

# MASS LABOUR MIGRATION IN THE VECTOR OF INTERNATIONAL TOURISM AS A DETERMINANT SIGN OF MODERN GLOBALIZATION

Oleksii Hutsaliuk<sup>1</sup>,  
Zinaida Smutchak<sup>2</sup>,  
Oksana Sytnyk<sup>2</sup>,  
Nataliia Krasnozhon<sup>3</sup>,  
Olha Puhachenko<sup>3</sup>,  
Antonina Zarubina<sup>4</sup>

1. Private Higher Education Institution «International European University», Kyiv, Ukraine
2. Flight Academy of National aviation University, Kropyvnytskyi, Ukraine
3. Central Ukrainian National Technical University, Kropyvnytskyi, Ukraine
4. Volodymyr Vynnychenko Central Ukrainian State Pedagogical University, Kropyvnytskyi, Ukraine

**Abstract:** The article describes the interstate migratory processes, considers the current trends of labour migration. The possible positive and negative consequences of labour migration for labour-importing and exporting countries have been identified. The purpose of the article is to reveal the features of modern mass interstate labour migrations in the vector of international tourism under the influence of globalization processes, in particular in Ukraine, as an active participant in migratory processes and a donor country of labour potential. For the development and successful implementation of state migratory policy measures it is important to study and take into account the age structure of migrants, their educational and professional qualifications, as different groups differ significantly in their migratory mobility, the effectiveness of its migration largely depends on taking into account the age, gender, education and qualifications of migrants. The forecast volumes of private cash inflows to Ukraine for 2020-2022 have been determined (using the method of trend extrapolation). Whereas the correlation coefficient indicates that the variables have a strong direct relationship, this means that over time, private cash inflows will increase.

**Keywords:** labour migration, travel, human resources movement, tourist migration, interstate labour migration, migrant, labour potential, migratory flows.

## INTRODUCTION

The deepening of globalization processes in the context of world economic development has a multifaceted impact on the processes of integration between countries and is a significant factor in increasing the openness of national labour markets, the formation of a global system of international labour relations. Globalization, which has subordinated all spheres of human activity, is one of the main trends of modern times: along with such defining spheres as financial, investment, information, which have intensified and changed under the influence of globalization, international migration,

especially labour, and occupies an important place. At the present stage of globalization, labour migration is a kind of catalyst for this process, because it is both the cause (consolidation of cultures, religions) and the consequence (erasure of «borders» between ethnic groups, states) globalization. Taking into account and analysis of current migratory trends in our country in the context of Ukraine's participation in the European and world migratory space is considered as one of the important factors in shaping its own national policy. This problem is both directly and indirectly in the plane of national security of Ukraine.

## LITERATURE REVIEW

Scientists Libanova (2018), Gaidutsky (2013), Malinovska (2016), Pozniak (1998), Sadova (2015), Chuprina (2012) and others made a significant contribution to the study of migratory processes, causes, consequences and opportunities for stabilization of migration. Despite the active study of these problems by economists, the processes of mass interstate movement of labour resources in the context of the impact of globalization on the development of the national economy today require in-depth study and generalization. The purpose of the article is to reveal the features of modern mass interstate labour migration in the vector of international tourism under the influence of globalization processes, particular in Ukraine, as an active participant in migratory processes and a donor country of labour potential.

## RESULTS AND DISCUSSION

The dominant trend of modern globalized relations is international labour migration, aimed at providing and developing opportunities for free movement of the population. Global migration has allowed millions of people to improve their financial situation and stimulate the economic development of many countries. From 1970 to 2018, the share of migrants in the total world population ranged from 2,3% to 4,1%. At the same time, powerful subordinate factors of migration in this period were national borders, distances, as well as cultural and linguistic differences. The number of migrants tends to increase, so that in 1970 there were about 82 million foreign migrants, in 2010 this figure exceeded 200 million people, and in 2019 the number of international migrants in the world reached an estimated 272 million people, which is 51 million more than in 2010 (Betts, 2011).

Increasing migration is a new challenge for the economies of countries that host migrant workers, leading to increased taxation to cover social benefits, education and training costs for newcomers to perform various types and types of work. The five countries with the largest number of foreign migrant workers are the United States, Saudi Arabia, Germany, Russia, and the United Arab Emirates, according to World Bank experts in the report *Migration and Remittances: Recent Developments and Outlook* (International Migration Outlook, 2018). Recourse to sources of scientific information proves that an important component of the economy of many countries, which provides employment, local revenues, foreign exchange and investment, promotes the development of economic use of territories, etc., through the exploitation of local resources is tourism (Babaritskaya, 2004; Yankovyi et al., 2020).

According to statistics, the largest share falls on weekend tourism (2-3 days), followed by short tourist trips (6-7 days), a much smaller share falls on 8-12 day trips. All other, longer, tourist trips have a very small share (The official website of the State Statistics Service of Ukraine). It will be recalled that the most dynamic item of foreign

trade is the provision of services, and tourism – is one of the largest links in the service sector, which every year is gaining momentum and development, as evidenced by indicators of export-import of services related to tourism and travel (Table 1)

**Table 1 - Volumes of export-import services related to tourism and travel, mln. dol.**

<b>Export-import of services under the article «Travel»</b>					
<b>2019</b>	I quarter	II quarter	III quarter	IV quarter	In a year
Export of services (received from non-residents)					
Total	208	419	700	293	1620
countries of the UIS	83	175	282	95	635
Russia	27	80	127	41	275
other countries	125	244	418	198	985
EU countries	81	174	242	126	623
Import of services (paid to non-residents)					
Total	1833	2238	2477	2004	8552
countries of the UIS	224	194	245	221	884
Russia	192	157	214	193	756
other countries	1609	2044	2232	1783	7668
EU countries	1391	1662	1750	1498	6301
<i>Balance</i>	<i>-1625</i>	<i>-1819</i>	<i>-1777</i>	<i>-1711</i>	<i>-6932</i>

Source: compiled by authors according to Minfin (2019).

Due to its convenient geographical location, Ukraine (on its way from Asia to Europe) is a region through which people from South and South-East Asia illegally migrate to European countries. Its western border is a barrier to such migration. At the beginning of 2005, there were 12,4 thousand refugees in Ukraine. Due to the unsettled relations with many countries, Ukraine is also becoming a source of illegal migrants. Going abroad on tourist trips, many people stay there for work (for a certain period). Most such migrants are in Greece, Italy, Portugal, the Czech Republic, Spain, and Turkey. People from all regions of Ukraine work on temporary, seasonal jobs abroad. More than 700,000 people annually go abroad for temporary work from the western border regions of Ukraine alone. They have no legal or social protection abroad, work for low pay for hard and dangerous work, and are often persecuted by racketeers and others. Necessary measures by the state to stop such migration, turning it into a legal form (Smutchak, 2017).

It was during the social and economic crisis that a new type of pendulum migration of the population emerged - shop tourism, which includes trips of the population abroad to purchase goods. Initially, it covered the population of border areas, and now – the entire territory of Ukraine. People migrate to neighbouring countries (Poland, Hungary, Romania, Moldova, Russia, Belarus, Turkey), as well as to China, Singapore, the United Arab Emirates and others. The volume and geography of such migrations are constantly changing. And today the leadership of the Ukrainian state is facing the issue of developing a new migratory policy, which would be aimed at reducing migratory flows, to protect migrants outside the country. In most developing countries, the causes of labour migration are lower than living standards and quality of life, as an example, the reasons for migration of workers from Pakistan, according to a survey, are rising inflation, unemployment and a sharp decline in real wages (Nisar, 2008). The increase in world migration flows is also due to changes in migration policy of countries such as the United States, Canada, Australia, New Zealand, which in turn led to intensification of migratory flows from Asia and Europe, which have not yet reached the social and economic level of

developed countries. The level of student migration began to grow in the 1970s (Asis, 2008).

During the years of state independence and during the period of economic reform and transformation and the entire social and economic system, as well as in connection with the democratization of public life, economic crisis and falling living standards of the vast majority of the population, the nature, volume, composition and direction of external migratory flows significant changes and acquired a new meaning. Citizens of Ukraine have gained the right to move freely around the world. In June 2017, the EU granted Ukraine a visa-free regime, which has already been used by 1,29 million Ukrainian citizens. After the introduction of democratic freedoms, including and freedom of movement, the international mobility of Ukrainians grew rapidly, primarily due to the crossing of the western border, which in Soviet times was virtually closed to most citizens. Ukraine's accession to the EU's Central European neighbours (2004) and their accession to the Schengen area (2007) and the introduction of appropriate visa procedures slowed down somewhat, but did not stop this process. It should be noted that in 2013, before the beginning of the Russian aggression, the number of trips to Poland exceeded the number of trips to Russia, which has traditionally been most visited by citizens of Ukraine and with which the visa-free regime was maintained.

With the beginning of hostilities in the Donbass, there was a general decrease in the number of trips abroad, primarily due to trips to Russia. At the same time, the number of Ukrainians leaving for the European Union continued to grow – 10,5 million in 2014; 12,5 million in 2015. From June 2017 to June 2018, Ukrainians travelled to the EU 19,5 million times, and of them about 4 million - on biometric passports, but with a valid visa (The official website of the State Statistics Service of Ukraine). According to the State Border Guard Service of Ukraine, in 2016, Ukrainians crossed the border with the EU more than 20 million times, which was a third of all departures outside the country. In 2019, the trend towards reorientation of foreign travel was even more obvious: out of the total number of Ukrainians, about 30,5 million of our compatriots crossed the land border with the EU countries, of which both 15 million and 1 million left for departure and entry. This indicator increased by half a million in comparison with 2018. Thus, the visa regime was not decisive for the volume and direction of cross-border mobility of Ukrainians (The official website of the State Border Guard Service of Ukraine).

Since independence, according to UN data, the direction of migration of Ukrainians has changed significantly. In the first years of independence, almost 85% of Ukrainian emigrants lived in the countries of the former USSR (mostly people who were born in the USSR and at some point moved to another republic of the Union). In 27 years, the number of Ukrainians in these countries has decreased from 4,6 to 4,1 million, and their share in the total number of migrants - up to 70%. The number of Ukrainian emigrants in the United States, Canada, Western and Central Europe, and Australia increased from 0,7 to 1,6 million, and their share of the total number of Ukrainians who went abroad increased from 13% to 27%. More than half of Ukrainian migrants - more than 3 million - live in Russia. In the first decade of independence, their number grew. Then Russia became less attractive to Ukrainians – their number there decreased by almost 15%. Russia's military aggression against Ukraine has caused a new wave of emigration – the number of Ukrainians living in Russia has increased from 3 to 3,3 million. Estimates of the number of migrant workers in Ukraine also differ. For example, IOM estimates their number at 688,000. The State Statistics Service periodically conducts surveys to determine the number of migrant workers according to the ILO methodology. According to the latest

survey, which concerned 2015-2018, the State Statistics Service found that the number of migrant workers is 1,3 million people (about 8% of the employed population).

Moreover, many countries have openly stated that they are interested in the influx of Ukrainian labour and are ready to issue legal work visas. These are, first of all, the countries of Eastern Europe (Poland, the Czech Republic, Hungary) and the Baltics (Lithuania). Their «open door» policy is explained simply – local citizens are increasingly going to Western Europe in search of better wages. The Polish Ministry of Labour, in particular, estimates that in order to maintain a fairly high rate of economic growth (up to 5% per year), they need at least 5 million additional labour in the coming years. And to take them, except in Ukraine, the Poles, in fact, nowhere. The orientation of the flows of foreign labour migration is accompanied by a certain reorientation from the traditional eastern direction, to Russia, to the western. This trend has been observed before. As a result of the annexation of Crimea, hostilities in eastern Ukraine, and general hostility on the part of the neighbouring state, it intensified. Higher wages, better living and working conditions in the EU are also in favour of moving west. According to the GFK-Ukraine survey commissioned by IOM, the share of potential labour migrants from Ukraine looking for work in Russia decreased from 18% in 2011 to 12% in 2017. At the same time, the attractiveness of Poland increased from 7% in 2006. up to 30%, in 2018 (IOM, 2015).

Thus, the intensification of labour migration from Ukraine due to economic troubles will be only partially felt by its western neighbours. In addition, it is a labour force that is in demand in the labour markets of European countries, including Central Europe, where after joining the European Union there was a large outflow of able-bodied people. Polish entrepreneurs are interested in attracting additional labour, since the beginning of 2016 they have been actively negotiating with the authorities to simplify the procedure for applying for foreigners. Moreover, the composition of migrants is gradually changing in favour of younger and educated people who are in demand in the labour market. These changes are confirmed by most foreign scientists, who in their research prove that young people are more prone to migration than the elderly (Wilson, 2010; Kenneth, 2015).

Also, a trend in recent years is the increase in the number of women who emigrate from developed countries, thus emphasizing the increase in freedom and change in the social role of women in countries where the predominant head of the family is men (Stecklov, 2010). Under the current conditions, Ukraine is one of the largest donors of human resources in Europe, and external labour migration is an objective reality today. The crisis conditions of the transition period, in which migratory flows took place, were associated with low wages in all sectors of the economy, rising forced underemployment and unemployment, as well as the spread of poverty and high levels of property stratification (Kozar, 2018).

Large-scale and persistent differences in wage levels around the world are major drivers of economic migration from low-income to high-income countries. After moving to another country, migrants' wages often triple, helping millions of migrants and their relatives who remain in their home country to avoid poverty. This invariably benefits the destination country, as migrants are employed in various fields. Migratory flows are highly concentrated in terms of the location and type of employment of migrants. Currently, 60% of the world's nearly 250 million international migrants live in the top 10 destinations. There is a tendency to concentrate migratory flows according to the level of qualification of migrants. Nearly two-thirds of migrants with higher education live in the United States, the United Kingdom, Canada and Australia.

The military conflict in eastern Ukraine has led to even greater migration of the population. If the first wave of migration was characterized by the fact that the territory of the occupied regions was left mainly by the pro-Ukrainian population, whose level of threat to life was not too high, the second wave may occur after the end of the military campaign. It is very likely that the part of the working population that feels relatively safe and comfortable in the occupied territories will also have to leave the problem areas. Therefore, it is expected that the scale of the second wave of migration will be much higher (IOM, 2016). According to UN estimates, more than 80% of total international migration is due to labour migration. Ukraine is one of the largest labour donors in Europe. Most researchers note that the actual volume of labour migration from Ukraine today is about 5-5,5 million people (IOM, 2016). The actual number of migrant workers may be 6-7 million, as there is a lack of objective statistics on the purpose of crossing the border.

It should be noted that cooperation between Ukraine and the EU in the field of migration began long before the signing of the Association Agreement (2014). Examination of migration legislation, training assistance, information exchange, technical and material assistance to the EU were important factors in significantly improving border and immigration control, significantly reducing the flow of illegal migration, creating conditions for asylum, building the entire migration management system. The central place of migration management was occupied during the visa dialogue between Ukraine and the EU, which in 2017 ended with the acquisition of a visa-free regime for travel of Ukrainian citizens to the European Union (Bychek, 2014).

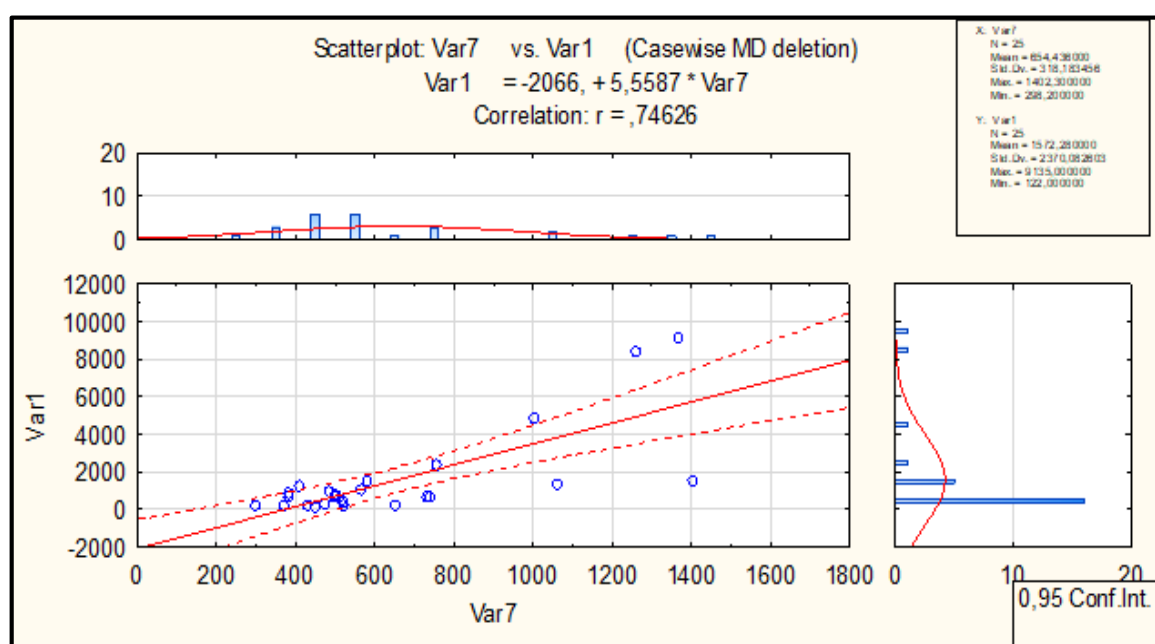
In the context of the above, it is worth agreeing with Malinovskaya O.A. that there is no direct connection between the abolition of the visa regime and the volume of migration. After all, it is only a question of refusing short-term Schengen visas, which will by no means mean access of Ukrainians to employment in the EU, nor, moreover, to emigration for permanent residence. Social and economic factors, the social and political situation in Ukraine and the immigration policy of destination countries remain decisive for the dynamics of migratory processes. The abolition of visas, however, will improve travel conditions, which, in certain circumstances, may be a prerequisite for migration (Malynovs'ka, 2016).

As a rule, labour migration in Ukraine is defined as a negative process that creates an appropriate attitude of society to this phenomenon. However, the phenomenon of labour migration is not exclusively negative and destructive. The positive consequences for Ukraine, as an exporting country of labour resources, are manifested in the reduction of tensions in the domestic labour market and the reduction of unemployment. According to estimates of IDSR specialists of the National Academy of Sciences named after M. Ptukhu, in the absence of external migratory flows of labour resources, the unemployment rate in Ukraine would exceed the actual level (Pozniak, 2010). In addition, due to migratory processes, the state saves on unemployment benefits.

External labour migration significantly affects the development of regional labour markets in Ukraine, where in addition to reducing the supply of labour in the region of residence; the presence of labour migration has other types of impact on the domestic labour market. Some former migrants who have accumulated the necessary means of subsistence abroad become economically inactive, while others open their own businesses at the expense of foreign earnings, creating new jobs for both themselves and employees. Between 1990 and 2019, the number of international migrants worldwide increased by approximately 119 million. This growth has accelerated since 2005. Between 1990 and 2005, the number of international migrants increased by

approximately 39 million (from 153 million to 192 million), and between 2005 and 2019, it increased by approximately 80 million. This corresponds to an average annual rate of change of 1,5% between 1990 and 2005 compared to 2.5% between 2005 and 2019 (International Migration, 2019).

The reasons for labour migration are different and depend on the characteristics of socio-economic development of the region, climate, material security of the population, the availability of certain social benefits, wage arrears, birth rates, political situation and more (Nazarova et al., 2019). This is evidenced by the presence of a significant relationship ( $r = 0,746$ ) between the employed population, aged 15-70 years and the number of people leaving (Fig. 1). This fact confirms that labour migration in most cases has no political colour; people go just to make money. This is purely pragmatic reasoning - a person goes to work where they are paid more.

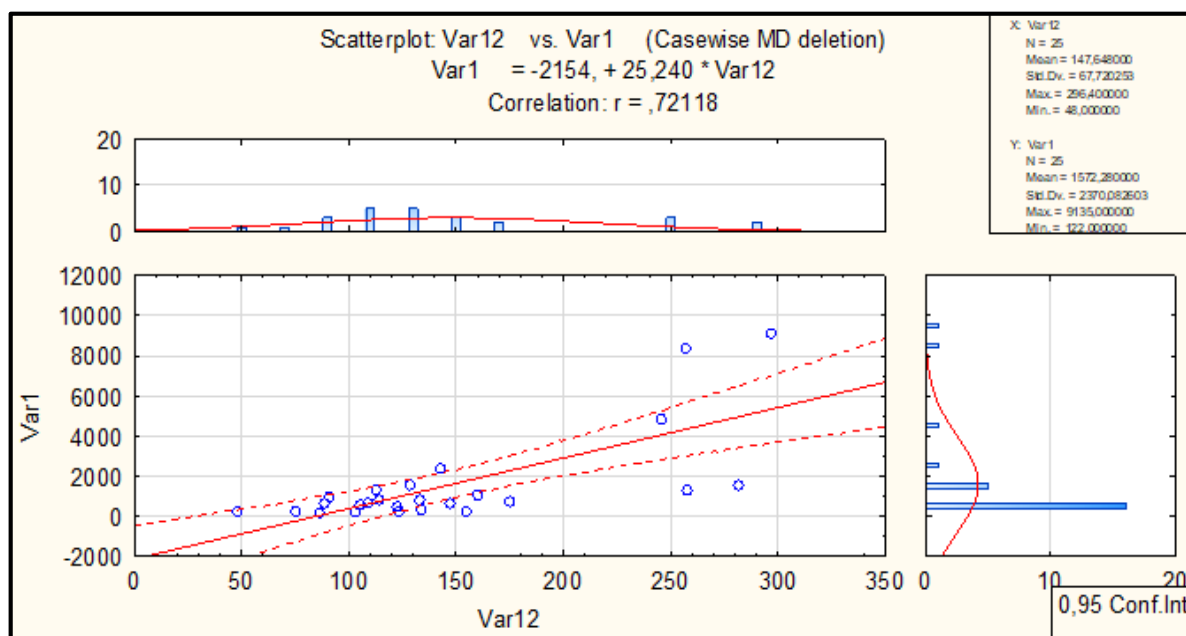


Note: Var7 - the number of employed population, aged 15-70 years, thousand people.

Figure 1. Correlation field of dependence of the number of people who went abroad on the number of employed population aged 15-70 years (data by regions of Ukraine, 2019).

Source: calculated by authors according to the State Statistics Service of Ukraine (2019).

The results of the analysis showed that young people are more likely to change their place of residence and work than older people, which illustrates the significant correlation between the number of young people (17-34 years) among the working age population and the number of people who went abroad (Fig. 2). The correlation coefficient is  $r = 0,721$ . Undoubtedly, modern youth is more mobile, it is psychologically easier for them to adapt to new socio-cultural living conditions. This is a significant threat of loss of human, social and demographic capital of Ukraine.



Note: Var12 - the number of young people (17-34 years) among the working age population, thousand people.

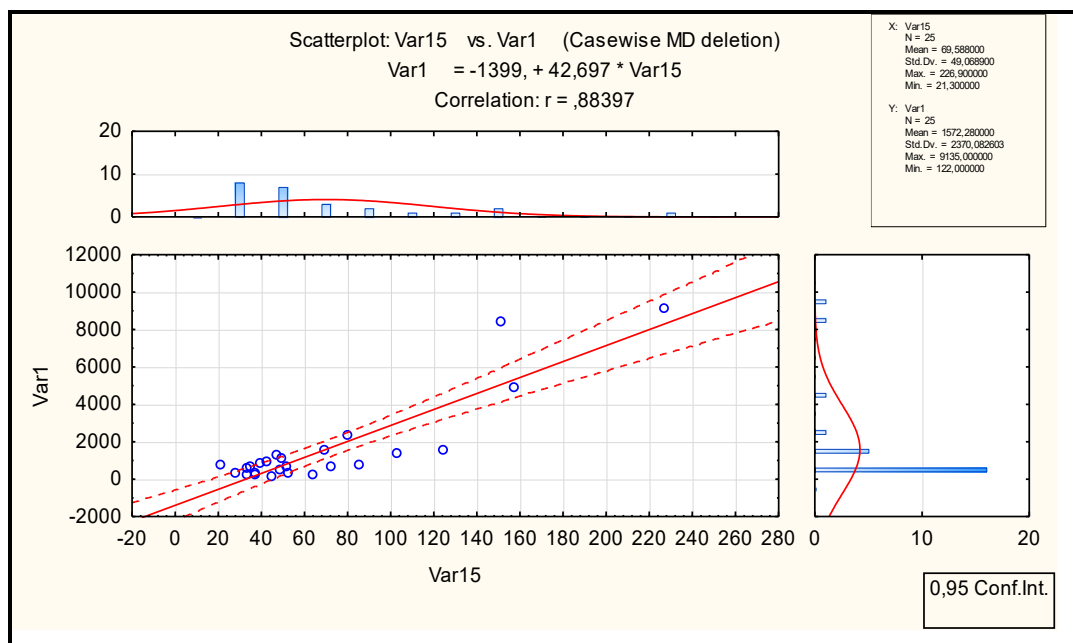
Figure 2. Correlation field of dependence of the number of people who went abroad on the number of young people (17-34 years) among the working age population (data by regions of Ukraine, 2019).

Source: calculated by authors according to the State Statistics Service of Ukraine (2019).

Unfortunately, in search of work and a better life, many young and qualified professionals often leave communities and countries, and these negative processes continue. The fact that our neighbouring countries, such as Poland, as well as Ukraine, suffer from demographic problems, also has a significant impact. Despite all the anti-immigration rhetoric of some political forces, they are interested in our talented and promising, demographically active youth moving to their countries. The fact that young people go abroad is primarily due to the complete absence of social policy. In our country, the social sphere is inhumane. And this applies to all segments of the population, there is a kind of genocide of the nation. We do not have any social programs that would encourage young people to live, give birth and work in Ukraine (Hutsaliuk, 2020).

At the same time, we will note that the majority of migrants – people with full higher education; as evidenced by a significant relationship ( $r = 0,884$ ) between the number of people with higher education among the economically active population and the total number of those who left the country (Fig. 3). Of course, the immigration of skilled workers is a desirable phenomenon for the economy of the host country, as it allows to attract together with the employee knowledge, technology, development, ideas and capital. Instead, the migration of low-skilled workers, who are not in short supply for the country's economy, leads to higher unemployment among the local population, lower wages in the industry and increased social tensions.





Note: Var15 - the number of people with complete higher education among the economically active population, thousand people.

Figure 3. Correlation field of dependence of the number of people who went abroad on the number of people with complete higher education among the economically active population, thousand people (data by regions of Ukraine, 2019).

Source: calculated by authors according to the State Statistics Service of Ukraine (2019).

In its report on Ukraine in January 2019, the International Monetary Fund estimated the number of Ukrainian labour migrants at 2-3 million. Although no methodological basis for this assessment has been published, it can be used given the authority of the institution. According to the State Border Guard Service, from 2002 to 2018, 6,5 million Ukrainian citizens left Ukraine and did not return. This indicator takes into account not only labour migration, but also permanent emigration, not due to economic factors (Koval et al., 2019). It may contain errors in the calculation for 2014-2015, when Ukraine did not control a significant part of the border with Russia due to the war. Also, using these data, it is important to take into account that the «net departure» of Ukrainian citizens is not equal to the decrease in population, because during this period foreigners entered and remained in Ukraine (Kravchuk, 2019). Over the past 10-15 years, the phenomenon of Ukrainian labour migration (especially from the western regions of Ukraine) has become a prerequisite for long stays of individuals abroad, which has provided a permanent increase in remittances to our country, which in recent years exceed foreign direct investment in the Ukrainian economy (Table 2).

Table 2. Volume of private money transfers to Ukraine by major countries, *mln. dol.* (according to official and unofficial channels of income)

Countries	2015	2016	2017	2018	2019			
					I quarter	II quarter	III quarter	IV quarter
<b>Income, including:</b>	<b>6959</b>	7535	9287	11111	<b>2693</b>	<b>2913</b>	<b>3129</b>	<b>3282</b>
Poland	1329	1991	3116	3649	862	915	941	968
Russia	1835	1396	1315	1091	249	263	361	361
The USA	516	576	679	870	217	241	256	270
Czech Republic	314	377	434	846	237	268	295	313
Italy	350	412	448	492	121	123	121	133
Germany	270	291	318	426	108	112	118	124
Israel	108	171	280	337	87	87	88	89
The United Kingdom	245	259	310	394	124	142	159	176
Cyprus	245	249	285	341	88	97	98	108
Greece	191	179	179	191	45	47	51	52
United Arab Emirates	82	93	118	153	31	33	34	37
Singapore	75	73	104	129	28	30	30	32
The Netherlands	67	71	98	123	28	31	32	36
Turkey	44	57	86	106	17	19	21	22
Canada	97	73	79	97	22	24	23	26
Switzerland	62	63	76	89	20	22	22	24
Spain	61	66	76	88	21	22	21	22
Virgin Islands (Brit.)	35	38	55	157	34	44	46	58
Norway	38	42	52	55	13	17	17	13
Portugal	43	48	52	57	13	15	16	16
Other countries	952	1010	1127	1420	328	361	379	402

Source: compiled by authors according to Money transfers to Ukraine, (2019).

According to preliminary data, the volume of private remittances to Ukraine from abroad in 2019 amounted to \$ 11,98 billion (together with official and informal channels). This is 7,8% more than a year earlier (in 2018, the volume of transfers amounted to \$ 11,1 billion). The largest remittances to Ukraine came from the following countries: Poland (\$ 3,8 billion), the Czech Republic (\$ 1,1 billion), Russia (\$ 1 billion), the United States (\$ 0,98 billion), the United Kingdom, \$ 0,6 billion). 73,1% of funds through official channels last year came in dollars, 25,3% - in euros, the rest - in other currencies (The official website of the Ministry of Finance). Two thirds of the funds, coming to Ukraine from labour migrants, are spent on household needs, and only a small part is spent on goals related to starting your own business, creating new jobs, and developing the economy. The importance of providing investment funds to migrant workers necessitates the development of institutional mechanisms for their involvement (Kostetska et al., 2020). This is especially true of depressed areas of regions of Ukraine – regions of origin of the vast majority of domestic international labour migrants (Abakumova, 2014).

In order to determine the projected amount of private cash inflows to Ukraine for 2020-2022, we use the method of extrapolation of trends. To visually determine the type of regression line in the correlation field, we plot the points corresponding to the initial data (Table 2), obtain a partially broken curve (2015-2019) and observe that the obtained

points can be approximated by a straight line (Fig. 4). The x-axis corresponds to the time  $t$ , the y-axis corresponds to the financial income. To describe the obtained points, we can use a linear regression of the form  $y = b_0 + b_1t$ , where the regression coefficients  $b_0$  and  $b_1$  are found using the method of least squares, which allows us to estimate the theoretical relationship between variables. The regression equation that defines the approximate linear function for the problem data is defined as  $y = 10319,98 + 273,84t$ .

The correlation coefficient of the variables  $t$  and  $y$ , which is equal to 0,987, indicates that the variables  $x$  and  $y$  have a direct (since the value of  $r$  is positive) strong (since the value of  $r$  is closer to 1 than to -1) connection. That is, over time, private cash inflows increase. Based on the obtained regression equation, we can predict the amount of private cash inflows to Ukraine for 2020-2022 and based on these data we will construct a regression line (Fig. 4).

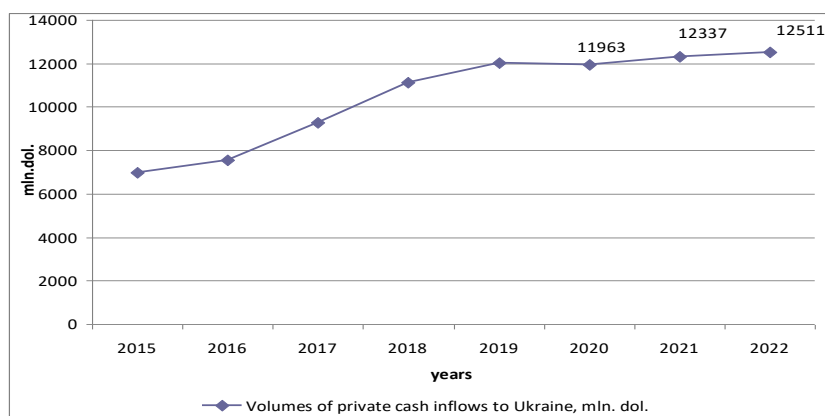


Figure 4. Volumes of private cash inflows to Ukraine for 2020-2022, mln. dol.

However, according to World Bank estimates, the volume of remittances of Ukrainian labour migrants to Ukraine in 2019 amounted to 16 billion dollars – 33% more than the National Bank of Ukraine. The total amount of remittances to Europe and Central Asia was estimated by the World Bank at \$ 65 billion. Over the last year, they have grown by 6%. In total, the world's remittances of migrant workers in 2019 amounted to more than 553 billion dollars. At the same time, the World Bank predicts a significant decline in remittances from migrant workers in 2020 due to the spread of COVID-19. It will fall the most for the countries of Europe and Central Asia (27,5%), sub-Saharan Africa (23,1%), South Asia (22,1%). In general, remittances in the world can be reduced by almost 20%. For 2021, the World Bank forecasts a slight increase in remittances from low-income countries (by 5,6%), but this will still not be enough to exceed the results of 2019 (World Bank, 2019).

The main positive effects of external labour migration include the entrepreneurial activity of migrants, which promotes the development of small and medium-sized businesses, affects the creation of jobs. For labour-recipient countries, migration is an important source of replenishment for host countries. The main negative consequences are the differentiated impact of migration on employment and wages among different groups of the local population, the negative impact on national security and law and order of the host countries, causing an increase in general social tensions, which can also threaten national identity. Migratory processes play an important role in the social development of any country, contribute to the fuller use of its labour potential in general and regions in particular, increase labour efficiency, improve economic performance and

not only in host countries but also in their homeland, because migrants transfer funds to these countries. The influx of migrants also significantly affects the atmosphere in the labour market, intensifies competition among employees and stimulates the increase of their educational and professional training.

American scientists, using a neoclassical methodology based on the assessment of the benefit-loss ratio of migration, claim that the overall benefit of liberalizing the migratory regime will be about 25 times higher than the effect of liberalizing international trade and financial flows (Abylkalikov, 2012). In this context, it is worth noting the main positive and negative consequences for donor and recipient countries (Table 3). In general, the positive consequences of external labour migration in relation to migrants should include: receiving higher wages and improving living standards; obtaining new professional experience; raising the level of qualification and obtaining language practice; expansion of the outlook, gaining an understanding of the real conditions of a market economy, and for the country they are: reducing the unemployment rate in the country; raising the living standards of family members of migrant workers by money transfer; reduction of social tension in the conditions of the economic crisis; reducing the burden on social funds; refresher training; the spread of new values in the society of labour culture and life in a culture of a democratic society.

Table 3. Forecast consequences of labour migration for importing and exporting countries

	<b>Country is an importer</b>	<b>Country is an exporter</b>	
<b>POSITIVE</b>	<ul style="list-style-type: none"> <li>- the interest of employers in saving on wages by attracting a «cheap» labour force of reproductive age, since migrants agree with the level of remuneration lower than that of the local population;</li> <li>- economic and scientific development of recipient countries through the receipt of highly skilled workers from donor countries;</li> <li>- accelerated economic growth due to the involvement of a new generation capable of producing innovative ideas and their implementation.</li> </ul>	<ul style="list-style-type: none"> <li>- an increase in the currency mass of the country's market through the receipt of money transfers of labour migrants;</li> <li>- reducing unemployment by exporting labour-resource potential of the country;</li> <li>- use of innovative production and scientific experience, obtained by re-immigrants abroad.</li> </ul>	<b>POSITIVE</b>
<b>NEGATIVE</b>	<ul style="list-style-type: none"> <li>- lack of social protection for labour migrants by the recipient country;</li> <li>- the outflow of the national currency of the importing country through the transfer of migrants;</li> <li>- the loss of skilled low-paid migrant professionals.</li> </ul>	<ul style="list-style-type: none"> <li>- «aging» of the nation due to the outflow of labour resources of the able-bodied age;</li> <li>- loss of highly skilled specialists («brain drain»);</li> <li>- additional expenses from the budget for the training of new specialists;</li> <li>- the spread of the tendencies of a decline of rates of economic growth due to the outflow of intellectual potential.</li> </ul>	<b>NEGATIVE</b>

Source: compiled by authors according to Astakhova (2012).

In addition to the positive effects of migration, there are also negative ones, which should include: unprofitableness and losses from investments in education and training of specialists; loss of highly skilled personnel; reduction of birth rate, aging of the nation, increasing of demographic load at employees in the domestic market; reduction of tax revenues and deductions in social funds; the growth in domestic prices of goods and services in the current low purchasing power of the main part of the population (Astakhova, 2012). The intensity of external migration movements of the population of Ukraine remains high. According to Eurostat, at the end of 2013, there were 634,8 thousand Ukrainian citizens who lived on the territory of the European Union only on legal grounds, and in 2018 Ukraine took first place in terms of residence permits in EU countries.

In 2018, citizens of Ukraine (527 thousand people, of which almost 78% received a residence permit in Poland) continued to receive the largest number of permits in the EU, ahead of Chinese citizens (206 thousand people, almost half of whom received residence in the UK), India (197 thousand, of which 38% - in the UK), Syria (174 thousand, of which 71% - in Germany), Belarus (138 thousand, of which 92% - in Poland), Morocco (127 thousand, 45% of them - in Spain), USA (120 thousand, of which 36% - in the UK), Brazil (88 thousand, of which 32% - in Portugal), Turkey (80 thousand, of which 29% - in Germany) and Russia (75 thousand, of which 18% - in Germany) (Eurostat, 2019). And although Ukrainians accounted for only 5% of the total number of foreigners from developing countries, given the relatively short period when migration became possible for them, their presence in Europe is significant. It was formed mainly due to labour migration. In connection with the performance of paid work, 68% of residence permits were issued to Ukrainians, while in general, third-country nationals – about a quarter (Eurostat, 2019).

Thus, today the main strategic task of the government is to preserve the state sovereignty, territorial integrity of Ukraine and integration into the European economic and migration space, ensuring close to world standards of quality and life expectancy, realization of rights and freedoms of citizens. The rapid intensification of international mobility of the population of Ukraine, which takes place in the context of globalization and increasing intensity of world migration, raises an urgent problem – the need to regulate migratory processes, giving them an organized, safe and non-conflict nature. External labour migration, having a significant impact on employment and labour market formation, affects the national economy as a whole. The positive effect and negative consequences are manifested in the economic, social, political and demographic aspects of the impact. That is why a special place in the employment management system is occupied by the state migration policy, which should be aimed at ensuring that migration does not conflict with the dynamics and goals of socio-economic development of the country.

The problem of mass foreign labour migration of the population of Ukraine needs an urgent solution. Ukraine, as provided for in part three of Article 25 of the Constitution of Ukraine, guarantees the care and protection of its citizens who are outside its borders. A similar provision is contained in Article 8 of the Law of Ukraine «On Citizenship of Ukraine». It is aimed at legislative support for the implementation of this constitutional provision. Article 33 of the Constitution of Ukraine, in particular, states that everyone who is lawfully on the territory of Ukraine is guaranteed freedom of movement, free choice of residence, the right to leave the territory of Ukraine, except for restrictions established by law, and that a citizen Ukraine cannot be deprived of the right to return to Ukraine at any

time. The structure of legal regulation of labour migration, complicated by a foreign element, provides for: international agreements in the field of labour migration; national legislation; legal acts of expression of will of the participants of legal relations related to labour migration. The analysis of bilateral agreements of Ukraine with the states on mutual employment and social protection testifies to the wide geography of legal employment of Ukrainian citizens. It should be noted, that the transformation of migratory processes of the population of Ukraine taking into account foreign labour migration will depend on the ratio of quality of life, income level and labour market in Ukraine and abroad.

In relation to external migration, then it follows to agree with the conclusions of well-known migratory scientist Malinovska O.A., that abolition of visa regime of journeys of Ukrainians in EU did not entail the additional mass moving of population and that the moderate increase of international migration will take place mainly due to temporal circular journeys on earnings and educational migration (Malynovs'ka, 2016). It should be agreed with World Bank experts that: «An effective migration policy should support the drivers of the labour market, not counter them, and in countries where there is high unmet demand for seasonal work, temporary migratory programs similar to those in Canada or Australia may to promote the elimination of the deficit in the labour market and to limit constant illegal migration» (International Migration Outlook, 2018). For the purposes of managing migratory flows, migratory quotas should be replaced by market mechanisms. Such mechanisms may cover the cost of state aid provided to migrants. In addition, to meet the most important needs of the labour market, it is possible to organize the selection of migrant workers for employers who need their services the most.

Meanwhile, the problems that our country will face due to the mass return of Ukrainian labour migrants to their homeland have not yet attracted the attention of the government and the public. They are considered only in terms of reducing foreign exchange earnings from migrant workers. In recent years, this source has largely allowed to «balance» the balance of payments. The deficit, which was formed as a result of a colossal excess of imports over exports (for example, in 2019 – 12,2 billion dollars), was covered by revenues from Ukrainian workers (in 2019 - 12 billion dollars). Now, due to the spread of COVID-19, quarantine restrictions and a reduction in business activity in Europe, our migrant workers are returning home en masse. The result will be increased competition in the labour market. On the one hand, competition is good for employers, who now have the opportunity to choose employees. On the other hand, it is negative for employees, as employers in the conditions of labour surplus will use the consent of employees to work for lower wages (Danilishin, 2019).

## CONCLUSIONS

The creation of mechanisms for obtaining a residence permit for migrants with higher qualifications and a permanent place of work encourages them to fully integrate into the labour market and make a significant contribution to the economic and social sphere of the destination country. Research on the impact of migration on labour markets clearly shows that the economic benefits it creates are significant and long-term, and management strategies need to be implemented with the simultaneous impact of migratory flows on the distribution of goods to prevent restrictions on migration that will ultimately harm to all. Intensive international labour migration will be one of the key features of the world in the near future due to the persisting gaps in income levels and opportunities, diversity in demographics and growing demands of the world's poor and

vulnerable. Every year the number of migrant workers increases. Ukraine is rightly considered one of the largest donors of labour resources. The problem is that our country does not keep statistics on the actual number of Ukrainian citizens working abroad. There are also no real data on migratory volumes. This distorts the picture of migratory processes in Ukraine, prevents their effective regulation and requires more attention of the government to this problem, which determines the prospects for further research.

## REFERENCES

- [1] Abakumova, Y. (2014). There (Ukrainian labour migrants). *Business*, 5, 52 – 56.
- [2] Abylkalikov, S. (2012) Economic theory of migration: labour force and labour market. *Business. Society. Power*, 12, 1 – 19.
- [3] Asis, M. (2008). Researching International Labor Migration in Asia. Maruja M. B. Asis, Nicola Piper. *The Sociological Quarterly*, 49 (3), 423 – 444.
- [4] Astakhova O. V. (2012) Labour Migration and Social Economic and Social Affairs. *Labour Market Economics and Employment Problems*, 1, 8 – 12.
- [5] Babaritskaya, V. (2004). *Tourism management. Tour processing. Conceptual and terminological bases, service support of a tourist product.* - K.: Alterpress.
- [6] Betts, A. (2011). *The International Politics of Migration.* Alexander Betts. *St Antony's International Review*, 6 (2), 134 – 150.
- [7] Bychek, M. (2014) Migratory processes in Western Europe. [www.universum.kiev.ua](http://www.universum.kiev.ua) Retrieved from <http://www.universum.kiev.ua>.
- [8] Chuprina, O. (2012). Social and economic models of labour migration. *Economic Bulletin of the National Mining University*, 3 (39), 6 – 12.
- [9] Danilishin, B. (2019). What to expect from the return of migrant workers to Ukraine. [www.epravda.com.ua](http://www.epravda.com.ua) Retrieved from <https://www.epravda.com.ua/columns/2020/04/7/659062>.
- [10] Eurostat (2019). Asylum and managed migration database. [ec.europa.eu](http://ec.europa.eu). Retrieved from <http://ec.europa.eu>.
- [11] Haidutsky, A. (2013). The scale of migratory capital flows to Ukraine. *Bulletin of the NBU*. 4.11 – 14.
- [12] Hutsaliuk O., Storozhuk O., Zhovnirchuk Ya., Zaiarniuk O., Kartsyhin D. (2020) Public administration and legal regulation effectiveness in the field of health care in the context of sustainable development. *Revista Genero & Direito*, 9.2, 599–613.
- [13] International Migration (2019). Report. [www.un.org](http://www.un.org) Retrieved from [https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/InternationalMigration2019\\_Report.pdf](https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/InternationalMigration2019_Report.pdf).
- [14] International Migration Outlook (2018). [oecd-ilibrary.org](http://www.oecd-ilibrary.org). Retrieved from <https://www.oecd-ilibrary.org>
- [15] IOM (2015). *Studies on migration and trafficking in human beings: Ukraine* [iom.org.ua](http://iom.org.ua) Retrieved from <http://iom.org.ua>.
- [16] IOM (2016). *Migration in Ukraine: Facts and figures* International Organization for Migration (IOM), Representation in Ukraine. Retrieved from <http://iom.org.ua>.
- [17] Kenneth, M. Johnson (2015) Migration signatures across the decades: Net migration by age in U.S. counties, 1950–2010. Kenneth M. Johnson, Richelle L. Winkler. *Demographic Research*, 32, 1065 – 1080.
- [18] Kostetska, K., Khumarova, N., Umanska, Y., Shmygol, N., & Koval, V. (2020). Institutional qualities of inclusive environmental management in sustainable economic

- development. *Management Systems in Production Engineering*, 28 (2), 15-22. <https://doi.org/10.2478/mspe-2020-0003>
- [19] Koval, V., Mykhno, Y., Antonova, L., Plekhanov, D., & Bondar, V. (2019). Analysis of environmental factors' effect on the development of tourism. *Journal of Geology, Geography and Geoecology*, 28(3), 445-456. <https://doi.org/10.15421/111941>
- [20] Kozar, V. (2018). Impact of globalization of the world labor market on the efficiency of Ukraine's labour potential. *International Journal of Innovative Technologies in Economy*, 2(14), 51 – 59.
- [21] Kravchuk, P. (2019). Myths and facts about Ukrainian labour migration to Visegrad countries. [europewb.org.ua](http://europewb.org.ua) Retrieved from <https://europewb.org.ua>.
- [22] Libanova, E. (2018). External labour migration of Ukrainians: scale, causes, consequences. *Demography and social economy*, 2 (33), 22 – 24.
- [23] Malynovska, O.A. (2016). Foreign migration of Ukrainian citizens in the context of the abolition of the visa regime for travel to the EU. *Demography and the social economy*, 3(28), 58 – 69.
- [24] Minfin (2019). Travel: export-import of services. [index.minfin.com.ua](http://index.minfin.com.ua) Retrieved from <https://index.minfin.com.ua>.
- [25] Ministry of Finance (2019). [mof.gov.ua](http://mof.gov.ua). Retrieved from <https://www.mof.gov.ua>
- [26] Money transfers to Ukraine (2019). [index.minfin.com.ua](http://index.minfin.com.ua) Retrieved from <https://index.minfin.com.ua>.
- [27] Nazarova, K., Hordopolov, V., Kopotiienko, T., Miniailo, V., Koval, V., & Diachenko, Y. (2019). Audit in the state economic security system. *Management Theory and Studies for Rural Business and Infrastructure Development*, 41(3), 419-430.
- [28] Nisar, A. (2008). Macroeconomic determinants of international migration from Pakistan. Nisar Ahmad, Zakir Hussain, Maqbool Hussain Sial, IJAZ Hussain and Waqar Akram. *Pakistan Economic and Social Review*, 46 (2), 85 – 99.
- [29] Pozniak, O. (1998). Labour migration as a social and economic process. *Problems of migration*, 4, 15 – 21
- [30] Pozniak, O. (2010). Foreign labour migration (Ukraine is one of the largest donor countries). *Work and salary*, 6, 4 – 5.
- [31] Sadova, U. & Risna, R. (2015). Re-emigration as a mechanism of social policy in cases of internally displaced persons in Ukraine. *Regional Economy*, 2, 55 – 64.
- [32] Smutchak, Z. (2017). Features and vectorial orientation of tourist migration in Ukraine. *Theoretical and applied directions of tourism and recreation development in the regions of Ukraine: a collection of scientific works*, 30 – 37.
- [33] State Border Guard Service of Ukraine (2019). [dpsu.gov.ua](http://dpsu.gov.ua). Retrieved from <http://dpsu.gov.ua>.
- [34] State Statistics Service of Ukraine (2019). [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua). Retrieved from <http://www.ukrstat.gov.ua>.
- [35] Stecklov, G. (2010). Gender and migration from Albania. Guy Stecklov, Calogero Carletto, Carlo Azzarri, Benjamin Davis. *Demography*, 47, 4, 935 – 961.
- [36] Wilson, T. (2010). Migration schedules incorporating student migration peaks. Tom Wilson. *Demographic Research*, 23, 191 – 222.
- [37] World Bank (2019). [www.worldbank.org](http://www.worldbank.org) Retrieved from <https://www.worldbank.org/>
- [38] Yankovyi O., Koval V., Trokhymets O., Karpenko M., Matskevich Y. (2020). Economic assessment of investment on the basis of production functions. *Turismo: Estudos & Práticas*, 2.