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Are Poland and Ukraine gravity centres for each other? Study on the labour migration patterns

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# MARIUSZ E. SOKOŁOWICZ\*, IHOR LISHCHYNSKYY\*\*

# Are Poland and Ukraine Gravity Centres for Each Other? Study on the Labour Migration Patterns

#### **Abstract**

The question of migration within the European Union, as well as between its member and non-members states, has become recently an important issue. Among the EU and OECD countries, Poland is not a major recipient of immigrants. However, in recent years one can observe a growing number of both permanent and temporary immigrants, most of whom are Ukrainian citizens, whose main departure motive is work.

The main purpose of the paper is to conduct a comparison of the migration patterns for Poland and Ukraine, as well as survey the mutual causation forces that determine the structure of the Ukraine-Poland migration corridor.

The paper consists of three parts. It starts with an introduction followed, by theoretical backgrounds of migration, outlining its main types and models. The next parts highlight the volume, directions and structure of migration flows for Ukraine and Poland. The evolution of the Ukraine-Poland migration channel and its mutual effect on the economies of both countries is highlighted in the final part.

**Keywords:** migration, job mobility, geographical mobility, Poland, Ukraine

JEL: F15, F22, J11

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#### 1. Introduction

The simultaneous growth of internationalization and divergences in the global society, as well as the re-division of the geopolitical map, has led to an increasing number of international migrants. In recent years, migration has become an ever more worldwide and urban phenomena. According to the Migration Report of the UN DESA (2016), there were an estimated 244 million international migrants in 2015 (for comparison that figure was 173 million in 2000) and 740 million internal migrants (UNDP 2009) in the world.

Recent years are highlighted by the post-crisis renewal of the advanced economies, accompanied with stagnation in numerous less developed countries, the sparking of military conflicts, and strengthening of contrasts and contradictions between global players. These forces shift the vectors and intensity of migration flows worldwide. Both Ukraine and Poland have been directly or indirectly involved in the above-mentioned phenomena.

Ukraine, being a battlefield at the fringes of the western and orthodox civilisations, has become a growing source of cheap labour for Europe. Since the start of military conflict in 2014 visits by Ukrainians to Russia have decreased by one-third, according to (IOM 2016a). Poland, among the EU and OECD countries, is not a major recipient of immigrants overall. However, in recent years we can observe a growing number of both permanent and temporary immigrants, most of whom are Ukrainian citizens, who declare work as their main departure motive. This is beneficial for the Polish economy, which is experiencing an outflow of workers to the EU–15 countries, as well as ageing and depopulation resulting from negative natural growth. The following parts of our paper present existing patterns of these flows as well as offer basic predictions for the future in this field.

The main purpose of the paper is to conduct a comparison of migration patterns for Poland and Ukraine, as well as survey the mutually causation forces that determine the 'shape' of the Ukraine-Poland migration corridor.

This introduction is followed by the theoretical backgrounds of migration, outlining its main types and models. The next sections highlight the volume, directions and structure of migration flows for Ukraine and Poland. The evolution of the Ukraine-Poland migration channel, and its mutual effect on the economy of both countries, is highlighted in the final section.

## 2. Theoretical backgrounds

In contemporary definitions, migration is interpreted as a form of mobility. The latter can be divided into job mobility or a geographical mobility (Grabowska-Lusińska 2012, p. 58). Job mobility appears both in the case of changing the employer as well as changing the employee situation (e.g. becoming unemployed, or finding a job after a period of unemployment) as well as in cases of work promotion or degradation, with the consequence of changing one's social and material status. Geographical mobility involves permanent or temporary movements due to a variety of reasons. In cases of geographical mobility, the reason for migration can be classified as either compulsory or voluntary, while from the point of view of the aims of migration, one can distinguish mainly educational, religious, ecological, political, patriotic and economic reasons (Kawczyńska-Butrym 2009, pp. 16–24).

What's more, migration seems to be essentially an urban affair. About 50 per cent of international migrants reside in ten highly urbanized, high-income countries, such as Australia, Canada and the United States, several countries in Europe (France, Germany, Spain and the United Kingdom), the Russian Federation, Saudi Arabia, and the United Arab Emirates. Migrants in fact tend to concentrate in the cities of these countries (International Organization for Migration 2015, p. 2). Such large scale migration processes affect every continent and both the developed and developing world. Recent trends also reveal that migrants are increasingly differentiated in terms of age, educational achievements and sex (in fact, more and more migration studies point out the feminization of migration trends). Moreover, non-permanent forms of migration are also becoming more and more popular. Owing to the international integration taking place in many parts of the world (especially in the European Union) and the related removal of legal barriers on labour markets that, periodic, seasonal and circular forms of migration are also becoming more and more common. This phenomenon is particularly noticeable in the case of trans-border migration, where the Polish-Ukrainian border is a visible example.

On the other hand, we observe also economic reasons as predominant force underlying migration in the world today, which is also connected with the growing politicization of migration processes. International migration is increasingly affecting national policies, bilateral and regional relations, and influencing the domestic political discourse concerning public security policy (Klimek 2015, pp. 38–39). This, together with the deepening cultural diversity of migrants (especially in Europe), determines the anticipated migration patterns (Castles and Miller 2011, pp. 364–366). Undoubtedly, migration in the coming years will strongly affect demographic changes (especially in the context of the ageing developed world). It will also increase the risk of tensions in the world, which is polarized from the developmental point of view.

Today, the decision to migrate is rarely a consequence of only one of the above-mentioned factors. Contemporary concepts explaining the causes and directions of migration take into account their complex composition. Modern economic literature distinguishes a dozen of models dedicated to the nature of migration.

The first group of models investigates the origin of migration. According to the neo-classical approach, migration is determined by macro differences in labour demand and labour supply, resulting income divergences throughout regions and states (Harris and Todaro 1970; Schiff, 1994; Todaro and Maruszko 1987). The research based on the 'push-pull' approach of Dorigo and Tobler (1983) emphasize the repulsive (push) factors in a domestic country and attractive forces (pull factors) in the potential host countries.

The second group of models considers migration from the perspective of its spatial expansion and temporal duration. In this line, the 'vital transition' of Zelinsky (1971) and 'development tiers' of Skeldon (1997) are usually mentioned, arguing that there is a long-term dependence between migration, economic development, and state formation. The 'migration hump' approach considers the short-term effect of trade reforms (Martin 1996) or FDI flows (Haas 2007) on migration intensity.

The third, and pessimistic, type of models (the so-called 'dependency school') with its roots in Marxist economics) includes the continuation of Wallerstein's 'world-systems' (1980), or Piore's 'dual labour market' (1969) approaches, according to which the capitalist system is draining the peripheries via migration.

The fourth group emphasizes social dimensions of migration. The 'network migration' approach explains the nature of subsequent facilitating by already settled migration channels via bonds of kinship, friendship, and common origin (Appleyard 1992; Flores-Yeffal 2012)<sup>1</sup>. The 'new economics of migration' postulates that households, but not individuals, are the main decision-making forces of migration, aimed at risk diversification in comparison with other households etc. (Stark and Bloom 1985). The 'cumulative causation' approach through network expansion also belong to this group (Fussell and Massey 2004; Massey et al. 1993).

A fifth group of models attempts to present a more complex vision. Among the approaches of this style, we could mention the 'migration systems theory' (van Dalen et al. 2005; Guarnizo et al. 2003) and the 'synthetic theory of international migration' (Massey 2015).

Almost all the above-mentioned models could be used to some extent to explain the migration processes in Ukraine and Poland. The neoclassical approach could be the most appropriate for explaining the launching of the process, however the 'network migration', 'new economics of migration' and 'cumulative causation' approaches explain its maintenance, continuing nature, and its encouragement.

<sup>&</sup>lt;sup>1</sup> The pioneers of migration act as 'bridgeheads' until migration achieves a critical mass, after which restrictive 'gatekeepers' arise (Böcker 1994; De Haas 2003)

## 3. The patterns of migration in Ukraine

Exact official figures concerning migration flows in Ukraine are not available. The National Statistic Service of Ukraine provides data about numbers of outgoing visits abroad and incoming visits of foreigners. Figure 1 demonstrates that among the almost 25 million outgoing visits in 2016, more than 10 million were directed to Poland.<sup>2</sup> Following the start of the military conflict with Russia, the number of crossings of the Russian-Ukrainian border by Ukrainians declined by more than 37% (Ukrainian migration to Russia direction was in first place and exceeded that to Poland until 2013).

The graph of incoming visits into Ukraine had steep upward trend until 2008, and been followed by a slower but rising trend until 2013. The positive balance of migration was interrupted in 2014, when an almost 50% decrease of Russian incoming mobility can be observed.<sup>3</sup> Mobility from Poland had decreased sharply after its high point in 2008, when the number of visits had exceeded 5 million; in 2016 it Polish incomers to Ukraine totalled less than 1,2 million. The countries with the most numerous Ukraine visits in 2016 were Moldova (4.3 million), Belarus (1.8), Russia (1.4) and Hungary (1.2).

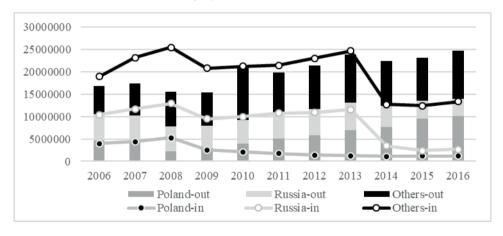


Figure 1. Incoming and outgoing mobility in Ukraine (cumulative diagram)<sup>4</sup>.

Source: compiled by authors using data from (Державна служба статистики України, 2017).

<sup>&</sup>lt;sup>2</sup> 65% of border crossing were generated by a 30 km border-zone with a preferential regime of cross-border mobility (Statistical Office in Rzeszov, 2014)

<sup>&</sup>lt;sup>3</sup> It should be noted that the statistics for this period do not include information for the Crimea and occupied territories in Donetsk and Luhansk regions.

<sup>&</sup>lt;sup>4</sup> The 2014–16 data for Crimea and the occupied territories are not included. The statistics do not include mobility of military and transport service staff.

According to Eurostat 2017, the number of EU residence permits for Ukrainians is constantly increasing (see Figure 2). In 2015 the number of valid permits exceeded 1 million, and in addition more than 430,000 new permits were also granted. Poland had become the absolute leader according to this indicator, being responsible for 32% of all valid permits and 86% of new permits in 2015.

But the abovementioned data do not reflect the situation with respect to labour migration. The information provided by National Migration Service of Ukraine (see Table 1) about the number of persons officially employed under a contract with foreign entities is far from depicting real state-of-the-art. According to *Міграційний Профіль України 2011–2015* 2016, in 2015 the number of persons who filed a report on labour mobility was 76,884. It should be noted that such off-shore centres as Cyprus, Marshall island, and Liberia are among the leading countries which hire Ukrainian labour force. De facto, this is an illustration of the tax-avoiding practices of Ukrainian business entities, which register their facilities in such "safe harbours"

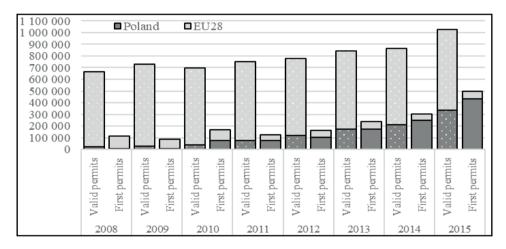


Figure 2. Number of residence permits for Ukrainian citizens in the EU (cumulative diagram)<sup>5</sup> Source: compiled by authors using data from (Eurostat, 2017).

The number of EU Blue Card holders is even less among Ukrainians, but it is increasing annually (see Table 1). The largest issuers of Blue Cards for Ukrainians in 2015 were Germany, Poland, the Czech Republic, Lithuania and Latvia (Eurostat 2017).

Several attempts had been made to calculate the real numbers of labour migration from Ukraine. According to the estimation of Malynovska (2006), 2–3 mil-

<sup>&</sup>lt;sup>5</sup> Eurostat collects data on first permits granted to third-country nationals during the reference year and data on permits valid at the end of the reference period.

lion Ukrainian citizens are working abroad, while Markov et al. (2009) indicated 4.5 million workers, of whom about 1,7 reside in the EU.

As indicated by Vollmer (2016), migration figures are inaccurate because of the great number of circular migrations. The vast amount of petty trading via pendulum local border traffic,<sup>6</sup> as well as 'shuttle trading',<sup>7</sup> should be treated rather as a specific economic activity, but not as a type of labour migration. Besides, the temporality of migration processes in Ukraine should be taken into account. For instance, Ukrainian-Russian labour migration varies from 1 to 3 million depending on the season; the same tendency can be observed with respect to EU countries.

Countries of the	Applicants of the labour mobility reports (thousands of persons)					Countries of the	EU Blue Cards' holders (persons)			
employ-ment	2011	2012	2013	2014	2015	employ-ment	2012	2013	2014	2015
Cyprus	21.0	20.1	17.5	15.9	15.7	Germany	109	468	608	848
UK	5.0	8.4	10.1	10.3	9.8	Poland	0	6	21	272
Germany	4.1	6.6	9.5	7.9	8.4	Czech Republic	11	16	25	57
Greece	9.3	8.7	7.9	6.5	6.2	Lithuania	n/a	4	31	54
Marshall island	1.3	3.0	2.6	4.5	3.0	Latvia	6	6	20	49
Poland	3.1	2.7	2.2	3.5	6.2	Bulgaria	0	0	7	36
Netherland	2.1	2.5	2.7	2.9	2.6	Romania	0	1	20	30
USA	4.1	5.7	4.3	2.9	2.9	France	2	4	6	23
Liberia	9.0	4.0	2.4	2.5	2.3	Austria	15	14	20	13
Other	23.35	24.9	31.0	21.2	20.0	Other	6	17	18	46
TOTAL	82.4	86.7	83.4	78.0	76.9	TOTAL	149	536	782	1428

Table 1. Official outgoing labour migration from Ukraine

Source: Compiled by authors using data from *Міграційний Профіль України 2011–2015* 2016, (Eurostat, 2017)

The first complex survey was conducted in 2009 by the Ukrainian Centre of Social Reforms, together with the Ukrainian State Committee of Statistics (Чебанова 2009). A sociological questionnaire encompassed 4,100 members of the working age population for the period 2005–2008. According to the survey's results, during the researched period there were about 1.5 million labour emigrants from 1.2 million households (5.1%).

 $<sup>^6</sup>$  30–50 km zones at the borders with Poland, Slovakia, Hungary with preferential cross-border mobility regimes

<sup>&</sup>lt;sup>7</sup> 1–3-day business trips aimed at purchasing small quantities of goods in China, Poland, Turkey etc., with the aim of selling them in Ukraine and vice versa. This was a typical survival strategy for a lot of Ukrainians in the 1990s under the conditions of high unemployment and wage delays.

of the working-age population). The patterns of emigration were: 67% males; 54.5% of urban origin; 31.2% persons with higher education.<sup>8</sup> More than half (57.4%) of all labour emigrants were from Western Ukraine, 18.8% from Eastern Ukraine, 9.2% from the Centre, 8.9% from the South and 5.7% from the North. The geography of emigration was: Russia (48.1%), Italy (13.4%), the Czech Republic (11.9%), and Poland (8.0%).

The second (and most recent up until now) national survey was conducted in 2012 by the Ukrainian State Committee of Statistics (*Міграційний Профіль України 2011–2015* 2016). According to the report, around 1.2 million Ukrainian citizens were working abroad during the researched period (7.2% of the potential labour force<sup>9</sup>). The migrant pattern was estimated as follows: 75% males; 10 54.3% of rural origin; 45.9% persons with higher education; 63.8% were employed at enterprises; 29.3% in households. The geography of emigration was: Russia (43.2%), Poland (14.3%), Italy (13.2%), the Czech Republic (12.9%).

According to estimations of International Organization for Migration (2016b), for the period of 2014–2015 the number of Ukrainian labour emigrants was around 688,000, besides approximately 310,000 who registered an intent to migrate in the nearest 12 months. The geographical pattern of long-term and short-term migrants is not unified. The most visited countries for long-term emigration were Poland (22.8%), Russia (19%), the Czech Republic (18.3%) and Belarus (2.5%). The destinations of short-term migrants were: Russia (46.8%), Poland (17.3%), the Czech Republic (9.6%), Belarus (4.5%), and Italy (3.7%) (IOM, 2016a).

According to the stylized facts presented by Klimek (2015, p. 49) the average Ukrainian migrant was a 35-year-old male; an urban resident who graduated from high school; going abroad relatively often (twice up to five times every two years), usually for a short period of time (2–3 months). He was a qualified worker, working in the construction sector in Russia, who found a job through his own network of family or friends. This man earned 817 USD monthly, worked more than 40 hours weekly, and spent up to 25% of his budget on living costs.

However, all the above investigations are far from adequately representing the real situation with respect to migration. In Poland alone the number of Ukrainian workers exceeded 1 million in 2016 (see more details in the following paragraphs).

In any case, the number of Ukrainians searching for employment abroad is rather vast. It is not surprising that Ukraine is often called 'Europe's Mexico' (Düvell 2007). According to the United Nations, Department of Economic and Social Affairs, Population Division (2016), in 2015 the number of Ukrainian migrants abroad comprised more than 6 million persons (ranking 7<sup>th</sup> in the world).<sup>11</sup>

<sup>&</sup>lt;sup>8</sup> Or some level of higher education.

 $<sup>^9</sup>$  The intensity of emigration process varied among the territory: in Western Ukraine -10.8% of regional working-age population (70% of all emigrants), in Southern Ukraine -1.9%, North -1.3%, East - above 1% and Centre - less than 1%

<sup>&</sup>lt;sup>10</sup> But the share of women migrants to Italy was 78.5%, to Hungary – 53.0%

<sup>&</sup>lt;sup>11</sup> In 2000 the diaspora rank was 5<sup>th</sup>, with the same number of migrants.

The Russia-Ukraine and Ukraine-Russia vectors of migration were among the most popular (3<sup>rd</sup> and 4<sup>th</sup> ranking of the most intensive migration corridors) after Mexico-USA, and India-UAE.

## 4. The migration patterns from Ukraine to Poland

The picture concerning Ukrainian migration patterns in Poland is blurred. This is a result of discrepancies between various sources of statistical information, which in turn is a consequence of the complexity of the migration phenomenon. For example, the Polish Central Statistical Office concentrates primarily on permanent migration, while Eurostat attempts to also capture periodic migration. Neither sources of information distinguish between labour and other types of migration, while the Polish Ministry of Family, Labour and Social Policy concentrates only on economic migration.

Despite these methodological difficulties, we are able to observe that Poland is a very modest international migration hosting country. In 2015, immigration to Poland, according to Eurostat data, totalled 218,100 persons. This however is a noticeable growth when compared to 2006 (Figure 3). However, when compared to OECD data on migration inflows into the European Union, this is still a small share. According to OECD (2016, p. 291), the total number of immigrants into the EU was over 2.1 million).

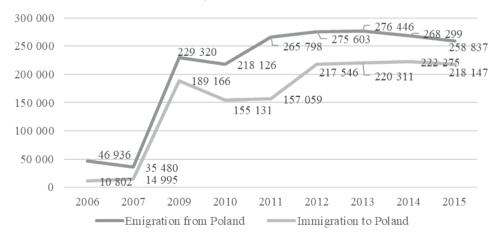


Figure 3. Migration inflows and outflows in Poland 2006–2015 Source: Compiled by authors using data from (Eurostat, 2017).

We can also observe that migration outflows from Poland (558,837 in 2015, according to Eurostat), exceeds migration inflows and this is a long-term trend (Figure 3). We consider this as particularly disturbing in terms of the anticipated demographic trends in Poland. According to demographic forecasts, the number of inhabitants of Poland is going to decline by more than 25%, from 37.9 million in 2020 to 29.0 million in 2080 (Eurostat 2017). This prognosis of decline is considered to be one of the highest in the European Union, where the population in 2080 is expected to remain at a similar level to that in 2020. Meanwhile, in Poland the current migration trends do not allow us to assume that an influx of new residents from other countries will help balance the demographic gap.

In fact, Poland in one of the European countries where the number of immigrants per 1000 inhabitants is relatively low. In 2014 it stood at 5.8, compared to 13.6 in Austria, 13.1 in Sweden, 10.9 in Germany or 9.8 in United Kingdom (Eurostat 2017). However, lower numbers can be observed, among others, in France (5.1), Italy (4.6), the Czech Republic (2.8) and Slovakia (1.0), in comparison to the EU average of 3.8 (Eurostat 2017).

In the nationality structure of permanent migrants to Poland, Ukrainian citizens significantly dominate. Taking into account all migration reasons (economic, political, educational, etc.) the share of Ukrainian immigrants was 25% on average in the years 2007–2014. It is worth observing that at the same time the immigration from Germany was at 7%, while from Viet Nam and Belarus it was 6%, 5% for Spain, 4% for the Russian Federation, and 3% for China and Turkey (OECD 2016, p. 291).

Table 2. Inflows of the top 10 nationalities to Poland as a % of total inflows of foreigners

Years	Ukraine	Germany	Viet Nam	China	Belarus	Russian Federation	Turkey	Spain	Armenia	Italy
2004–13 annual average	25	7	6	3	6	4	3	5	2	2
2014	24	6	6	5	4	3	2	2	3	3

Source: (OECD, 2016: 291).

Taking into account economic immigrants, the official statistics are compiled by the Polish Ministry of Family, Labour and Social Policy. According to this data, the number of immigrants obtaining legal work permits has grown noticeably from 18,000 in 2008 to 127,400 in 2016. At the same time, we can observe a large growth in the number of immigrants employed on the basis of so-called 'employers' official claims'. The latter are dedicated, according to Polish regulations, to the citizens of Belarus, Russia, Ukraine, Moldavia, Georgia and Armenia, and relate to occupations in which there is a deficit of the Polish labour supply. In case of both forms of employment, we observe a significant dominance of Ukrainian citizens.

2016

			_010		_00010			
Poland	18,022	40,808	127,394	Poland	180,073	163,984	1,314,127	
Ukraine	5400	18669	106223	Ukraine	169490	153779	1262845	
Belarus	1325	1725	4870	Belarus	3623	2078	23400	
Moldova	1218	1017	2844	Moldova	5912	6540	20650	
India	733	1055	1772	Russia	595	505	3937	
Nepal	181	1202	1211	Georgia	453	1082	1698	
Other	9585	17140	10474	Armenia	n/a	n/a	1597	
Source: Compiled by authors using data from Polish Ministry of Family, Labour and Social Policy.								
In 2016, labour immigrants in Poland obtained a total of 127,394 work permits, and another 1,314,127 were employed on 'employers' official claims'. We observe								
that 83% of all work permits went to Ukrainian citizens (Figure 4a). The other								
immigrants are. by country of origin, far less numerous. Among them are Bela-								

Table 3. Economic immigrants in Poland in between 2008 and 2016

2016

Work permits

2011

2008

In 2016, labour immigrants in Poland obtained a total of 127,394 work permits, and another 1,314,127 were employed on 'employers' official claims'. We observe that 83% of all work permits went to Ukrainian citizens (Figure 4a). The other immigrants are. by country of origin, far less numerous. Among them are Belarus (4,900 permits), Moldova (2,800), India (1,800), Nepal (1,200), China (1,200) and Russia (1,000). With the other nationalities representing less than 1,000 permits from each country. When we analyse the structure of employer's claims, the dominance of Ukrainian citizens is even more visible. Out of the 1,314,127 persons employed in this format, 96% come from Ukraine (Figure 4b).

## a) Work permits

# b) Employers' claims

**Employers' claims** 

2011

2007–2010

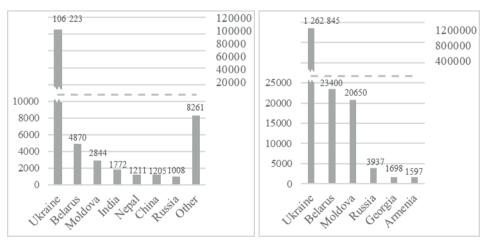


Figure 4. Economic immigrants in Poland in 2016

Source: Compiled by authors using data from Polish Ministry of Family, Labour and Social Policy.

# 5. The Ukraine-Poland migration corridor and its economic consequences for both countries

As has been shown, during recent years Poland has become the most intensive gravity centre of migration for Ukrainians. After 2013, the number of visits to Poland exceeds the incoming Ukrainian mobility to Russia. In 2016, the number of visits exceeds 10 million, 65% of which were generated by pendulum migration in the 30-km zone.

As far as the migration is concerned, the evolution of its patterns from Ukraine to Poland can be divided, after Klimek (2015, pp. 52–73), into three periods:

- 1. 1991–1997 a time of spontaneous and uncontrolled migration (no visa was needed), making it difficult to determine quantitatively ex-post facto;
- 2. 1998–2005 the time of introducing visas for Ukrainian citizens to the time of the introduction of regulations in Poland making legal work possible. This time period is characterized by a significant reduction in the spontaneous and uncontrolled influx of migrants from Ukraine
- 3. After 2006 the time of a significant liberalization (especially in the early years of this period) of regulations relating to working without a permit, and a rapid increase in the number of migrants from Ukraine in Poland.

The year of 2017 could be the beginning of a new period, taking into account the acceptance of a visa-free regime for Ukrainians in the EU.

In general, it has been noted that the migration of Ukrainians to Poland can be presently explained mainly by the relative income differences. The tremendous increase in Ukrainian migration to Poland after 2013 can be explained by, first of all, the sharp deline in real wages in Ukraine connected with 300% devaluation of the national currency. According to UNECE (2017), in 2015 and 2016 gross average monthly wages in Ukraine were around USD 200,<sup>12</sup> while in Poland this same indicator was around USD 1,000 (Figure 5). Such a large gap could not be levelled by the 50% higher consumer prices in Poland. The other already mentioned factors are the military conflict and institutional easing at the borders, and the labour market from the Polish side.

According to National Bank of Poland, the number of Ukrainian labour mobilities to Poland is constantly increasing: in 2014 Polish employers had submitted about 390,000 statements of intentions to employ foreigners and 370,000 of them concerned Ukrainians. In 2015 the figures were already 780,000 and 760,000 respectively (Chmielewska et al. 2017). The estimation for 2016 predicts that the number of Ukrainian workers will exceed 1.3 million (Bartyzel 2017). The figures are extremly impressive, taking into account traditional Polish national homogeneity, but still it's been remarked that they are not enough to compensate for the Polish labour outflow to 'old Europe' and simultaneous economic growth.

<sup>&</sup>lt;sup>12</sup> While in 2013 it comprised USD \$400.

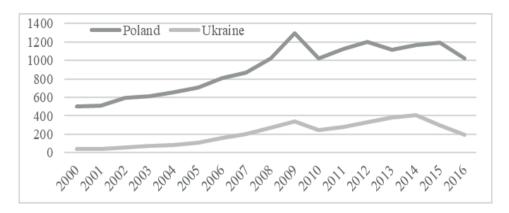


Figure 5. Gross Average Monthly Wages in Poland and Ukraine, US\$ Source: (UNECE 2017).

The pattern of Ukrainian migration to Poland has also changed after 2014. The earlier researches emphasized the circularity of Ukraine-Poland migration<sup>13</sup> (Toruńczyk-Ruiz 2014), but after 2014 the share of new migrants that had never been in Poland before increased dramatically (up to 42.3% of all Ukrainian immigrants to Poland) (Chmielewska et al. 2017). If until 2013 the share of immigrants from Western, Northern and Central Ukraine were 93.7%, now the ratio from Eastern and Southern Ukraine increased to 28.4%.

According to the stylized facts presented by Klimek (2015, p. 49) an average Ukrainian migrant in Poland is a female, from the Western part of the country, coming from a rural area, who finished a general high school. In Poland she is usually employed in household service (including agricultural households), earning 635 USD monthly, working more than 40 hours a week. and spending up to 25% of her budget on living costs.

However, other characteristics were also changed after the spark of military conflict in Ukraine. The share of men, who were in the minority before 2013, was increased from 33% to 58%. The immigrants became significantly younger – the ratio of 18–35 years old increased from 29% to 65%. Sectors of employment of Ukrainian immigrants have also shifted during recent years. A significant decline is observed in the sector of household services (from 51.3% to 18.3%), while the sector of renovation and construction has increased from 15.3% to 35.3%. Other sectors with increased significance include retail and wholesale as well as hospitality and tourism (Chmielewska et al. 2017).

The structure of Ukrainian economic migration to Poland also varies by host regions. According to data from Polish Ministry of Family, Labour and Social Policy, in 2016 the sum of work permits and employers' claims for Ukrainians was the highest in the capital region (Mazowieckie – 389,408), followed by Dolnośląskie

<sup>&</sup>lt;sup>13</sup> Repeated movement of the same migrants between their home and destination countries.

(142,631) and Wielkopolskie (134,135), but also including Małopolskie (111,378), Łódzkie (100,696) and Śląskie (91,330). This picture clearly shows that the largest economic migration influx is to regions with the largest Polish cities as regional capitals (respectively to Warsaw, Wrocław, Poznań, Kraków, Łódź and Katowice). In other words, Ukrainian immigrants in Poland are attracted primarily to first and second-rank Polish cities, and Ukrainian migration to Poland is (accordingly to OECD findings) an urban phenomenon. This opens the door for further research at the level of these cities, and as well constitutes a challenge not only for national but also for urban migration policy, which should be adapted to local specificities.

A specific and very significant type of migration from Ukraine is student migration. According to the Central Statistical Office of Poland (2016), in 2015 the number of students from Ukraine was increased to 30 589 (53.5% of all foreign students in Poland). From the Ukrainian perspective, the number of students who select Poland, is 31.8% among all Ukrainians engaged in foreign studies (Russia, which ranks 2<sup>nd</sup>, accounts for only for 10.5%) (IOM, Mission in Ukraine 2016b). Half of Ukrainian students are active in the labour market and a third declare their desire to work in Poland after graduation (Chmielewska et al. 2017).

The migration effect on the Ukrainian economy is hard to assess unambiguously. The advantages and disadvantages of both emigration and immigration processes in Ukraine, as well as comparison with Polish analogues, are presented in Table 4.

From one perspective, large flows of emigrants should lower the pressure on local labour market. The statistical confirmation of this is firm at first glance: the official unemployment rate in Ukraine declined from 12.4% in 2000 to 9.7% in 2016 (Державна служба статистики України, 2017). But these figures do not reflect the fact that, following the recent reduction in real wages, the number of self-employed or unofficially employed persons increased dramatically.

The other less-than-obvious drawback of increased periodic migration is the unwillingness of residents to work in low-paying positions upon their return to Ukraine (as well as their family members, who stayed in Ukraine, not having enough motivation to work at all). The most visible result of such practice is the deficit of labour supply for low-paid and low-skilled jobs, such as retail sellers or clerks. This effect is in line with the concept of the 'new economics of migration' mentioned above.

The most often declared disadvantage of emigration from Ukraine is the 'brain drain' phenomenon. According to *Міграційний Профіль України 2011–2015* 2016, 45.9% of Ukrainian emigrants were persons with a higher education. The journalist's survey (Хмельовська 2013) shows that 1,622 Ukrainian scientists left abroad for permanent residence between 1996 to 2011. Most of them emigrated to the United States (420), Russia (388), Germany (251), Israel (117), Canada (109) and Poland (52). In 2007–2011, many doctors in Biology (56), Physics and Mathematics (38) and Medicine (30) left for abroad (Parkhomenko 2014).

Table 4. Comparing the advantages and disadvantages of migration processes in Poland and Ukraine

	Advantages/disadvantages	Poland	Ukraine						
	Advantages								
	• Influx of workers in sector with labour supply shortages	+++	+						
	• Lowering the costs of educating workers (they are educated in other countries)	++	+						
	Reduction in labour costs	+	+						
	• Development of economic sectors and jobs associated with migration services	++	++						
ıntı	Increased consumption in the host country	++	++						
coı	Growing demand for housing	++	++						
ing	Improving the demographic structure of the host country	_	-						
Hosting country	Enriching local culture	++	++						
Η	Disadvantages								
	• Need to create an infrastructure for immigrant services (housing, health and social care, education)	_	_						
	• Workplace shortages for the local population (which can give rise to aggression on the part of the local population)	_	_						
	• Social tensions on the part of immigrants who feel "under-citizens"								
	Risk of crime in the host country	_	-						
	Advantages								
	Reduction in the unemployment rate	+	+						
	<ul> <li>Inflow of consumer and investment capital as a result of transfer of emigrants' earnings to their country of origin</li> </ul>	+	+++						
	• Increased professional and social competence of migrants that can be used after their return to the home country	++	+++						
	• Development of economic sectors and jobs associated with migration	+	++						
try	Increasing social mobility (both horizontal and vertical)	++	+++						
Origin country	• Objectivising the perception of one's own country by becoming acquainted with the outside perspective	+	++						
igir	Disadvantages								
	Weakening the demographic potential and structure	_							
	• "Brain drain", leaving people less educated and less entrepreneurial in the origin country								
	• The lack of care for the children of migrants ("care drainage").								
	Weakening of local consumption and investment – economic degradation of areas depopulated by emigration)	-	-						
	Deficit of workers on the local labour market								
	Transfer of retirement pensions		_						

Source: Own study, based on the classification of Kawczyńska-Butrym (2009, pp. 55-69).

Other disadvantages have a more social nature. These are weakening of the demographic structure and 'care drain'. The effect of 'Euro orphans' (Faist et al. 2013) in the case of emigration to Poland is not so strong (compared to situation with 'bad' Ukrainian mothers in Italy), as it typically has a more seasonable nature.

The main advantages of emigration are related with the acceleration effect caused by the transfer of earnings from abroad (in 2014–2015 according to International Organization for Migration (IOM) the total transfers were estimated to be 2.8 billion USD). This effect is especially visible in the western part of Ukraine, where capital originating from emigration plays a crucial role in the development of small business as well as in maintaining of consumer demand at a sustainable level. However, according to IOM (Mission in Ukraine 2016b), about 40% of the total amount of remittances of migrants in 2014 was spent on consumption; 20% were invested, primarily in the construction, purchase, or renovation of housing; 40% were saved (the main purposes of savings were the purchase of real estate, durable goods and childrens' education). Besides, arranging the emigration process in itself becomes a good business - numerous companies could be considered as 'bridgeheads' of migration. The 'gatekeeper' effect is currently not very strong in the case of Poland (but we can't say the same for the Italy). Another advantage is the increased professional and social competence of migrants, which can be used after their return to Ukraine (probably the most obvious effect of this is observed in the field of construction).

The process of migration into Ukraine is also rather hard to assess with respect to the economy of Ukraine. UN DESA (2016) indicates the number of immigrants in 2015 to be of around 4.8 million (13<sup>th</sup> rank in the world, 11% of the population). Such large figures are connected with the common USSR past of the residents – most of the immigrants are Russians (67%) and other CIS citizens mainly in the Eastern part of the country. The figures of IOM are more moderate and probably closer to reality. According to the IOM Mission in Ukraine (2016a), the number of immigrants in Ukraine (i.e. foreign nationals residing based on permanent residence permits) is 250,000 persons, or slightly more than half a per cent of the population. Immigrant workers are mainly executives and managers (63% in 2015), engaged in the wholesale and retail trade (23%) and processing industry (17%).

Thus, the influence of immigrants on the employment rate and wage level is rather low. However, rather often immigrants create new industries and launch new product markets on the territory of Ukraine. Other benefits are increasing domestic consumption and enrichment of the local culture. The main disadvantages are the sharpening of Ukraine-Russia tensions and the promotion of separatism in regions with a high density of Russian residents, as well as organized crime activities, predominately of Caucasian origin (there is lack of precise research in this field).

Poland, contrary to Ukraine, has little significance on the European and global migration map. Nevertheless, we observe a significant increase in the influx of migrants to Poland, especially from Ukraine. We claim that the continuous improvement of the economic situation in Poland has accelerated the Ukraine's desire to join the European Union, as well as has opened an important migration

corridor from Ukraine. For years Ukraine has been the leading country among migrants in Poland, owing to its favourable geographic and cultural proximity, as well as by language skills. Migration is mainly driven by unfavourable economic situation of Ukraine and large differences in income and purchasing power. These phenomena exacerbated in the years of economic crisis and were fostered by the war in Ukraine. It is estimated that one third of Ukrainian migrants originate from regions of armed conflict. We may also surmise that an improvement of the political situation in Ukraine and adoption of pro-European path in economic policy will bring back a convergence of income and reduce migration pressure.

Today, we can particularly observe a significant increase in labour migration. This is possible, among other things, as an effect of the moderately pro-immigration policy of the Polish authorities. Because this policy is directed mainly to the citizens of the former USSR, the influx of these citizens is particularly noticeable. Comparing the advantages and disadvantages of migration processes, we can assert that the balance is in favour of both countries (Table 4). However, benefits outweigh the disadvantages primarily in those aspects that can be felt in a relatively short period of time. Among them we mention the positive impact on the labour market situation in both countries, cost reductions, increased consumption, and the development of economic sectors and jobs associated with migration services. On the other hand, in observing the contemporary migration patterns between Ukraine and Poland we cannot say that that influx of Ukrainian immigrants to Poland can significantly improve the demographic situation in the country. This is particularly disturbing in the context of the key demographic problem of both countries – rapidly aging societies. It seems that both countries need both the coordination of migration policies and the long-term planning of their activities in this field.

#### 6. Conclusions

International migration has become of crucial importance in the current globalized world. More than 3% of the global population is living in the countries other than their country of origin. Both Ukraine and Poland are actively involved in international mobility processes; moreover, together they form a powerful migration corridor that has a good chance to be included in the world top–10 list if the trends continue in the nearest future (according to some estimations it is already there).

Economic decline and political tensions in Ukraine have spark emigration from Ukraine to a level unseen before. The military conflict has shifted the main vector of mobility from the Russian to the Polish direction, and has changed the gender and age pattern of the emigrants (young males prevail). The qualitative survey indicates that the economic advantages of emigration are of greater impor-

tance for Ukraine, while the disadvantages are mostly of a social nature and are not so severe in the case of moving to Poland as compared to other EU states.

On the other hand, Poland has been experiencing economic growth and currently is experiencing a lack of labour supply, which was eroded by previous emigration flows from Poland and its demographic decline. In such conditions Poland became an intensive centripetal gravity centre for Ukrainians. The higher relative income and available workplaces are powerful 'pull-factors', while cultural and language proximity of both countries makes the cost of adaptation of Ukrainian citizens to the Polish labour market relatively small.

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#### Streszczenie

## CZY POLSKA I UKRAINA TO NATURALNE CENTRA PRZEPŁYWÓW MIGRACYJNYCH? STUDIUM ZJAWISKA MIGRACJI ZAROBKOWYCH I JEGO KLUCZOWYCH ATRYBUTÓW

Problematyka migracji w ramach Unii Europejskiej oraz pomiędzy UE a krajami trzecimi stała się w ostatnich latach istotnym zagadnieniem. Choć Polska nie należy do czołówki krajów przyjmujących imigrantów zagranicznych, w ostatnich latach zaobserwowano niezwykle dynamiczny przyrost ich liczby, szczególnie z Ukrainy. Głównym motywem migracji obywateli ukraińskich do Polski jest przy tym motyw ekonomiczny.

Celem artykułu jest porównanie wzorców ukraińskich obserwowanych zarówno w Polsce jak i Ukrainie, ze szczególnym uwzględnieniem przepływów między tymi dwoma krajami. Pozwala to na identyfikacje kluczowych czynników,, które determinują strukturę korytarza migracyjnego pomiędzy Polską a Ukrainą.

Artykuł składa się z trzech części, Rozpoczyna go wprowadzenie wraz z przeglądem teorii wyjaśniających główne typy, motywy i modele migracji międzynarodowych. Kolejna część stanowi charakterystykę skali, kierunków oraz struktur przepływów migracyjnych pomiędzy Ukrainą a Polską. Opis ewolucji przepływów migracyjnych w ostatnich latach oraz jej wpływ na gospodarki obydwu krajów został zaproponowany w ostatniej części opracowania.

**Słowa kluczowe**: migracje, mobilność zawodowa, mobilność geograficzna, Polska, Ukraina