

PRECONDITIONS FOR THE DEVELOPMENT OF NEW JOBS IN RURAL AREAS: CASE STUDY OF LATVIA

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Abstract. The availability of well-paid jobs in the regions plays a crucial role in today's regional development, as it provides employment opportunities, prosperity and stimulates the population to stay in the regions. In view of the ever-shrinking population in rural areas, it is essential to create instruments to support the creation of new jobs that are directly aimed at attracting human resources to the regions. The aim of the study is to conduct a research on job opportunities in the regions of Latvia. It evaluates job opportunities in the regions of Latvia. The study analyses the dynamics of available jobs in the regions of Latvia, wages, municipal support tools, influencing factors and analysis of best practices. Various economic instruments are being considered that could contribute to the creation of new well-paid jobs in the regions. The study included feasibility study interviews, statistical data analysis, focus groups and expert survey. The result of the study is an assessment of the current situation regarding job opportunities in the regions of Latvia. The study finds solutions for creating new jobs and attracting labour force to the regions ability to create well-paid jobs. Business support is recommended for companies with the potential to transform from small to medium-sized enterprises, resulting in a greater positive impact on the number and quality of jobs. More substantial support should be provided to companies whose growth is based on export or import substitution, as well as to companies investing in machine-based innovations.

Key words: rural development, new jobs, labor markets.

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Introduction

In today's regional development, the creation of new, well-paid jobs in the regions plays a crucial role, as it provides employment opportunities, prosperity and stimulates the population to stay in their places of residence. It is essential for public administrations to develop regional job creation support instruments that are directly aimed at attracting human resources to the regions by providing opportunities for well-paid work. The concept of competitiveness and job creation is increasingly being extended to the regional level. In the past, regional policy tried to make regions more competitive by attracting internationally competitive companies, but these initiatives have had little success (Storper, 2018; Lagendijk et al., 2000). The search for a new approach to regional development and job creation is now mainly aimed at making local businesses more competitive and able to provide high-paying jobs. Without new, well-paid jobs, the outflow of the population from rural to urban areas will continue, which, in a downward spiral, reduces the opportunities for enterprises to develop productive businesses in rural areas due to quality human resources.

The hypothesis of the research is that one of the main reasons for the loss of human resources from rural areas is not a lack of jobs, but a lack of well-paid jobs.

The aim of the study is to carry out an assessment of job and remuneration opportunities in the regions of Latvia, including by looking at the support services available in local governments and related regional development challenges.

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Tasks of the research are as follows: (1) to compile information on work and wages in the regions of Latvia in the context of population migration; (2) to evaluate at municipal support instruments that provide job opportunities to improve in the regions; (3) to explore and identify opportunities for the creation and attraction of new, well-paid jobs in the regions; (4) to develop proposals for the introduction of instruments to support the creation of new jobs in municipalities and regions.

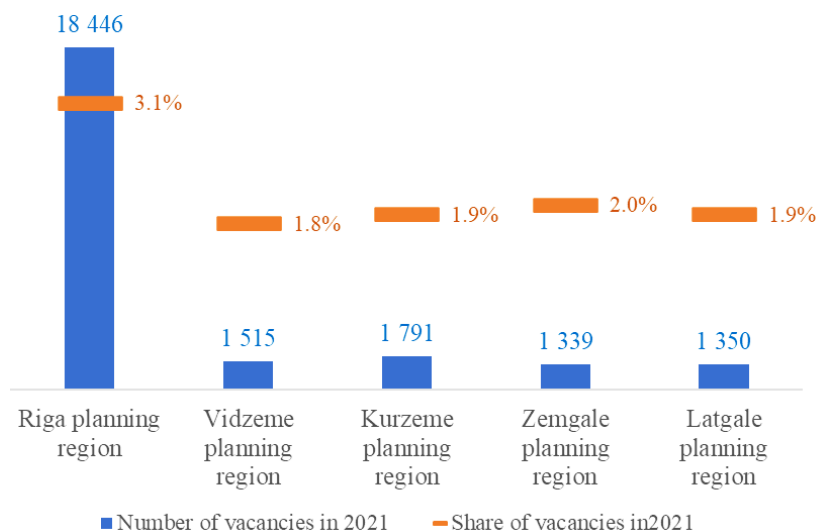
The following methods were used in the study: 7 feasibility studies with experts from public administration, private and civic sectors; analysis of statistical data; focus groups with representatives of each region (5 in total); expert survey, obtaining the opinions of 41 experts from municipalities, entrepreneurs, civil sector and 95 in-depth interviews with representatives of local governments, private and civic sectors. The study's methodological considerations are driven by data-driven theory (Levy, 2006), where the exact number of respondents-experts to be invited is not determined by the initial researchers' considerations but is determined dynamically based on the principle of information saturation. Methods of information processing used in the study include monographic document analysis method, counter-analysis method, grouping method, case studies, graphical analysis method, rapid method of evaluating evidence, methods for processing statistical datasets.

Research presents novelty and topicality. The novelty and topicality of the research lie in the search for a more targeted support specifically for well-paid jobs, rather just supporting new jobs in the region, and identification of ways to provide more effective support in this regard.

There are certain problematic questions covered in the research. On the part of employers, there is a demand for new worker competences, while state aid for upskilling and lifelong learning is already available. The question remains how to motivate people in the regions more effectively for professional development.

Research results and discussion

When evaluating job opportunities in the territories of Latvia, the number and share of job vacancies is the primary indicator. The data on job vacancies available in Latvia in the CSB database currently covers only the breakdown of planning regions. The number of vacancies registered in the State Employment Agency is also compiled at the level of planning regions. From the perspective of the attractiveness of the workforce, the Riga Planning Region has the greatest potential to get a job, since this region has both absolute and relatively the highest number of vacancies. In 2021, the Riga Planning Region had 18 446 job vacancies or 3.1% of all jobs.

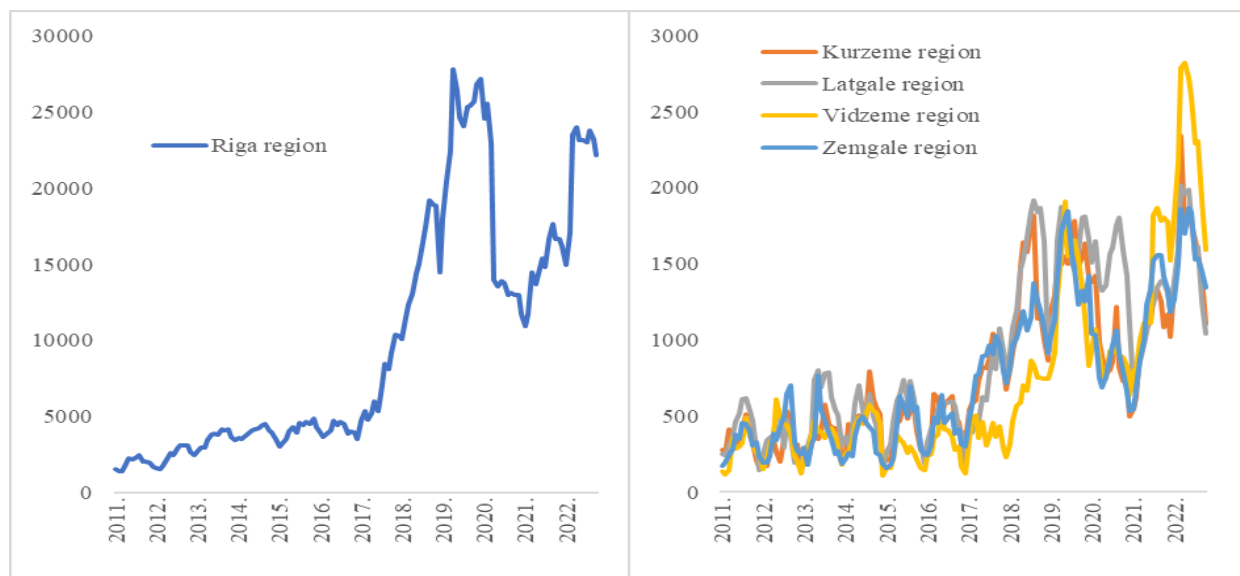


Source: author's calculations based on Central Statistical Bureau data

Fig. 1. Number and share of job vacancies in planning regions of Latvia in 2021

In general, significant differences in the regional breakdown of Latvia cannot be identified outside the Riga planning region. The number of job vacancies varies by two percentage points and in absolute terms the number of job vacancies varies by 452 jobs, which is not a significant difference. In general, it can be estimated that the Kurzeme region has a higher demand for labour than Vidzeme, Zemgale and Latgale regions.

Looking at the situation in dynamics, the total number of job vacancies in the period from 2011 to 2017 was relatively stable in the Riga region, where an increase in the number of job vacancies was observed on average by 58.8 jobs per month, and from 1551 vacancies in 2011 to 10 265 job vacancies at the end of 2017. As of 2018, there has been a significant increase in the number of job vacancies, which peaked in April 2019 with 27,770 job vacancies. The latest available data shows 22,120 job vacancies in October 2022. Thus, in general terms, there are very wide job opportunities in the Riga region and the demand for labour significantly exceeds the labour supply.



Source: author's calculations based on State Employment Agency data

Fig. 2. Dynamics of the number of job vacancies by region 2011-2022

Looking at the other regions, except for the Riga region, the situation is fundamentally different. One of the observations is about ten times lower the number of job vacancies on average in the regions. Looking

at the number of job vacancies by region in October 2022, there were 1103 job vacancies in Kurzeme region, 1041 in Latgale region, 1594 in Vidzeme region and 1343 in Zemgale region. Thus, in the overall assessment, the largest job opportunities outside the Riga region are in Vidzeme region, followed by Zemgale region. The overall development trend in these regions is positive and in the period from 2018 to 2022, Kurzeme and Zemgale regions have the fastest average growth, while the Vidzeme region has minimal changes. During the period considered, the number of vacancies in Kurzeme region has increased on average by 5.3 vacancies per month, in Latgale region – by 3.3 vacancies per month, in Vidzeme region – by 0.5 vacancies per month and in Zemgale region – by 5.0 vacancies per month. Thus, in the overall assessment, the Kurzeme region provides the greatest job opportunities outside the Riga region and the trend is growing in nature. According to the data of the SEA branches, the smallest job opportunities are in three branches of Latgale region – Kraslava, Preili and Ludza, which have approximately 400-600 job vacancies.

In assessing job opportunities, not only the absolute number of available vacancies plays a role, but also the demand in the labor market for representatives of certain occupational groups. Looking at the situation as of 30 September 2022, the greatest demand in most regional areas is for skilled workers and craftsmen, as well as for ordinary professions, which are relatively low-paid professions.

A characteristic factor of the available jobs is the potential income generated by vacancies. One of the indicators is the average monthly wages and salaries in municipalities of Latvia (Table 1). The obtained data on municipalities are grouped into three groups according to wage levels – up to 700 euro, from 700 to 800 euro and above 800 euro. Based on this breakdown and actual data, it can be judged that the largest opportunities for well-paid work for the population according to average indicators are in Pieriga.

Table 1

**Breakdown of average monthly wages and salaries by administrative territory
at the beginning of 2022, net in euro**

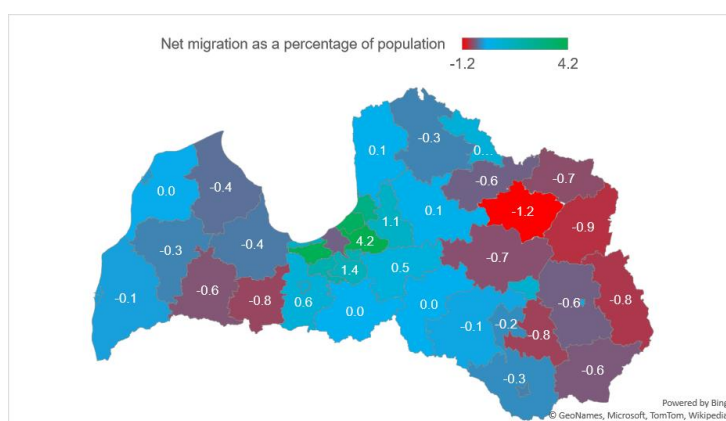
Administrative territory	Average monthly wages, net	Administrative territory	Average monthly wages, net	Administrative territory	Average monthly wages, net
Above 800		700 to 800		Below 800	
Marupe county	1271	Jelgava county	788	Valka county	697
Adazi county	1117	Valmiera county	783	Rezekne city	689
Ropazi county	1067	Cesis county	758	Gulbene county	687
Kekava county	1055	Aizkraukle county	752	Kuldiga county	679
Riga city	941	Dobele county	752	Aluksne county	673
Saulkrasti county	927	Liepaja city	751	Preili county	673
Jurmala city	924	Tukums county	748	Daugavpils city	670
Salaspils county	920	Bauska county	738	Varaklani county	659
Ogre county	879	Smiltene county	734	Balvi county	643
Sigulda county	871	Livani county	733	Ludza county	641
Olaine county	853	Ventspils county	729	Augsdaugava county	636
Jelgava city	827	Saldus county	728	Rezekne county	624
Ventspils city	802	Limazi county	725	Kraslava county	621

Source: author's calculations based on Central Statistical Bureau data

The average monthly salary in Marupe county is 1271 euro per month net, in Adazi county – 1117 euro per month net, in Ropazi county – 1067 euro per month net and in Kekava county – 1055 euro per month

net. These four municipalities are the only ones with a net income above 1000 euro net. The average is also significantly high in Riga, Saulkrasti, Jurmala and Salaspils with an average salary between 900 and 1000 euro net.

It can be observed that the highest positive net migration in proportion to the number of populations in 2021 was observed in **Ropazi, Marupe** and Adazi counties. In these three counties, net migration accounted for more than 3%. In Ropazi county net migration comprised 1336 persons per year, in Marupe county – 1320 persons per year and in Adazi county – 812 people per year. These three counties were both the highest absolute and relative net migration (Figure 3).



Source: author's calculations based on Central Statistical Bureau data

Fig. 3. Net migration as a percentage of population at the beginning of 2021 in municipalities of Latvia

The largest relative negative net migration was observed in Gulbene, Balvi, Ludza, Preili and Dobeles counties. In Gulbene county, net migration was equivalent to 1.2% of the population in 2021 or 245 inhabitants. In absolute terms, the most negative net migration was in Riga State City – 3394 people, however, in relative terms they constituted only 0.6% of the population. These indicators positioned Riga in 11th place according to relative net migration, sorted by the most negative balance. When evaluating the obtained data on a regional basis, individual common denominators can be observed. In general, the highest emigration was observed in Latgale region and eastern municipalities of Vidzeme region with a higher level of emigration closer to the external borders of Latvia. In the Riga region, it is possible to observe simultaneously high emigration in the city of Riga and high immigration in the counties adjacent to Riga. Such observations could indicate an intensive change of residence of residents from Riga to the nearest territories.

The conclusion is that residents move to municipalities that are more likely to get high pay. To estimate this indicator, the distribution of the number of employees by monthly gross income in the interval above 1500 euro was used (Table 2).

Table 2

Share of employees with monthly gross wages and salaries above 1500 euro in cities under state jurisdiction and counties (percent)

Riga planning region		Latgale planning region		Kurzeme planning region	
Riga city	28.8	Daugavpils city	9.1	Liepaja city	19.3
Jurmala city	16.7	Rezekne city	9.8	Ventspils city	20.3
Adazi county	15–15.8	Augsdaugava county	4.5–11.1	Dienvidkurzeme county	3.9–14.9
Kekava county	9.5–30.6	Balvi county	2.7–6.6	Kuldiga county	7.5–16.8
Marupe county	20.2–29.3	Kraslava county	4.8–5.5	Saldus county	12.8–14
Olaine county	21.8	Livani county	14.3	Talsi county	6.2–12.1
Ropazi county	18.7–27.7	Ludza county	4.1–6.8	Tukums county	7.6–14.7
Salaspils county	22.9	Preili county	4.2–8.5	Ventspils county	18.1
Sigulda county	8.3–23.4	Rezekne county	5.6–6.3		
Vidzeme planning region		Zemgale planning region			
Valmiera city	21.3	Jelgava city	17.9		
Aluksne county	7.2	Jekabpils city	12.3		
Cesis county	5–15.7	Aizkraukle county	5.5–16.1		
Gulbene county	11.6	Bauska county	10.1–16.8		
Limbazi county	6.8–12.8	Dobele county	10.5–20.1		
Madona county	5.8–11.8	Jelgava county	13.8–19.4		
Ogre county	11.9–18.2	Jekabpils county	6–27.1		
Saulkrasti county	12.4–24.6				
Smiltene county	5.2–13.3				
Valka county	7.8				
Valmiera county	5.2–21.1				
Varaklani county	6.6				

Note: In the administrative-territorial reform, the merged counties indicate the range between the lowest and highest indicators in the old counties merged into the new ones.

Source: author's calculations based on Central Statistical Bureau data

Riga Planning Region has the highest share of population with gross income exceeding EUR 1500 per month – 28.8%. High indicators are also observed in Kekava, Marupe and Ropazi counties, which were merged during the Administrative Territorial Reform process, about 27-30% of employees had a working income above 1500 euro per month gross. In Vidzeme Planning Region, the highest share of employees with employment income above 1500 euro per month gross is in Saulkrasti and Valmiera counties. Latgale Planning Region has relatively lower indicators, and only Livani county has a high share of 14.3% for employees with gross income above 1500 euro per month. In other counties, this indicator is below the 10% limit, except for Augsdaugava county, which has the former Ilukste county with an indicator of 11.1%; but in general, the county on average would be rather below the 10% limit, for which data are not available in the new county breakdown. During the Zemgale planning period, the highest job opportunities for remigrants striving for higher incomes are in Jekabpils county. Although this county has a high internal variation, the former Akniste county included in it has the same high proportion of wealthier population as Ropazi county. In the Kurzeme Planning Region, the highest attractiveness from the perspective of labour income is in the cities of Ventspils and Liepaja with an indicator of 19.3% and 20.3% and in Ventspils region.

1. State and municipal support for the creation of new jobs

Latvia has a wide and constantly changing set of support measures aimed at promoting the creation of new jobs. One of the most important business support providers is LIAA (Investment and Development Agency of Latvia), which offers an extensive program with support activities for current and future entrepreneurs. LIAA support is available in several programs: Innovation Motivation Program, Business Incubators, Start-up Support Programs, Evaluation of Innovative Ideas of Start-ups (Application for a Start-up Visa), Innovation Voucher Support Services and Support for Attracting Highly Qualified Employees, Support for Commercialization of Research Results, Promotion of International Competitiveness, Support for Employee Training, LIAA Technology Business Center, Investment of Large and Medium-sized Enterprises capital rebate loans for competitiveness, Norwegian Financial Mechanism, Green Corridor Initiative and Others. Voucher support services and promotion of international competitiveness are two of the most used supports for current and future entrepreneurs from the relatively wide range of support to stimulate the innovation offer, which includes competence centres, support for the development/purchase of experimental equipment, cluster support, business incubators, innovation incentive programmes, the Norwegian Financial Instrument, ALTUM financial instruments and other.

The offer of support under the programmes is mainly variable, but constant support is also available, such as the voucher support services already mentioned and the promotion of international competitiveness. The Ministry of Defence introduced a grant project programme, the aim of which is to increase the competitiveness, export capacity and innovation abilities of merchants in the field of defence and security of Latvia, as well as cooperation with research institutions in the development of military or dual-use products and technologies.

In the theoretical study of the factors contributing to job creation, it was identified that an effective solution for job creation is state subsidies for wages. In Latvia, a similar mechanism has been partially established and is operating in the project "Subsidized Jobs for the Unemployed". This programme targets the unemployed, who have reduced opportunities to enter the labour market, so their hiring is subsidised.

One of the tools that can facilitate the suitability of the workforce for market needs is the possibility of conducting training with the employer himself. For the most part, refresher and retraining programs offered by the State Employment Agency are in the form of courses. Such training is considered to be to some extent useful, but is not able to prepare employees for the fully expected demands of the labor market. In turn, this need is met by the State Employment Agency program "Training at the employer with the involvement of industry associations". The purpose of this program is to organize the practical preparation of the unemployed for work in enterprises in the industry. The training is organised based on the sector's demand for labour and industry specificities, which justifies the requirement for cooperation with industry associations.

2. Views of regional authorities, entrepreneurs and representatives of the civic sector

In the discussions of the focus groups of Latvian regions, it is pointed out that the creation of new jobs in the regions often cannot develop nowadays due to the lack of a quality workforce, which also explains the relatively large number of vacancies in all regions. Entrepreneurs point out that it is difficult to find a reliable employee in the regions and that the business environment and attracting new jobs in the region largely depend on the head of the municipality. As an example, the case of Marupe is cited. It is stated that if a worker has a good education and knows how to work, he can also earn accordingly. To attract employees, it is emphasized that it is necessary to provide the entrepreneur himself with a higher salary and entrepreneurs need to change their thinking. Representatives point out that the actual unemployment

rate is very low, for example, experts from the Vidzeme region estimate that it should be measured around 3% in Vidzeme. Representatives of all regions in the discussion point out that the biggest challenges in creating new jobs are the environment and the housing stock. During the year 2022, the strategy of Latvian companies has often been directed towards consolidation, reducing the number of employees, but increasing wages for existing ones. It is emphasized that the pandemic has introduced changes in the organization of work - office workers work outside offices, and, according to representatives, this is irreversible. If there are orderly systems, then working remotely and creating new jobs for entrepreneurs is easier. It has been observed that the biggest problems with finding a workforce are in lower-paid occupations. It is emphasized that the demand on the labor market does not always coincide with skills and experience. Mobility challenges are also pointed out - if an employee lives in the countryside and works in the city, there is a mobility problem, because often buses do not go, while private transport is very expensive at the existing fuel prices. An example is given: if there is a salary above 1000 EUR and 250 EUR is needed for the road plus taxes, little is left over to meet the needs of life. The existing State Employment Agency mobility benefit is paid to the unemployed person for four months, and it is intended more in situations where it is necessary to cover immediate costs before the first salary if the workplace is not adjacent to the place of residence. This is not a long-term solution. Representatives of the Latgalian EU stress that the region has a demand for new competencies. The State Employment Agency offers courses in the region, but the motivation and desire of a person is important. Experts point out that a lot can also be learned remotely. A more important question is how to motivate these people to retrain, to which there is currently no answer.

3. Factors for creating new, well-paid jobs

One of the best-known elements in the context of job creation is public subsidies for job creation (Girma et al., 2008), proving that government grants affect the demand for labor in the industrial sector. It has been shown that the introduction of subsidies for producing companies makes it possible to achieve a higher and better-paid level of employment than if they did not exist. An important conclusion is that a large part of the subsidies is recovered due to increased wages, which contributed to the return of funds to the state budget.

Another factor shaping new jobs is the activity of small and medium-sized enterprises, where it has been shown that small and medium-sized enterprises are as effective job creators as large enterprises. Although small businesses account for a small share of total employment, they generate the most new well-paying jobs (Ayyagari et al., 2014), which is achieved with a higher growth potential of the company. Problems in accessing finance, the need for training, the tax burden and bureaucratic barriers are cited as barriers that arise for small and medium-sized enterprises (Sloka et al., 2017). An important prerequisite for growth is the desire of small businesses to develop into medium-sized businesses, which is not always the case, since small businesses can only be created to meet the basic needs of its founders (Braslina et al., 2021). Consequently, it is important for policymakers to motivate small entrepreneurs to strive for growth and increase in staffing.

Digitalisation is an important factor in the development of a well-paid labour market with a high potential for job opportunities. Digitalisation has been identified as both a high-wage workplace creation and a process that destroys low-skilled jobs (Balsmeier et al., 2019). Innovations based on machine technologies (robotisation, 3D printing, smart equipment etc.) generate much more significant economic and social benefits than service-based innovations (e-commerce, support, business management systems etc.) (Batra et al., 2018).

The OECD study on job creation and regional economic development (2014) highlights four key-guidelines. The first guidelines call for an increase in the supply of and demand for job skills, thereby stimulating the creation of high-quality jobs. This task is implemented in Latvia by the SEA with its activities, at the same time the barriers that arise for entrepreneurs to receive this service have been identified. The most significant obstacles relate to the quality of training and the need for the company to hire an employee before carrying out training, which entails risks if the employee abuses this position. In regions and municipalities that have fallen into low skill levels, low-skilled labour has been offered and demanded in the labour market, which does not motivate the attraction of higher-skilled labour and contributes to its outflow (Sloka et al, 2022). The second OECD Guidelines provide support for business development and growth that would ensure job creation. In this context, it is essential to create the conditions for the creation of fast-growing enterprises. The development of such enterprises is facilitated by being located in more densely populated areas with a high level of education, and an important support mechanism is business catalysts, which in the case of Latvia is a well-developed network of business incubators. There are 11 regional business incubators operating in Latvia, however, many of them cannot be linked to higher education institutions, which would be able to create synergies between the educational institution and the incubator. For example, such synergy is not actively possible in the regional business incubators of Kuldīga, Ogre, Sigulda and Madona. The recommendation would be the integrated development of business incubators with higher education institutions, which would create an opportunity for the commercialization of inventions, the employment of graduates in a nearby area and the development of cooperation projects. State Employment Agency also offers refresher programs for managers, but it would be important to actively develop the expansion of entrepreneurship education.

The third OECD guidelines are the development of easily adaptable local economic strategies and systems. Regions need to look for new approaches to economic development – how to use new strategies for attracting markets and investments. Considering that growth is determined by knowledge-based capital, it is important to establish partnerships with higher education institutions, which also indicates in the Latvian context a greater potential for creating jobs in municipalities where universities and higher education institutions are located (Rīga, Rēzekne, Valmiera, Ventspils, Jelgava, Liepāja, Daugavpils). Other municipalities also have higher education institutions, but universities and universities can make a more significant contribution to the development of innovations (Stephenberg et al., 2022). Local governments should adapt to demographic challenges and the rise in the average age by supporting flexible working hours and jobs that are adapted for older workers. In the light of the EU Green Deal, flexibility of education systems is needed to help workers reskill to niches in the green economy.

The fourth OECD Guidelines are the use of local data for policy making. It is necessary to systemically use more detailed and larger amounts of data by municipality to gain insight into the current situation and, when making tactical decisions, to understand the current availability and perspective of high-quality jobs.

One of the most relevant and modern approaches to the region's ability to attract well-paid jobs is the region's focus on smart specialisation, which is the transformation of the economy towards higher added value, productivity, and more efficient use of resources (Braslina et al., 2020). The basic idea behind each region's smart specialisation strategy is the need to concentrate scarce resources on ensuring an increase in innovation capacity in the areas of knowledge and innovation where each region has the greatest potential for growth. The smart specialisation strategy component is included in the development strategies of all regions of Latvia, while a separate document has been developed for the Vidzeme Planning Region, as well as work is underway on the development of a strategy for attracting investments. Studies indicate that currently a very important issue in strengthening the regional productivity is the region's capacity to

absorb the aid provided, which according to the researchers viewpoint is insufficient (Braslina et al., 2020), and one of the main barriers is the lack of access to educated and innovative human capital, which can perceive this support and turn it into new jobs.

Conclusions, proposals, recommendations

- 1) There is no shortage of new jobs in the regions of Latvia, there is rather a shortage of well-paid jobs in the regions of Latvia as residents move to municipalities where there is a greater chance of obtaining high wages. A close link has been observed between the average wage of a job in the municipality and population migration.
- 2) The demand on the labor market does not coincide with skills and experience. At present, the creation of new, well-paid jobs in the regions cannot develop in part due to the lack of a quality workforce, which also explains the relatively high number of vacancies in all the regions.
- 3) Entrepreneurs face the highest labour supply challenges in lower-paid occupations.
- 4) Latvia has a wide and constantly changing set of support measures aimed at promoting the creation of new jobs. The strengths of the existing mechanisms rather result from the dynamic activity of the State Employment Agency, offering vacancies and a wide range of refresher opportunities corresponding to the labor market. The potential for development would be possible by promoting the coordination of the geographical network of incubators and universities and the provision of grants to enterprises not on a small scale and to a larger number, but by targeting grants for the improvement of enterprises, which contributes to higher productivity, the introduction of innovations and the production of products intended for export or import substitution.
- 5) There are several enabling factors for the creation and attraction of new, well-paid jobs: subsidies, promotion of entrepreneurial activity, digitalisation, professional development - business catalysation, creation of easily adaptable economic systems and strategies, focus on smart strategy in a regional context and systemic availability of local data to ensure the necessary regular intervention.
- 6) One of the biggest challenges in creating new jobs is the environment and the housing stock. The study has identified employee mobility challenges.
- 7) The creation and attraction of jobs is facilitated by the general growth of economic activity, subject to certain conditions. A positive effect of job creation can be observed in the growth of small and medium-sized enterprises, but especially in the transformation of small enterprises into medium-sized ones.
- 8) The development of innovative and digital sectors can contribute to the creation of high-paying new jobs. A greater effect can be achieved by developing machine-based innovations rather than service-based innovations.
- 9) Following the trends in labour markets, it is necessary to promote remote work opportunities both in the central and local government sector and in the private sector. Such a solution would make it easier for workers to choose territorially different places to live and work. The maintenance and development of mobility programmes to financially support the ability of workers to choose to remigrate to an area not directly close to the workplace is also supported by similar reasoning.
- 10) The creation and attraction of new jobs depend on overall economic development and entrepreneurship, which requires continuing support for growth-oriented entrepreneurs, especially small and medium-sized enterprises. These measures would include a predictable tax system, tax incentives in case of hiring remigrants, support programmes for remigrants to start or transfer a business to Latvia,

introduction of co-creation spaces in municipally owned premises and organisation of networking activities for faster integration of remigrants into the local business environment.

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