



On behalf of the
European Commission
DG Employment,
Social Affairs and Inclusion

Gesellschaft für
Versicherungswissenschaft
und -gestaltung e.V.



Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe

Final Country Report

Latvia

April 2012

**Authors: Zaiga Krišjāne
Tana Lāce**

Neither the European Commission nor any person acting on behalf of the Commission may be held responsible for the use that may be made of the information contained in this publication.

Content

1	Socio-Economic and Political Overview	3
2	Main emigration and internal migration trends	5
2.1	Main emigration trends	5
2.2	Main internal migration trends.....	7
2.3	Main characteristics of migrants.....	9
3	Nation-wide labour market and social development trends under the influence of emigration	12
3.1	Economic and labour market developments	12
3.2	Social security	13
3.3	Poverty and Social Exclusion.....	14
4	Labour market and social development trends in net migration loss / gain regions	16
4.1	Identification of net migration loss / gain regions.....	16
4.2	Labour market development in net migration loss/gain regions.....	17
4.3	Poverty and social exclusion in net migration loss / gain regions	18
5	Impact of migration on vulnerable groups.....	19
5.1	Women.....	19
5.2	Children.....	20
5.3	Elderly	21
5.4	Roma.....	22
5.5	Other ethnic and religious vulnerable communities	23
6	Policy responses.....	23
6.1	Encouragement of circular migration	23
6.2	Encouragement of return migration and support of integration of returnees.....	25
6.3	Development of net migration loss/gain regions (incl. assessment of SF use)	28
6.4	Support to vulnerable groups related to migration (incl. assessment of SF use)	29
7	Key challenges and policy suggestions	32
7.1.	Key challenges of the social impact of emigration and internal migration.....	32
7.2	Policies to be taken by different actors.....	33
Annex 1. Tables		35
Annex 2. Figures		48
Annex 3. Reference list		49

1 Socio-Economic and Political Overview

Radical changes started in the political and economic situation of Latvia in 1991 after the restoration of the independence of Latvia. The transition from planned to market economy has also influenced the development of the labour market, business activities, and social policy. Upon restoration of an independent statehood the main political goal was Latvia's accession to the EU and the NATO that was achieved in 2004. Another essential national priority was the successful introduction of the Maastricht criteria and accession to the Euro zone, however, due to high inflation as well as budget deficit the initially set deadline has been changed for several times.

A number of complex problems emerged from transition period. One is the integration of a large number of people and their descendants who migrated to Latvia during the Soviet period. The largest ethnic groups according to the provisional data of Population census 2011 are Latvians (62.2% of total population, in comparison 57.7% in 2000) and Russians (26.9%, in comparison 29.6% in 2000) (CSB, 2012). Other larger national groups by Census 2011 data size are Byelorussians (3.3%), Ukrainians (2.2%), Poles (2.2%), Lithuanians (1.2%), Jews (0.3%), Roma (0.3%), Germans (0.1%) and Estonians (0.1%) (CSB, 2012).

Since 2000, the proportion of Citizens of Latvia increased from 74.5 % up to 83.8% in 2011 and the share of non-citizens of Latvia decreased from 21.2% to 14,1% in particular (CSB, 2012).

The socio-economic development of Latvia has been, to a considerable extent, influenced by demographic changes caused by low birth rates and ageing of the population. Since 1991, the number of the population in Latvia has decreased from 2.65 million in 1991 to 2.24 million in 2010, including a decline of the working population from 1.5 million to 1.4 million respectively. Likewise the birth coefficient in Latvia per women of the reproductive age is insufficient to ensure the reproduction of the society (in 1991: 1.85, in 2009:1.34) (Central Statistical Bureau of Latvia (CSB)).

Over the period 1991-2010 the Latvian economy has experienced periods of instability and decline as well as periods of rapid growth. At the beginning of the transition the new economic system provoked a dramatic decline of production and living standards. However, already in mid-1993, the rapid decline of GDP in Latvia was stopped despite of inconsistent structural reforms. The financial crisis of 1995 hindered further economic growth in Latvia. Since 1996, GDP started to increase from 1811 EUR per capita (CSB data base). The economic development was successful in the years between 1996 and mid-1998 when average annual growth rates of GDP reached 6%. The complicated economic situation especially in Russia in the second half of 1998 and in 1999 influenced the development rate of the Latvian economy in the same way as economies of many other countries. Due to the Russian crisis that lowered exports to this country and caused problems to some commercial banks, production outputs in Latvia declined, banking indicators deteriorated, and budgetary revenues did not come in as planned and unemployment (share of unemployed to the active population reached 14.3% in 1998 year (CSB data base) was on the rise. Starting with the middle of 1999 the negative impact on the development of national economy caused by the Russian crisis was gradually overcome. Positive trends have become even more explicit in 2000 (Ministry of Economics, 2000, 2002, 2004, 2007, 2010).

Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe VT/2010/001

Reforms accomplished in Latvia and further European Union integration had a positive impact on the economic development of the country. Latvia has shown one of the highest economic growth rates in the EU. In the period of 2004-2006 the annual average GDP growth in Latvia was 10.4%, and in 2008-2009, the GDP decreased even by 21.4%. Decrease is related to the high current account deficit of the balance of payments during the previous years of a rapid growth and therefore the increase of vulnerability of Latvia's economy. In 2010, with financial problems prevailing in the world, the economic recession continued in Latvia. Since the peak of Latvia's economy at the end of 2007, GDP has fallen by almost one fourth, and the economy is currently at the level of 2004-2005 (Ministry of Economics, 2000, 2002, 2004, 2007, 2010).

Changes in the economic situation of the country have found a direct manifestation in labour market indicators. During the period from 1996 until 2001 the employment rate has fluctuated within a range of 48% to 50%. A gradual increase in the employment rate could be observed during the period of 2002-2008 when it grew from 60.5% to 68.6% (table 6). In its turn, the economic crisis caused a considerable fall in the employment rate in Latvia: from 68.6% in 2008 to 59.3.1% in 2010 (Ministry of Economics 2000, 2002, 2004, 2007, 2010; CSB, 2011 according Labour Force Survey data).

A comparatively significant increase in the unemployment rate could be observed in the second half of 1998 and the first half of 1999 when under the impact of the Russian crisis many enterprises were forced to lay off people. The unemployment rate stayed at the level of 13-14% for several years. In 2000, the unemployment rate started slowly to decrease. The unemployment rate considerably differs in districts and cities by more than 10%. In November 2010, the unemployment level in Latvia was 22.3% being the highest in the European Union. During the whole reporting period the problem of long-term unemployment did not lose its topicality, becoming even more relevant in 2009-2010 in view of the very rapid growth of the unemployment rate, the fall in the number of vacancies and mass redundancies in the private sector and the public administration (Eurostat; Ministry of Economics, 2000, 2002, 2004, 2007, 2010).

The social security system of Latvia was reformed in 1991. The largest part of the social budget is earmarked for the social insurance system. Municipalities organise services/institutions and care for children, the elderly and the disabled. The coverage of the insurance system is limited to persons participating in the labour market. It is funded by employers' and employees' contributions, with the employers paying the largest part. Persons not insured by social insurance are usually entitled to means-tested benefits. However, these are very small (Bernotas, Guogis, 2005).

Statistics show that the gap between regional development levels and incomes of people is getting wider. According to EU SILC data the at-risk-of poverty rate after social transfers in Latvia retains a stable tendency of growth - if in 2000 it was 16%, then in 2009 the poverty risk had increased already to 25.7% (Eurostat, 2010a).

Material Deprivation rate in Latvia is among the highest among EU member states and exceed EU average (~17.4%). It continuously decreased since 2005 where it stood at 56.4% (Eurostat, 2010c).

2 Main emigration and internal migration trends and patterns

Until 1989, migration led to an increase of inhabitants, but later it caused population decrease. After regaining independency and before EU accession Latvia experienced drastic changes both in the direction and intensity of migration. Latvia, used to be a receiving country for migrants, became a sending country. Emigration expanded under circumstances of depopulation. Large parts of increasing migration movements are not reflected in official statistics, especially since Latvia's accession to the EU and the introduction of the free movement of people.

2.1 Main emigration trends

The Migration processes in Latvia can be divided in the following stages:

- Transition (early 1990s)
- Stabilisation and irregular migration (late 1990s until EU accession in 2004)
- EU enlargement (2004-2008)
- Under global economic crisis (since end of 2008 to 2011).

Transition (early 1990s)

After collapse of the Soviet Union emigration towards CIS countries and Germany was dominant. Emigrants included those who during industrialization were voluntarily recruited from these regions, those who returned to their homeland after completing their work, those who were employed by the Soviet administration, and those who served in the Soviet army. Approximately 15% of those who arrived in Latvia after World War II left in the beginning of the 1990s (Bauls, Krisjane, 2000). The capital city Riga was particularly affected by this outflow. According of statistical data of migration from 1991-1998 CIS countries accounted as average for 75% of the overall immigration flow. Among all emigrants during that period the share of people migrating to CIS countries was 86% (CSB). Many people left Latvia in the early 1990s when the Russian armed forces were withdrawn and when Latvia's industrial sector shrank substantially. In 1992, the year of the greatest level of emigration, more than 50,000 people left Latvia (2% of population), and most of them moved to countries in the CIS (CSB, 2007) (see table1).

Stabilisation and irregular migration (late 1990s to 2003)

With the stabilization of Latvia's economy, after changes of the Law of Citizenship (in 1998) and with the implementation of the 'National *Programme on the Integration of Society in Latvia*' (integration framework policy) (see Muižnieks, 2010) (since 2001) in the mid-1990s ethnic migration potential ceased to exist and the scale of outmigration lowered. The number of emigrants to CIS countries, including Russia, was decreasing annually.

International mobility was limited to short temporary and mostly unregistered flows of migrant workers. Travelling to Ireland and the UK began even before Latvia joined the EU. At that time people needed work permits to work officially, but many worked under the radar.

Before 2004, links to the countries of the CIS have become far weaker. Official Latvian migration statistical data show that the people of Latvia have emigrated most often to Russia, Germany and other CIS member states.¹ It should be noted that the proportion of emigrants and the net migration with CIS countries have both declined.

After EU enlargement (2004-2008)

After Latvia joined the EU in 2004 and thus enjoyed the free movement of people, as well as access to the labour markets of several EU-15 member states, emigration changed. Since EU accession the outflow from Latvia increased and was directed mostly to those EU member states that did not introduce transitional periods for the Latvian labour force: Ireland, Sweden, and United Kingdom. Just like in the mid-1990s, post-accession workers were mostly interested in undertaking short-term mobility in order to acquire higher financial capital (Fihel, Krisjane, 2008).

2007 was a year of rapid economic growth in Latvia, and in many sectors of the economy, there were substantial wage increases. This created incentives to return to Latvia.

The Labour force survey (LFS) 2007 showed that of all residents of Latvia who were working abroad in that year, nearly 40% lived in the UK, 31.9% were in Ireland, 4.9% went to Germany, 4.5% to Norway, 3.0% to Russia, 2.5% to the United States, and 2.3% to Italy. As elaborated in previous research, people moved abroad to find well-paid jobs (CSB, 2008). Between 2006 until 2008, at least 5% of the working-age population have been post-accession return migrants; 12% have a family member with recent foreign work experience abroad (Hazans, Philips 2010, 300).

Economic crisis (late 2008 to 2011)

In late 2008, however, the economy started to collapse, with a drop in GDP of 18% and a major increase in unemployment (CSB, 2010). This led to another period of emigration. Economic problems intensified the pre-crisis and actual emigration of labour force. Influenced by the economic crisis the unemployment rate in Latvia (20% in 2009) is one of the factors that made many Latvians to move abroad irrespectively from their education level and previous work experience. During the boom years, low interest rates combined with high growth of GDP and salaries caused the economy and the housing market to overheat. There is evidence that many mortgage borrowers could not handle the monthly payments and chose to leave the country as they are not able to find work in Latvia (Krisjane, Berzins, Apsite, 2011). The dominant motivation for emigration continues to be the desire to earn more money or to save for a specific goal (Apsite, 2010; Krisjane, Bauls, 2011). There have been an increasing number of survey respondents in 2010, who simply said that they were unable to find work in Latvia and respondents recently have been more willing to work in manual jobs just to earn a bit more money (DnB Nord, 2010). When emigrants are asked about their future migration intentions another trend can be highlighted – the percentage of migrants who would like to return to Latvia is decreasing in 2010 (Apsite, 2010; Krisjane, Bauls, 2011).

¹ Official statistical data greatly underestimate the size of emigration, but they can be used to assess the main receiving countries of emigrants.

According to Eurostat, the number of Latvian citizens residing in other EU member states increased considerably in all countries for which data is available, with the exception of Ireland. There is also a notable increase in Norway from 1,192 in 2008 to 2,757 in 2010, in the recession period (see Table 2 in annex 1).

The World Bank (2011) estimates the number of emigrants, using data from census, population registers and other sources in the receiving countries. The total number of emigrants from Latvia was estimated to be 275,000 mio people in 2010 (emigration rate of 12.2%). According to these statistics, the most relevant population groups born in Latvia live in the following Russia, the United States, the United Kingdom, Ireland and Germany². It should be noted that these data include persons born in Latvia who have emigrated earlier than 1990. Emigration in the last decade is estimated to be considerably higher.

Summary

Research data from 2007 suggest that more than 40,000 Latvian residents have been living abroad since EU enlargement in May 2004 (Krisjane et al. 2007). Some experts believe that more than 200,000 people have emigrated during the last decade (Hazans 2011, 76). According to provisional Census data more than 220.000 persons emigrated from Latvia during the last decade (2000-2010). That would represent about 10% of the population in Latvia in 2011. The most important destinations during the last decade have been the United Kingdom (34%) and Ireland (21%). Main receiving countries also are Germany (11%), Russia (8%), Norway (3%), Sweden (2%), the Netherlands, Spain, Denmark. (CSB, 2012).

2.2 Main internal migration trends

According to the definition of the Central Statistical Bureau of Latvia internal long-term migration implies movements of the population from one local administrative territory to another with an aim to change the place of residence permanently or for a period of at least one year. However, if a person changes the place of residence within the boundaries of a town, a local rural municipality (*pagasts*³) or county (*novads*), according to the recommendations of international organisations, the migratory movements of such a person are not counted (CSB, 2011).

During the Soviet period there was a mandatory residence registration system. This residence registration was often used as a strategy to get on the waiting list for a larger apartment (Krisjane, 2008). Current non-mandatory residence registration procedures are also not capturing all population movements (Krisjane, Bauls, 2006). Supposedly, population groups who receipt various social benefits or assistance at the place of residence tend to register more often. Most often, these are elderly persons, as well as families with children. (Krisjane, Bauls, 2006).

² WorldBank (2011): Bilateral Migration Matrix (November 2010). in: <http://go.worldbank.org/JITC7NYTT0> (last access 31.05.2011).

³ Before 1st of July 2009.

Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe VT/2010/001

Latvia has a mono-centric settlement structure with concentration of all types of resources in the metropolitan region of the capital city of Riga, and the effects of migration on the population are particularly important here.

Since the second half of the 1990s, internal migration has played an essential role on the population's spatial redistribution. Internal migration between 1991 and 2009 involved an average of 2% of Latvia's residents each year (CSB, 2010).⁴ There have been important changes in the volume and direction of internal migration in Latvia. During the 1990s the total volume of internal migration has declined considerably from approximately 50,000 (1.88% of total population) at the beginning of the 1990s to 31,000 (1.34%) in 2002 (see table1). In 2003 the new system of declaring one's place of residence was introduced, so the doubling of internal migration to around 60,000 (2.7%) in 2003 cannot be interpreted as increase in internal migration. In the following years, registered volumes of internal migration declined to 39,000 (1.77%) in 2009.

The main migration flows were from urban areas to the countryside, while outmigration from rural to urban areas constitutes almost a similar share. The lowest level of migration is found in the rural-to-rural category: just 12% of overall internal migration, on average (see table 4).

In the 1990s, there was a short period of ruralisation, which was expressed in dominating population outflows from Riga and other major cities. The denationalisation of property in the rural areas led considerable numbers of people to move back to their ancestral homes in rural areas. Young people and people of retirement or pre-retirement age were particularly ready to make the move. People who moved to Riga from rural areas in the 1960s were particularly prone to make the move (Markausa, 1997). During the initial years of land reform after regaining the independence in the beginning of 1990s, the number of people in more distant Latvian districts, particularly in the eastern region Latgale, increased more swiftly than this was the case in the central part of the country, because greater numbers of people had left Eastern Latvia during the previous decades (for work in the cities) (Eglite, 1997; Markausa, 1997). Many researchers say that this is a phenomenon typical to transition periods, because surveys show that rapidly shifting socio-economic factors were key reasons why people chose to move (Markausa, 1997). Trends in the flow of domestic migration in later years (since 1998, see table 5) showed that these were only temporary flows and motivations. Unfavourable socio-economic conditions, including a high level of unemployment and a lack of jobs, led to a different migration flow, with people once again flowing away from the peripheral districts of the country. This has been shown through increased outflows from Latgale (one of the poorest regions in the EU) to the central part of the country since 1998. The number of people arriving in Riga from Latgale has increased from year to year (see Table 5 in Annex). In 1993, 13% of all people who moved to Riga came from Latgale, while in 2002 the percentage was up to 15% (2009: 14.2% (CSB, 1994-2010). Since 1999, most recent flows are directed to the surrounding (rural) areas of large cities, especially Riga and show suburbanization processes (Berzins, 2011).

⁴ Statistical data on internal migration since July 2009 are not comparable with previous periods due to new administrative territorial units on local level. Therefore data on urban and rural flows are not available.

Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe VT/2010/001

The migration pattern is strongly influenced by urban development. Riga is the largest and still growing centre of economic activities, thus continuing a long historical trend. Approximately 40% of internal migration flows involve the city of Riga. Riga's size and economic dominance over a wide territory have a strong influence on the development of settlements, population density, migration, and economically functional interactions, both directly and indirectly.

Analysis of the flow of migration between cities allows us to conclude that Riga often absorbs people from district centres. One of the main motivations to change the place of residence is the ability to find a better job in the capital city. This means that district centres lose fairly well qualified professionals. It is possible that older people may be moving from Riga to the small towns, while young people are moving to bigger cities in pursuit of education (Krisjane, Bauls, 2003, Krisjane et al., 2007). Each year approximately one-half of the young people of Latvia, for whom the main motivation for the change place of residence is education, are concentrated in Riga.

Traditionally, inhabitants of Latvia's rural areas and regional centres have opted to work in larger towns or the capital; however, now that there is an opportunity to work abroad, they choose to emigrate. There have been changes in the traditional migration flows as well. Previously, many migrants left from smaller locations towards major towns or the capital. Nowadays they can go also abroad straight away (Krisjane et al, 2009).

Latvia nowadays is experiencing urban transformation marked by intensification of the suburbanisation processes. The Riga metropolitan area (RMA) emerged in the 1970s and has never existed as an administrative or statistical unit. Over the past decade (1999-2008) residential suburbanisation has been the key feature in the development of the RMA. However, the majority of suburban in-migrants live in the surrounding districts and retained their jobs in the capital city. Thus, contemporary mobility pattern in Latvia significantly favours the increase of the commuting but not the diversity in destinations. (Krisjane and Berzins, 2009). In Latvia, suburbanisation is related to growing wealth of households, improved access to mortgages and choice in the housing market. 24% of those who moved to suburbs said that this was because of housing conditions (Berzins, 2011).

Since 1990, Riga itself has lost residents each year due to internal migration. The most intensive flow of migration has been between Riga and the Pieriga (Riga metropolitan region). The suburban region is the only one which had a positive net migration with all of the regions of Latvia, but app. 60% of that positive trend was provided by Riga city. Since 1999 only Pieriga (Riga metropolitan region) has an increase of population. There has been increasingly intense emigration in the suburban core during the past decade, as seen in the aforementioned fact that in some of Riga's neighbouring municipalities, the population has increased by as much as 40% (CSB, 2011).

Research in Latvia suggests that geographical mobility is key topic in analysing suburbanisation processes (e.g. Eglite, 1997; Bauls and Krisjane, 2000; Markausa, 2001; Berzins and Krisjane, 2008; Krisjane and Berzins, 2009). Findings of these studies confirm that the increased number of residents in the suburban part of metropolitan area has largely been ensured by in-migration from Riga itself. Besides, inter-regional concentration of population from non-metropolitan regions also favours suburban growth.

2.3 Main characteristics of migrants

From the results of various research about internal migrants (Berzins, 2011; Krisjane, Berzins, 2012) it is clear that younger people are more likely to leave Riga than their elderly. Russians are less mobile than Latvians. Suburban residents are mostly people with children of preschool age, in comparison to those who have stayed in Riga or being long-term residents in the RMA. Similarly, better-educated persons are more likely to move to the suburbs than those who are poorly educated. Moreover, these educated suburbaners also earn more. In general, the results of Latvian research indicates signs of earlier suburbanisation patterns that are characteristic for Western countries, where life in the suburbs is mostly chosen by wealthy residents with a high social status, as well as by families with children (e.g. Fielding, 1992).

Detailed information on characteristic of emigrants and returnees is based on results from the project “The Geographic Mobility of the Labour Force”⁵ (Krisjane et al., 2007). In the context of this study there has been conducted an evaluation of geographic, international, domestic and everyday mobility of the labour force in Latvia in 2006. It included a survey covering 8,005 residents in Latvia, expert interviews, and formalized interviews with Latvian residents who work abroad. Respondents were people of working age (15 to 65) in the beginning of 2006. 9% of respondents had worked abroad. According to this study men (12.1%) were nearly two times more likely to have migrated than women (6.2%).

Eurostat data about Latvian citizens in the EU indicate that emigrants to EU-states do not correspond to the average displayed in this survey. To exemplify this: Male shares in EU countries (2009) range from 16% in Italy to 43% in Ireland, why females are overrepresented in the EU.

Once again, younger people were more mobile than older ones. Among the men who had worked abroad, 37.5% were aged 20 to 29 (the percentage for women was 39%). The percentage of those who had worked abroad and had a higher education was larger than the percentage of such people in the total cohort. Some respondents did not only work, but also studied abroad.

The dominant reason for working abroad was the chance to earn more money. Gaining experience was the second most often cited reason. Greater career opportunities outside of Latvia were one of the least important motivations for men and women alike. It is possible that those for whom this motivation was important simply have not returned to Latvia.

Wages were the dominant motivation in all age groups, but it was cited more often as a reason by respondents in the 30 to 44 age group. Another major motivation cited in this age group as opposed to other age groups was the inability to find work close to the respondent's home. Gaining experience and learning languages were more important motivations for respondents in the 20 to 29 age group (Krisjane et al., 2007).

Respondents reported working in more than 50 different countries. On average, 33% of respondents had worked in more than just one country. These were cited most often: Germany – 17.8% of those who had worked abroad, the UK – 17.6%; Russia – 11.1%;

⁵The Geographic Mobility of the Labour Force Nr. (VPD1/ESF/NVA/04/NP/3.1.5.1/0003)

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Ireland – 9.8%; Sweden – 8.6%; USA – 6.7%. Many of the respondents have worked in these countries before EU enlargement. The economic crisis has characterised migrants from different countries and migrants in various groups differently.

If the question was referring to the country in which the respondent would earn the most money, the largest number of respondents went to the UK, Ireland and the United States. Those who worked in Germany and Russia did so because they were sent there by their employers, found a job in their area of specialisation, and/or had better career opportunities (Krisjane et al., 2007). There are also slight differences in the chosen target countries when the regional origin of respondents is considered. Emigrants from the Latgale region, which has the highest unemployment level in the country and the lowest income level in the EU, and from the Zemgale region, with a pronounced specialisation in agriculture, have most often chosen the United Kingdom as their target country. Emigrants from the Vidzeme region have most often chosen Ireland, whereas respondents from the capital of Latvia have preferred the United Kingdom and Germany. Although Riga had a low level of unemployment before recession, and job vacancies existed, many inhabitants of Riga were dissatisfied with the low salaries. In many other towns and rural areas, there is a shortage of job openings and an inadequate choice of vacancies, as well as comparatively low income (Krisjane et al., 2009).

The greatest share of both, men and women worked abroad in agriculture. For men, the second most common occupation was in the construction industry, while for women it was care and *au pair* work (Krisjane et al., 2007).

In 2008, 58.6 % of those who moved abroad to find work had jobs in Latvia before their departure. The proportion of people who were unemployed at the time when they moved abroad was higher than in previous years. Asked where they had worked before their departure, people spoke of retailing (21.0%), construction (15.0%), transport (10.7%), and manufacturing (8.7%) (CSB, 2009). These are all areas in which the crisis has had a devastating effect.

Based on study results (Krisjane et al., 2007; Apsite, 2010) we could find the following main common characteristics (profile) for the Latvian emigrants after EU accession:

- Latvian migrants are mostly attracted by economic pull factors.
- The majority of out-migrants from Latvia belong to the young adult category of the population.
- Latvian migrants have medium skills level and were concentrated in relatively low-skilled sectors
- In all migrant groups there were persons who wanted to return to Latvia, but almost none of them could define time frame.

3 Nation-wide labour market and social development trends under the influence of emigration

3.1 Economic and labour market developments

Migration is exacerbating the problem of demographic change. Mostly young people dominate the group of emigrants (see ch.2.3). When people of working age emigrate to economically more developed countries, employers in Latvia find it more difficult to find the necessary specialists, and that is particularly true because wages in Latvia remain low in comparison to other European member states (for example, average gross annual earnings in Latvia is 7789 EUR, in comparison in the UK 37611 EUR) (Eurostat, 2012).

What has initially not been expected, but is becoming increasingly evident, is that migration has an impact on the Latvian labour market. Before the economic recession, a high level of unemployment in the country was accompanied by difficulties in finding workers in various professions: shop personnel, construction workers etc. Employers were forced to raise salaries at least to a level that ensures provision for families. This made Latvia less attractive to investors who were in favour of low labour costs (Eglite, Krisjane, 2009).

Since 2004, many highly skilled workers (IT specialists, health care specialists and physicians, young scientists) have left Latvia (University of Latvia, 2006/2007 41). During the last months of 2011 (for example BNS 2011) national newspapers and internet portals published a plenty of stories about highly qualified migrants like doctors, nurses who went abroad. Unfortunately, there are no exact numbers or evidence about emigration of these groups. Between 2009-2010, 477 have requested certificates for the recognition of diplomas of physicians (BNS, 2011a) 206 physicians from Latvia worked in the UK in 2011 (ABN, 2011).

Most emigrants already had gained professional working experience in Latvia, but work below their level of qualification which leads to major loss of human capital in Latvia (Eglite, Krisjane, 2009).

Remittances sent from abroad gradually raised from 229 million USD [183 million EUR] in 2004 up to 663 million USD [460 million EUR] in 2010 and were not sharply affected by economic recession. The share of remittances in GDP was quite stable, the maximum was reached in 2006 (2.4%). It went down during the recession period and the estimated rate for 2010 is 2.2% of GDP (World Bank, 2011).

Remittances sent from abroad are mostly spent on domestic consumption and, therefore, the impact of migrants' incomes seems to be of less significance to economic development. It has to be remarked that remittances do not seem to have strong effects on investment and entrepreneurship in the EU-10 economies as well in Latvia (Kaczmarczyk, Okolski, 2008; Dietz, 2009, Eglite, Krisjane, 2009).

This finding is also confirmed by the survey conducted by Krisjane, 2009: Two-thirds of those who went abroad said that their primary motivation was to earn more money. Most respondents (69%) spent their money earned abroad on everyday needs. 30.5% of respondents said that they invested in housing or renovating some property (Krisjane et al., 2009). 50% of them who went abroad sent money with a range between 20% and 80% of their salary back to Latvia. Women were more likely than men to remit part of their earnings.

Most of the money, approx. 80%, was sent to Latvia by women and men who are in the age of 35-44. (Eglite, Krisjane, 2009). Among potential migrants, 7-8% planned to use their earnings to open up their own business back home, but only 1% of those who had worked abroad actually did (Krisjane et al., 2007, 97).

3.2 Social security

Most often the United Kingdom (UK), Ireland and Germany are destination countries for emigrants. Recently, Norway has become an increasingly more popular destination for migration.

Since 1 May 2004, the application of social security schemes in Latvia like in other EU Member States has been coordinated by Regulation (EEC) No 1408/71 of the Council of 14 June 1971 on the application of social security schemes to employed persons and their families moving within the Community which has been replaced by Regulation (EC) No. 883/2004 in the case of EU Member States. The purpose of the Regulation is to ensure that employees crossing borders within the European Union are not in a more disadvantaged situation regarding their social security rights than if they had stayed in their home country. Norway, Lichtenstein, Iceland and Switzerland will apply Regulation No. 883/2004 after the conclusion of respective agreements with the EU on the application of the new legal acts. Until then competent institutions will continue to apply provisions of Regulation No. 1408/71 in respect of these countries.

To ensure the social protection of migrants to other than EU Member States and EEA countries, Latvia has concluded several bilateral social security agreements with those countries that have a large Latvian diasporas (USA, Canada, Australia, Russia, Byelorussia, Ukraine) (Ministry of Welfare, 2010a). According to the information provided by the representative of the State Social Insurance Agency (SSIA), there are however no estimates about the share of emigrants/returnees covered by bilateral agreements.

Social insurance benefits in destination countries are provided in compliance with laws applicable in these countries.

Upon their return to Latvia migrants may receive a pension if the total length of their working period corresponds to Latvian requirements concerning eligibility to pensions (insurance length is at least 10 years) and periods accomplished abroad (within the EEA) are taken into account according to the EU Regulation. Similar conditions apply to the receipt of the unemployment benefit in Latvia (insurance length is at least 1 year).

In 18 December 2007 an agreement was signed by the Republic of Latvia and the Russian Federation on cooperation in the area of social security. As of the 19th of January, 2011 the Agreement between the Republic of Latvia and the Russian Federation regarding cooperation within the field of social security has come into effect. The Agreement regulates a person's social insurance and entitlement to certain benefits such as the unemployment benefit or social security benefit, if the person goes to work to another country. However, the Agreements biggest influence is upon the pension sector. The Agreement expands the scope of people residing in Latvia who are entitled to receiving a pension for periods in Russia. Mainly it concerns Latvian non-citizens and Russian Federation (RF) citizens. Each country determines the insurance length according to its own legislation and grants the

pension only for its own periods of insurance. However, special provisions should be considered when defining an insurance length for periods until the 31st of December, 1990. The Agreement states that for employment or equivalent periods which have been accumulated within the territories of Latvia or Russia until the 31st of December, 1990, the pension is granted by the party in which the pension claimant is residing at the moment of the pension request. However, for employment or equivalent periods accumulated after the 1st of January, 1991, the pension is granted by the party in whose territory the period has been accumulated.⁶

Health care is residence-based and return migrants may thus receive state-guaranteed medical assistance like any other (legal) resident in Latvia. Without any pre-condition as regards the duration of residence.

The SSIA collects data on people who live in Latvia and receive pensions that have been calculated by applying the EU Regulation or bilateral agreements. In the second half of 2011, there were 5,037 individuals (EU MS plus Canada and the Ukraine) or 0.88% of the total number of old age pension beneficiaries⁷ who received pensions according to the EU regulation or bilateral agreements.

Differences emerge in the receipt of social insurance benefits where the level of benefits depends on the size and length of state social insurance contribution payments made in Latvia. The main problem that should be mentioned here is that usually individuals working in the UK, Ireland, Germany or Norway receive much higher wages than in Latvia. However, upon their return to Latvia (not having contribution period long enough for qualifying for pension abroad) when they request a pension, they are calculated by applying Latvian legislation. Old-age pension shall be granted to the person, who has reached the age of retirement and his pension rights arise taking into account the insurance periods in Latvia only or if it is necessary taking into account the insurance periods in other Member State. The pension shall be calculated, considering the accumulated pension capital in Latvia.⁸ As a result return migrants could receive very low pensions if the period that they have worked in Latvia, is short and the social insurance contribution payments that they have made are small, although they have been very high abroad.

3.3 Poverty and Social Exclusion

Poverty in Latvia is particularly gender-related. Single-parent families face the largest poverty risk, as do those families with children and where the mother is the breadwinner. As in the majority of cases the mother takes the responsibility for bringing up the children after parents' divorce, the feminisation of poverty emerges and children of single-parent families face increased poverty risks. It is important to note that for single women with children poverty can last a lifetime. This is related to low remuneration which affects the level of insurance

⁶ Implementation of the Agreement between the Republic of Latvia and the Russian Federation, available at <http://www.vsaa.lv/en/services/eu-and-intergovernmental-agreements/implementation-agreement-between-republic-latvia-and-russian-fed>

⁷ Information about pension receivers, available at www.csb.gov.lv

⁸ Grant of Pensions under Regulation (EC) No 883/2004, available at <http://www.vsaa.lv/en/services/eu-and-intergovernmental-agreements/eu-pensions/grant-pensions-under-regulation-ec-no-8832004>

payments and thus results in women receiving lower pensions. The average pension amount in 2010 was LVL 165.98 (236.17 EUR), while the average old age pension amount LVL 175.88 (250.25 EUR). In December 2010, the average old age pension for men was LVL 200.56 (together with the additional payment), for women LVL 174.92 (together with the additional payment) or 87.2% of the average old age pension amount for men.

According to the data of the EU-SILC survey, the most favourable economic situation could be observed in 2007 and 2008. In comparison to 2005 in 2007 the ratio of households incapable of paying utility bills, rental payments or loan repayments, i.e., that had been behind the payment schedule or had not made the above payments at least once in the course of the preceding 12 months, was almost two times lower. Likewise in 2007 there was a decrease in the ratio of households that could not afford, in financial terms, to keep their accommodation warm. With the beginning of the economic crisis the situation started to return to the level of 2005 or even became worse in respect of some indicators. In comparison to preceding years, in 2010, there was a significant increase in the ratio of households that could not afford to cover unplanned expenses. Likewise, in comparison with the preceding years, in 2010, there was an increase in the ratio of households incapable of covering other costs that characterise economic tension: utility bills, the rent or loan repayment, to maintain warmth in their accommodation, to spend a week per year at their own expense outside their home (i.e., to spend a week travelling, to spend a week at their holiday home, visiting friends or family etc.) as well as to afford having meat or fish at meals (or equivalent vegetarian meals) every second day. It shows that the economic situation of households in Latvia experienced only short-time improvement and it started to deteriorate again in 2009 and 2010 (CSB, 2011).

No assessment has been made in Latvia to analyse how emigration impacts on the development of poverty and social exclusion. However, there are separate research studies in the areas of migration, poverty and social exclusion that allow drawing certain conclusions (Broka, 2009; Indans et al., 2006). Initially (since the restoration of the independent statehood of Latvia in 1991 until the global financial and economic crisis in 2008) emigration "helped" to improve the material situation of part of families and to address poverty and social exclusion problems in Latvia as mostly it was one of the family members who left in search of employment and send money home to family members remaining in Latvia (Indans et al., 2006). Thus people had financial resources that were used for consumption, educational and health care services, the repairs of housing; loan interest payments etc (Indans et al., 2006). The economic crisis in Latvia generated a new situation when the whole family, including children went abroad in search of employment (Hazans, 2011; Apsite, 2010). According to estimates made by M.Hazans (2010) there is an increasing trend of families moving abroad but there is no official statistics available.

Unfortunately, it is very difficult to assess the linkage between emigration and inequality. It must be pointed out that inequality indicators such as the Gini coefficient, the income quintile share ratio (S80/S20) have remained stable and high or have even increased, in particular during 2006-2008. Since the accession of Latvia to the EU the Gini coefficient in Latvia is one of the highest or the highest among all EU member states. According to EU-SILC 2005, upon EU accession, the EU average of this indicator was 30.6 and in Latvia it reached 36.1. Inequality indices have remained high during the first decade of the century. According to EU-SILC 2009, the Gini coefficient in Latvia was 37.4 while the EU average was 30.4. Similar

development trends could be observed also concerning the income quintile share ratio (S80/S20): Since 2005, this indicator in Latvia has considerably exceeded the EU average (7.3 and 4.9 respectively in 2009) (see tables in annex). The growth of these indicators can be directly explained by changes in the economic situation when the growth of the employment rate, a low unemployment rate, a growing labour force demand promoted a rapid increase in incomes of specific categories of employees but increase of social transfers or social assistance payments were much more slower. Unfortunately the available data do not allow making an appropriate assessment of the impact of emigration on these figures.

4 Labour market and social development trends in net migration loss / gain regions

4.1 Identification of net migration loss / gain regions

The smallest territorial units in Latvia according to the European Classification of Statistical Territorial Units (NUTS, Level 3) are six statistical regions: Riga, Pieriga, Vidzeme, Kurzeme, Zemgale and Latgale (Figure 1). According to the 2002 Law on Regional Development as of 2003 the territory of Latvia is divided into five planning regions: Kurzeme Region, Latgale Region, Riga Region, Vidzeme Region and Zemgale Region. Planning regions are in line with the statistical regions except for the region of Riga that is divided into two statistical regions (Riga and Pieriga). There were 119 local governments in Latvia at the beginning of 2011 (Figure 2). The new administrative division of Latvia (since mid-2009) does not reflect the division of the state into urban and rural territories any more (VRAA, 2011). As a result of the new administrative territorial reform nine local governments in Latvia have the status of a republican city and the other 110 local governments are *novads* – some of them include towns with an urban infrastructure as well as rural surroundings. The *novads* local governments represent both, urban and rural territories.

Since independence of Latvia, the Latgale planning region, located in the Eastern part of Latvia, has been economically and socially less developed than other regions of Latvia. The number of population decreased from 422,311 in 1990 to 335,013 in 2011 (CSB, 2011) (see table 19). Provisional results of the Population and Housing Census 2011 show that the most notable reduction in the number of population, if compared to 2000, was recorded in Latgale (- 21.1%) (CSB, 2012).

Latgale is characterised by ethnic, cultural, religious and linguistic diversity and it has been determined by peculiarities of the historic development of the region. As concerns the issue of citizenship the situation in the region is comparatively homogeneous, 86% of the total population are Latvian citizens which is higher than in Riga (CSB, 2012). On the other hand, the Latvian language proficiency is lower in Latgale than in other regions, except for Riga. This generates problems of social integration and employability.

The Latgale planning region consists of 19 municipalities and 2 cities of national relevance (Daugavpils and Rezekne) (Latgale planning region, 2010). In Latgale's 2 largest cities are concentrated 41% of the whole region population (CSB, 2011). In 2010, the number of population in the Latgale planning region only constituted 15.1% of the total population in the country although it is the second largest region of Latvia in terms of territorial size.

The economic activity of the region is concentrated in Rezekne and Daugavpils. The level of business activity in the region is low, low-value-added sectors dominate the economic structure, and lack of developed infrastructure prevents the flow of investments to the region (University of Latvia, 2005).

In 2008, GDP in the Latgale planning region constituted 8.4% of the total national GDP while GDP per capita in LVL was 1.8 times lower than the national average. Likewise the income per household member in LVL in the Latgale planning region are at least 1.5 times lower than in the Riga region (CSB, 2011a).

4.2 Labour market development in net migration loss region

In the Latgale region a high unemployment level has a long history and considerably exceeds the national average as well as average unemployment indicators in other regions of Latvia. Particularly long-term unemployment is a major problem in Latgale. The high unemployment level is caused by underdeveloped business structure, low numbers of self-employment and insufficient traffic infrastructure. (Latgale planning region, 2010)

In 2007, the percentage of economically active people in Latgale who were looking for work was 8.0%, but in 2009, the number went up to 17.6% (CSB, 2010). Jobs were shed in the private and the public sector alike.

The registered unemployment rate in the Latgale region registered by the State Employment Agency is two times higher than the national average and was 21.8% on 31 January 2010. In several municipalities of the Latgale region the registered unemployment rate exceeds 25%. For comparison: in the Riga planning region the registered unemployment rate was 13.7%, in the Vidzeme planning region 18.6%, the Zemgale planning region 18.9%, the Kurzeme planning region 18.4%. Many of them are Russian people who cannot find jobs because their level of speaking Latvian is not sufficient (Latgale planning region 2010, VRAA, 2010).

The regional differences in unemployment rate according to the ILO methodology however, are less explicit. According to Central Statistical Agency Labour survey data, their percentage in Latgale in 2010 was 18.7% which is lower compared to e.g. Riga (21.5%). According to Krasnopjorovs⁹ (2011), regional differences in registered unemployment can thus be explained to reflect not the differences in the availability of labour but in the degree of motivation to register with the State Employment Agency (SEA). First, in the regions, the number of economically inactive population, i.e. able-bodied people that are unemployed but are not looking for work, is higher. Those who do not seek employment because of health or family reasons or have lost hope of finding may still be motivated to receive unemployed status from the SEA. Albeit they are not entitled to unemployment benefits because of the lack of previous social security payments, the status of registered unemployment increases their chances of receiving the status of poverty and becoming eligible for the guaranteed minimum income or social security benefit. Another incentive to register as unemployed are training measures provided by the State Employment Agency that include financial support that exceeds the state social security benefit and the guaranteed minimum income.

During the period of 2002-2008 the employment rate increased in all regions however, under the impact of the economic crisis in 2009 it fell rapidly. If during the period of 2002-2008 the average employment rate in Latvia increased from 60.5% to 68.6%, then in 2010 the average employment rate in Latvia fell to 59.3%. Similar development trends can be observed in employment rates in regions. In Riga the employment rate fell from 72.1% in 2008 to 61.1% in 2010 reaching the lowest level during the period of 2002-2010. In its turn, in the Latgale region where the employment rate was already lower by 8 percentage points lower than the national average, it has decreased from 64.7% in 2008 to 56.0% in 2010.

4.3 Poverty and social exclusion in net migration loss / gain regions

The economic development of Latgale region correlates with the level of poverty and social exclusion in this region. In Latgale the risk of poverty rate has always significantly exceeded the national average and other regions of Latvia. Whereas the average at risk of poverty rate in Latvia has fluctuated within the range of 19.5% to 25.7% between 2004 and 2009, in the same period this indicator fluctuated within the range of 33.8% to 42.2% in Latgale (CSB, 2011a).

The material deprivation rate provides a headcount of the number of people who cannot afford to pay their rent, mortgage or utility bills, keep their home adequately warm, meet unexpected expenses, eat meat or proteins regularly, go on holiday, or buy television, a fridge, a car or a telephone. The indicator measures the percentage of the population that cannot afford at least 3 of the 9 items quoted above. In 2007, 45% of Latvia population according to EU-SILC data could be considered as materially deprived (17% of the EU-27). The data of the EU-SILC surveys show that, material deprivation is more common than at risk of poverty in Latvia. In 2007, 76% of the poor population was material deprived compared to 36% of the population above the poverty threshold (EU-27 accordingly 40% and 12%) (EUROSTAT, 2010b). Data show that during the period of 2006-2008 the economic strain¹⁰ is much higher in Latgale than the Latvian average. This indicator for Latvia declined significantly from 74.0% in 2006 to 62.5% in 2008, while in Latgale region the decrease was much slower (changes from 78.7% in 2006 to 73.1% in 2008) (CSB 2011a, Annex, table 5).

In 2010, the most serious problems faced by households were their ability to cover unplanned expenses. The highest ratio of households incapable of covering unplanned expenses was in Latgale (85.5%) (CSB, 2011).

For example, in 2009 the Ministry of Education and Science coordinated decisions of 58 local governments on the closing of educational institutions and 85 decisions on the reorganisation of educational institutions (Ministry of Education and Sciences, 2010). The closing or merger of schools has affected the rural territories most of all. During the years 2009 and 2010 were

¹⁰ The economic strain is determined with several questions of EU-SILC questionnaire, in which the respondents were asked to evaluate if the household could afford to cover following expenses: meal with meat, chicken or fish every second day; one week annual holiday away from home; capacity to face unexpected expenses of 75 LVL from your resources within one month; to keep home adequately warm; arrears (mortgage or rent, utility bills or hire purchase installments). Households that answered negatively to at least two questions were considered to be dependent on economic strain.

closed 13 schools in Latgale. One of the problem issues is also ways how children get to school and home from school, in view of the fact that not all local governments can provide transport (school buses), the schedule of public transport is not adapted to needs of schoolchildren and the undertaken changes, likewise support to schoolchildren in covering public transport expenses has been reduced.

Local governments play a significant role in the implementation of the social policy. Local governments are responsible for the establishment of the system of social services, for educated social workers, for providing housing for orphans, ex-convicts as well as the payment of the apartment benefit to the low-income population. However, until now the development of the system of social services has been accompanied by the preservation of inequality and even its increase due to the differences in material resources at the disposal of local governments.

As social assistance provided by local governments is directly dependent on the available resources – the more affluent local governments – mostly the large cities in Latvia (in particular the capital – Riga) – provide a more extensive and diverse range of social services to groups of the population exposed to the social exclusion risk.

In 2010, households in Latgale experienced the worst housing conditions. This region has the highest ratio of housing without water closets (28.8%). 32.3% of households in Latgale have neither bathrooms nor showers. Likewise other indicators characterising the quality of housing (for example, sufficient lighting, the quality of roofs and ceilings, and the quality of the foundation of the house) in Latgale are the lowest in comparison to other regions of Latvia (CSB, 2011).

In 2010, Latgale still had the highest ratio of households (43.9%) where lack of money did not allow using at least one type of goods for long-term use (a telephone, a colour TV, a laundry machine or an automobile) (CSB, 2011).

The comparatively high heating and water supply tariffs constitute a disproportionately large part of expenses for inhabitants with low and average incomes.

5 Impact of migration on vulnerable groups

Although no research on the impact of migration on vulnerable groups has been undertaken in Latvia interviews with representatives of local governments, managers and employees of municipal social services as well as representatives of non-governmental organisations and involved ministries (Annex 1, table 22) provide a certain insight into these problems.

According to research findings (SKDS, 2005), 29% of the population believe that emigration is the cause for the breakdown of families; children are forced to grow up alone without one or both parents. As a result of migration it is mostly the elderly who remain in rural areas.

5.1 Women

According to the interviewed experts (social workers, NGO representative, government official, see Annex 1, table 21) women mostly stay at home with the children. In this case the workload at home for women increases to a considerable degree as in most cases fathers of

large families with many children (three and more children) seek employment abroad. Researchers have come to the conclusion that in the event of the migration of one of the parents the majority of children stay with the mother, less frequently – with grandparents and a comparatively small proportion of children stay with more distant relatives, friends or acquaintances (Karičerta, 2006; Broka 2009). It must be emphasized that there has been an increase in the number of children who have been provided out of family care (for example, guardianship). The personnel of custody courts recognise that often children remain without any legal representation or one of the parents does not take care of the child (an interview with the personnel of custody courts, 2011; Broka, 2009). A full assessment of the situation requires updated accurate statistics on this phenomenon which is currently not available (Broka, 2011, 94).

Interviewed experts point out that the main problem in such families is that the husband's long-term absence causes instability in the family and there are cases mentioned where families break up and the woman is left alone with her children. The jeopardy of family break-up leads to the decision of many women to follow their husbands with their children to preserve the family, in particular if the husband has found a sufficiently stable and well-paid job.

5.2 Children

Unfortunately, there are no research studies and no administrative data about the number of children in Latvia whose parents – either one of the parents or both – have left to work abroad. Although “The Plan for the improvement of the situation of those children whose parents have gone abroad”¹¹ stipulated that one of the tasks would be to establish adequate statistics, this task still was not accomplished. Programme coordinators recognised themselves in the Informative report that the required financial resources were not allocated for the implementation of the programme, and there was insufficient cooperation among public agencies, local governments and other involved parties. (Ministry of Children and Family Affairs, 2009)

However, the interviewed experts (social workers, NGO representative, government official, see Annex 1, table 21) recognise that the number of children with one or both parents abroad is sufficiently high and it is possible to speak rather about thousands than hundreds of children who encounter this phenomenon. The manager of a municipal social service in the Latgale region (*Balvi* district) (in 2010 the number of the population in the local government amounted to ~15.6 thousand) pointed out that in the given local government the number of children left behind by one/two emigrating parents according their approximate estimation exceeded 100.

Data collated by the Education Quality State Service (EQSS) show that in Latvia in the 2010/2011 study year school was not attended by 11,327 schoolchildren or approximately 5% of children of the compulsory schooling age because they have not been registered with any educational institution. Among them 5,646 children have left the country and there is no

¹¹ Prepared by the Ministry of Welfare of the Republic of Latvia, accepted by the government in 2006. The Plan will be discussed in detail in Sub-chapter 6.4.

information about 4,484 children at all. Governmental officials from the Ministry of Education and Science assume that children who do not attend school might be those children whose parents have left to work abroad, while part of the children about whom there is no information, could have left the country together with their families.

Interviewed representatives of local governments and social services emphasize that these problems are typical not only for those families where families have left to work abroad but also for those families where one or both parents have gone to work in other regions of Latvia (mostly in the capital, Riga and the Pieriga region). In the latter case the separation of children and parents is not so long and it is possible to identify problems and to seek solutions at an earlier stage.

Social workers (see Annex 1, table 22) express their concern that long separation from parents may have a negative impact on the socialisation of children in the family and the development of an adverse notion about the family model as well as obstruct the acquisition of the social role of the father or the mother in future.

The interviewed experts failed to mention any single case where children had returned to Latvia together with their parents, thus it is not possible to assess problems at school that children might face upon their return.

5.3 Elderly

The interviewed experts (social workers, NGO representative, government official, researcher, see Annex 1, table 21) point out that in Latvia neither local governments nor public agencies collate information on how many elderly people live without support by their emigrated children. Neither is clear how many elderly receive financial support by their children even though it might change the allocation of social assistance provided by municipal social services..

When grandparents take care of their grandchildren the additional workload and responsibility enhance the risk of various illnesses and further aggravate the existing health problems. In those families where emigrated children provide support to their parents there are fewer problems as their material situation is better and there are more possibilities of covering food, housing and health care costs. The main difficulties are caused by the fact that in the case of an aggravation of their health problems old people cannot rely on the support and care of their relatives. Those who can afford it can privately pay for this service while others have to apply for assistance to the municipal social services (social workers, see Annex 1, table 21).

As stated in chapter 2, in particular in rural areas emigration influences the ageing of the population and accordingly the structure and range of services provided by local governments. Representatives of municipalities and social services stated in interviews that it is mostly pensioners who stay in rural areas special services are not developed. Interviewed experts from local governments say: "Rural areas age and life gradually fades out in those places where there are no families with children".

5.4 Roma

The group of Roma is one of the oldest minorities in Latvia and according to the official data of the CBS at the beginning of 2010, 8,558 persons of Roma ethnicity resided in Latvia (CSB, 2011a) constituting 0.4% of the total number of the population in Latvia. However, representatives of Roma organisations maintain that their number is two times higher, namely, approximately 15,000 of whom about 10,000 people have left the country over the recent years seeking employment abroad.¹² The majority of Roma reside in the Riga region and the Kurzeme region. In socio-economic terms their living conditions lag far behind those of the majority population. The distance between Roma and any other national minorities, in terms of life opportunities, is daunting, and calls for more effective multi-cultural and anti-discriminatory policies. This is especially the case for two key domains, namely education and employment (European Parliament, 2008). One should agree that in Latvia like in the EU, the Roma situation in the labour market is determined not only by their educational level and the level of knowledge and skills, prejudices of the society but likewise by Roma traditions and their understanding of the role of the woman in the family, “the high inactivity and unemployment rates are a cause of great dependency on social welfare benefits” (European Parliament, 2008).

Although very little data is available on Roma employment, research data (Latvian Centre for Human Rights and Ethnic Studies, 2003) show that not more than 5-10% of Roma are officially employed and very few Roma are unofficially employed. Although their Latvian language proficiency is rather good, low educational attainment and existing public stereotypes in many instances prevent them from getting even unskilled jobs” (Latvian Centre for Human Rights, 2008).

As the data of the Labour Force Survey do not allow making conclusions about the employment of Roma (due to the small number of Roma people and the size of the sample), still data on registered unemployment collated by the State Employment Agency (SEA) provides a certain insight into the situation of the Roma. In May 2010, 938 persons of the Roma ethnic group had registered as unemployed with the SEA. There are more women than men among the registered Roma unemployed (59.2% and 40.8% respectively). Still it must be pointed out that only a small part of the Roma who are unemployed, register as unemployed; as it has already been indicated above, only a small part of the Roma population had employment before the crisis.

In the research study “Specific Problems of the Labour Market in Latvia and its Regions”¹³ employers recognised that Roma was the ethnic group that suffered the most from stereotypes and prejudices among the society including employers which leads to considerable discrimination in the labour market. It is disturbing that in the survey of this research 18.7% of employers have stated that they will definitely not employ Roma. No one of employers mentioned that Roma had problems with the Latvian language proficiency; the

¹² Marked Identity, available at http://www.politika.lv/temas/sabiedribas_integracija/iezimeta_identitate/

¹³ Latvian Agricultural University, the University of Daugavpils, Riga Stradins University, Ventspils University College, Vidzeme University College, “Specific Problems of the Labour Market of Latvia and its Regions”, Jelgava 2007, available at: http://www.lm.gov.lv/upload/darba_tirgus/darba_tirgus/petijumi/specific_problems.pdf.

fact that the person belongs to this ethnic group constitutes sufficient grounds not to employ the person (Latvian Agricultural University et al., 2007).

Unfortunately, no specific data are available on Roma emigration and returnees. However, during the interviews, experts (social workers, NGO representative, researcher, see Annex 1, table 22) pointed out that emigration trends were similar to those of Latvians and other ethnic groups. The Roma encounter the same difficulties as groups of the population described above, mostly younger people, in particular men, leave the country in search of employment abroad while women or grandparents take care of the children. In view of the negative stereotypes and the discriminatory treatment upon their return, Roma might find it even more difficult to find jobs in the current conditions.

5.5 Other ethnic and religious vulnerable communities

According to research data before the economic crisis, the unemployment gap between ethnic Latvian and ethnic non-Latvian population (Russians, Ukrainians, Byelorussians, Poles, etc.) has narrowed. However, data of the LFS (unpublished data provided by CSB) show that in the situation of the crisis the unemployment rate among other nationalities had grown more rapidly than among Latvians, likewise there has been a slight increase in the unemployment gap. Thus, for example, if in 2008 the unemployment rate among Latvians was 6.2%, then in 2009 it had grown to 14.9%, while it has grown from 9.5% to 19.9% among respondents of other ethnic groups. It gives grounds to conclude that minorities are at a more serious unemployment risk than ethnic Latvians. As indicated in the research, the proportion of minorities among the registered unemployed was about 46% in the beginning of 2008, increased to 47.5% by the end of 2008/Q3, but returned to the pre-crisis level a year later. Given that the proportion of non-Latvians in the labour force was just 40.4% according to the 2008 LFS, this confirms that non-Latvians face a somewhat higher unemployment risk than ethnic Latvians and that the initial stage of the crisis was particularly unfavourable for minorities (Muiznieks, 2010).

The interviewed experts have pointed out that the various ethnic groups and the titular nation (Latvians) face similar problems that practically do not differ. In Latvia there are no religious communities who are particularly affected by emigration.

6 Policy responses

6.1 Encouragement of circular migration

There are no any bilateral agreements with host countries targeted at encouraging circular migration. There are no any policies and measures which promote the mobility of skilled workers. The migration of skilled workers takes place at the level of international companies and it depends on the policy of the specific company and the specific character of its business.

Political support to co-operation with the Latvian diaspora has been expressed already since 1995. Support to Latvians residing abroad, the strengthening of the links with Latvia in the cultural, political and economic environment has been listed as a priority in various policy

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

planning documents and in the declaration on the activities intended by the Cabinet of Ministers; it has also been identified as one of the Latvian foreign policy areas.

The necessity of formulating a programme for the support of the Latvian diaspora was emphasized already in the document “Basic Directions of the Foreign Policy of the Republic of Latvia until 2005”¹⁴. Co-operation with fellow countrymen abroad was one of the priorities of the Latvian integration policy that was emphasized in the National Programme “Integration of the Society in Latvia”¹⁵. Subsequently the Programme “For the Support of the Latvian Diaspora for the period of 2004-2009” (hereinafter: the Programme) was drafted and approved by Cabinet Order No.738 in 5 October 2004.

The Programme was focused on representatives of the Latvian diaspora, their societies and organisations. The goal of activities included in the Programme was as follows:

- Implementation of activities to preserve and develop the ethnic, linguistic, cultural identity and religious affiliation of representatives of the Latvian diaspora.
- Provision of the accessibility of information about the Latvian diaspora and its upgrading.
- Strengthening and maintaining of regular contacts between representatives of the Latvian diaspora, their societies, associations and centres with Latvia.
- Advertising of Latvian culture, traditions and art as an essential component of the image of Latvia abroad.
- Provision of inter-institutional cooperation for the support of the Latvian diaspora.

During the period of 2004-2009 state subsidies have been allocated within the frame of the Programme in the amount of LVL 370,360.68 (EUR 526.975.77)¹⁶ to support 47 different NGOs of the Latvian diaspora. During the same period NGOs of the Latvian diaspora have implemented 190 projects within the frame of the Diaspora Programme that have been focused on preserving the ethnic identity, strengthening links of Latvians abroad with their ethnic homeland, the preservation of the language and the cultural heritage and traditions etc. (Ministry of Justice, Report on the implementation of the Programme “For the Support of the Latvian Diaspora for the period of 2004-2009” in 2009).

The Programme has supported the formulation, improvement and upgrading of several information portals and information materials to promote the information flow on various topical issues inside the diaspora in a specific country as well as between Latvia and the diaspora in various countries.

Within the frame of the Programme, a comparatively significant support has been provided to the improvement of the knowledge of the Latvian language of representatives of the diaspora ensuring the work of Latvian language teachers in Russia, Belarus and Ireland. Teachers who work in the diaspora, take care not only of the learning and preservation of the Latvian language but also of retaining Latvian folk art skills and traditions by organising cultural and

¹⁴ Approved by the Saeima (Parliament) of the Republic of Latvia in 7 April 1995.

¹⁵ Approved by the Cabinet of Ministers in 6 February 2001.

¹⁶ 1 EUR = 0.702804 LVL.

folklore events (ĪUMSILS, BĢLM, 2004-2008). According to the assessment of specialists from responsible ministries involved in the implementation of the Programme, during the implementation period the main objective has been achieved, the links between the Latvian diaspora and Latvia as well as the feeling of affiliation to their ethnic homeland have been strengthened (Ministry of Justice, 2009, 17-19). No other independent assessments of the impact generated by the Programme have been made.

Unfortunately, no new programme has been formulated for the support of the Latvian diaspora due to the economic crisis, namely, lack of financial resources.

It seems that the economic crisis will have an impact on the diaspora and diaspora's policy in several ways. Firstly, it is very likely that the Latvian diaspora in Western countries will grow as new emigrants going abroad trying to find solution from growing unemployment and decrease of living standard in Latvia. Secondly, due to austerity measures the government will not be able to assign financial or human resources for the implementation of the diaspora policy. At the same time low awareness level of society about diaspora as resource of Latvia will not change but this in turn increases the risk that Latvia as before will continue the insufficient use of Latvian diaspora diplomatic, economic, political and cultural potential (University of Latvia, 2009, 127).

6.2 Encouragement of return migration and support of integration of returnees

The issue of the necessity of specific action to stimulate the return of Latvian residents, who had emigrated, was raised in 2006 for the first time on the political agenda. In September 2006, a Protocol of Intent was signed on the establishment of a model of public and private partnership to stimulate the return of Latvian residents who had left the country seeking employment abroad. The Protocol was signed by the Minister of Special Assignment in Social Integration Affairs (ĪUMSILS), the representative of the World Association of Free Latvians, the representative of the Board of the European Association of Latvians, the representative of the Board of the Latvian Association for Latvians in Ireland¹⁷.

To implement the aim of the Protocol of Intent, an informative report was formulated on the required action aimed at the improvement of living and working conditions in Latvia and activities attracting migrants to return to Latvia. The following long-term priorities were emphasized to reduce the exodus of Latvian residents in search of employment and to stimulate their return:

- 1) Ensuring the accessibility of housing for the population, in particular families with children;
- 2) Development of regions, providing the infrastructure required for the employment of the population and needs of children and families;
- 3) Development of the culture of labour relations;
- 4) Review of the taxation and benefit system with the purpose of improving the welfare level of families with children;

¹⁷ www.latviesi.com; www.latviansonline.com; www.baltic-ireland.ie; www.latvianusa.com

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

- 5) Reduction of the red tape for positive initiatives in business, agriculture, civic society as well as in addressing social problems of individuals and their family members.

The aforementioned informative report that was submitted by the responsible ministry (ĪUMSILS) according to the protocol decision of the Cabinet meeting in 10 June 2008 was accepted and the ministry was entrusted with the following tasks:

- 1) To submit the Action Plan for 2008-2012 “On measures to Reduce the Emigration of Latvian Residents in Search of Employment Abroad and to Stimulate Their Return” to the Cabinet of Ministers by 1 October 2008;
- 2) To draft amendments to the Law on Citizenship concerning the legal regulation of double citizenship, taking into consideration needs of fellow countrymen residing abroad;
- 3) To undertake a survey on countries that are most interested in the repatriation of Latvian countrymen. To provide information on repatriation possibilities in countries with a large Latvian diaspora.

Unfortunately, due to the re-organisation of the ministry and staff cuts the Action Plan was not formulated and it is not clear if political discussions are going to continue in this direction.

To enable Latvian youths living abroad to get acquainted with possibilities of working and living in Latvia thus stimulating their potential return to their ethnic homeland, in the summer of 2007 and 2008 the Minister of Special Assignment in Social Integration Affairs implemented a summer employment pilot project (“Do you want a challenge? – apply to the summer employment programme Latvia!”) in cooperation with the Ministry of Welfare, the Employment State Agency and the Ministry of Education and Science that was intended for youths of Latvian origin living abroad who would like to work during their summer holidays in Latvia. A total of 11 youths from Russia, Canada, Sweden, Australia and the USA participated in the pilot project using the opportunity of practice at various enterprises and institutions in Latvia working in the sectors of chemistry, architecture, public relations and tourism¹⁸. Considering the small scale of projects and very limited number of target group involved there is no possibility to speak about notable impact of these projects.

In view of the fact that many Latvian residents have left the country in search of employment abroad or they stay permanently abroad due to other reasons, in the recent years the issue of possibilities to acquire double citizenship has become topical.

According to the most recent statistics collated by the Office of Citizenship and Migration Affairs (OCMA) by 1 July 1995 the Population Register had collected data on 20,636 Latvian citizens residing abroad who had emigrated and settled down in another country trying to escape the occupation by the USSR and Germany during and after WW II. During emigration the majority of these citizens had been granted the citizenship of the respective country and as they had registered in Latvia by 1 July 1995 they were granted the possibility of retaining both citizenships. If the person wanted to register double citizenship after the given date, the

¹⁸ The informative report “On the Plan of Activities for the Implementation of the Summer Employment for Youths of Latvian Origin Living Abroad”.

person had to choose which citizenship the person wanted to retain – the Latvian citizenship or the citizenship of the other country. The Population Register contains data on more than 20,000 Latvians in emigration and more than 1,300 children who have a possibility of registering or who have already registered double citizenship according to the provisions of the Law on Citizenship, the Latvian citizenship as well as the citizenship of another country (allowed double citizenship only to such countries as USA, Canada, Australia due to WW II).

The Population Register also contains data on 1,305 children who have both the Latvian citizenship/ or the citizenship of another country. Mostly these are children born during the recent years abroad or born in mixed families where at least one of the parents is a Latvian citizen. Parents of these children have chosen to give their children the Latvian citizenship as well as the citizenship of the other parent or the citizenship of their domicile country.

Draft amendments to the Law on Citizenship are reviewed by the Saeima (Parliament) so that double citizenship could be acquired by children of Latvian citizens born abroad, Latvian expatriates as well as Latvian citizens who have moved to live in other countries. According to the submitted proposals it will be possible to acquire double citizenship for those Latvian citizens who have received the citizenship of another EU member state, a member state of the **European Free Trade Association** or the North Atlantic Treaty Organisation as well as those Latvian citizens who have received the citizenship of a country which has concluded an international agreement with Latvia on the recognition of double citizenship.

There are no special support measures (vocational guidance and counselling, specific active labour market measures, etc.) aimed at integrating returning migrants and their family members into the labour market. Returning migrants and their family members may use the same measures that have been provided for Latvian citizens and permanent residents in compliance with the procedure prescribed by law. Unfortunately, no support measures have been developed in Latvia that would be aimed at social re-integration (housing, social services, grants etc.) or support measures aimed at supporting returning children to reintegrate into education.

The procedure that exists in Latvia allow the validation of formal qualifications acquired abroad, however, until now the recognition of informal learning skills acquired in Latvia has not been established at the national level. Thus there is no mechanism how informal learning skills and knowledge acquired abroad could be recognised in Latvia.

Unfortunately, in the course of preparing the report no information was available on the extent to which host countries encourage/support return migration.

6.3 Development of net migration loss/gain regions (incl. assessment of SF use)

Several programmes have existed already for many years for the reduction of the disproportional development of regions in Latvia (for example, the National Investment Programme, the Action Programme for 2007-2013 “Infrastructure and services”) as well as various financial support mechanisms (special purpose grants for local governments and regions requiring special support (*īpaši atbalstāmie reģioni*), local government financial equalization fund) that are related to the resolution of social economic problems of specific local governments and are aimed at reducing regional differences.

Irrespective of the fact that this issue has been on the political agenda since the restoration of the independence of Latvia in 1991 and the budget has been formulated for programmes financed by local governments as well as foreign countries, still no significant results have been achieved. In the course of time regional differences have become only more pronounced.

Problems of the migration loss region (the Latgale planning region) (see chapter 4) have remained unchanged. It can be said that against the background of the development in other regions and due to the economic crisis they have become even more aggravated.

As a result of internal migration such problems as housing accessibility and affordability have become more acute **in the migration gain region** (the Riga region, Pieriga). However, there is no special government programme for the resolution of these problems. The resolution of the housing problems is, in actual fact, left to local governments and it depends on the financial possibilities of each local government.

Likewise a range of programmes has been formulated for rural development that has been financed by the state and by foreign financial instruments (for example, ISPA, SAPARD, EU Structural Funds etc). They have been mostly focused on the development of farms, the promotion of rural tourism, support to local businessmen, the improvement of the environment and the rural landscape etc. Still it is not possible to conclude that these programmes have significantly changed trends in internal and external migration.

6.4 Support to vulnerable groups related to migration (incl. assessment of SF use)

Until now the social inclusion and poverty reduction policy in Latvia has not been related to trend in emigration and there is a very restricted set of policy measures focused on the prevention or alleviation of problems caused by emigration.

In fact, only one policy programme can be mentioned that has been adopted at the national level. As mentioned earlier, migration of the labour force has given rise to a new problem in Latvia – children whose parents have gone abroad and who have been left without parental oversight. In order to find solutions for this problem, a Plan for the improvement of the situation of those children whose parents have gone abroad and for the restricting of the spreading of social exclusion was formulated and approved by the government for the period of 2006-2009. The main targets in the given Plan were as follows: 1) the improvement of the cooperation of involved institutions; b) the provision of education; c) the improvement of employment possibilities for parents in Latvia; d) the provision of increased support to families and children in crisis situations.

As main actions in the Plan were defined: An assessment of the situation of children whose parents have gone abroad and who have been left without parental oversight, development of institutional co-operation mechanism in the area of children rights protection; support of children during the education process (day schooling, consultations of psychologists in the schools, education of social pedagogues to work with those children etc.), support to families with children in crises situation (including development of families support networks in municipalities).

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

According to the evaluation (Ministry of Children and Family Affairs, 2009) given by the representatives of the responsible ministry the efficiency of the Plan was reduced due to significant number of unfulfilled measures. Unfortunately, the planned measures did not give any noticeable investment in addressing the above problem as due to the crisis the state funding was significantly reduced and several institutions involved in the formulation and implementation of the plan underwent reorganization. Policy measures haven't been implemented mostly due to lack of funding and insufficient co-ordination among involved institutions. No new plan was formulated upon the expiry of the operational period of the plan in 2009.

Researchers pointed out that in view of the increase in the number of people who have gone abroad, the Order of the Cabinet of Ministers No. 655 "On Plan for the Improvement of the Situation of Children Whose Parents have Gone Abroad and for the Restriction of the Spreading of Social Exclusion for 2006-2009" remains topical even although it has been stated in the Report of the Ministry of Welfare of the Republic of Latvia that the plan has lost its topicality as the period of the planning document has expired.

The policy document "Basic Guidelines of the Family State Policy for the 2011-2017" lists several measures concerning children whose parents work abroad: the formulation of methodological recommendations for custody courts concerning inter-state cooperation on issues related to the protection of children's rights; the provision of the support of teachers' assistants to children who find it difficult to participate in the common study process; the enhancement of the role of psychologists in the process of studies and upbringing (Cabinet of Ministers of the Republic of Latvia, 2011). In its turn, the draft Action Plan for the Implementation of the Basic Guidelines for 2011-2013 formulated by the Ministry of Welfare of the Republic of Latvia includes only the assessment of the situation concerning the necessity of introducing support measures for children whose parents fail to provide them with required care. (Broka, 2011, 93)

Taking into account serious problems of Roma population, the National Programme „The Roma in Latvia” for 2007–2009 was approved by the government. The Programme intended to create particular possibilities in the area of education to enable representatives of the Roma community to improve their educational level and to develop the application of principles of inclusive education in the system of general education. The main tasks identified in the area of employment were to reduce employment in the Roma community and to promote the dialogue between representatives of the Roma community and employers and other institutions involved in the process of employment to stimulate the Roma integration into the Latvian labour market. In the area of human rights the Programme planned to promote tolerance and the decline of negative stereotypes and prejudices against the Roma community in the Latvian society; to promote the development of the culture of the Latvian Roma community and the preservation of their ethnic identity as well as activities for the participation of the Latvian Roma NGOs in the civic society; to collate statistical and information data on the situation of the Roma in areas of education, employment and human rights. According to the Programme the funding required for the implementation of activities contained in the Programme was as follows: in 2007 - LVL 81 007, in 2008 – LVL 137 139 and in 2009 – LVL 125 274. On the whole, the funding allocated by the national budget for the implementation of the Action Plan of the Programme was: in 2007 - LVL 53 755 or 66% of the projected funding, in 2008 – LVL 49 280 or 36% and in 2009 – LVL 21 172.52 or 17%

of the projected funding. The availability of funding has had a direct impact on the implementation of policy measures, namely, only part of these measures have been implemented while the implementation of separate policy measures has not even begun. The greatest progress can be observed in the implementation of policy measures planned in the area of education while in the area of employment not a single measure of those provided by the Programme has been implemented in the period of three years. (Lace, 2011, 20-21)

It is essential that employment options of the Roma are stimulated alongside with work on the improvement of their educational level to reduce the unemployment rate among the Roma capable of work and thus diminishing their dependence on social assistance benefits. The Ministry of Welfare and the State Employment Agency should developed such active employment measures that would take into consideration existing problems that obstruct the participation of the unemployed Roma and Roma jobseekers in the current active employment measures provided by the SEA. At the same time more attention should be paid to the education and information of employers and employees to reduce stereotypes and prejudices prevailing in the society against representatives of the Roma community thus reducing their discrimination in the labour market. (Lace, 2011, 30)

In 2009, the government approved the Social Security Network Strategy (hereinafter: the Strategy) with the aim of implementing a set of extraordinary security measures which upon their implementation would reduce the negative social impact of the crisis. The implementation of the Strategy has started. Measures planned within the frame of the Strategy in the area of welfare are as follows:

- Raising of the guaranteed minimum income (GMI) level;
- Co-financing of the state provided to local governments to ensure the payment of the GMI and the apartment benefit;
- Accessibility of health care services for the poor population;
- Implementation of the active employment policy “Work practice with stipends at local governments”.

According to the Strategy as of 1 October 2009 the GMI level was raised from EUR 52.6 (LVL 37) to EUR 64 (LVL 45) for a child and to EUR 56.9 (LVL 40) for adults. Alongside with the raising of the GMI level there was an increase in local government expenditures for the payment of the GMI benefit. The state started to co-finance expenditures on the payment of the GMI benefit as well as the apartment benefit to ensure that no inhabitant was denied the GMI benefit or its payment was not postponed and that local governments had sufficient funds for the payment of the GMI benefit.

Another fact that should be mentioned is that upon the beginning of the decline of the economic activity already at the end of 2008 the Law on Social Services and Social Assistance was reviewed and the norm was cancelled that prescribed that the GMI benefit could be paid only for nine months in a calendar year. Currently the period of the receipt of the GMI benefit is not limited, however, there is a condition for applicants that once in three or six months they have to apply again to the municipal social service and again fill out a declaration of their means of sustenance to receive social assistance for a specific period. As of 1 October 2009 the state covers 50% of the local government funds spent on the benefit to ensure the GMI level and 20% of the local government funds expended on the apartment

benefit. In view of the fact that local governments spend a considerable portion of financial resources (55.8% of resources expended in 2009) on the payment of other social assistance benefits that are not always targeted on providing assistance to people with lower incomes, the Law on Social Services and Social Assistance was amended providing that as of 1 December 2009 local governments could pay social assistance benefits only upon the assessment of the income of the family (the individual) and only to satisfy the basic needs (food, clothing, housing, health care, compulsory education).

In the area of health the patient's contribution and co-payment for poor persons and persons with low incomes as well as the whole service required by the patient are compensated for. These individuals are provided the payment for health care services provided by one-day hospitals as well as for the stay at "hospital hotels". In addition the patient's co-payment is covered for poor persons and persons whose income does not exceed EUR 170.7 (LVL 120) when medical products are purchased within the frame of the reimbursement system.

Within the frame of the Strategy in the conditions of the economic crisis in 2009 special employment promotion measures were started with the support of the European Social Fund.

The implementation of a new active employment measure "Work Practice with a Scholarship" has been started in September 2009. Support will be provided within the frame of the activity to those unemployed who do not receive any unemployment benefit (on September 2010, 71.3% of unemployed (Ministry of Welfare, 2010c), however, they are ready to participate in the working practice in the local government by performing various work tasks of physical nature and useful for the community, receiving respectively a scholarship in the amount of EUR 142 or LVL 100 (that constitutes 80% of the minimum net monthly salary). However, it must be noted that the main purpose of this activity is a minimal compensation of the loss of incomes to the unemployed in the conditions of the serious economic crisis, thus the measure is focused on providing a support of social character to the unemployed who find themselves in the most disadvantaged situation in the condition of the crisis, who at present have no possibilities of finding employment as well as those who have some specific difficulties in finding a job independently on the traditional labour market (public as well as private) at the same time activating people who are unemployed, to promote their integration into the labour market as soon as possible.

In September 2009, the implementation of another active employment policy has started to support employees in the conditions of the downtime of enterprises. The policy includes training for individuals exposed to the unemployment risk and currently employed by applying the training coupon (money follows the person), at the same time allocating a scholarship in the amount of EUR 99.6 or LVL 70 during the training period. The implementation of the measure promotes the improvement of the competitiveness of employees exposed to the unemployment risk at the same time reducing the person's unemployment risk. In October 2009, a decision was taken to provide an opportunity to receive the coupon for acquiring vocational profession also to those employees who work full time. Individuals employed at private enterprises who work the regular working hours, will have the opportunity to study in programmes of informal and formal education as well as to acquire vocational education. Preference for participation in the measure will be given to those employees who are more exposed to the unemployment risk. (Ministry of Welfare, 2010c)

It must be pointed out that social inclusion measures (including social services) are not specifically targeted on vulnerable groups affected by migration but on risk groups in general.

7 Key challenges and policy suggestions

7.1. Key challenges of the social impact of emigration and internal migration

Main challenges encountered in Latvia as a result of emigration and internal migration is the departure of the qualified labour force of working age including families with children. Migration of Latvians since joining EU involves both extensive emigration and a concentration of population in the central part of the country.

Migration has caused the aggravation of problems as depopulation and ageing of the society in Latvia. The emigration of young working-age people reduces the likelihood of population regeneration, which leads to lack of labour supply in the future. The demographic burden (pensioners per working population) is exacerbated, and this limits opportunities for overall improvements of welfare in Latvia.

Emigration of the labour force at the national level will, predictably, have a negative impact in the medium and long term on such sectors as employment, social assistance, and social insurance, social and health care. The decrease in the number of taxpayers and the decrease in tax revenues in the country pose a threat for the development and sustainability of the social security system, i.e., restricting possibilities of maintaining pension and benefit amounts, possibilities of expanding the current social security and social guarantees etc.

It is particularly evident in migration loss regions as migration deepens the uneven regional development and increases regional differences.

As regional differences increase and the structure of the population and the labour force undergoes changes due to the impact of internal and external migration, the risk of poverty and social exclusion increases for the population still remaining in the rural territories, in particular in migration loss regions.

Another pronounced trend is that in the migration loss regions the elderly constitute the largest proportion of inhabitants. Such an age structure of the population has a direct impact on the range of services provided by local governments and further development possibilities, namely, local governments try to provide only the most necessary services to the elderly; the development of new services and jobs and their accessibility in the future is jeopardized.

Another set of problems that have arisen in Latvia due to migration are difficulties of children and families where one or both parents have gone to work abroad or in other regions of Latvia. Children encounter such problems as absence from school or failure to attend school, the deterioration of their academic success, behaviour problems, offences, and the development of addictions or their aggravation due to lack of attention. In their turn, families are exposed to a higher risk of instability and even breakdown of the family.

For Latvia to be capable of developing and seeking appropriate solutions for the above mentioned problems, a significant challenge that should be met is the promotion of return

migration as till now there is lack of both legal and practical support to encourage return migration.

7.2 Policies to be taken by different actors

The main problem that should be addressed at the national level is the definition and formulation of the migration policy and its priorities. Although there have been several initiatives related to migration problems in Latvia, still their development or implementation has been terminated due to a lack of political will or due to constrained financial resources in particular during the crisis.

One of the essential tasks to identify the actual scale of the problem and to plan adequate measures is the establishment of a system for monitoring migration processes.

In order to support cooperation with the Latvian Diaspora abroad, in particular in those countries with the highest numbers of emigrants from Latvia, it would be necessary at the national level to ensure that regular contacts are maintained and that there is information exchange and contacts among various Diaspora organisations abroad and in Latvia. The political interest at the national level about inhabitants who have emigrated might serve as an additional motivating factor for return migration. It also would be necessary to consider changes in the Citizenship Law to allow dual citizenship of children born abroad for the case their parents, citizens of Latvia, want to return to Latvia. In this context, taking into consideration the scale of emigration, work should be resumed on the formulation and implementation of the Action Plan on Measures to Reduce the Emigration of Latvian Residents in Search of Employment Abroad and to Stimulate Their Return, involving representatives of the Diaspora in the formulation of the given plan.

As coordination of different stakeholders solving problems related with migration issues has been weak in Latvia until now, the establishment of a special agency to promote return migration would be useful. The agency could include regional and local branches to support effective re-integration upon return. Among the tasks of the agency would be the distribution of information about return opportunities, employment possibilities, wages, etc. in Latvia via websites and social networks maintained with the diaspora abroad as well as individualised support for re-integration into the labour market, for launching businesses and for re-integration into the education system, culture orientation and the provision of Latvian language courses for children and foreign spouses, support in social re-integration involving social workers and psychologists, etc..

To reduce the negative impact of migration on children at the national level the government should re-open and continue implementation of the policy programme "The Plan for the improvement of the situation of those children whose parents have gone abroad". Initial goals and tasks that had been set in this programme, have not lost their topicality and the establishment of the cooperation model among public agencies, local governments and their social services as well as educational institutions and law-enforcement agencies prescribed by the Plan would play a significant role in addressing problems of children left behind.

As until now the regional policy has not been successful and has not given the expected results, the current approach to the development of the regional policy should be reconsidered at the national level and thoughts should be given to more effective measures

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

targeted towards reducing regional differences and thus – reducing likewise the negative impact of internal migration and emigration. As concerns the use of support by various EU programmes in Latvia, more attention should be paid to measures for the balanced development of regions, infrastructural development and the promotion of employment in regions and local governments, in particular in rural areas.

In order to expand the possibilities of local governments to promote the development of their territories and to develop specific instruments and measures for addressing topical problems, it is necessary to reconsider the authority of local governments in establishing taxes and tax benefits (the real estate tax and the application of tax benefits, the housing tax, the size of the part of the personal income tax that remains at the disposal of local governments etc.). These activities would allow providing more support to the promotion of business activities, attracting investments, creating new jobs as well as addressing social problems.

As problems caused by migration manifest themselves most acutely at the local government level, it would be necessary to promote cooperation among local government social services and the involved institutions as well as other cooperation partners (educational institutions, the non-governmental sector, social and health care institutions, law enforcement agencies, employment services etc.).

Annex 1. Tables

Table 1

Year	Long-term migration of population in Latvia				
	International migration			Internal migration	
	Immigration	Emigration	Net migration	Amount	% of total population
1991	14684	29729	-15045	49988	1,88
1992	6199	59673	-53474	45972	1,74
1993	4114	36447	-32333	37046	1,43
1994	3046	25869	-22823	39781	1,57
1995	2799	16512	-13713	39266	1,57
1996	2747	12828	-10081	39365	1,59
1997	2913	12333	-9420	39219	1,60
1998	3123	8874	-5751	38729	1,60
1999	1813	5898	-4085	36983	1,54
2000	1627	7131	-5504	34989	1,47
2001	1443	6602	-5159	31782	1,34
2002	1428	3262	-1834	31413	1,34
2003 ^{a)}	1364	2210	-846	62829	2,69
2004	1665	2744	-1079	60491	2,61
2005	1886	2450	-564	54437	2,36
2006	2801	5252	-2451	52482	2,29
2007	3541	4183	-642	55089	2,41
2008	3465	6007	-2542	49575	2,18
2009	2688	7388	-4700	39978	1,77

Source: CSB, 2010.

a) Note: The registration scheme for internal migration was changed.

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table 2

Latvian citizens in selected European countries, 2000-2010

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Czech Republic	70	57	59	59	57	66	84	90	104	119	147
Denmark	558	742	860	909	905	942	1085	1261	1531	1885	2521
Germany	7446	7915	8543	8866	9341	8844	9477	1068 4	1072 4	1085 1	1269 9
Ireland	:	:	:	:	:	:	:	:	:	2560 4	2426 4
Spain	70	178	417	698	994	1246	1565	2183	2533	2870	3399
Italy	258	467	401	:	:	862	1085	1286	1559	1782	2020
Netherlands	146	173	188	244	283	361	450	491	564	713	1143
Austria	:	152	173	228	272	342	359	370	400	461	:
Finland	201	227	276	300	338	392	473	515	593	677	802
Sweden	582	694	780	858	934	1072	1217	1470	1677	1943	2781
United Kingdom	:	1803	:	:	:	4429	:	:	:	:	:
Iceland	17	49	69	84	85	89	163	:	465	:	624
Norway	276	343	397	485	534	577	647	852	1192	1734	2757
Switzerland	237	317	420	528	579	639	682	736	872	981	1089

Source: EUROSTAT, <http://epp.eurostat.ec.europa.eu>; Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

Table 3

Long-term migration of population in regions and cities under state jurisdiction

	2000		2005		2008		2009		Net mig- ration
	Immig- ration	Emig- ration	Immig- ration	Emig- ration	Immig- ration	Emig- ration	Immig- ration	Emig- ration	
<i>Latvia</i>	36616	42120	56323	56887	53040	55582	42666	47366	-4700
<i>Regions:</i>									
Rīgas	6685	11783	11364	12753	11269	14086	9332	14174	-4842
Pierīgas	8065	5888	15639	11345	15869	10453	13441	9384	4057
Vidzemes	5006	5646	6245	7356	5709	6821	4236	4948	-712
Kurzemes	4395	6100	6746	7663	6441	7547	4783	5739	-956
Zemgales	5396	5035	8281	8676	7207	7963	5388	6509	-1121
Latgales	7069	7668	8048	9094	6545	8712	5486	6612	-1126
<i>Cities under state jurisdiction:</i>									
Rīga	6685	11783	11364	12753	11269	14086	9332	14174	-4842
Daugavpils	1085	1626	1537	1670	1514	2258	1370	1805	-435
Jelgava	1571	591	1920	1842	1396	1670	484	498	-14
Jēkabpils	...	...	...	...	...	...	1107	1608	-501
Jūrmala	1503	1142	1957	1659	1777	1304	1679	1464	215
Liepāja	858	1661	1309	1349	1272	1499	1117	1560	-443
Rēzekne	738	1282	954	876	583	802	497	802	-305
Valmiera	...	...	...	...	...	...	595	717	-122
Ventspils	603	506	713	754	558	771	647	728	-81

Source: CSB, 2010.

Table 4

Dynamics of internal migration flows in Latvia 1993-2008

	1993-2002		2004-2008	
	Volume	%	Volume	%
Internal migration, total	368 573	100	269 161	100
Urban → urban	115 023	31	87 389	32
Urban → rural	109 530	30	74 466	28
Rural → urban	101 891	28	71 695	27
Rural → rural	42 179	11	35 611	13
Urban net migration	-7 689	...	-3 368	...
Rural net migration	7 689	...	3 368	...

Source: Berzins, 2011; calculation based on CSB data on migration

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table5

Migration flows between Riga and Latgale

Year	Outmigration from Riga to Latgale	Outmigration from Latgale to Riga	Net migration	Net migration % Latgale population
1993	1052	703	349	0,1
1994	1103	677	426	0,1
1995	904	830	74	0,0
1996	1110	996	114	0,0
1997	1104	957	147	0,0
1998	824	938	-114	0,0
1999	814	894	-80	0,0
2000	758	993	-235	-0,1
2001	707	742	-35	0,0
2002	1149	696	453	0,1
2003	965	2128	-1163	-0,3
2004	913	1916	-1003	-0,3
2005	913	1689	-776	-0,2
2006	750	1609	-859	-0,2
2007	812	1612	-800	-0,2
2008	798	1534	-736	-0,2
2009	831	1124	-293	-0,1
2010	861	1056	-195	-0,1

Calculation based on unpublished data of the Central Statistical Bureau of Latvia

Table 6

Population by economic activity in statistical regions of Latvia, 2002-2010
(in per cent of persons aged 15-64)

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Latvia									
..employed population	60.5	61.8	62.3	63.4	66.3	68.4	68.6	61.1	59.3
..unemployed	8.3	7.4	7.4	6.1	5.0	4.5	5.8	12.8	13.9
Economically inactive population	31.2	30.8	30.4	30.5	28.7	27.1	25.5	26.1	26.8
Riga									
..employed population	64.9	66.6	67.9	69.2	72.0	73.3	72.1	64.5	61.1
.unemployed	8.1	8.2	7.9	5.8	4.5	4.6	6.4	13.8	16.7
Economically inactive population	27.1	25.2	24.2	25.0	23.5	22.2	21.5	21.7	22.2
Pieriga									
..employed population	63.0	64.3	63.7	65.3	70.2	69.6	71.0	62.5	60.9
..unemployed (	7.7	5.8	6.4	5.6	3.8	3.7	4.6	11.4	12.6
Economically inactive population	29.3	29.9	29.9	29.1	26.0	26.7	24.4	26.1	26.5
Latgale									
..employed population	52.0	52.1	53.6	53.0	56.8	62.2	64.7	57.1	56.0
..unemployed	10.7	9.7	8.0	7.9	7.0	5.5	6.1	12.2	12.9
Economically inactive population	37.3	38.2	38.4	39.1	36.2	32.3	29.2	30.8	31.2

Labour Force Survey data

Source: Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

Table 7

Gross domestic product by statistical region per capita

	Latvia*	Riga region	Pieriga region	Latgale region
1995	1052	1488	868	709
1996	1273	1841	1030	847
1997	1493	2258	1113	961
1998	1648	2693	1206	918
1999	1784	3057	1212	897
2000	2002	3459	1351	975
2001	2217	3782	1506	1290
2002	2462	4470	1618	1189
2003	2749	4869	1786	1418
2004	3214	5892	1985	1493
2005	3938	7114	2743	1910
2006	4883	8516	3954	2329
2007	6493	11163	4826	3471
2008	7144	12234	5370	3926

Source: Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

To bring the methodology of relevant macroeconomic calculations closer to the requirements of the European System of National Accounts (ESA 95), in the 3rd quarter of 2005 the Gross Value Added and the value of GDP at current prices for the years 2000-2005 was changed, in the 4th quarter of 2006 and in the 1st quarter of 2008 the Gross Value Added and the value of GDP at current prices for the years 1996 - 1999 and 1995, respectively, was also changed. The recalculation is related to Regulation No.1889/2002 of the European Commission in regard of the financial intermediation services indirectly measured (FISIM). As a result of the recalculation the value of FISIM, generated as a difference between the interest received and interest paid and allocated by the users sector, was adjusted. Data for years starting with 1995 are therefore not comparable with the data of previous periods.

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table 8

The share of households that due to lack of funds could not cover certain costs, 2005-2010
(in per cent)

	2005	2006	2007	2008	2009	2010
Paying arrears in mortgage or rent, utility bills or hire purchase agreements	22.5	13.8	10.3	13.0	20.0	23.8
Keeping home adequately warm	32.4	27.3	24.7	19.1	17.9	21.4
Meeting unexpected expenses	73.7	72.4	66.4	61.0	73.4	79.0
One week annual holiday away from home	77.5	70.4	66.6	56.7	59.8	61.8
A meal with meat, chicken or fish every second day	41.2	35.5	33.2	27.4	25.2	28.5

Source: unpublished materials by Central Statistical Bureau of Latvia

Table 9

The share of households in regions, which due to a lack of funds could not afford
to cover some costs, 2010
(in per cent)

	Rīga	Pierīga	Vidzeme	Kurzeme	Zemgale	Latgale
Paying arrears in mortgage or rent, utility bills or hire purchase agreements	25.5	23.6	18.3	27.3	24.5	19.7
Keeping home adequately warm	21.6	13.8	31.1	24.3	23.0	18.6
Meeting unexpected expenses	73.9	81.3	79.6	78.6	82.7	85.5
One week annual holiday away from home	54.6	68.4	70.1	59.5	63.8	66.8
A meal with meat, chicken or fish every second day	22.2	28.5	40.0	27.4	28.3	36.5

Source: unpublished materials by Central Statistical Bureau of Latvia

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table 10

Economic tensions in the households, 2005-2010
(in per cent)

All households						
2005	2006	2007	2008	2009	2010	
74.0	67.2	62.5	55.3	62.2	65.8	
Households below the threshold of poverty risk						
2005	2006	2007	2008	2009	2010	
93.7	89.3	90.2	82.1	83.4	86.4	
Quintiles						
Year	1.quintile	2.quintile	3.quintile	4.quintile	5.quintile	
2005	91.6	88.7	82.8	65.9	40.8	
2006	85.6	87.5	74.1	58.4	30.0	
2007	87.3	82.4	67.3	52.0	23.4	
2008	80.4	74.1	58.0	43.6	20.4	
2009	83.9	80.7	65.1	50.5	31.0	
2010	85.7	79.5	71.8	57.8	33.9	
Regions						
Year	Rīga	Pierīga	Vidzeme	Kurzeme	Zemgale	Latgale
2005	66.5	77.5	79.2	76.3	75.8	78.7
2006	58.0	71.2	77.2	67.9	70.4	72.2
2007	50.4	66.4	74.8	65.3	63.3	73.1
2008	48.2	51.8	69.1	60.7	54.4	62.7
2009	56.1	62.0	68.5	64.6	64.0	68.5
2010	60.7	69.5	69.9	64.8	67.6	70.2

Source: unpublished materials by Central Statistical Bureau of Latvia

Table 11

The share of households in regions, which pointed
to some of the unsatisfactory housing conditions 2009
(in per cent)

	Rīga	Pierīga	Vidzeme	Kurzeme	Zemgale	Latgale
No toilet with waterspout	3.7	16.3	29.7	19.5	25.1	28.8
No bathroom or shower	8.2	17.9	32.2	21.4	25.8	32.3
Insufficient light	12.3	5.7	14.2	12.5	9.9	11.6
Running roof; humid walls, ceilings, floors of home foundation; window frames or floors in bad condition	23.6	17.6	29.0	27.6	22.4	29.3

Source: unpublished materials by Central Statistical Bureau of Latvia

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table 12

Households, which pointed to unsatisfactory housing conditions, 2005-2010
(in per cent)

All households							
2005	2006	2007	2008	2009	2010		
50.9	45.2	42.1	40.2	39.9	38.1		
Households below the threshold of poverty risk							
2005	2006	2007	2008	2009	2010		
69.6	59.7	58.0	55.2	55.2	57.9		
Quintiles							
Year	Quintile 1	Quintile 2	Quintile 3	Quintile 4	Quintile 5		
2005	70.6	60.1	49.1	42.6	32.2		
2006	63.6	51.1	44.6	37.7	29.1		
2007	62.3	46.2	38.1	34.5	29.2		
2008	62.4	42.6	36.8	32.1	26.9		
2009	62.6	44.4	39.4	29.7	23.2		
2010	57.7	45.8	37.9	27.4	21.8		
Regions							
Year	Rīga	Pierīga	Vidzeme	Kurzeme	Zemgale	Latgale	
2005	42.4	45.0	55.8	56.9	57.6	61.1	
2006	34.7	37.0	57.5	52.6	59.8	49.8	
2007	34.2	34.6	46.0	47.2	48.5	53.8	
2008	33.3	31.6	53.6	46.5	42.3	49.8	
2009	29.2	29.9	57.9	48.2	41.7	53.1	
2010	31.6	30.1	44.5	43.3	39.3	51.4	

Source: unpublished materials by Central Statistical Bureau of Latvia

Table 13

Remittances to Latvia, 2004-2010

	2004	2005	2006	2007	2008	2009	2010e
Remittances, US \$ mln	229	381	482	552	601	599	643
Growth rates of remittance flows (%)	24.5	66.4	26.5	14.5	5.5	:	:
Remittances as a share of GDP, 2009 (%)	1.7	2.4	2.4	1.9	1.7	2.2	:

e = estimation

Source: World Bank, 2011

Table 14

Gini coefficient (%)

	2004	2005	2006	2007	2008	2009
GINI coefficient	36.1	39.2	35.4	37.7	37.4	36.1

Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table 15

Gini coefficient by statistical region (%)

	2004		2005		2006		2007		2008		2009	
	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale
GINI coefficient	35.1	35.2	38.3	36.0	33.1	32.1	35.6	36.4	35.5	34.7	34.9	34.5

Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

Table 16

Income quintile share ratio

	2004	2005	2006	2007	2008	2009
Total	6.7	7.9	6.3	7.3	7.3	6.9

Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

Table 17

Income quintile share ratio by regions of Latvia

	2004		2005		2006		2007		2008		2009	
	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale	Rīga	Latgale
Income quintile share ratio	5.8	7.1	7.4	8.2	6.0	6.0	6.8	7.2	6.7	6.8	6.5	7.0

Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

Number of population in Latgale region

1990	422311
1991	422144
1992	421070
1993	415783
1994	409994
1995	405493
1996	401141
1997	397322
1998	393591
1999	389219
2000	385660
2001	382159
2002	378135
2003	374817
2004	369151
2005	364345
2006	359762
2007	354554
2008	348271
2009	343646
2010	339783
2011	335013

Central Statistical Bureau of Latvia, <http://www.csb.gov.lv>

Table 19

Population citizenship in 2000 and 2011

	2000 number	%	2011 number	%
All population	2377383	100	2067887	100
citizens of Latvia	1770210	74.5	1732880	83.8
non-citizens of Latvia	503999	21.2	290660	14.1
citizens of other countries	103174	4.3	44347	2.1
citizens of the EU Member States	703	0.0	5730	0.3
citizens of other countries, not EU Member States	102471	4.3	38617	1.9

Source: Population Census 2011 - Key Indicators

<http://www.csb.gov.lv/en/statistikas-temas/population-census-2011-key-indicators-33613.html> (10.02. 2012)

Table 20

Ethnic structure in Latvia 2000 and 2011

Ethnic groups	2000	2011
Latvians	57.7	62.1
Russians	29.6	26.9
Belarusians	4.1	3.3
Ukrainians	2.7	2.2
Poles	2.5	2.2
Lithuanians	1.4	1.2
Romanies	0.3	0.3
Jews	0.4	0.3
Germans	0.1	0.1
Estonians	0.1	0.1
other	1.1	1.3
Total	100	100

Source: Population Census 2011 - Key Indicators

<http://www.csb.gov.lv/en/statistikas-temas/population-census-2011-key-indicators-33613.html> (10.02. 2012)

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

Table 21

Expert Interviews				
Nr. Name	Organisation	Function/Area of expertise	Type of consultation and form of documentation	Date and duration of consultation
1. Silvija Šimfa	Latvian Association of Local and Regional Governments	Adviser on Social Issues	Telephone interview	01.04.2011, 30 minutes
2. Anita Petrova	Balvi district municipality	Director of Balvi district Municipality Social Service	Telephone interview	12.04.2011, 40 minutes
3. Vija Bārtule	Krāslava district municipality	Director of Krāslava district Municipality Social Service	Telephone interview	11.04.2011, 20 minutes
4. Ritma Rungule	Assoc. Professor at Riga Stradins University	Poverty, social exclusion, youth and older people	Personal interview	25.03.2011, 30 minutes
5. Olga Koroļova	The State Social Insurance Agency	Head of International Services Department	Telephone interview	08.04.2011, 20 minutes
6. Sandra Stabiņa	Ministry of Welfare	Senior Expert at Social Insurance Department	Telephone interview	06.04.2011, 15 minutes
7. Elīna Celmiņa	Ministry of Welfare	Head of Equal Opportunities Unit	Telephone interview	11.04.2011, 15 minutes

Annex 2. Figures

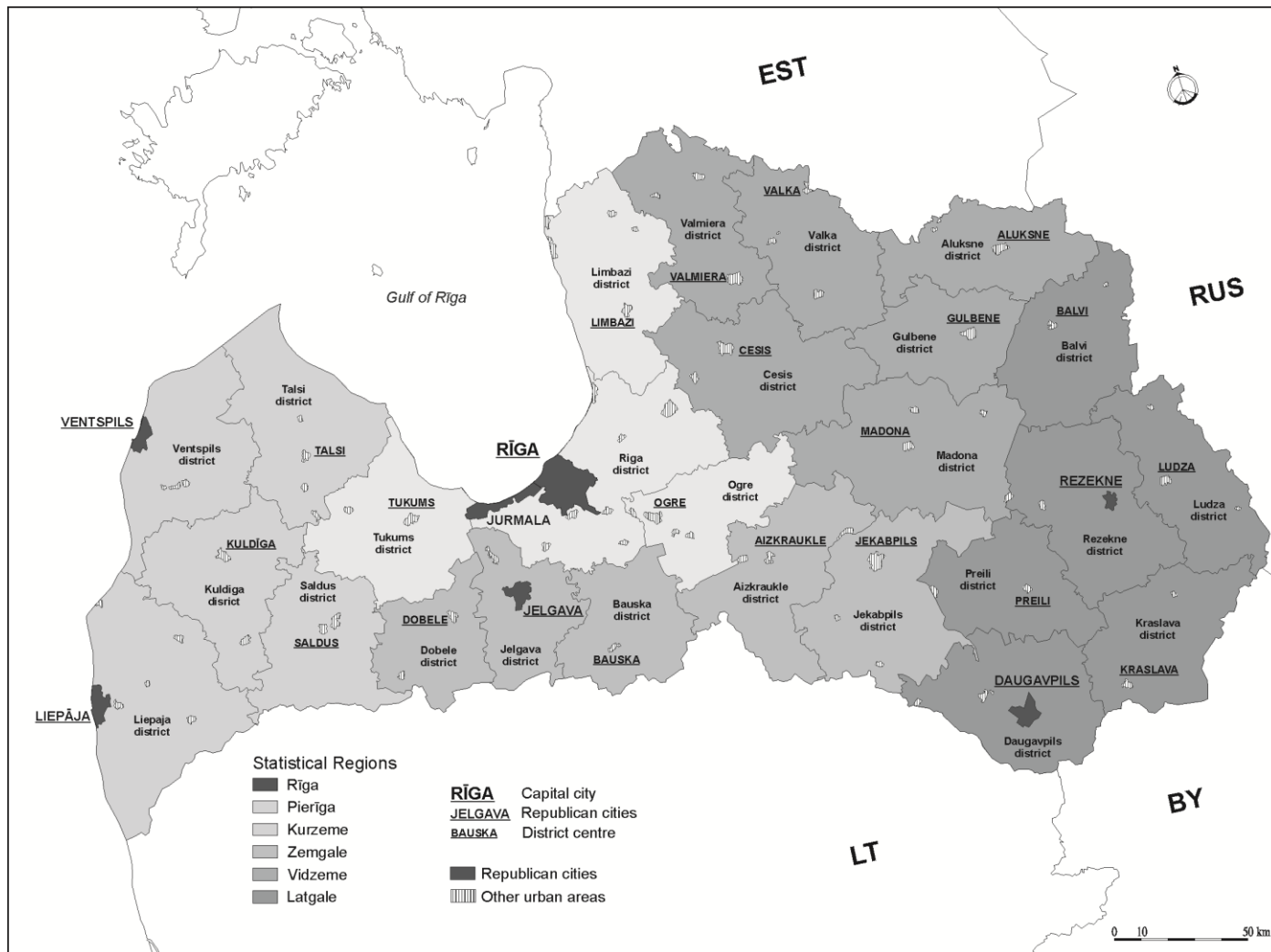


Fig 1. Latvian statistical regions and former administrative districts (abolished in 2009)
 (Source: University of Latvia on base map provided by GIS Latvia and Envirotech Ltd.)

Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
 VT/2010/001

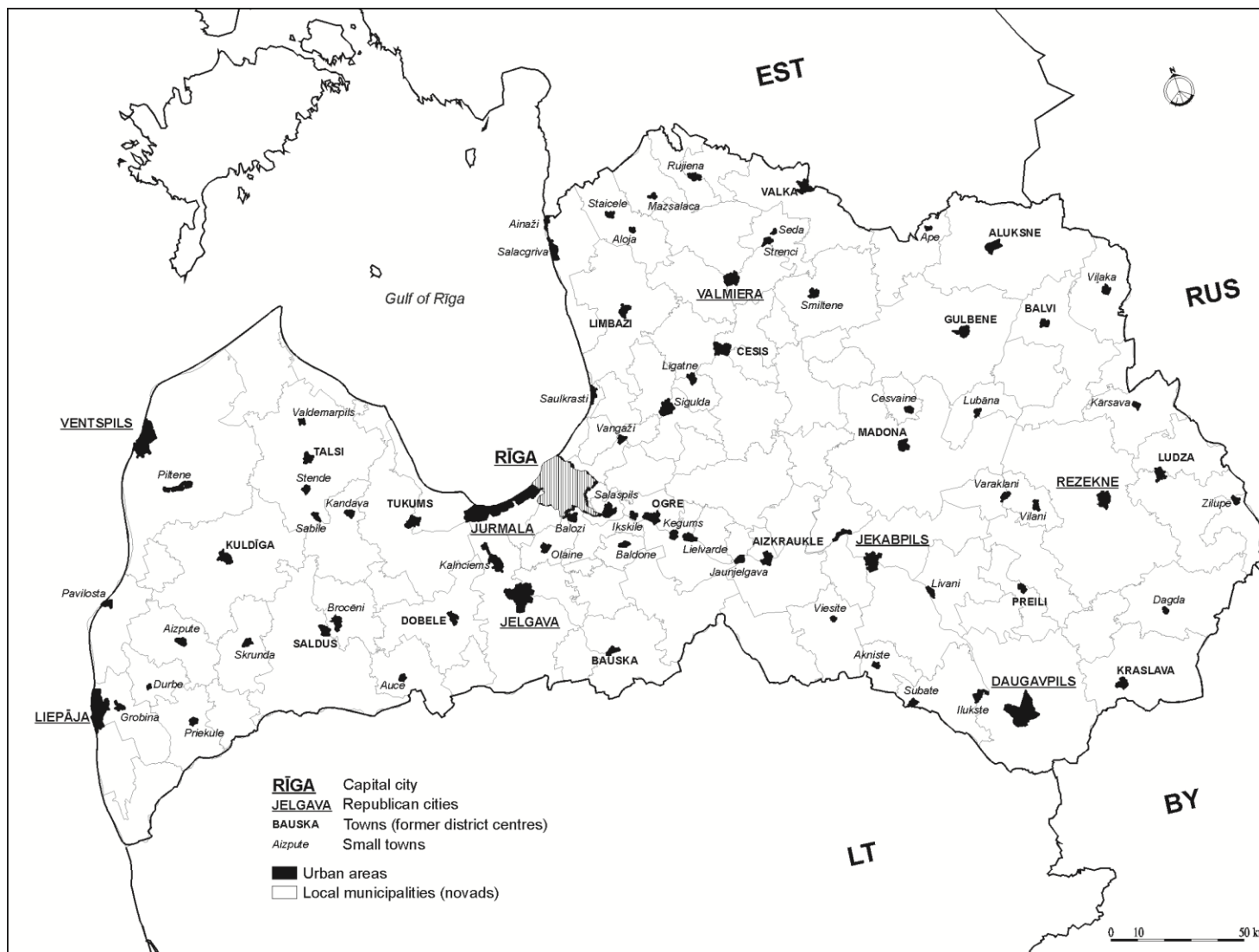


Fig 2. Administrative division of Latvia since territorial reform
 (Source: University of Latvia on base map provided by GIS Latvia and Envirotech Ltd.)

Annex 3. Reference list

- Anglo Baltic News (2011) Latvijas ārsti ārvalstīs [Latvian doctors abroad]. September 2, 2011, <http://www.anglobalticnews.co.uk/profiles/blogs/latvijas-arsti-arvalstis> (accessed 01.02.12).
- Apsite, E. (2010) Geographical Aspects of mobility in the new European Union Member States: the Case of Latvian migrants in the United Kingdom, *Latvijas Universitātes Raksti. Zemes un Vides Zinatnes* 752, pp. 295-307.
- Bauls, A. and Krisjane, Z. (2000) Latvian Population Mobility in the Transition Period, *Folia Geographica X*, pp. 24-35.
- Bernotas D., Guogis A. (2005) Evaluation of Social Security in Lithuania, Latvia and Estonia: Achievements and Drawbacks.
- Berzins, M. (2011) The Role of the Geographic Mobility in the Process of Suburbanisation in Latvia. PhD Thesis. University of Latvia.
- Berzins, M. and Krisjane, Z. (2008) Amenity Migration in Post-socialist Metropolis: The Case of Rīga Agglomeration, *Proceedings of the Latvian Academy of Sciences* 62 B (1/2), pp. 71-77.
- BNS (2011a) Arvien vairāk ārstu interesējas par darbu ārzemēs [More physicians are interested in working abroad] 10:27, 4. februārī, 2011 <http://www.tvnet.lv/zinas/latvija/364716-arvien-vairak-arstu-interesejas-par-darbu-arzemes>.
- BNS (2011b) VC4 vadītājs: no Latvijas aizbraukušie ārsti kļūst par palikušo kolēģu rekrutēšanas aģentiem [From Latvia emigrated doctors become for the remaining doctors the recruiting agents], September 10, 2011, <http://www.delfi.lv/news/national/politics/vc4-vaditajs-no-latvijas-aizbraukusie-arsti-klust-par-palikuso-kolegu-rekrutesanas-agentiem.d?id=40557579>.
- Broka, A. (2009) Impact of Labour Migration on Children Left-behind in Latvia: The Role of the State. Master Thesis, Oslo University College.
- Broka, A. (2011) Ģimenes sociālā drošība ekonomiskās migrācijas apstākļos [Family social security conditions and economic migration]. In: Latvija. Pārskats par tautas attīstību 2010/2011. Nacionālā identitāte mobilitāte un rīcībspēja [Latvia Human development report. National identity, mobility and human capability] Rīga: LU Sociālo un politisko pētījumu institūts, pp.92-95.
- Central Statistical Bureau of Latvia (CSB) (2010) Demography 2010. Collection of statistical data. Riga.
- CSB (1994-2010) Annual statistical data on internal migration.
- CSB (2008) On population long-term migration and employment in foreign countries in 2007, http://www.csb.gov.lv/csp/events/?lng=en&mode=arh&period=04.2008&cc_cat=471&id=5636 (accessed 01.12.10).
- CSB (2009) On population long-term migration, <http://www.csb.gov.lv/en/notikumi/current-trends-population-migration-2008-26850.html> (accessed 01.12.10).
- CSB (2010b) Activity rate, employment rate and unemployment rate by statistical region, <http://data.csb.gov.lv/DATABASEEN/ledzsoc/Annual%20statistical%20data/05.%20Employ>

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

- ment%20and%20unemployment/05.%20Employment%20and%20unemployment.asp
electronic database (accessed 01.10.10).
- CSB (2011) On current trends of population migration in 2010,
<http://www.csb.gov.lv/en/notikumi/current-trends-population-migration-2010-31947.html>
(accessed 20.04.11).
- CSB (2011a) Electronic data base, <http://www.csb.gov.lv/node/30501>, (accessed 11.04.11).
- CSB (2011b) Long term migration. Definition,
<http://data.csb.gov.lv/DATABASEEN/ledzsoc/Annual%20statistical%20data/04.%20Populati%20E%20Migration/IE010an.htm> (accessed 15.04.11).
- CSB (2012) On key provisional results of Population and Housing Census 2011,
<http://www.csb.gov.lv/en/print/33306> (accessed 01.02.12).
- CSB (2012) On provisional results on non-registered emigration. Unpublished data
Darbaspēka ģeogrāfiskā mobilitāte [The Geographic Mobility of the Labour Force] (2007)
Krisjane, Z. (team leader), Eglite, P., Bauls, A, Brants, M. et al. Unpublished research
materials. Riga: University of Latvia.
- Dietz B, (2009) Migration, remittances and the current economic crisis: implications for
Central and Eastern Europe. Kurzanalysen und Informationen. Osteuropa Institut
Regensburg. 42, pp. 1-7.
- DnB Nord (2010), Latvijas Barometrs Nr.22.
www.dnb nord.lv/files/dnb%20nord%20latvijas%20barometrs,%20nr.22,%20darba%20tirgus.pdf
(accessed 01.03.11).
- Eglite, P. (1997) Lauku iedzīvotāji Latvijā [Rural population in Latvia], Apcerējumi par Latvijas
iedzīvotājiem / Studies on the Latvian Population, No.1., pp. 5-33. Riga: Institute of
Economics L.A.Sc.
- Eglite, P. (2006) Iedzīvotāju politikas uzdevumi un rīcības veidi izceļošanas seku novēršanai
[Tasks of the Population Policy and Measures for Eliminating Consequences of Migration],
In: *Articles of the Commission of Strategic Analysis*. Riga: Zinatne.
- Eglite, P. (2007) Regional Differences of Depopulation in Latvia, *Folia Geographica* XIII, pp.
169-174.
- Eglite, P. and Krisjane, Z. (2009) Dimensions and Effects of Labour Migration to EU
Countries: The Case of Latvia, In: B. Galgoczi, J. Leschke and A. Watt (eds.), *EU Labour
Migration since Enlargement*, pp. 269-290. Aldeshot: Ashgate.
- Eglite, P., Markausa, I., Pavlina, I. and Brants, M. (2006) Brīvprātīgā prombūtne no Latvijas
pēc pievienošanās ES. Darbiem un atpūtai veltītais laiks 2003.g. *Apcerējumi par Latvijas
iedzīvotājiem/ Studies on the Latvian Population, Nr.12, 7-57.*
- European Commission against Racism and Intolerance - ECRI (2008) Third report on Latvia.
Adopted on 29 June 2007,
http://hudoc.ecri.coe.int/XML/Ecri/ENGLISH/Cycle_03/03_CbC_eng/LVA-CbC-III-2008-2-ENG.pdf
(accessed 01.04.11).
- European Parliament, DG Internal Policies, Policy Department Economy and Science (2008)
The social situation of the Roma and their improved access to the labour market in the EU,
<http://www.europarl.europa.eu/activities/committees/studies/download.do?file=23375>
(accessed 01.04.11).
- Eurostat (2010a) At risk of poverty rate total,
<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tessi010&plugin=1>
(accessed 05.12.10).

- Eurostat (2010b). Social Situation in the European Union 2009, http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KE-AG-10-001/EN/KE-AG-10-001-EN.PDF (accessed 11.04.11).
- Eurostat (2010c) Material Deprivation rate total, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tessi080&plugin=1> (accessed 05.12.10).
- Eurostat (2010d) Housing indicators, EU SILC data:Overcrowding rate. Housing deprivation by number of items, http://epp.eurostat.ec.europa.eu/portal/page/portal/employment_and_social_policy_indicators/omc_social_inclusion_and_social_protection/social_inclusion_strand (accessed 05.12.10).
- Eurostat (2011) Migration stock of Citizens of Latvia, <http://epp.eurostat.ec.europa.eu> (accessed 01.04.11).
- Eurostat (2012) Average gross annual earnings in industry and services, <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tps0175&plugin=1> (accessed 10.02.2012).
- Fihel, A., Krišjāne, Z. (2008). Country Study: Latvia Labour mobility within the EU in the context of enlargement and the functioning of the transitional arrangements. Vienna, WIIW http://publications.wiiw.ac.at/?action=publ&id=details&publ=LMS3_LV
- Fielding, A. J. (1992) Migration and social change, in: J. Stillwell, P. Rees and P. Boden, (Eds.) *Migration processes and patterns. Vol. 2. Population redistribution in the United Kingdom*. London: Belhaven Press, pp. 225-247.
- Hazans, M. (2010) Vai Latvijas iedzīvotāju diasporas Norvēģijā un Vācijā būs tikpat lielas, kā Anglijā un Īrijā?, <http://www.delfi.lv/news/comment/comment/mihails-hazans-vai-latvijas-iedzivotaju-diasporas-norvegija-un-vecija-bus-tikpat-lielas-ka-anglija-un-irija.d?id=30645659> (accessed 01.04.11).
- Hazans, M. (2011) Latvijas emigrācijas mainīgā seja 2000-2010 [Changing face of emigration from Latvia 2000-2010]. In: Latvija. Pārskats par tautas attīstību 2010/2011. Nacionālā identitāte mobilitāte un rīcībspēja [Latvia Human development report. National identity, mobility and human capability] Rīga: LU Sociālo un politisko pētījumu institūts pp.70-91.
- Hazans, M. and Philips, K. (2010) The Post-Enlargement Migration Experience in the Baltic Labor Markets, In: M. Kahanec and K.F. Zimmermann (eds.) *EU Labor Markets After Post-Enlargement*, pp. 255-301. Berlin/Heidelberg: Springer-Verlag.
- Health Payment Center (2011) Functions and Tasks of the Health Payment Center http://www.vnc.gov.lv/eng/agency/main_tasks/ (accessed 01.04.11).
- Indans, I., Lulle, A., Laizāne-Jurkāne, M. and Znotiņa, L. (2006) Latvija un brīva darbaspēka kustība: Īrijas piemērs [Latvia and Free Movement of Labour: The Irish Example], In: *Articles of the Commission of Strategic Analysis*. Riga.
- ĪUMSILS (Īpašu uzdevumu ministra sabiedrības integrācijas lietās sekretariāts) BĢLM (Bērnu, ģimenes un sabiedrības integrācijas lietu ministrija). Report on the implementation of the Programme "For the Support of the Latvian Diaspora for the period of 2004-2009", in 2004, 2005, 2006, 2007, 2008.
- Kaczmarczyk, P. and Okólski, M. (2008b), *Economic impacts of migration on Poland and the Baltic States*. Fafo paper 2008:1. www.fafo.no/pub/rapp/10045/10045.pdf (accessed 01.04.11).

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

- Karičerta, A. (2006) The impact of labour migration on socioeconomic situation in Vidzeme Region. Political Science, BA thesis, Valmiera: Vidzeme University College.
- Krasnopjorovs, O. (2010) Regional differences in registered unemployment no reflection on availability of labour. Available at: <http://www.macroeconomics.lv/regional-differences-registered-unemployment-no-reflection-availability-labour> (accessed 12.12.2011).
- Krisjane Z., Berzins, M. (2009) Commuting and the Deconcentration of the Post-Socialist Urban Population: The Case of the Rīga Agglomeration, *Folia Geographica XIV*, pp. 56-74.
- Krisjane, Berzins, Apsite (2011) Post Accession Migration from the Baltic States: the case of Latvia. In: Glorius, B., Grabowska-Lusinska, I. (eds) Post accession migration: Flows and patterns. Amsterdam: Amsterdam University Press *Forthcoming*.
- Krisjane, Z. (2008) From a receiving to a sending nation: Latvia's new role in the European migration pattern, *Humanities and Social Sciences: Latvia* 1 (54), pp. 72-89.
- Krisjane, Z. (2008) Labour migration processes after European Union Accession in Latvia, In: K. Friedrich and A. Schultz (eds.), *Brain drain oder brain circulation? Konsequenzen und Perspektiven der Ost-West Migration*, pp. 63-71. Leipzig: Leibniz-Institute für Länderkunde.
- Krisjane, Z. and Bauls, A. (2000) Socio-economic and Political Mechanisms of Population Migration in the Republics of the former Soviet Union. Unpublished project report.
- Krišjāne, Z. and Bauls, A. (2003): Changes in pattern and new migration trends in Latvia. In: New geography of human mobility- inequality trends? Eds. Ishikawa, Y. and Montanari, A. (Rome: IGU-Home of Geography), 169-183.
- Krišjāne, Z. and Bērziņš, M. (2012) Post-socialist Urban Trends: New Patterns and Motivations for Migration in the Suburban Areas of Rīga, Latvia. *Urban Studies*. 49(2), pp. 289-306
- Krisjane, Z., Bauls, A. (2006) Regional features of migration in Latvia, *Demographic situation: present and future. Commission of Strategic Analysis* 2 (8). Rīga: Zinātne, 134-153.
- Krišjāne, Z., Bauls, A. (2011) Latvijas iedzīvotāju starpvalstu mobilitāte pēc Eiropas Savienības paplašināšanās [EU post enlargement migration: case of Latvia]. *LZA Vēstis A daļa*, 65 (3/4), 71-85
- Krisjane, Z., Berzins, M. and Bauls, A. (2009) New Labor Migration Trends: Evidence from Latvia, *Geographical review of Japan series B*, 81 (1), pp. 34-46.
- Krišjāne, Z., Eglīte, P., Bauls, A., Lulle, A., Bērziņš, M., Brants, M., Cunska, Z., Gņedovska, I., Ivbulis, B., Krūzmētra, Ž., Kūle, L., Markausa, I. M., Niklass, M., Pavlina, I., Titova, N., Vanaga, S., Vilciņš, A., Zariņa, I. B. (2007). *Darbaspēka ģeogrāfiskā mobilitāte*. Rīga. Latvijas Universitāte
- Lace T. (2011) Promoting Social Inclusion of Roma. The 2nd 2011 Report. Available at: <http://www.peer-review-social-inclusion.eu/network-of-independent-experts/2011/promoting-the-social-inclusion-of-roma>
- Latgales plānošanas reģions / Latgale planning region (2011) Latgales plānošanas reģions <http://www.latgale.lv/lv/padome/planosana> (accessed 20.04.11).
- Latgales plānošanas reģions/ Latgale planning region (2010) Latgales programma 2010-2017. Rīcības programma <http://www.latgale.lv/lv/padome/planosana> (accessed 11.04.11).
- Latvian Agricultural University, Daugavpils University, Riga Stradins University, Ventpils University College, Vidzeme University College (2007) Specific Problems of the Labour Market in Latvia and its Regions, Jelgava.

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

- Latvian Centre for Human Rights (2008) Alternative report on the implementation of the Council of Europe Framework Convention for the Protection of National Minorities in Latvia, Riga, pp. 48-50.
- Latvian Centre for Human Rights (2008) Alternative report on the implementation of the Council of Europe Framework Convention for the Protection of National Minorities in Latvia, Riga.
- Latvijas Republikas Ministru kabinets [Cabinet of Ministers of the Republic of Latvia] (2011), MK rīkojums Nr. 65 "Ģimenes valsts politikas pamatnostādnes 2011. –2017. gadam" [Basic Guidelines of the Family State Policy for the 2011-2017] (izdots 18.02.2011.), Rīga
- Markausa, I. M. (1997) Iekšējā migrācija Latvijā 90.gadu pirmajā pusē [Internal migration in Latvia in the beginning of 1990s], Apcerējumi par Latvijas iedzīvotājiem / Studies on the Latvian Population, No.1, pp. 34-64. Rīga: Institute of Economics L.A.Sc.
- Markausa, I. M. (2001) Migrācija [Migration]. In: Dzīves apstākļi Latvijā 1999.gadā [Living conditions in Latvia]. Rīga: LR Centrālā statistikas pārvalde, pp. 43-58.
- Ministry of Children and Family Affairs / Bērnu un ģimenes lietu ministrija (2009) Informatīvais ziņojums par plāna to bērnu stāvokļa uzlabošanai, kuru vecāki devušies uz ārvalstīm, un sociālās atstumtības izplatīšanās ierobežošanai 2006. - 2009. gadam pasākumu izpildi 2008. gadā, [Informative report on the implementation of the plan for the improvement of the situation of those children whose parents have gone abroad and for the Restriction of the Spreading of Social Exclusion for 2006-2009] pp. 3., <http://polsis.mk.gov.lv/LoadAtt/file47783.doc> (accessed 01.10.11)
- Ministry of Economics. Report on Economic Development of Latvia, December 2000, 2002, 2004, 2007, 2010.
- Ministry of Education and Sciences / Izglītības un zinātnes ministrija (2010) Informatīvais ziņojums "Par izglītības sistēmas reformu" [Report on reform of educational system] http://izm.izm.gov.lv/upload_file/Normative_akti/info_zinojumi/IZMzino_26022010.pdf (accessed 1.04.11).
- Ministry of Justice (2009) Report on the implementation of the Programme "For the Support of the Latvian Diaspora for the period of 2004-2009". <http://polsis.mk.gov.lv/LoadAtt/file55663.doc> (accessed 07.12.10)
- Ministry of Welfare /Labklājības Ministrija (2010a) Informācija par divpusējo sadarbību [Information about Bilateral Cooperation], <http://www.lm.gov.lv/text/585> (accessed 05.12.10).
- Ministry of Welfare /Labklājības Ministrija (2010b) Labklājības ministrijas Informatīvais ziņojums „Par 2010.gada 3.ceturksnī īstenotajiem aktīvajiem nodarbinātības un preventīvajiem bezdarba samazināšanas pasākumiem” [Informative Report about implementation of active labour and preventive unemployment measures in 3rd quarter of year 2010], Rīga.
- Ministry of Welfare /Labklājības Ministrija (2010c) Ministry of Welfare 2010, the Informative Report on the Progress in the Implementation of the Strategy in 2010. Rīga.
- Muižnieks N. (ed) (2010) How Integrated is Latvian Society? An Audit of Achievements, Failures and Challenges. University of Latvia Press
- National Strategic Reference Framework 2007-2013 (2007) <http://www.esfondi.lv/page.php?id=659> (accessed 1.04.11).

**Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe
VT/2010/001**

- Riga Planning region (2011) Rīgas reģions, <http://www.rpr.gov.lv/pub/> (accessed 11.04.11).
- Sjöberg, Ö. and Tammaru, T. (1999) Transitional Statistics: Internal Migration Patterns and Urban Growth in Post-Soviet Estonia, *Europe-Asia Studies*, 51 (5), pp. 421-442.
- SKDS (2005). Sabiedrības attieksme pret darbaspēka migrāciju. Latvijas iedzīvotāju aptauja, Rīga. [Society attitude to labour force migration].
- State Social Insurance Agency (2011) Services, <http://www.vsaa.gov.lv> (accessed 11.04.11).
- University of Latvia (2005) Pārskats par tautas attīstību 2004/2005 [Human development report Latvia] Rīcībspēja reģionos. [Human Capability in the Regions] Red. Zobena A. Rīga: LU Sociālo un politisko pētījumu institūts.
- University of Latvia (2007) Pārskats par tautas attīstību 2006/2007 [Human development report Latvia] Cilvēkkapitāls: mans zelts ir mana tauta? [Human Capital] Red. Zobena A. Rīga: LU Sociālo un politisko pētījumu institūts.
- University of Latvia (2009) Pārskats par tautas attīstību, 2008/2009 [Human development report Latvia] Atbildīgums [Accountability and Responsibility] Red. Rozenvalds J. un I. Ijabs Rīga: LU Sociālo un politisko pētījumu institūts.
- Valsts Reģionālās attīstības aģentūra (VRAA) (2010) Reģionu attīstība Latvijā 2009, Rīga.
- Valsts Reģionālās attīstības aģentūra (VRAA) (2011) Reģionu attīstība Latvijā 2010, Rīga.
- World Bank (2011) Workers' remittances and compensation of employees, received (current US\$), <http://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT/countries/1W?display=default> (accessed 01.04.11).
- World Bank (2011a) Job Crises.
- Zidrins, P. (2004) Depopulācija. Nacionālās intereses: formulējuma meklējumos [Depopulation. National Interests: Search for Wording], In: Research Articles of the Commission of Strategic Analysis, No.1/2004, pp. 74-104, Riga: Zinatne.