



On behalf of the  
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# ***Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe***

## **Executive Summary**

**Slovakia**

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Emigration rates in the Slovak Republic are high. A recent Labour Force Survey (LFS) indicated that 127,400 Slovaks (5.3% of the country's total working population) were working abroad in 2010. High unemployment rates – 14.5% on a national level in 2010, and ranging as high as 17.8% in some regions – and a lack of jobs outside Bratislava are important factors in inducing Slovak citizens to engage in circular migration, but emigration has eased the problem of excess labour supply, particularly in the Central and Eastern Slovakia NUTS II regions. While data on emigration by high-skilled individuals is lacking, brain drain is considered to be a serious problem; for example, in the 2004-2007 period, relatively large numbers of health professionals (3,700 between May 2004 and April 2007) applied for equivalence confirmations enabling them to work elsewhere in the European Union. According to the OECD, 15% of Slovak tertiary students were studying abroad in 2009.

Approximately half of Slovaks working abroad are employed in the manufacturing and construction sectors. However, demand for these skills is rather limited, and some returnees have difficulties finding jobs outside Bratislava after return. While regional information on returnee unemployment is not collected, about 10% (27,000 individuals) of the country's overall unemployed population in late 2009 had previously held jobs outside the country. National Bank of Slovakia data indicates that net remittance receipts peaked at €1.24 billion in 2008 and dropped to €1.13 billion (1.44% of GDP) in 2010. Research and survey findings suggest that remittances are used primarily for consumption, as a financial cushion against future needs or for housing purchases, while business investments take a comparatively low priority.

Internal migration rates decreased significantly during the economic transformation in the 1990s reaching a low point in 2000 (14 migrants per 1000 inhabitants) and subsequently increasing slightly to 16 migrants per 1000 inhabitants in 2010. Although regions with comparatively low urbanization levels and high unemployment mostly located in Eastern and South Eastern Slovakia show the highest migration rates overall, most internal migrants in fact come from metropolitan centres, with moves to suburbs and adjacent rural areas motivated by the desire to acquire new housing and high urban housing prices, particularly in Bratislava. Rural areas surrounding Bratislava and Košice were major beneficiaries of these urban-rural flows. The Central and Eastern Slovakia regions, which have high unemployment rates, show major net migration losses. Although poverty and material deprivation indicators have been declining, assessing the direct effect of migration on these net loss regions is difficult. Poverty rates fell between 2005 and 2010, but other economic factors helped drive this trend. Migration of young people away from small communities has undermined social capital and capacities for public organization.

Family impact has not been systematically researched; families receiving remittances from a migrant member have greater opportunities, but anecdotal evidence suggests children perform less well in school. Because the migrant population is comparatively young (most in their 30s or younger), the problem of isolated elderly parents is not significant. However, small rural communities with underdeveloped services are showing ageing-related stresses, such as long waiting times for residential elderly care.

The country's Roma population is at particular risk for poverty, with a 2010 UNDP survey finding only 13% employed. A third of the population lives in segregated communities with very low rates of running water (39%) and sewage connections (13%). Many migrated from urban areas to the countryside in the 1990s; many others have been subject to internal displacement through eviction and relocation by local governments. While data is lacking, urban Roma tend to migrate at higher rates than counterparts living in segregated communities; returnees often have trouble reintegrating, however.

Slovakia's policy responses to internal and international labour migration have been rather limited. The first Slovak Migration Policy was passed in August 2011. The document concentrates on issues of legal and illegal immigration, the integration of immigrants, human trafficking and border controls. A short chapter on emigration by Slovak citizens states that "the Slovak Republic is unprepared to deal with issues of emigration and return migration". Improving Roma inclusion has been a horizontal priority of all operational programs since

2007, as well as of several more recent programs including a Roma Communities Inclusion Strategy being finalized at the time of writing and approved by the Government in January 2012. Strategy of the Slovak Republic in Inclusion of Roma Communities provides the framework for action plans in education, employment, health, housing, financial inclusion and protection against discrimination. Its main objective is to halt processes of segregation of Roma communities, to make significant positive turn in favour of their social inclusion, non-discrimination and change of attitudes of the majority population to Roma minority within the next nine years.

Brain drain and decreases in the stock of human capital represent the most significant negative side effects of migration in Slovakia. The division of families is also a concern, despite insufficient research data. If emigration pressures in underdeveloped Slovak regions are to be eased, wages must be increased and job opportunities created. However, policymakers should also focus on preventing permanent emigration and fostering circular migration, particularly among high-skilled individuals.

Policymakers seek to expand domestic employment opportunities; policies should include support for foreign direct investment; investment in transport connections between rural, urban and international destinations; and the creation of microcredit schemes for small businesses. In disadvantaged areas, support for industries corresponding to regional strengths or demand (e.g. local tourism, services such as health care, social care and long-term elderly care; forestry and agriculture) could help absorb the unemployed population. Potential migrants' skills can be enhanced through greater investments in education (particularly for the Roma population), vocational training and the development of craft skills for disadvantaged population groups. The housing shortage in crowded urban areas could be mitigated through housing subsidies and the support of public housing construction in migration target areas.

Circular migration could be encouraged through the provision of reintegration grants for returnees, support for the temporary return of professionals and other high-skilled migrants, support for high-tech investment by foreign companies, and by the improvement of remuneration in the health care and R&D sectors. Substantially more data should be collected on emigration and internal migration patterns, including issues such as remittance volume, reintegration success, commuting patterns and vulnerable group conditions. Sampling coverage in surveys such as the Labour Force Survey and the European Union Statistics on Income and Living Conditions (EU SILC) should be improved, with a particular focus on excluded communities (including poor Roma communities and people with low education in general). Surveys of migrating household members must be expanded to include individuals that have held a job outside the country for more than a year (if they have retained a permanent address in that household), and the issue of remittances (currently estimated without any basis in data) should be included directly in EU SILC surveys or household budget studies. More analysis should be performed on the benefits of migration to rural areas (returnees bringing knowledge such as language, professional expertise, etc.). Finally, relevant stakeholders should be given a more substantial role in migration policymaking, by inviting migrant associations to participate in the design and assessment of migration policies and other policies that affect migration processes.