

Re-thinking approaches to labour migration

Potential and Gaps in EU Member States' Migration Infrastructures

Case Study Summary — Slovakia



KEY MESSAGES

- Labour shortages in Slovakia constitute one of the barriers of economic growth, especially in industry and construction.
- The legal system through which labour migrants from third countries enter Slovakia is overly complex and lacks clarity compared to other EU countries. This seems to limit Slovakia's attractiveness as a host country.
- Slovakia has introduced possibilities for national visas as entry for labour migrants and quotas for such visas have been increased for positions with high labour shortages. Still, a simplified system of residence permits for employment and work purposes for third-country national (TCN) labour migrants to enter Slovakia would be important.
- The application of the labour market test should be better tailored to the significance of the labour shortages.
- For highly-skilled TCN workers, accelerating and streamlining the diploma recognition process would help to more quickly fill labour market gaps



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BACKGROUND AND CONTEXT

After the dissolution of Czechoslovakia, the political regime changed in Slovakia, and the process of transformation from a centrally planned economy to a market economy began. This liberalisation was accompanied by the emigration of Slovaks abroad in search of better-paid work. In fact, the lower standard of living than in neighbouring countries of Western Europe, the high unemployment rate and a conservative migration policy, unwelcoming to foreigners, all led to Slovakia becoming a country of emigration. This development was typical until 2015. Since then, the number of foreigners has been steadily increasing year by year. Factors influencing this trend include the relatively high economic growth, improvement in the standard of living, a stable political environment also as a result of the accession to the EU in 2004, an ageing population, low unemployment rate, and a portion of the country's own workforce emigrating to other EU countries.

The issue of migration is relatively new in Slovakia's modern history. In general, Slovak migration policy can be perceived as rather strict with few exceptions, which are intended to facilitate the arrival of highly qualified workers or those in occupations experiencing labour force shortages.

CURRENT AND FUTURE LABOUR SHORTAGES

The automotive industry is one of the largest and most important economic sectors in Slovakia. It faces structural imbalance between the needs of producers and the qualifications and volume of available workers. This is further exacerbated by the trend of a gradually ageing population that will persist and deepen in the future. Therefore, this branch of industry is facing shortages of engineers, plant and machine operators, and assemblers. This deficit of qualified workers is becoming a factor limiting further industrial growth. Similar staff shortages are becoming evident in education and health care. Since salaries in these sectors are relatively low compared to salaries in neighbouring EU countries such as Austria and the Czech Republic, employment in Slovakia is less attractive to young graduates.

According to recent data on job vacancies¹ from the end of 2023, most of all open job positions are in the sectors of manufacturing (15% of total vacancies),

¹ Data from SSO based on quarterly statistical reporting, including data for entrepreneurs. The statistical population consists of: enterprises with 20 or more employees, registered in the commercial register.

retail and trade (10%), transport (14%) and public administration (33%). The inevitable ageing of the Slovak population will increase pressure on the labour market, which could be mitigated by labour migration – as demonstrated by the impact of refugees from Ukraine in 2022 and 2023. This unexpected development helped sectors with significant labour shortages in offsetting the adverse impact on their operations. During the first 12 months of the war in Ukraine, Ukrainian refugees in Slovakia most often found jobs in manufacturing. Other sectors in which significant percentages of the Ukrainian migrants found employment were trade, accommodation and food services, professional, scientific and technical services, and health and social work activities. The sector attracting the most migrants from Ukraine (almost 30%) was that of administrative and support services, which includes personnel agencies.

LABOUR MIGRATION POLICY IN SLOVAKIA

Labour migration in Slovakia is a complex process, regulated by Laws 5/2004 on labour services and 404/2011 on residence of foreigners. These legislative acts refer to requirements defined in other laws, and several amendments made over the years make them overly complex, even for Slovaks.

Being able to work in Slovakia requires the foreigner to find a vacant position while still in their home country, and to obtain a visa or residence permit. The administrative process involves the submission of documents proving future employment, accommodation, no criminal record, and other requirements. After receiving a visa and arriving in Slovakia, the foreign worker needs to apply for a residence permit for the purpose of employment, and to provide the Foreign Police in Slovakia with a similar set of documents as submitted for the visa-issuing process. As these documents often cannot be more than three months old, they often need to be obtained repeatedly.

Employers are voicing the need for improved procedures, and government strategic documents formally acknowledge the need for (labour) migration. However, simplification of the process for positions with labour shortages, or in certain regions, is not yet on the political agenda.

The current government aims to clarify the rules for work permits for TCN migrant workers and promote the recognition of qualifications, while harmonising

labour migration policy with the needs of the labour market. The government is aware of the labour shortages in education, research and development, and healthcare. It intends to support these sectors and make them financially stable in order to attract both domestic and foreign workers.

LEGAL LABOUR MIGRATION PATHWAYS

Temporary residence for employment

Slovak legislation recognises temporary labour migration and seasonal labour migration. Both pathways are defined in the Act No. 5/2004 Coll. of 4 December 2003 on employment services. Temporary residence for the purpose of employment can be granted for the expected length of the employment, not more than for two years. Temporary residence for employment is not required for the first 90 days of stay for specific roles such as work for a significant foreign investor, seasonal work etc. Generally, employers must report the vacancy to the Labour Office, which carries out a labour market test or issues a confirmation that the vacancy can be filled by a TCN without carrying out the labour market test. The TCN must submit a criminal record, proof of accommodation, proof of sufficient means for subsistence (IOM 2024d).

Seasonal migration

The **Seasonal workers Directive** (2014/36/EU) has been transposed and applied in Slovakia. Third-country nationals may obtain seasonal employment in agriculture, forestry and fishing, industrial production, construction, and accommodation and food services. Although the provisions have been in place for almost seven years, seasonal workers are issued residence permits for employment, and therefore it is not possible to distinguish seasonal workers from other labour migrants.

For seasonal work, employers can ask for a permit to fill vacancy by employing third country nationals for up to 180 days within a 12-month period. For up to 90 days, no temporary residence permit is needed but TCNs need to apply for work permits. Seasonal employment for more than 90 days is possible by applying for temporary residence for seasonal employment. Its duration is up to 180 days.

Other European legal provisions and their use

The provisions of the highly-skilled employment (**EU Blue Card**) **directive** (2009/50/EC) were also transposed into Slovak legislation. However, Slovakia does not issue EU Blue Cards very often. The EU Blue Card procedure requires recognised documents in education and qualifications, which makes the process lengthy and complicated. This could be one of the reasons why the number of EU Blue Cards is so low, and as of the end of 2023 only 52 EU Blue Card holders resided in Slovakia.

Slovak legislation contains principles from the provisions of the **Single Permit Directive** (2011/98/EU). Third-country nationals should have similar legal labour market status under the Act No. 5/2004 as Slovak nationals. The single permit for work and stay in Slovakia is issued based on a confirmation of the possibility of filling a vacant position. The employer must report the vacancy to the labour office. If the vacancy is not filled within those 20 days, then the employer can provide a promise or contract of employment for the TCN. In the case of regulated occupations, the applicant additionally needs to present documents showing the recognition of their education and skills.

Policies and schemes targeting highly-skilled workers

Slovakia has three main pathways for easier access to the labour market. The first concerns the applicant's qualifications, and distinguishes between foreign job seekers who are highly-qualified and the rest who are not. The second takes the perspective of the job position; there are certain jobs for which there is a labour shortage, and there are the rest. The third pathway concerns sectors with critical workforce deficits, requiring ad hoc measures.

Highly-qualified TCNs applying for the EU Blue Card, researchers and TCNs intending to fill jobs on the list of occupations with a labour shortage do not need to pass the labour market test. This can help to provide them with faster access to the Slovak labour market. For example, Slovakia has made an effort to promote the employment of third country nationals in positions of doctors or nurses. In the past, only those whose education had been recognised could work in these professions, and the entire entry process took often more than a year.

The Slovak legislation now allows temporary professional internships for healthcare and pharmacy professionals until they get the recognition of their foreign diplomas completed. They can thereby perform their job at least in a limited form during the initial stage of their stay in the country. This can be considered as an additional measure for attracting those with high qualifications able to carry out jobs with labour shortages. For example, when applying for a national visa, there is no fast-track option.

Bilateral or special labour agreements and partnerships

Slovakia currently has five bilateral labour agreements for working holiday programmes. The countries participating in these programmes are Canada, New Zealand, Taiwan, Australia and Japan. Their general conditions define that the participants can be aged between 18–35, they may only participate in the programme once, should have sufficient funds and insurance to cover their stay and should not be accompanied by any dependent persons. When the conditions are met, a visa should be granted for up to 12 months.

SUGGESTIONS FOR POSSIBLE FUTURE ADAPTATIONS TO LABOUR MIGRATION POLICY AND THE USE OF EXISTING PROVISIONS

Increase effectiveness for labour mobility

There is still significant room for attracting third country nationals as the presence of EU nationals in Slovakia over the past decade has been stagnating, and economic development compared to the EU average has also halted during this period. Although bilateral agreements have been in place since 2016 for work holidays with Japan, New Zealand, Australia, Canada and Taiwan, no new agreements have been established. This platform could serve as a possible venue to promote Slovakia in countries of interest. Additionally, it should enable students and youth to come to Slovakia for up to 6 months and to work as well as travel. The relevant ministries need to consider piloting and expanding bilateral agreements also with other countries of interest with potential to create pathways for connecting employers and employees for seasonal works.

Improve integration measures for foreign workers

It is particularly important to promote and improve legislation and to implement integration measures for foreign workers. This will be key for foreigners' success on the Slovak labour market. Through effective integration measures, the local population may also be likely to become more receptive to foreigners who speak Slovak and understand the local culture. Currently, the general perception of migration is predominantly negative, driven by populist political parties that misrepresent the issue to attract voters. Only 9% of the Slovak population views migrants as more of an opportunity than a problem (Eurobarometer 519,² 2023).³ This perception is slowing down the development of serious legislation as well as measures in the area of labour migration. Better integration on a local level might have the potential to mitigate this adverse development. To effectively combat the main issues today (language and cultural barriers in the case of some countries of origin), language courses and integration centres or services should be developed as the joint efforts of municipalities, the state and employers.

Introduction of quota systems, simplifications and internships

The current legislative framework does not include any quota systems to address labour shortages, except for national visas, which allow work for up to one year under special circumstances. To promote more flexible labour mobility in sectors, positions, and skills facing significant shortages in Slovakia, the introduction of quotas or additional exemptions could be considered. A supporting mechanism – a list of occupations with labour shortages – has been in place and functioning effectively in local conditions since 2018.

For high-skilled positions, the speed and flexibility of diploma recognition processes could be improved to help bridge gaps in the labour market. This can include the implementation and enhancement of options for acquiring any missing qualifications during the transitional period. Additionally, the possibility of employing third-country nationals (TCNs) as interns should be expanded on a larger scale, as this opportunity is currently limited to EU nationals. Finally, the labour market test could usefully be adjusted to reflect the severity of specific labour shortages.

² Available at: <https://europa.eu/eurobarometer/api/deliverable/download/file?deliverableId=82063>

³ EU average level reached 22%.

Improved coordination

The coordination between Employment Services, Consular Offices, and the Foreign Police must be enhanced to ensure a seamless flow of documents from the applicant's perspective. Achieving this will require greater interconnectivity among state agency information systems, supported by the introduction of common identifiers as a foundational measure. Additionally, the application process needs a higher level of digitisation, as paper documentation is still preferred. To address this, the replacement of paper documents with digital versions, supported by affordable and internationally recognized electronic signatures, should be prioritised. Alternatively, coordination could be improved by establishing a single coordination point, such as an institution or body, to oversee migration policy.



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