

State Statistical Committee of the Azerbaijan Republic

Azerbaijan Decent Work Statistical Indicators: Country Profile

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Introduction

The project is being carried out within the framework of the ILO technical and methodological assistance. From the statistical point of view its main goal is to improve the basic information concerning labour market in order to determine methodological frameworks and dimensions of statistical measurement and analysis of the decent work issues as one of the factors ensuring decent life and prevention of poverty rise in Azerbaijan.

In his report to the International Labour Conference in 1999, ILO Director General Juan Somavia introduced a broad and clearly defined concept of work and workplace, which he called “decent work”. He described decent work as “opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity”. Subsequently in order to provide detailed description of the concept of methodological approaches to statistical measurement of decent work the Statistical Development and Analysis Unit of the ILO Policy Integration Department prepared a working paper entitled “Measuring Decent Work with Statistical Indicators” published in August 21, 2002, which served basis for the present report.

At the same time the main objective is to test in practice and propose clearly defined set of indicators for measuring decent work that take into account specific features of national legislation and regulations as well as of information basis, which could be used for determination of current situation and priorities in development of labour relations aimed at raising living standard in Azerbaijan.

The present report concerns to a greater extend methodological aspects of measuring decent labour and their potential application in practical statistical surveys in Azerbaijan. It is based on materials drawn from existing sources of statistical data, which allow in a certain sense to evaluate the present state of decent work in Azerbaijan. Authors of this report concentrated on description of the conception’s methodological aspects and on practical possibilities to examine decent labour issues in Azerbaijan following ILO recommendations. It should be kept in mind that the range of issues presented here is not exhaustive since it excludes statistical materials of special sample surveys of employed population in Azerbaijan in relation to ensuring decent work, though it includes information concerning population’s labour participation rate.

The present paper was prepared by a group of specialists from the Labour Statistics Unit of the Goscomstat (State Statistics Committee) of Azerbaijan under the guidance of Mr. I.V. Chernyshev, the ILO expert. While writing Parts 1 and 2 of the present report the authors have widely used such documents as the ILO working paper “Measuring Decent Work with Statistical Indicators” and the report on realization of the Project “Statistical Indicators for measurement of Decent Work in Ukraine: Methodological Approaches, National Characteristic Features in Statistics and Methods of Measuring”.

Part 1. Conceptual dimensions of decent work and methodological framework for definition of decent labour

Keeping in mind the broad ILO definition of decent labour as “opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity” examination of this dimension of socio-labour relations should be based on six key elements:

1. *Opportunities for work*
2. *Work in conditions of freedom*
3. *Productive work*
4. *Equity in work*
5. *Security at work*
6. *Dignity at work*

Opportunities for work **refers to the need for all persons (men and women) who want work to be able to find work, since decent work is not possible without work itself.** The underlying concept of work is broad and encompasses all forms of economic activity, including self-employment, economic unpaid family work and wage employment in both informal and formal sectors.

Work in conditions of freedom **underscores the fact that work should be freely chosen and not forced on individuals and that certain forms of work are not acceptable in the 21st century.** It means that bonded labour and slave labour as well as unacceptable forms of child labour should be eliminated as agreed by governments in international declarations and labour standards. It also means that workers are free to join workers organisations.

Productive work **is essential for workers to have acceptable livelihoods for themselves and their families, as well as to ensure sustainable development and competitiveness of enterprises and countries.**

Equity in work **represents workers' need to have fair and equitable treatment and opportunity in work.** It encompasses nondiscrimination at work and equity in access to work as well as ability to balance work with family life.

Security at work **is mindful of the need to help safeguard health, pensions and livelihoods, and to provide adequate financial and other protection in the event of health and other contingencies.** It also recognises workers' need to limit insecurity associated with the possible loss of work and livelihood.

Dignity at work **requires that workers be treated with respect at work, and be able to voice concerns and participate in decision-making about working conditions.** An essential ingredient is workers' freedom to represent their interests collectively.

The first two dimensions (opportunities for work and work in conditions of freedom) are concerned with the availability of work and the acceptable scope of work. The other four dimensions of decent work (productive work, equity in work, security and dignity at work) are concerned with the extent, to which the work is decent, which is similar in many ways to what is deemed quality of employment in European publications. In addition to these six dimensions of decent work, the macro socio-economic context seems to be important, since this helps determine what constitutes decency in societies as well as the extent to which the achievement of decent work enhances national economic, social and labour market performance. Before describing specific statistical indicators in, it is important to highlight important implications of the decent work concept for the identification of statistical indicators.

The six dimensions of decent work included in the short description of decent work are relevant for everyone - for men and women, persons with high and low incomes, and work both in formal and informal sectors.

Some aspects of decent work are absolute in nature in the sense that the same standard applies to everyone in every country (e.g., fundamental rights at work). Other aspects are relative in that each country and society evolves its own norms of decency. For example, while the level of pay and working conditions considered to be decent differs across countries, the principle that as many persons as possible should have decent pay and working conditions is a universally accepted concept.

Decent work is especially concerned about the poorest and most vulnerable people. The word "decent" connotes this, referring to the need for workers to have "acceptable" or "adequate" work and working conditions. This, in turn implies that decent work indicators should often be concerned with distributions and measuring the situation of the least well off rather than averages.

Decent work is concerned with actual situation people face. For this reason, decent work indicators generally should measure actual incomes and working conditions. When considering the legal situation in a country or international standards, indicators should, whenever possible, measure effectiveness and coverage.

Because the decent work concept is concerned with improving the situation of people, it is important to measure changes over time in order to ascertain progress (or the lack of progress) and sustainability toward achieving decent work.

Since one of the hallmarks of decent work is its comprehensive nature, it is important that decent work indicators reflect this comprehensive nature. Besides being necessary to describe decent work in its entirety, it is also important in order to observe the extent to which different aspects of decent work bundle together for workers, enterprises and countries, as well as how combinations of different decent work aspects interrelate to poverty and economic growth.

Data availability and relative importance of different decent work aspects vary greatly across countries and regions. Therefore, any internationally acceptable core set of ILO decent work indicators will need to be a minimal set. Specific countries, regions and technical programmes will frequently want to identify and measure additional decent work indicators.

Of interest for Azerbaijan is such dimension of examining decent work as assessment of status in ensuring constitutional rights and opportunities for citizens envisaged by laws and regulations and definition on this basis of aspects and trends in improvement of both statistical and legal systems of social protection of the population.

Monitoring of application of the following basic national legislative and normative acts permits to assess the extent of achievement of decent labour goal:

Constitution of the Republic of Azerbaijan. Section 35 provides that every citizen enjoys “the right to work, including possibility to earn livelihood by work, which he freely chooses or freely accepts”.

Act of the Republic of Azerbaijan on State Bodies of Statistics envisages that state bodies of statistics are responsible for elaboration and update of statistical indicators for analyses of the socio- economic development in Azerbaijan, its regions and economic branches, as well as for introduction in practical activities of such bodies of the international statistical standards system.

Labour Code of the Republic of Azerbaijan defines mechanisms for realization of citizens’ constitutional rights at work.

Act on Employment of the Republic of Azerbaijan includes definitions of such concepts as employment, employed population, unemployment and the fundamental principles of the State policy in the field of employment and employment security, as well as provisions concerning State employment service.

Act on Social insurance of the Republic of Azerbaijan and addenda introduced in it from January 1, 2002, envisage compulsory social insurance of persons who possess a land plot usable for cultivation. Moreover, all work-age family members should be subjects to social insurance.

Part 2. Statistical indicators of decent work

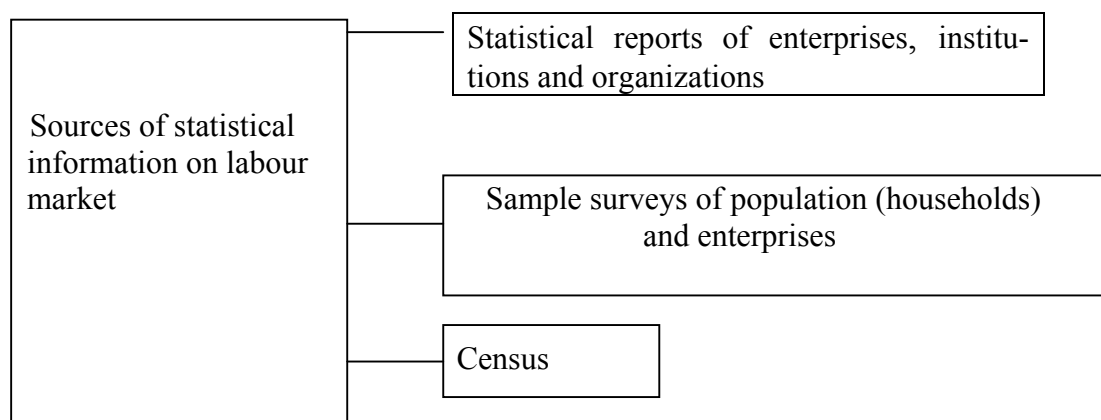
The ILO identifies statistical indicators of decent work by looking through the eyes of people to determine general characteristics of indicators and specific methodological approaches.

In this connection economic analysis and the proper set of statistical indicators are based on the ten general characteristics of quality of work that workers from around the world would consider important elements of decent work. These ten characteristics are complemented by an eleventh group of indicators that summarize key aspects of the economic and social context of decent work. This final group of indicators is intended to describe broad characteristics of the economy that form the context for determining levels, patterns, and sustainability of decent work.

The 11 groups of indicators organized around strategic objectives of the ILO programmes are:

1. **Employment opportunities**
2. **Unacceptable work**
3. **Adequate earnings and productive work**
4. **Decent hours**
5. **Stability and security of work**
6. **Combining work and family life**
7. **Fair treatment in employment**
8. **Safe work environment**
9. **Social protection**
10. **Social dialogue and workplace relations**
11. **Economic and social context of decent work**

Information necessary for calculation of the 11 groups of indicators for Azerbaijan is derived from the following sources of statistical data:



The above sources being different in coverage and accordingly in the goal of obtaining the information form a system of indicators that serve basis for eventual collection of data concerning various aspects of the labour market evolution and level of social protection at work. Moreover, the closest attention is paid to quarterly sample surveys of economic activities of population, which are being introduced in practice of public agencies of statistics.

On the basis of information collected from respondents in the age group of 15 years and above by means of scientifically valid assessments we obtain data that characterizes conditions prevailing in the labour market. The system of indices created on such basis was developed in accordance with standard definitions and criteria of the International Labour Organization taking into account specific national features of labour relations in Azerbaijan.

2.1. Employment opportunities

Background

The notion of *decent work* implies the existence of employment opportunities for all who are available for and seeking work. Therefore, an essential element of decent work is the extent to which a country's population is employed. Employment opportunities can be measured in a positive sense in terms of employment and labour force activity relative to the relevant population base. Employment opportunities can also be measured in a negative sense in terms of unemployment and underemployment and the lack of employment opportunities.

The ILO Convention concerning Employment Policy (Convention No. 122) sets as a major national goal the pursuit of "an active policy designed to promote full, productive and freely chosen employment." In the accompanying Recommendation No. 122, it is stipulated

that employment policy should be based on analytical studies of the present and future size and distribution of the labour force, employment, unemployment and underemployment.”

Six widely available indicators are suggested:

1. Labour force participation rate
2. Employment-population ratio
3. Unemployment rate
4. Youth unemployment rate
5. Time-related underemployment rate
6. Share of wage employment in non-agricultural employment

The first two indicators measure employment opportunities directly (labour force participation and employment to population ratio), and the next three measure the lack of employment opportunities (unemployment, youth unemployment, underemployment). The share of wage employment in non-agricultural employment conveys considerable information about employment opportunities in a country.

Labour participation rate

This indicator is measured in percent as ratio between number of employed population aged 15 years and over and the economically active population in the above mentioned age group. Data concerning number of employed population is measured on the basis of information drawn from sampling surveys (hereinafter referred to as labour force surveys according to international terminology).

Economically active persons (hereinafter referred to as employed) are persons in the age group of 15 years and above who:

- Work during the week surveyed at least 1 hour as employees, work individually (self employed) or for individual citizens or at their own (family) enterprise and are remunerated in cash or in kind;
- Performed unpaid work during 30 hours per week at an enterprise or business owned by a member of a household or in personal subsidiary plot with the aim to sales of products resulting from this activity;
- Persons who are temporarily absent from workplace, i.e. formally have a workplace, own an enterprise (business) but did not work during the surveyed period for reasons independent from their will.

Within the conception of labour force, employment takes priority over any other kind of activity.

Employed population does not comprise persons in unpaid public or voluntary work, as well as persons who have only family responsibilities. Voluntary activity is a form of non-economic activity and is characterized by three determinant features: a) it should not be remunerated; b) it is performed voluntarily, without constraint, which distinguishes it from military service, for example; c) it is carried out in the interests of an organization, community or person with there are no parental links, and outside the own household of the worker concerned.

Economically active population comprises population of both sexes in the age group of 15 years and above which during a given period provides for supply of labour force in the labour market.

Economically active population (labour force) encompasses persons in economic activity or seeking work or is available for work, i.e. persons qualified as “employed” and “unemployed” (as defined by the ILO). In accordance with priority rules, employment takes priority over unemployment and unemployment – over absence of economic activity.

The employment/ population ratio

Employment rate is measured as share of employed population aged 15 years and above in the total population of the same age or total population in corresponding age group, by sex. Data from labour force surveys provides information necessary for measurement of this indicator as of the first indicator.

Unemployment rate is measured as share (percentage) of unemployed aged 15 years and above in the economically active population (labour force) of the same age or in the corresponding age group, by sex, level of education, occupational group, and geographical criteria. Data from labour force surveys provides information necessary for measurement of this indicator as of the first indicator.

Youth unemployment rate

This indicator is measured by the above-mentioned methods with the only difference that for the basis of computation is taken number of unemployed and economically active youth.

According to international practice, youth refers to persons in the age group between 15 and 25 years inclusive while according to Azerbaijan legislation the upper age limit for youth is 35 years. Thus depending on goals of economic analysis and ways of application of the indicator it may be measured for youth in both 15~25 and 15~35 years age groups.

In the present report the age for youth is limited to 15~25 years because of the necessity to use the indicator for international comparisons in future.

Time-related underemployment rate

At present measurement of this indicator in Azerbaijan is in the process of methodological upgrading. Data concerning underemployment rates are collected on the basis of information received from enterprises, institutions and organizations and describe quality of wage labour from the point of view of hours worked in accordance with the following indices established in national practice:

Utilization of working hours is measured by absolute indices of calendar, scheduled and maximal possible number of working hours.

Calendar working hours means all hours during a reference calendar period (month, quarter, year) counted on the basis of total number of employees.

Scheduled working hours differ from the calendar fund by total sum of absences during holydays and days off.

Maximal possible number of working hours differs from the calendar by total sum of absences during holydays, days off and days of annual leaves.

Absence on valid reasons mean absences from the work place due to leaves (annual, educational, etc.) and other absences for reasons envisaged in laws and regulations, e.g. temporary disability, off-season period, temporary transfer to another enterprise, etc.

Losses of working time means hours, which could be used for work but not worked for reasons of absences on administration's permission (including absences on administration's initiative), stoppage, absenteeism and strike.

Number of workers in forced underemployment means number of salaries workers who failed to work statutory number of working hours established for a specified period for reasons of being on leave on administration's initiative or transfer to work on part-time basis (part-time day or week).

Hours worked means man-hours of employees who actually worked in the enterprise including those employees who worked part-time day (week), man-hours of overtime work during days off and holydays (nonworking days) over and above monthly norm (beyond schedule), as well as man-hours of home workers.

It should be noted that the Goscomstat of Azerbaijan continues to improve this system by introducing international standards of defining underemployment i.e. recommendations of the 16th International Conference of Labour Statisticians and its Resolution which contains the following broad definition of underemployment:

Underemployment reflects underutilization of the productive capacity of the employed persons in comparison with an alternative employment situation in which persons are willing

and available for additional work. Persons who under the period surveyed were in situation of underemployment are all those who during this period were identified as employed in accordance with the national definition and responded to three criteria:

Persons who are willing to work additional hours, i.e. wanted additional or another job (jobs) in addition to their current job in order to:

- increase their total hours of work;
- increase their hours of work in their current job; or
- combination of the above.

“Available to work additional hours”, i.e. are ready, within a specified period, to work additional hours in their current job or in additional job given that such opportunity exists.

Persons who worked in their current job during the week surveyed below statutory working time envisaged in terms and conditions of an agreement (contract, collective agreement) for economic reasons independent of their will (stoppage, reduction in production capacities, seasonal character of job, etc.)

Survey’s questionnaire includes a set of appropriate questions aimed at obtaining information within the above mentioned conception concerning persons working in self-employment sector (employers, self-employed workers, unpaid family members working in family enterprises), as well as corresponding indicators of underemployment in formal and informal sector.

Share of wage employment in non-agricultural employment

The indicator is measured as ratio between number of salaried workers in non-agricultural activities (both formal and informal sectors) and total number of workers on non-agricultural activities.

Employed/salaried workers are persons who signed a written employment agreement (contract) with administration of an enterprise, institution or owner of an enterprise concerning terms and conditions of work for which the employee concerned should be remunerated in compliance with the agreement.

Self-employed (own account) workers – employers and individual/own account workers (self-employed) workers.

Employers are persons who work independently or with one or more partners in their own enterprise and who in their capacity employ on permanent basis “employed workers” for work in this enterprise.

Individual/own account workers (self-employed) workers are persons who work independently (without permanent employees) on their own account and who own means of production and are responsible for the product (service) they produce.

Unpaid family members working in family enterprises are persons who work without remuneration in a family enterprise headed by a relative who lives in the same household (in case this activity is of economic character).

Data necessary for measuring the indicator “Share of wage employment in non-agricultural employment” can be obtained on the basis of information included in labour force surveys, as well as from statistical data concerning enterprises and administrative sources. Utilization of each of these sources has advantages and disadvantages though use of the whole range of these opportunities while keeping in mind limitations of each of them will considerably broaden users’ analytical capabilities.

2.2. Unacceptable work

Background

Decent work must be work that is acceptable to society. It is therefore necessary to know the incidence of unacceptable work, both to ensure that such work is excluded from indicators of employment opportunities as well as to measure progress towards its elimination. The 1998 ILO Declaration on Fundamental Principles and Rights at Work, which has won broad endorsement across the world community, identifies two forms of unacceptable work: forced labour and child labour (especially hazardous and other worst forms of child labour).

Indicators

- Children not in school by employment status (percent by age)
- Children in wage employment or self-employment activity rate (percent by age)

It should be noted that information concerning child labour in Azerbaijan is limited to data included in annual reports presented by enterprises and organizations.

2.3. Adequate earnings and productive work

Background

For many people, the most important characteristic of work is pay, and the principle of an “adequate living wage” is mentioned in the preamble to the ILO Constitution. Nearly all individuals who work or seek work do so in order to earn an income and ensure the economic well-being of themselves and their households. Besides providing adequate income in the

static sense of a decent rate of pay, decent work must also address dynamic aspects of continuing to provide adequate income. One dynamic aspect of decent work is whether individuals are able to improve future work and income via training and further education.

In terms of indicators, adequate pay can be measured directly by an indicator on rate of pay. It can also be measured indirectly through indicators on hours of work that call attention to individuals who work many hours because their rate of pay is not sufficient, or who have limits on their hours of work, resulting in inadequate income. Notice that these indicators mainly rely on distributional data for pay rate and hours of work to identify the percent of workers who: receive inadequate/low pay, have opportunities only for inadequate hours of work, or have long hours of work. The reason for this focus is to help identify workers without decent pay and/or hours. Participation in job-related training provided or subsidised by the employer provides an indicator of future earnings possibilities.

Indicators

The following indicators are suggested to measure and analyze the extent of adequacy of pay related to hours of work and qualification of workers :

- inadequate pay rate
- average earnings in selected occupations
- employees with recent job training

In Azerbaijan, basic information on pay is derived at present from reports presented by enterprises, institutions and organizations. On the basis of such information measuring pay rate of workers is measured, by sex, occupations and other characteristics of working population. However, this information fails to reflect pay rates in household and in informal sectors. It is hoped that all existing opportunities shall be used, and efforts are taken to measure weights of the above indicators of the basis of the following approaches.

Inadequate pay rate - percent of employed below $\frac{1}{2}$ of median or an absolute minimum, whichever is greater, by status in employment.

Average earnings in selected occupations – it is envisaged to study the following structural dimensions:

Nominal wage means pay to employees in cash and in kind (regardless of sources of funding excluding payments from the Social Security Fund in case of temporary disability) for time worked or work done, bonuses, premium pays, geographical differentials and other payments for time not worked. Nominal wage includes the following compulsory deductions: taxes, contributions to the general compulsory State Social Security fund (fees to compulsory pen-

sion insurance scheme, in connection with of temporary disability and in case of unemployment).

To ensure international comparability and in view of growth of involuntary underemployment the nominal wage is measured in national statistics:

- per one salaried worker;
- per one hour worked;
- per one salaried worker in equivalent to fulltime employment.

Average monthly (for one year) salary is determined by division of payroll accrued for one year by annual median number of salaries workers and 12 months.

Payroll includes:

1. Payroll of basic wage.
2. Payroll of additional wage.
3. Other incentive and compensatory payments.

Basic wage is remuneration for work done in compliance with statutory work norms (norm of time, of output, of functions, etc.) The wage is fixed in the form of base wage rates (wage scales) and piece rate for workers and official salaries for employees.

Additional wage is remuneration for work done over and above statutory norms, for high performance and inventiveness, and for special conditions of work. It includes bonuses, premium pays, indemnity and compensatory payments envisaged in laws and regulations in force; premiums linked with fulfillment of professional tasks and functions.

Other incentive and compensatory payments. They include payments in the form of remuneration according to annual outcome, bonuses provided under special schemes and provisions, compensatory and other payments in cash and in kind that are not envisaged in laws and regulations in force or paid out over and above the norms, established by the above laws and regulations.

Payroll does not include incomes (dividends, interest) on shares and investments in property of the enterprise, institution and organizations, and that of employees who are members of a joint-stock company.

Nominal wage index reflects modifications in the rate of nominal wage during reference period in comparison with the basic one.

Net wage is an index, which shows changes in purchasing power of nominal wage under influence of modifications in prices of consumer goods and services and rates of taxation and compulsory payments. To measure the absolute rate of net wage the nominal wage during current period without taxes and compulsory payments is divided by consumer price index (CPI).

Net wage index reflects changes in purchasing power of nominal wage during reference period in comparison with the basic one. Measured by division of the index of the nominal wage due by consumer price index (CPI) for the same period.

Sum of arrears of wages is a sum of wages unpaid to all categories of workers, namely:

- regular fulltime salaried workers;
- employees outside regular staff, i.e. by-workers and subcontracting workers;
- redundant workers.

Sum considered as arrear includes all payments in cash and in kind due from the payroll excluding dues and fees (tax and fees to general compulsory State Social Security Fund normally paid by employees) if this sum was not paid by the 1st day of the month following the reference month. Wage arrears may appear in enterprise's own budget as well as in local and the State budgets.

2.4. Decent hours

Background

Concern with hours of work has a long history at the ILO—the issue is raised in the preamble to the ILO Constitution, and is addressed by the first ILO Convention, adopted in 1919 (Hours of Work (Industry) Convention, No. 1). In contemporary terms, at least four aspects of decent work can be linked to hours of work.

Excessive hours and atypical hours can be detrimental to physical and mental health and they impede balance between work and family life. Excessive hours are frequently a signal of inadequate hourly pay. Short hours can indicate inadequate employment opportunities. It should be noted that virtually all employees might receive decent wages only under condition of work during appropriate number of hours.

From a macroeconomic perspective, underemployment is similar to unemployment since the economy's labour resources are under-utilized if employed people are working fewer hours than they desire. Labour statisticians have termed the phenomenon *time-related underemployment*. The standard definition, adopted by the Sixteenth International Conference of Labour Statisticians in October 1998, specifies, that hours of work of an employed person are insufficient in relation to an alternative employment situation in which the person is willing and available to engage. The definition is based on three criteria that should be satisfied simultaneously: “willing to work additional hours”; “available to work additional hours”; and “worked less than a threshold relating to working time” during the reference period. The

international definition does not specify the value of the hours threshold, but suggests that it can be chosen according to national circumstances.

Indicators

The suggested indicators are:

1. Excessive hours of work (percent of employed, by status in employment), and
2. Time-related underemployment rate (percent of employed population working hours threshold, but available and wanting to work additional hours).

Excessive hours of work can be measured in Azerbaijan on the basis of information included in labour force surveys. This indicator will be enlarged with additional information concerning underemployment rate. Such information we intend to collect on the basis of data available from sample population survey.

Data on hours may refer to actual hours worked or usual hours worked, to hours on all jobs or only at the main job, as envisaged in the survey. Comparison of the above indicators will make it possible to determine the extent of conformity of actual working time with normal hours of work as well with statutory norms.

2.5. Stability and security of work

Background

Losing one's job or work is a serious event for most people, and there is little doubt that job security is seen by most people as an important aspect of decent work.

Job loss involves economic costs beyond loss of pay, even if a new job is found quickly. Changing jobs disrupts the process of human capital accumulation, potentially making worthless the knowledge and skills specific to the lost job. Changing jobs also frequently disrupts access to benefits, particularly pensions. Finally, job change disrupts other parts of the individual's life. For example, the entire household may be forced to relocate to find or accommodate new work. Although individuals value job security, development and growth necessarily entail some degree of job insecurity that stems from the contraction or disappearance of occupations, firms and industries. In addition, workers sometimes change jobs voluntarily. Job security as part of decent work must be understood in this context.

The suggested indicators are:

- Tenure less than one year (percent of employed persons who have held their main job/work for less than one year, by age, by status in employment), and
- Temporary work (percent of employees who classify their jobs as temporary).

Job tenure and temporary work issues are included in a programme of labour force survey. Moreover, these issues will comprise additional information concerning turnover collected on the basis of statistical data provided by enterprises.

Job security indicators have a number of problems because interpretation is complicated because the consequences of job loss are moderated by various factors, some addressed by other decent work indicators: a high unemployment rate implies that income loss is likely to be prolonged. The availability of training, either prior to or following job loss, improves the prospects for finding new work. Unemployment insurance and severance payments, where applicable, replace some of the lost income. Advance notice requirements give an employee time to find replacement work before the income loss begins.

2.6. Balancing work and family life

Background

Reconciling work and family life has become a major public policy concern in Azerbaijan as in many countries. It has always been a gender equity issue, since women throughout the world have main responsibility for family care and household work. Many factors have led to the mounting pressure on government and enterprises to address this aspect of work. Probably the most important pressure for “family-friendly” work has come from women because of their increasing participation in the paid labour market. Work-family issues, however, extend beyond caring for children as other family members may also require care. These issues, particularly those relating to childcare, are central to the achievement of the U.N.’s Millennium Goal concerning women in wage employment.

The ILO Workers with Family Responsibilities Convention, 1981 (No. 156) stipulates that national policies should aim to “enable persons with family responsibilities who are engaged or wish to engage in employment to exercise their right to do so without being subject to discrimination. Family responsibilities shall not, as such, constitute valid reason for termination of employment.” Subsequently, the Maternity Protection Convention, 2000 specified the need for maternity benefits and for protecting women’s jobs in the event of maternity.

Broadly speaking, there are three categories of policies and issues concerning balancing work and family life:

1. Job protection in the event a worker needs to be absent from work for an extended period for major family contingencies, such as maternity or child care;
2. Monetary benefits in the event of major family contingencies; and

3. Day-to-day accommodation of worker's need to integrate their work and family lives, such as flexible hours and adequate childcare.

Indicators

There is a paucity of available data outside of the OECD countries to measure the above three dimensions of balancing work and family life. Thus the suggested indicator list is short:

- employment rate for women with children under compulsory school age (ratio to the rate for all women aged 20-49) and
- excessive hours of work (discussed in Decent Hours).

In Azerbaijan, data concerning employment rate of women with children below school age may be derived from the 1999 population census data base, though technically speaking collecting the above data is difficult due to specific nature of data processing and the period when such information arrives.

2.7. Fair treatment in employment

Background

Fair treatment in employment is an intrinsic human expectation. At the international level, this has been expressed in terms of equality of opportunity in employment and occupation, and equal pay for work of equal value. The ILO Discrimination (Employment and Occupation) Convention, 1958 defines discrimination as “any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation”. This list of characteristics could be extended to age, disability, and disease. The Equal Remuneration Convention, 1951 is concerned with discrimination in pay and equal remuneration for work of equal value. In addition to an absence of discrimination at work and in access to work, fair treatment means working without harassment or exposure to violence, some degree of autonomy, and fair handling of grievances and conflict. The latter is closely related to the existence or not of mechanisms at the workplace for social dialogue.

Indicators

Suggested indicators for fair treatment, for the present, concentrate on differential treatment of men and women. In the future, efforts should be made to include indicators for other bases for discrimination such as race, ethnicity, religion and migrant status. The indica-

tors discussed here measure equality of opportunity in employment. These indicators are based on an ILO database compiled by the Bureau of Statistics. The indicators measure the extent to which women and men receive equal remuneration. For the ILO there are two main reasons for the focus on gender. First, gender discrimination is universal and has received by far the most attention, despite numerous other sources of discrimination. Second, data availability is much better for gender inequalities and discrimination than for other aspects of fair treatment such as autonomy, grievance settling procedures, and absence of harassment and violence.

1. Female share of employment in managerial and administrative occupations.
2. Occupational segregation by sex.
 - *Share of women in non-agricultural wage employment.*
 - *Female/male wage or earnings ratio, selected occupations.*
 - *Female/male ratios or differences for other indicators.*

Occupational segregation by sex (percent of non-agricultural employment in male-dominated and in female-dominated occupations and index of dissimilarity) is associated with lower wage rates for women, as typical women's occupations tend to have lower pay, lower status and fewer possibilities for advancement as compared to typical male occupations.

The most common indicator of the level of occupational sex segregation in a country is the index of dissimilarity (ID). It is an inequality statistic whose value must be between 0 (no segregation) and 1 (complete segregation), although in practice national values are found to range from around .35 to around .75 ID. ID does not, however, measure discrimination per se, but only the tendency of labour markets to be segmented on the basis of gender.

More direct measures of impairment in the voluntary choice of employment are indicators that measure the extent to which labour markets are separated into "male" and "female" occupations (that is, occupations whose gender composition is so unbalanced that most people would consider them to be either "male" or "female" occupations). For this reason, it is suggested to also include as decent work indicators the percent of the women/men in female-dominated, male-dominated and gender-dominated non-agricultural occupations (gender dominated occupations are defined as occupations where at least 80 percent of workers are either men or women). Occupational segregation indicators should be calculated for non-agricultural occupations, for both conceptual and practical reason (on the practical side data on agricultural employment, especially for women, are often contradictory). There exist in international practice several approaches to measuring the above indicator.

Female share of employment in managerial and administrative occupations is an important measure of equal treatment in employment, as well as the distribution of women and men across levels of responsibility. One indicator of this is the extent to which women are in positions of authority and decision-making, such as managers and administrative workers. For measurement of this indicator, the ILO suggests to include data that is relative only to women's share of non-agricultural employment to take into account differences across countries in women's overall share of non-agricultural employment. This would be a relative indicator where a value above 1 would indicate that women are over-represented in decision-making positions compared to their average overall participation in non-agricultural employment, and a value below 1 would indicate relative under-representation.

Female/male wage earnings ratio in selected occupations. The principle of equal pay for work of equal value is well established and recognized. It is enshrined in ILO Equal Remuneration Convention (1951) and included as a major element of the ILO Declaration on Fundamental Principles and Rights of Work. However the notion of equal work of equal value tends to be lost in aggregate measures of earnings differentials between men and women especially due to their concentration in different occupations, and economic sectors, along with differences in the number of hours worked. The ratio of women's to men's hourly wage in narrowly defined occupations should provide a reasonable approximation, depending on the extent to which the occupations chosen are heterogeneous.

In Azerbaijan, it is possible to calculate average pay rate on the basis of 1 hour actually worked. Appropriate data is obtained from statistics on enterprises, though it appears impossible to use this source for gender comparisons due to lack of data on disaggregation of this indicator by sex and occupational groups. One opportunity to solve this problem may be integrated approach to utilization of harmonized data in labour force survey. Unfortunately, this opportunity to measure female/male hourly wage earnings rate may be successful only if respondents are sincere in their replies and the information they provide about their wages is reliable.

Female/male ratios or differences for other indicators. To the extent permitted by the available data, all decent work indicators should be disaggregated by sex. A useful measure of the relative position of women is the female/male ratio for some of the more current indicators available for women and men separately, such as rate and average duration of unemployment.

2.8. Safe work

Background

The ILO estimates that globally over 2 million workers die annually from work related fatal injuries and diseases. On average, every day of the year, 5,400 work-related deaths occur. The aggregate cost of occupational injuries and diseases is estimated between 1 and 6 per cent of GDP, with a distribution of the costs between society, enterprises and workers leaning heavily on the latter.

In general terms, safety and health at work is about conditions that preserve and promote the physical and psychological integrity of the worker. The Occupational Safety and Health Convention, 1981 calls for a national policy to “prevent accidents and injury to health arising out of, linked with or occurring in the course of work by minimising so far as is reasonably practicable the causes of hazards inherent in the working environment”. The Employment Injury Benefit Convention, 1964 establishes the principle of employer responsibility for insuring employees for occupational injury. Labour Inspection Convention, 1947 is an important means of enforcement of the principles of national legislation and regulation.

A close relationship can be established between objective conditions of safety and health at work, perceptions of such conditions, and the performance of persons at work. The nature of work as a coordinated set of activities carried out in specified conditions means that all work is exposed to some degree of risk. Risk comes in many forms:

- repetitive tasks,
- long hours,
- exposure to harmful substances,
- noise,
- psychological pressure,
- physical aggression and much more.

The degree of risk varies according to occupations, economic activity, type of establishment, characteristics of workers, and so forth. Preventive measures can take many forms: engineering controls, elimination of hazards, substitution of less hazardous substances or processes, safety and health education, protective equipment, careful design of workflow, and limiting the participation of vulnerable groups (e.g., young workers).

Indicators

The suggested main characteristics of measuring safe work are:

- level of workplace safety in terms of outcome;
- State effort to enforce safe working conditions;
- insurance coverage in the event of occupational injury;

- long hours of work, one aspect of unsafe working conditions.

The ILO suggests for statistical measuring of the above characteristics the following indicators:

Fatal injury rate (per 100,000 employees).

Labour inspectors (inspectors per 100,000 employees and per 100,000 covered employees).

Occupational injury insurance coverage (percent of employees covered by insurance).

In Azerbaijan, data on occupational injuries is included in reports of enterprises. Data on number of labour inspectors, however, is in disposition of the Ministry of Labour and Social Policy of Azerbaijan, while labour inspections' mandate is determined by national laws and regulations and covers enterprises, institutions and organizations of all patterns of ownership.

2.9. Social protection

Background

Adequate social protection is a defining feature of decent work around the world. Exposure to risks and the type and level of protection available differ greatly among societies, even though the need for protection from life risks is felt by persons in all countries. Most countries have introduced some forms of social protection against life contingencies (such as ill health, old-age, unemployment, and disability) as well as for poverty. Yet the ILO estimates that "only some 20 per cent of the world's labour force has access to adequate social protection".

The ILO Constitution recognizes the need for social protection. The Resolution on Social Security adopted by the International Labour Conference in 2001 updates this, and defines social security as a basic human right and a means to foster social cohesion, human dignity and social justice. The Social Security (Minimum Standards) Convention, 1952 established nine classes of benefits:

- medical care,
- sickness benefit,
- unemployment benefit,
- old-age benefit,
- employment injury benefit,
- family benefit,
- maternity benefit,
- invalidity benefit and

- survivors' benefit.

The social security system existing in Azerbaijan covers virtually all above-mentioned dimensions of social protection. However, extent of accessibility to separate dimensions is different for workers with officially registered employment relations. Measuring social protection should aim to capture its three main dimensions for each contingency covered, namely: population coverage (in terms of access, entitlement or contributions), benefit levels (in relative terms), and expenditures.

Indicators

The decent work indicators suggested for social protection stress effective coverage and actual benefit levels for workers and the population, rather than describing statutory and institutional arrangements, which may not have wide coverage in practice and cover at least the following set of social security decent work indicators:

- Public social security expenditure.
- Public expenditure on needs-based cash income support (percent of GDP).
- Beneficiaries of cash income support (percent of poor).
- Share of population over 62 years (women - 57) benefiting from a pension.
- Share of economically active population contributing to a pension fund.
- Average monthly pension

Occupational injury insurance coverage

Total public social security expenditure is a synthetic indicator, which measures the overall public redistributive effort. The indicators are measured on the basis of statistics from national accounts because this information database accumulates data from many sources including social security funds and shows both inputs and utilization.

Thus, accounts of secondary distribution and utilization of income from the point of view of items linked with current transfers of social insurance and assistance include contribution in social insurance and rates of social assistance.

Of interest seems to be existing information on financial activities of insurance agencies as well as on rates of target assistance to disabled persons with low income, population groups in poverty with families and children, and on rates of subsidies granted to cover housing and communal expenses.

Information derived from sampling surveys of households living conditions is useful for measuring the above-mentioned indicators because it serves basis for analysis by groups of utilization of target social assistance by low-income population.

2.10. Social dialogue and workplace relations

Background

An important dimension of decent work is the extent to which workers can express themselves on work-related matters and participate in defining their working conditions. This can be channelled through collectively chosen representatives or involve direct interaction between the worker and employer. The ability of workers to organise freely to defend their interests collectively in negotiations with the employer is a pivotal element of democracy at the workplace and the effectiveness of social dialogue. In a more general sense, social dialogue is any type of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating directly to work and related economic and social policies.

Several key ILO conventions address conditions for and exercise of social dialogue, in particular Convention 1948 on Freedom of Association and Protection of the Right to Organise and Convention 1949 on the Right to Organise and Collective Bargaining. Convention No. 87 establishes the right of employers and workers and their respective organisations to “establish and join organisations of their own choosing without previous authorisation”. This right consists of two elements: first, whether the conditions, particularly legal conditions, are such that the right can be exercised and second, the extent to which this right is exercised in practice. Since these rights should be exercised voluntarily according to ILO Conventions, the existence and exercise of these rights need not necessarily coincide.

Indicators

The following three social dialogue indicators have been selected based in large part on data availability and feasibility.

1. Union density rate.
2. Collective wage bargaining coverage rate.
3. Strikes and lockouts.

In Azerbaijan, the above-mentioned indicators shall be measured on the basis of data derived from reports of enterprises, trade unions’ administrative information and additional information from labour force surveys. In particular, it is planned to analyze on the basis of the latter source such dimensions of social dialogue as:

- right and freedom to organise and bargain collectively;
- the participation of workers in decision-making at the workplace and in workers’ organisations;

- direct employer-employee relations.

2.11. Economic and social context of decent work

Background

It is important to consider the economic and social context within which decent work occurs. Three aspects of the context are considered here:

- socio-economic context which may condition or affect the sustainability of decent work;
- socio-economic performance that the achievement of decent work might affect;
- aspects of employment composition that are needed to measure some decent work indicators.

Indicators

With the exception of the informal economy indicator, only indicators that are available in existing international databases for a wide range of countries are included here.

The following indicators are felt to be particularly useful:

- Output per employed person (PPP level).
- Growth of output per employed person.
- Inflation (consumer prices).
- Education of adult population.
- Composition of employment by economic sector.
- Informal economy employment.
- Income inequality. Poverty.

Output per employed person (purchasing power parity (PPP) level) is labour productivity measured as output (GDP) per employed person. This indicator roughly shows ability of national economy to generate value from labour inputs. Its growth can be thought of as measuring economic growth abstracting from the growth of the labour force (labour input). Low or declining labour productivity is a signal of broad economic difficulties. In a cross-section of economies, much of the variation in labour productivity reflects different levels of capital accumulation and is therefore closely correlated with the level of economic development.

Other influences on labour productivity are also important namely:

- human capital,
- the technical efficiency of production methods that transform inputs into economic output,

- features of the political economy of the country that enhance or inhibit the efficiency of the economy.

The nature of the macroeconomic feedback depends critically on the details of implementation of labour market and social policies for decent work. There is, potentially, feedback in the opposite direction as well: Sound decent work policies can be subverted by unsound policies in broader social or economic arenas. And, establishing the link between decent work and economic growth and performance in different social and economic settings is an important empirical issue that needs to be investigated.

International comparisons of labour productivity require GDP reported in the national currency to be converted to some common basis. The simplest way is to use exchange rates. This approach has serious drawbacks, however, because many goods and services are not traded, and because of exchange controls and high-frequency exchange rate fluctuations. An approach preferred by the ILO is to use purchasing-power parity (PPP) values to make international comparisons, though at present the Goscomstat specialists do not master this method.

On the other hand for comparisons over time for a specific country, it is preferable to adjust output by the appropriate price deflator from the country's national accounts.

Growth of labour productivity in manufacturing is a useful supplement to the growth of economy-wide productivity since manufacturing is an important sector in its own right and there are serious conceptual problems with the measurement of output outside the goods-producing sector.

In Azerbaijan, the above indicators are intended to be measured on the basis of data derived from national accounts and industrial statistics.

Inflation (consumer prices)

The presence of high inflation, regardless of its cause, is a signal that implementation of policies to improve decent work is likely to face an uphill struggle. Measurement of this indicator is based on data of monthly registration of prices and tariffs on the consumer market and data on actual cash expenses of urban population linked with purchases of consumer goods derived from sampling survey of household living conditions.

Education of adult population (adult literacy rate, adult secondary school graduation rate).

Almost everywhere, education provides entrée to more desirable jobs. It also significantly affects labour productivity and therefore economic growth. Education is becoming increasingly important with each passing year and with the increasing pace of technological change. Among the skills and knowledge gained through formal education, the single most important one is the ability to read. Since reading is usually learned and

schooling completed before labour market entry, educational attainment does not measure decent work *per se*, but is a critical part of the backdrop for decent work and the sustainability of progress towards decent work.

To measure the indicators of education rate it is intended to use data on percentage of literate adult population, men and women, and percentage of men and women who completed secondary education. Data for these indicators may be obtained in Azerbaijan either from population census or from labour force survey. The latter source is more preferable because it extends the range of analytical characteristics of decent work by creating opportunity to examine probability of job loss for population with higher and lower education level on the basis of data concerning employment, unemployment and structural features of such indices as employment status and occupation, reasons for and duration of unemployment.

Composition of employment by economic sector (agriculture, industry, services)

Prevalence of decent work in a country is determined in part by the structure of its economy. Certain industries are, by nature, safer, more likely to be unionised and provide higher than average compensation. The indicators selected to represent the broad outlines of a country's economic structure are the shares of employment in agriculture, industry, and services. For example according to international studies:

1. workers in agriculture tend to work on family owned farms and have relatively low incomes;
2. industrial workers are often paid relatively well and are more likely to be union members;
3. labour statistics are likely to be most complete for the industrial sector.

Income inequality (ratio of top 10 percent to bottom 10 percent, income or consumption)

Decent work is intimately intertwined with income distribution and inequality. Decent work is unlikely to be viable where the distribution of economic rewards is grossly unequal, and great inequality can be taken as a sign of socio-political resistance to decent work. The distribution of economic rewards is unlikely to be grossly unequal where decent work prevails and decent work policies are believed to help reduce inequality. The details of the interplay between inequality and decent work in each country require attention to the specific situation of each country, but the broad outlines, both internationally and over time, can be captured in an index of inequality. For assessment of inequality, the ILO recommends to use the ratio of income or consumption of the top 10 percent (ranked by income or consumption) to the bottom 10 percent. In Azerbaijan this statistical data is based on sampling survey of household

living conditions that includes a wide range of indices concerning population's living conditions and welfare, in particular the following indices:

- Cash earnings and aggregate resources of household by decile (10 percent) groups depending on average per capita aggregate expenses rate.
- Structure of aggregate resources of household by decile (10 percent) groups depending on average per capita aggregate expenses rate.
- Distribution of cash earnings by decile (10 percent) groups of population.
- Distribution of aggregate expenses by decile (10 percent) groups of population.

Poverty (percent of population subsisting on less than \$1/day or less than \$2/day)

While decent work for all adults is a valid social objective in its own right, progress toward decent work also contributes to other social goals. In particular, decent work contributes to achieving the UN's Millennium Goal of eradicating extreme poverty and hunger. Noting this linkage is more than a restatement of the obvious connection between earnings and poverty. Beyond earnings, the absence of other aspects of decent work is likely to undermine poverty reduction strategies. For example, unsafe work increases the risk of injury and thus poverty for the entire household. Lack of social dialogue perpetuates poor work relationships. Discrimination and gender equity in the labour market directly increases the poverty rate among female-headed households. Other examples are not difficult to find. The indicators selected by the ILO are the widely used percentages of the population who subsist on less than \$1 per day and less than \$2 per day.

Unfortunately this concept is hardly applicable in Azerbaijan because it is based on a somewhat simplified approach which ignores level of socio-economic relations and established national conjuncture in labour force cost as well as rate and structure of prices in the goods and services market.

At present, the Goscomstat of Azerbaijan takes active measures aimed at improvement of indices system that provide data for integral assessment of poverty in accordance with national methods.

These methods include the following indices for assessment of poverty rate in Azerbaijan:

- poverty line;
- poverty rate;
- depth of poverty;
- aggregate income deficit of population in poverty;
- median income deficit of population in poverty.

Of all above-mentioned indices for poverty measurement most closely in essence to the indicator suggested by the ILO stands the poverty rate index, i.e. ratio of families (households) with consumption (income) rate per person below a certain poverty line. The poverty line is determined in its turn by income rate below which it is impossible to satisfy basic needs. The cost definition of poverty line is the basis for classifying persons as belonging to population group in poverty.

Informal economy employment (percent of non-agricultural and urban employment).

A now almost traditional classification for employment is the formal/informal distinction. That the 2002 International Labour Conference took up the informal economy as one of its main agenda items is indicative of the visibility of, and concern about, the informal economy. This is not surprising, since informal economy employment is often associated with the absence of various characteristics of decent work such as low pay and absence of social protection. Given the importance laypersons and labour market specialists in developing countries attached to the informal economy, it makes sense to include employment in the informal economy as a decent work indicator. On the other hand, an informal economy indicator does not provide much value-added for measuring decent work in the sense that the characteristics of informal economy employment associated with not decent work should already be captured by the other suggested decent work indicators.

The 15th International Conference of Labour Statisticians in 1993 adopted a resolution on employment in the informal economy. According to a report prepared by the ILO Bureau of Statistics, this resolution defined employment in the informal economy as consisting of jobs in informal economy enterprises. The latter is defined on the basis of the following criteria:

- enterprises are private and unincorporated,
- at least some of production is meant for sale or barter,
- enterprise size is below a threshold,
- enterprises are not registered under national legislation,
- for practical reasons, enterprises are engaged in non-agricultural activities.

This is a complex set of criteria for defining the informal economy, and partly for this reason national methods of definition of employment in the informal economy in Azerbaijan differ.

The informal employment sector comprises all persons employed in non-registered enterprises which according to their size (in number of employees) form part of the household sector.

Sample surveys show that average size of a household in the country is 4,42 persons (in urban areas 4,16 persons, in rural areas 4,76), and experts of the ILO Bureau of Statistics established empirically and maintain that the number of employees in the informal economy enterprises should not exceed 5 persons.

To determine overall size of employment in informal economy the number of persons employed in informal economy enterprises is categorized in the following way:

- by main workplace;
- by supplementary workplace;
- by the overall rate of employment in informal economy (without double recording those persons who are employed in this sector both in the main and supplementary workplace).

Keeping in mind specific features of agricultural development in Azerbaijan, data on informal economy include these activities only if they are of market character. Unfortunately, for the reason of low sincerity of respondents, data concerning development of nonagricultural activities are not sufficiently reliable. For this reason, analysis of the given dimension of factor analysis of decent labour shall cover all employed citizens who are included in informal economy sector according to national concept.

Part 3. Assessment of current conditions on Azerbaijan labour market

Recent statistical data show that in 2002 production of the Gross Domestic Product (GDP), which measures level of national economic growth, exceeded 2,8 times that of 1995. Per capita GDP production amounted to 3,7 million manats, thus exceeding 2,6 times the 1995 level.

Major social and economic indicators

Indicators	Measurement unit	1995	2002	Ratio 2002/1995 (%)
GDP production	billion manats	10669,0	29602	2,8 times
Per capita GDP production	manats (in ,000)	1410,3	3676,5	2,6 times
Per capita income	manats (in ,000)	886,0	2629,0	3 times
Monthly mean wage of employed, total	manats (in ,000)	62,5	315,2	5 pa3
Population size (end of the year)	persons (in ,000)	7726,2	8202,5	106,2
Labour force	persons (in ,000)	4227,8	4896,2	115,7
Labour force participation rate of working-age population	persons (in ,000)	4068,0	4740,6	116,4
Economically active population	persons (in ,000)	3641,3	3777,5	103,7

Indicators	Measurement unit	1995	2002	Ratio 2002/1995 (%)
Population in employment, total, including	persons (in ,000)	3613,0	3726,5	103,1
public sector	%	56,1	32,3	
private sector	%	43,9	67,7	
Women in employment, total	persons (in ,000)	1633,1	1778,5	108,4
-their share in total number of employed	%	45,2	47,6	
Number of wage earners, total	persons (in ,000)	1572,0	1201,5	76,7
-share of women	%	45,2	45,7	
Number of registered unemployed persons, total	persons	28314	50963	1,8 times
-share of women		16903	27875	1,6 times
Registered unemployment rate, total	%	0,78	1,35	
-share of women		1,02	1,48	
Number of pensioners, total	persons (in ,000)	1227	1285	104,7
including:				
- disability		174	199	114,4
- old age		768	743	96,7
- survival		147	136	92,5
- social /long service pensioners		138	207	150,0
Monthly mean pensions rate, total	manat	17314	88493	5,1 times
including:				
- disabled				
- old age		16139	101210	6,3 times
- survival		19201	92877	4,8 times
- social pensions/long service		13227	73715	5,6 times
		10038	66791	6,6 times
State budget expenditures, total	billion manats	2141,9	4658,6	2,2 times
including:				
social and cultural activities comprising:		756,4	2248,1	3 times
- education		375,8	952,5	2,5 times
- culture and mass media		45,1	105,2	2,3 times
- health		148,3	224,1	1,5 times
- the Social Protection Fund expenses		182,7	951,2 ¹	5,2 times
¹ Growth of the Fund's expenses is partly explained by merger of Employment and Disabled Persons Funds.				

Aggregate employment remained sufficiently stable in the country, i.e. 3703,0 thousand persons in 1990, 3714,6 thousand persons in 1993 and 3726,5 thousand persons in 2002. At the same time, there was no reduction in employment proportional to decline in production. This was achieved through measures aimed at withholding labour force at workplaces. Enterprises have adjusted net wages and working time and provided their employees with un-

paid leaves, which resulted in withholding dismissals instead of reduction of number of workers in employment.

Employment of refugees: At present only one third of forced migrants in working age are employed. Low mobility, insufficient qualification levels, lack of workplaces corresponding to their previous qualification and economic opportunities for creation of new workplaces aggravate employment problems for this group of population. In order to better target this group of population special programmes aimed at searching solutions to their problems are adopted on a regular basis, and now the issues of refugees and forced migrants are among the priority problems of social and economic development of Azerbaijan.

As of July 1, 2003 number of **unemployed persons officially registered with employment services** amounted to 53,0 thousand, including 53,9 percent of women, 44,4 percent of youth aged up to 35 years, 61,9 percent of person with university, special secondary and vocational training.

As of January 1, 2003 the State employment services granted the **status of unemployed** to 51,0 thousand persons that makes 1,35 percent of economically active population in the Republic. However, in individual regions of the Republic the official unemployment rate is considerably higher than the national average. Thus in such towns as Bard it reaches 13,5 percent, Hojavend – 12,1 percent, Naftalan – 10,0 percent, Agdam – 9,5 percent and in Nakhichevan AR - 7,3 percent.

Surveys show that as of the first week of June 2003 total share of persons in economically active population who do not have work or income generating occupation, actively seeking and available for work and who are classified according to the ILO methodology as unemployed amounted to 10,7 percent or 404,7 thousand. It appears from surveys that share of unemployed men in economically active male population amounted to 9,6 percent while the similar rate for women was 12,2 percent. It should be noted that urban unemployment rate twice as high as in rural areas and reaches 14 percent, while in rural areas it does not exceed 7 percent. From a survey of unemployed, it appears that 65,2 percent of first-time jobseekers are unemployed, and school graduates constitute 72,0 percent in of this figure.

Category of unemployed with work experience is distinguished by a high rate of workers dismissed due to redundancies in enterprises (18,8 percent in total number of unemployed) and workers who quitted enterprises on their own initiative (2,8 percent).

It appears from surveys that 4,3 percent of unemployed are seeking jobs by means of registration at public employment services, 41,2 percent by seeking assistance of friends and

relatives, 11,4 percent by placing or answering newspaper advertisements and 5,6 percent by applying directly to administrations of enterprises and organizations or to employers.

Longer periods of job search prove that conditions at the labour market are unfavorable. According to data available for 2001, 60 percent of registered unemployed remained in registration lists over one year whereas in 1997 there were 28,4 percent of such persons; among women, this figure amounted respectively to 69,5 and 32,6 percent. It should be pointed out that labour force demand has changed. Thus, while in 1997 there were 4 unemployed per one registered vacant workplace, in 2002 there were 9 **unemployed per one vacant workplace**. In most cases, these vacant workplaces were in social sector with low wages.

During the entire period of 1990-2002 pressure on Azerbaijan labour market was strengthening. This period saw growth of economically active population, which exceeded that of the population in general, while working-age population was growing more rapidly than the number of persons at work, and number of registered unemployed has increased significantly.

Education seems to an important factor though university diploma does not provide any advantage at official labour market, which is proved by the fact that nearly 60 percent of jobseekers look for vacant workplaces in the fields of education and health, social and communal services where the university and full secondary education is required, while 60 percent of those who received jobs through employment services are workers without profession or qualification. It follows from this statement that employment services are incapable to assist educated population in job search.

The survey shows that number of persons with full secondary school education is rather high – 69,2 percent. Rate of unemployment of vocational colleges graduates in total number of unemployed is the lowest – 4,1 percent, while that for secondary professional training school graduate is 8,6 percent, and for persons with university diploma it amounts to 8,3 percent. These data prove that the higher and professional training education system should be adapted to the needs of the labour market.

3.1. Employment opportunities

The decent work concept implies creation of conditions that favor professional advancement of workers and promote opportunities for them to obtain freely chosen work.

A survey of economic activities of population in the age group of 15 years and above shows that as of the first week of June 2003 economically active population made a total of 3782,5 thousand persons (in 2002 – 3777,5 thousand) including 3690,1 thousand persons or

97,7 percent in working age. In economically active population share of women in working age amounted to 42,2 percent and for men to 57,8 percent.

Women's economic activity rate was significantly lower compared with men and amounted respectively: in the surveyed population for the age group of 15 years and above—51,1 against 75,6 percent while in the working age group respectively 59,5 against 83,6 percent from the total number of male population in the same age groups. This disparity in economic activity rate for women and men was 24,5 points for population in the age group of 15 years and above, and 24,1 points for working-age group.

Analysis of ratio between economic activity rate of women and men, by age groups, shows that in working-age population the largest disparity is observed among youth of 15-19 years old (16,8 points) and 25-29 years old (16,2 points). Such phenomenon may be objectively explained by the fact that for women this is the age of peak fertility; according to demographic statistics, in 2002 median age of mothers with newborn babies was 25,6 years.

Comparisons of structure of population aged 15 years and above by education level show that men have relatively higher education level than women. Men have also higher rate of economic activity than women. Thus, the share of persons with university diploma in the total number of population in the above-mentioned age group is for women 3,8 and for men 5,3 percent. Economic activity rate for women with university education is lower than for men (51,1 against 75,6 percent, respectively).

The following table shows structure of economically active population in 2002 by sex and place of residence:

	All population aged 15 years and above	By sex	
		women	men
Economically active population			
aged 15 years and above, thousands			
2001	3763,4	1796,6	1966,8
2002	3777,5	1806,4	1971,1
Economic activity rate, %			
2001	77,0	66,3	77,5
2002	77,2	65,4	76,0
Persons in work, thousands			
2001	3715,0	1770,0	1945,0
2002	3726,5	1778,5	1948,0
Employment rate, %			
2001	70,8	65,3	76,6
2002	69,6	64,4	75,1
Unemployed persons, thousands			
2001	48,4	26,6	21,8
2002	51,0	27,9	23,1
Unemployment rate, %			
2001	1,3	1,5	1,1
2002	1,3	1,5	1,2

Economically inactive population

aged 15 years and above, thousands

2001	1127,1	-	-
2002	1118,7	-	-

Employment rate of population aged 15 years and above has increased during 2002 by 11.5 thousand persons or 0.3 percent and reached 3726.5 thousand persons or 69.6 percent of the total population in respective age group. According to a economic activity survey of working-age persons, the employment rate accounted for 89.1 percent and was higher for respective age group of men than women (90.2 against 87.5 percent, respectively) as well as for employed rural population (92.9 percent) in comparison with urban population (85.7 percent).

Employment growth in Azerbaijan was caused by increase in number of employed in nonpublic economy where size of employed raised by 5.5 thousand (by 2.4 percent). Simultaneously continued the process of reduction of employees at enterprises, institutions and organizations in public economy (by 48,0 thousand persons or 3.9 percent). Calculations by industries show that the highest rise in employment took place the following economic sectors: agriculture (13.0 thousand or 0.9 percent), manufacturing industry (5.6 thousand or 3.4 percent), construction (23.0 thousand or 14.8 percent), education system (11.9 thousand or 3.8 percent), and health services (3.6 thousand or 2.1 percent). Reductions in number of employees were observed in energy, gas and water supplies (by 2.7 percent), in the public administration system (by 0.8 percent) and in trade (by 7.2 percent).

These processes accompanied by consequences of the seasonal employment growth in private farms led to redistribution of employed population by employment status. Thus, number of persons in self-employment has increased while number of wagedworkers has somewhat decreased.

In fact, size of the latter category of workers has declined during the last year by 3.0 percent while number of self-employed workers has increased by 3.3 percent mainly due to persons who work at personal subsidiary plots and employees of physical persons, both registered and unregistered. Reforms of property relations in agriculture carried out since 1990 caused decline in number of employees in agricultural enterprises by 87.6 percent or 302.2 thousand workers. Such decline was not observed in other economic sectors. Among population at work, every second citizen worked in agriculture, every sixth in trade and only every fifteenth in industry.

Unfavorable market conditions caused by imbalance in labour force supply and demand continued in 2002 in spite of relative rise in number of vacant workplaces and vacancies which the employment centers should fill in by formal demand from legal persons. Thus, last

year number of vacant workplaces has increased and reached 5.7 thousand. Labour force supply at the national labour market has largely exceed demand.

Annual average data derived from 2003 labour force survey show that unemployment (determined according to the ILO methodology) touches equally working age women and men. It appears from the survey that unemployment rate for women determined according to the ILO methodology did not exceed 12.2 percent in June 2003, whereas for men in working age it was 9.6 percent. Women more frequently ask for assistance in placement than men.

According to information from the public employment service, there were 54.7 percent of women in total number of persons with status of unemployed by the end of 2002 while the number of unemployed determined according to the ILO definition (both registered and those who are seeking work individually) was almost the same, i.e. 48.0 for women and 52.0 percent for men.

These data lead to conclusion that unemployed women need greater public assistance in their placement than men, or in other words, they rely less on their own efforts in job seeking.

Danger to remain jobless after restructuring, downgrading or closing down of enterprise (i.e. for economic reasons) is greater for women than men. And due to women's lower competitiveness in labour market consequences of such situation are more serious for women.

According to the public employment center the main reason for lack of work for both women and men are dismissals for economic reasons and on their own initiative. In this connection share of registered women dismissed on economic reasons was lesser than that of men as shown in the following table:

(As of January 1, 2003)

	Registered persons, thousands	By sex, percentage	
		women	men
Total number of registered unemployed	51.0	54.7	45.3
Persons in the total number of unemployed who were jobless for up to 1 year for the reason of nor being employed			
- released on economic reasons;	8.7	16.3	18.2
- dismissed on their own initiative;	16.2	31.2	32.3
- Graduates of educational institutions.	25.3	52.5	46.0

In recent years, there appeared a negative trend towards reduction in placement of women. Thus, while in 1995 women's share in total number of workers placed by public employment centers reached 43.2 percent, in 2002 it declined to 41.3 percent.

Comparisons of data on unemployment duration of persons registered by employment service show, that probability to find a job with assistance of an employment service is higher than individually. Thus, in 2002 average length of unemployment period was 16.3 months while for unemployed (defined as such according to the ILO methodology) this period was shorter – 15.6 months.

Public employment services organize **labour fairs** in all regions of the country. **Labour exchanges** are established in Baku, Sumgait and Ganja.

Throughout the period of their existence (1992-2002), employment services:

- **found jobs for 220 thousand persons,**
- **employed 27.9 thousand persons for paid public works,**
- **organized training courses for 19,7 thousand persons.**

This totals to 270 thousand persons during the ten-year period. According to 1999 population census, there were 552.6 thousand unemployed in 1999 while according to population economic activity survey carried out in Azerbaijan in May-June 2003, this figure declined to 404.7 thousand.

In 2002, Employment Services have amplified their efforts and provided training within its occupational training system to 2321 unemployed workers thus exceeding 1,5 times the 2001 level. This number comprises 53 percent of women, 73.5 percent of youth and 20 percent of refugees and forced migrants. As in previous years, special attention was paid to those who joined training courses for the first time (86.5 percent).

Unemployment both registered and determined according to the ILO methodology was caused by the following main reasons: dismissals on one's own initiative, economic redundancies and lack of jobs for graduates. Data derived from economic activity survey suggest that in most cases dismissals on one's own initiative were caused by low wages and salaries. Similarly, it is mainly low level of competitiveness of unemployed youth in the labour market that cause difficulties this group of economically active population faces in getting employment after graduation. For middle age persons the most dangerous situation is that of economic redundancies while for persons beyond working age it is their age and disability of 1 and 2 categories.

Interesting to note the fact that according to survey by July 1, 2003 there were 129 thousand unemployed working age persons who ceased their search being disappointed to find any job, or 3.4 percent of economically active population. It should be kept in mind that in accordance with recommendations of international organizations person who ceased active search of jobs for the above-mentioned reasons may also be considered as unemployed. Among these disappointed persons, every second (67.7 percent) has never worked before, and chances to find a job individually are very low provided that employers' requirements to qualification and occupational experience of their employees become very high. Thus, even data of the public employment services show that pressure of unemployed population on a single vacant workplace where no special training is required is extremely high (9 persons per workplace). In general, as it appears from official data for 2002, the highest interest in qualified workforce showed employers in manufacturing industry, education system and health services.

3.2. Adequate earnings, productive work and decent hours

Wages and salaries constitute the main source of income for employees and ensure their well-being. 21.0 percent of the 2002 GDP were allocated for workforce maintenance; out of this 73.8 percent were provided for remuneration of labour force. Net wage, which determines purchasing power of nominal wage influenced by changes in prices of goods and services, is one of the most important indicators of living standard and decent labour. In 2002, there was 18.0 percent annual average growth rate of net wages (in 2001 –15.6 percent).

In 2002, a salaried worker's monthly average wage exceeded subsistence minimum of persons at work (120.0 thousand manats) by 1.6 times to reach 315.4 thousand manats. Compared with 2001 this index has grown by 21.3 percent. Statistical observations show clear growth of wages in 2002 (20.2 for 2000, 17.3 for 2001 and 21.3 percent 2002 –compared with the last year).

Gap in remuneration between women and men continues to exist. In Azerbaijan, women enjoy equal rights to work and to equal remuneration with men, however wages for women are still lower than wages for men.

National labour legislation covers equitably the entire population without discrimination by sex, though in 2002 women's wages were lower than that of men both in public and informal economies. Thus, in petroleum-and-gas production women's wages were 52.0, in chemical industry 55.0, in oil-refining 66.0, in air transport 68.0, in communications 89.0, in health services 54.0 and in education 78.0 percent of men's wages. Woman, even working in

various economic sectors, bear the main responsibility for home and care in her family. This results in double responsibility and double pressure for women.

Wage growth is linked largely with growth of median wages and salaries in petroleum-and-gas production and construction industry, financial intermediation services, in real estate activities, in trade and in hotels and restaurants. In private economy, wages and salaries are three times higher than that of employees in public sector.

Wage differentiation in various economic activities continues to be striking. Median wage of employees in petroleum-and-gas production (1290.4 thousand manats) was 14.4 times higher than median wages in agricultural enterprises (89.9 thousand manats). This almost equals the 2001 ratio. Wages and salaries of workers in medical services did not exceed 28.5, in educational institutions 53.6, in administration organs 82,7 percent of national average wages and salaries.

Wage growth changed the structure of workers distribution by wage sizes. Thus, share of workers with wages under subsistence minimum went down from 46.9 percent in 2001 to 39.6 percent in 2002. Such workers concentrate mainly in agriculture, fishing, education and health.

Share of high-paid employees raised from 9.9 in 2001 to 17,5 percent in 2002. At the same time in 2002 wages of 10 percent of workers remained within the subsistence minimum limit. The latter workers concentrated mainly in health services and educational institutions and in the field of other communal, social and personal services.

Wages of production workers depend on their performance. For this reason they directly depend on effectiveness of labour force utilization and efficient use of working time. In 2002, certain positive shifts were observed. Thus, analysis of the structure of workers distribution according to wage sizes showed that in comparison with 2001 number of employees with high wages (400.0 thousand manats and higher) has increased in 2002 in petroleum – and-gas production by 2.6 percent, in manufacturing industry by 3.6 percent, in construction by 7.5 percent, in wholesale and retail trade by 44.1 percent, in transport by 6.2 percent, in financial intermediation services by 31.4 percent and in real estate activities by 4.0 percent.

Existence of labour force utilization and of workplaces in excess is proved also by the fact that number of employees who completely worked out all working hours established for 2002 does not exceed 86.2 percent from the average number of salaried workers for the same year. In means that in 2002 every second worker in the country (particularly in industry) failed to work full working year both for valid and economic reasons.

Remuneration includes payment both for time worked and time not worked but paid (annual and additional leaves, educational leave, partial payment of standby time, etc.). In 2002, share of such payments in payrolls accounted for 4.6 percent in entire economy, 2.5 percent in agriculture, 8.4 percent in transport, and 11.3 percent in education. Cost of one hour worked was 2.8 manats in 2002 against 2,5 manats in 2001.

In 2002 continued the process of reduction of persons working under conditions of forced part-time arrangements. In 2002, 36.3 thousand persons were on forced leaves of various durations or one third less than in 2001. Majority of such workers were concentrated in industrial enterprises (24.5 thousand). Number of persons working part-time declined last year by 85.2 percent in national economy and was brought down to 1.2 thousand.

Employment growth has equally changed pattern of working time and efficiency of its utilization.

There was a positive tendency in 2002 towards reduction of working time losses caused by absenteeism for various reasons. In 2002, 54092.2 thousand man-hours (or 2.3 percent of total working time fund) were thus lost against 78837.8 thousand man-hours (or 3.3 percent) lost in 2001.

Thus, analysis of statistical data shows that last year there were positive shifts in remuneration and utilization of working time. First, nominal and net wages continued to grow in comparison with 2001 (by 21.3 and 18.0 percent, respectively). Secondly, forced part-time arrangements and working time losses for economic reasons went down. However, wage differentials in various economic activities and between regions remain considerable. This calls for improvements in policy of remuneration on regional and sector levels.

3.3. Stability and security of work

In economy of Azerbaijan, mobility of labour force remains very high. It remained almost unchanged during the last two years and continued to be within annual limits of 177.2 – 178.2 thousand workers (total number of those who were employed and those who dismissed). In 2002, labour force mobility rate was high in construction (every second was employed or dismissed), manufacturing industry, transport, and education. Labour force turnover was insignificant in trade, agriculture, education, administration and in financial services.

In 2002, rate of workers departures was equal to rate of employment throughout the national economy. In all economic activities rate of workers departure exceeded rate of their employment, with the exception of agriculture, construction, trade, financial services, real estate activities, public administration and education. This phenomenon caused annual decline of labour force size in medium and large enterprises. In 2002, excess of labour force departure

over employment (outflow of labour force) was especially significant in petroleum–and –gas production, manufacturing, energy, gas and water supply enterprises, hotels and restaurants, and transport.

Departures of vast majority of workers in Azerbaijan were caused in 2002 by labour force turnover (71 percent from total number of dismissed workers) while reductions of staff caused only 11 percent of departures.

High rate of dismissals in the total number of departures due to staff reductions is observed in agriculture – 30.9 percent, in manufacturing industry – 10.1 percent and in public administration – 24.5 percent, while labour force turnover caused departures in energy, gas and water supply enterprises, in construction, trade, hotels and restaurants, health services and social assistance bodies.

It appears from survey that number of persons aged 15 years old and above seeking main or additional workplace tends to grow. According to survey, number of such persons reached 868.4 thousand or 25.7 percent of the total number of employees. In this category, 21.3 percent of persons were seeking another main workplace and the rest of them were looking for another occupation. Interesting to note that number of men seeking another main or additional workplace exceeds more than by one-third a similar number of women. Here again the main reason for changing workplace or searching additional income was low remuneration rate.

3.4. Balancing work and family life and fair treatment in employment

Objective facts show that notwithstanding the vital role women play in public and economic life of Azerbaijan, their labour potential was still underutilized. At the same time, aggravation of competition in the labour market produced negative effect on gender balance and undermines women's economic activity.

The breakdown by sex of the total number of employed in national economy in 2002 is as follows: women – 1778.5 thousand (47.7 percent) and men – 1948.0 thousand (52.3 percent). There are however significant differences from one economic sector to another. Men traditionally work in more sophisticated sectors, particularly in agriculture, forestry and fishery, in industry, construction and transport. Traditionally “male” occupations are considered those in mining industry (77.4 percent of the total number of employees working in this industry), manufacturing industry (64.9 percent), energy, gas and water supply enterprises (79.6 percent). Women are occupied mostly in tertiary sector, i.e. in financial services (32.6 percent), hotels and restaurants (37.1 percent), real estate activities and trade (46.3 percent), education system (69.5 percent), and health and social assistance services (75.8 percent).

In 2002, the highest monthly average wages and salaries were paid in occupations where “male” labour was predominant: petroleum–and–gas (1290.4 thousand manats), construction (545.1 thousand manats) and trade (460.2 thousand manats) enterprises.

It should be kept in mind, that size of a salary normally depends on labour contribution in outcome of work efforts, on post, education and qualification levels, etc. The problem is that women prefer to occupy less prestigious posts with lower pay notwithstanding their high qualification and educational level. Largely this may be explained by the fact that national laws and regulations prohibit to use women’s labour in arduous and dangerous works. Men employed in such works receive benefits and compensations that modify accordingly their remuneration.

In spite of the fact that ratio between women and men in employment shows that they are virtually equally represented in all sectors of national economy, men are given preference in learning new occupations. This is also linked with the fact that training means acquisition of new skills more complex and difficult which are specific of male labour.

3.5. Safe work

Creation of safe conditions at work is aimed at ensuring effective utilization of potential of the economically active population by providing such working environment that preserves health and life of workers. If such conditions are absent, the State must ensure social protection of workers in case of partial or full incapacity for work as well as social insurance for family members and dependents in case of occupational accident leading to death of the victim.

It appears from statistical reports presented in 2002 by industrial, transport, communication and construction enterprises, that 24242 persons (comprising 19.3 percent of women) worked in hazardous conditions. 7250 workers (18.0 percent of women) were exposed to such hazards as excessive levels of noise, infrasound and ultrasound; 9353 workers (23.8 percent of women) were exposed to dust mostly of fiber nature; 3725 workers (comprising 6.9 percent of women) were exposed to vibration. Majority of workers who were exposed to conditions breaching statutory health standards are concentrated in industrial enterprises. Share of such workers in total number of employees in this sector amounted to 11.8 percent (8.6 percent of women); in construction – 2.3 and 0.2 percent; in communication – 2.2 and 1.5 percent; and in transport – 7.0 and 3.4 percent, respectively.

In total number of workers exposed to hazardous conditions, every fifth was woman (19.3 percent).

Work in hazardous conditions leads to occupational injuries. In Azerbaijan, occupational injuries rate per 1000 workers was 0.2 men in 2002.

In Azerbaijan, occupational injuries caused death of 59 workers in 2002.

Normal functioning of labour market requires that the State ensure social and economic protection for all workers in case of exposure to hazardous workplace factors detrimental for their health.

Enterprises bear additional expenses caused by the necessity to provide workers with benefits and compensations for work in hazardous conditions, such as additional leaves in accordance with lists envisaged in collective agreements, free food (including milk), introduction of part-time working week, higher wage rates, and additional payments for working conditions and higher performance.

In 2002, 28.6 thousand workers became liable at least to one of the above benefits and compensations including in industry – 20.1 thousand, in construction – 1.8 thousand, in transport – 6.3 thousand and in communications – 0.4 thousand. From the total number of workers receiving such benefits and compensations 21,4 percent were women liable at least to one of the benefits and compensations. These workers appear to prefer mostly additional leaves, part-time arrangements and supply of free milk and other food.

Moreover, 4.8 percent of persons working in hazardous conditions preferred to receive pension on preferential terms.

1999 Labour Code envisages compulsory insurance of workers, but this provision has never been applied. For this reason there does not exist any public programme of insurance against occupational accidents and illnesses. It is envisaged that employers should pay cash compensations to workers in cases of occupational accidents and illnesses. This state of affairs resulted in emergence of certain difficulties for victims of occupational accidents or illnesses who worked in companies that are now insolvent or in the process of dissolution. During 1998– 2002, the Government has examined 1200 cases that concerned provision of State assistance. According to data from labour inspection bodies, in January 2002, there were 7674 (including 1282 women) beneficiaries of State pensions on disability caused by occupational accidents and/or illnesses. Ministry of Labour and Social Protection of Population examines now measures to remedy the present situation. Moreover, in collaboration with the ILO the Ministry of Labour and Social Protection of Population elaborates measures to secure safe and healthy working conditions which if adopted should bring down number of occupational accidents and illnesses.

3.6.Social protection

Data derived from poverty assessment carried out by the World Bank in 1999, show that 60 percent of population in the Republic is classified were qualified as poor because their real food expenses were below the cost of a standard basket. 20 percent of surveyed household were classified as being in extreme poverty because their food expenses were below half the cost of food basket. Poverty rate of forced migrants was considerably higher – 75 and 35 percent respectively of their total number.

Starting from 2002, the State Committee of Statistics carries out new surveys of household budgets. The surveys cover 2200 households quarterly in all economic zones of the Republic. Survey outcomes for the first year in a new format served basis for poverty rate analysis, which was subsequently used for preparation of a Programme. Here for indicator of well-being was taken overall size of consumer expenses per 1 person, and 2 poverty thresholds are applied.

First poverty threshold is absolute and equals to 120.0 thousand manats (25.8 US\$) per 1 person. This threshold is based on the cost of food in a minimal consumer basket providing daily 2200 calories. Food constitutes 70 percent in this minimal consumer basket. Data derived from household budgets surveys show that this corresponds to actual weight of food in the structure of households' consumer expenses. By applying this poverty threshold it was determined that in general the poverty level in the Republic accounted for 49 percent in 2001. **Second poverty threshold** is a relative limit and it makes 60 percent of mean per capita consumer expenses level. For 2001, this limit is determined at 72.0 manats (15.5 US\$). It is possible to determine with this threshold poverty rate of the poorest groups. In 2001, it accounted for 17 percent.

Poverty rate, by categories of population

Categories of population	Poverty rate Absolute poverty Threshold, 120,0 thousand manats (25,8 \$)	Poverty rate Relative poverty threshold, 72,0 thousand manats (15,5 \$)
Total population	49 %	17 %
Urban areas	55 %	20 %
including:		
large cities	54 %	18 %
Small cities	58 %	24 %
Rural areas	42 %	13 %
Men	48 %	16%
Women	50 %	17 %
0-15 years old	52 %	18 %
16-29 years old	50 %	17 %

30-39 years old	50 %	18 %
40-49 years old	48 %	15 %
50-59 years old	45 %	14 %
Above 60 years	44 %	15 %

Analysis of data derived household budgets survey leads the following conclusions:

- poverty rate in families living in urban area (55 percent) is higher than poverty rate in families living in rural area (42 percent). In small cities poverty rate is slightly higher than the poverty rate in large cities (58 and 54 percent respectively. Poverty rate in the capital corresponds to median national poverty rate;
- risk of poverty aggravates with the family size. For example, for a family with 6 members (poverty rate 61 percent) risk of poverty is considerably higher than for single parent family or family of two members (poverty rate 8–18 percent). For families without children poverty rate (38 percent) is also below median national poverty rate;
- for children 1– 15 years old poverty rate is higher than for adults of 60 years and above – 52 and 44 percent respectively;
- gender factor does not have significant impact on poverty rate because poverty rates for women and men are almost equal – 50 and 48 percent respectively. Poverty rate is invariably 49 percent for families with woman or man as heads of family;
- for families where head has university education poverty rate does not exceed 42 percent whereas for families where head has education below secondary school level poverty rate is 54 percent;
- poverty rate for refugees and forced migrants was particularly high – 55 and 63 percent respectively.

The survey shows particularly large **disparities between incomes of the poor and the rich**. In 2001, 10 percent of the poorest category of population (first decile) spent on consumer goods and services 49021 manats whereas 10 percent of the richest categories of population (tenth decile) spent on consumer goods and services 482879 manats, in other words there was 9.8 times disparity. Income disparity per 1 person between the first and tenth deciles was 10.7 times. It should be noted that in 1994-1995 the income disparity between the richest and the poorest categories was 7.1 times while in 1996 – 8.1 times.

It appears from analysis of **income structure** that incomes derived from entrepreneurship were raising while incomes derived from wages and salaries were declining in recent

years. Thus, in 2002 63.3 percent of incomes were derived from entrepreneurship against 58.6 percent in 1995. For the same years share of incomes derived from wages and salaries accounted for 15.2 and 22.6 percent respectively. Unfortunately, social transfers that normally alleviate consequences of transition period have also declined, and its share in overall incomes reduced to 6.8 percent in 2002 against 8.4 percent in 1995.

Analysis of preliminary data on nonrecurring statistics of distribution of workers for entire November 2002 by various economic sectors and by remuneration shows that for 44.6 percent of workers wages were below 120.0 thousand manats, i.e. under the absolute poverty rate as determined by the State Poverty Reduction Programme.

In selected economic sectors such as fishing, agriculture, health, social, communal and other services the number of workers remunerated during the same period at the level below poverty line was even higher (70-90 percent). It is clear that these data reflect wage distribution by wage size of employees only, who constitute 1/3 of overall number of people employed in economy, moreover this category of workers belong to the public sector financed from budgetary allocations.

Cash per capita incomes reflecting living standard have grown 3 times in 2002 compared with 1995, monthly average wages and pensions have grown during the same period 5.0 and 5.1 times.

The Government regularly revises minimum wage rate. From September 1, 2003 the minimum wage rate was raised from 27500 to 45000 manats, while from January 1, 2004 minimum wages were brought up to 60 000 manats. It was proposed to pursue progressive rise of minimum wage rate to bring it closer to the minimum consumer budget. Ageing of population constitutes one of the major demographic factors that will have negative impact on economic situation in the country. **Pensioners constitute a large group in the category of vulnerable population.** As of January 1, 2003 there were 1285.0 thousand pensioners in the Republic or **nearly ever seventh citizen.** Total ratio between number of pensioners and population at work was 34.5 percent. Pensioners constitute one of the poor categories of population in the Republic.

In the first quarter 2003 average size of pensions did not exceed 95.4 thousand mantas, including:

- old-age benefits – 94.6 thousand manats;
- invalidity benefirs – 101.8 thousand manats;
- survivors' benefits – 73.6 thousands manats;
- long-service pensions – 84.0 thousand manats; and

median social pensions – 73.1 thousand manats.

It appears from the above figures that **average size of pensions for all categories of pensioners was below the absolute poverty threshold** determined as 120.0 thousand manats, and by type of pensions such pensions as survivors' and social benefits (beneficiaries account for 27 percent of total number of pensioners) mean rates were near 72.0 thousand manats, i.e. near the relative poverty threshold that determined the poorest groups of population.

Still there were some positive shifts in the field of retirement insurance. In 2002, certain urgent measures were taken that resulted in ensuring funds for improvement of pension rates. During the year, average rates of pensions paid to relief beneficiaries were raised by 20.0 percent.

There are, however, some problems in the retirement insurance system that remain unsolved, viz:

low rates of pensions paid;

absence of links between pension rates, seniority and pensionable remuneration rate;

absence of social guarantees for workers who have chosen simplified taxing system as it is impossible to provide them with individual calculation of their contribution in the retirement and social insurance schemes.

Forced migrants constitute a large group of socially vulnerable population. In addition to the above family benefits every forced migrant (and there are about 700 thousand in the Republic) receives monthly from the State 2500 manats as food allowance.

Benefits paid by the State

Types of benefits	Unit of measurement	1995	2002	Ratio 2002/1995, %
Lump-sum maternity benefit				
- number of beneficiaries	,000 persons	105.3	94.2	94.6
- sum of payments	million manats	1688.1	6519.0	3.8 times
Childcare benefit for child up to 3 years old:				
- number of beneficiaries	,000 persons	113.3	26.4	23.3
- sum of payments	million manats	10082.3	4361.1	43,2
Benefit to poor families with children up to 16 years old				
- number of beneficiaries	,000 persons	2186.0	1605.4	73.4
- sum of payments	million manats	40903.5	169159.9	4.1 times
Funeral benefit:				
- number of beneficiaries	,000 persons			

-	sum of payments	million manats	16.5 250.2	46.0 10799.5	2.8 43.2 times
Total payments			billion manats	53.9 190..8	3.6 times

Closed attention is paid to **maternity protection**. To prevent discrimination of women on the basis of maternity, measures are taken to ensure maternity protection, e.g. maternity leave, introduction of special conditions for pregnant and nursing women such as breaks for nursing, special working arrangement at workplace and prohibition to work at night. In accordance with national labour laws and regulations, women at work receive depending of complexity of accouchement maternity leave of 140-180 calendar days for those employed in branches of agricultural production, and 126-140 days for women who are employed in other branches of economic activity, with allowance during the leave equal to 100 percent of average wage. The size of this allowance is not dependent on seniority.

Women are entitled to partially paid childcare leave until the child reaches the age of three years, and women may use it if they desire. During the whole the period of such leave, they receive social benefits and have the right to return to the same workplace.

Legislative bodies of the Republic take measures promoting balanced distribution of professional and family responsibilities between women and men. For example, both parents and other family member who actually takes care of the child are entitled equally to the childcare leave until the child reaches the age of three years. It should be stated, however, that this standard so far did not enter into practice men.

Families with invalid child aged up to 16 years receive every month one additional day of rest without loss in average earning. This day is granted in accordance with standards in force to one of the working parents upon his (or her) demand.

At the same time, as shows analysis of statistical data, women for a number of reasons are not necessarily capable to avail themselves this right envisaged for them in legislation. Thus, in 2002, 26.4 thousand women utilized the childcare leave and received corresponding benefits, or 4.3 times less than the number of women who received these benefits in 1995. Keeping in mind that number of women working in the national economy in 2002 has grown by 8 percent in comparison with 1995 while natality has declined only by 23 percent during the same period, it is clear that the above factors were not the main cause for this abrupt decline in number of women on childcare leave.

Several factors could have impact in this field. First, very low size of benefits (1500 manats or 4.8 percent of national average wage in 2002) paid to women during the leave dis-

couraged them from using these leaves. Secondly, it should be kept in mind that about 70 percent of women at work are employed in **private sector** where very often **labour legislation standards are not observed** including standards concerning leaves to workers, both labour and social.

Data on number of beneficiaries of the lump-sum benefit paid upon childbirth compared with the number of children born in the Republic show that not every family with a newborn receive this benefit. Thus, in 2002, with 110.7 thousand newborns the benefit was claimed for 94.2 thousand newborns and was not claimed for 16.5 thousand newborns, or 15 percent of all newborns. Similar situation was observed in previous years too, and this is linked in most cases with ignorance of entitlements in this field.

3.7. Social dialogue and workplace relations

Act on Trade Unions in the Republic of Azerbaijan was adopted in 1994. In accordance with Article 16 of Nongovernmental Organizations Act, trade unions should register in State organs. At present social partners discuss draft Act on Employers' Organizations. Entrepreneurs' (Employers') Confederation was established in 1999, and the Cabinet of Ministers, Trade Unions Confederation and Employers' Confederation of Azerbaijan have endorsed the Tripartite General Agreement for the 2001-2002 (amended in 2003). The Agreement covers wide range of issues such as social partnership, adoption of economic policy, wages and salaries, incomes and standard of living of population, labour market development and employment promotion, social protection, social security, issues of occupational safety, etc.

In addition to the above-mentioned Employers' Confederation of Azerbaijan there was established four years ago the Small and Medium Enterprises Union of Azerbaijan. Today 140 legal and natural persons are affiliated to the Union. The Union provides to members an opportunity to exchange experience, to solve jointly outstanding problems and closely participate in drawing up and adoption of new legislative acts aimed at promotion of entrepreneurship.

Regulation of workplace relations through collective agreement is the very basis of social and labour relations at the level of a production entity. Data derived from current observations show that number of the agreements and workers covered by them grows, though not so intensively as in 1990.

There exists a considerable disparity in collective agreements coverage of workers in different economic branches. In such economic branches as petroleum-and-gas production, production and distribution of electric power, gas and water resources, metallurgy and metal working coverage rate is extremely high reaching 98-100 percent, whereas nearly every third

employee of financial institutions and every second employee in construction are outside the framework of regulation by collective agreements. Majority of issues included in collective agreements concerns remuneration. Thus, by the end of 2002 every collective agreement included approximately 3 commitments concerning employment and 6 commitments concerning remuneration and occupational safety.

At the same time, the problem of observance of commitments assumed remains to be acute though the situation has considerably improved in comparison with 2001.

Conclusion

Recent trends in employment dynamics in Azerbaijan observed at the end of 1990s have weakly responded to production output dynamics and employment rate continued to be significantly lower than that in developed countries, which proves that large part of population remains inactive or jobless. Taking into account that real wages and salaries and labour productivity started their rise from a very low base Azerbaijan needs to achieve substantial economic growth to catch up with the backlog in wages and salaries and labour productivity with rapidly reforming Central and Eastern European nations.

The above observations lead to the following basic conclusions:

- total share of population at work in total work-age population is relatively high judging from international standards; share of working men is higher than share of working women in all age groups, and this gap is especially large in active working age groups;
- share of population at work in total work-age population is significantly greater in rural than in urban areas;
- high number of unemployed youth especially among secondary school leavers cause however great concern;
- in 1990, share of retained workforce was immense, and total level of employment remained stable in spite of strong decline of GDP;
- enterprises made adjustments in net wages and salaries and in working hours without changing number of employees at work, thus restraining registered employment rate and hiding widely spread hidden unemployment;
- structural changes in the labour market were very important: redistribution of workers from public to private sector was rapid, and the latter now became dominant; agriculture and trade are prevailing sectors as to employment levels; share of independent labour activities in total employment is considerable;

- successful land reform was the major factor in stabilization of employment levels in the second half of 1990s;
- many alternative occupations and jobs have emerged including informal sector and personal subsidiary activities. Workers more often than ever turn to informal activities to satisfy their basic needs;
- unemployed workers have high level of education; a considerable number of people remained unemployed after leaving secondary schools.

The present report is based on current statistical data collected by the Goscomstat of the Republic of Azerbaijan on regular basis.

Survey of population economic activity carried out for the first time at the national level in June 2003 became a new source of information on conditions in labour market. The survey was carried out under the UNDP/ILO Project “Technical assistance to Azerbaijan in labour statistics and regional development issues”.

Keeping in mind importance the Government of Azerbaijan attaches to issues of poverty alleviation the Goscomstat considers highly appropriate to carry out a modular survey of decent labour in Azerbaijan. Such survey can give the Government an opportunity to measure and analyze decent labour deficit and introduce appropriate adjustments in its poverty alleviation strategy through creation of decent workplaces.

Tables

Monthly average nominal and net wages

	Nominal wages, manats	Percentage to previous year	
		Nominal wages	Net wages
1990	19,5	108,9	...
1991	31,8	163,1	78,9
1992	270,3	850,0	84,0
1993	2184,7	808,3	65,8
1994	15325,3	701,5	39,8
1995	62467,4	407,6	79,6
1996	89370,1	143,1	119,3
1997	141643,4	158,5	152,8
1998	168419,2	118,9	119,9
1999	184367,5	109,5	119,6
2000	221606,0	120,2	118,1
2001	259990,7	117,3	115,6
2002	315406,7	121,3	118,0

	Nominal wages, manats	Percentage to appropriate month of 2001	
		nominal wages	net wages
2002			
January	297793,5	127,1	125,0
February	305608,3	121,3	119,5
March	308123,8	120,2	118,3
April	310431,2	120,7	117,9
May	310775,2	120,1	116,1
June	313416,5	120,3	117,0
July	315444,1	120,5	116,8
August	316251,4	120,6	116,8
September	318916,4	120,4	116,7
October	321031,2	120,9	117,1
November	323986,8	121,7	117,5
December	340849,6	121,9	118,0

Monthly average nominal wages, by economic branches

	Median, per one salaried worker				
	2000	2001	2002	2002, in % to	
	manats			2000	2001
Total, in whole economy	221606,0	259990,7	315406,7	142,3	121,3
Agriculture, hunting and forestry	69080,6	78936,0	89929,7	130,2	113,9
Fishing	52102,7	53666,9	60498,9	116,1	112,7
Industry	397383,2	499762,5	567796,5	142,9	113,6
mining industry	814539,6	1090745,1	1290457,7	158,4	118,3
manufacturing industry	284272,3	303163,6	348815,6	122,7	115,1
electricity, gas and water supply	267931,8	323365,0	324612,3	121,2	100,4
Construction	416662,9	436923,8	545130,8	130,8	124,8
Wholesale and retail trade, car repair and repair of personal and household articles	119283,6	149648,1	460195,3	385,8	307,5
Hotels and restaurants	314857,7	419446,6	483945,5	153,7	115,4
Transport, warehousing and communications	292421,0	330280,7	368286,4	125,9	111,5
Financial and brokerage activities	632625,7	723605,5	1020095,7	161,2	141,0
Real estate, lease and entrepreneurship	334051,4	540074,1	661511,7	198,0	122,5
Government and defense; compulsory social security	194527,5	223421,1	260728,8	134,0	116,7
Education	156065,4	165224,6	169057,6	108,3	102,3
Health and social services	73395,0	80629,5	90009,8	122,6	111,6
Other kinds of communal, social and individual services	113968,1	137059,6	150125,7	131,7	109,5

Economic activity of population

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Economically active population aged 15 years and above, thousand	3734,1	3654,9	3641,3	3718,6	3732,4	3743,8	3748,0	3748,2	3763,4	3777,5
<u>Population at work</u> aged 15 years and above, thousand	3714,6	3631,3	3613,0	3686,7	3694,1	3701,5	3702,8	3704,5	3715,0	3726,5
Unemployed population (ILO methodology) ages 15 years and above, thousand	19,5	23,6	28,3	31,9	38,3	42,3	45,2	43,7	48,4	51,0
<u>Economic activity rate, % to all population aged 15 years and above</u>	74,2	71,4	70,1	70,5	69,8	69,3	68,4	66,8	65,5	64,2
Population employment rate, % to all population aged 15 years and above	73,8	71,0	69,5	69,9	69,0	68,5	67,6	66,1	64,7	63,4
Unemployment rate (ILO methodology), % to economically active population aged 15 years and above B	0,5	0,6	0,8	0,9	1,0	1,1	1,2	1,2	1,3	1,3

Population at work by patterns of ownership and branches of economic activities

	Median for the period of			
	1999	2000	2001	2002
Population at work aged 15 years and above, total	3702,8	3704,5	3715,0	3726,5
including by patterns of ownership :				
public	1342,0	1278,2	1240,0	1192,0
non-governmental	2360,8	2426,3	2475,0	2534,5
comprising:				
individual	1426,5	1439,5	1450,0	1464,5
private	370,6	271,3	218,1	259,1
municipal	...	...	14,7	19,1
enterprises with foreign investments and joint enterprises	28,0	35,1	31,5	32,7
ecclesiastic servants	35,0	35,0	35,0	33,0
self-employed population	500,7	645,4	725,7	726,1
including by branches of economic activities :				
Agriculture, hunting and forestry	1566,3	1517,2	1482,0	1495,0
Fishing	0,5	2,0	2,3	2,5
Mining industry	39,6	39,6	42,1	42,2
Manufacturing industry	180,6	169,3	163,9	169,5
Electricity, gas and water supply	38,8	40,5	41,0	39,9
Construction	154,7	153,6	155,0	178,0
Wholesale and retail trade, car repair and repair of personal and household articles	576,4	626,1	659,5	611,9
Hotels and restaurants	9,8	9,8	11,0	11,3
Transport, warehousing and communications	168,4	167,0	167,5	169,8
Financial and brokerage activities	15,2	13,5	13,0	13,2
Real estate, lease and entrepreneurship	98,7	98,0	97,0	97,2
Government and defense; compulsory social security fund	260,2	257,7	267,3	265,3
Education	299,6	317,9	318,0	329,9
Здравоохранение и социальные обслуживание	168,2	168,9	170,0	173,6
Other kinds of communal, social and individual services	125,5	123,2	125,0	126,7
Extraterritorial organizations and bodies	0,3	0,2	0,4	0,5

Registered unemployment

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of unemployed registered by the State employment service, thousands persons	19,5	23,6	28,3	31,9	38,3	42,3	45,2	43,7	48,4	51,0
Unemployment rate (percentage to working-age able population)	0,5	0,6	0,7	0,8	0,9	1,0	1,0	1,0	1,0	1,1
Pressure of unemployed population on a single workplace or vacancy, persons	2	4	3	3	4	5	7	8	10	9
Demand for labour force, thousand persons	10,8	6,6	9,1	9,5	10,1	8,0	6,6	5,2	4,7	5,7

Number of workers with forced part-time arrangements, by branches of industrial activities

	On administrative leaves			Worked under part-time day (week) arrangements		
	2000	2001	2002	2000	2001	2002
Industry	28,4	18,5	13,5	1,8	0,8	0,6
Mining industry	2,2	1,7	1,7	0,0	0,0	-
extraction of energy resources	0,6	0,6	0,6	0,0	0,0	-
extraction of resources other than energy resources	27,0	20,0	16,9	-	-	-
Manufacturing industry	41,4	28,3	21,1	3,2	1,5	1,1
food industry and processing of agricultural products	14,4	9,3	7,6	7,2	1,5	-
textile industry and clothing manufacture	76,7	43,4	34,7	7,1	0,1	6,1
leather and leather shoe production	84,2	26,0	21,0	26,5	1,1	0,4
wood and woodwork production	30,5	13,6	10,7	2,6	-	-
pulp-and-paper industry; publishing industry	12,2	7,6	1,2	5,4	1,6	0,4
coke production, oil products and nuclear fuel production	0,6	2,2	2,4	-	2,7	-
production of chemical products	36,3	16,6	16,5	0,5	0,3	0,0
rubber and plastic products	38,3	54,7	58,2	0,2	-	0,2
production of other nonmetallic mineral products	26,5	27,8	21,8	1,6	0,3	4,0
metallurgy and metal working	61,5	38,9	31,3	1,1	1,2	0,3
machine building	51,7	45,1	28,7	2,0	3,9	0,6
production of electric and electronic products	48,6	54,1	36,3	3,6	5,2	3,1
production of transport equipment	16,4	9,9	1,7	0,5	0,8	-
other branches of activities	11,3	8,9	9,2	1,3	0,8	0,6
Electricity, gas and water supply	2,7	1,8	1,1	0,0	0,0	0,1
<i>For information</i>						
total in the economy	7,6	5,2	3,8	0,3	0,2	0,1

Working time used by workers, by branches of industrial activities

	Hours worked per one salaried worker (average)			Percentage to total working time		
	2000	2001	2002	2000	2001	2002
Industry	1778	1749	1714	90,0	87,8	86,0
Mining industry	1790	1844	1804	90,6	92,6	90,6
extraction of energy resources	1790	1847	1807	90,6	92,7	90,7
extractions resources other than energy resources	1786	1769	1755	90,4	88,8	88,1
Manufacturing industry	1765	1685	1630	89,3	84,6	81,8
food industry and processing of agricultural products	1845	1650	1603	93,4	82,8	80,5
textile industry and clothing manufacture	1742	1590	1521	88,2	79,8	76,4
leather and leather shoe production	1293	1697	1749	65,4	85,2	87,8
wood and woodwork production	1661	1708	1773	84,1	85,7	89,0
pulp-and-paper industry; publishing industry	1652	1684	1729	83,6	84,5	86,8
coke production, oil products and nuclear fuel production	1827	1558	1741	92,5	78,2	87,4
production of chemical products	1701	1705	1423	86,1	85,6	71,4
rubber and plastic products	1632	1796	1814	82,6	90,2	91,1
production of other nonmetallic mineral products	1595	1700	1752	80,7	85,3	88,0
metallurgy and metal working	1727	1839	1789	87,4	92,3	89,8
machine building	1850	1672	1670	93,6	83,9	83,8
production of electric and electronic products	1725	1630	1559	87,3	81,8	78,3
production of transport equipment	1889	1873	1675	95,6	94,0	84,1
other branches of activities	1664	1637	1655	84,2	82,2	83,1
Electricity, gas and water supply	1798	1801	1804	91,0	90,4	90,6
<i>For information</i>						
total in the economy	1897	1558	1755	96,0	78,2	88,1

Summary of suggested decent labour indicators

Indicators	Measurement unit	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Labour force participation rate	%	99,5	99,4	99,2	99,1	99,0	98,9	98,8	98,8	98,7	98,7
Employment-population ratio	%	73,8	71,0	69,5	69,9	69,0	68,5	67,6	66,1	64,7	63,4
Unemployment rate	%	0,5	0,6	0,8	0,9	1,0	1,1	1,2	1,2	1,3	1,3
Share of wage and salary employment in non-agricultural employment	%	63,7	61,0	55,3	50,0	43,3	41,0	55,6	51,6	51,7	51,9
Employees with recent job training	persons	29796	19586	15447	10997	10084	8043	2220	3613	3273	4086
Time-related underemployment rate	%	-	-	-	-	-	-	-	96,0	78,2	88,1
Fatal injury rate (per 1,000 workers)	%	0,1	0,1	0,1	0,04	0,04	0,04	0,04	0,04	0,03	0,1
Number of pensioners	.000 persons	1251	1283	1227	1245	1206	1177	1202	1219	1245	1285
Monthly average pension	manats	1826	8457	17314	25540	41549	52574	64968	71984	73705	88493
Adult population education level (per 1000 population ages 15 years and above)	persons	-	-	-	-	-	-	909*	910	910	911

*) according to population census

Average earnings in selected occupations (professions)

(a one-time survey of earnings for October, fully worked)

Mining industry and quarrying						
Service and drilling engineers	587892,0	588651,5	603757,1	1108360,5	1379614,6	1416214,9
Oil, gas and condensate production foremen	535450,8	579872,2	607734,3	806638,9	849136,8	972693,4
Foremen of drilling sites (job, workshop)	586871,0	715972,2	669540,3	1095850,0	1167404,2	1346019,7
Chemical industry						
Planners	154279,8	191427,4	215340,3	235024,8	292722,9	337648,6
Laboratory technicians	94529,2	106795,7	89561,5	81957,1	175500,0	276196,2
Inspectors	86074,0	123002,4	145657,7	229425,4	145556,9	298174,6
Operators of petrochemical equipment	151853,2	208919,4	225476,1	252807,0	223118,9	275256,4
Labourers	141271,4	125369,9	110380,6	92145,0	156930,0	167466,3
Packers, stowers-packers	121886,0	145489,5	151382,8	131962,9	179886,7	193725,0
Air transport						
Pilots	700255,6	2414820,5	1957730,8	1914054,8	1997876,4	2240616,5
Flight dispatchers	1867550,0	1941166,7	2221120,0	2109988,9	2123091,7	2749488,9
Aircraft controllers	1161647,0	1153502,4	1096606,3	1086629,1	1170800,0	1379807,8
Stewards	464178,3	1072953,5	837952,4	887187,0	1016730,7	1173645,2
Aircraft engine mechanics, aircraft mechanics	610777,9	616645,8	543660,7	429609,3	486506,7	916544,2
Freight handlers	231785,1	203145,8	221417,6	228111,1	235000,0	316930,4
Fire-fighters	304713,0	291453,0	251145,9	255759,8	317863,0	549309,3
Communication						
Mail carriers	82946,0	65208,6	112075,9	106313,7	110830,2	125520,6
Telephone switchboard operators	179318,4	189397,5	243219,3	211535,2	286556,7	315224,4

continued

	1997	1998	1999	2000	2001	2002
Education						
Teachers of mathematics (higher education institutions)	228244,6	262161,0	271044,6	295925,6	322505,1	325000,0
Teachers of mother tongue and literature (higher education institutions)	236541,3	275208,8	289164,3	323049,5	342925,7	364373,3
Teachers of mathematics (secondary education institutions)	200821,8	170660,6	173209,0	225495,5	225000,0	225602,6
Teachers of mother tongue and literature (secondary education institutions)	200102,1	242161,6	180913,9	222235,9	222000,0	230932,0
Occupational training officer	79100,0	85366,7	70280,0	88866,7	92871,4	91069,2
Primary and pre-primary education teachers	167025,9	173501,0	158124,4	204894,3	200366,0	205329,0
Tutors, pre-primary education institutions	71586,8	72702,9	69380,7	95060,4	93312,3	92173,9
Health						
Medical doctors (excluding dentists)	85748,6	79641,3	84501,8	94026,0	97943,0	97529,0
Dentists	47400,0	47400,0	47398,4	65214,0	74913,0	72166,0
Physiotherapists	66491,2	60779,5	60779,5	70784,5	90000,0	74357,7
Nurses	41805,8	41446,7	43339,1	51413,7	49364,2	60602,9
Nursing associate personnel	30900,7	30848,2	32289,7	30155,2	41420,2	42841,0

Structure of employment, by economic branches

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total	100	100	100	100	100	100	100	100	100	100
including:										
agriculture	32,4	31,5	30,8	31,8	29,0	30,8	42,3	41,0	40,0	40,2
industry	10,6	10,3	9,8	7,7	6,6	6,8	7,0	6,7	6,6	6,8
construction	5,7	5,3	5,1	4,4	4,1	4,2	4,2	4,2	4,2	4,8
tertiary	51,3	52,9	54,3	56,1	60,3	58,2	46,5	48,1	49,2	48,2

