



Welcome to Latvia

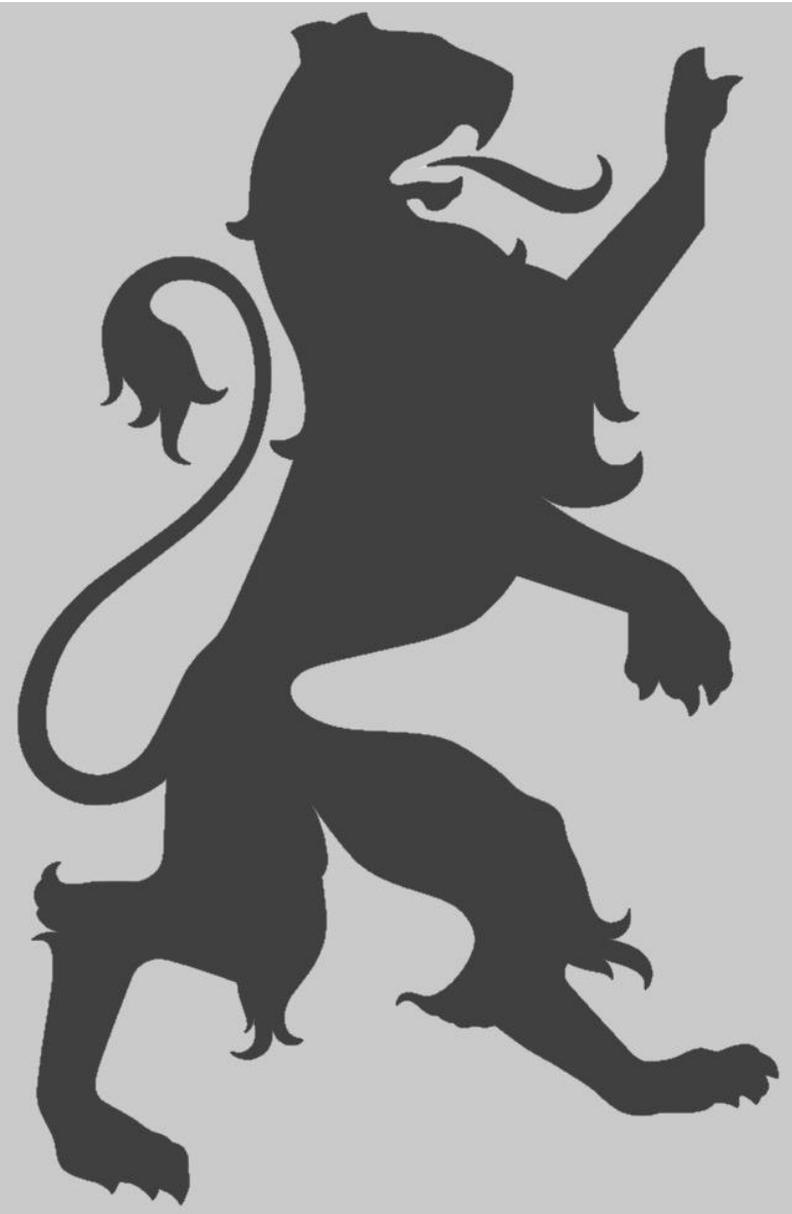


Employers' Confederation of Latvia (LDDK)

September 22, 2021

Meeting with the Executive Director of the European Labour Authority Mr **Cosmin BOIANGIU**





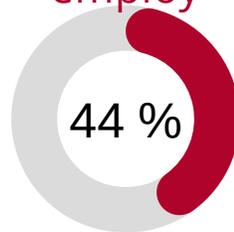
About LDDK

Established in **1993**

The largest association of employers' organizations that represents employers in Latvia.

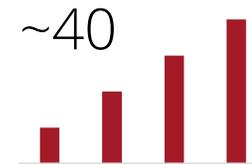
National social partner to the government of the Republic of Latvia.

Members
employ



of all employees

Members annual
turnover



billion euros

68 industrial and regional business associations

114 companies

Members of the LDDK: sectors



Chemicals and
Pharmaceuticals



Wood Engineering



Construction



Finances



Metalworking



Health Care



Light Industry



Food production



Energy



Electrical Engineering, Electricics



Education



Printing



Transportation Transport
Transit Logistics



Hotel Restaurants



Tourism



Information and Communication Technologies + IT Cluster



Other services



Mission



Create an environment that supports entrepreneurship in Latvia



Facilitate the competitiveness of companies



Represent employers in the framework of social dialogue at the national, EU and international level

LDDK priorities for 2021/2022

1

Sustainability, competitiveness and reputation of employers

2

Availability of a healthy, qualified and socially protected **labor force**

3

Sustainable investment for economic recovery, resilience and growth

4

Structural **reforms**

5

Tripartite and bipartite **social dialogue**

LDDK international scope



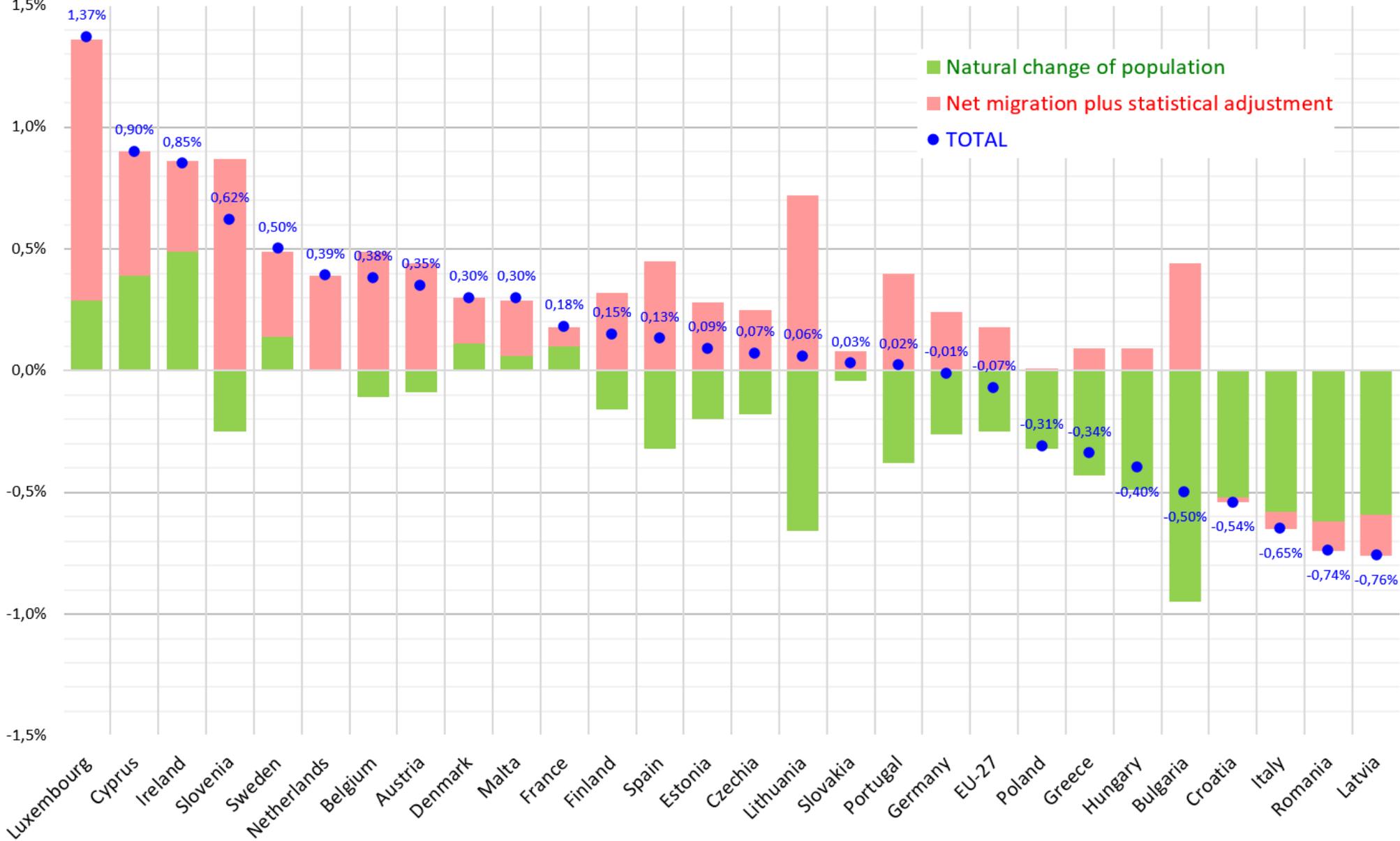
European Economic and Social Committee



Labour mobility



Population change in 2020, %



In 2020, **Latvia** had the sharpest population decline in the EU, including at the expense of migration.

The picture has been similar in previous Eurostat annual reports.

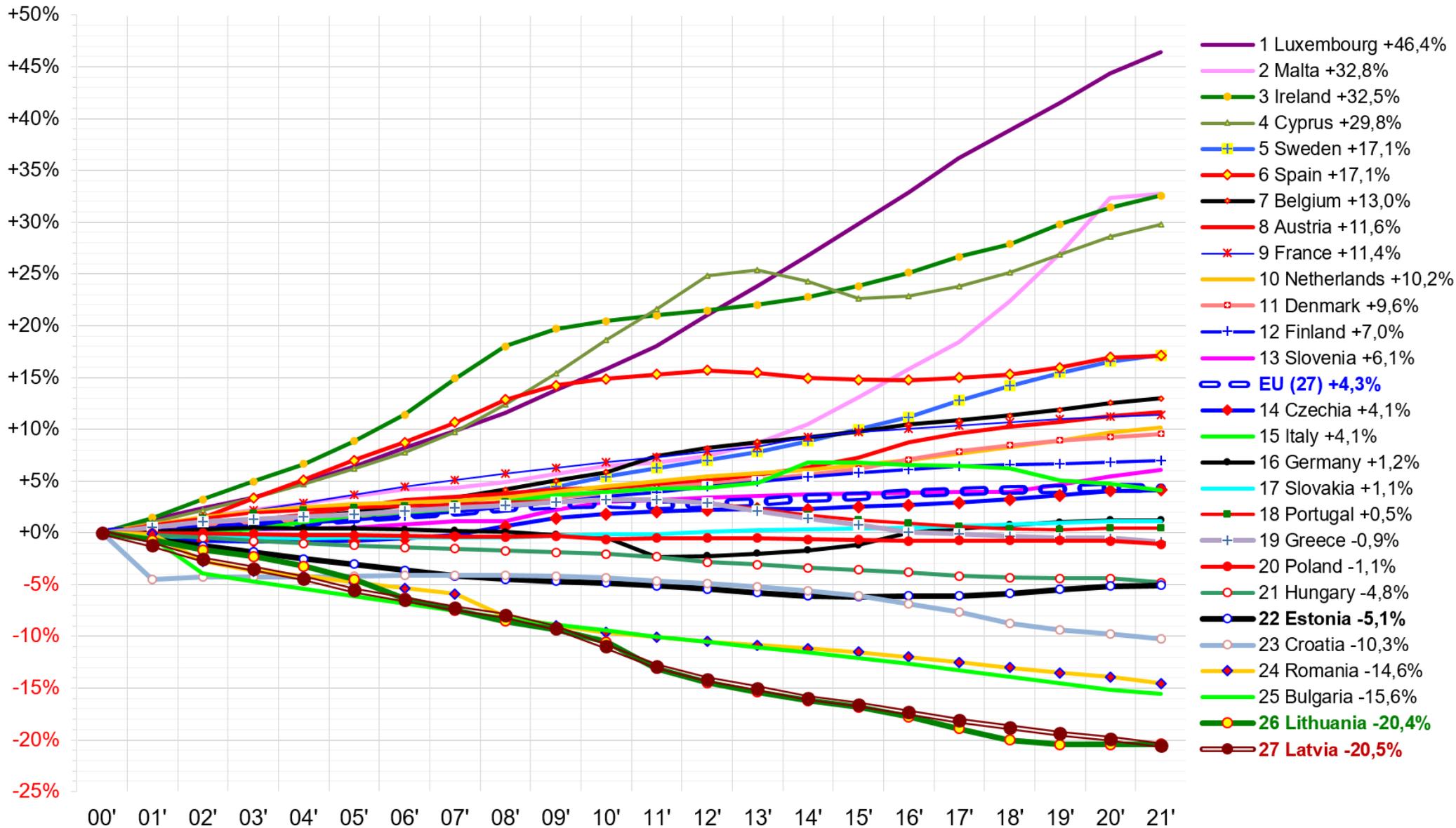
Population change, % from 01.01.2000.



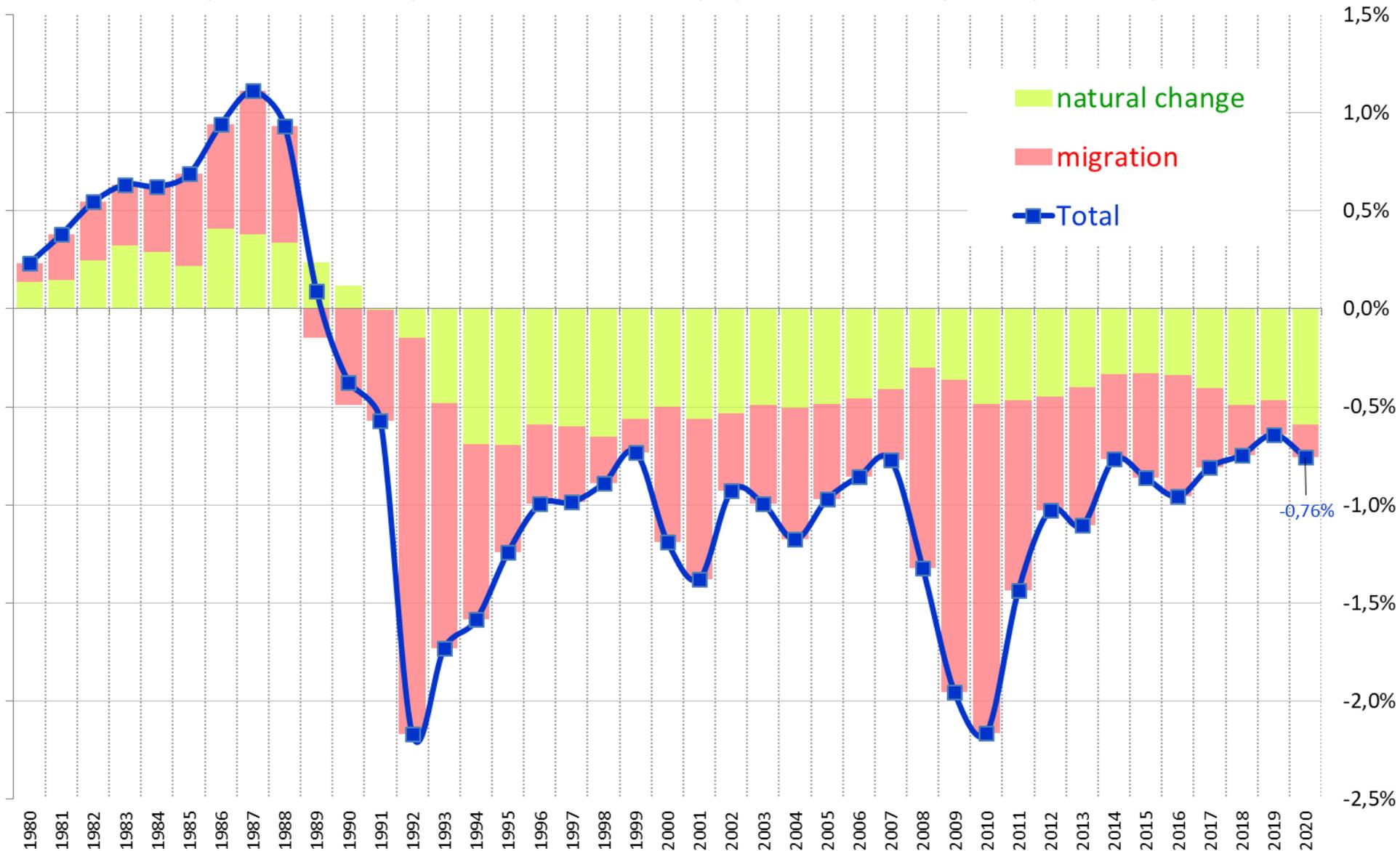
Latvia has one of the **sharpest population decline**. Since 2000, it has reached **20%**.

This decline stands out not only against the EU, but also against the rest of the world.

Source: Eurostat



Population change in Latvia, % from population at beginning of the year

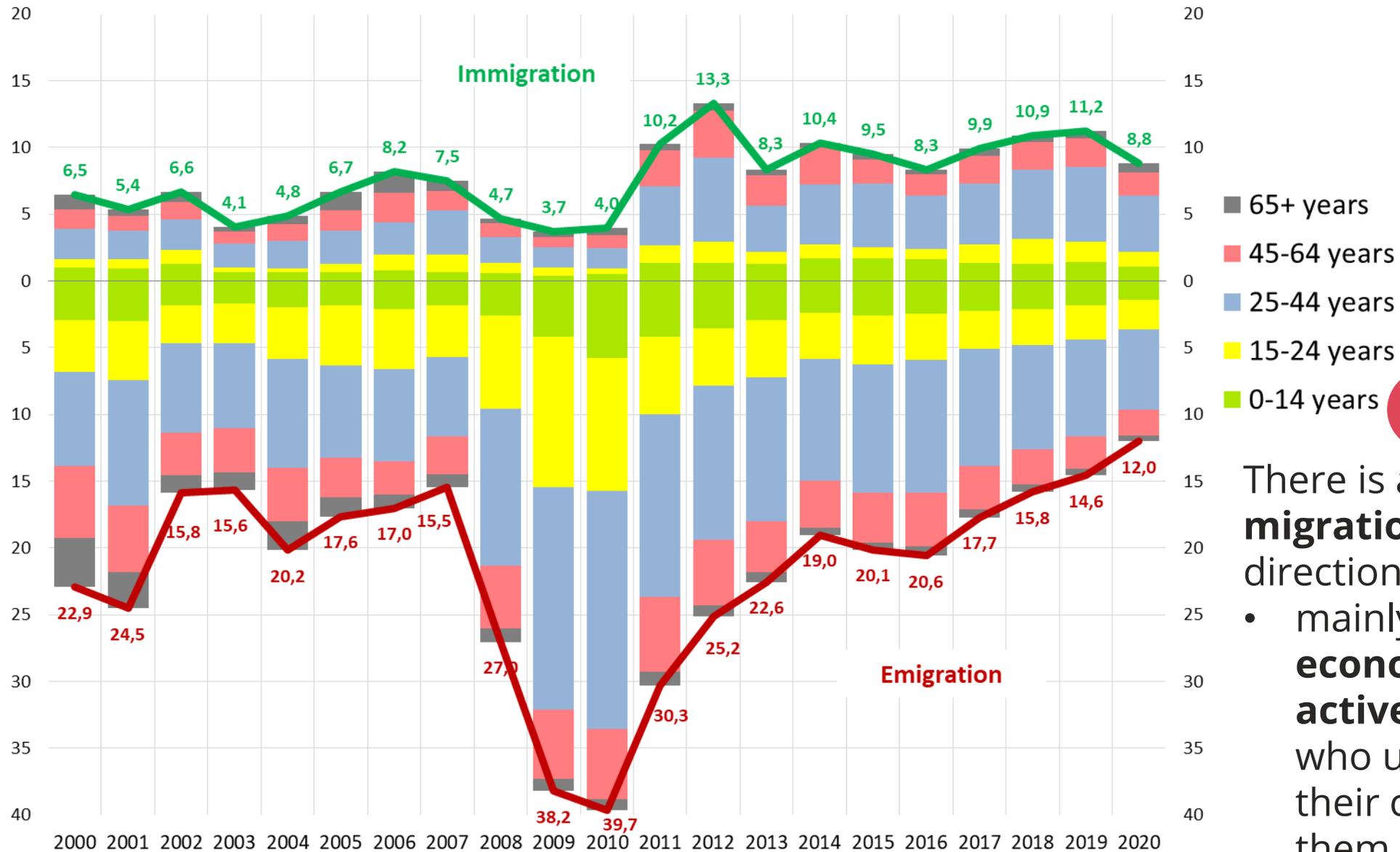


Changes influenced by various factors:

- **Until 1990:** Massive immigration from other USSR
- **1990-2000:** Considerable decrease of birth rates
- **1990-1995:** Departure of the Soviet army and their families
- **Since 2000:** Emigration to EU countries begins
- **2007-2011:** post-crisis emigration wave
- **1990-Currently:** Decrease related to low birth rate, increasing risks of emigration

Source: Eurostat

Latvia's international long-term migration by age group, in thousands

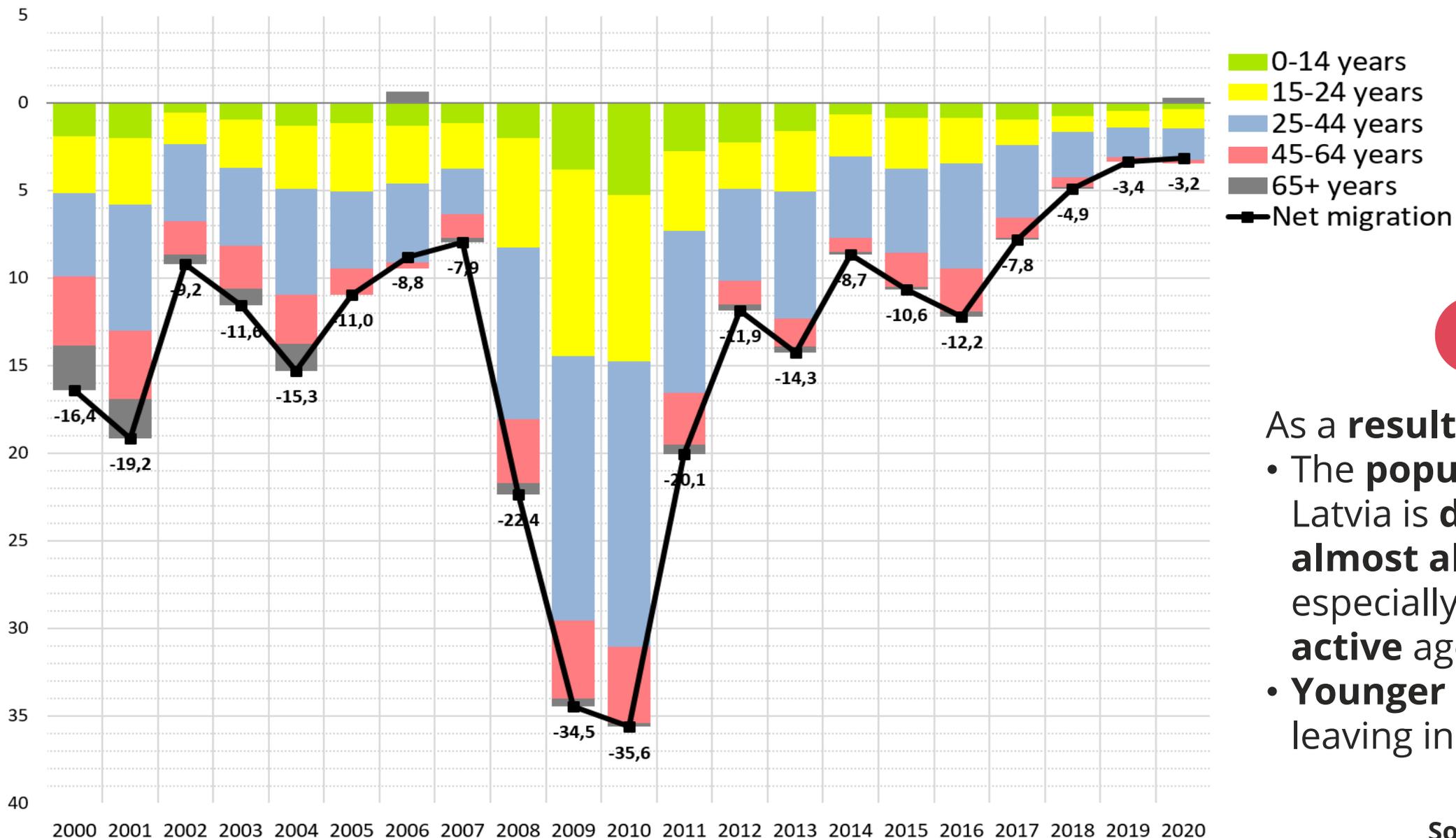


There is an active **migration flow** in both directions:

- mainly **economically active** population, who usually take their children with them.

Source: CSB of Latvia

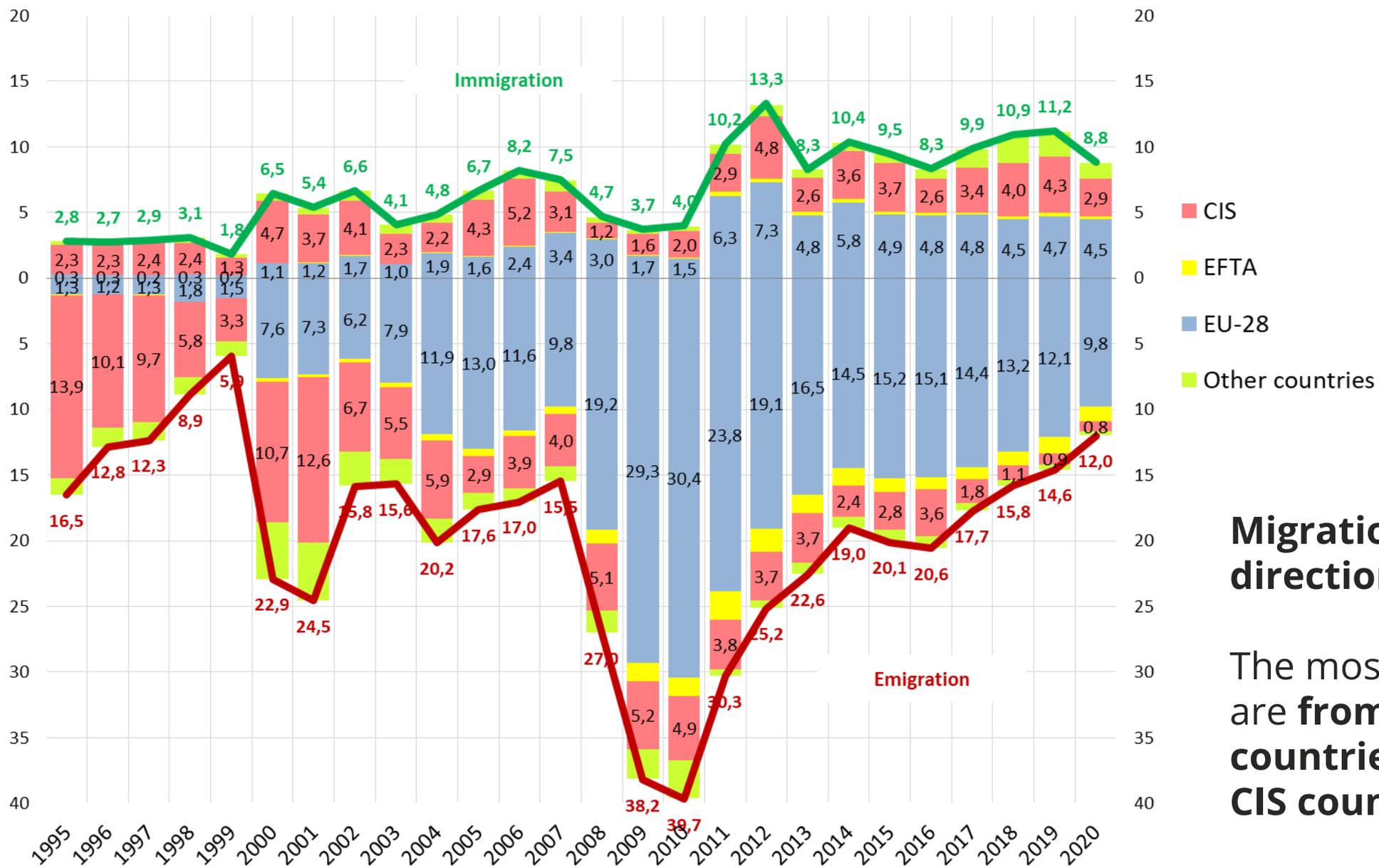
Latvia's international long-term migration balance by age group, in thousands



As a **result of migration:**

- The **population** of Latvia is **declining in almost all age groups**, especially **economically active** age group .
- **Younger people** are leaving in recent years.

Latvia's international long-term migration by country group, in thousands



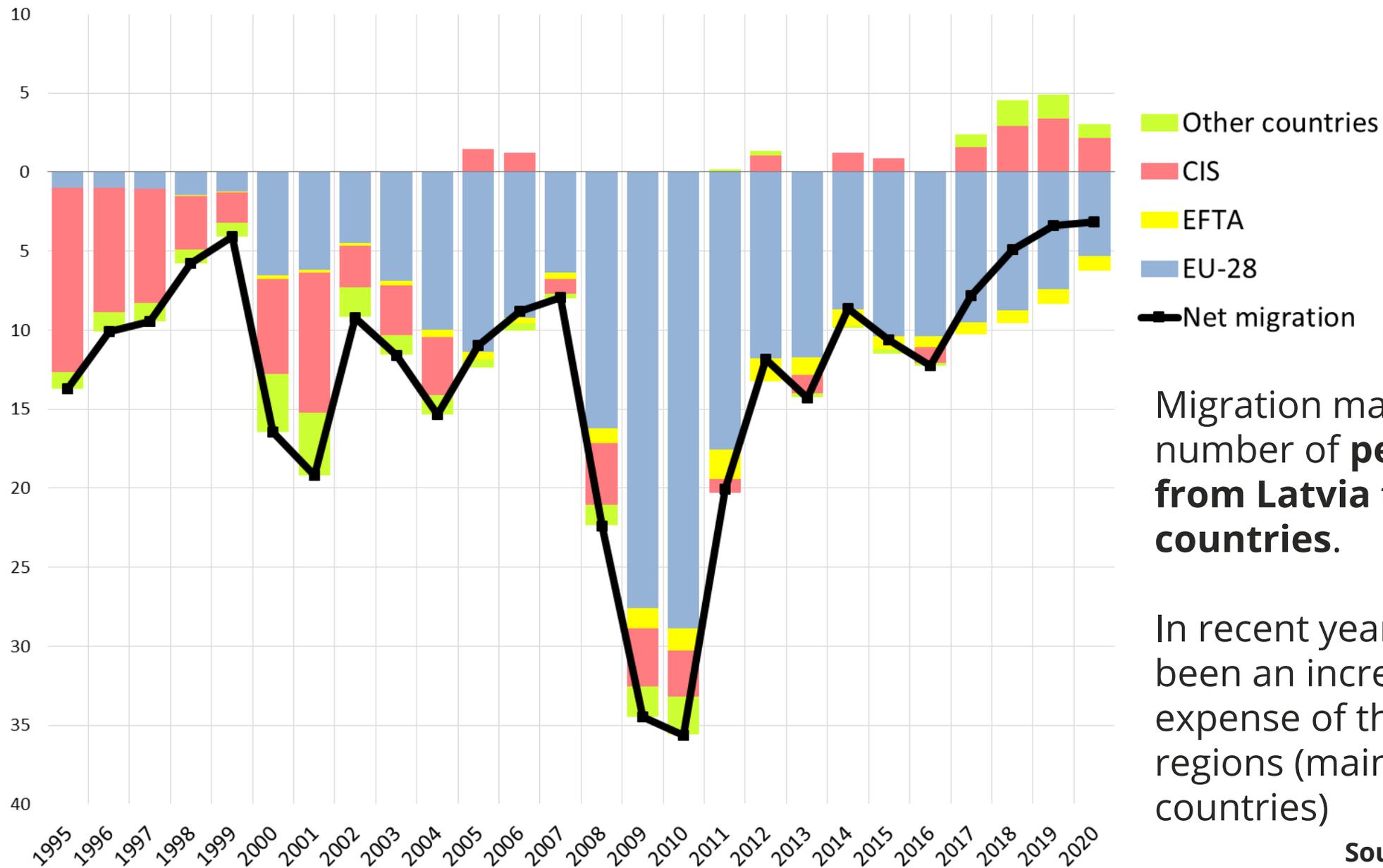
Migration flows in both directions.

The most intensive flows are **from Latvia to the EU countries** and **from the CIS countries to Latvia.**

Source: CSB of Latvia

CIS: [Commonwealth of Independent States \(CIS\)](#)

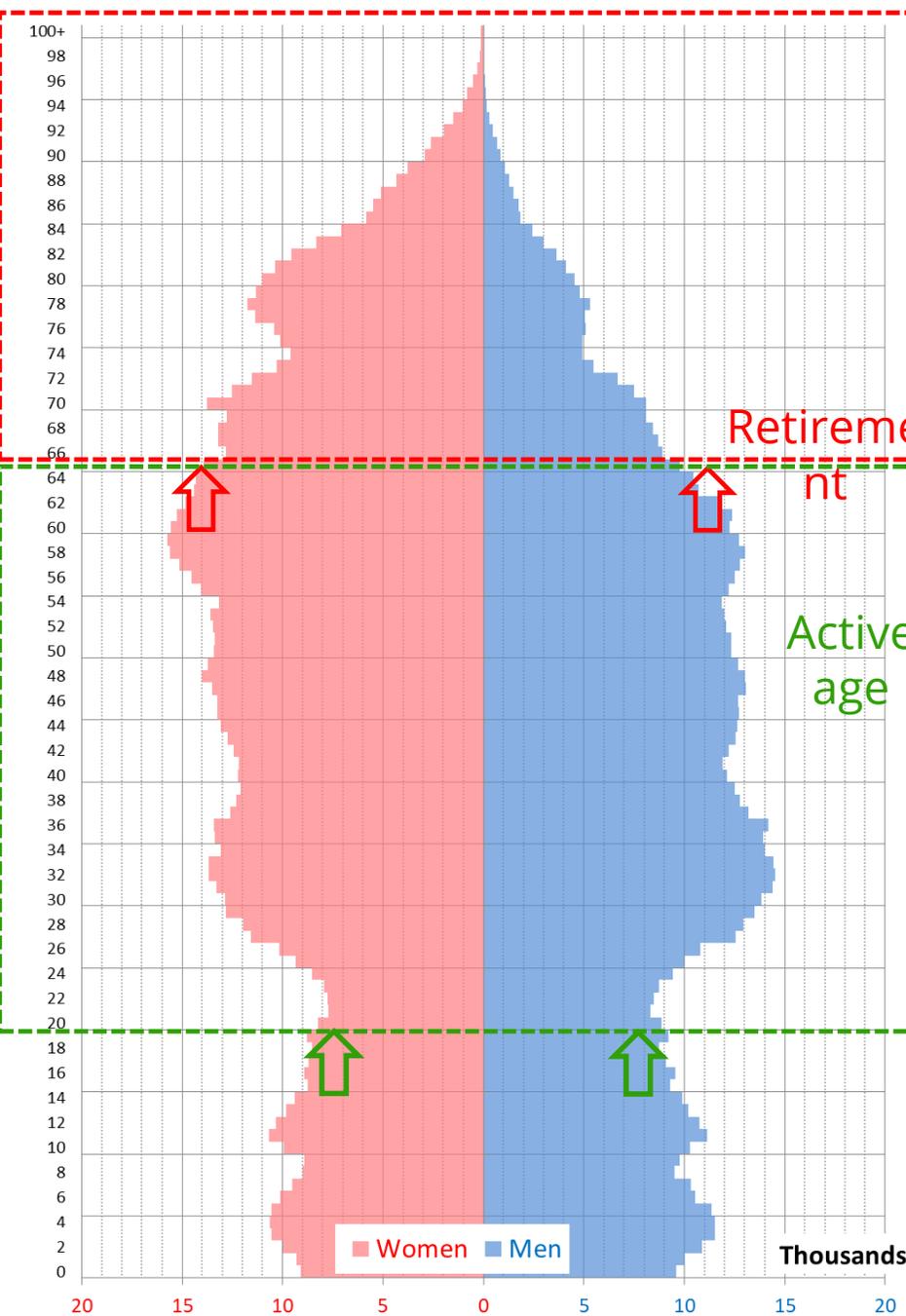
Latvia's international long-term migration balance by country group, in thousands



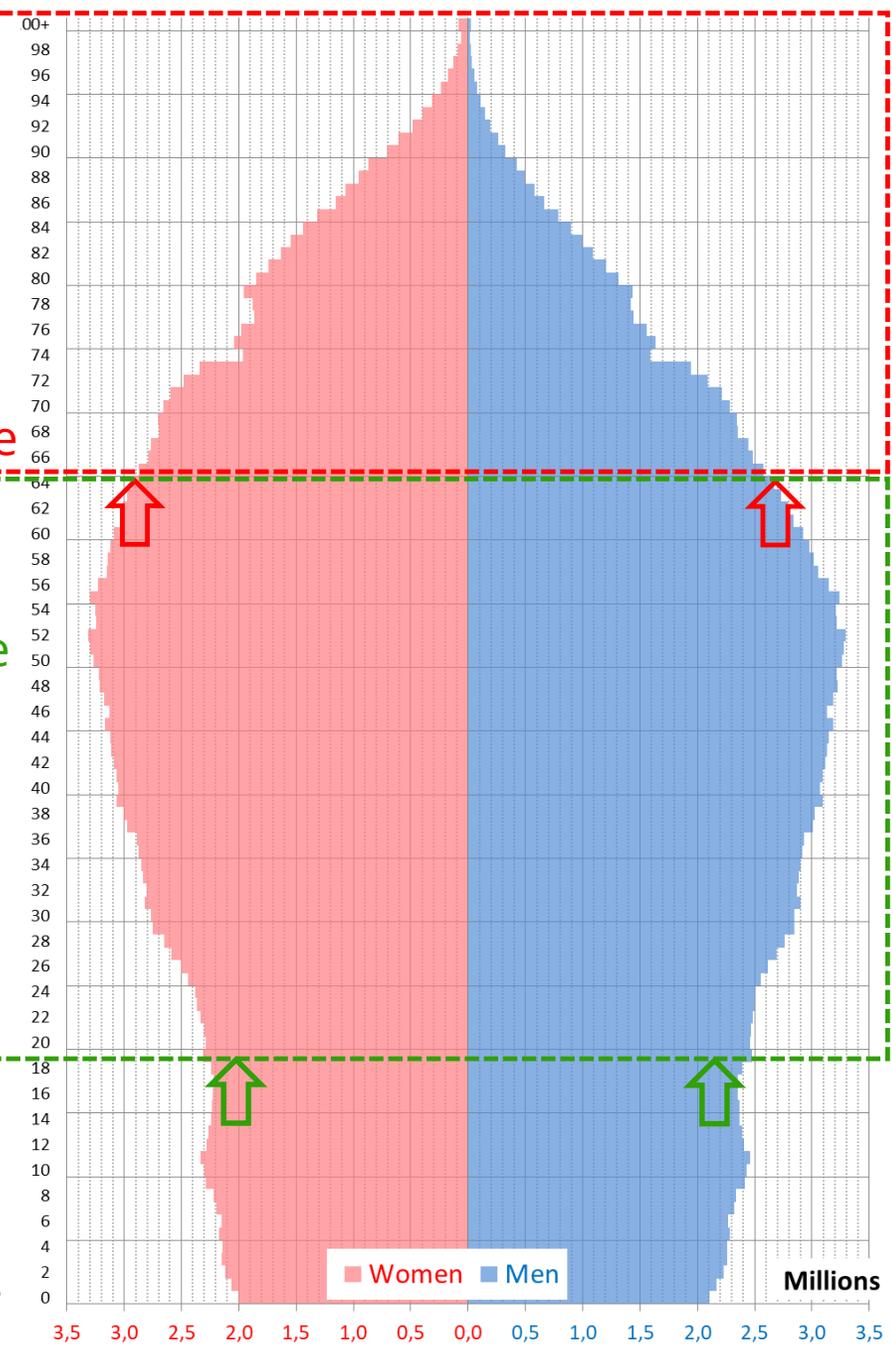
Migration mainly affects the number of **people moving from Latvia to EU countries.**

In recent years, there has been an increase at the expense of the CIS and other regions (mainly Asian countries)

Latvia's population sex and age structure, 01.01.2020



EU-27 (after Brexit) population sex and age structure, 01.01.2020



Both in Latvia and the EU:

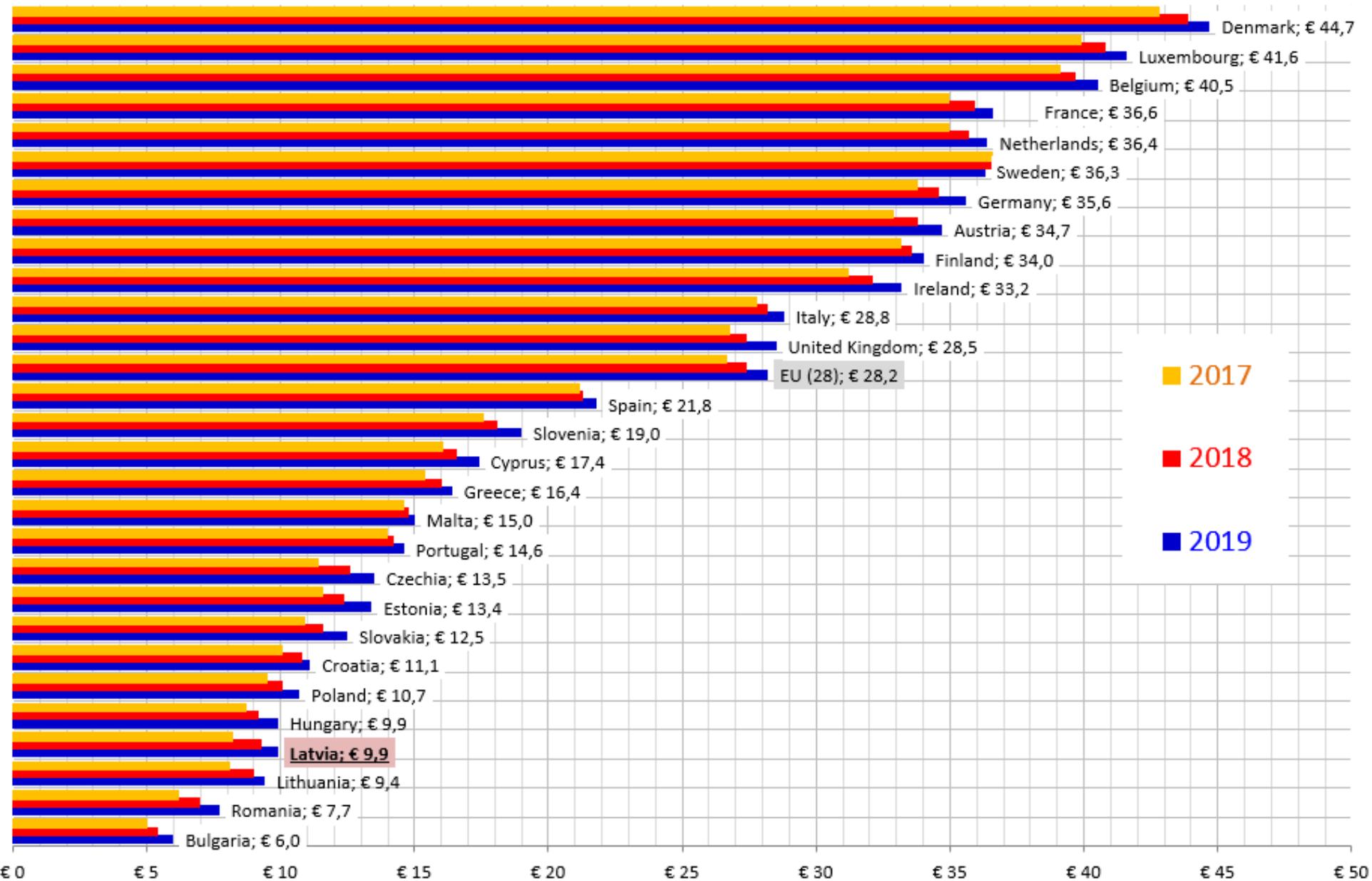
- the average **age** of the population **is increasing**,
- the labor market is changing unevenly
- the number of **retirees is higher** than the number of young people entering.

Cross-border competition for labor:

- **advantages** are for those countries that are able to offer **higher wages**.

Source: Eurostat

Labour costs per hour, whole economy (excl. agriculture and public administration, in enterprises with > 10 employees)



In most EU countries, **better pay with wider social guarantees** is available.

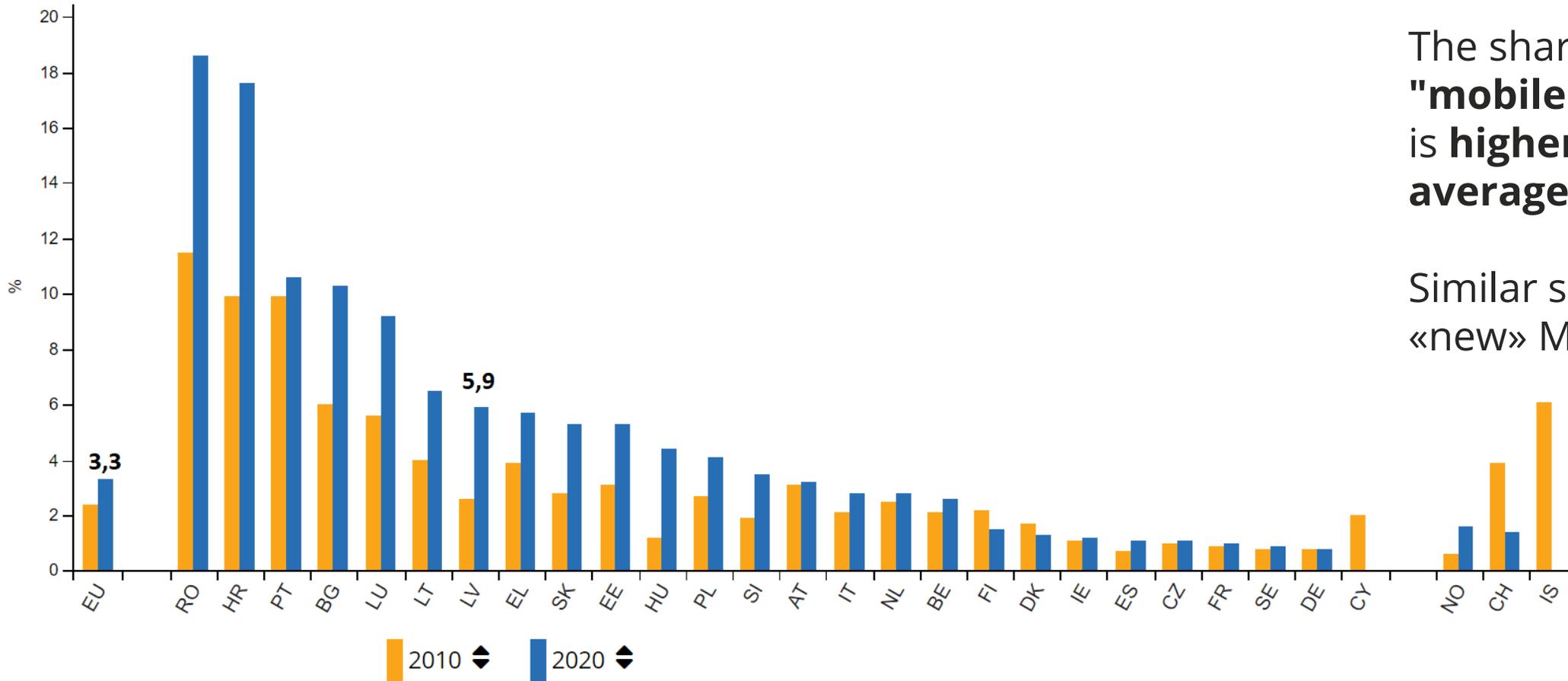
This encourages the **emigration of working-age people** to other countries.

EU mobile citizens of working age (20-64) by country of citizenship, % of their home-country resident population, 2010 and 2020



The share of **Latvia's "mobile citizens" (6%)** is **higher than the EU average**.

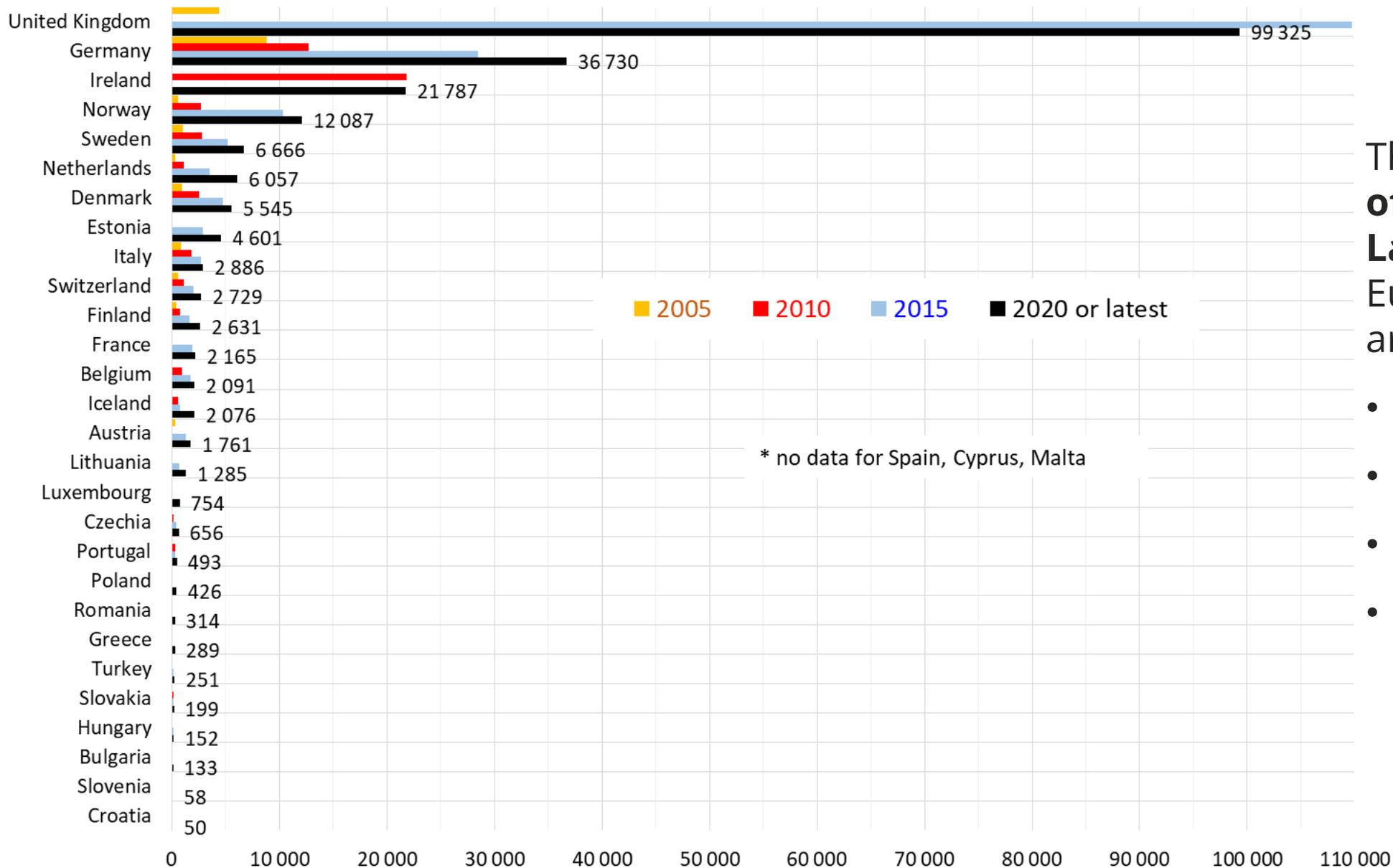
Similar situation in other «new» Member States.



Source: Eurostat

https://ec.europa.eu/eurostat/statistics-explained/index.php?title=EU_citizens_living_in_another_Member_State_-_statistical_overview

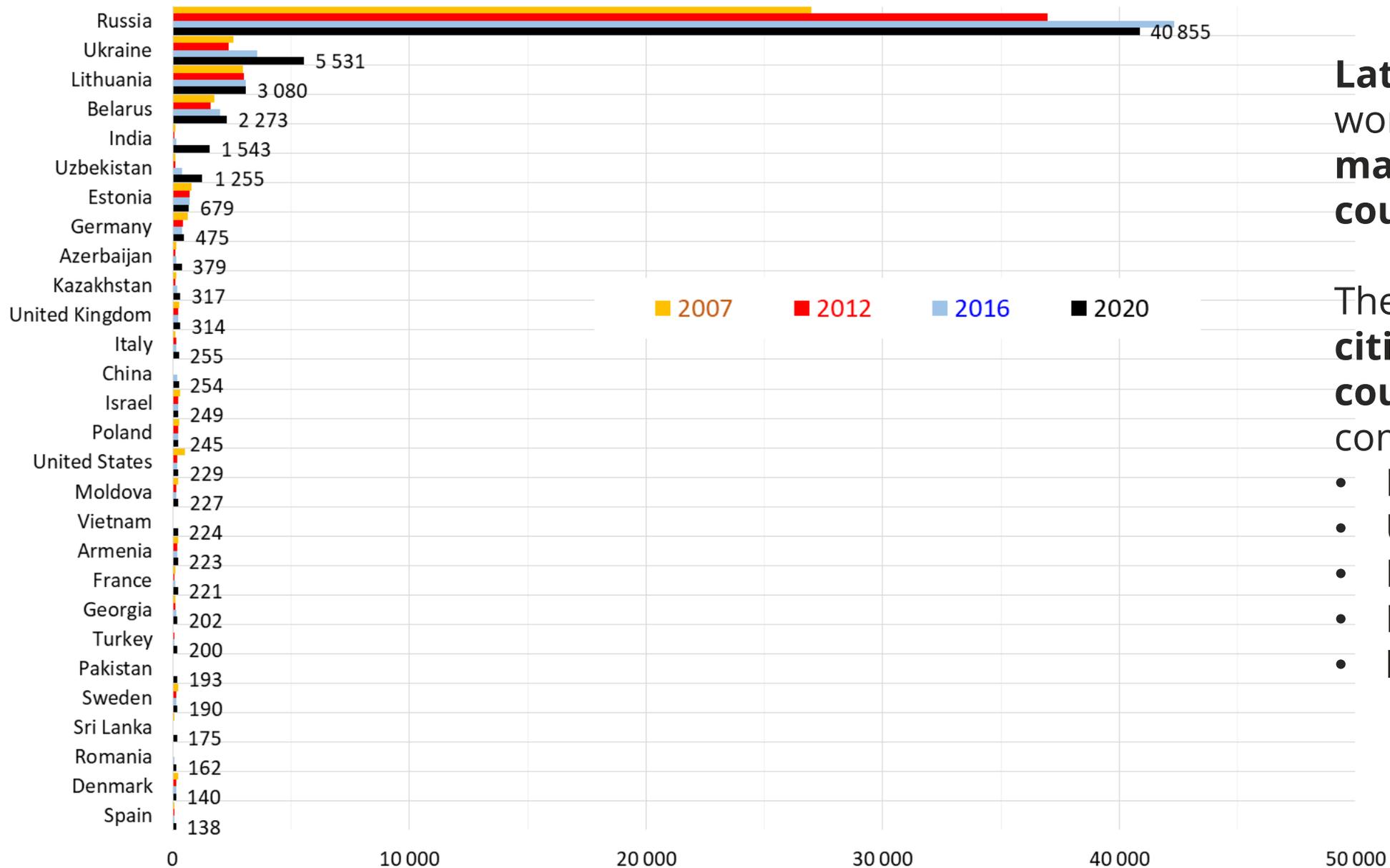
Population on 1 January (citizenship = "Latvia")



The main **countries of residence of Latvian** citizens in Europe currently are:

- **Great Britain**
- **Germany**
- **Ireland**
- **Norway**

Resident population of Latvia on 1 January (citizenship ≠ "Latvia")



Latvia, as a potential workplace, is **attractive mainly to third-country** nationals.

The largest groups of **citizens of other countries in Latvia** come from:

- **Russia**
- **Ukraine**
- **Lithuania**
- **Belarus**
- **India**

Source: Eurostat migr_pop1ctz

Role of ELA and needs of employers

Questions – general MOBILITY related:

1. Support to employers and employees to solve **immediately** specific and individual **situations**.
2. Tools for **faster receipt of information** in the national language (electronic environment developed for service provision).
3. Cooperation in the event of **cross-border labor market disturbances** only **at the request of employers** facing cross-border labor market disturbances (e.g. corporate restructuring affecting several Member States).



Role of ELA and needs of employers

Questions – POSTING OF WORKERS related:

1. Information on the **level of the minimum wage** in the Member State **to which the worker is posted**,
 - in particular the countries where the sectoral minimum wages are set by collective agreements.
 - Important to all size companies, in particular, to small and medium-sized enterprises



Role of ELA and needs of employers

Questions – COVID-19 related:

1. Application of **jurisdiction** in case of **cross-border telework**
 - compliance with **labor protection** requirements
 - compensation of related **labor costs**
 - **tax** aspects





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The image features the national flag of Latvia, which consists of three horizontal stripes of red, white, and red. The flag is shown waving on a silver flagpole against a clear blue sky filled with soft, white, wispy clouds. A dark grey circular graphic is overlaid on the left side of the image, containing the text "Welcome to Latvia" in a white, sans-serif font.

Welcome to Latvia