

Assessment of the EU Talent Pool Initiative

The World Employment Confederation-Europe is the voice of the private employment services industry at European level, representing national federations as well as workforce solutions companies. Members of the World Employment Confederation-Europe represent a wide range of HR services, including agency work, direct recruitment, career management, Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP). The World Employment Confederation-Europe is one of the six regional organisations that form the World Employment Confederation, the global trade association representing private employment services worldwide.

In response to the Talent Pool initiative, the World Employment Confederation – Europe is pleased to see the EU taking proactive steps to address labour migration. We understand firsthand the challenges faced by industries working to cope with the labour and skills shortage across the European Union. As the economy quickens its digital and green transition, while at the same time facing a demographic shift in the workplace and throughout society, it is crucial that solutions are needed to seek talent from third party countries to complement the European workforce. Specifically, our industry's feedback focuses on addressing the following areas of the initiative:

- The need for policies aimed at accelerating and easing Member State migration processes;
- The potential risks and challenges of an Automated Matching Tool;
- The issue of Article 13 and the oversharing of vacancy details;
- The importance of involving the voice and expertise of the Private Employment Services industry.

We believe that the Private Employment Services industry has an important role to play in working with the public service to ensure that the needs of Europe's economy and labour market are being properly met.

The Confederation welcomes the decision to allow Member States to develop their own policies to accelerate immigration candidates in the Talent Pool. This is important because immigration procedures and labour market tests are among the key limitations for 3rd country mobility. Finding talent abroad is the first step, but enabling that talent to make its way into the EU is another, and this is where the process is slowed dramatically.

However, the Private Employment Services industry would like to see Member States encouraged to expedite the migration process. We would like to see accelerated procedures adopted to ensure that the gaps in labour and in skills can be filled quickly. Even if the Talent Pool is effective in identifying workers, our members are concerned that it will be left to the employers to ensure that the job seeker holds the valid residence documents needed to enter the country and work. For some members, the processing time for single permits is too long to make the Talent Pool work efficiently. There is also concern that the initiative could cause administrative challenges at the national and local levels regarding data management, regulations and compliance.

In regard to the Automated Matching Tool, we are concerned that this core function of the Talent Pool platform generates a list of suggested jobseekers' profiles and job vacancies based on the relevance of their skills, qualifications, and work experiences for the job vacancy. From the Private Employment Services industry perspective and experience, automated matching is complex, and we question whether the Commission will be able to deliver on this function. Furthermore, it is not entirely clear what aspects of the matching tool are automated. Under article 16, we acknowledge that search function filters benefit the tool. However, there are no details explaining what functions are automated.

The unintended consequences of such a function fall into two scenarios that involve failure and success. If the Platform is not able to provide meaningful matching, vast resources of money and energy will have been invested in a tool that does not produce the required results. However, if the Platform does provide meaningful matching, public money has been used to build a direct competitor to matching tools that the Private Employment Services industry is investing a lot of time and resources into. This would present a case of inefficient use of public funds, and unfair competition to a well-functioning market. Our industry would welcome the opportunity to work with the Commission in creating a tool that works best for public and private interests.

In addition, automated matching presents many ethical risks, such as bias. Our industry is closely following the introduction of the AI Act, and it is clear that bias is a major factor in the implementation of AI. We encourage the Commission to address more specifically how it plans to address these concerns, especially as AI use in the Private Employment Services industry will be labelled as high-risk in the AI Act.

We also believe that the Talent Pool proposal, particularly Article 13, should more explicitly take into account the specific situation where agencies do not want to share all details of a vacancy, in order for the candidate to directly contact the end user company. A similar solution was included after the introduction of the EURES platform. Not doing so would threaten the value of both the private employment industry and even the Talent Pool itself. The Private Employment Services industry works on behalf of clients to fulfil their staffing solutions with the expertise required to deal with applicants from third-party countries. By cutting out the agencies, the overall effectiveness of the Talent Pool could be jeopardised.

As Private Employment Services face restrictions employing 3rd country nationals in a number of Member States, our industry would also face obstacles in benefiting from the Platform. We believe that in order for the Talent Pool to be most effective, the Private Employment Services industry not only needs to play a central role in the initiative, but amendments to national regulation should be considered and encouraged to make this project successful. The expertise of the employment and recruitment industry can only bolster the strength of this project, which means making the industry's involvement Europe-wide essential.

Finally, we are pleased to see that cross-industry social partners have a role in the EU Talent Pool Steering Group. Considering our industry's unique role in recruitment, it would be good if Private Employment Services, represented by the World Employment Confederation - Europe, would also have a dedicated seat on this Steering Group. Once again, our industry's knowledge and experience would be an important asset to making this initiative a success.

Overall, the World Employment Confederation - Europe views the positive potential of the EU Talent Pool initiative. We believe that more must be done to help manage the labour and skills gaps that will only widen as demographics evolve throughout the EU. Although caution must be taken to ensure that the initiative does not create unwelcome competition among Member States, especially in terms of compensation which varies throughout the Union, we hope that the Commission seriously considers our industry's input on how this tool could be made most effective through the collaboration of public and private employment industries.