

Constrains of Marginalized Groups in the Labour Market

Lubomír Darmo

Bratislava University of Economics and Business

ABSTRACT

The transformation of economies, especially those in the central and eastern Europe has changed the structure of the economy, creation of new market opportunities, but also the termination of some economic sectors, e.g. heavy industry. This process has brought changes in the labour market and massive layoffs. As a result, unemployment has rapidly increased. The most vulnerable group of workforce were low skilled and educated workers. Many of those workers' origin in the marginalized group of people, such as Roma community. During this transformation, their income has decreased and many of them have become dependent on social contribution. Even is the situation improving, most of the people from marginalized groups live in inappropriate conditions with low living standard, having low income or contributions, often without access to fresh water or canalization. A large part of marginalized population is unemployed, even long-term unemployed. The main reason is the low qualification, loss of working habits and in addition, discrimination in the labour market. One of the measures that would help, apart from the education, is the job creation. As the significant number of jobs in central and eastern European economies is created by the foreign direct investments, the targeted incentives to support investments into the less developed regions, in which marginalized population is included. Then, those people would acquire work experiences and increase their standard of living. Paper deals with the analysis of constrains, which marginalized population is facing in the labour market and the role of the foreign direct investments, which flows would help to improve the living standards of marginalized groups of people.

Keywords: foreign direct investment, incentives, job creation, living standards, unemployment