

Re-thinking approaches to labour migration

Potential and Gaps in EU Member States' Migration Infrastructures

Case Study Summary — **Slovenia**



KEY MESSAGES

- Most foreign workers in Slovenia come from former Yugoslavia and Balkan countries. They work in a range of different sectors and occupations, many of which face labour shortages.
- Labour migration plays a key role in the Slovenian economy, and this will continue given the labour shortages the country faces.
- Slovenia has a well-established labour migration policy framework, including fruitful bilateral agreements with Serbia and Bosnia and Herzegovina. The country is currently negotiating a bilateral agreement with the Philippines.
- Possible measures to improve labour migration processes include reducing the administrative burden and complexity of work permit procedures, ensuring adequate staffing and pay conditions in administrative units and allowing other types of foreigners to obtain work permits.
- Future possible adaptations of labour migration in Slovenia could include allowing failed asylum applicants who are employed to obtain a work permit as well as making it easier for foreigners to change employers would offer greater protection to workers.

BACKGROUND AND CONTEXT

In Slovenia's April 2022 parliamentary elections, the social and green liberal Freedom Movement Party (Gibanje Svoboda) defeated the right-wing Slovenian Democratic Party (SDS). Founded just months prior, the Freedom Movement Party, under Prime Minister Robert Golob, formed a coalition with the Social Democrats and the Left. The government prioritises environmental protection, healthcare, education, media freedom, and digitization.

Since the mid-1950s, immigration numbers to Slovenia have mostly been larger than emigration, apart from a brief period of large-scale emigration from Slovenia during the 1990s due to the instability caused by the breakup of Yugoslavia. Since 2000, Slovenia has seen mostly positive net migration, particularly following its EU accession in 2004 and amid rising asylum applications since 2015. Immigration to Slovenia has continued to be dominated by workers coming from Balkan and former Yugoslavian countries. Slovenia is seen as an attractive destination for workers from these countries due to its improved economic situation, its cultural and language ties, and the opportunities it provides for such workers to access the Slovenian labour market. Today, the public's attitude towards labour immigration is generally positive, although there is some hostility towards people seeking international protection.

CURRENT AND FUTURE LABOUR SHORTAGES

The key economic sectors in Slovenia are trade, education, healthcare and social security activities, construction, manufacture, services, professional, scientific and technical activities, and transport. Between 2021 and 2035, employment will grow in manufacturing, business services, and transport, and will shrink in the primary sector and utilities, as well as in construction. Migrants work in many sectors and at different income levels of the economy, although a large share work in low-wage manual work. In 2021, the top industries employing foreign citizens were: construction; manufacturing; transportation and storage; administrative and support services; wholesale and retail trade; repair of motor vehicles and motorcycles; agriculture; and professional, scientific and technical activities.

The Employment Service of Slovenia reports that the labour supply has repeatedly fallen short of what employers are looking for in recent years. In 2023,

the sectors experiencing the greatest shortages were health and social care, manufacturing, transport and construction. A 2023 survey showed that the ten occupations for which employers have found it hardest to find suitable candidates were: HGV drivers; salespeople; workers such as cooks; toolmakers; waiters; bricklayers; cleaners, servers and domestic; warehousemen and clerks. Future shortages are expected most in construction, health and social care, IT, transport, warehousing and hospitality. As shown in the list above, these sectors are also important employers of migrant workers. The government expects labour migration to play a particularly important role in addressing shortages in healthcare and social services, as well as in innovative start-up companies.

LABOUR MIGRATION POLICY IN SLOVENIA

Slovenia has an established policy framework for labour migration, that recognises the important role of labour migration in supporting the domestic labour market. Given the worsening trend of demographic ageing, the emigration of many Slovenians to other European countries, and a low unemployment rate in the economy, Slovenia adopts a proactive approach to labour migration. Moreover, the new government, in place since 2022, espouses a more liberal approach to labour immigration, alongside a greater focus on labour rights for workers.

The key migration policy document is the 2019 Strategy on Migration, which includes six key areas: international migration; legal labour migration; international protection; integration; irregular migration and return; and a security component. The strategy is currently being updated, and is expected to focus on issues related to asylum and irregular migration, although labour migration will also feature. In November 2023, the government also published a migrant integration strategy, which was a welcome step since, prior to the new strategy, Slovenia's integration policies had not translated into equal opportunities for foreigners to access the labour market.

One of the key features of Slovenian labour migration policy is the bilateral agreements with Serbia and Bosnia and Herzegovina. The importance of these agreements partly explain why so many migrants come to Slovenia from Balkan countries. Although there is still a legislative framework for the use of the quota system, it has not been used in

practice since 2010. From 2011 the labour market test was implemented according to the changes of the Employment and Work of Foreigners Act.

LEGAL LABOUR MIGRATION PATHWAYS

National legal provisions

The Single Permit is the principal national legal provision allowing third-country nationals to enter, stay and work in Slovenia. Applications can be carried out by the worker in their home country or by the employer in Slovenia. The decision-making process to issue a permit involves the Slovenian administrative units and the Employment Service of Slovenia. The procedure to grant consent takes longer if a labour market test is required. The state defines the list of occupations that do not require a labour market test. Currently, these are: welders; drivers of heavy lorries and tractors; toolmakers; electrical installers; carpenters; cooks; electro-mechanics; masons; plumbing and gas fitters and repairers; foundryman; turners; butchers; nursing assistants and specialist general practitioners.

The first single permit is issued for the duration of the employment or work contract, but for no longer than one year. The single permit may be renewed after its expiry date for the duration of the employment or work contract, up to a maximum of 2 years. The Single Permit can be issued on the basis of many different types of consent, such as, on the basis of posted work; the EU Blue Card; seasonal work etc. The main nationalities of these permit-holders are Kosovo, North Macedonia, Serbia, Turkey and Bosnia and Herzegovina. Most Single permit holders worked in construction; manufacturing; transportation and storage; and accommodation and food service activities.

European legal provisions

Slovenia implements the Seasonal workers Directive through the Employment, Self-employment and Work of Foreigners Act and the Foreigners Act. The seasonal work permit is relevant for work in agriculture and forestry, and the permit can be issued for up to 90 days within one year (for seasonal work of more than 90 days, foreigners must obtain a single permit for residence and seasonal work). The application is submitted by the employer or contractor, and a labour market test is required.

Slovenia has implemented the EU Blue Card, although it is used only to a limited extent. In 2022, there were 181 Blue Cards issued. Similarly, the EU Directive on intra-corporate transfer has been implemented, although it has only been used to a limited extent.

Bilateral labour migration agreements

Slovenia has two bilateral labour migration agreements in place, one with Bosnia and Herzegovina and another with Serbia. For workers from Serbia and Bosnia and Herzegovina to come to Slovenia they must be unemployed and over the age of 18, and there must also be a labour market test done in Slovenia. Contract should last for at least one year, and the permit is valid for three years. There were 2.987 of such permits issued to Serbians in 2023, and 13.770 issued to people from Bosnia and Herzegovina in the same year. The main problem with these work permits is that workers cannot change employers during the first year of employment without losing their work permit. This arrangement is often taken advantage of by employers, who may subject the worker to exploitative working conditions during the first year of employment, such as low pay, unpaid overtime, and other forms of exploitation.

Aside from these schemes, Slovenia is currently negotiating a bilateral labour mobility agreement with the Philippines, on healthcare and long-term care workers. Slovenia has also considered agreements with Georgia, Moldova, Ukraine and Kosovo, although no labour mobility agreements have been established. Slovenia already has social security agreements with Turkey and Macedonia. Slovenia also has an agreement for seasonal work with Macedonia, which includes within its scope provisions for different legal sectors, although the agreement has not been put into practice.

Other schemes and information

In terms of schemes for youth work and travel, the Ministry of Foreign and European Affairs has agreements on youth mobility, including with Argentina, Australia and New Zealand, however these schemes are not aligned with labour market needs. There are also some study abroad schemes, yet these too are not aimed at filling labour shortages.

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

Reduce the administrative burden of work permit procedures

Most work permit procedures in Slovenia are unnecessarily complex, strict and take too long. Complex procedures discourage people from coming to work in Slovenia. Lengthy procedures increase the risk of exploitation as foreign workers may resort to irregular employment while waiting for a permit. Procedures could be sped up by simplifying the steps for migrants, so that they could carry out steps of the procedure themselves. Concretely, this could involve digitising the procedure, as it is currently not available online. Also, much of the procedure is in Slovenian, making it harder for migrants to do the procedure themselves. Finally, part of the problem stems from the large number of documents that are required, which third-country nationals often do not possess.

Ensure adequate staffing and pay conditions in administrative units

The administrative units, which play an integral part in employment permit procedures, are experiencing staff shortages due to staff strikes over adequate pay. As of March 2024, staff at 54 out of the country's 58 administrative units were on strike due to low

pay. One of the key factors causing delays in issuing permit procedures are the lengthy timeframes for administrative units to issue the residence permits, sometimes with delays of up to six months. Policies to address the capacity constraints within the administrative units, such as increasing pay and the recruitment of more qualified staff are therefore essential.

Reduce the number of state actors involved in permit procedures

In Slovenia, work permit procedures under national legislation and bilateral labour mobility agreements with Serbia and Bosnia and Herzegovina are complex, involving multiple institutional steps that delay changes in employment. This complexity can leave workers, especially those in their first year under these agreements, vulnerable to employer abuse, as changing employers can result in losing their initial work permits. Proposals to streamline these processes include allowing the employment service to handle all aspects of the procedure or enabling quicker rights execution for workers needing to give extraordinary notice due to employer malfeasance, thus reducing waiting times and protecting worker rights.

Recommendations at the EU level

Although there is openness towards the EU Talent Partnership schemes, Slovenia seems to be mainly interested in negotiating bilateral labour mobility agreements with countries in close proximity and with cultural similarities.



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