

CELSI Discussion Paper No. 77

# Expansion of Flexibility and Its Limits.

## The Rise and Retreat of Serbian Temporary Workers in Slovak Automotives

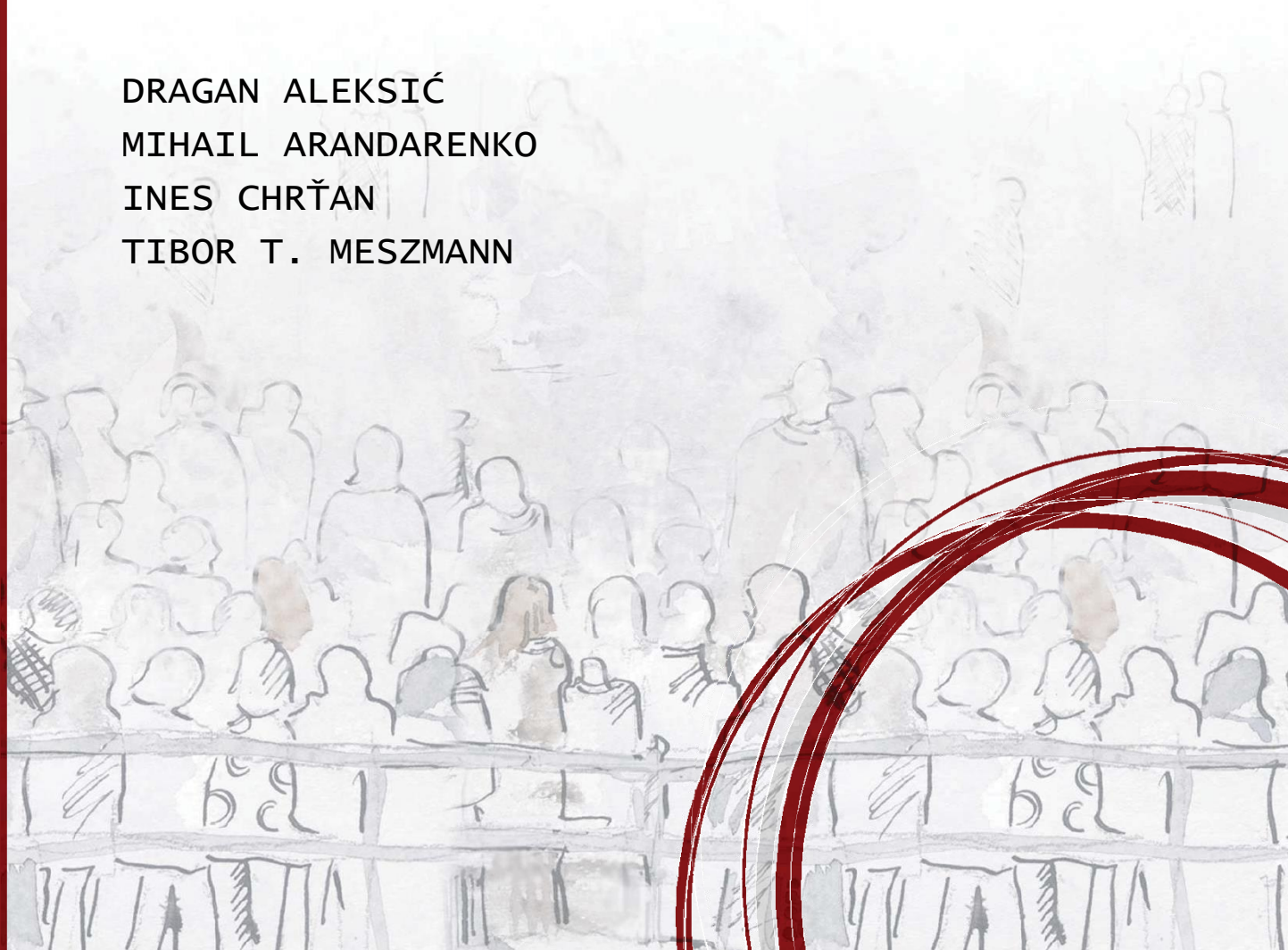
October 2025

DRAGAN ALEKSIĆ

MIHAIL ARANDARENKO

INES CHRŤAN

TIBOR T. MESZMANN



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**Tibor T. Meszmann**

**Central European Labour Studies Institute, Slovakia**

**E-mail: [tibor.meszmann@celsi.sk](mailto:tibor.meszmann@celsi.sk)**

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**Central European Labour Studies Institute (CELSI)**

Zvolenská 29  
821 09 Bratislava  
Slovak Republic

Tel/Fax: +421-2-207 357 67  
E-mail: [info@celsi.sk](mailto:info@celsi.sk)  
Web: [www.celsi.sk](http://www.celsi.sk)

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Dragan Aleksić, Faculty of Economics and Business, University of Belgrade, Serbia

Mihail Arandarenko, Faculty of Economics and Business, University of Belgrade, Serbia

Ines Chrt'an, Faculty of Social and Economic Sciences, Comenius University in Bratislava, Slovakia

Tibor T. Meszmann, Central European Labour Studies Institute, Bratislava, Slovakia

## **Contact information corresponding author**

Tibor T. Meszmann  
Central European Labour Studies Institute,  
Zvolenska 29, 821 09 Bratislava, Slovakia  
tibor.meszmann@celsi.sk

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## **Ethical approval and informed consent statements**

The project followed internal devised ethical guidelines, no external ethical approval was required. Informed consent was obtained from all participants either verbally prior to the interview (and audio-recorded, if possible) or through completion of a paper or digital consent form.

## **Data availability statement**

To guarantee confidentiality and anonymity of interview participation, full interview data cannot be made available upon request.

# **Expansion of Flexibility and Its Limits. The Rise and Retreat of Serbian Temporary Workers in Slovak Automotives**

Dragan Aleksić, Mihail Arandarenko, Ines Chrt'an, Tibor T. Meszmann

## **Abstract**

Serbian migrant workers have played a prominent role in the expansion of the Slovak automotive sector in the 2016-2019 period, but became a less dominant migrant group by 2023. Analysing statistical data on Serbian labour migrants in Slovakia, migrant workers in Slovak automotive companies, as well as secondary sources and interviews, in this article we shed light on the determinants of temporary or circular labour migration and its interrelation with a sectoral and company-based labour regime. Our assessment incorporates factors such as the needs of employers, sector-specific considerations, the role of intermediaries and the motivations of migrant workers. We show that migrant workers' labour was a key factor in subsidiaries of global automotive companies' strategy to expand production and employment, and simultaneously cut costs, putting constant pressure on working conditions and wages. Thus we found that employers - user companies were consciously shaping such a migrant labour based regime. Unions could only modestly remedy the highly flexible arrangement. Finally, our exercise shows that Serbian workers integrated in a highly precarious manner in Slovak automotives, which corresponds to declining migration trends from Serbia since 2019.

## **1. Introduction**

In parallel with the adversity of the 2008+ recession, Slovakia experienced increased emigration to other EU member states. As the crisis subsided, the demand for labour recovered, causing acute labour shortages. They led to the increased employment of third-country nationals, particularly in politically privileged and expanding sectors, such as automotive. Using the exemplary case of Serbian migrant workers in the Slovak automotive sector, we aim to shed light on the determinants of temporary or circular labour migration and its interrelation with a sectoral and company-based labour regime. Our assessment incorporates factors such as the needs of employers, sector-specific considerations, the role of intermediaries and the motivations of migrant workers (Fedyuk and Meszmann 2025). Taking into account the demographic characteristics of the interviewed workers and their migration history, which paved the way for precarious employment, our study examines the role of companies, temporary work agencies (TWA) and trade unions in structuring employment relations and thus creating sectoral or company-based employment structures (Zheng and Smith 2025, Doellgast et al 2018), which we conceptualise as "labour regimes". On a more abstract level, resonating Jill Rubery et al.'s

(2010) call, we aim to explore how intensifying outsourcing, relocations along with international migration play out in institutional and geographically specific construction of labour markets - using the case of Serbian workers in Slovak automotive industries between 2014 and 2023 as an example. Despite its acute relevance and timeliness, this theme and perspective has not received sufficient attention in the Eastern periphery of the EU.

In Slovakia, TWAs have increasingly specialised in recruiting migrant workers and creating labour markets for them. By 2023, almost one-fifth of migrant workers were employed by TWAs (Brunnerová et al., 2024). Such development was enabled by changes in regulation: the 2018 legislation permitted TWAs to legally employ third-country nationals for up to two years, while visa liberalisation after 2021 enabled the quicker recruitment of migrant workers from specific countries for shortage occupations through a streamlined visa process, integrating a relaxed labour market test system with a quota system (Masso et al., this volume).

This development, regulatory pressure and outcome are altogether not surprising. Relevant scholarship informs us that the growth in temporary employment might be due to cyclical economic fortunes, driven by shifts in employer demand. Employers contract TWAs for recruitment and selection purposes, screening workers for permanent positions to create a more productive workforce. They also do so 'to handle demand variability and to buffer core workers during downturn' (e.g. Houseman et al., 2000). TWAs are especially handy for the automotives, because of the industry's seasonality and cyclicalities (Kuznets, 1933), and ability to create two tiers of workers – permanent and temporary – which thus enhances industry's flexibility in adjustment to business season and cycle while preserving loyalty of skilled permanent workers. Following the economic textbook treatment of temporary labour migration, one can expect 'quintuple win' from such an arrangement. Employers get desired flexibility and an extended pool of available labour, outsourcing the employment protection legislation hurdles to TWAs. TWAs get the opportunity to expand their business internationally and to make higher profit. Trade unions expect to get the employment security for their core members and higher wage rates, reflecting premiums over the second-tier workers and, explicitly or implicitly via bargaining, additional profit-sharing bonuses. Temporary migrant workers get wages much higher than in their home country, which remains their reference point, precisely because of the voluntary temporariness of their stay. Finally, the government oversees and fine-tunes the arrangement, allowing more temporary migrants in good times and less in bad times, while in long term enjoying higher tax revenues and political rents from higher economic growth.

The economic and labour market reality may not be in line with this rosy perspective. The automotive industry is highly competitive globally, and profit margins tend to be squeezed, making distributive issues more pressing. Especially, trade unions might perceive alternative solutions as superior – either those restricting the number and ease of admittance of foreign workers, or those equalizing the legal position of all workers. Temporary migrant workers might change their reference point and utilize legal paths toward permanent residence and ultimately citizenship status. Populist movements might spread anti-migrant sentiment in the electorate, making the government prone to hostile actions toward temporary migrants. Finally, TWAs can turn into lobbyists and regulators to their own advantage. Particularly beneficial for the creation of temporary staffing markets are labor market deregulation and high demand for flexibility (Peck et al 2005: 22-23).

While we pay attention to the role of TWA in servicing the needs of employers and constructing flexible and segregated labour markets, we also incorporate the role of other industrial relations actors and practices (Jaehrling and Mehaut, 2013) in accommodating migrant workers in a labour regime of a specific sector or company hierarchy (Sippola and Kall, 2016: 216). We contribute to the argument by expanding and deepening the discussion on employers' preferences for certain types of migrant workers, which puts pressure on working conditions and wages through 'flexibilisation' and 'segmentation' (e.g. Ruhs and Anderson, 2010), as well as examining how the effects of immigration on flexibility might be mediated by institutional conditions at enterprise and sector levels (Raess and Burgoon, 2015: 107).

## **2. Methodology and data**

To shed light on the historical development of the automotive sector in Slovakia and its increased reliance on migrant workers, we use data on Serbian labour migrants in Slovakia, migrant workers in Slovak automotive companies, as well as secondary sources and interviews. Using secondary sources and interviews with current and former trade unionists, we have reconstructed changes in working conditions, collective bargaining, and the positions of migrant workers within company hierarchies, as key aspects of an idiosyncratic migrant labour regime in Slovak automotives. One of the authors did extensive fieldwork with migrant workers in the two main automotive hubs in Slovakia (Chrt'an, 2025). Research in 2022 and 2023 included multi-sited ethnographic fieldwork, primarily in the Bratislava and Trnava regions, and a previous smaller-scale fieldwork conducted during the 2020–21 pandemic, which focused on Serbians who had been living and working in Slovakia for at least one year. As a transnational migrant herself, the researcher had established informal connections with the Serbian community in Slovakia prior to conducting the research and gained insight into the pre-existing social network infrastructure surrounding the lived experiences of Serbian migrant workers. Approximately 40 in-depth semi-structured interviews were conducted and participant observation (Chrt'an, 2025). Relying on that research, between June 2024 and March 2025, we conducted 13 interviews with 14 interviewees as part of a project dealing with temporary employed migrant workers (JUSTMIG). Our aim was not to obtain a representative sample of Serbian workers, but to gain insights from workers with rich experience in the Slovak automotive industry. Potential interviewees were first selected from a set of 40 interviewees from previous research. In addition, we attempted the snowballing method, placing ads in closed social media groups and reaching out to potential interviewees via other sources (e.g. trade unions and personal acquaintances). All interviewees had experience of working for, or as subcontractors of, the two car manufacturers, one of which is situated in Bratislava and the other in Trnava. Our sample is therefore non-representative as we prioritized interviews with Serbian workers who were in Slovakia during the employment peak (2016–2018) and who were still in the country. These interlocutors could shed light on the history of labour migration, including on the experiences of friends, colleagues and acquaintances.

### **3. Serbian workers in Slovakia: a statistical overview**

Serbia has traditionally been a labour exporting country. Among the ‘new’ member states of the EU, Slovakia established itself as one of the most popular destinations for temporary migration of Serbian workers only very recently, around the mid-2010s. At the end of 2010 the total number of Serbian citizens in Slovakia stood at a modest 3,826. It almost doubled in the following six years, reaching 7,131, and almost doubled again at the end of 2018, reaching 13,555. Since then, the increase in the number of Serbian citizens in Slovakia slowed down, resulting in about 17,800 persons at the end of 2023.

While the share of Serbian emigrants in Slovakia in the total Serbian emigrant stock in the EU27 is still modest, standing at some 3.3%, the annual gross inflow of Serbian migrants to Slovakia as a share of total gross inflow to EU27 is more significant, standing at some 7.6% in 2023. This confirms the assessment about the dominantly temporary character of emigration flows from Serbia to Slovakia. The annual gross inflow of Serbians can be approximated by the statistics of first permits issued to them by the Slovak authorities. These permits peaked from 2017 to 2019, approaching almost 5,000, and, after falling below 3000 in 2020 and 2021, recovered to slightly above 4,000 in 2022 and 2023. The flow-to-stock ratio – operationalized as the ratio between the number of first residence permits issued for all reasons during a year and the total stock of emigrants at the end of the year - is still very high, reflecting the short average spell of Serbian migrants in Slovakia. The average value of the ratio over the previous five years was approximately 25%, which is twice the EU27 average for Serbians.

Another way to look at the stock-flow statistics is to compare the sum of the Serbian migrant stock in Slovakia in the last available year with the sum of all Serbians who arrived in Slovakia within the period of the last several years. For example, the sum of first permits between 2018 and 2023 is 22,685. The increase in stock between 2018 and 2023 is 4,212. This would, under simplified assumptions, imply that 18,473 persons during that period immigrated into and then emigrated from Slovakia, while 4,212 remained in Slovakia. In a simplified but illuminating interpretation, out of 5 persons who emigrated from Serbia into Slovakia from 2018 to 2023, four could be temporary migrants, and one long-term or potentially permanent immigrant.

Employment remained the main reason for emigration to Slovakia. Immigrant statistics cover four main reasons for obtaining a permit: (1) remuneration activities, (2) family reunion, (3) educational purposes and (4) other reasons. In the initial stages of emigration to Slovakia, a large number of Serbian citizens received a residence permit on the basis of “other reasons”. We consider this to be a statistical artefact. Therefore, this category of permits is excluded from the analysis. Observed in this way, the share of first permits for employment purposes has been stable over time at around 90%. It is significantly higher than the EU average of around 60% (with “other reasons” also excluded). Several push and pull factors contributed to the popularity of Slovakia as the new destination for Serbian emigrants. Among the general pull factors, visa liberalisation in 2009 allowed Serbian citizens easier travel to the EU countries. Even before that, privileged treatment for members of the relatively large Slovak minority in Serbia facilitated the establishment of early migrant networks. However, the true boom in migrant flows from Serbia happened with the labour shortages in Slovak automotive industry in the mid-2010s, especially in 2016 and 2017. This rise in demand coincided with the key push factor - a very difficult labour market situation, marked by high unemployment and low and stagnant wages, reflecting prolonged economic crisis and fiscal consolidation efforts in Serbia. Besides, new worker-hostile

Labour Law was implemented in Serbia since 2014 and minimum wage was frozen and declined in real terms. Furthermore, the relative position of manufacturing and the private sector as a whole in Slovakia, one of the most equal European countries, was better than in Serbia, at the time one of the most unequal European countries.

Although wage premiums in Slovakia could not match those in rich Western European countries, there were several other pull factors which made Slovakia an attractive destination for a growing number of Serbian workers. First, little skill requirements - the manufacturing demand was generalized, and typically no professional or specialist skills or experience were required. Second, the gravity – Slovakia is close to Serbia, making it possible to travel frequently back and forth. Third, Slovak and Serbian both belong to Slavic language group, facilitating communication and adaptation. Fourth, members of the Serbian Slovak minority, apart from enjoying preferential access to Slovakian documents, often played a useful role in mediating the emigration of other Serbians. Finally, Slovakia is the high-income country with the most favourable raw migrant pay gap globally – with migrants earning 12.6% more than nationals (Amo-Agyei, 2020).

The incentives to emigrate from Serbia have recently decreased, which is supported by the data from several different statistical sources. We conjecture that the increase in gross emigration flows from Serbia in the second half of 2010s was mainly driven by large and at the time growing wage differentials between Serbia and Slovakia. Official data on average wages suggest that the ratio of Slovakian to Serbian average wage fell from 2.1:1 to 1.57:1 between 2016 and 2024, which is well below the 2:1 ratio that some studies highlight as the hypothetical threshold below which incentives for emigration rapidly diminish. The unemployment rate differential was also reduced. The unemployment rate in Serbia fell from slightly over 20% in the mid-2010s to below 10% in early 2020s.

The Labour Cost Survey and Structure of Earnings Survey allow comparisons of average wages in different economic activities (NACE Rev. 2). Since there is no data on wages in the automotive industry, the closest proxy is wages in the manufacturing. According to both surveys, the average wage in manufacturing in Slovakia at the beginning of the reference period was higher than the overall average wage. At the end of the period it was lower than the average wage. Data from the Labour Cost Survey suggest an even faster convergence between Serbia and Slovakia when it comes to manufacturing wages than in the case of average wages, as the former ratio was reduced by 0.6 and the latter by 0.39 percentage points (see Table 1).



**Table 1 - Average wages and salaries in Slovakia and Serbia per hour in Euro**

| Mean hourly earnings in Euro (Labour Cost Survey)           |                                                                                                                          |             |             |             |             |             |             |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                                             |                                                                                                                          | 2016        | 2020        | 2021        | 2022        | 2023        | 2024        |
| Slovakia                                                    | Industry, construction and services (except public administration, defense, compulsory social security)                  | 7.5         | 10.2        | 10.8        | 11.4        | 12.5        | 13.3        |
|                                                             | Manufacturing                                                                                                            | 7.6         | 10.1        | 10.6        | 11.3        | 12.2        | 13.0        |
| Serbia                                                      | Industry, construction and services (except public administration, defense, compulsory social security)                  | 4.2         | 6.0         | 6.4         | 7.4         | 8.3         | 9.5         |
|                                                             | Manufacturing                                                                                                            | 3.6         | 5.3         | 5.6         | 6.4         | 7.4         | 8.6         |
| Ratios                                                      | <b>B-S_X_O (Industry, construction and services - except public administration, defense, compulsory social security)</b> | <b>1.79</b> | <b>1.70</b> | <b>1.69</b> | <b>1.54</b> | <b>1.51</b> | <b>1.40</b> |
|                                                             | <b>Manufacturing</b>                                                                                                     | <b>2.11</b> | <b>1.91</b> | <b>1.89</b> | <b>1.77</b> | <b>1.65</b> | <b>1.51</b> |
| Mean hourly earnings in Euro (Structure of Earnings Survey) |                                                                                                                          |             |             |             |             |             |             |
|                                                             |                                                                                                                          | 2018        |             | 2022        |             |             |             |
| Slovakia                                                    | Industry, construction and services (except public administration, defense, compulsory social security)                  | 6.7         |             | 9.1         |             |             |             |
|                                                             | Manufacturing                                                                                                            | 6.9         |             | 8.9         |             |             |             |
| Serbia                                                      | Industry, construction and services (except public administration, defense, compulsory social security)                  | 3.4         |             | 5.5         |             |             |             |
|                                                             | Manufacturing                                                                                                            | 3.2         |             | 4.7         |             |             |             |
| Ratios                                                      | <b>B-S_X_O (Industry, construction and services - except public administration, defense, compulsory social security)</b> | <b>1.96</b> |             | <b>1.67</b> |             |             |             |
|                                                             | <b>Manufacturing</b>                                                                                                     | <b>2.19</b> |             | <b>1.90</b> |             |             |             |

Source: Labour Cost Survey and Structure of Earnings Survey, Eurostat.

Temporary labour migrants often work for a below-average wage. We used the legal minimum wage as a proxy for the relative position of the low-wage workers. It turns out that Serbian low-wages increased faster than those in Slovakia. While the nominal minimum wage in Serbia more than doubled between 2018 and 2024, the increase was far less in Slovakia (about two-thirds). Consequently, the Slovakian low-wage premium was reduced from 68% to just 32%.

In parallel with the reduction of incentives for workers from Serbia to emigrate to Slovakia, Slovak companies have been sourcing migrants from an ever-widening range of countries. The share of work permits allocated to Serbian workers in all work permits, has decreased from 22% to 13% between 2018 and 2023. The situation is almost identical when it comes to first permits. The declining importance of Serbian citizens is better grasped if citizens of Ukraine are excluded from the calculation. Viewed in this way, as much as 46% of all first permits in 2018 were issued to Serbian citizens, while in 2023 their share decreased to only 19%. The largest increase was recorded by citizens of India, Georgia, Moldova, Albania and North Macedonia.

The occupational structure of Serbian workers in Slovakia has remained largely stable over time. According to the ISCO-08 classification, about 80% of all Serbian immigrants work as Plant and Machine Operators, and Assemblers (group 8). Craft and Related Trades Workers (7) and Elementary occupations (9) are the other two single-digit occupational groups most frequently found among Serbian immigrants. None of the remaining seven groups has exceeded a 5% share. This suggests that the vast majority of Serbian migrants are employed as blue-collar workers, particularly within the automotive industry.

In 2017, more than 20% of Serbian immigrants had primary education as their highest completed level of education, 70% had completed no more than secondary school. Throughout the period, only about one in five immigrants were women.

#### **4. The Slovak automotive industry: the practice and regulation of migrant workers employment (1500)**

The Slovak post-socialist growth model has relied on foreign direct investment. Between 2013 and 2019, car production and employment increased by around 20 per cent. The production volume fell back to 2013 levels due to the impact of the pandemic, but mostly recovered by 2024 (Gažo et al. 2024, ACEA 2025). In 2022, around 200 cars per 1,000 inhabitants were produced annually in Slovakia, which had the highest share of direct automotive manufacturing jobs in Europe (15.5%), accounting for around 5% of total national employment. At the same time, the average wage in Slovakia's automotive sector exceeded the national average by almost 40%, but blue-collar wages remained significantly below the sectoral or company average. The continuous increase in wages between 2014 and 2023 has contributed to an overall increase in real wages, although in some years real wages have decreased, as was the case in 2022, and in the aftermath of the global financial crisis (Martišková 2022). As part of their cost-cutting strategies, in the 2010s automotive companies introduced flexible working conditions and payment schemes (Martišková and Uhleová, 2016). Similarly to their Eastern European neighbours, they tied a large proportion of salaries to performance, attendance or other bonuses, thereby encouraging temporal flexibility (Krzywdzinski et al. 2023).

By 2016, the automotive industry had become heavily reliant on 57,000 agency workers. The local supply of temporary agency labour soon became insufficient for two main reasons. Firstly, the local working-age population, otherwise stagnant, was subject to significant attrition due to the ease with which people could move to richer EU countries. Secondly, most likely, empirically proven disadvantages to temporary agency work in terms of the medium-term earnings prospects appeared. (Autor and Houseman, 2010). Migrant workers were not agency workers, but were employed either illegally or directly. Those illegally employed lacked adequate legal protection and law enforcement from state authorities (Martišková, 2019). Serbia was the second most important labour-sending country to Slovakia for several years. In 2022, approximately 2.5% (3,000) of all Slovak automotive workers were Serbian citizens. Since 2018, TWAs active in Slovakia have expanded their operations to low-wage, high-unemployment countries in the European periphery and Asia, seeing space for expansion in terms of both volume and profit. In sum, migrant workers' labour was a key factor in subsidiaries of global automotive companies' strategy to expand production and employment, and simultaneously cut costs, putting constant pressure on working conditions and wages.

### *A company case*

The company, which we will call “Star”, typically produced three car models and had an original production capacity of 300,000 cars per year, which increased to around 360,000 with the introduction of a fourth weekend shift in December 2015.<sup>1</sup> According to informants and secondary resources, significant relocation or expansion of production occurred after 2013. However, the value added was relatively low, as production focused on smaller cars with diminishing markets. Employment increased significantly between 2015 and 2019, from 3,500 to 4,500. Later, the number of employees decreased to 2015 levels due to the effects of the pandemic and the green transition<sup>2</sup>. The tariff system was based on three, later four categories (1st earning the least, 4th the most) and seniority (i.e. years) spent in the plant. During the 2013–2018 period, collectively agreed wages increased on average by 3.5 percent annually. However, no wage increases occurred between 2013 and 2015. The union only negotiated wages for production workers divided into three positions (operator, coordinator and team leader), later four positions (monitor). (interview with unionists Trnava, May 16 2025). In 2015, the average net monthly wage - with all wage supplements and premia - was €1,331, and blue-collar workers earning below €850 received a 13th salary. In 2017 the base wage for blue collar workers was 700 EUR, which could rise to an average of 1100 with bonuses for shifts and overtime (interview, unionist 2018). In 2025, wages for assembly line workers started from the base minimum of around €1,100 - but there was less overtime work, no weekend shift and chances of bonuses. Altogether thus, incomes of blue collars stagnated or rather deteriorated.

Union density in *Star* was 25 percent in 2011 (Kahancova et al. 2017: 45) which was maintained according to interviewed unions until 2024. While trade unions at the plant engaged in traditional activities of individual representation, consultations and distribution of benefits, the unions’ main activity is collective bargaining on wages: in practice it is a bargain over a concrete sum (e.g. EUR 50) to be added to base wage. Wage bargaining and union-company relationship at *Star* was conflictual in the 2013-2018 period, after which it stabilised: especially the preparation for a strike in 2017 left marks in union identity and relationship with members and management (Interview 2018). Besides wage bargaining, and providing tailored services for migrant workers (e.g. checking and helping housing arrangements) the room for manoeuvre for unions was narrow. In 2023, responding to members' demand of controlling deteriorating working conditions, the union initiated weekly line visits, which was however approved only if unions were accompanied by management representatives. The joint monitoring delegation could not have the desired effect, as workers felt intimidated to approach the union in the presence of management representatives (Interview May 16).

The union leader traced the process by which employment expanded in the period from 2013 to 2016, despite the introduction of 'cost-cutting' measures, extreme flexibility of working conditions, and high staff turnover. Ultimately, he explained, the goal was to decrease costs per car produced and increase productivity and flexibility without raising wages. These aggressive and often irrational cost-cutting measures resulted in cuts to cleaning and maintenance,

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<sup>1</sup> “PSA introduces fourth working shift” 24. June 2016

<https://spectator.sme.sk/business/c/psa-introduces-fourth-working-shift>

<sup>2</sup> in 2022, there were 3,677 employees; after layoffs during the Coronavirus crisis and in 2023, the number of employees decreased to 3,300

deteriorating working conditions, stagnant wages and even collective bargaining. The cost-saving reorganization of logistics resulted in the untimely arrival of necessary parts and components, unpredictable working hours, increased production and the introduction of weekend shifts.

*[Due to the non-arrival of parts and components], workers were told, 'You don't need to go to work today because we have nothing to produce.' Then they'd drive them back to work on the weekend. Turnover skyrocketed [...] Nowadays, if you asked anyone [in the town, ...], the local population, probably everyone would have worked in this car factory, either directly or for suppliers. There was a demand for foreign workers because there were no more Slovak workers available. Then, around 2016, the first influx of foreign employees started, first, workers were arriving from Serbia.<sup>3</sup>*

Temporary agency work was introduced in 2015, but not for migrant workers; as only Slovak and EU nationals could be contracted via agencies. At the time, according to union representatives, around a third of all workers were Slovak agency workers and a third were migrant workers employed by the company on fixed-term contracts. Between 2016 and 2018, the union unsuccessfully attempted to negotiate a limit on the proportion of TAWs among all employees. Management took a hard line, justifying their position with reference to poor economic performance and their right to use the local legal limits. Due to changes in legislation, from 2018 TWAs could now hire migrant workers for up to two years, including Serbian migrant workers. Following the Covid-19 crisis, the company stopped contracting TAWs. Instead, “self-employed” micro-entrepreneurs, or *živnosníci*, appeared at the plant — migrant workers turned into entrepreneurs, brokered again by TWAs. The union had no information about the exact numbers, and, as this form of employment was not entirely legal, the employer was reluctant to share them. At the beginning of 2025, a union representative estimated that around 40 per cent of the plant's workforce were migrant workers, 250 workers from Serbia and Ukraine, and 500 from various Asian countries, especially India. Worker informants estimated that most production workers were foreign nationals, while local Slovak workers were typically employed in administrative or other white-collar professions.

## **5. Serbian workers in Slovak automotives**

Between 2021 and 2022, the majority of interviewed Serbian migrants were single men aged 25–45, performing manual labour in industries such as automotive manufacturing. By 2023/24, respondents were more varied in terms of marital status, but the average age remained similar at 38; they were typically in their thirties (9 interviewees) with outlier groups of those in their twenties (2) and fifties (3). Most interviewees were single men (10), one was divorced, and 3 married, which included the married couple we talked to. All interviewees were employed by two car manufacturers, one in Bratislava and the other in Trnava.

As revealed in the 2021/22 research (Chrt'án 2025), the migratory trajectory of Serbian workers in Slovakia was initially highly cyclical in the 2016/2018 period, but it saw a significant shift during the pandemic. In the automotive sector, manufacturing disruptions due to a lack of parts and components from subcontractors led to widespread layoffs, with agency workers being the first affected. Although some agencies tried to find new placements for these workers, these

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<sup>3</sup> Interview with František Gajdoš (KOZ), Marek Mifka (VW), Andrej Kralovič (Stellantis) January 23, 2025

efforts were infrequent and unreliable, leading many to return to Serbia, particularly those who had stable housing or connections for seasonal work there. A significant shift observed already in 2020-21 was the rise of bogus self-employment, becoming an increasingly common and persistent form of employment after the pandemic. Many of the interviewed migrants were classified as self-employed while essentially performing the same tasks as regular employees, for higher net income, but without the associated social benefits or job security. This type of employment arrangement was particularly prevalent in automotive and other manufacturing sectors, where extreme labor shortages coupled with the “rigidity” of establishing an employment relation with third country nationals made it more tempting for employers to circumvent regulations.

A persistent theme in the interviews conducted 2021-2022 was the so-called 'split families' model, where typically the male member of the family worked in Slovakia, sending money back home to support their partner and children, who remained in Serbia. This was a dominant pattern but not the only family configuration, as many families had already reunited in Slovakia before the pandemic, and there was also a significant population of single men and women. The pandemic partly disrupted some aspects of this pattern. The more common scenario was that the family member working in Slovakia returned to Serbia because the strain on their family life was too great, while the less frequent case involved families relocating to Slovakia for reunification. Thus, the pandemic restructured both family configurations and migratory behaviour. However, once the pandemic subsided and the economy began to recover, many of these workers returned to Slovakia (Chrt'án, 2025). In our sample of the 2023-2024 research, only about one third of respondents (4) fit the latter pattern, the rest (9) stayed continuously in Slovakia.

Of the participants in our research in the 2023/24 period, all but one were male. All respondents except one were from Serbia, and the interviewee from Kyrgyzstan was the only one with a university degree. The highest level of education among the Serbian interviewees was high school; three started university but were forced to leave due to financial difficulties. Besides casual and temporary employment, respondents younger than 40 had no significant employment experience in Serbia. A minority of respondents exhibited statistically typical features, such as returning to Slovakia cyclically after a prolonged absence, e.g. following the Covid pandemic. Furthermore, some respondents considered leaving Slovakia in the near future or indicated that they could relocate if an opportunity arose, e.g. in Austria. The majority of interviewees had similar main motivations or socialisation strategies, such as living a more peaceful life while remaining close to Serbia. Others developed alternative strategies to create a stable income in the medium term in Slovakia (e.g. purchasing a house or apartment), while some were socially marginalised in Serbia and had nowhere to return to. Our sample also included a respondent whose life was closely linked to TWAs, involving frequent job changes and working as a coordinator at a temporary agency for the second time. Most of our respondents were aware that they were atypical, as many of their friends and acquaintances from their working lives abroad had left Slovakia, either for Serbia or a Western EU country.

All respondents were employed in, or recently left, two major automotive companies, or their direct subsidiaries. With few exceptions in slightly higher up or different roles (two coordinators, a team leader, quality check worker, translator), the highest position a respondent reached was that of a trained production worker as assembly line operator or equivalent (8). All respondents were at a point employed via TWA or a shady intermediary. Some secured a permanent position,

some were employed as (bogus) self-employed, small entrepreneurs on an assembly line. Except for one respondent, no interviewee was a member of a trade union.

Almost all Serbian interviewees came to Slovakia in the 2016-2017 period (9, plus two arrived in 2018), during the first big recruitment and employment of Serbians, typically via an intermediary. Their social integration patterns were typically based on entrepreneurial, conscious hard work with many sacrifices, including living in a dorm.

All respondents reported recent stagnation in their salaries and complained about stressful and demanding working conditions. The base net income of our respondents was around 1,000 EUR, but with various bonuses, 1,300 EUR was expected. Most respondents said that their net real salary had decreased significantly compared to 2016–18 levels. Despite annual increases, a significant proportion of wages consists of bonuses and premia for working weekends, night shifts or overtime. Secondly, those who had experienced or were aware of the dangers of work-related injuries were reluctant to accept extreme quantitative flexibility. Overall, as the plant ended the better-paying night shift and experimented with cutting the weekend shift, net salaries were very close to those in 2017: assembly line workers reported a net salary of around 1200 EUR.

Despite more stable contracts, most respondents reported stagnation at the workplace and some were redirected to more taxing positions, for which they felt frustrated and unrecognised. Some interlocutors identified work-related problems, including the abuse of power, obstacles to report accidents and injuries at work, and an intense, demanding workload. In their evaluation of their job and company, many workers highlighted that working in Slovakia is still better than working in Serbia. More interestingly, respondents identified their access to quantitative and qualitative flexibility as key criteria for job satisfaction. Quantitative flexibility in good times, when overtime, night or weekend shifts were available, was preferred as it could constitute up to 40 per cent of one's income. The most extreme quantitative flexibility we saw in the case of Nenad, the most recently arrived younger worker, who was an outsourced assembly line worker on the agency payroll, performing his work, even 12-hour shifts, while he was sick, but showing also the typical traits of socially marginalised person, lacking social support or self-esteem, and oversensitive to superiors' praise.

Qualitative flexibility, exemplified by arrangements where a worker could even be sent to either the logistics department or the assembly line, was a contentious issue for many. The most experienced and insightful workers were aware that extreme quantitative and qualitative flexibility was required of migrant workers, and that the company would not try to keep those who did not accept it. Dragan, the worker who climbed to team leadership described the work regime on his own example and successful trajectory:

*"In the beginning, there was a lot of pressure, but as I learned, I started to manage. I saw that there are different types of people. Some will not do other positions, and there is pressure because flexibility is required. The company expects you to know more than one thing. If you don't accept it, there will be stagnation, pressure. When you accept change, everything goes easier. It was a big leap for me — but natural. I had to learn to communicate, to lead others. "*

TWAs played a key role in establishing such a flexible regime and discipline. They employed workers who were willing to adjust to flexible working conditions in order to maximise their income, even though this came at the cost of a more insecure labour market status or even injuries. Andrija critically summarised this common practice: 'It's a problem, whether it's my company or the whole of Slovakia [...] if you have to work for a living, you have no choice but to go through an agency.' Between 2015 and 2017, it was common to first enter the Slovak labour market through employment agencies, which often operated in legally ambiguous or even illegal ways. Work was organised into regular cycles of short three-month periods in Slovakia, reflecting the maximum duration that Serbian nationals were permitted to stay visa-free within the Schengen area. This was followed by a mandatory three-month return to Serbia, where migrants would live off their Slovak savings and occasionally supplement their income with seasonal work. Participants consistently described their initial migration experiences as semi-legal or precarious, characterised by uncertainty about their legal status as agencies handled all paperwork and arrangements without transparent communication. These migration cycles were usually repeated two or three times, i.e. for up to 18 months. After completing these cycles, many participants managed to establish more stable footing. (Chrťan, 2025). While the evaluation of TWAs was mixed, their functional role was recognised, especially by workers who had experienced illegal employment via agencies ('na pasoše') in 2016–17, when some workers were deported. More recently, the "micro-entrepreneurial" working on the assembly line under a service contract were dependent on both the agency and the automotive company. Interviewees in both 2020/21 and 2023/24 reported a shift around 2018 from minimal, opaque agency contracts to more formalised two-year work contracts directly with the employer. This eventually led to open-ended employment agreements, a change that was also reinforced by legislative reforms. This transition from precarious to semi-stable employment marked a critical turning point in migrants' labour trajectories and settlement prospects.

Nevertheless, most of our respondents, despite being positive outliers in terms of migration duration, viewed their job and the company as temporary, as neither provided enough security for long-term planning. Some, like Arsen, learnt that, due to high staff turnover, it is unwise to develop emotional ties with colleagues. Many respondents were transitioning from one job to another. While they in principle favoured a stable, permanent employment over work via TWAs, for some, maximising income via temporary work was either an acceptable or even a preferred option.

For most interviewees, answering the question about their long-term plans was probably the most difficult. Interestingly, the main motivation for those who stayed was non-financial: strategic (e.g. Ranko applying for citizenship) or because of the peaceful atmosphere in Slovakia compared to Serbia (Arsen and Dragiša). Respondents typically engaged in mid-term strategic planning to secure their labour market status, such as waiting five years to gain a settlement permit or even citizenship. Except for a few, the strategy was to follow opportunities and be ready to move if something came up, such as a job opportunity in a Western EU country. Most respondents reported having a relatively active social life, especially playing sports or taking part in football-related activities. Even among those who had achieved some mobility in their workplace and felt recognised, the prospect of returning to Serbia was constantly considered. The team leader who climbed a ladder, lived in a rented apartment with his Serbian wife and child in Trnava, summarised it critically:

*'It's a difficult question. Sometimes I tell myself that I want to return to Serbia, and sometimes I don't. There are days when it all makes sense to me, and there are days when I would immediately pack my bags and go back. I am most drawn to my family. But when I consider the security here — the order, salary and system — I realise that I would struggle in Serbia.'*

## **6. Discussion and conclusion**

In our attempt to provide a comprehensive assessment of Serbian temporary labour in Slovak automotives for the period of 2016-2024, we combined in-depth statistical data on labour migration from Serbia to Slovakia, historical account of Slovak automotives and employment of migrant workers from the perspective of industrial relations, and finally, ethnographic and interview based research on Serbian workers' experiences and evaluation of jobs in Slovak automotives. As Serbian labour migration to Slovak automotives has been declining since 2019, but especially since 2022, analysis of such intersectional materials allow us to evaluate the history of Serbian workers in Slovak automotives.

The main conclusion is that Serbian workers integrated in a highly precarious manner in Slovak automotives. As shown in more details in our case study, automotives expanded employment after the so-called global financial crisis relying dominantly on temporary migrant labour. Production capacities expanded significantly along with flexibilisation, or rather deterioration, of working conditions and pressure on wages and collective bargaining. Migrant workers became indispensable parts of an increasingly flexible labour migration regime with segmented and fragmented internal labour markets. Such a constellation, as our statistical exercise showed, was fuelled by members of the Serbian industrial workforce desperate to find alternative, well paid employment, and to engage in temporary life projects. Their immigration was facilitated and instrumentalised by intermediaries that found a niche to create transnational labour markets. They constructed employment standards and invented forms of employment in the grey zone of legality that were sensitive to changing business cycles of automotive companies. The Slovak state also responded with regulation that fit temporary and seasonal requirements of the manufacturing sector (see Masso et al. this volume). Our interviews confirm the picture we see in the migration statistics: jobs filled by Serbian migrants are typically at the bottom of the corporate hierarchy, which does not allow for long-term planning and a stable livelihood. More precisely, migrant workers from Serbia, even if they have climbed the typical ladder of contracting through temporary agencies and fixed-term contracts to permanent employment, get stuck in low positions in production. Such a condition makes both circular and return migration a viable option, or at best a reason to consider or start a new round of (temporary) migration to Western European countries with higher wages. From the Serbian perspective, we see a pattern of commodification of a relatively vulnerable, disadvantaged "outsider" working class stratum in an already export-oriented political economy - an increasingly isolated and embittered working class group on the margins of two societies.



We found that short term employment has been typical, but the rarer attempts at creating avenues for integration are more strategic - entrepreneurial, aiming at permanent settlement or gaining a more secure labour market status. This finding resonates well with recent findings on highly individualised, entrepreneurial attitudes of migrant workers (e.g. Meszmann and Fedjuk 2019, Polkowski 2019, Tarrabain and Thomas 2022).

From the industrial relations perspective, we found that employers - user companies were consciously shaping such a migrant labour regime. Our assessment indicates that user companies were relying on temporary agency beyond the hypothesized service of choosing workers from an expanding pool to enhance productivity and to manage demand fluctuations and protect core employees during downturns (e.g., Houseman et al. 2000) That is, we found sufficient reasons to believe that even core workforce has been more flexible, and working conditions deteriorated altogether towards a highly flexible regime with the expansion of production. Our research also highlights the immense role of intermediaries, and underlines the validity of established critical insights on TWAs functioning even as practical labour market regulators.(Peck et al. 2005, Strauss and Fudge, 2013). Trade unions, on the other hand, found themselves with a shrinking room for maneuver, sometimes even experiencing crisis in their core function of collective bargaining. Unions could only modestly remedy the highly flexible arrangement: despite occasional attempts to provide different services to migrant workers, the main arena of the union remained collective wage bargaining which by definition left out segmented groups of employees from interest representation and could not deal with deteriorating working conditions. Vice versa, migrant workers also took no collective initiative and attempt to restructure union representation towards more inclusivity (cf. Connolly et al 2014, Berntsen 2015, Alberti and Però 2018)

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