Aleksandr Katsuba on How Ukraine Can Win the Fight for Labor Migrants

Ukraine is facing significant challenges in retaining labor migrants who are seeking better working conditions abroad. The mass migration of Ukrainians, driven by economic instability, war, and better prospects in other countries, leads to the loss of qualified workers. However, there are ways that can help Ukraine not only stop the outflow of the workforce but also bring emigrants back home.

Why Are Ukrainians Leaving for Work Abroad?

In recent years, the outflow of Ukrainians abroad has significantly increased. According to the World Bank, in 2023, the number of Ukrainian labor migrants reached 6 million, almost a quarter of the country's working-age population. The primary destinations for migration remain neighboring EU countries, notes Aleksandr Katsuba.

The main reasons for this outflow are low wages, lack of career growth prospects, and the unstable economic situation in Ukraine. This is especially evident when comparing average wages in Ukraine to countries like Poland, where Ukrainians earn several times more than they do at home.

Competition for Labor in Europe

Demographic changes in Europe, including an aging population and declining birth rates, have created a huge demand for labor. Many European countries are actively attracting Ukrainian labor migrants by offering better working and living conditions than those available in Ukraine, says Aleksandr Katsuba. For example, Poland has simplified the process for obtaining work permits for Ukrainians, allowing many migrants to find legal employment with social benefits.



Photo by Foxie EdianiaK on Unsplash How to Stop the Outflow of the Workforce?

To stop the outflow of Ukrainians abroad, the government needs to develop a comprehensive set of measures aimed at improving working and living conditions in Ukraine, adds Aleksandr Katsuba. The key areas of focus should include:

- Increasing Wages: Ukrainian wages need to be competitive compared to European levels. This requires stimulating the development of small and medium-sized businesses, reducing the tax burden on employers, and attracting foreign investment.
- Creating New Jobs: Attracting investments to create new enterprises, especially in regions with high unemployment rates, can significantly reduce the outflow

of workers. For instance, the construction of new electronics manufacturing plants in western Ukraine has created over a thousand jobs.

- 3. Social Protection and Guarantees: Implementing social protection programs for workers, including unemployment insurance, medical insurance, and pension plans, can increase the appeal of working in Ukraine.
- 4. Educational Programs and Retraining: It is essential to provide opportunities for training and retraining workers so they can remain competitive in the labor market. For example, the government recently launched a program to train IT professionals, allowing Ukrainians to gain new professional skills.

Ukraine's Competitiveness

For Ukraine to compete with other countries for labor migrants, it must create attractive conditions for work and life. This means not only increasing wages and creating new jobs but also improving infrastructure, healthcare, and education, says Aleksandr Katsuba.

The government should also encourage the development of the IT sector, which is already becoming one of the key industries in the economy. High wages and the opportunity to work for international companies make this sector attractive to young professionals, potentially reducing the outflow of talent.

Ukraine has significant potential to win the fight for labor migrants. To achieve this, the country must create conditions that are as attractive as those in EU countries where Ukrainians traditionally seek work. Increasing wages, creating new jobs, offering social guarantees, retraining and reintegration programs, and developing the IT sector are the steps that can help Ukraine retain its citizens and even bring back those who have already left.

<u>Aleksandr Katsuba</u>, Ukrainian entrepreneur and business process

expert, on how to win the fight for labor migrants.