Summary

Introduction. The article analyzes regional changes in number of inhabitants in Latvia during 2005-2008 and its forecast, as well as the necessity to develop lifelong learning system in the condition of quantitative changes of human resources. Aim of the article is to look into the quantitative changes of human resources and the forecast for the period 2005-2030 in Latvia and in Latgale region, and to study the role of lifelong learning in context of these changes. Materials and methods: analysis of documents and statistical data, study of researches and publications on quantitative changes of population, employment and interconnection of lifelong learning. Results: 1. in the period 2005-2030 the number of inhabitants in Latvia will continue diminishing, especially in Latgale. The most rapid fall in number of able-bodied population is due in Latgale; slower decrease – in Vidzeme, Kurzeme and Zemgale. The proportion of distribution of able-bodied population in regions will change with labour force concentrating around Riga and its suburbs. 2. One of the main arguments for developing system of lifelong learning is the necessity to increase human potential and to encourage employment. Conclusions: 1. In order to meet the national economy need for highly skilled labour force in the situation when the population decreases in number considerably and the amount of able-bodied part of population will continue to diminish in future as well, an efficient system of lifelong learning has to be elaborated. 2. The development of human potential needs to go hand in hand with the requirements and tendencies of labour market and development strategies of regions. Keywords: number of inhabitants in regions, lifelong learning, employment, human resources, regional development.

1. Changes in Number of Latvian Population

The development of national economy in Latvia makes the structure of labour market change dynamically both quantitatively and qualitatively, causing disproportion between the labour force supply and demand in national economy branches, and the development of these branches in regions. That hinders well-balanced employment stimulation in cities, towns and rural areas, for women and men, people with special needs and for different social and ethnic groups. Labour market is an environment where interaction of labour supply and demand takes place, determining the level and arrangement of wages. Relevant quantitative features have emerged in this market in the last five years – together with the able-bodied population reducing in number, diminishes the number of potential participants of demand market.

The inhabitants of Latgale, the same as in Latvia in general, continues to diminish in number (Babris, 2007; Bērziņš A., 2007). In the period between 2002 and 2008, the number of residents in Latvia decreased by 74 874 people or 3,19%, within which the decrease in Latgale reached 33 318 people or 44,5% of the total decrease. The authors consider that taking into account the decrease tendency of the Latvian population (Figure 1), especially in Latgale, the policy makers and heads of newly-created administrative territories have to be serious about providing the developing branches with the required amount and quality of human resources.
A disproportion of gender is present for Latvian population as well. In 2008 women prevailed in all regions: Riga by 11.2 percentage points, Riga suburbs – 6.2 percentage points, Vidzeme -5.8 percentage points, Kurzeme- 6.4 percentage points, Zemgale- 5.8 percentage points, Latgale- 7%. The regional changes in gender structure are insignificant in 2004-2008, with prevalence of women.

![Figure 1. Number of inhabitants in regions, 2005 and 2008](image)

Source: created by the author, using the CSB data

In 2008, 65% of Latvian population was at working age (15-64 years old), 14% - under working age, 21% over working age. The amount of working age population, accordingly, outweighed other population by 30 percentage points.

The inhabitants (%) under working age (up to 15 years old) in Latvia tend to diminish in number. For instance, in 2008, if compared with 2005, this index had become lower by 1.3 percentage points in Latgale, by 2.2 percentage points in Vidzeme (Figure 2). The drop of children and adolescents in number relates to low birth rate and emigration of people at reproductive age. In future, accordingly, the intensity of reproduction of working age population will become lower both in regions and Latvia in general.
According to the CSB data, the most part (%) of Latgale population in 2005-2008 lived in Daugavpils (Table 1). The second place was taken by Madona district, in 2008 there lived 10,62%, but the third – by Rezekne district, in 2008 there lived 10,19% of all the inhabitants of Latgale. In 2005-2008, together with residents of this populated area changing in number, no other relevant changes in positions of structure have taken place. The smallest part of Latgale population is in Balvi district (in 2008 it was 6,87% of all the Latgale population).

Table 1. Number of residents (%) in Latgale towns and districts early in the year

<table>
<thead>
<tr>
<th>Town/district</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daugavpils</td>
<td>27,02</td>
<td>27,15</td>
<td>27,19</td>
<td>27,13</td>
</tr>
<tr>
<td>Madona distr.</td>
<td>10,81</td>
<td>10,80</td>
<td>10,80</td>
<td>10,82</td>
</tr>
<tr>
<td>Rezekne distr.</td>
<td>10,20</td>
<td>10,17</td>
<td>10,17</td>
<td>10,19</td>
</tr>
<tr>
<td>Daugavpils distr.</td>
<td>9,94</td>
<td>9,94</td>
<td>9,94</td>
<td>9,88</td>
</tr>
<tr>
<td>Rezekne</td>
<td>9,01</td>
<td>9,09</td>
<td>9,14</td>
<td>9,19</td>
</tr>
<tr>
<td>Kraslava distr.</td>
<td>8,46</td>
<td>8,42</td>
<td>8,38</td>
<td>8,37</td>
</tr>
<tr>
<td>Ludza distr.</td>
<td>7,99</td>
<td>7,92</td>
<td>7,88</td>
<td>7,89</td>
</tr>
<tr>
<td>Balvi distr.</td>
<td>6,91</td>
<td>6,88</td>
<td>6,85</td>
<td>6,87</td>
</tr>
</tbody>
</table>

Source: created by the author using the CSB data

The author of the article studied the population decrease rate characteristic to towns and districts of Latgale. In 2008, if compared with the previous year, Latgale population decreased by 6938 people (1,75%) (Figure 3). The largest decrease was in Daugavpils (-2,33%), the smallest was in Rezekne (-1,27%). The decrease of population 1% absolute value in this period in Latgale is 3975, in Daugavpils of which - 1081, Madona district- 429, Rezekne district- 404, Daugavpils

If compared the forecast for number of Latvian population in 2030 with the actual in 2008 – i.e. 2 270 894, the decrease may be defined 10,95%, but if comparing with 2005 - 12,35% (Table 2). The most relevant decrease of population is forecast in Latgale, reaching 24,54% in 25 years, but the smallest – in Riga suburbs. Authors consider these numbers alarming. For human resources to meet the needs of national economy branches in future, strategies for improving the quality of human resources have to be developed. This may be obtained by ensuring better availability of lifelong learning supply and its improved contents.

Table 2. Number of population in Latvia (thousands) in 2005 and forecast for * 2010 and 2030

<table>
<thead>
<tr>
<th>Region</th>
<th>Increase (±)</th>
<th>Increment rate (±%);</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year 2005</td>
<td>Year 2030 *</td>
</tr>
<tr>
<td>Riga</td>
<td>731,8</td>
<td>651,6</td>
</tr>
<tr>
<td>Riga suburbs</td>
<td>366,1</td>
<td>380,7</td>
</tr>
<tr>
<td>Vidzeme</td>
<td>245,4</td>
<td>206,8</td>
</tr>
<tr>
<td>Kurzeme</td>
<td>310,7</td>
<td>257,7</td>
</tr>
<tr>
<td>Zemgale</td>
<td>288,1</td>
<td>250,6</td>
</tr>
<tr>
<td>Latgale</td>
<td>364,3</td>
<td>374,9</td>
</tr>
<tr>
<td>Total</td>
<td>2306,4</td>
<td>2022,3</td>
</tr>
</tbody>
</table>

Source: created by the author using the CSB data

Forecast scenarios (Detalizēts darbaspēka un darba tīrījums tautsaimniecības sektoros, 2007) for number of working age population (15-64 years old) is not pleasing – the working age population will be smaller in 2030
  o in case of optimistic scenario to 1,394 million,
  o in case of main scenario – 1,287,
A rapid ageing of working age people will take place, the number of population will fall in all regions, except for Riga suburbs. The number of working age people will fall in Riga, Vidzeme, Kurzeme, Zemgale and Latgale. The most rapid drop in the period of 2005-2030 is due in Latgale – 78 thousands, slower diminishing is due in Vidzeme, Kurzeme and Zemgale (Figure 4).

**Figure 4. Number of working age (15-64 years old) population in regions of Latvia, 2005 and forecast for 2030**

Source: created by the author using the CSB data and researches by the University of Latvia

In 2005-2030 the distribution proportions of labour force will change by regions. Researchers hold a view that 51.8% of all the working age population of Latvia in 2030 will concentrate in Riga and Riga suburbs. The most rapid drop of proportion will be characteristic to Latgale region – from 15.7% in 2005 to 13.2% in 2030. Together with reduction of working age contingent, the ageing of this contingent will take place. The smallest in number age group in the scale of labour force structure in 2030 will be those at 25–34 years of age (Detalizēts darbspēka un darba tirgus pētījums tautsaimniecības sektoros, 2007). The number of inhabitants will diminish and the structure will change continually in after years. If 18% of all the Latvian people are over 65 years of age in 2008, in 2060 it will reach 30% of the total population. At the same time, amount of younger population will diminish, and, in general, according to forecast, the number of population in Latvia will decrease from 2,269 million in 2008 to 1,682 million in 2060 (Līdz 2060.gadam Latvijā līdz 30% pieaugs gados vecāko iedzīvotāju skaits, 2008).

**2. Demand of Labour Force**

The small number of people in regions causes growing demand for qualified and highly skilled labour force.

By the end of 2008 and in 2009, in situation of economic crisis, the scale of production was reduced making unemployment in Latvia to increase rapidly. However, examining the labour force demand in conditions of fast economic growth, the situation of 2006 and 2007, pronounced shortage of labour force was characteristic to many branches of national economy. In recent years (2006-2007) a large number of vacancies appeared in such branches as construction, trade, several manufacturing branches. The reasons were as follows: lack of labour force with the required
qualification, smaller number of available working age people and the considerable emigration to the Western Europe.

The demand was influenced by distribution of the employed as well – in 2006 most part of them were employed in public service sector -19,5%, followed by trade, hotels and restaurants-19,1%, manufacturing industry-11, 6%. The CSB data for the 3rd quarter of 2007 show that in general out of 1130,8 thousands of the employed in the country, the most part were employed in wholesale and retail trade; automobile, motorcycle, household object and equipment maintenance (G*)- 178,1 thousands (15,75%), manufacturing industry (D*)- 167 thousands (14,76%), construction (F*)- 129,9 thousands (11,48%), but for such branches as state administration and national defence, obligatory social insurance (L*)- 82,5 thousands (7,3%), education (M*)- 81,8 thousands (7,23%). The above mentioned factor substantially influences the ability of development-oriented branches to affect the growth of gross domestic product (GDP). Insufficient education quality on all levels of education, as well as lack of collaboration among education, science and labour market weakens the educational system potential of improving employment abilities of labour force. Low-qualified and insufficiently skilled people, in their turn, become subject to unemployment risks and all the social consequences.

3. Lifelong learning for better quality of human resources and encouraged employment.

The European Union policy considers lifelong learning to be a cornerstone of human resources’ development. Development of human resources and preparation of labour force is highly affected by the supply of the educational sector, territorial availability and the quality of education. Growth of human capital, manifesting itself in labour process, develops human resources and becomes a part of labour potential. Human potential, in its turn, is characterized by health, operational capability, activity, organization, education, professional expertise, emotional intelligence (Garleja, 2006).

In information society, the knowledge and skills of a human play a decisive role in achieving sufficient prosperity. Knowledge society is a system of social relations among humans, it ensures high innovation level; an individual can achieve high level participation in it, constantly acquiring, using and creating new knowledge for his own and common social prosperity. During the meetings of the European Union executive politicians in Lisbon and Nice, a special emphasis is put on the significance of lifelong learning. It should be obtained that the lifelong learning system could enable people to qualify for future. "Qualification" in its modern international meaning is a common noun denoting degree, diploma and other educational certification, not only professional qualification as such (Haug, Tauch; 2002).

Higher level of education is closely connected with the growth of national economy, material prosperity of people, advancement of nation, waning of poverty and unemployment (Augustāko un profesionālo macību iesāžu absolventu profesionālā darbība pēc mācību beigšanas, 2007). Connection between educational level and unemployment in all EU countries remains the same – the highest unemployment is among people with pre-elementary and elementary education, the lowest- those with higher education. Together with improved educational level unemployment is reduced. (Nikolajevs A., Nikolajeva L., 2005). People agree that education is vital for better individual competitive capacity (Menšikovs V., 2005).

Lisbon Strategy – approved on March 23-24, 2000, foresees to make the EU economy the most competitive and dynamic economy in the world within ten years. The employment goals set by Latvia 2010 slightly fall behind the level set by the EU. The decision to set lower level for employment in Latvia was caused by a number of factors, among them:

- pronounced regional employment and unemployment differences – high unemployment level in the province together with deficiency of labour force of certain qualification in Riga,
disparity between qualification of labour force and the demand of labour market (Nodarbinātības politikas pamatnostādnes, 2005).

Although the statistical data (Ziņojums par Latvijas tautsaimniecības attīstību, 2007.gada decembris) show that the employment of Latvian population (the employed in the age group between 15-64 years old) reached 67,7% in 3 quarters of 2007, which by 0,7 percentage points exceeded the number set by the National Lisbon Programme of Latvia for 2005-2008 (67%) in 2010, still there exist regional differences of employment and unemployment in the labour market, qualification of working population does not meet the needs of labour market, as well as relatively high level of undeclared employment, high unemployment for youth, disabled people, individuals with bad knowledge of the Latvian language and for other groups at risk of social exclusion. This means that disproportions in availability of obtaining education (and motivation to acquire it) in rural area, towns and regions together with its various quality hinder the growth of national economy.

The employment goals set for 2010 in Latvia slightly lag behind the level set by the EU, since a number of labour market factors do not allow setting higher goals. The main problems are related to

- pronounced regional employment and unemployment differences – high unemployment level in the province together with deficiency of labour force of certain qualification in Riga;
- relatively high level of undeclared employment in particular branches of national economy (construction, manufacturing industry, agriculture and transport service) that reduces social insurance benefit and interdicts to ease the weight of labour tax, which influences low-paid employees very negatively;
- high unemployment risk for youth, people after leave for child care, people with bad knowledge of the Latvian language and for other groups at risk of social exclusion;
- disparity between qualification of labour force and the demand of labour market.

Interconnection of lifelong learning and employment is emphasized in the EU Employment Policy Guidelines since 1998 (Eiropas Nodarbinātības stratēģija, 1997). Sustainable economic development of a country requires social integration of all groups of inhabitants, creating equal opportunities for people to participate in social life and to develop economic potential for the country. Education is justifiably considered the part of human activity that immediately affects life quality and prosperity of people. The development goal of Latvia is to increase the living standard of its population (Latvijas izaugsmes modelis: Cilvēks pirmajā vietā, 2005).

Lisbon Strategy – approved on March 23-24, 2000, foresees to make the EU economy the most competitive and dynamic economy in the world within ten years, defines strategic tasks and objectives of the EU to be achieved for promoting economic development and employment, considering, at the same time, social inclusion and sustainable development. Although the statistical data (Ziņojums par Latvijas tautsaimniecības attīstību, 2007.gada decembris) show that the employment of Latvian population (the employed in the age group between 15-64 years old) reached 67,7% in 3 quarters of 2007, which by 0,7 percentage points exceeded the number set by the National Lisbon Programme of Latvia for 2005-2008 (67%) in 2010, still there exist regional differences of employment and unemployment in the labour market, qualification of working population does not meet the needs of labour market, as well as relatively high level of undeclared employment, high unemployment for youth, disabled people, individuals with bad knowledge of the Latvian language and for other groups at risk of social exclusion. This means that disproportions in
availability of obtaining education (and motivation to acquire it) in rural area, towns and regions together with its various quality hinder the growth of national economy.

The policy documents of Latvia as the main development resource declare knowledge, but as development goal the increase of living standard of a man (Latvijas Nacionālais attīstības plāns 2007–2013, 2006). People in regions of Latvia should to be offered education that ensures aligning with labour market, active participation in civil society and personal development.

Researches on movement of labour force show that being educated by regional educational establishments, graduates not always live and work there. The main tendency – graduates try to find better-paid jobs (Reģionalās augstskolas un regionu attīstība- Ventspils un Vidzemes augstskolas; 2003). Thus, the development of lifelong learning network solely, without other stimuli, will not attract new, highly skilled people to live and work in a particular region (at least for some period of their lives) and the migration will continue (regional, national, within the EU), the reason of which is search for appropriate job with adequate salary.

Report on Development of National Economy of Latvia (December 2007) emphasizes the need for developing of efficient lifelong learning system, since contributions to human capital are considered the decisive factor for improving productive capacity in order to facilitate progress towards knowledge-based economy. The economic development of both the country and separate companies is influenced by different factors and available resources: natural, labour, financial, information and other. However, even with equal amount of resources, the growth rate of economy may differ considerably. One of the most essential factors for successful development of a company is good-educated, highly skilled professionals of particular life and professional quality. Basing on the experience and current highly skilled professionals in traditional and knowledge-based fields and on consistent social involvement in acquiring of good-quality education, high economic development rate may be achieved. A peculiarity of modern economy – not traditional industrial factors (land, workforce, capital), but knowledge is the most significant aspect for having added value and advantage of organizational competition, thus marking a beginning of a new period – knowledge-based economy (Babris, 2007).

According to statistical data the most part of the unemployed are unskilled workers and people lacking good education, but the least part of the unemployed – people with higher education, for instance, in 2006 there were 86,9% employed of the total number of population with higher education. In 2006 in towns there were 71% employed of the total, but in rural areas - 29%.

There exist many disadvantages for development of human resources in regions, which hinder people from successful aligning with labour market. The identified problems in Latgale region are as follows:

- quality of current labour force education an skills do not meet the requirements of employers,
- low inner mobility (people over 40 years of age),
- high unemployment risk for groups of people subjected to social exclusion,
- potential shortage of labour force caused by emigration, smaller number of people under working age,
- features of gender discrimination in labour market,
- poorly-developed partnerships on local scale for effective and integrated employment policy,
- low economic activity and small number of the self-employed. (Latgales reģiona cilvēkresursu attīstības plāns, 2006).
The problems of the same kind are characteristic to other regions, too. There are economic differences regarding gender – male and female (proportion of women having low-paid jobs is considerably greater than that of men).

The highest level of unemployment remains in Latgale region (in 2006 - 14,4%). The highest increase of unemployment in February, 2009 was in Rezekne district, Aizkraukle and Dobele districts. In Riga region the highest level of unemployment was in Ogre district (10%), in Kurzeme region - Kulliga district (12,8%), Latgale region - Rezekne district (21,2%), Vidzeme region - Aluksne and Gulbene districts, (11,6%), but in Zemgale region - Dobele district (14,9%) (Reģistrētā bezdarba līmenis februārī sasniedzis 9,5% , 2009).

There still prevails economic backwardness and social inconsistency in the most remote areas of the country. Population use to migrate and the resources use to concentrate around the development centres. According to the researches, better-educated people are relatively more flexible and job appropriate for their qualification is important for them (Krišāne Z., Baulis A., 2007). Those capable of paying have better opportunities for further education in Latvia, but the majority of adults, especially outside Riga, do not own free means to invest into their personal development. The lifelong learning supply is comparatively limited beyond national and regional development centres (the city and towns of national level and district centres), which causes additional expenses for people to participate in educational programmes, courses or seminars taking place in urban areas. While analyzing the supply of the 1st level higher education, a conclusion was made that regional network of colleges is poor in Latvia.

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Lifelong learning in Latvia is aimed at ensuring the availability of lifelong learning for everybody, developing supply of high-quality education for adults, elaborate on integrated system of laws and regulations, develop efficient management of resources (including financial resources) (Mūžizglītības politikas pamatnostādnes 2007.–2013.gadam; 2007). How to obtain a high-quality lifelong learning meeting the requirements of demand? The author of this article holds a view that it is necessary to provide balance of eight support components (Figure 5):

- Political support (PS),
- Legal compliance (LC),
- Financial support and predictability (FS),
- Wide informative support (IS)
- Highly skilled, flexible, demand-oriented pedagogues (PeS),
- Appropriate methodological support (MS),
- Appropriate material supply (AMS),
Recurrent researches during the progress (RRP).

The basic regulations of lifelong learning policy put the emphasis on adult education, which is the weakest point in process of educational supply in Latvia, not clearly defined by the normative documentation, and without defined responsibility and collaboration of the involved partners. This is the reason for the need to develop management of lifelong learning, its supply, a well-balanced and partnership-based (state- municipal- private investors) model of financing the lifelong learning. In order to introduce the principle of divided responsibility, legal documents regulating collaboration and fields of influence (financial, managerial, etc.) have to be worked out.

In the process of advancing human capital many countries search constantly for new factors of success and invest in education and training. The reforms initiated in Latvia in 2009 move the society in completely opposite direction – poor investments in all spheres, including health care, education and science. The amount of work places remaining or being created largely depends on efficient investments (material and immaterial) into education and science, which, with its final product – new knowledge and innovative solutions, come back to economy resulting in added value. The small in number and comparatively economically underdeveloped Latvian society is to stand the competition of economic markets of the EU and the world. This may only be done by updating production and developing comparatively cheap, innovative product of good-quality. The system of lifelong learning has to advance the competence of population and ability to cope with the new challenges of the 21st century.

Literature and Internet Sources