



WORKFORCE MOBILITY FORECAST

A Look Ahead at 2021



Global Mobility Solutions™

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TALENT MOBILITY TRENDS

2021: Reaffirming the Importance of the Human Touch

The past year of 2020 has proven just how important the human touch is for the relocation industry, and we see clients recognizing this fact for 2021. Certain processes can easily leverage technology to increase efficiencies and performance. However, research indicates it is impossible for computers with artificial intelligence to replicate jobs that rely on humanistic and social skills. The role of the Coach in relocation far outweighs the technology that supports it.

GMS is a nationally ranked Relocation Management Company and a leader in the relocation industry that excels in providing superior service to clients. This level of service requires GMS Coaches to have significant measures of important human attributes and social skills including:

- Adaptability
- Coaching
- Communication
- Creativity
- Critical Thinking
- Complex Problem Solving
- Curiosity
- Emotional Intelligence
- Empathy
- Insight
- Listening
- Resilience

Clients recognize the significance of the entire relocation experience as an extremely important touchpoint for their talent acquisition programs. If they leave such an important experience to the vagaries of computer programs, employees and new hires are likely to feel less valuable to the client. Talent acquisition programs help clients ensure a greater likelihood of good hires, which in turn lower costs and saves time. A robust relocation management program fully supports client investments in sourcing and onboarding talent and helps ensure successful relocations.

Commentary from GMS Transferees



GMS' clients appreciate the service our Relocation Coaches provide to their employees, and their employees are grateful for the high-touch service that GMS provides. Here are several comments we have received over the past year that reaffirm the importance of the human touch in relocation services:

I felt as though Tricia made this process very simple. She even walked through how to do expenses with me step by step. I never felt as though I was bothering her when I called which I prefer to do instead of email and that was never a problem for her. I also felt she was very informed on all aspects of the move. She let me know countless times to call whenever I needed anything, which I did. In closing she also had such a great attitude and was 100% approachable. I am big on customer service and Tricia definitely provided the best.

Ana, through her incredible support, listening capacity and anticipation of my needs, always promptly resolved my doubts, and additional unplanned requirements due to this pandemic. GMS is definitely a company with the know-how, structure, personnel and suppliers to provide excellent service in corporate mobility needs.

Carroll was the best part of my relocation process. She is professional, responsive, knowledgeable and most importantly sweet and so supportive. I moved during COVID after having lived in the same place my entire life so you can imagine this was traumatic and challenging. Carroll kept me on track and guided me the whole way with kindness humor and diligent follow up. She called me just to check in and see how I was doing. She is a gem and you should know what a true professional and wonderful person she is- if I ever need to move again I will check with her first. I cannot sing her praises enough! My experience was great.



2021 Relocation Policy Review & Planning Checklists

GMS recommends that clients conduct a thorough review for relocation policies every 12 to 18 months. Following all the impacts of the COVID-19 pandemic on relocation, this review is critically important to ensure your company can respond effectively for regulatory, tax, and reporting purposes.

An important point the relocation industry took notice of in 2020: “Ensure Proper Planning for Contingencies.” GMS helped several clients and prospects dealing with major disruptions due to travel bans, border closures, massive forest fires, and many other issues. Our team of relocation experts can define an action plan and put it into place instantly, saving time, effort, and costs for our clients.

Our recommendations for 2021 planning cover both short-term and long-term initiatives:

Short Term Policy Review Points:

1. Identify all instances relating to immediate and upcoming needs for visas, work permits, immigration status changes, and cross-border travel. Determine appropriate action plans for each case.
2. Document policy exceptions relating to the pandemic. Consider adjusting the relocation policy or adding an addendum to account for the effects of the pandemic and other major relocation disruptions.
3. Review all assignments that were placed on hold during 2020. Determine if they are still critical to corporate objectives for 2021. If yes, implement a talent acquisition plan.
4. Examine all data sources and information flows for integrity and accuracy. Form a relocation integration program project team to identify instances that can be automated with effective relocation advanced programming interfaces (APIs).
5. Identify current long term assignments that can be further extended in support of corporate objectives. This will reduce costs relating to repatriation and re-assignment.

Long Term Policy Review Points:

1. Determine areas in the relocation process where the company owes a higher duty-of-care than previously expected. Examples include programs and costs relating to transferees unable to return to origin locations due to pandemic-cause restrictions.
2. Correlate talent acquisition and talent management programs to ensure consistency in achieving objectives across the company.
3. Leverage virtual relocation solutions that enhance the transferee’s experience and provide added value to the company.
4. Focus on process simplification and cost reduction. Use the lessons from 2020’s expanded virtual relocation solutions to adopt new technologies and procedures.
5. Look to future corporate initiatives to determine appropriate relocation plans and budgets. Ensure alignment with company objectives relating to growth, expansions, mergers, acquisitions, and divestitures.



Top 5: COVID-19 Risks for Relocation Policies

Several GMS clients had been facing a number of issues relating to the COVID-19 pandemic affecting their relocation policies. We have successfully helped them find valuable and cost-effective solutions. Each of our clients should take note to be aware of the top 5 COVID-19 risks for their relocation policies.

1 **Work from Anywhere Policies:** Possible Looming State Tax Issues

At the start of the pandemic in the US, many companies hastily arranged to allow employees to work from home. However, many employees may not realize they might have additional state tax and reporting obligations with this move. The same holds true for employers. This was essentially a corporate relocation, often involving the employee, office equipment, and company records.

Companies should examine the impact and implications of this corporate relocation on both the employer and the employees. Consideration should be given to the impact on payroll tax withholding and reporting obligations. Possible state tax issues could have ramifications for new hires, transferees, employees suddenly working from home, and employers.

2 **Cyber Security Issues:** Phishing versus Vishing

Vishing is the voicemail or verbal form of phishing. With vishing, a scammer might masquerade as a computer technician from the company's Information Technology Department and make a phone call to an employee to inquire about their computer setup. By asking a few key questions of the unsuspecting employee, the scammer is now suddenly able to enter the company's data system.

Understanding the risks that both phishing and vishing present to employees working remotely is important to employers. With some companies now working 100% on a remote basis, employees who have relocated to a home or "anywhere" office should be considered a possible risk for these scams.

3 **Travel Policy Issues:** Guidance, Changes, Emergencies, Recommendations

Travel issues have a large impact on the ability of companies to draw talent and conduct business. One of the biggest challenges is that there is so much volatility in recommendations regarding travel. Travel policies are most likely the risk that affects nearly all employers in some way.

At any one point, one state may require something new from travelers arriving from another state. Various borders between countries may be subject to restrictions or closures, in turn generating emergency repatriation requests. Agencies such as the U.S. Centers for Disease Control and Prevention (CDC) might issue revisions to previously stated guidelines.

Employers should recognize a duty to provide updated information and guidance for all traveling employees. Correct information and guidance will help employees better understand how they should safely travel during the pandemic.

4 **Immigration:** Nearshoring may be an Option

COVID-19 may result in border restrictions and closures impacting immigration. However, other efforts in the immigration system further dampen an employer's ability to hire global talent. One solution is the concept of "nearshoring."

By leveraging a location in Canada or some other nearby country, a company may be able to hire foreign talent and bring them near to the US. Often this helps the new hire acclimate to life in North America. Future changes in the immigration system may allow them to enter the US at a later date. Relocation policies should be reviewed to account for alternative options such as nearshoring.

5 **COVID-19 Safety Compliant Providers:** Ensuring Safety Measures are in Place

In any relocation scenario during COVID-19, companies should ensure safety measures are in place. All services provided during relocation should be COVID-19 compliant. They should also provide new hires, transferees, and their family members the full scope of the service (corporate housing, real estate, household goods moving, and destination services) to ensure a successful relocation experience.

Employers should schedule a relocation policy review to identify how the top 5 COVID-19 risks affect aspects of their policy. They should also benchmark their relocation policy to identify best practices and practical solutions to mitigate any risks related to COVID-19 issues.



REAL ESTATE TRENDS

Housing Indicator	2021 Forecast
Home price appreciation	5.7% increase ¹
Mortgage rates	3.2% average; rising to 3.4% ¹
Existing home sales	7.0% increase ¹
Housing starts	9% increase ¹
New home sales	5% increase ²
Home ownership rate	Rise to 65.9% ¹

Housing Inventory

The 2021 National Housing Market Forecast and Predictions from Realtor.com is subtitled “Back to Normal” for good reason. Seasonality did not play a part in the 2020 home buying season. However, 2021 is expected to show a return to seasonality, with strong sales in spring and summer, and slower sales in fall and winter.

The home buying season is expected to slow a bit from the record paces in 2020. The past year saw pent-up demand from a missed spring buying season combined with record low mortgage rates lead to a strong seller’s market. Buyers faced low housing inventory, high prices, and in many cases bidding wars. For 2021, the underlying housing market demand will consist of:

- Millennial and Gen-Z First Time Buyers
- Millennial and Older Generation Trade-Up Buyers

Inventory remains the housing market’s Achilles heel. Following the shortfall of over 4 million new homes in 2020, the upcoming year will still see inventories at relatively low levels. This is due in part to continuing strong buyer demand. However, increasing new home construction and a rise in newly listed homes will help lead to increases in home sales.

Suburban Migration

Following the trends of remote work and homebuyers looking for affordability, suburbs stand to benefit. Workers are departing expensive urban core markets and seeking affordable homes in less expensive settings, often suburbs of larger and mid-sized cities. Small cities and towns will continue to draw new residents with incentives and programs. As workers migrate further into the suburbs, employers are likely to follow, further increasing home prices in certain areas based on incoming demand. Housing demand and price appreciation are likely to rise at strong paces in most metropolitan areas with a few notable exceptions (Detroit, New York City).



Leveraging New Technologies

Technology in the 2021 real estate space will continue to leverage virtual platforms. From virtual tours to virtually staging a home, technology has changed the real estate experience. Both Buyers and Sellers benefit from technologies that enhance the presentation of homes as well as the ease and speed of transactions.

iBuyer Platforms

Some home sellers might prefer the speed of using an iBuyer platform, and these services are forecast to continue to rise in use for 2021. However, they often do not understand the full cost of their choice.³

6 important points to note:

- iBuyers don't buy every home
- Sellers get less than Fair Market Value for their home
- Sellers are required to pay for repair costs they may not agree with
- Not all iBuyers offer the same services
- Home sellers are in essence paying to "not" play on the open market
- In some cases, choosing to work with iBuyers may cost sellers up to 15% of their home's sale price.⁴

Additional Trends to Watch

Home Preference Changes - There is growing demand for different housing (different from one's current circumstances due to remote working)

- Urban to suburban
- More home offices
- More private outdoor space

While this trend might hurt urban markets (in the short and medium term) – There is an entire spectrum of wants/needs that can be satisfied in almost any market:

- People with one bedrooms may be looking for two bedrooms for the sake of an office
- People in the suburbs may be looking for more rural areas
- To some city dwellers, a patio or deck is a big addition of "outdoor space"

Changes to Taxes - Optimism about potential tax laws being revisited (particularly \$10K SALT cap, which significantly affects carrying costs on high end homes in high property tax/income tax states)

Investment Properties - Look for a potential drop in price and surge of inventory for investment property across the board due to:

- Long term moratoriums on evictions resulting in many months of lost rent
- End of mortgage abatement
- Landlord fear of renewed eviction ban – The federal ban currently does not relieve tenants from payments but from eviction. As such, when evictions/abatements are lifted, some owner and tenants may find themselves so deep in real estate debt that they may be motivated toward strategic defaults/accepting rental judgments against them in lieu of paying. This will result in a micro-foreclosure market of investment properties

Corporate Housing Trends



North America - Estimated 30% overall reduction in the number of available corporate apartments due to operators ending leases with apartment communities as demand dropped:

- Some operators broke their leases and handed keys back
- Other operators could not pay rent and defaulted on their leases
- May lead to strained relations between the higher end apartment building owners where corporate housing providers place most rentals, and the industry
- May stop some operators from acquiring additional inventory as demand increases

Globally - Most serviced apartment buildings remain in business. Being property based and not leased has helped the inventory of corporate apartments to remain stable.

Economic Impact - Major brands exited the business in 2020, including Oakwood and Bridgestreet. Other venture capital backed brands also exited, including Lyric and Stay Alfred. Several smaller and regional corporate housing operators are on the fence and may exit the business.

The outlook for 2021 is for a rebound in business. While Q1 will remain depressed, volume should rise substantially in North America and Globally during Q2 and Q3.

HOUSEHOLD GOODS TRENDS

Continued Adaptation to COVID-19 Requirements

2021 will see a continuance of the van line and household goods moving industry's robust response to the global pandemic. COVID-19's immediate and broad impact has been met with effective solutions to help keep everyone safe during the entire moving experience. These solutions include:

- 1 Virtual surveys to document the contents of homes. These surveys help ensure greater accuracy for moving estimates relating to goods being moved, time required for packing and moving, and labor requirements for the job. Many customers prefer these surveys, and the industry strives to use this technology wherever possible due to its convenience and degree of accuracy.

As the virus continues to rise in certain areas, providers stay informed and will reinforce all of the measures in place to ensure safety. For 2021, providers will continue to follow all of the COVID-19 business continuity plans they put into place in 2020. These plans include the use of appropriate personal protective equipment, face masks, social distancing, cleaning supplies, hand sanitizer, and fresh supplies of packing materials.

Even after effective vaccines are distributed, the industry will continue to use virtual surveys for the great degree of convenience and accuracy they provide. Also, many of the other helpful and healthy practices will remain in place to ensure continued safety for both our employees and our customers. These measures will provide peace of mind throughout the moving experience.

- 2 Companies are looking at their remote work policies to determine impacts relating to tax and remote working implications. With respect to taxes, both employers and employees may face issues if taxes are not properly accounted for. States may require tax filing and payments depending on whether an employer's remote staff have generated a state "nexus" (level of connection between an employer and a taxing jurisdiction). Regarding remote working, certain expenditures for home workplaces may need to be reimbursed as a result of state laws, Department of Labor regulations, or company policies.
- 3 The industry expects drivers may be in line just after healthcare workers to receive vaccinations. Drivers are often in contact with the general public and are constantly moving, so vaccination would be a great way to further reduce any possible virus transmission.



2021 Volume will Reflect Broader Societal Moving Trends

Providers expect Q1 2021 moving volume to be relatively flat from Q4 2020, which is usually a time of less volume compared to summer months. However, pent-up demand for moves will lead Q2 2021 volume to increase heading into the busy summer moving season.

2021 will also see a continuance of the trend for people to move out of larger cities to nearby suburbs, exurbs, smaller cities, and even out-of-state. According to data the industry tracks, larger cities are seeing an exodus of residents:

- **New York City:** 52% higher outbound requests compared to nationwide average as of August 2020
- **San Francisco:** 128% higher outbound requests compared to nationwide average as of September 2020

These societal trends may be due to several factors, including:

- COVID-19 pandemic
- Cost of living, taxes
- Work from anywhere policies
- Search for affordable housing
- Company relocations out of larger cities

State Regulations May Impact the industry in 2021

***Background:** California Assembly Bill 5 (AB5), popularly known as the “gig worker bill,” was signed into law by Governor Gavin Newsom in September 2019. It went into effect on Jan. 1, 2020, and requires companies that hire independent contractors to reclassify them as employees.*

In response to AB5 and with support from companies such as Uber and Lyft, California recently passed Proposition 22 in November of 2020. This new law defines app-based transportation (rideshare) and delivery drivers as independent contractors and adopts labor and wage policies specific to app-based drivers and companies.

However, the moving and storage industries were not addressed in Proposition 22. As a result, providers continue to monitor the law to ensure compliance with both state and federal requirements. This will ensure providers can meet customer’s needs at all times while following all pertinent regulations.



VIRTUAL RELOCATION

2021 Ushers in Fully Virtual, Comprehensive Relocations

Virtual solutions in relocation management were well on their way to becoming the preferred choice long before the COVID-19 pandemic made them a requirement to do business. Supporting the working world’s “anytime, anywhere” focus, the relocation industry has been creating tools and resources to bring solutions to clients that are easy to use and do not require any physical contact. 2021 will see virtual solutions continue to grow in both popularity and functionality due to their convenience, speed, flexibility, and accuracy.

When delivered in conjunction with mobility technologies, like GMS’ MyRelocation®, the end-to-end relocation process can be managed virtually to promote safety and improve convenience:

Pre-Decision Services

All of the following services can be provided through online solutions, reports, and electronic communications:

- **Candidate Assessment** – Assess candidate expectation, skills, personal qualities, family circumstance, and financial preparedness
- **Cost of Living Analysis** – Cost of living comparison of origin and destination cities to help determine acceptable or competitive salary range
- **Market Analysis** – Determine the likely home sale timeline and identify potential home sale challenges such as negative equity
- **School Reports** – Public and Private School reports provided to the relocating employee to aid community selection
- **Moving Cost Estimates** – Cost estimates on

household goods transportation to help budget for relocation costs

- **Community Search and Tours** – Virtual Neighborhood Walks let buyers explore new neighborhoods and communities, and help them see nearby local features such as parks, schools, and shopping centers

Visa and Immigration Services

Many service providers have developed more robust service offerings:

- Knowledge base of helpful information and resources
- Virtual visa and legal consultation
- Online application and form filing
- Electronic fee payment
- Online tools to track and manage case status and processing times

Real Estate | Home Sales

Real estate, typically a face-to-face business, has made great strides in adapting to the new normal:

Consultation, Digital Marketing

- Virtual consultations using popular meeting platforms such as Zoom or Google Hangouts
- Document signatures captured electronically using Dotloop real estate transaction management solution or other e-signature programs
- Virtual walk-through and preparation for the home
- Virtual staging using seller-provided photos combined with current furnishings and décor
- Virtual experience “Open House” event with advertising and promotion
- Virtual private showings

Offer, Contract, Deposit

- Electronic offer submittal (once seller receives an acceptable offer, that specific buyer can see the property in person within 24 hours; following the viewing, the seller will execute the offer)
- Contract to purchase the home is executed electronically
- DepositLink or other financial service is used to electronically transfer the deposit

Inspections, Appraisal, Financing, Closing

- Inspections are ordered and conducted (if not waived)
- Purchase and Sale agreement is executed
- Appraisal is completed
- Buyer obtains financing commitment if applicable
- Final in-person walk-through (if not waived)
- Closing

Real Estate | Home Purchase

Virtual service offerings extend to the purchase-side of real estate as well:

Consultation, Online Views

- Virtual consultations using popular meeting platforms such as Zoom or Google Hangouts
- Document signatures captured electronically using Dotloop real estate transaction management solution or other e-signature programs²
- Online searching for homes
- Virtual experience tours of homes, either 3D virtual tour online, or a live interactive virtual tour (open house or private showing)
- Live virtual buyer events
- Video mail (v-mail) provide video directly to interested buyers

Offer, Contract, Deposit

- Electronic offer submittal (once seller receives an acceptable offer, that specific buyer can see the property in person within 24 hours; following the viewing, the seller will execute the offer)
- Contract to purchase the home is executed electronically
- DepositLink or other financial service is used to electronically transfer the deposit

Inspections, Appraisal, Financing, Closing

- Inspections are ordered and conducted (if not waived)
- Appraisal is completed
- Buyer obtains financing commitment if applicable
- Final in-person walk-through (if not waived)
- Closing





Household Goods Moving Services

While the in-person aspect of packing and loading of the transferee's personal property is unavoidable, the industry has shifted towards minimizing exposure through new virtual processes:

- Online, video, and virtual estimating surveys to document contents of homes
- Online and electronic communications to arrange services and payments
- Packing, moving, delivery, and setup services can be performed without requiring transferee to be present

Destination Services

Virtual destination services are a good option for transferees and their family members. The services provide benefits such as:

- Providing direct support when needed
- Keeping assignments on track for success
- Recruiting and retaining key employees
- Assisting and supporting family members
- Developing and growing relationships

For services such as searching for schools, finding homes, and getting to know the new location, there are three convenient formats:

Real-Time Community Video - Live video lets transferees review specific areas, discuss their interests, and share their preferences. The local destination contact provides direct communication on specific points and can answer questions that may arise.

Webinar Presentation and Consultation

Transferees access a 1-on-1 presentation through a web-based platform. They also receive consultation for their destination needs.

Custom Pre-Recorded Video - A personalized video is recorded and shared with transferees. They are then free to review the recording at a time that is convenient to their schedule.

Additional Virtual Destination Services - Several destination services can be provided virtually. These include community tours and orientation, departure services and support, and area consultations. All of these services provide transferees with 1-on-1 consultation and support to ensure their comfort and peace of mind with the destination.

Language and Cultural Training

A virtual trainer for language and culture allows candidates to access training anytime, anywhere. This access gives candidates the flexibility they need. Whether traveling or in a remote location, the virtual trainer lets candidates learn at their own pace.

Language Modules

- Intuitive, straightforward interface
- Self-paced lessons
- Focus on conversation proficiency
- Cultural insights and nuances that impact vocabulary and grammar
- Mobile apps for quick brush-ups

Cultural Modules

- One-on-one personal training via webcam
- Coaches explain how to see cultural differences to promote synergy
- Practical and actionable guidance to operate in business settings
- Learning to leverage skill sets found in other cultures
- Communicates values including mutual respect and understanding



Tutoring for Children

Dedicated learning platforms delivers virtual instructor-led lessons in a fully professional, secure, and GDPR-compliant format. Features include:

Ease of Use

- Download-free (no need to install a plug-in on most browsers)
- Scheduling directly by students based on course or instructor availability
- Class reminders and notifications
- Interactive whiteboard

Language Friendly

- Interface in several languages
- Toolbox with extensive list of verb conjugations for the following languages: German, English, Spanish, Italian, Dutch, Portuguese and Swedish

Audio/Video

- Superior audio/video quality
- Recording/playing-back audio and video excerpts

Lessons, Documents, Assignments

- Lesson materials are pre-loaded
- Document sharing
- Homework and assignments for students

Reporting Capabilities

- Attendance reports
- Learning analytics

Content and methodology are adapted to the children's needs. Books and materials are either virtual or delivered to the children through mail delivery services.

IMMIGRATION TRENDS



The dynamic nature of global mobility combined with the hard realities of the COVID-19 pandemic to make 2020 a challenging year to keep abreast of trends. However, GMS Account Managers continually stay up to date with current information on behalf of their clients. As a result, clients always have timely information and recommendations to ensure the best possible solutions for any relocation issue. For 2021, GMS Account Managers will continue to focus on what is happening at local, regional, national, and global levels so clients have the most current information as it relates to their relocation program.

Immigration Systems Respond to Political Dynamics

While the COVID-19 pandemic effectively clamped down on much immigration during 2020, there was still some level of movement across national borders. In the United States, the FY 2020 First Quarter saw the same number of foreign nationals arrive as during the same time period for FY 2019. Over 6,800 new arrivals in the employment-based preferences category indicate continued use of visas to hire skilled foreign national talent.

For 2021, change is likely to be the dominant factor influencing immigration. Change will continue to impact immigration in the US as well as in other countries. Major factors that will impact immigration include:

- COVID-19 Pandemic (Effective Vaccines & Vaccination Rates)
- Political Agendas
- Social Dynamics

During the past several years in the US, the immigration process has been undergoing a significant transformation. This transformation aimed to ensure that sponsoring employers of the most highly qualified foreign nationals receive the opportunity to petition for the cap-subject H-1B visa.

Most recently the Department of Homeland Security (DHS) has also proposed a change in how the United States Citizenship and Immigration Services (USCIS) selects registrations for filing of cap-subject H-1B petitions. The change will result in:

1. USCIS first selecting registrations based on the highest prevailing wage level
2. Wage level ranking would apply to the regular cap
3. The ranking would also apply to the advanced degree exemption

This proposed change follows a previous Department of Labor (DOL) restructuring of the prevailing wage system for foreign national talent. The DOL instituted an Interim Final Rule (IFR) called “Strengthening Wage Protections for the Temporary and Permanent Employment of Certain Aliens in the United States.” The DOL wage system restructuring was meant to reduce program abuses that appeared to undermine wages and opportunities for US workers. However, later rulings have resulted in legal challenges and court orders to set aside the DOL’s IRF. The DOL noted it is taking steps to comply with court orders.

In the US, the inauguration of the next US President on January 20, 2021 is likely to usher in a number of additional changes to the immigration system. With a new administration, a new focus on immigration is likely to also change processes for the FY 2022 H-1B visa lottery process. It is difficult to determine just how many changes there might be to the FY 2022 H-1B visa lottery process from the January 20 inauguration date to the lottery’s potential start date. However, the entire immigration system is likely to see several reforms relating to both the number and the qualifications of immigrants.



United Kingdom and the European Union: Brexit Separation Anxiety

Following several years of discussions, negotiations, and milestones, UK nationals residing within the EU face another milestone at the end of 2020:

UK nationals may need to apply for a residence status to confirm they did in fact reside in the specific EU country prior to the end of the Brexit transition period (December 31, 2020)

Although UK nationals do have until June 30, 2021 to apply for residence status to confirm they were already a resident in the EU country where they live, the important date to note is December 31—this is the date that will confer a number of benefits stated under the Withdrawal Agreement. Importantly:

“If you are living in the EU, EEA or Switzerland by 31 December 2020, you will continue to receive any UK benefits you already receive. This will continue for as long as you live there and meet all other eligibility requirements.” Source: <https://www.gov.uk/guidance/living-in-europe>

For 2021, the anxiety revolves around any UK nationals who might miss documentation requirements and deadlines. Employers of UK nationals living in the EU should be sure to provide as much support and information as possible. Each country in the EU may have its own specific requirements for documentation and processes. The UK government has provided many resources, but each country in the EU may be at various stages of implementation for these requirements. It is important for employers and employees to know and understand the requirements that specifically apply in each case.



Travel Challenges and Mobility Restrictions Require Greater Level of Care

The COVID-19 pandemic reinforces the need for employers to know exactly where their employees are located, and how local restrictions may affect them. For example, employees traveling between countries where new travel restrictions are put in place may need special care from their employer to help them find local housing or reach a specific destination. The breadth and speed of travel changes, immigration limitations, and overall imposition of national safety measures served to highlight the importance of working with a highly qualified Relocation Management Company.

Employers should look to 2021 with a focus on ensuring:

- Compliance with visa, immigration, travel, and national health initiatives
- Health and safety of employees who are traveling or on assignment
- Multiple means of communications to minimize disruptions
- Tracking important location information to remain compliant with immigration, compensation, and tax requirements

In 2021, Several Countries will Lead with Immigration

In 2020, the US further limited immigration due to issues surrounding COVID-19 and its impact on the US labor force. Proclamation 10014 is sometimes referred to as “Suspension of Entry of Immigrants Who Present a Risk to the United States Labor Market During the Economic Recovery Following the 2019 Novel Coronavirus Outbreak.” With this Proclamation, many foreign nationals were prevented entry under several classes of visas.

For 2021, countries that lead with immigration will continue to see gains in both employment and investment. One example is the country of Canada. US employers hindered in their hiring efforts by government regulations can leverage a “nearshoring” solution to bring jobs and foreign national hires to Canada in the short term. There are several benefits of nearshoring jobs and hires to Canada:

- Ease of business travel to/from Canada
- Lower costs and less time for business travel
- Both countries share similar technology and economic profiles
- Foreign nationals and their family members can become accustomed to life in North America

- Canada’s pro-immigration stance may provide future opportunities for US employers
- Several Canada cities have a large base of highly skilled talent
- Toronto ranks #3 in Tech Talent among the top 50 US and Canadian cities

Other nearby countries offer similar benefits for US employers. For example, Mexico has long been a favored location for US business interests in industries such as financial technology (“FinTech”), automotive manufacturing, aerospace manufacturing, and real estate.¹ Also, both Canada and Mexico boast high-tech centers that have grown into spectacular talent hubs. Toronto, Canada tech talent ranks at #3 in the top fifty U.S. and Canadian cities for tech workers. Guadalajara, Mexico benefits from groups like [Startup GDL](#) that work to make Mexico’s second largest city a leading technology center.

2021 Global Economic Rebound to Increase Demand for Skilled Workers and Foreign National Talent

The Organization for Economic Cooperation and Development (OECD) expects the world’s economy to rebound from the COVID-19 pandemic in 2021 with growth as high as 4.2%.² Nearly all the world’s economies will be smaller at the end of 2021 than they were in 2019. However, a strong recovery in China will help lead the global growth. In the US, economic recovery has been torrid, with Gross Domestic Product (GDP) booming at a 33.1% rate in the Third Quarter.³ The US economy is benefitting from several strong sectors including surging business investment, residential home sales, and pent-up consumer demand.



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LET'S TALK

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