

MIGRATION OF HIGHLY QUALIFIED WORKERS FROM UKRAINE: REASONS AND WAYS TO OVERCOME¹

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The migration of highly skilled workers is becoming an increasingly important factor that is influencing the development of specific countries as well as different regions of the world. In fact, in the European Union, the tendency of low-skilled workers shortage is changing to the trend of promoting the highly skilled workers migration, which can create added value and contribute to pension funds for the aging population in those states. At the same time, due to the loss of highly qualified personnel, the recipient countries are losing the pace of their economic development. The relevance of this study is also enhanced by changing conditions for international labor migration to the European Union in connection with the COVID-19 pandemic, including for highly qualified Ukrainian professionals.

The article examines the reasons of highly skilled workers migration processes, analyzes the consequences for different stakeholders and provides methods to reduce the scale of such migration. To analyze the reasons of highly qualified specialists labor migration, the model of "Push and Pull" factors was used on the example of Ukraine and the European Union. The positive and negative consequences of the highly qualified specialists' migration growth for various stakeholders of this process have been identified.

It is also proved that despite the fact that salaries are growing in real terms in Ukraine, the difference in salaries in the main areas of emigration to the EU is so large that it is likely to continue to motivate people to work and earn abroad. Moreover, the existence of a large and growing Ukrainian diaspora tends to encourage the migration of other family members and friends, providing informational and logistical support in destination countries. This attraction may increase in the coming years, and the diaspora will continue to expand.

In the article, it is also described the impact of the COVID-19 pandemic on the highly qualified professionals' migration, and it gives a number of proposals or recommendations that could be implemented at the level of state migration policy to address highly qualified professionals labor migration or at least improve the current situation. The proposed recommendations of the migration policy to confront the negative effects of the COVID-19 pandemic include the establishment of a mechanism for coordination and consultation between all government institutions, authorities and agencies involved in labor migration, as well as the establishment of tripartite procedures for advising employers and workers of migration organizations and considering their opinions on the given topic.

Keywords: *migration, highly qualified specialists, "Push and Pull" factors model, economic growth, state policy.*

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INTRODUCTION

In today's globalized world, the migration of highly skilled workers has become significant. Labor flows of different qualifications and specialties are constantly moving between countries, which significantly affects the demographic situation of donor-countries, their economies and labor markets. This problem mainly concerns states with unstable

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economies, which are not able to fully meet the needs of their population. Consequently, there is a desire to move to another country where intelligent work is valued, where higher salaries, better employment conditions, opportunities for self-realization and trainings are. This is beneficial for the host countries, as they have the opportunity to choose more highly qualified workers. That donor or sending countries are losing their intellectuals. Therefore, the study of migration processes of highly qualified workers is relevant and important.

ANALYSIS OF RECENT SOURCES AND PUBLICATIONS

Many domestic scientists, for instance, Baranyk Z. [1], Libanova E. and Poznyak V. [2, 3], Malinovska A. [4], Nikolaevsky V. [5], Grudzinsky O. [6], Maidanik I. [7], Petrova J. [8] Semikina M. [9] and many others paid attention to the issue of highly qualified workers migration processes from Ukraine.

Baranyk Z., for example, in her works considered the reasons, consequences and problems of intellectual migration and the effectiveness of migration policy by the state [1]. O. Grudzinsky studied the causes, advantages, and disadvantages of international scientific and technological cooperation in the framework of international migration [6]. In Petrova's research, intellectual migration is considered from the standpoint of highly qualified scientific personnel [8]. Even though this topic is considered in the works of many scientists, the problem of migration of highly skilled workers requires further detailed research.

The purpose of the article is to study the highly skilled workers migration processes, identify the reasons and find ways to reduce migration.

RESEARCH RESULTS

Labor emigration has been a common phenomenon in Ukraine since the country's independence - 1991. According to a survey conducted by the State Statistics Service of Ukraine (SSSU) in 2017, the number of migrant workers was 1.3 million. Previous surveys conducted by the State Statistics Service in 2007 and 2012 estimated the number of migrants at 1.48 million and 1.18 million, respectively. Researchers dealing with Ukrainian migration believe that the SSSU survey underestimates the total number of migrants, but this is the most detailed survey of Ukrainian emigration, therefore, helps to highlight its main features, structure, and directions of migrants [12, 13].

SSSU surveys show that the main destination countries for Ukrainian labor migrants have changed since the 2014-military-conflict. According to their previous survey conducted in 2012, Russia was the most popular destination, having 43% of Ukrainians working there. In 2017, Poland became the most popular destination for Ukrainian labor migrants (39%). The rapid increase in the number of migrants to Poland can be explained by the dynamic growth of the Polish economy and the large number of vacancies, as well as visa liberalization (since 2017) and legislative changes that promote the employment of Ukrainians. Despite tense two-parties' relations between Ukraine and Russia, the latter country still attracted 26% of Ukrainian labor migrants in 2017. Italy and the Czech Republic are considered as the third and fourth most popular destinations; 67% of Ukrainian migrant workers worked in EU member states in 2017 against 54% in 2012. The right of Ukrainians to work depends on the national rules of the host countries, also within the European Union, which partly explains the choice of destination countries by migrants.

With the help of the analysis of remittances from abroad, it is possible to determine the main directions of labor migration from Ukraine (Fig. 1).

The main countries of the European Union for workers are Poland, the Czech Republic and Germany.

According to a study by the European Commission, the share of migrants with higher education is 33% [11], but for a number of reasons, such as political, economic, social, highly skilled workers are forced to work abroad.

In the 1960s, Robert Edward Lee proposed the migration theory "Push and Pull factors". According to this model, there are different groups of migration factors in each territory:

those that hold, attract, push, determine arrivals and departures, and some factors affect most people, and some only some individuals.

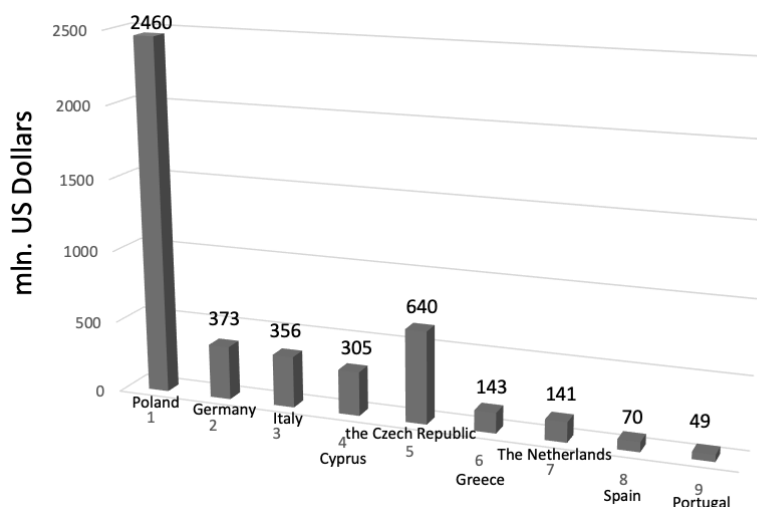


Figure 1 – Remittances to Ukraine from the most important countries of the European Union in 2020 (million USD) [10]

It is proposed to consider the influence of factors that push out from the country (Push) and those that attract to another (Pull) on the example of Ukraine and the European Union (Table 1).

Table 1 – Push and Pull factors in the field of labor migration between Ukraine and the EU

Type of factors	Push-factors from Ukraine	Pull factors to the European Union
Political	- bureaucracy; - administrative restrictions on conducting business; - the presence of a military conflict.	- lower level of corruption; - political stability.
Economical	- low salaries; - high cost of living; - economic instability; - high taxes; - high unemployment.	- higher salaries; - low cost of living; - stable economic development.
Working	- poor working conditions; - low level of protection and security from the labor protection representatives;	- high level of labor protection; - the best working conditions; - career growth.
Social	- low level of social protection; - low level of medical services.	- compulsory medical insurance and high level of medical services; - stable benefits.

Migration is a selective process, and the same factors affect various people differently. Attractive factors play an important role for highly qualified professionals, because migration usually means increasing income levels, moving up in the career ladder and getting better offers in the professional field. For low-skilled workers, on the other hand, negative, repulsive factors are more important.

Thus, it is seen that there is a high number of repulsive factors for highly qualified workers in Ukraine. These include insufficient jobs, low wages, military conflict, low health care and social protection.

The increase in migration has both positive and negative consequences for various stakeholders in this process (Table 2).

Given the consequences of labor emigration from Ukraine described above, the question of how Ukraine could adjust its policies to improve benefits and limit the costs associated with its large outflow of workers is relevant.

Studies of labor migration emphasize, first, the benefits of interacting with the diaspora and encouraging migrants, especially highly qualified personnel, to invest and return to their homeland [14].

Table 2 – Positive and negative consequences of labor migration for Ukraine and host countries of migrants

	For Ukraine	For host countries
Positive	Increase in remittances from migrant workers	Satisfying open vacancies
	Reducing unemployment in the domestic market	Decrease in the average market value of salaries
	Return of some employees with new experience and knowledge	Stimulating consumer demand
Negative	Changing the balance of highly qualified and low-skilled professionals	Boosts economic development
	Increasing the value of the domestic labor market	Local labor begins to look for work in another country, there are market asymmetries
	Declining production rates in the country	Increasing competition with the local population
	Import of labor resources from abroad	Risk of illegal migration is increased
	Additional state expenditures for training new specialists	

Benefits include the return of skills, the dissemination of technological and managerial knowledge, and the emergence of modern small and medium-sized enterprises. Returnees can also bring significant savings: according to an IOM survey (2016) [15], the amount of savings accumulated by Ukrainian migrants abroad is more than twice the number of remittances sent. Some countries have managed to attract returning emigrants (for example, Ireland) and to involve the diaspora in the development of high-tech industries (India, Israel). Such programs are addressed in most cases to highly skilled migrants. For example, the Moldovan program PARE 1+1, with the support of the EU, provided subsidies for the creation of new small and medium enterprises by emigrants returning to Moldova. In December 2019, the Ukrainian government announced a low-interest loan program "Come and Stay", aimed at supporting the creation of small new companies, especially to encourage citizens working abroad to return home and start a business.

In addition to special programs for returnees, it is necessary to create a more attractive business environment that would be useful both to encourage migrants to return and to stimulate investment in the economy. In Ukraine, this requires more efficient public institutions, intensified efforts to fight corruption, implement reforms in areas such as the land market or the judiciary, and improve infrastructure. Increasing satisfaction with local facilities such as health care, education, housing, the environment, roads, and transportation may also improve the likelihood that people will want to return from exile or stay in the country [16].

CONCLUSIONS

Emigration from 2.2 to 2.7 million people (according to various estimates) has helped reduce labor supply in Ukraine and labor shortages in certain occupations. Despite the fact that salaries in Ukraine are growing in real terms, the difference in salaries, in the main areas of emigration to the EU, is so large that it is likely to continue to motivate people to work and earn abroad. Moreover, the existence of a large and growing Ukrainian diaspora tends to encourage the migration of other family members and friends, providing informational and logistical support in those countries. This attraction may increase in the coming years, and the diaspora may continue to expand. At the same time, destination countries for some emigrants may change, especially due to the gradual opening of the German labor market for Ukrainian workers. However, linguistic, and geographical similarity will continue to weigh in favor of countries such as Poland and the Czech Republic. Regarding the migration of Ukrainians to the European Union, in all respects, it can be stated that the European Union is

experiencing one of the most difficult moments, related, in particular, to problems such as migration. This is a turning point, which is also due to such pressing issues as Brexit or expulsion from citizenship under the European project. Given all this and bearing in mind that migration in the world, in general and in Europe specifically, is a present and future reality, a reconfiguration of environmental policy is at least necessary.

The following are several suggestions or recommendations that could be considered to address migration issues or at least improve the current situation (these recommendations also apply to migration issues of highly qualified professionals):

- formulate and implement national, regional and multilateral labor migration policies, guided by international labor standards, other relevant international standards and multilateral agreements concerning migrant workers;
- ensure continuity between labor migration, employment and other national policies in order to understand the broad social and economic impact of labor migration, as well as to promote decent work for all and to promote full, productive and free choice of employment;
- create a mechanism to ensure coordination and consultation between all government institutions, authorities and agencies involved in labor migration;
- implement policies to address specific vulnerabilities of certain groups of migrant workers, including migrant workers in abnormal conditions;
- ensure that labor migration policies take into account gender aspects and emphasize the challenges that women often face in the migration process;
- ensure that the specific structures and mechanisms in these government institutions have the necessary functions and capabilities to develop, formulate and implement labor migration policies, including, if possible, the establishment of a dedicated unit to work with migrant workers;
- Establish tripartite procedures to ensure that employers' and workers' organizations are consulted on labor migration and that their views are considered.

All these recommendations and suggestions could take place in society, as they are not unattainable or unrealized actions. However, brakes or barriers are often set by those who could change the situation for the better.

The 2020 pandemic and its aftermath have changed the lives of people around the world. And it has had a particularly strong impact on the lives of migrants, according to a report by the Organization for Economic Co-operation and Development (OECD). During the fight against coronavirus and anti-epidemiological restrictions, migrants played a significant role in health, retail, and supply.

The pandemic has sharply reduced migration to OECD countries. According to preliminary data, in the first half of 2020 the influx of migrants was twice less than in the same period last year. The issuance of new visas and permits in OECD countries in the first half of 2020 fell by 46% compared to the same period in 2019. This is the largest reduction ever recorded. In the second quarter, the decline was 72% (Figure 2).

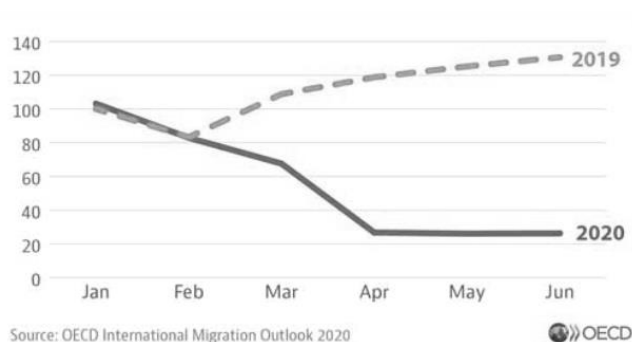


Figure 2 – Permits and visas issued to OECD countries in 2019 and 2020 [17]

In general, thanks to the COVID-19 pandemic, it was a historic low point for international migration in the OECD region in 2020. And, according to forecasts, soon the situation is unlikely to change, even if the economy recovers. As one of the reasons, experts call the transformation of the labor market caused by the pandemic and the growing transition to online work. At the same time, despite the fact that highly qualified specialists are in their countries, there is a kind of remote labor migration, as they work for the economies of other countries.

АНОТАЦІЯ

Петрушенко Ю.М., Земляк Н.В., Шаповал В.Ю., Діброва В.В. Міграція висококваліфікованих працівників з України: причини та способи подолання

Міграція висококваліфікованих працівників стає все більш важливим фактором, що впливає на розвиток як окремих країн, так і регіонів світу. Зокрема, в Європейському Союзі тенденція нестачі низькокваліфікованих працівників змінюється на тенденцію сприяння міграції висококваліфікованих працівників, які можуть створювати додану вартість і наповнювати пенсійні фонди для населення, що старіє. Водночас від втрати висококваліфікованих кадрів країни-реципієнти втрачають в темпах свого економічного розвитку. Актуальність даного дослідження посилюється також зміною умов для міжнародної трудової міграції до країн Європейського Союзу у зв'язку з пандемією COVID-19, в тому числі для українських висококваліфікованих фахівців.

У статті досліджуються причини міграційних процесів висококваліфікованих працівників, аналізуються наслідки для різних стейкхолдерів та методи зменшення масштабів такої міграції. Для аналізу причин трудової міграції висококваліфікованих фахівців було використано модель «Push and Pull» факторів на прикладі України та країн Європейського Союзу. Визначено позитивні та негативні наслідки зростання масштабів міграції висококваліфікованих фахівців для різних стейкхолдерів цього процесу.

Обґрунтовано, що не зважаючи на те, що заробітна плата в Україні зростає в реальному вираженні, різниця в зарплатах за основними напрямками еміграції в ЄС настільки велика, що вона, ймовірно, продовжить мотивувати людей працювати та заробляти за кордоном. Більше того, існування великої та зростаючої української діаспори має тенденцію заохочувати міграцію інших членів родини та друзів, забезпечуючи інформаційну та матеріально-технічну підтримку в країнах призначення. Цей фактор притягання може посилитися в найближчі роки, а діаспора буде продовжувати розширюватися.

В статті також аналізується вплив пандемії COVID-19 на міграцію висококваліфікованих фахівців та визначено низку пропозицій чи рекомендацій, які можна було б запровадити на рівні міграційної політики держави, щоб вирішити проблеми навколо трудової міграції висококваліфікованих фахівців або принаймні покращити поточну ситуацію. Запропоновано рекомендації міграційної політики протидії негативним наслідкам пандемії COVID-19 стосуються створення механізму забезпечення координації та консультацій між усіма урядовими міністерствами, органами влади та відомствами, що беруть участь у трудовій міграції, а також встановлення тристоронніх процедур для забезпечення консультацій роботодавців та організацій працівників з питань трудової міграції та врахування їх думок.

Ключові слова: міграція, висококваліфіковані фахівці, модель «Push and Pull» факторів, економічне зростання, державна політика.

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