

Dynamics of Firms and Labour in Textile Industry in Slovenia

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The paper investigates the reduction in the number and size structure and in the number of employees in large textile enterprises with their impact on entry of new micro and other small enterprises in the Slovenian textile industry. The reduction of labour intensive textile industry in the economy has been one of the major outcomes of the Slovenian transition process. To analyze and present dynamics of firms and labour we use company account data of small, medium and large enterprises in the years 1995-2016. The main thesis is that reduction in the number and size structure of large textile enterprises has had a greater impact on entry of micro and other small enterprises in the textile industry than on exit of existing micro and other small enterprises in the textile industry. Following from this thesis, with applied regression analysis are tested two hypotheses. H1: Number of micro and other small textile enterprises is negatively associated with the number of enterprises and number of employees in large textile enterprises. H2: Entry of micro and other small textile enterprises is positively associated with exit enterprises and employment in large textile enterprises. The research provides implications on radical restructuring of textile industry in Slovenia with substantial decline and exit of enterprises and employees in large textile enterprises and modest entry of micro and other small textile enterprises.

Keywords: dynamics of firms, dynamics of labour, textile industry, Slovenia

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