

REGIONAL DISPARITIES IN CONTEXT OF WORKING MIGRATION IN THE SLOVAK REPUBLIC

Júlia Kostrová

Abstract

The current situation and trends in the labour market are discussed in detail by various experts from different areas. Not only economic and social processes are monitored, but also demographic changes, whether it is population structure, population aging, but also labour migration. Migration of labour, emigration or immigration is a very important aspect related to the current situation on the labour market. Labour migration and immigration may pose a certain risk for countries. Migration of the population as one of the major trends requires special attention. The Slovak Republic is characterized by considerable regional differences in different areas. Therefore, as the main objective of this article, we have identified the current situation in regional disparities in the context of labour migration, emigration and immigration. To track regional disparities, we chose the NUTS 3 territorial division - the division into eight regions in the Slovak Republic. The contribution is based on the analysis of statistical data on immigration and emigration of the labour force from the Central Office of Labour, Social Affairs and Family of the Slovak Republic and the Statistical Office of the Slovak Republic.

Key words: Regional disparities, emigration, immigration

JEL Code: R23, F22

Introduction

Migration, even though has been more frequently discussed in recent years by the public and experts, has been there since the beginning of human existence. As various aspects of the demographic, social and economic spheres develop and change, migration itself is also changing and evolving. In Slovakia, the solution to migration as such began to be researched by researchers especially after the accession of the Slovak Republic to the European Union. Accession to the European Union has also modified the conditions for labour migration in Slovakia, as there is free movement of labour within the European Union. Another major

milestone in migration was the outbreak of a refugee crisis that hit almost all European countries, including the Slovak Republic. The Slovak Republic is one of the countries where large differences between regions are still visible. That is precisely why the interest of our article will be to identify current regional disparities in the labour migration and emigration of the Slovak Republic. The next part of this paper is devoted to the theoretical definition and systematic analysis of the previously identified knowledge in our research area, which will help us to meet the stated goal.

1 Theoretical background

The situation in countries is influenced by a number of factors, such as legislation, demographic developments, workforce qualifications, economic development, social aspects and employee relations, political decisions, and so on. (Startiene, Remeikiene, 2009; Navickas, Kontautiene, 2013; Vojtovič, 2013; Krajňáková, Vojtovič, 2017) Labour migration is inherent to the factors affecting the labour market situation in the Slovak Republic. (Vojtovič, 2013) Each region has specific characteristics that influence its developmental trends, suggesting that processes are different in each region, resulting in regional disparities, to a lesser extent or to a greater extent. (Koisova, Masarova, Habanik, 2018) The history of regional differences has long been rooted. Several economists have attempted in the last century to explain the uneven state of development in the regions. Under the conditions of the Slovak Republic, the issue of regional disparities was at the forefront in the 90s of the last century. There was a significant territorial reallocation of the economy and a moderate concentration of jobs in that period. (Klamár, 2016)

The study of regional differences in the Slovak Republic has been dealt with in recent years by several authors. As Karasova (2016) points out, this is mainly because of the apparently large regional differences in different parts of the territory. It dealt mainly with regional differences and their interconnection with labour market indicators. Kraľova, Sochulakova (2016) in their study claim that the shift from a centrally planned economy to a market economy has contributed significantly to the deepening of regional differences, which has brought many changes that are still ongoing. They dealt with regional differences from a macroeconomic point of view. Referring to the issues of stronger employment growth and regional disparities in unemployment and structural problems in selected regions, Rievajová and Klimko (2016) addressed their work. Spirkova, Zubkova and Stehlikova (2015) pointed

out the persistent differences between the regions of the Slovak Republic despite the use of EU funds.

Migration and mobility are closely linked to the regional disparities that developed in the Slovak Republic in 1990 after major structural, political and economic changes. (Zudelova, Urbancikova, 2015) Despite the significant regional differences in the level of unemployment, regional labour mobility in Slovakia is relatively low (Rievajová, Klimko, 2016) Grenčíková, Špánková, Habánik (2017) in the survey, which was carried out on a sample of 207 respondents from Slovakia, there were differences between the inhabitants of different regions of Slovakia in terms of labour migration.

The Slovak Republic is a country that is interesting for immigrants from other countries, but on the other hand is the country from which the inhabitants leave for work abroad. (Vojtovič et al., 2016) The number of working migrants abroad represents subjective estimates that more or less correspond to the actual state of emigration for work. (Tupá, 2016) And whereas EU regional policy aims at reducing disparities between levels of regional development and at mitigating the slowdown of less developed regions (Kordos, Krajňáková, 2018), it is very important to know what the current situation in each region of each country is. For this reason, in this paper, we will point out the current situation of immigration and emigration according to statistical data in the regions of the Slovak Republic.

2 Migration in the Slovak Republic

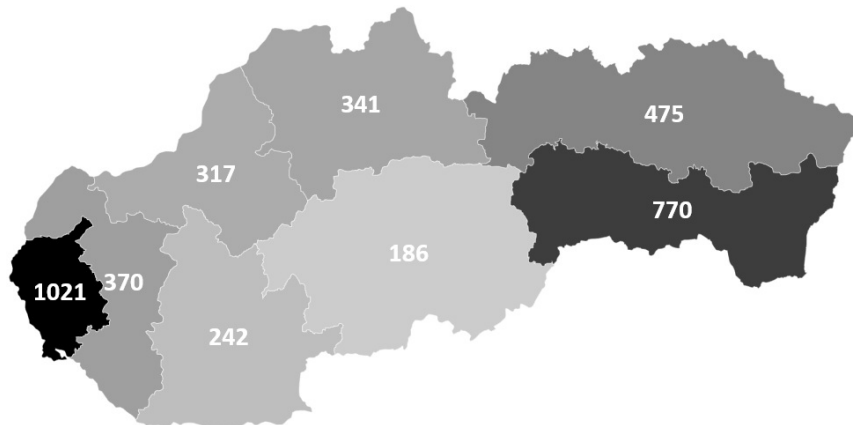
The biggest problem in processing current migration trends in the Slovak Republic can be seen in the incomplete statistical data. Evidence of migration must be carried out by several competent institutions, the disadvantage of which is their heterogeneity. In the case of immigration, for example, the Ministry of Interior of the Slovak Republic approves the residence permits in the Slovak Republic, the Ministry of Labour, Social Affairs and Family of the Slovak Republic is in charge of issuing work permits and registration cards authorizing the work. The Statistical Office of the Slovak Republic (SOSR) currently does not keep records of foreigners working in the Slovak Republic, so we are based on the available data of the Central Office of Labour, Social Affairs and Family of the Slovak Republic (COLSAaF). We used the data for the month of December 2017.

On the other hand, SOSR had the data about labour force emigrates, but the biggest problem is that are only data on short-term emigration for work abroad, ie emigration within one year. However, we can only find these data in quarterly statistical documents issued by

the SOSR. Quarterly statistical documents are available from 1st quarter 2010. We processed the data on emigration for the full year of 2017.

The current picture of foreign labour migration in the NUTS 3 regions of Slovakia was dealt with in Figure no. 1, where we have calculated the net migration with the available data, ie the difference in the number of immigrants and emigrants.

Fig. 1: Net migration of Slovak Republic in 2017 in NUTS 3 regions



Source: own processing according to data from COLSAaF

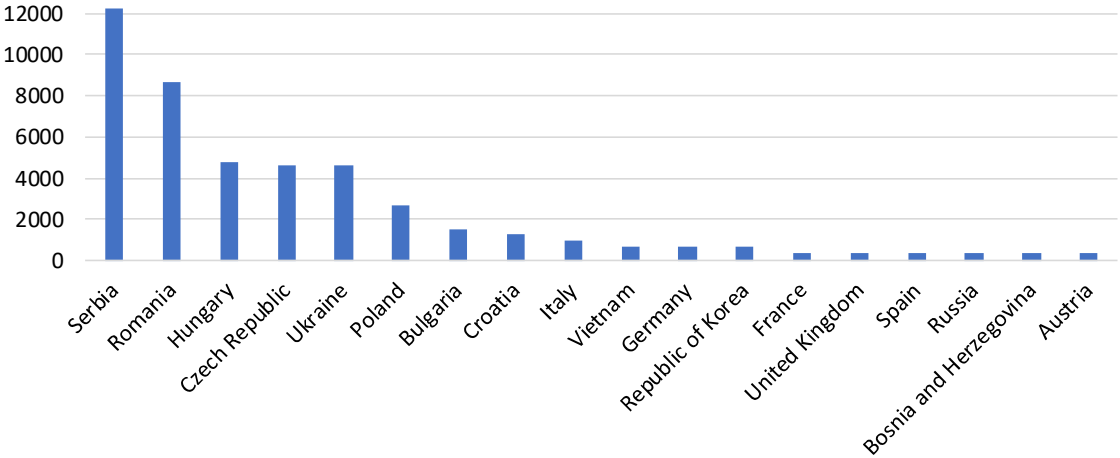
Overall, the migration net in the Slovak Republic was positive, which means that there was a migration increase. This phenomenon can be observed in all regions of the Slovak Republic. The highest migration surplus is in the Bratislava Region, followed by the Košice Region. On the contrary, the smallest increase can be observed in the Banská Bystrica Region. The migration surplus in the Slovak regions over the last 5 years has always been positive, except for two exceptions. In the Bratislava Region in 2013 and 2014, the net migration had negative values, ie the number of displaced persons exceeded the number of immigrants.

The following two chapters are devoted to the current picture of labour migration data.

2.1 Immigration of the labour force in the Slovak Republic

In December 2017, a total of 49 478 foreigners worked in Slovakia. When we compare the other years (always data for December of that year), we can monitor the annual increase of immigrants for work in the Slovak Republic. In Chart 1, we can monitor the countries from which countries migrate workers to the Slovak Republic (we have worked in the chart with countries with more than 300 workers in Slovakia).

Graph 1: Number of immigrant workers in the Slovak Republic in 2017 by country of origin

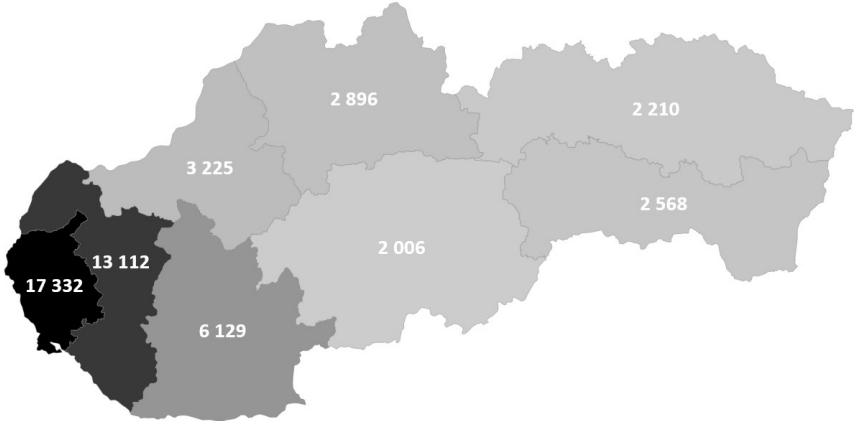


Source: own processing according to data from COLSAaF

By analysing the data, we found that the largest number of immigrant workers in Slovakia are machine and equipment operators (17 433), auxiliary and unskilled workers (9 879), specialists (4 465), skilled workers and craftsmen (4 442) and workers in services and trade (3 148). The major drawback is that at 2 857 foreigners working in the Slovak Republic there is not known the exact profession.

The main objective we have set is to identify regional disparities. Therefore, we have in Figure no. 2 processed the number of immigrant workers in the NUTS 3 regions in the Slovak Republic.

Fig. 2: Number of immigrant workers in Slovakia in 2017 in NUTS 3 regions



Source: own processing according to data from COLSAaF

The Bratislava Region and the Trnava Region are among the most preferred areas for immigrants in Slovakia. Significant regional disparities can be observed between the regions located in western Slovakia and other regions. Regional disparities in preferred regions for working foreigners may be due to greater competitiveness of these regions with better infrastructure and more favourable conditions on the labour market.

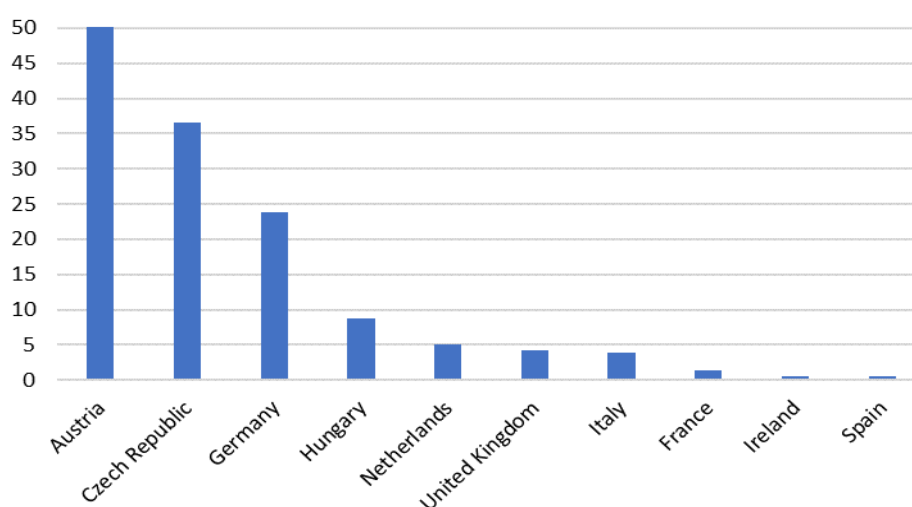
2.2 Labour force emigration from the Slovak Republic

The total number of emigrants for work in the Slovak Republic in 2017 was 149 300. Since 2010, when more detailed information on short-term working emigration from the Slovak Republic has been available, the number of emigrating workers has fluctuated, but in the overall context, the number of emigrants has increased. For comparison, in 2010, 126 700 inhabitants emigrated for work, which means that compared to 2017 this is an increase of 22 600 inhabitants in the short-term emigrating for work from Slovakia.

In total, more men than women emigrate from Slovakia. In 2017, 95 100 men (63,7 %) and 54 200 women (36,3 %) emigrated. Workers in services and trade and qualified workers and craftsmen are professions mostly emigrating for work. These employment groups make up 58,2 % of all emigrant workers.

The preferred countries to which the inhabitants of the Slovak Republic emigrated for work in 2017 can be found in Graph No. 2.

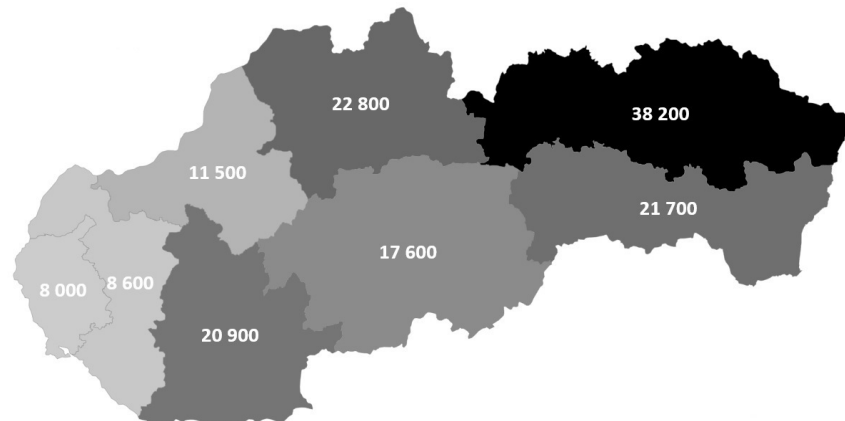
Graph 2: Number of emigrant workers from the Slovakia in 2017 by country of departure



Source: own processing according to data from Quarterly statistical documents issued by the SOSR

The most interesting countries for emigrants for work from the Slovak Republic are Austria and the Czech Republic in 2017. To Austria, in total, emigrated 5400 workers in 2017, 36 500 workers were employed in the Czech Republic. Until 2013, most Slovaks emigrated for work in the Czech Republic, but after 2013, the Republic of Austria maintains the primacy.

Fig. 3: Number of emigrant workers from the Slovakia in 2017 in the NUTS 3 regions



Source: own processing according to data from Quarterly statistical documents issued by the SOSR

In the emigration of the labour force, we can observe large regional differences within the NUTS 3 territorial division in 2017. As we can see in Figure 3, the largest number of emigrants is in the Prešov Region (25,6 % of the total number of emigrants for work), followed by the Žilina Region with 22 800 emigrants (15,3 %), Košice Region – 21 700 (14,5 %), Nitra Region – 17 600 (11,8 %), and more than 10 000 emigrant had Trenčín Region with 11 500 emigrants (7,7 %). With the number of under 10 000 emigrants in the Slovak Republic in 2017, there were two regions, namely Trnava Region with 8 600 (5,8 % of the total number of emigrants for work) emigrants for work and the Bratislava Region with 8 000 (5,4 %) emigrants for work.

Conclusion

Migration, whether emigration or immigration, is one of the issues that every country in the world now has to deal with. The aim of this contribution was to identify the current situation in regional disparities in the context of labour migration, emigration and immigration. The first part of the article was devoted to the migration balance, where we came to the conclusion that in 2017 more inhabitants of Slovakia moved in as they moved out. In order to meet the

stated goal, we focused specifically on immigration and emigration in the other sub-chapters. According to the available statistical data, we can say that Slovakia, as far as labour migration is concerned, is a country where labour migration over labour immigration prevails. In the area of regional disparities concerning labour migration, a marked difference can be observed at the NUTS 3 regional level.

The Bratislava Region and the Trnava Region are among the most preferred areas for immigrants in Slovakia. In 2017, 30 444 workers were immigrated to the two regions, counting for 61.5 % of all working immigrants in Slovakia. The least interesting region for labour emigrants is the Banská Bystrica Region, in 2017 there immigrated 2006 workers.

The emigration of the labour force abroad in the area of regional disparities is also very different. While 38,200 inhabitants of the Slovak Republic emigrated from the Prešov Region, on the west of the Republic situation is different, in the Bratislava Region it was 8,000 inhabitants.

The aim of EU regional policy is to reduce regional disparities, so differences in emigration and immigration should not be left unnoticed.

This contribution can serve as a basis for further scientific research on the reasons for regional disparities in labour migration as well as a basis for addressing the issue of the economic benefits and loss of labour migration in individual regions of the Slovak Republic.

Acknowledgment

This publication was created within the project VEGA 1/0679/17: Balance of economic gains and losses from labour migration.

References

- Central Office of Labour, Social Affairs and Family of the Slovak Republic. Statistics. employment of foreigners. [online]. [cit. 2018-09-10]. Available on: https://www.upsvr.gov.sk/statistiky/zamestnavanie-cudzincov-statistiky.html?page_id=10803
- Grenčíková, A., Špánková, J., Habánik, J. 2017. Regional disparities in labor force migration abroad in Slovak Republic and in Czech Republic. In *Economics & Sociology*. 10 (3). ISSN 2071-789X. pp. 81-89.

- Karasova, K. 2016. Regional labour market disparities in the Slovak Republic. In Proceedings of the 14th International Scientific Conference on Economic Policy in the European Union Member Countries. Czech Republic. pp. 303-313.
- Klamár, R. 2016. Development tendencies of regional disparities in the Slovak Republic. In *Geographica Pannonica*, 20 (3). ISSN 1820-7138. pp. 136-151.
- Koisova, E., Masarova, J., Habanik, J. 2018. Regional differences in the labour market in Slovakia and the Czech Republic. In *Journal of Competitiveness*. 10 (2). ISSN 1804-1728. pp. 104-117.
- Kordoš, M., Krajňáková, E. 2018. Significance of innovation in Slovak regions – issues and challenges. In *Ad alta – Jurnal of interdisciplinary research*. 8 (1). ISSN 2464-6733. pp. 137-141.
- Krajňáková, E., Vojtovič, S. 2017. Struggles of older workers at the labour market. In *Economics & Sociology*, 10 (1). ISSN 2071-789X, pp. 319-333.
- Kraľova, K., Sochulakova, J. 2016. Regional disparities and competitiveness of Slovak regions. In 3rd International Multidisciplinary Scientific Conference on Social Sciences and Arts, SGEM 2016, Book 2, vol.V. Bulgaria. pp. 523-530.
- Navickas, V., Kontautiene, R. 2013. The interaction between corporate social responsibility and competitiveness during the economic downturn. In *Economics and Management*, 18 (1). ISSN 2029-9338. pp. 58-67.
- Rievajova, E., Klimko, R. 2016. Current issues on the Slovak labour market and regional aspects. In Proceedings of the 14th International Scientific Conference on Economic Policy in the European Union Member Countries. Czech Republic. pp. 587-596.
- Spirkova, D., Zubkova, M., Stehlikova, B. 2015. Regional disparities in the context of economic growth. In *International Scientific Conference on Knowledge for Market Use - Women in Business in the Past and Present*. Czech Republic. pp. 934-941.
- Startiene, G., Remeikiene, R. 2009. The Influence of Demographical Factors on the Interaction between Entrepreneurship and Unemployment. In *Inzinerine Ekonomika-Engineering Economics* (4), ISSN. 1392-2785. pp. 60-70.
- Statistical Office of the Slovak Republic. Quarterly statistical documents Labour force sample survey 2010 – 2017. [online]. [cit. 2018-09-10]. Available on: <https://slovak.statistics.sk/>

- Tupá. M. 2016. Consequences of labour migration and migration management for example of Slovak Republic. In Proceedings of the 1st International Conference Contemporary Issues in Theory and Practice of Management (CITPM). Poland. ISBN 978-83-65179-43-2. pp. 445-450
- Vojtovič, S. 2013. The impact of Emigration on Unemployment in Slovakia. In Inzinerine Ekonomika – Engineering Economics, 24 (3). ISSN 1392-2785. pp. 207-216.
- Vojtovič, S. et al. 2016. Ekonomické a sociálne dôsledky migrácie pracovnej sily do zahraničia. Trenčín: TNUaD. 205 p. ISBN 978-80-8075-762-5.
- Zudelova,, M., Urbancikova, N. 2014. Labour migration and mobility in the districts of the Slovak Republic. In 5th Central European Conference in Regional Science (CERS). Pp. 1198-1208.

Contact

Ing. Júlia Kostrová

Alexander Dubček University of Trenčín

Študentská 3, 911 50 Trenčín

julia.kostrova@tnuni.sk