

Newsletter

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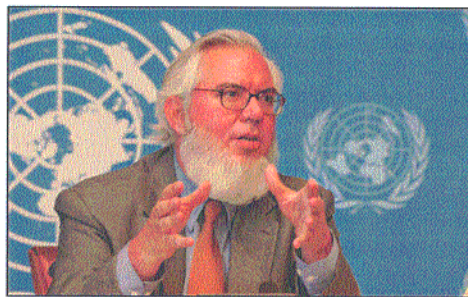
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91st International Labour Conference

The 91st annual Conference of the ILO concluded its 287th session on June 19 2003 following a constructive debate on work as a way out of poverty. The Conference also adopted a new Convention on seafarers' identity and addressed other vital issues of the world of work.

Work is the best route out of poverty

Global efforts aimed at cutting poverty in half by 2015 will fail unless new ways are found



to create opportunities for the world's poor to work for a decent living, says Juan Somavia, Director-General of the ILO.

"As things stand today", Mr. Somavia warns in a new ILO report entitled Working out of Poverty "the Millennium Development Goals remain out of reach. But we have a solution – the way out of poverty is work."

Mr. Somavia's report paints a grim picture of poverty today, affecting half the global population and every country in the world. Among the nearly 3 billion people living on less than USD\$2 a day, the report says some 1 billion – or about 23 per cent of the developing world's population – struggle along on USD\$1 a day or less.

Regionally, poverty trends vary. On the positive side, declining poverty in China and other East Asian countries in the 1990s significantly reduced the number of persons living on very low incomes, from 1.1 billion to about 900 million. The situation elsewhere is another story, the report says. In Eastern Europe and Central Asia the number of people subsisting on USD\$2 increased three-fold to 97 million.

The ILO, he says, is well positioned to meet this challenge by mobilizing what he called "the community of work" – its govern-

ment, employer and worker constituents – globally and especially at the national level.

To implement this approach, the ILO Director-General urged the tripartite delegates to the annual Conference to discuss four "tools" for poverty eradication: job creation, rights at work, social protection and social dialogue promotion.

Seafarers

The new Convention on Seafarers' Identity Documents replaces ILO Convention No. 108, adopted in 1958. It establishes a more rigorous identity regime for seafarers with the aim of developing effective security from terrorism and ensuring that the world's 1.2 million seafarers will be given the freedom of movement.

A major feature of the new ID, on which full agreement was reached, will be a biometric template based on a fingerprint.

Occupational Health and Safety

Delegates also reached an unprecedented agreement on a global strategy on occupational health and safety, which calls for "coherent and focussed" worldwide action to reduce the number of deaths, injuries and disease among workers. The global strategy approved by the delegates should be implemented through an action plan based on the introduction of a preventative safety and health culture and the development of an integrated ILO occupational safety and health "tool box", which will assist the tripartite constituents in transforming the goals of the global strategy into reality.

Employment relationship

The Committee on the Employment Relationship agreed on a number of conclusions, asking the ILO to prepare a Recommendation on the employment relationship. The proposed Recommendation would focus on "disguised" employment relationships.

Freedom of Association

In its 331st report the ILO Committee on Freedom of Association drew special attention to the cases of Colombia and Belarus.

In the case of Belarus, the Committee explored its persistent failure to implement the

Committee's recommendations, particularly as concerns the urgent need to institute an independent investigation into the allegations relating to government interference in trade union elections. The Committee further lamented the repeated failure on the part of the Government to provide all of the information requested and to reply to outstanding allegations. The Committee also noted with regret new allegations concerning very serious interference in the internal affairs of two of the complainant organizations.

The November 2003 session of the Governing Body will deal with a complaint against Belarus submitted by its workers' group in accordance with art. 26 of the ILO Constitution, which foresees the establishment of a Commission of Inquiry.

Other issues

During a special sitting, delegates held an in-depth discussion on ways to overcome discrimination at work based on the ILO Global Report "Time for Equality at Work". The discussion affirmed that discrimination is a major cause of poverty and that new forms based on age, sexual orientation, HIV/AIDS status and disability were emerging.

The ILO also announced on 18 June that it would spearhead a campaign to encourage countries to extend social security to more of their citizens. The campaign will seek to develop a broad partnership involving international organizations, donor countries, social security institutions and civil society organizations.

On child labour, the Conference marked the second World Day Against Child Labour on 12



Her Majesty Queen Rania

June with an address by H. M. Queen Rania of the Hashemite Kingdom of Jordan. The Queen urged the world to "join hands" to fight child trafficking. The ILO estimates that some 1.2 million children become victims of trafficking each year. ■



International Labour Migration Survey

The issue of 'Migrant workers' will be the main topic for the general discussion of the 92nd Session of the International Labour Conference to be held in June 2004. The main focus areas for this discussion are migration and globalization, migration policies and practices, and improving migrant workers protection.

The Office is now developing a comprehensive report to serve as the basis for the general discussion. To generate part of the information required for the preparation of this report, the Office is carrying out a survey among all

member States using a structured questionnaire.

The survey, which was sent to governments of all the member States of the ILO, is basically aimed at obtaining the latest information on: ways, in which migration and the treatment of migrant workers are being regulated or managed through laws, policies, administrative measures and specialized bodies of the State; the role played by bilateral and multilateral treaties, and Conventions; and the way in which the tripartite partners take part in the process.

The survey is structured in such a way as to

make a distinction between those questions relevant to countries that employ foreign labour and those relevant to member States in which many nationals work in foreign countries. There are also questions relevant to both.

A key element in the integrated approach is to seek the widest possible consensus with regard to the future plan of action. Consultations between the government and representative employers' and workers' organizations are therefore essential. In the concluding part of this survey governments are invited to provide relevant details concerning the consultations they have held before replying to this survey. ■

Recruitment and Foreign Employment

Globalisation is a reality affecting developed countries, countries in transition and the developing states – international capital is free to move to the most advantageous parts of the world and workers are moving for work and education.

International labour migration is a global phenomenon that has contributed to growth and prosperity in both host and source countries but at the same time it has adverse effects including increasing levels of poverty in some countries.

Perhaps the greatest concern in this area is the unprecedented rise in illegal forms of migration that has occurred in recent years. The numbers of unauthorised migrant workers are increasing in practically every part of the world. In addition, there are numerous cases of smuggling and trafficking of migrant workers. Women and children are especially victimized; many are trafficked into conditions of slave labour and/or forced prostitution.

Indeed, it is clear that illegal migrant workers are regularly subject to abusive, exploitative and discriminatory treatment in host countries. The application of human and labour rights to non-citizens is often inadequate in many countries, particularly as regards illegal migrants who have no authorization to enter or remain in the country.

From 1970 to 1990 the number of countries employing foreign labour has more than doubled from 42 to 90. More and more governments are recognizing the need to establish, modernize, and improve their laws, policies, practices and administrative structures for ensuring orderly migration.

The ILO has vast experience in addressing these problems and a number of instruments to deal with migration issues, for instance Convention No. 97 (Migration for Employment), No. 143 (On Migrant Workers) and No. 181 (On Private Employment Agencies). The CIS countries covered by the Subregional Office in Moscow are all more or less touched by illegal migration, being either origin or destination countries. Russia, for instance, faces now two-fold situation – brain drain out of the country and vast illegal migration of unskilled workers from the CIS neighbours.

On September 4-6 the ILO jointly with the Ministry of Labour, Federal Migration Service (FMS) and the Association of Workforce Exporters' Agencies organized a seminar on Recruitment and Foreign Employment that gathered 65 participants—representatives of Ministry of Foreign Affairs, Ministry of Economic Development, tripartite partners, a number of recruitment agencies from the whole Russia, observers and resource persons. The

three-day seminar included a number of presentations on global trends in labour migration, Russian Federation policies as regards foreign employment, practices and experiences of private recruitment agencies from Russia and some foreign countries, ILO principles and standards. Panel discussions followed each



presentation and covered a number of vital themes like current and future emigration from Russia, comparative experiences on workers' placement in foreign countries, facilitation of migration between the regions and others.

Since 2002 the issue of migration in Russia is the responsibility of the Federal Migration Service at the Ministry of Internal Affairs of the Russian Federation. In his speech at the seminar M. Turkin, Deputy Chief of the FMS, said: "In our work on the improvement of the labour migration practices in the Russian Federation we work in close cooperation with the ILO, the Ministry of Labour and the Association of Workforce Exporters' Agencies". ■

WORK IN FREEDOM

ILO Study on Human Trafficking

The ILO Special Action Programme to Combat Forced Labour is in the process of conducting a comprehensive exploratory study in the Russian Federation aimed at examination of various forms of human trafficking for labour and sexual exploitation. The study will provide an analysis of the labour market situation and in-

terrelations between the main agents, which allow and stimulate the use of forced labour, trafficking, labour exploitation and illegal employment of migrants. A report on the results of the study will be produced.

Using a number of methods of analysis including numerous interviews of migrants

throughout Russia, the ILO External Consultant Elena Turukanova (Russian Academy of Sciences) will include in the report the results of case studies in selected regions and sectors (the sex and entertainment industry, domestic work, construction and agriculture).

The results of this study and an interview with the researcher will be published in one of the next issues of the Newsletter. ■

Labour Migration Route: Dushanbe-Moscow



Moscow.

It is early morning. Crowds of people are standing along the roads in the outskirts of Moscow, neither the rain nor the heat keeps them away. Many of them have plates hanging on their chests – “work”. This is the unendorsed market of cheap labour. People are waiting for the clients to buy their work. Passing by, do we ask ourselves – where they are from and what made them leave their motherland and their families behind, travel such a long way and come here to the roadside?

Dushanbe.

A jam near the railway station ticket offices. Thousands(!) of people hope to get on the train Dushanbe-Astrakhan, leaving twice a week. There are only 700 tickets. The economic situation in Tajikistan does not give a choice to many of them – they want to leave in order to find work abroad and to help their families to survive. Do they know what awaits them?

According to the estimation of Dushanbe branch of the International Organization of Migration up to 500 thousand people are annually leaving Tajikistan in search of seasonal jobs. Overwhelming majority of Tajik migrants (82 per cent) are coming to Russia.

Few of those migrant workers coming to Russia will find what they are looking for: work and adequate pay. Coming without properly registered documents many of them automatically become illegal outcasts – people without any rights and unprotected from employers’ abuse, deception and extortion.

In Moscow with its construction boom, building sites keep working day and night. That is the place where the majority of Tajik migrants work. They live in insanitary conditions right there, at the construction site, in cramped trailers, working often for 16-18 hours a day. The wage is not guaranteed to an

illegal immigrant. These working conditions are akin to slavery, forced labour.

This is only a part of the whole truth of the lives of illegal construction workers. Today there is practically no reliable statistics or other information on the conditions of their work and life. It is only known that the situation of Tajiks is, among other illegal migrants, the hardest and most humiliating.

In order to change this cycle it is vital to obtain more concise and detailed information on the problem. Currently the ILO in cooperation with the Institute of Comparative Study of Labour Relations is conducting research on the social status of construction workers from Tajikistan in Moscow and Moscow region. As a result of the project we expect to have some kind of social portrait of a Tajik migrant construction worker and an analysis of the factors having an impact on their situation.

The study will be completed by the end of September and we will certainly inform the Newsletter readers of its results. ■

ILO Focus on Employment Issues

Sustainable employment is a crucial issue for the CIS states because it is only through decent work that individuals and their families have the possibility to move out of poverty. Governments are seeking to improve their legislation and practices in order to change the inherited situation with unemployment, underemployment and poverty of the working population. The way forward to overcome these problems is to develop a consolidated strategic policy framework, which regards employment as a central cross-cutting issue. The ILO is actively engaged in such activities in a number of the CIS countries.

The Government of Kyrgyzstan, for instance, requested the ILO to render technical assistance in the development of the National Employment Strategy (NES), which will be produced in two stages. The first stage involves the production of a general employment concept paper to describe the overall policy objectives. This document is to be ready by the end of 2003. In order to formulate the concept paper the Government has currently established a Ministerial Committee headed by the Prime Minister, the deputy head being the Minister of Labour. Social partners are also among the members of the Committee.

The second stage involves the formulation and implementation of a more concrete employment ‘programme’, involving situational analysis

of the economy and the labour market, specific short- to medium-term focus, which can trigger further employment generation in the long run.

The ILO’s focus on issues such as youth employment and the informal economy were welcomed by the Kyrgyzstan side as a very important initiative complementary to the efforts of other international organizations in the country.

Another country working on its NES is Azerbaijan. Since March 2003 the ILO Subregional Office in Moscow has been implementing a Project “Preparation of National Strategies on Employment and Other Social Issues”. Key activities of this project include the identification of main priorities for the national strategy on the basis of discussions with social partners, and providing policy advice and recommendations to the Government, in particular in the field of technical and vocational training, small and medium-sized enterprises, and social issues related to employment. Azerbaijan is also interested in the development of its National Youth Employment Action Plan, which should be integrated with the NES.

In July an ILO mission visited Baku in order to hold consultations with the Government of Azerbaijan and to conduct a workshop on NES. The main issues raised by the workshop participants included, for example, the impact of globalisation on employment,

educational mismatch and the problem of discouraged workers, labour productivity and labour market flexibility, support to entrepreneurship, the critical level of youth unemployment and underemployment, and gender dimension of employment.

The ILO is also involved in the initiative to develop local economy in Kazakhstan as a part of the Decent Work agenda. In August the Moscow Subregional Office specialists carried out a fact-finding mission to the country in order to launch the project “Training for Rural Economic Empowerment in Kazakhstan”. The project aims at providing support to the Kazakhstan’s Government initiative to expand economic opportunities and income security through workforce training and employment creation in the region of Karaganda, which was nominated by the Government of Kazakhstan as a pilot site.

Apart from visiting Karaganda and holding discussions with the key partners the mission included a tripartite project planning workshop conducted for the representatives of regional and local administrative bodies (akimats), trade unions, employers’ associations, employment services, educational institutions and representatives of large enterprises in mono-industrial districts. The Government of Kazakhstan welcomes the start of this project and hopes that the experience can be replicated in other regions of the country. ■

Poverty Reduction Measures

Approaches for Poverty Assessment in Russia

From a legal perspective, poverty assessment in Russia is based on the Federal Law "On Subsistence Minimum in the Russian Federation". In accordance with this Law, low-income individuals are those with average per capita income below the subsistence minimum. The value of subsistence minimum is the cost of a consumer basket characterising minimum consumption rates of vital goods and services (food, clothes, housing, health services, education etc.) required to maintain good health and support life of human beings.

Russia applies primarily the number and share of population with monetary income below subsistence minimum as indicators of poverty. The scale of poverty is assessed on the basis of income shortage indicator which is the amount of additional earnings required to bring the income of all individuals in line with subsistence minimum.

Low-income families and single people who for objective reasons have average per capita income below subsistence minimum as established in a particular constituent territory of the Russian Federation, are entitled to receive social support from the government.

Sources of Poverty in Russia: Why Poverty Became a Major Issue After the Collapse of the Soviet Union

The Soviet Union maintained a system of planned administrative regulation of individual income and wages, free provision of vital social services (health, education and other sectors of social sphere) that were ensured by way of public consumption funds, housing subsidies and production of a number of consumer goods. This system protected citizens from poverty and provided them with a certain degree of social guarantees.

On the other hand, some elements of this system restricted opportunities to have "extra earnings" and contained significant social stratification.

The market transition reforms of 1990s introduced radical changes in the system of income generation. A new class of high net income individuals emerged as a result of re-distribution of a part of public assets and associated income for their benefit. As production output and total earnings of the population declined, the vast majority of people have found themselves worse-off. This resulted in a growing differentiation in income.

Interview by V.G. Zinin

The following factors had a major impact on the dramatic decrease of real income of the population and growth of poverty:

- hyperinflation and depreciation of principal types of earnings: wages, pension, benefits, scholarships and savings;
- growing unemployment, wage delays and arrears;
- declining production output and closure of many enterprises which resulted in considerable redundancies and release of workers;
- less resources available to the government for financing social expenditures and re-distributing income;
- growing differentiation between regions as regards their economic and social development due to differences in starting conditions and regional features.

Current Income and Poverty Situation

Over the last three years the Russian Federation has been showing sustainable growth of real monetary income of the population (12 percent in 2000, 8.5 percent in 2001 and 9.9 percent in 2002). This income growth largely resulted from the Russian government focusing more on problems of wages and pensions, and measures to raise the amount of wages, pensions and benefits.

In 2001 the minimum wage was increased twice: Rb 200 from January 1 and Rb 300 from July 1. From May 1, 2002 the minimum wage was Rb 450. First grade wages of civil servants under the unified tariff system increased to Rb 450 from December 1, 2002. From October 1 it is envisaged to further increase the minimum wage to Rb 600 and wages of civil servants by 33 percent on average.

Measures implemented in 2000-2002 to improve the financial basis of the pension systems resulted in higher living standards of beneficiaries. Over this period the average amount of pensions almost doubled to largely outstrip the price increase. From the third quarter of 2002 the average pension has been steadily larger than the subsistence minimum of beneficiaries. Inflation adjustment of pensions continued in 2003.

Maternity benefits payable from the Social Insurance Fund of the Russian Federation considerably increased. From January 1, 2002 lump sum child birth benefits have increased from Rb 1500 to Rb 4500 while monthly child care benefits payable until the age of 1.5 years increased from Rb 200 to Rb 500.

However, despite positive developments in



Vladimir G. Zinin, Head of the Department of income of the population and living standards, Ministry of Labour and Social Development of the RF, Doctor of Economic Sciences

earnings of the population in 2000-2002, high income differentiation and considerable poverty still remain. Thus, in 2002 almost 36 million people or 25 percent of the country's population had income below the subsistence minimum. During this period 10 percent of the wealthiest individuals had 14 times more income than 10 percent of the poorest (as compared to 4.5 times in 1991). This trend was even more manifested in wages where the difference was 34 times (as compared to 5-7 times in the pre-reform period).

Who Are Poor and Where They Are (Poverty Profile)?

There are three economic factors that are affecting poverty in Russia:

- declining average level of monetary income of the population;
- low level of basic social guarantees;
- growing imbalance in distribution of income.

According to 2002 sample survey of household budgets, less than 15 percent of households surveyed had their average per capita monetary income below the subsistence minimum, of which less than 4 percent had their income twice or more times below the subsistence minimum. Average per capita disposable resources were below the subsistence minimum in less than 11 percent of households while only 1.5 percent times below the subsistence minimum.

The risk of poverty increased with more children in a family and, therefore, higher levels of dependency. According to the State Statistics Committee of Russia, 83 percent of families with three and more children are poor.

Poverty tends to vary significantly across Russian regions. While 7.6 percent of the population of Yamal-Nenets autonomous district and 10.8 percent of Tumen Region live below the poverty line, their number is 82.7 percent in Ust-Ordynsk Buryat autonomous district and 74.5 percent in Aghisk-Buryat autonomous district.

What are Working Poor? Are They New to Russia?

This stage of the country's development has brought forth, apart from social poverty with traditional categories of poor population such as large families, broken families with children, families with many dependants, single pensioners and disabled, considerable economic poverty when working people are unable to provide themselves with socially acceptable living standards.

Moreover, the nature of factors which engender economic poverty is such that employment alone cannot guarantee decent living to economically active population for the following reasons:

- lack of a labour market in depressed areas (especially small towns and villages) where the economy is hinged on a small number of enterprises (sometimes even one as the urban element) in stagnating industries;
- standard minimum wages established by law which cannot provide a decent living to workers. Civil servants account for the bulk of low-paid workers (with wages below subsistence minimum). In 2002 first grade wages of civil servants under the unified tariff system were 23 percent of the subsistence minimum of workers. Average wages of workers are only 1.58 times more than subsistence minimum in education, 1.68 times in health care and 1.53 times in culture and arts.

Poverty is persisting in a number of extrabudgetary economic sectors including textile, footwear, clothing and woodworking industries. Poverty is worse in rural areas due to extremely low wages in agriculture. It is worth noting that the "working poor" cate-

gory may include workers of enterprises with a large share of "grey" wages though their real earnings are larger than subsistence minimum.

Poverty Reduction Measures

Poverty reduction strategies should be comprehensive in nature. Poverty can be reduced only on the basis of accelerated rates of economic growth, productive employment, fiscal reform and improved tax policies, equalised social and economic development of the country's regions, wage increase, financially sustainable pension system etc.

At the same time social poverty reduction measures are directly associated with redistribution of income as part of social protection of the population and targeted social assistance.

In accordance with the Medium Term Social and Economic Development Programme of the Russian Federation (2003–2005), the real income of the population is expected to increase 24–28 percent by 2005 as compared to the last year. Moreover, higher labour efficiency, higher guaranteed minimum wages and lower payroll taxes will result in 30–34 percent increase of real wages. Accelerated development of the social services sector and targeted social assistance will ensure higher standards of living and consumption. Earnings of low-income social groups will be growing at a faster rate. New facilities of pension financing and accumulation of pension liabilities will make the pension system more sustainable and improve the living standards of beneficiaries.

The Russian Government has developed, approved and is implementing the federal special programme "Equalising Social Economic Development of Russian Regions in 2002–2010 and until 2015". At the first stage (2002–2010) of the Programme's implementation it is envis-

aged to achieve a 25 percent reduction in the number of Russian regions lagging behind by principal social economic parameters. As a result, the share of the population with income below subsistence minimum will decrease 15 percent. At the second stage (until the Programme terminates in 2015) it is planned to achieve a threefold reduction in differences between regions in terms of per capita income, a twofold reduction in the number of backward regions and a 25 percent reduction in the share of the population with earnings below subsistence minimum.

A number of Russian regions (Belgorod and Tomsk Regions, Republic of Tuva) have developed and adopted regional poverty reduction programmes. Saint-Petersburg, Moscow and Samara approved targets and threshold values of life support indicators in these regions.

It is worth noting that in 2001 the ILO Moscow Office prepared "Poverty Reduction Assisting Strategy: Analysis and Recommendations", a report drafted as part of the programme for co-operation with the Ministry of Labour, which has been widely used both by federal and regional authorities to identify causes of poverty and ways to overcome it.

Currently, the Ministry of Labour and State Statistics Committee of Russia are conducting a WB-supported study "Methodological Review of Poverty Assessment and Monitoring in Russia at the Federal and Regional Levels". This will involve analysing poverty assessment indicators (household budget surveys, income and expenditure indicators) and developing proposals and measures to overcome poverty in Russia. ■

Distinctive Features of Poverty in the CIS

Article by V. N. Bobkov, Director, All-Russian Centre of the Living Standards, Doctor of Economic Sciences

Background

Poverty is a comprehensive multi-faceted social phenomenon deeply rooted in the national economy, culture and psychology. Poverty should be measured and assessed in relation to each country's historical development.

In CIS countries poverty does not manifest itself in extreme destitution and hunger, nor in the lack of literacy and basic health services but in the emergence of the working poor, the poor in rural areas, the poor with large families and one-parent families combined with increasing income differentiation and increased relative poverty. The transition effects on employment

led to a dramatic decline in earnings from work, underemployment and large-scale unemployment which was aggravated by labour migration in a number of countries. In addition, the nature of poverty in the CIS has been strongly affected by the character of the public system of social guarantees and social protection.

Poverty measurement

Most CIS countries have adopted officially the absolute method of poverty measurement based on the minimum living standards for different social and demographic groups of the population. The minimum living standard consists mainly of the estimated cost of the

minimal consumer basket.

The number and proportion of the population with cash incomes below the minimum living standard are used as major indicators of poverty. In 2001 the levels of poverty in the CIS countries were as follows: Russia – 27.5%, Belarus – 28.9 %, Ukraine – 27.2 %, Kazakhstan – 28.4 %, Kyrgyzstan – 47.6 %. More recent official comparable statistical data are unavailable. The above-mentioned poverty estimates should be viewed rather cautiously, as different methods are used in different countries to determine the proportion of the population living below the poverty line. The CIS countries also use different consumer baskets which largely determine the minimum living

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standard level. Reliability of the estimated per capita cash incomes is also a problem, because of employment in the informal economy.

Governments also make use of other indicators of absolute poverty in the attempt to get a more accurate idea of the scale of poverty and to restrict of number of beneficiaries of State social assistance in view of their tight budgets.

In tackling these issues Russia applies the indicators of the administrative poverty border line and the resources available to households. The former one represents the income below the minimum living standard, which restricts the number of beneficiaries of social allowances to the needy. The latter one includes cash expenses, cost of food inputs received in kind, cost of benefits recalculated to natural indicators, and income from savings bank accounts. This method allows for a more accurate assessment of incomes and also to lower the level of poverty.

Ukraine applies the estimates of poverty based on incomes, supplemented by estimated expenses of the population. In Belarus poverty measurement involves the duration of poverty and the social and demographic composition of the poor. Kazakhstan applies an additional indicator - the index of poverty. It is calculated on the basis of percentage of different population groups: not surviving beyond 60; 16-year-olds not receiving any training; people with a consumption level below the living standard; and the proportion of the registered unemployed in the economically active population.

The CIS States also use the poverty indicators put forward by the UN and the World Bank – the number of people living on one or two dollars a day for the developing countries and four dollars a day for the countries of Central and Eastern Europe. These indicators focus on the poorest population groups.

Necessary steps in the fight on poverty

Despite a downward trend in the percentage of the population in poverty it still affects a large

proportion of the population. The incidence of low incomes among the poor is high. The share of the population with incomes below the living standard is going down all too slowly. The size of targeted social benefits is small and hardly contributes to lowering the scale and degree of poverty. The reality of reducing poverty and raising living standards of people with the lowest incomes are linked to further economic development.

The following problems need to be addressed in order to bring about change:

- The share of household consumption in the GDP should be increased,

- Economic inequalities must be addressed and regulated, taking into account their scale, the level of poverty existing in the CIS countries and insufficiency of their GDPs.

- Despite growing employment and wage incomes, underpaid workers make up a significant proportion of wage earners. Wages in most economic sectors stagnate around the average or low levels of purchasing power. This refers in particular to employees in education, public health services and social services.

- The general rate of unemployment is high, as well as the proportion of long-term unemployed with most of the jobless coming from the most active of the working population. The poor take a highly critical view of the attempts to address the problem of effective employment.

- Increased real wages and productivity are the basic conditions for successfully moving people out of poverty, as well as for higher living standards and consolidation of the middle and high-income groups of population.

- The high level of illegal inter-state migration results in strain and poor living conditions for the migrants. Regulation of migratory processes is thus of high importance, as well as creating better conditions for resettlement of migrants, particularly refugees and those looking for a new place to live, and also effective

use of their potential and skills.

- The poor financial condition of many families is aggravated by the high incidence of dependents. In this context addressing the problem of families with many children and one-parent families is of high priority, including improved allocations to children, elderly people living alone and the disabled persons helping them overcome social exclusion.

- One of the most painful problems in the CIS States is low life expectancy, high incidence of diseases and poor quality of public health services. The people see all too clearly the linkage between their health condition and poverty. In addressing these problems development of public health services is of high importance permitting to preserve and increase human potential and reduce poverty.

- Many problems have accumulated in the CIS countries in the education sector serving as one of the major indicators of human potential development and enabling people to secure a better living and find a way out of everyday difficulties. The profile of graduates from vocational training institutions does not correspond to the skills profile of the employees in today's economy. There are disproportions in training of workers in respect to the skills needed and future workplace. A significant proportion of specialists is not adequately rewarded for their own and the state contributions to their education.

- The problem of ensuring school attendance by all children of schooling age has not been fully solved. The transition economies have engendered the problem of inaccessibility of vocational training to children from poor families.

- The reduction of the scale of poverty directly depends on the solution of problems of higher quality of, and easier access to education.

A multi-faceted problem needs a multi-faceted solution with decent employment as the best way of alleviating poverty. ■

Occupational Safety and health: Brief News

ILO and Azerbaijan tripartite partners held 1-2 July in Baku a seminar on a National Occupational Safety and Health (OSH) Concept. In August the Ministry announced the opening of an OSH information centre under the Labour Inspectorate. ILO Moscow is providing information and technical support to link the centre to the Internet. ■

In July the ILO Moscow representatives were on a mission to Tajikistan where they had a meeting

with M. Ilolov, Minister of Labour and agreed to start preparing a national OSH profile for the country. The Ministry is in the process of establishing an OSH information centre with trade union and employer support. Two Uzbek OSH experts took part in the mission to provide experience from the OSH projects in Uzbekistan. ■

The final evaluation seminar of the successful project on social partnership in OSH at enterprises – a joint work of the International

Metal Workers' Federation, the Finnish Metal Workers' Union and the Automobile and Farm Machinery Workers' Union of Russia collected thirty OSH experts in August. The core group came from eleven car and machinery factories of Russia. During the four-year project they have developed an OSH training package. Their training material will be disseminated in the Virtual Academy of SafeWork www.safework.ru. ■



Subregional Conference for Central Asian Employers

Employers' representatives from four Central Asian states - Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan - met in Tashkent on 3-4 July to discuss the development trends of the employers' organizations of the region. The event was organized by the ILO Subregional

Office in Moscow in cooperation with Business Women's Association of Uzbekistan.

The Conference, carried out in the form of a workshop, was the follow-up to an earlier subregional gathering that took place three years ago in Kazakhstan. The

ILO Senior Specialist on Employers' Activities Erwin Blasum delivered a presentation "A Decade of Employers' Organizations in the CIS countries", which gave an overview of the development, strengths, weaknesses, threats and opportunities as well as the progress to be achieved. The presentation gave a start to a lively discussion in the working groups. ■



IOE European Members Meeting

On 11-12 September 2003 the International Organization of Employers (IOE) for the first time held the meeting of its European Members in Moscow. The IOE represents the interests of employers in the area of social and labour relations. Since its establishment in 1920 the IOE has had a consultative status at the ILO and has acted as the Secretariat to the Employers' Group at the ILO Labour Conference, Governing Body and all other ILO-related meetings. At present the IOE brings together 136 national unions and confederations of employers from 132 countries of the world.

Since 1964 the IOE annually gathers together its European members in order to discuss acute problems of the international social and

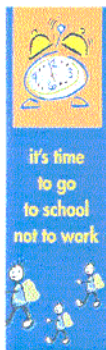
economic relations. Russian employers represented in the IOE by the Coordinating Council of Employers' Unions of Russia (CCEUR) have taken part in these meetings since 1995.

This year the two-day conference was attended by the delegations of 32 European coun-



tries (Austria, Belgium, Great Britain, Hungary, Germany, Ukraine, Israel, Latvia, Lithuania,

France, Switzerland and others). One of the basic themes discussed was migration in Europe. The other issue on the agenda was the current social and economic situation in Russia. This working session chaired by Kakha Bendukidze, General Director of the United Heavy Machinery Plants heard viewpoints of Alexander Pochinok, Minister of Labour, Mikhail Dmitriev, First Deputy Minister of Economic Development, Oleg Eremeev, CCEUR General Director and Mikhail Shmakov, FITUR Chairman. As Oleg Eremeev put it: "One of the basic tasks is to improve the system of social insurance in Russia, which includes the activity of the Social Insurance Fund, obligatory medical insurance and the Pension Fund. By that there can be made an attempt to reduce the tax load on wage fund so that pay increase can be stimulated". ■



ILO/IPEC Project in the Leningrad Region

Over a four-year span the ILO has been carrying out in the Northwest part of Russia a wide range of project initiatives against child labour and its worst forms. In 2003 the ILO launched a new two-year child labour project in the Leningrad Region. Its

aim is to initiate specific activities to combat the worst forms of child labour, especially child prostitution and hazardous work. The 2001 ILO survey in the region found an increasing number of working street children forced into different forms of child labour. The project of the ILO's International Programme on the Elimination of Child Labour

(IPEC) will be located in the Vsevolozhsk and Priozersk districts paying special attention to the withdrawal of girls and small children from work. Specific preventative measures will be developed and put in place to support families in crisis. In order to tackle the new issue of child labour IPEC is cooperating with local authorities to increase capacities of the existing social centres and broaden their activities. ■

Calendar of events of the ILO Subregional Office in Moscow

OCTOBER

- 3-4 Workshop on Decent Work, official launch of the Project "Poverty Reduction, Employment Generation and Local Economic Development in the North-West Russia" (Saint-Petersburg, RF)
- 5-9 Training on Women Entrepreneurship Development for Azerbaijan and Georgia (Baku, Azerbaijan)
- 5-9 Joint mission with Russian construction workers to Tajikistan
- 9-10 Tripartite seminar on public and private employment services (Moscow, RF)
- 6-12 Training for Azerbaijan employers, Turkey
- 15-16 Bipartite seminar for Kazakh Trade Unions and Employers on Wages (Almaty, Kazakhstan)
- 13-26 Master training on Start and Improve Your

Business programme for Kyrgyzstan, Tajikistan and Russia (Bishkek, Kyrgyzstan)

- 17 International Day for the Eradication of Poverty
- 17-18 Subregional seminar on Social Dialogue and Employment for Armenia, Azerbaijan and Georgia (Tbilisi, Georgia)
- 28-31 Workshop for Kazakh, Russian and Uzbek employers on small enterprises in transition economies (Singapore)
- 20-21 Chief Labour Inspectors' meeting, Central Asian countries (Bishkek, Kyrgyzstan)
- 29-30 Conference on cooperatives (Saint Petersburg, RF)
- 31 Promotional event on Gender Equality: website launch, publications' exhibition, awarding ceremony for the winners of the All-Russia

journalists' competition (Moscow, RF)

NOVEMBER

- (...) Global Compact breakfast for employers (Moscow, RF)
- 3-7 Training for employers from parts of the EE-CAT region (Israel)
- (...) Presentation of the Social Assistance Project in Kazakhstan (Astana, Kazakhstan)
- 10-14 Modular training course on OSH and HIV/AIDS (Bukhara, Uzbekistan)
- 14 Presentation of a macroeconomic study on Belarus (Minsk, Belarus)
- 26-27 Workshop on Multinational Enterprises (Baku, Azerbaijan)
- 26-27 Employers' workshop on gender and women entrepreneurship (Tashkent, Uzbekistan)



12 June 2003—World Day against Child Labour



12 June 2003 | Stop Child Trafficking

On 12 June last year, the International Labour Organization launched the first World Day Against Child Labour as a way to highlight the worldwide movement to eliminate child labour with a priority on its worst forms. The ILO estimates that there are nearly 250 million child

labourers worldwide, some 1.2 million of them are trafficked – moved within and across national borders through force, coercion or deception – into situations involving their economic and sexual exploitation.

Nearly all countries are affected in some way, either as sending, receiving or transit countries for trafficked children. In the CIS, children are trafficked as a result of the "push" of poverty with little or no economic opportunity left in the country. Children are often trafficked for use in service industries, the entertainment sector, sex trade and pornography. Though children are generally less productive than adults, they are easier to abuse and less assertive. They can be made to work longer hours with little food and poor accommodation.

The ILO has for a long time addressed child trafficking through its Forced Labour Convention (No. 29). In 1999, the combat against trafficking was reinforced by the Worst Forms of Child Labour Convention (No.182).

The World Day Against Child Labour is intended

to serve as a catalyst for enhancing the growing campaign against child labour, as reflected in the steadily increasing number of ratifications of Convention No. 182. Across the globe, this Day is commemorated with a wide range of activities. Thus, on 11 June 2003 the ILO Subregional Office in Moscow organized an event that gathered representatives of the Parliament, Government, UN Agencies and international organizations, Embassies, non-governmental organizations, academia and mass media.

The meeting was addressed by Marina V. Gordeeva, Head of the Department of Family, Women, Children and Youth Issues at the Ministry of Labour; Serguei I. Neverov, Deputy Chairman of the State Duma Committee on Labour and Social Policy; Rosemary McCreery, UNICEF Representative in the Russian Federation and Belarus and Vitali A. Savine, ILO Senior Specialist on Labour Standards. The event was concluded by the demonstration of Lilya 4-Ever, a Swedish feature film directed by Lukas Moodyson about a Russian girl who was trafficked to Sweden and then forced into prostitution. ■



Gender strategy of the Russian Federation making its first steps in the regions

This spring the ILO Subregional office in Moscow, in close cooperation with the Ministry of Labour and Canadian International Development Agency, has started a joint project "Development and Promotion of the Gender Strategy of the Russian Federation". The first regional seminar was held in Bryansk on 13-14 June and gathered more than 100 representatives from ten regions of the Central Federal Okrug. In his opening speech, the Governor of Bryansk region Yu. Lodkin stressed that the

conference participants should consolidate their efforts to actively promote this strategy in the regions and lobby it with local authorities. The political commitment of local administration to gender equality was an important prerequisite of success of this first launching seminar.

The work in the regions is coordinated by the Confederation of Women Professionals. Ten regions of Siberia participated in the second regional seminar in Barnaul on 11-12 August. The Programme for Gender Development of the Si-

berian Federal Okrug was in the focus of two-days dynamic discussions. The main output of the seminar was the plan of action in the field of gender equality, which covered four key areas: political participation and decision-making, employment and labour market, social protection and healthcare, work with mass media.

The seminar participants have also drawn-up a Statement to the Heads of administration of the Siberian regions with the appeal to create an appropriate institutional bodies on gender equality responsible for practical implementation of the proposed plan of action. The third regional seminar will be held in Privolzhsky Federal Okrug in December 2003. ■



Targeted Social Assistance Scheme Reviewed in Kazakhstan

At the request of the Government of Kazakhstan the ILO is providing technical assistance aimed at the assessment and improvement of the targeted social assistance scheme (TSA) that has been recently introduced in the country. The project entitled "Decent Work: Integrated Approach to Social Sphere in Kazakhstan / Targeted Social Assistance Scheme" is funded by United Nations Development Programme (UNDP)-Kazakhstan and is expected to be completed by the end of 2003. The final report will be presented at the tripartite

roundtable in Astana in November 2003.

In July 2003 an ILO mission visited Kazakhstan. The objective of the mission was to examine the existing TSA schemes and to provide recommendations on methodological framework for TSA.

On 7 July the Ministry and UNDP/ILO organized a roundtable in Astana to discuss the ILO Inception Report on Targeted Social Assistance in Kazakhstan. Comments of the local experts and Ministry officials will be incorpo-

rated in the final report. In Karaganda the team discussed a unique database of TSA beneficiaries created by Karaganda Regional Social Protection Department. In Almaty the work was concentrated on assessing and reviewing statistical data related to the subsistence minimum, poverty line and individual/household income. ■

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