

Labour Shortages | Strengthening Economic Migration



Background

There is a great variety of careers in retail, yet the retail industry – just like other industries – is facing increasing labour shortages. No matter whether companies are seeking salespeople, drivers, cashiers, buyers, IT specialists or butchers, recruiting is becoming an ever greater challenge. We therefore very much welcome the German government's goal, enshrined in its coalition agreement, of strengthening economic migration – especially since, as a company with employees from over 140 nations, we know the value that comes with diversity. Any relevant measures, however, would need to be such that they focus on the issues at hand.



Our approach

The widely proclaimed shortage of skilled workers has long since expanded into a general labour shortage. **The REWE Group is facing a group-wide challenge of filling 50,000 jobs annually in Germany alone** We're taking some innovative approaches to marketing ourselves as an employer, such as cooperations as well as job listings with chat functionality. We also support our employees with a wide range of benefits, including sabbaticals, part-time and flexible working time models at all levels, support in finding childcare and caregiving, and company pension plans.

Strengthening economic migration, as proclaimed in the German government's coalition agreement, is one important means of tackling the labour shortage in Germany.

One approach that has already proven its worth in recent years and is in demand in our logistics units, for example, is the temporary legislation allowing citizens of the Western Balkan countries to work and study in Germany (*Westbalkanregelung*). According to a study by the IAB, the German Institute for Employment Research,¹ more than half of the jobs filled as a result of this legislation are at the skilled worker level. Consequently, the proposed **indefinite extension of this legislation** is something that we very much welcome.

We also commend the approach of establishing a second pillar alongside existing immigration law to grant job seekers controlled access to the German labour market. Yet, the ideas put forward in the coalition agreement will need to be developed in a way that ensures as little bureaucracy as possible. This applies both to introducing an **opportunity card based on a point system** and to **expanding the Blue Card to non-academic fields**. Non-academic professions are now finally being given greater consideration in the context of economic migration. This is a long overdue development as the discussion has too long mistakenly evoked a two-class society of academic and non-academic professions. We are still sceptical, however, whether tools such as points systems are needed in the current tight labour market. The conditions for employing third-country nationals should be adapted to the prevailing situation and thus be designed to be effective, practical, and with as little red tape as possible. The current labour shortage does not constitute a situation where foreign workers would be competing with citizens in this country for jobs. Against this backdrop, we welcome the proposed reform to allow long-term migrants in Germany to apply for residency.

¹ Institut für Arbeitsmarkt- und Berufsforschung, [Erwerbsmigration über die Westbalkanregelung: Hohe Nachfrage und gute Arbeitsmarktintegration, 2020 \(iab.de\)](#) (German only)

The hurdles need to be lowered in the **recognition of foreign educational and professional qualifications** by reducing bureaucracy and streamlining processes. For example, it would be a welcome change if these documents were accepted across the board in English.

Language and housing continue to be massive obstacles to entering the German labour market. Finding affordable housing in Germany presents a challenge for workers from abroad, as they often also have to financially support their families in their home countries. Employer efforts at facilitating accommodation are only a drop in the bucket here; as a company operating nationwide with stores in both urban and rural areas, the task is simply too daunting. More government support is needed for language courses as well. In this respect, we welcome the bill to allow asylum seekers and refugees with "tolerated" status in Germany to apply for residency. This would give them access to integration and vocational language courses, provided they have been in Germany for at least three months and have access to the labour market.

Unfortunately, **apprenticeships** often remain unfilled across all sectors, which is why we applaud the approach of the coalition government to provide more legal certainty both for those with "tolerated" status and for companies. However, this also requires that the 3+2 rule be implemented consistently.

We have had very good experiences with the **hybrid model of the Munich Chamber of Industry and Commerce**, a training format that is intended to stabilize the training for young people, with a focus on refugees and migrants. This training model – for sales staff, for example – includes more time spent in vocational school and more language support. As a result, the training period is six months longer. We believe this model should receive significantly more support and be rolled out nationwide, especially since it would allow desperately needed skilled workers to find their way into the workforce.

Our view on the appropriate way forward

- The **indefinite extension of the legislation to allow citizens of the western Balkan states to work and study** is an important step towards addressing the worker shortage in Germany and channelling workers from abroad into the workforce.
- Not only is it time to give **greater consideration to economic migrants in non-academic professions**, but the labour shortage in Germany makes it urgently necessary.
- New approaches to give workers controlled access to the German labour market (such as **the "opportunity card" and the Blue Card for non-academic professions**) must be such that they are non-bureaucratic and focus on the relevant issues.
- There is an urgent need to make the **recognition of foreign educational and professional qualifications** easier by reducing bureaucracy and streamlining processes. For example, it would be a welcome change if these documents were accepted across the board in English.

Your Public Affairs contact on this topic

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About REWE Group

The cooperatively organized REWE Group is one of the leading trade and tourism groups in Germany and Europe. In 2020, the company generated a total external turnover of around 75 billion euros. Founded in 1927, REWE Group operates with 380,000 employees in 21 European countries.

The sales lines include REWE, REWE CENTER and BILLA as well as BILLA PLUS and ADEG supermarkets and consumer stores, the discounter PENNY, IKI, the drugstores BIPA and the toom Baumarkt DIY stores. The company also operates convenience stores REWE To Go and the e-commerce activities REWE Lieferservice and Zooroyal. The Lekkerland Group comprises the wholesale activities of the business group in the area of on-the-go consumption. Travel and tourism under the umbrella of DER Touristik Group includes the tour operators DERTOUR, Jahn Reisen, ITS, Meiers Weltreisen, Travelix, Kuoni, Helvetic Tours, ITS Coop Travel, Billa Reisen, Koning Aap, Apollo, Exim Tours and Fischer as well as more than 2,300 travel agencies (e.g. DERTOUR, DERPART, Kuoni, Exim, Fischer and cooperation partners), the hotel brands Sentido, Aldiana, Calimera, Cooe, and the online travel portal Prijsvrij Vakanties.