the necessary responsiveness to changes in the labour market. Going forward, designing a holistic labour migration strategy should involve all relevant actors and be based on all available information and analysis regarding labour market shortages so as to allow for a flexible and appropriate response to those shortages.

Addressing internal obstacles to labour migration

Initiatives like the *Passeport Talent* to attract foreign talent are not being promoted by politicians, whose rhetoric tends to be more focused on tightening immigration rules. This might thus have the counterproductive effect of sending a negative signal to the very same foreign talent that France is aiming to attract. A change of approach and method will be necessary if the country wants to attract and retain foreign talent to fill its labour shortages in the future.

The lack of an international outlook, characterised by an inadequate command of foreign languages on the part of many French employers, is a real handicap for French companies struggling to recruit abroad.

France will need a holistic strategy that allows both for filling the shortages of less-qualified workers adequately, but also for retaining young foreign graduates trained in France and making international recruitment processes more efficient. However, one of the obstacles to this holistic strategy is the limited role currently played by the Ministry for Employment, who is supposed to be responsible for this specific issue of professional immigration. Enhancing linkages between migration and employment (e.g. the bill for full employment and the immigration bill) could also enable labour migration policies to be aligned with actual developments on the labour market.

Speeding up the processing time and simplifying procedures

Talent Passports aside, the procedure (including the labour market test) is considered as very complex, long and uncertain. Employers frequently find the outcome unexpected and feel that the process does not adequately meet their needs. Prefectures face a high administrative burden which makes it difficult to be responsive to a fast evolving labour market. Interviewees thus highlighted the need to simplify procedures and move away from announcements that have very limited effects, such as the new measures part of the immigration bill. New laws related to labour migration have been passed every two years in the recent past which has made the system extremely complex to navigate. The system needs to be better understood (by employers, the public opinion and competent services), more transparent, simpler and as quick as possible. It should be made easier for companies to recruit a foreign worker for a very precise labour market need.

Exploring Skills Mobility Partnerships and Circular Migration Schemes in the Framework of EU Talent Partnerships

One way for EU member states to explore addressing labour needs is to pilot skills and mobility partnerships with third countries within the context of the EU Talent Partnerships framework. France endorses the approach of partnerships for the concerted management of migration flows with a view to offer opportunities for legal migration and to foster better cooperation on return. For example, through the new MPF-funded project ProMob PlastSkills, France is enabling a private sector-led skills enhancement and labour mobility scheme in the plastics sector in France and Tunisia. France could facilitate similar schemes for other sectors in need of labour and skills.

Flanking Measures: Accelerated Visa Issuance and Skill Recognition

A report by Paul Hermelin from April 2023 entitled "Proposals for an improvement of the issuance of visas" and delivered to the Minister of the Interior and the Minister for Europe and Foreign Affairs provides recommendations on how to improve and simplify procedures in the context of France's attractiveness policy, including on accelerating visa issuance for the profiles targeted by France for labour migration. This is a crucial aspect, and in accordance with the first recommendation mentioned earlier, it should extend beyond "individuals recognised as beneficial

to France, who pose no security or migratory risks," including young talents, highly-qualified employees, researchers and doctoral students, French language teachers, businesspeople, investors and entrepreneurs, artists, athletes, and students. Accelerated procedures for other medium- or lower-skilled profiles would allow for a better response to the needs of the labour market.

Similarly, better cooperation concerning the facilitation of diploma and skill recognition in priority sectors could contribute to an efficient and effective procedure. France has an interesting experience in terms of validating prior experience (VAE) acquired abroad which meets the dual challenge of integration without professional declassification and the aim of meeting companies' needs. This should be scaled up and extended to more sectors.

Civil society actors have highlighted the need to make the most of people's existing skills and to support them in training programmes to prevent them from professional downgrading, beyond focusing solely on the shortage occupations. The *Fédération des acteurs de la solidarité* for instance called for access to a skills assessment for all third country nationals applying for a residence permit.



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