

State Statistics Committee of Ukraine

Ukraine Decent Work Statistical Indicators: Country Profile

Kiev November 2003

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Introduction

Ukraine is one of the countries selected by the Statistical Development and Analysis Unit of the Policy Integration Department of the International Labour Organisation (hereafter the ILO) under the program of conducting a series of the pilot surveys on measurement of statistical indicators of decent work in 2003.

The Project is implemented in the frame of the ILO technical and methodology support. In terms of statistics its main goal is refinement of the labour market information base by defining the methodology frame and areas of statistical dimensions and analysis of the decent work agenda as one of the factors providing decent life and prevention of the poverty growth in Ukraine.

In his first report to the International Labour Conference in 1999, ILO Director General Juan Somavia introduced a comprehensive concept of work and the 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”¹. Further on with aim to present a detail description of concept and methodology approaches on the statistical measurement of decent work the Statistical Development and Analysis Unit of the Policy Integration Department of the ILO prepared and published on 21 August 2002 the working paper “Measuring Decent Work with Statistical Indicators” which materials build up the frame for implementation of the Project and preparation of this report.

In view of this the core task is to test in practice and propose a clearly formulated set of dimensions for decent work with the account taken for the national regulatory and legislative as well as information base that will be used for assessing the current situation and also the priorities in development of industrial relations to enhance the well-being in Ukraine.

In the beginning of 2003 in frame of the mission of ILO expert Dr. I. Chernyshev the National Statistics Office of Ukraine conducted the training seminar for users and developers of data with presentations on the ILO concepts of the frame for decent work definition. The seminar was attended by representatives of the Administration of the President and the Cabinet of Ministers, Ministry of Labour and Social Policy of Ukraine, other ministries and agencies, trade unions as well as leading researchers and analysts-experts on the labour market and social security. For the seminar participants the methodology materials were prepared to be studied and used for developing proposals on improvement of concept definitions and the system of statistical indicators of decent work.

At the seminar Mr. I. Chernyshev presented to the participants the goals, concept frame and methodology for dimensions of decent work as well as presented some examples on the application content of measurement and use of the decent work indicators. The presentation made by Mr. I. Chernyshev evoked a vivid interest and wide discussion of the agenda by the seminar participants who acknowledged the urgency and novelty of the ILO concept and confirmed the need of conducting the comprehensive statistical study of decent work in Ukraine. Also given a success in the earlier cooperation between the State Statistics Committee of Ukraine and Bureau of Statistics of the ILO in the sphere of the labour market study, in particular, significant attainments in conducting the surveys on the labour force, labour flexibility (1994 – 2002), base social security of the population (2000, 2002 and 2003), etc., the seminar participants were certain to confirm that the future joint Project will be another example of putting together the efforts of the State Statistics Committee of Ukraine and the ILO intended to improvement of the labour market information base. Based on the proposals made by users and the ILO recommendations, under I. Chernyshev guidance the work plan for implementation in Ukraine the Project “Ukraine Decent Work

¹ See ILO, Decent Work: Report of the Director General, International Labour Conference, 87th Session

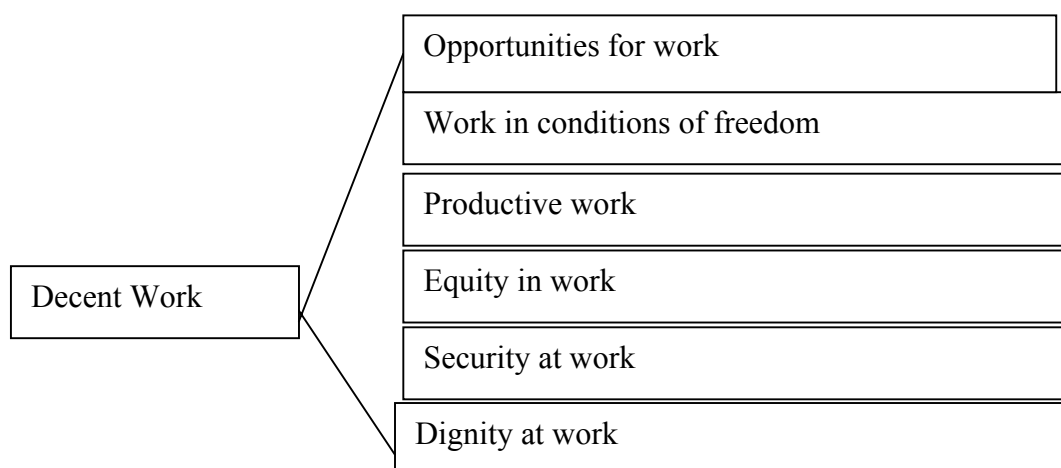
Statistical Indicators” (Annex 1) was prepared which includes implementation of different activities as well as preparation of the given report.

This report mainly covers methodology aspects for the decent work measurement and opportunities for their use in the statistical surveys in Ukraine. It includes the data taken from the other sources of statistical information that to certain extent allow one to assess the status in decent work in Ukraine. The authors of the report focused mainly on presenting methodology aspects of the concept and practical opportunities for the decent work study in Ukraine based on the ILO recommendations. It should be noted that the range of issues presented is not full as it does not include the statistical findings of the special decent work module of the Ukraine labour force sample survey conducted in September 2003. Findings of this survey will be included in the final report on the Project that will be prepared in quarter 1 in 2004.

The present report is prepared under guidance of ILO expert, the doctor I. Chernyshev, and the staff of the Labour Statistics Department of the State Statistics Committee of Ukraine. Sections 1 and 2 of the report were prepared based on the ILO working paper “Measuring Decent Work with Statistical Indicators”.²

Section 1. Conceptual dimensions of decent work.

The definition of decent work as “opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity” explicitly includes six dimensions.



➤ 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 a broad one, encompassing all forms of economic activity, including self-employment, economic unpaid family work and wage employment in both the 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.

² Anker R., Chernyshev I., Egger Ph., Mehran F., Ritter J. “Measuring Decent Work with Statistical Indicators”. Working Paper No.:2. ILO, Geneva. 2002.

- Equity in work represents workers' need to have fair and equitable treatment and opportunity in work. It encompasses absence of discrimination at work and in access to work and 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 of decent work noted above (opportunities for work and freedom of choice of employment) are concerned with the availability of work and the acceptable scope of work. The other four dimensions of decent work (productive work, equity, security and dignity) 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.³ In addition to these six dimensions of decent work, the macro socio-economic context is 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 performance⁴.

Before describing specific statistical indicators in section 4, 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 in high and low income countries, and work in the modern and traditional 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 of decent work 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. 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 the actual situation people face. For this reason, decent work indicators generally should measure actual outcomes and 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. This implies that changes in country situations could be ascertained while ensuring a reasonable degree of international comparability.

³ See for example, Damien Merlié and Pascal Paoli, *Third European Survey on Working Conditions 2000*, Office for Official Publications of the European Communities, Luxembourg. And *Employment in Europe 2001: Recent Trends and Prospects* (chapter 4), Office for Official Publications of the European Communities, Luxembourg.

⁴ Anker R., Chernyshev I., Egger Ph., Mehran F., Ritter J. "Measuring Decent Work with Statistical Indicators". Working Paper No.:2. ILO, Geneva. 2002.

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.

For Ukraine the interesting area of the decent work study is assessment of the current situation on securing the constitutional rights and legal opportunities of individuals and based on this defining the perspectives and areas for improvement not only statistical but a legal frame of social protection of the population.

It is to be noted that below listed the fundamental national regulatory and legal acts whose monitoring over their main provisions allows one to assess the status quo in decent work:

The Constitution of Ukraine. Article 43 guarantees each individual “..right to work which allows to earn one’s living with work being voluntary chosen or freely consented”.

The Law of Ukraine «On National Statistics» provides that national statistics offices develop and improve the methodology of the statistical indicators to capture processes in the social and economic development in Ukraine, its regions and oblasts as well as introduce the international statistical standards in the national statistics practices.

The Labour Code of Ukraine defines the mechanism for implementation of the individuals’ constitutional rights in the sphere of work.

The Law of Ukraine «On Employment of the Population» provides for the definitions of employment, persons in employment, unemployed and main principles of the national employment policy, guarantees of employment, provisions on the Ukraine State Employment Service.

The Law of Ukraine «On wages» provides for the definitions of wage, the minimum wage. Item 2 Article 27 provides that the national statistics offices prepare and publish quarterly the statistical data on the average wages and average work hours in the profile of regions, categories of occupations and positions as well as the annual data publication on the labour cost.

The Law of Ukraine “On the Compulsory State Unemployment Insurance” provides for the legal, financial and organisational frame of the compulsory state unemployment insurance.

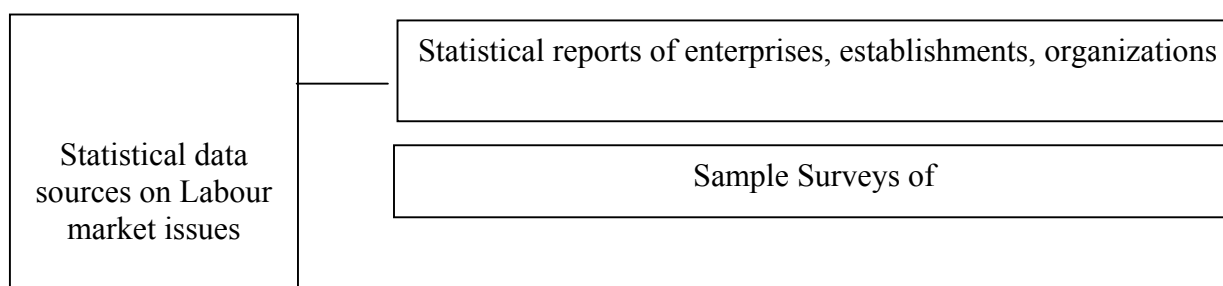
Section 2. Statistical indicators of decent work

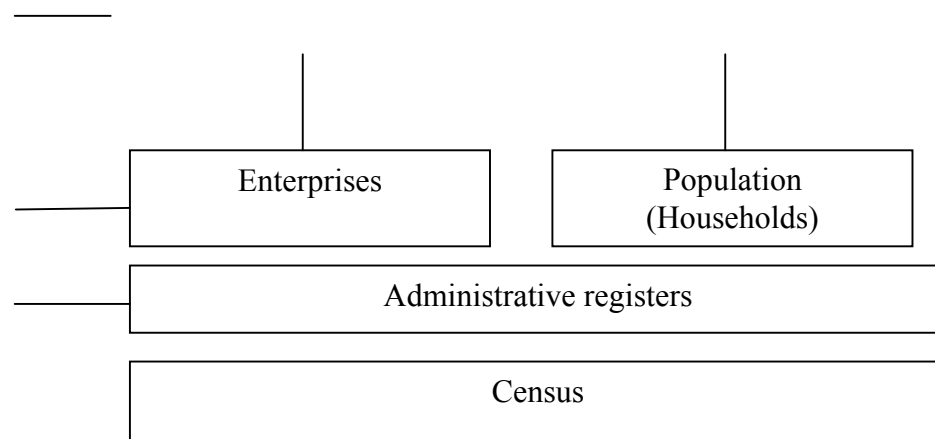
Statistical indicators of decent work are identified in this paper by looking through the eyes of people to identify general characteristics and specific indicators of decent work. We started with ten general characteristics of work that individuals from around the world would consider important elements of decent work. These ten aspects of decent work are complemented by an eleventh group of indicators that summarise key aspects of the economic and social context of decent work. This final group of indicators is intended to describe characteristics of the economy and population that form the context for determining levels, patterns, and sustainability of decent work. The 11 groups of indicators are:

<i>I.</i> Employment opportunities
<i>II.</i> Unacceptable work
<i>III.</i> Adequate earnings and productive work
<i>IV.</i> Decent hours
<i>V.</i> Stability and security of work
<i>VI.</i> Combining work and family life
<i>VII.</i> Fair treatment in employment
<i>VIII.</i> Safe work environment
<i>IX.</i> Social protection
<i>X.</i> Social dialogue and workplace relations
<i>XI.</i> Economic and social context of decent work

Summary of suggested decent work indicators is given in Annex 2.

For Ukraine information to calculate the 11 groups of indicators presented is taken from the following sources of the statistical data:





The said data sources feature a different coverage and hence the objectives in obtaining the data set up the system of indicators that will enable one to obtain the data on various aspects of the labour market development and level of social security at workplace. Here the main focus should be put **on the quarterly labour force sample surveys** launched as the routine survey conducted by the national statistics offices from 1999 (in 1995-1998 the surveys were conducted once in a year).

Based on interviews of the respondents aged 15-70 years, scientifically grounded estimates, the data is obtained to describe the situation in the labour market, in March, June, September and December as well as in averaged estimates for six, nine, twelve months. The system of indicators build up on this frame is developed on the ILO standard definitions and criteria⁵ with the account taken for the national specifics in the labour relations in Ukraine. For analysis of the decent work aspects currently the preparation work takes place to conduct in September 2003 the sample survey of persons in employment (the module questionnaire is given in Annex 4).

The matrix on conformity of the decent work indicators with the Ukraine source data is given in Annex 3.

2.1. Employment opportunities

Background

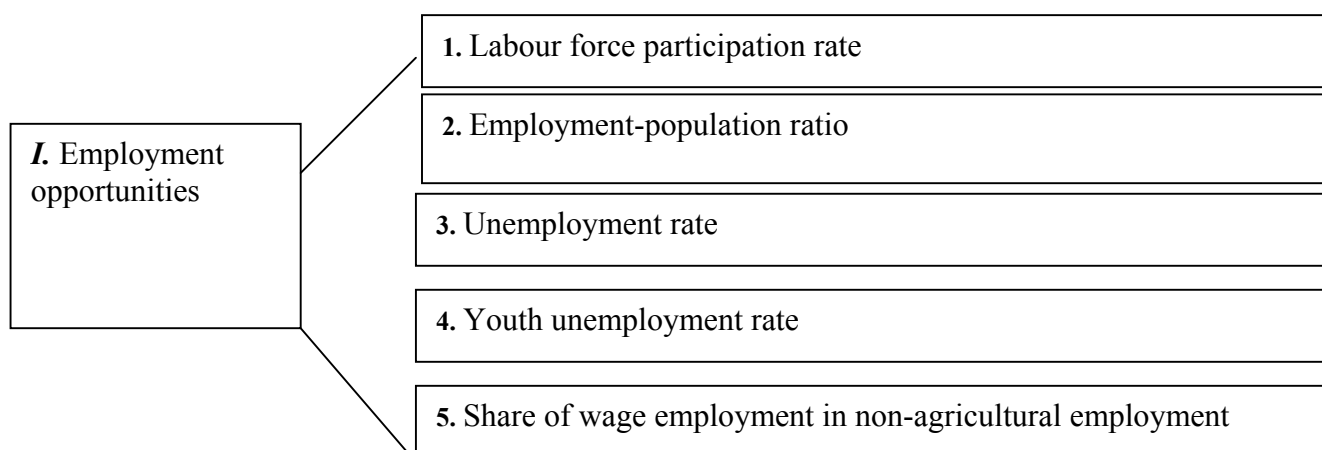
The notion of *decent work* implies the existence of employment opportunities for all who are available for and seeking work. Therefore, an essential element of decent work is the extent to which a country's population is employed. Employment opportunities can be measured in a positive sense in terms 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."

⁵ Resolution concerning statistics of the economically active population, employment, unemployment, underemployment, adopted by the 13th ICLS (Geneva 1982).

Indicators

Six widely available indicators are suggested. Two measure employment opportunities directly (labour force participation and employment to population ratio), and 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.



I. Labour force participation rate

Labour force participation rate is defined as the ratio of the number of the employed population aged 15 to 70 years to the economically active population aged 15 to 70. Information on number of the employed population is derived from the quarterly sample Labour Force surveys of households.

Engaged in the economic activity comprise persons aged 15 to 70 years:

⇒ those who during the reference week at least for one hour did any work for a pay in cash or in kind, persons in self-employment without persons in paid employment or those who were employed by persons in self-employment, or as unpaid family workers

⇒ those who during a week worked 30 hours as unpaid family workers in the family enterprise (business) or in the subsidiary agricultural household economy producing goods for the market;

⇒ those who during the reference week were temporary absent from work but formally had a job, or self-employed or in the family business from which they were temporary absent for any circumstance beyond their control.

Under the concept of the labour force, employment is prioritised versus any other type activity/inactivity.

Persons in employment not comprise those who do any unpaid public or voluntary work and persons who fulfil only household tasks.

The voluntary work pertains to the non-economic types of activity and is distinguished by three features: a) work is done not for a pay; b) work is carried out voluntarily without any enforcement in contrast to conscripts on the compulsory military service; c) work is carried out to the benefit of any organisation, community or person who is outside the family bonds and the household.

Economically active population comprises person aged 15 to 70 years of either sex who within a certain period furnish the labour force supply in the labour market.

The economically active population (the labour force) comprises only persons in employment or persons seeking and available for work, i.e. they are grouped into “persons in employment” and “unemployed” based on the ILO definition. Based on the priority criteria, employment is prioritised versus unemployment and economic activity⁶.

III. Employment-population ratio

Employment rate represents the percentage ratio of the persons in employment aged 15 to 70 years to the total population in the said age or the population of the broader age group, by sex and area.

Unemployment rate represents the percentage ratio of the number of unemployed aged 15 to 70 years to the economically active population (labour force) of a specified age or by the broader age group, sex, education attainment, occupation, area.

IV. Youth unemployment rate

This indicator is estimated based on the above methodology with one exclusion for the calculation base taken by unemployed youth and economically active youth.

According to the international practice the youth age group covers individuals aged 15-25 years while in compliance to the national legislation the age ceiling for youth is 28 years.

Thus, depending on the objective of the economic analysis and areas of use of the indicator the latter could be calculated both for youth aged 15-25 and 15-28 years.

Given that the indicator will be used for international comparison, in the report the youth age group is limited by 15-25 years.

V. Share of wage employment in non-agricultural employment

Indicator is defined as the ratio of the number of persons in wage non-agricultural employment of both formal and informal sectors to all persons in non-agricultural employment.

Persons in paid employment are those who have the employment agreement (contract) with the administration of enterprise/establishment or those who are employed by persons in self-employment with wages paid as provided in employment agreement.

Person not in paid employment comprise employers and self-employed.

Employers are those who are sole owners or -owners who employ the permanent workforce in the capacity of “persons in paid employment”.

Self-employed comprise own-account workers that own means of production and are responsible for production of goods and services.

⁶ Резолюция касательно измерения неполной и неадекватной занятости, принятая на 16-й Международной конференции статистиков труда (Октябрь 1998), *op. cit.*, пп.7-9

Unpaid family workers are those who do any work without a pay in family enterprise that is managed by the relative who lives in the same household (in cases when the activity could be referred to the economic activity).

Indicators for calculating the **Share of wage employment in non-agricultural employment** can be derived from the Labour Force Surveys, enterprises' statistical reports and administrative data.

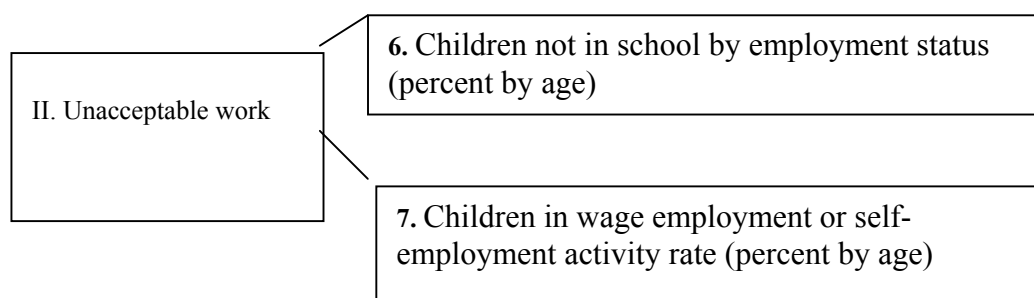
2.2. Unacceptable work

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

Two child labour indicators, that should proxy for unacceptable work by children, are suggested. Indicators for forced labour and additional indicators for child labour (e.g. children in hazardous and other worst forms) are left for future development because of the need to resolve major conceptual and measurement difficulties.



Based on results of the Child Labour Survey conducted in 1999, the process of setting up a database and systematic child labour indicators in Ukraine has begun. The Survey was conducted in 1999 under the International Programme on the Elimination of Child Labour (IPEC), with the technical and methodological support from ILO Bureau of Statistics.

The Survey findings include results of interviewing children aged 5-17, their parents or guardians. The key objective of the survey is to obtain a profile of child labour in order to identify the areas where this labour is utilized, the length of working time, amount of remuneration, working conditions, employment status, causes and effects of work. Data of the Child Labour Survey can be used for investigating the unacceptable forms of labour in Ukraine.⁷

⁷ Child Labour Survey in Ukraine. Statistical Bulletin. State Statistics Committee of Ukraine. Kyiv.2001

2.3. Adequate earnings and productive work

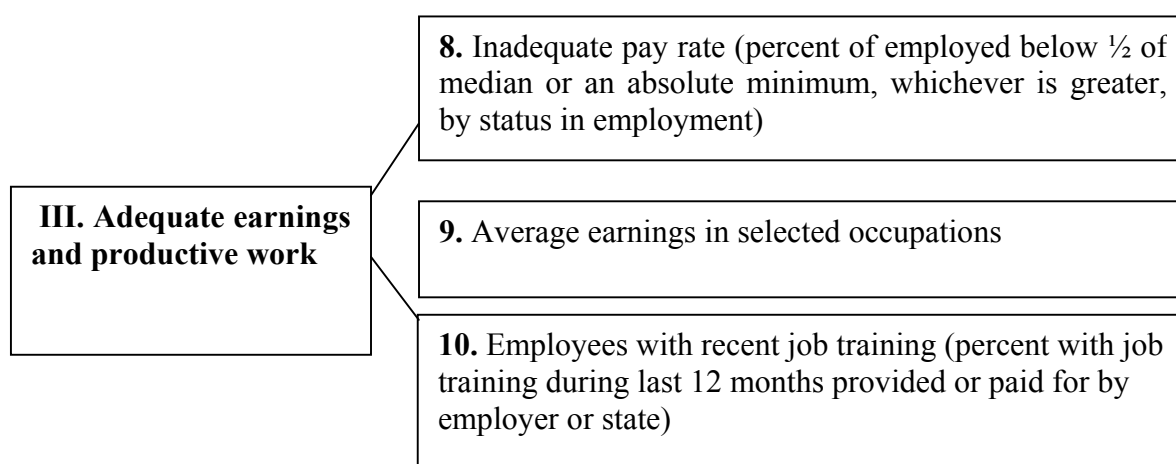
Background

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 possibilities⁸.

Indicators

The following indicators are suggested to measure aspects of inadequate pay related to hours and training as a proxy for future pay opportunities:



Currently in Ukraine the main data sources on labour remuneration are both enterprise and establishment data which allow measurement of pay rate for employees by sex, types of economic activity and other characteristics of employment. But this data source does not capture the level of wages of persons in self-employment and in the informal economy.

To address this, a special block of questions is included in the decent work module questionnaire. Testing of the questionnaire showed that individuals with a high level of earning normally reluc-

⁸ Anker R., Chernyshev I., Egger Ph., Mehran F., Ritter J. “Measuring Decent Work with Statistical Indicators”. Working Paper No.:2. ILO, Geneva. 2002.

tant to answer questions related to wage and its level. Therefore, the calculation of the indicator for all persons in employment remains a problem to a certain extent. However, the experts hope to employ all available source data and make estimates of these indicators based on the following approaches.

I. Inadequate pay rate - is defined as percent of employed below 1/2 of median hourly earnings or absolute minimum, whichever is greater, by status in employment.

For calculation of the index of average earnings in selected occupations, the following characteristics have to be considered:

Nominal wages - relate to remuneration in cash or in kind paid to employees (regardless of the financing source but excluding social security fund) for time worked or work done, bonuses, allowances, extra pays and also other payments for unworked time. Nominal wages include mandatory allocations, i.e. income tax and social contributions.

For the purposes of ensuring international comparability and because of the expansion of involuntary underemployment, national statistical practice treats nominal wages as the following:

- nominal wages per one staff employee
- nominal wages per one hour of work
- nominal wages per one employee as equivalent to full employment.

Average monthly wages (computed for a year) of employees in economic industries is a proportion of payroll accruals for a year to the annual average number of employees and to 12.

Payroll consists of the following:

1. Basic wages fund
2. Supplementary wages fund
3. Fund for incentive and compensatory payments.

Basic wages are payments for completed work as settled by the labour standards (working hours, output, service and official duties). The basic wages of workers are fixed in the scale of basic wages and travel allowances. Office workers are paid according to the relevant salary scales.

Supplementary wages are payments for work in excess of the established labour standards, working achievements and special conditions or work. Supplementary wages include lawful additional and extra pay, warranties and compensatory payments and also bonuses for the progress achieved in the fulfilment of tasks and duties at work.

Other incentive and compensatory payments refer to payments being the rewards for annual results of work, bonuses provided by special programs and enactment. This also refers to the compensation and other payments in kind not provisioned by the current legislation or provided in excess of the established labour standards⁹.

Nominal wages index shows changes in the nominal wages over the reported period versus the nominal wages in the compared period.

Real wages is the relative indicator of purchasing power of the nominal wages influenced by fluctuations in retail prices of goods and services and changes in taxes and other mandatory payments.

⁹ **Not included in the payroll fund** is income (dividends and interest) on shares and equity of the enterprise, institution or organisation provided that the shareholders are staff employees of that enterprise, institution or organisation.

The absolute value of real wages as a proportion of the nominal wages in the reporting period less taxes and other mandatory payments to the consumer price index (CPI).

The real wages index shows changes in the purchasing power of real wages over the reporting period to the base (the proportion of nominal wages index to CPI for the same period).

Wage arrears is the amount of unpaid wages for all categories of workers, namely:

- staff employees;
- employees not included in staff of enterprise, namely, dual job holders and contract workers;
- lay-off workers.

Here the amount of arrears includes all the amounts accrued on the payroll in cash and in kind including some mandatory deductions (personal income tax and state social insurance tax paid by workers) that is not paid as on the first day of the month following the month under report. The wage arrears amount could include the internal funds of enterprise as well as local and state budget funding.

2.4. Decent hours

Background

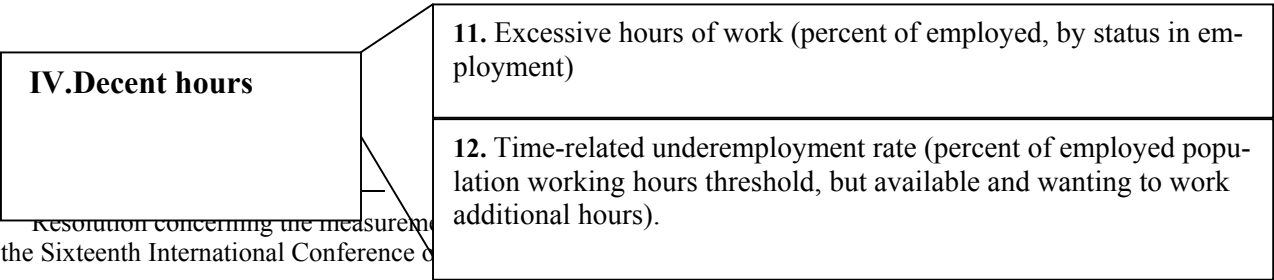
Concern with hours of work has a long history at the ILO—the issue is raised in the preamble to the ILO Constitution, and is addressed by the first ILO Convention, adopted in 1919 (Hours of Work (Industry) Convention, No. 1). In contemporary terms, at least four aspects of decent work can be linked to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

From a macroeconomic perspective, underemployment is similar to unemployment—the economy’s labour resources are under-utilised if employed people are working fewer hours than they desire. Labour statisticians have termed the phenomenon *time-related underemployment*. The standard definition 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”.¹⁰

The definition is operationalised by 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:



Resolution concerning the measurement of decent work at the Sixteenth International Conference of Labour Statisticians

Opportunity on measurement of excessive work hours in Ukraine could be implemented based on the labour force survey data. This indicator will be complimented with underemployment rate data planned to be obtained based on the module sample survey data referred earlier in item 2.1.

The data on work hours could capture the actual work hours or normal work hours worked; work hours worked at all workplaces or hours of work worked only at main job what is foreseen by program of the module survey. Comparison of the above indicators will enable reconciliation of actual work hours and normal work hours as well as norms set by the national legislation.

Time-related underemployment.

Dimension of this indicator in Ukraine is in the phase of methodological refining. Data on the underemployment scale is collected by the enterprise, establishment data (excluding small business companies with employment below the set norm) and describe quality of waged labour from the perspective of work hours in line with following indicators approved for the national practice:

Use of working time is characterised by the absolute data of calendar, timesheets and maximum working time fund.

Calendar working time fund is the total time in the reference calendar period (month, quarter, year) counting on the number of employees.

Timesheet working time fund differs from the calendar working time fund to the total amount of absence from work on weekends and public holidays.

Maximum working time fund to the total amount of absence from work on weekends, public holidays and regular leaves.

Absence from work for good reason refers to absence for the reason of regular leave, study leave or other lawful absence from work, leave for temporarily disablement, off-season and temporary work at another enterprise.

Loss of working time is the time, which could have been used for work but was not by virtue of permitted absence from work, partially paid or unpaid administrative leaves, absence because of move to a reduced working day or week, idle time, strikes and truancies.

Number of worked man-hours includes:

man-hours of the employees who actually worked at the enterprise including those who worked reduced working days or weeks, man-hours of overtime on weekends and public holidays (days off) in excess of standard working time for a month (out of schedule of works), and man-hours of craftsmen working at home.

Persons who in the surveyed period were in underemployment are those who, based on the national definition in this period, were attributed to the category of persons in employment and met three criteria:

Persons who were seeking additional earning, i.e. were seeking additional job/work (works) in addition to main work with the purpose:

- increase the gross work hours;
- increase work hours at main job/work;
- or both conditions.

« Were available to work more hours», or ready within certain period to work more hours at main job or at secondary job conditioned to presence of this opportunity.

Persons who in the surveyed period worked at main job less hours than normal work hours under agreement (contract, collective labour agreement) due to economic reasons beyond their control (stoppage, cut of production, seasonality, etc.).

The data under the said concept will be obtained from the decent work module survey questionnaire in which a special block of questions will be included to have the indicators to capture underemployment both in formal and informal sectors of economy as well as in the sector of self-employment (employers, self-employed, unpaid family workers).

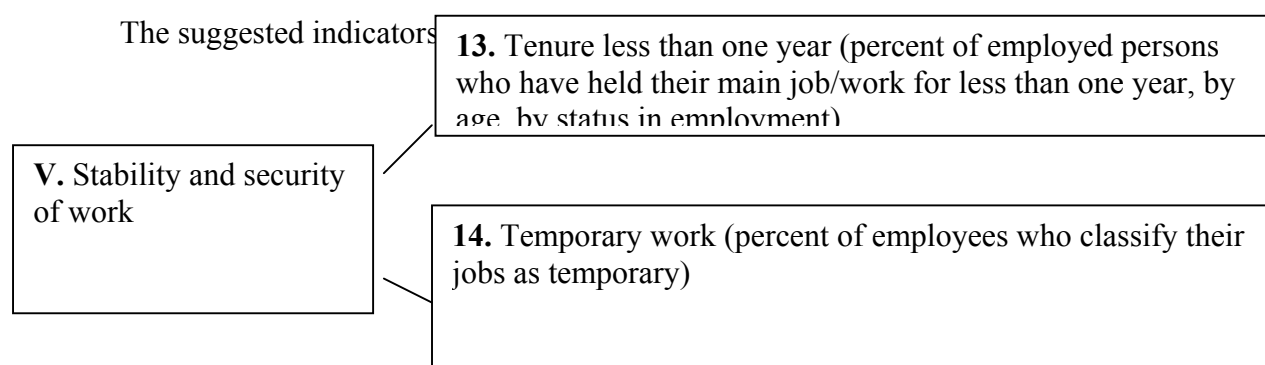
2.5 Stability and security of work

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 (and the growth or appearance of others). In addition, workers sometimes change jobs voluntarily. Job security as part of decent work must be understood in this context.¹¹

Indicators



The area of regular and temporary work is included in the program of the decent work module survey. Also it will be complimented by the workers' turnover rate data taken from the enterprise statistics.

When analysing the indicators on work stability and security some problems arise due to complexity of data interpretation as job loss implication is sensitive to other factors and here some implications are linked with other indicators of decent work; high unemployment rate means that

¹¹ Decent work policies intended to improve job security should be concerned with protecting workers from bearing an unfair share of the economic risk inherent in economic activity or with assisting them in a transition to new work. Specific policies intended to directly improve job security may or may not conflict with growth. If they do conflict, the trade-off may, nevertheless, be deemed desirable by society.

loss in earnings will probably be over a significant period. Chances to find another work is better for those who had opportunity to get training before or after job loss. The norm on the redundancy notice enables one to find another job prior loss of one's earning.

2.6 Balancing work and family life

Background

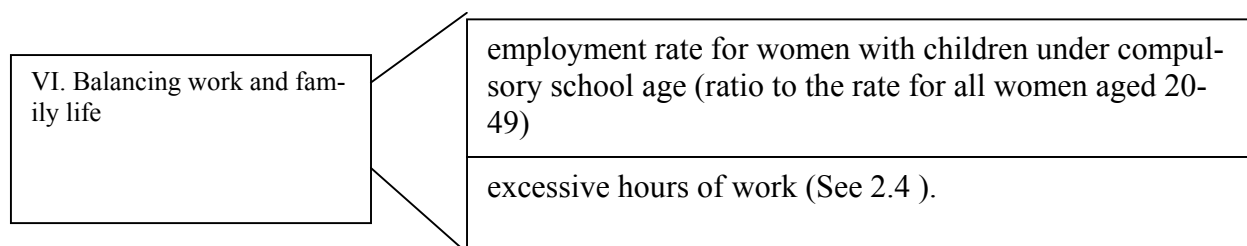
Reconciling work and family life has become a major public policy concern in many countries. It has always been a gender equity issue, since women throughout the world have main responsibility for family care and household work. Many factors have led to the mounting pressure on government and enterprises to address this aspect of decent 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 non-agricultural 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 (No. 183) specified the need for maternity benefits and for protecting women's jobs in the event of maternity.

Broadly speaking, there are three categories of family-friendly employment policies and issues: (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 child care¹².

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:



¹² Anker R., Chernyshev I., Egger Ph., Mehran F., Ritter J. "Measuring Decent Work with Statistical Indicators". Working Paper No.:2. ILO, Geneva. 2002.

In Ukraine the employment data on women with children of pre-school age potentially could be obtained from the 2001 census data, however some technical complexity arises due to a specific technology of processing the census data and the census period. Therefore, the decent work module survey questionnaire contains a special block of questions to cover employed women with children.

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 (No.111) 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 (No. 100) 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.

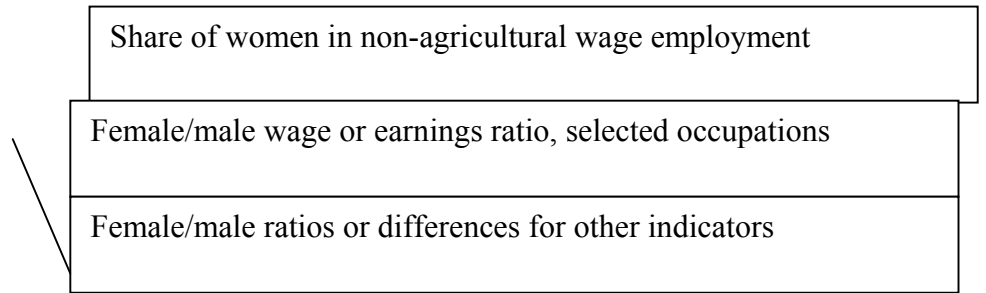
Indicators

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 two indicators discussed in this section 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. 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.

VII. Fair treatment in employment

17. Female share of employment in managerial and administrative occupations (ratio to female share of non-agricultural employment)

16. Occupational segregation by sex, (percent of non-agricultural employment in male-dominated and in female-dominated occupations and index of dissimilarity)



Occupational segregation by sex 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 (Anker, 1998). 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.¹³ Occupational segregation indicators should be calculated for non-agricultural occupations, for both conceptual and practical reason.¹⁴

The international experience suggests at least four methodological approaches for calculating the index of occupational segregation by sex. Considering the scope of statistics in Ukraine, the following method is supposed to be the most appropriate:

$$ID = \frac{1}{2} \sum_i \left| \frac{f_{in_non-ag_occ_i}}{f_{non-ag_LF}} - \frac{m_{non-ag_LF}}{m_{in_non-ag_occ_i}} \right|$$

where:

i - is the selected group i of non-agricultural occupations;

$f_{in_non-ag_occ}$

$m_{in_non-ag_occ}$ - is the number of employed women (f) or men (m), included in the selected group i of non-agricultural occupations;

f_{non-ag_LF}

m_{non-ag_LF} - is the number of economically active women (f) or men (m), included in the selected group i of non-agricultural occupations;

¹³ Gender-dominated occupations are defined as occupations where at least 80 percent of workers are either men or women (i.e., there are at least four males to every female or four females to every male). This definition represents a reasonable compromise between a more extreme definition (e.g., 90 percent, that would imply a sex ratio of at least 9 to 1), and a less extreme definition (e.g., 70 percent, that would imply a sex ratio of at least 2.33). The suggested definition has been used successfully in Anker (1998).

¹⁴ Agricultural employment is excluded for several reasons. On the practical side, agricultural employment, especially for women, is often inconsistently reported, and the very large size of agricultural employment in low-income countries would cause occupational segregation estimates to be determined by feminisation rates in agricultural occupations. On the conceptual side, the most important reason is that the determinants of occupational segregation are quite different for agricultural occupations (where family labour predominates) and non-agricultural occupations.

Female share of employment in managerial and administrative occupations.

The distribution of women and men across levels of responsibility is an important measure of equal treatment in employment. One indicator of this is the extent to which women are in positions of authority and decision-making, such as managers and administrative workers.¹⁵ It is suggested that this indicator also be reported relative to women's share of non-agricultural employment to take into account differences across countries in women's overall share of non-agricultural employment (since one would naturally expect to find low female shares in countries with low female shares of overall 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 one would indicate relative under-representation.

Female/male hourly wage earnings ratio, 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 100 (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 Ukraine there is capacity to calculate the average pay rate per 1 hour of the actual work hours. This data is available from the enterprise statistics but due to the absence of segregation of this indicator by sex and occupational groups use of this data source in the context of the gender reconciliation will hardly be possible. This problem could be addressed with a comprehensive approach on use of the harmonised labour force survey data and decent work module questionnaire. Here the first source will yield data on male and female employment by occupation, types of economic activity and actual work hours which could be reconciled with the decent work module data on wages of the given categories of population. It is to be noted that success in implementing this calculation technique for the indicator of the hour pay for male and female will depend on openness or respondents and reliability of the wage interview information.

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. An example is given below for the unemployment rate.

2.8 Safe work

Background

¹⁵ It might seem reasonable to also include professional and high-level technical occupations as these are also high-level jobs. This does not turn out to be a good idea in practice, because most women professionals and high technical workers are in only two occupations, teachers and nurses (Anker, 1998)

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, some 5,400 work-related deaths occur (Takala, 2002).¹⁶ 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 (Dorman, 2000).¹⁷

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 (No.155) 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 (No.121) establishes the principle of employer responsibility for insuring employees for occupational injury. The labour inspectorate (Labour Inspection Convention, 1947 (No.81) 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).

¹⁶ Takala, J. *Decent Work - Safe Work, Introductory report to the XVIth World Congress on Safety and Health at Work*, Vienna, 27 May 2002.

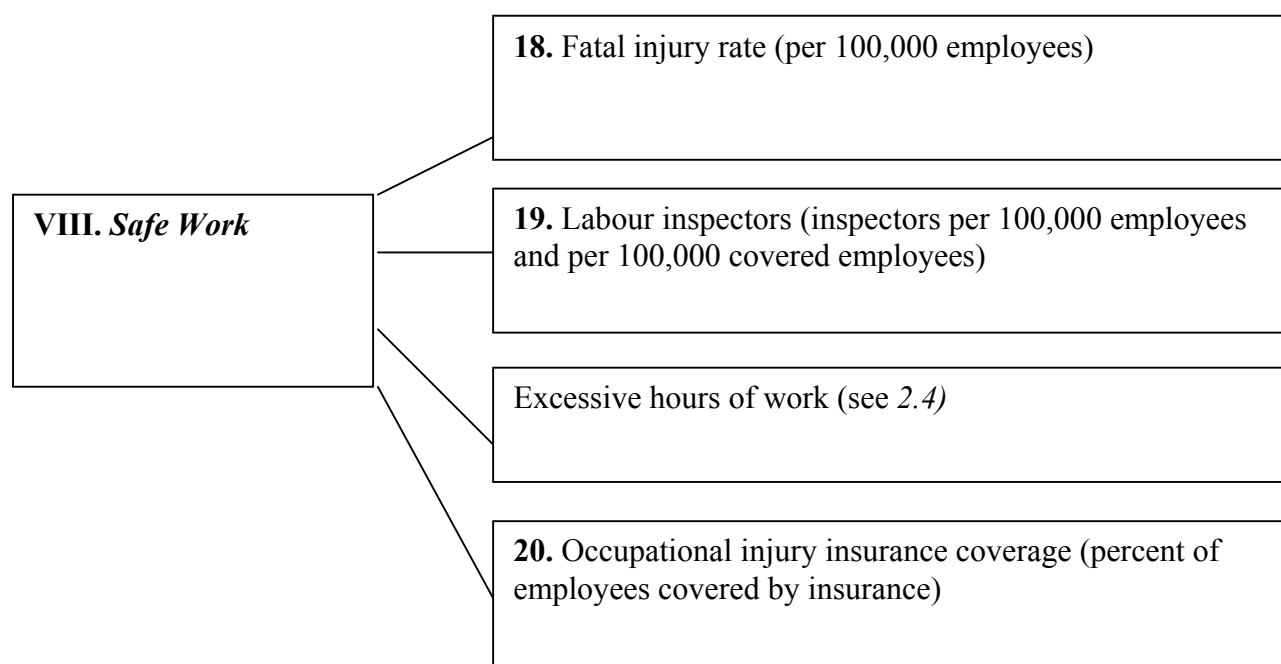
¹⁷ Dorman, P. *The Economics of Safety, Health, and Well-Being at Work: An Overview*, ILO, Geneva, May 2000.

Indicators

The suggested indicators measure or proxy for:

- (i) level of workplace safety in terms of outcome;
- (ii) State effort to enforce safe working conditions;
- (iii) insurance coverage in the event of occupational injury;
- (iv) long hours of work, one aspect of unsafe working conditions.

The first three indicators will require considerable effort to establish data sets with reasonable cross-country comparability for a substantial number of countries.



The data necessary for calculation of the occupational injury rate in Ukraine could be drawn from the enterprise data. At the same time the data on number of labour inspectors attribute to the administrative data collected by the Ministry of Labour and Social Policy.

Here, the sphere of labour inspection coverage is provided by the national legislation and encompasses enterprises and establishments of all form of ownership.

The data available on the occupational injury insurance coverage is also attributed to the administrative source but to test its adequacy the special block of questions is included in the decent work module questionnaire.

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.¹⁸

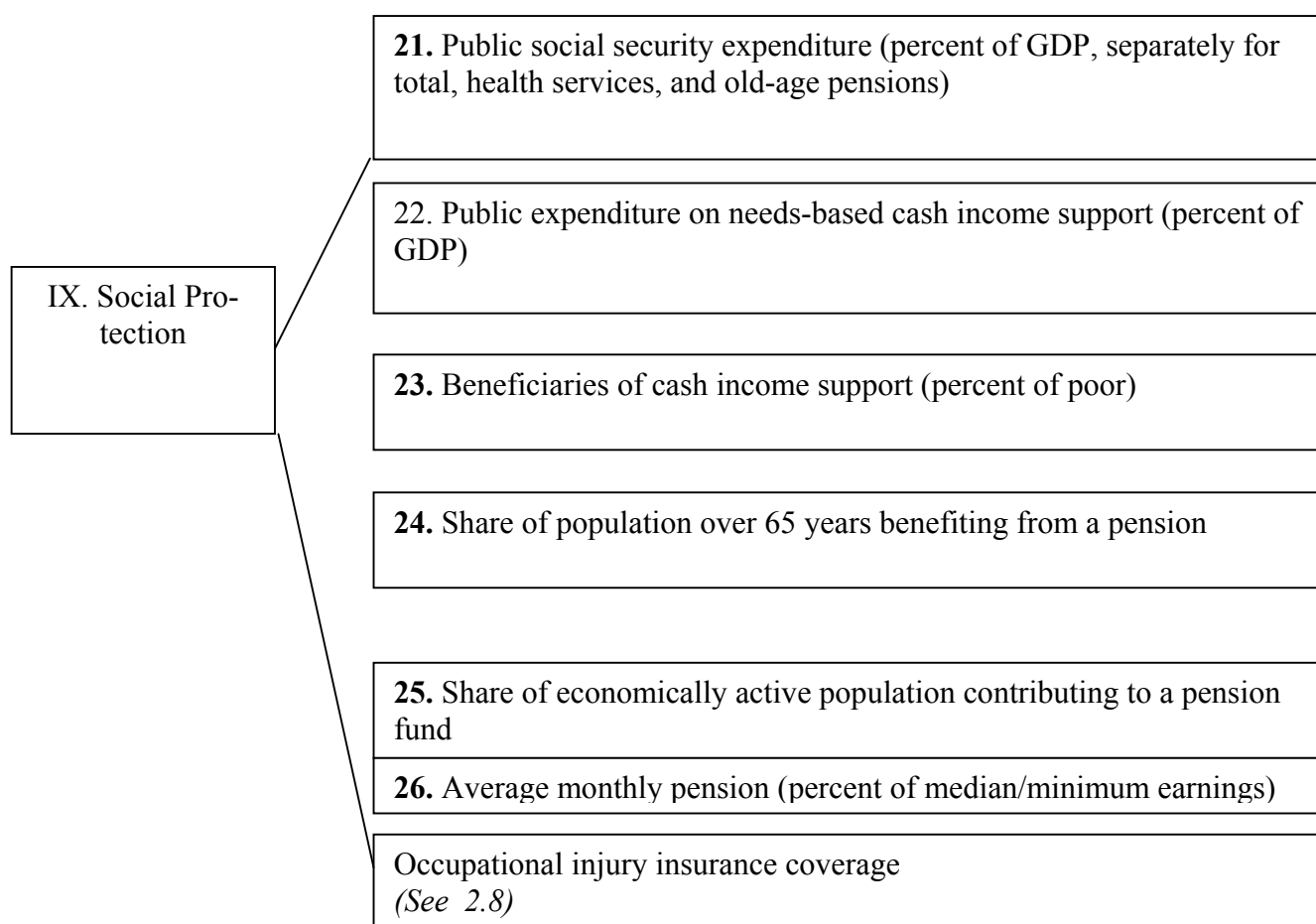
¹⁸ ILO, *Report of the Director General to the International Labour Conference*, June 2001.

The need for social protection is recognized by the ILO Constitution. 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 (No.102) 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. An important consideration is the extent to which these and other forms of support are available to the poor.

The current system of social security and protection covers mainly all the said areas of social assistance. But accessibility of workers to certain elements is dependant execution of labour relations. When measuring social security, it is important to account for three main features on every insurance case covered (from the perspective of accessibility, rights and premium), size of benefits 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. Suggested the following set of social security decent work indicators.



Total public social security expenditure is a synthetic indicator which measures the overall public redistributive effort.

The data base to obtain this indicator is the national accounts data which accumulate the administrative and statistical multiple-source data including the data on social insurance funds collected (contributions and payoffs).

Thus, the accounts on the secondary distribution and use of earnings, from the angle of the lines related to current social insurance transfers and assistance, include social insurance contributions and size of social benefits.

Moreover, the summary data is available on the state budget revenues in part of implementation of actions under the Chernobyl fund and social protection of population and payoffs under the above actions as well as pension provision.

It is informative to have the data on financial performance of insurance companies as well as target assistance to disabled having minimum income, individuals having low income and families with children as well as the cost of housing subsidies.

To calculate this indicators also the household budget survey data could be used to enable the analysis by groups of recipients of the target assistance made available for persons with a low income.

2.10 Social dialogue and workplace relations

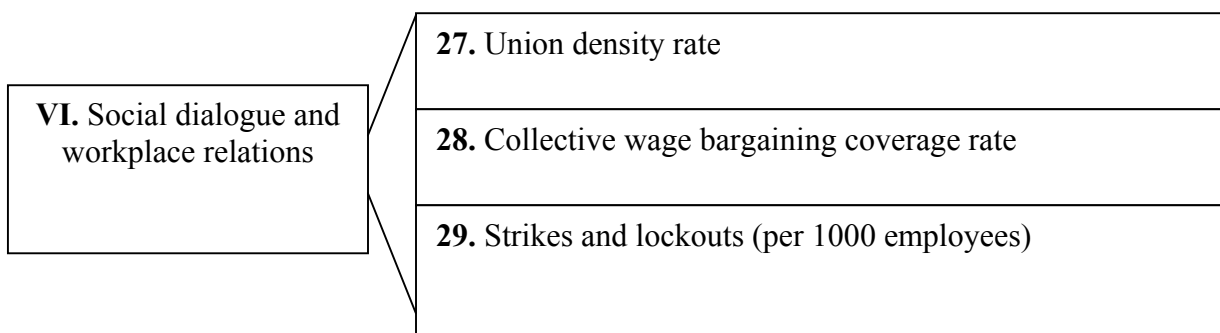
Background

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 No. 87 (1948) on Freedom of Association and Protection of the Right to Organise and Convention No. 98 (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. Other important social dialogue indicators require further conceptual and measurement development, such as the right and freedom to organise and bargain collectively; the institutional pattern of social dialogue, specifically the extent to which social dialogue and collective bargaining are centralised and coordinated; the participation of workers in decision-making at the workplace and in workers’ organisations; and direct employer-employee relations.



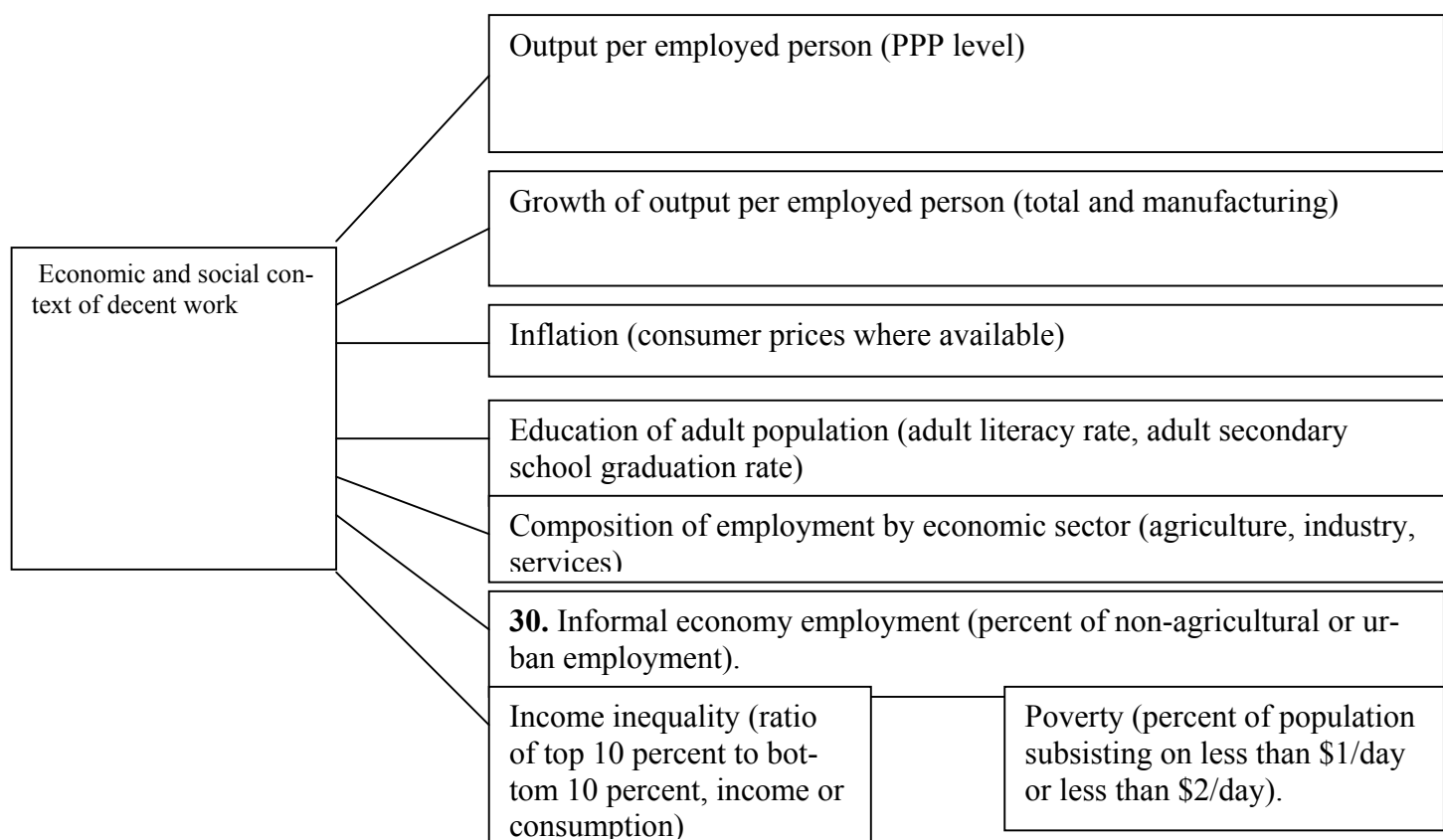
2.11 Economic and social context of decent work

Background

Up to this point, the concern has been with measurement of decent work. It is important to also consider the economic and social context within which decent work occurs. Three aspects of the context are considered here: (i) socio-economic context which may condition or affect the sustainability of decent work; (ii) socio-economic performance that the achievement of decent work might affect; (iii) 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 and growth per employed person

Labour productivity measured as output (GDP) per employed person summarises, albeit imperfectly, the overall ability of an economy to generate value from labour inputs. Its growth rate can be thought of as measuring economic growth abstracting from the growth of the labour force (labour input).¹⁹ 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. These include human capital, the technical efficiency of production methods that transform inputs into economic output, and features of the political economy of the country that enhance or inhibit the efficiency of the economy.²⁰

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. ILO suggests to use purchasing-power parity values to make international comparisons, though the PPP approach also has problems. However SSCU has not experienced in this method applying.

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 for two reasons. First, manufacturing is an important sector in its own right. Second, because there are serious conceptual problems with the measurement of output outside the goods-producing sector. For the calculation of the above indicators for Ukraine, the National accounts data as well as enterprises' statistical reports can be used.

Inflation

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.

Inflation. The data base to calculate this indicator is the monthly price and tariff registers for the consumption market and the budget households sample survey data on structure of the actual consumption over cash expenditures expenditures of urban population.

¹⁹ "Labour productivity" generally means output per hour worked. When appropriate measurements of the number of hours are not available (as occurs for many countries), output per employed person is used since it tracks changes in output per hour as long as average hours does not change significantly. Average hours per employee varies significantly among countries, and this fact is important to interpreting output per employed person across countries.

²⁰ Economists' terminology for the total effect of these influences is "total factor productivity" or "multi-factor productivity."

Education of the adult population

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 have a dimension of the education indicator it is planned to use data on percentage of the literate adult population, man and women, and percentage of men and women with the secondary school education. In Ukraine the census data or labour force survey data could serve as the data base for this indicator. The latter source in regard to this education indicator is preferable as it allows to expand the spectrum of the decent work characteristics with the potential study on the probable job loss for individuals having a high or low educational level using employment rate, unemployment data and structural characteristics of these indicators, namely, status and occupational area as well as reasons and duration of unemployment.

Composition of employment by economic sector

The observed 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: (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

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. Here we use the ratio of income or consumption of the top 10 percent (ranked by income or consumption) to the bottom 10 percent.²¹

In Ukraine the data could be derived from the budget household sample survey which enables one to get a rather wide spectrum of indicators on well-being and life conditions of the population, in particular, the following indicators:

- Cash income and aggregate household expenditures by deciles (10%) groups in per capita average aggregate expenditures;
- Structure of household aggregate expenditures by deciles (10%) groups in per capita average aggregate expenditures;
- Household cash income by deciles (10%) groups in per capita average aggregate expenditures;
- Structure of household cash income by deciles (10%) groups in per capita average aggregate expenditures;
- Distribution of cash expenditures by decile (10%) groups of population;

²¹ The choice of income or consumption is based on data availability. See World Bank, *World Development Indicators 2000*.

- Distribution of aggregate expenditures by decile (10%) groups of population.

Poverty

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 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 does not fit the Ukraine as it based on a sort of simplified approach that does not take into account social-economic relations and the labour remuneration in the country as well as price level and structure of goods and services market.

Currently the State Statistics Committee of Ukraine actively works on refinement of the system of indicators used for comprehensive assessment of poverty in line with the national methodology developed under expertise of the Ministry of Labour and Social Policy of Ukraine.

The said methodology includes the indicators that allow measurement of poverty scale in Ukraine;

- poverty line;
- poverty level;
- aggregate deficit in expenditures of the needy;
- aggregate deficit in expenditures of the needy;
- poverty depth.

In the variety of indicators the most close to the ILO-proposed content for indicator is dimension of the poverty level, i.e. share of families (households) with consumption rate (income) per capita lower the set poverty line. At the same time, the poverty line is the income level below which one cannot satisfy essential needs. The poverty line in cost-terms is the base for classification of individuals to the category of the needy and is determined as 75% median-level of aggregate income (expenditures).

Informal economy 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.²² 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.²³ Given the importance laypersons and labour market specialists in developing countries attached to the in-

²² See Decent work and informal economy. International Labour Conference 90th Session Report IV. ILO, Geneva, 2002.

²³ The ILO Employment Sector (2002a) report, *Men and Women in the Informal Economy: A Statistical Picture* prepared for the ILO Labour Conference introduced a new concept: informal employment. The main distinction between employment in the informal economy and informal employment is that the former is an enterprise based concept, while the latter is a job based concept. Both are concerned with employment that does not have social protections and benefits.

formal 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 ILO (2002) 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: (i) enterprises are private and unincorporated, (ii) at least some of production is meant for sale or barter, (iii) enterprise size is below a threshold, (iv) enterprises are not registered under national legislation (e.g., social security laws, tax laws, commercial acts), and (v) 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 Ukrainian definitions of the informal economy differ.

Persons in employment in status of enforced underemployment is the number of staff employees who did not work the normal work hours in the set period being in administrative leaves or those who worked reduced working days or weeks.

It is to be taken into account that the State Statistics Committee of Ukraine currently works on improvement of the system with introduction of international standards for underemployment, namely, recommendations of the 16th International Conference of Statisticians and its resolution with the following general definition of underemployment ²⁴.

Underemployment refers to situations when persons in employment work less hours compared to alternative situation when person is willing and able to work more hours.

Informal sector employment is a volume of persons employed in unregistered enterprises which size (by employment) is attributed to the household economy sector. As according to the household survey data the average household size is 2.8 persons (in urban areas – 2.7 persons, in rural areas – 2.9), the expert assessment confirmed by experts of the ILO Bureau of Statistics, showed that employment at enterprises of informal sector should not exceed five persons.

To estimate the total employment volumes in informal sector, employment at enterprises of informal sector is classified by:

- main job;
- secondary job;
- total employment in informal sector (without double account of those who had main and secondary job in this sector).

Given the national specific of a share of agriculture in national economy, the informal sector data include this sector employment in part it is marked-based. However, it is to be noted that given not a full openness of respondents the data on a share of informal sector in non-agricultural economy sectors is not full.

Therefore, analysis of this decent work agenda will be made over total employment in the sector as provided by the national concept.

²⁴ Resolution on underemployment and inadequate employment measurement adopted at 16th International Conference of Labour Statisticians (October 1998), pp. 7-9.

3. Analysis of current status in decent work in Ukraine

3.1. Employment opportunities

The notion of decent work implies existence of friendly environment for all who are seeking the occupational upgrade, opportunity to make a free choice of employment.

Based on the 2002 quarterly survey data, economic active persons aged 15-70 years made up 22.7 million and 21.1 million of those (or 93.0%) were in the working age. The economic active persons in the working age show the following segregation: 47.8% (women) and 52.2% (men).

The analysis of the men-women economic activity ratio by age groups shows that for persons in working age the largest disproportion is for age of 20-24 years (12.3 percentage points) and 25-29 years (9.8 percentage points). This phenomenon is associated with the women fertility peak in this age. According to demographic data, average age of women who gave the birth in 2002 was 24 years.

Comparison of the structure of persons aged 15-70 years over the education level showed that women compared to men had a higher education level. But despite this, women economic activity rate was lower than that for men. And a share of persons with university education in total population of the said age groups is found 24.1% for women and 18.1% for men. At the same time, economic activity rate of women with university education compared to that of men was lower (75.1% and 81.5%).

The tables below show the 2002 economic activity rate data segregated by sex and place of residence.

	Population aged 15 to 70 years, total	There of			
		women	men	urban popula- tion	rural popu- lation
Economically active popula- tion aged 15 to 70 years, thou. person					
2001	22755,0	11076,5	11678,5	16219,2	6535,8
2002	22701,7	11088,8	11612,9	16162,2	6539,5
Economic activity rate ²⁵ %					
2001	62,7	58,0	67,9	64,0	59,8
2002	62,6	58,1	67,6	63,7	59,8
Employed , thou. person					
2001	20238,1	9863,4	10374,7	14169,1	6069,0
2002	20400,7	9984,2	10416,5	14294,0	6106,7

	Population	There of			
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²⁵ Index is calculated as the ratio of the number of the economically active population aged 15 to 70 years to the total population of the specified age.

	aged 15 to 70 years, total	women	men	urban popula- tion	rural popu- lation
Employment rate ²⁶ , %					
2001	55,8	51,7	60,4	55,9	55,5
2002	56,2	52,3	60,6	56,4	55,9
Unemployed , thou. person					
2001	2516,9	1213,1	1303,8	2050,1	466,8
2002	2301,0	1104,6	1196,4	1868,2	432,8
Unemployment rate ²⁷ , %					
2001	11,1	11,0	11,2	12,6	7,1
2002	10,1	10,0	10,3	11,6	6,6
Economically inactive population aged 15 to 70 years, thou. person					
2001	13528,9	8017,6	5511,3	9135,2	4393,7
2002	13582,2	8005,4	5576,8	9192,2	4390,0

In 2002 **employment volume for persons** aged 17-70 years went up by 162.6 thousand or 0.8% and is equal to 20.4 million persons or 56.2% of total population of a given age. For persons in the working age, the employment rate is 64.6% being higher for men in contrast to women (66.4% and 62.6%), as well as for rural employment compared to urban employment (65.5% and 64.2%).

The 2002 employment growth in Ukraine for persons aged 15-70 years was due to employment growth in the private sector of economy (employment growth by 749.3 thousand persons or 15.6%). At the same time wage-employees employment continued to go down at enterprises and establishments with state (by 488.5 thousand persons or 5.6%) and collective form of ownership (by 98.5 thousand persons or 1.5%). In the economic activity profile, the volume of employment largely grew in wholesale and retail trade (by 68.1 thousand persons or 2.8%), in electric power, gas and water sectors (by 62.5 thousand persons or 9.2%), real-estate (by 56.0 thousand persons or 10.1%). Growth in agriculture made up 1.4%, in manufacturing – 1.1%. At the same time, employment went down in education (by 4.9%), construction (by 2.6 %), state administration (by 2.3%) and in mining industry (by 2.1%).

The said processes as well as the effect of seasonal employment in subsistence household economy lead to redistribution by status in employment. Thus, self-employment grew up with wage-employees employment small decline.

Here, in the passed year, employment in the latter category went down by 3.2%, while self-employment went up by 14.2% significantly due to those who worked in the household subsistence economy (by 13.8%) hired workers by self-employed (by 13.3%). Due to reforms in agricultural sector, wage-employees employment in agricultural enterprises significantly declined: by 10.5% or 248.8 thousand persons. In total employment every forth person worked in agriculture, every fifth person – in industry, every six person- in trade.

Unfavourable disproportion in the labour market demand and supply retained in 2002 despite increase in job vacancies and vacancies listed at employment offices by requests made by legal entities. In the passed year job vacancies count went up by one-fourth and made up 123.9 thousand. But labour force supply was dozen-times higher the demand.

²⁶ Index is calculated as the ratio of the number of the employed population aged 15 to 70 to the total population of the specified age.

²⁷ Index is calculated as the ratio of the number of the employed population aged 15 to 70 to the total population of the specified age.

The 2002 average annual LFS unemployment data showed the same unemployment of men and women in the working age (10.8). But women more often refer to employment offices (3 times).

The National Employment Service data evidence that in the end of 2000 share of women filed at employment offices made up 64.3% and the ILO-based unemployment (registered and not-registered unemployment) was almost the same for women and men (48.0% and 52.0%).

This data allow one to draw a conclusion that women compared to men need more government assistance in job seeking, i.e. when looking for job they less rely on themselves.

The main reasons for unemployment (registered and ILO-based) is voluntary quit, redundancy for economic reasons and absence of work upon graduation from educational establishments. And based on the LFS data, the main reason for voluntary quit was low wages. At the same time low competitiveness of unemployed youth in the labour market is the main reason for difficulty for this category of economically active persons to find employment upon graduation from educational establishment. The high risk associated for middle-age persons employment is redundancy for economic reasons, while for persons of the senior age group risks are associated with age limit or disability of group 1 and 2.

	Registered unemployed (as of 1 January 2003), thou. persons	There of, in %	
		women	men
Number of registered unemployed persons, total	1034,2	64,3	35,7
There of			
registered unemployed over 1 year, by the reason for unemployment:			
- redundant due to restructuring, liquidation, employment downsize	108,7	71,0	29,0
- voluntary quit	194,9	59,2	40,8
- not in employment after finishing education establishment	38,6	70,5	29,5

It is instructive to know that in 2002 unemployment of persons in the working age who stopped job seeking having been discouraged was 693.6 thousand persons or 3.1% of economically active persons. It is to be noted that under the international definition of inactive persons those who stopped active job search for the above reason also could be attributed to the unemployed. Among the discouraged every fifth never had work (20.3%), i.e. given the employers' requirements for occupational skills of workers, their chances to find work on their own very low. And the National Employment Service data evidence that ratio of inactive persons per job vacancy that does not require special skills is very high (28 persons), the ratio for blue-collar workers (6 persons) and white-collar workers (9 persons). Also low chances to find work had agricultural workers (33 persons). Based on employers requests, in 2002 the highest demand was for workers with tool, operators and assemblers of equipment and machines.

Inadequate employment opportunities and low wages in Ukraine force nationals to look for em-

ployment outside. Labour migrants employment volumes are going up from year to year. Based on the data provided by employment firms, Ukrainian citizens official employment outside Ukraine went up by 12.0% as compared to 2001 and made up 40.7 thousand persons. At the same time, there are arguments to state that scale of this phenomenon is much larger. In 2001 national statistics offices conducted a sample survey "Life Paths of Ukrainian Nationals" in eight regions of Ukraine. Based on the survey data, in 2000 the labour migration volume was at least 380.5 thousand persons in the regions surveyed what made up 5.1% of economically active persons in those regions. Among labour migrants there were mainly those who had no regular work in Ukraine, and labour migration from rural areas was higher the migration from urban areas. The share of labour migration from rural areas was 52.9%, while for these regions economic activity of rural population made up 29.3%.

When in labour migration, Ukrainian nationals were mainly employed in construction sector (57.1% of labour migrants) and agriculture (15.8%).

Leaving the country for labour migrations, persons often had no information about their future employment (sector of activity, wage size, work hours, etc.) and hence their work conditions do not comply to the national norms both in Ukraine and in country of migration. Thus, week work hours of labour migrants were higher by 40% the set norm in Ukraine being 55.8 hours. For every second labour migrant this indicator was above 60 hours. Only 11.5% of labour migrants had a written employment agreement with employers, the other worked based on the verbal agreement, i.e. were illegal labourers. Verbal agreement did not guarantee observance of the rights by employers who in 9 of 10 cases violated their commitments on workers wages, work hours (39%), lodging (38%) and meals (21%). Ukrainian labour migrants also confirmed that when in migration they felt insecure facing blackmail, robbery and in cases they needed legal assistance to protect their rights and interests. Moreover, almost always they have earnings far below their expectations because of unfair remuneration.

3.2. Unacceptable work

In 1999, the Labour Force Survey entailed additional interviewing aimed at investigating a new phenomenon in Ukraine – child labour. During 1999, 46,809 children living in 33,665 households were interviewed, and one out of every two of these households were re-interviewed. The State Statistics Committee of Ukraine developed 1999 averages based on quarterly findings. The Child Labour Survey findings include the results of interviews with children aged 5-17 and their parents or guardians.

Parents' responses suggest every fourth child lived in a household with monthly average consumption expenditure at or below the official poverty level (118.3 UAH in IV Quarter 1999). This accounts for the identification of clothing/footwear purchases (75%) and poor nutrition (42%) as among the major problems in maintaining children.

Survey results indicated that nationally, out of 9,186,000 children, 350,000 (3.8%) were economically active. The number of economically active boys totalled 228,000 (2.5% of all boys) and the number of economically active girls, 122,000 (1.3% of all girls) (Table 1.1).

The number of children who were both economically active and attending school made up 3.4% of all children between ages 5-17. The percentage of children both working and attending school was higher in rural areas (4.5%) than in urban areas (2.8%).

Of all children attending school, 14.8% were neither working nor engaged in domestic chores during the reference period.

Analysis of the survey revealed a number of factors influencing a family's dependence on child labour, such as:

- ◆ household consumption expenditure;
- ◆ number of children per household;
- ◆ age of child;
- ◆ season of year;
- ◆ residence;
- ◆ gender of child.

When the percentage of working children was examined in relation to the monthly consumption expenditure of their families, the survey showed that 3.4% of children who were economically active during the reference period came from families whose monthly consumption expenditure was below 100 UAH; 2.7% were from families with expenditures between 100-400 UAH; 2.0% from families with expenditures between 401-700 UAH; and 2.7% from families with expenditures between 701-1000 UAH.

A correlation was also found between the number of children in the household and the rate of working children. The highest rate of working children among the families surveyed were from families with multiple children. Working children belonging to households with one or two children accounted for 3% of all children; those belonging to households with three children, 4%; and those in households with four or more children, 10%.

The level of economic activity was higher amongst boys than girls (4.9% and 2.7%, respectively).

The survey also revealed a high correlation between employment level and age, with the employment level rising with age. The highest level of employment was found in the 15-17 year age group (8.1% of children in this age group) and the lowest in the 7-9 year age group (0.8% of children in this age group).

Half of the children surveyed indicated that the main reason for working was a desire to have their own pocket money; one-third cited the poor material well-being in their family; and only 14% were motivated by the wish to gain experience in an occupation.

The desire for pocket money is most likely attributable to the inability of families in poor material conditions. Children's reasons for working differed between rural and urban areas. In rural areas the material needs of the family and the desire for own pocket money equally influenced a child's decision to start working. In contrast, in urban areas, the desire for pocket money was a far stronger reason than lack of family well-being for a child's deciding to work.

Most children are engaged in labour that is physical, elementary and unskilled. This is understandable, since a young child does not yet have enough skill to perform more sophisticated tasks that require professional experience and special training. Therefore, employment at an early age is unlikely to provide a child with solid skills for a future occupation. Among children who combined work and school, 94% were engaged in physical labour. In the 7-9 year age group, this rose to 98%. The highest percentage of children engaged in non-physical labour was in the 15-17 year age group (8% of this age group).

74% children had a regular or temporary work. 21% worked during school holidays and 5% had occasional, one-time jobs. Boys accounted for a higher percentage than girls among those holding regular or temporary jobs.

Major types of children's economic activities included threshing and granary work; crop weeding; vegetable and fruit-picking; cattle grazing; subsidiary construction work; automobile repair and service; shoemaking; sale of foodstuffs and other goods; work at marketplaces; collecting scrap metal, etc.

The Child Labour Survey also investigated at how children looked for employment. One-third of working children looked for work independently, 37% through parents, 23% through friends and only 2% through advertisements. Searching for a job independently or via acquaintances appears to be more effective than going through official channels. The chances of children finding a job independently are boosted by job offers from the informal sector of the economy, which is a dangerous precedent that may lead to further illegal employment in the future.

The extensive involvement of children in the informal sector is confirmed by the fact that 82% of children worked on the basis of a verbal arrangement without a proper written employment contract (Table 2.21). Without a written contract detailing wage rates and employment conditions, children work without legal protection or knowledge of their rights, which results in a working regime and working conditions that are unfair and often extreme.

The highest percentage of children entering official employment was found in the industrial sector (35% of all employees in the sector) and the lowest in the trade sector (13% of all employees in the sector).

Almost all boys working in the construction and trade sectors had a verbal agreement with their employers. The lack of a written contract is particularly dangerous in the construction sector, which is characterized by strenuous physical labour and a high incidence of work-related injury.

Because they are legally barred from employment, all working children under 10 were employed informally. Children aged 10-14, whose employment is subject to certain legal limitations, accounted for a very low percentage of those employed officially (6-9%). This shows conclusively that amongst working children, those in the youngest age groups enjoyed the least legal protection in practice, despite laws limiting their work.

The majority of children engaged in economic activities (68%) received cash wages, 23% were unpaid and 9% were paid in kind.

Working children receiving cash wages accounted for the majority of working children in the trade (86%), service (81%), industrial (80%) and construction (78%) sectors. Of those children engaged in agricultural work, almost half were paid in cash, 14% in kind and 37% received no payment at all.

Children who did not attend school accounted for a higher percentage of paid workers than those children combining work with school (71% and 67%, respectively).

As a rule, children's earnings were fairly low. Although the monthly average legal fixed wage for 1999 was 178 UAH, most paid child workers (63%) earned no more than 80 UAH per month, and of these, 32% earned less than 40 UAH. Only 11% of children received payments at or slightly above the fixed legal wage. Most of these children were hired by companies or individuals or worked in family businesses. Children in urban areas received higher wage rates than those in rural areas.

Working children who did not attend school tended to earn more than those children combining work with school. Almost 70% of school students earned 80 UAH per month, while among the children not attending school, only 34% earned a similar amount. Another 16% of children not attending school earned a monthly minimum of 200 UAH. This suggests that children who did not attend school had more time for economic activities and could therefore work on a regular basis and earn more than those children for whom economic activity was not a major occupation.

The vast majority of working children (73%) worked 24 hours per week, i.e. on average up to five hours per day over a five-day working week. The rest (27%) worked more than 24 hours per week, and 6% of the total worked over of 41 hours, which exceeds the standards for adult workers. The survey revealed long hours worked by young children as a cause for concern. In the 13-14 age group 6% children worked more then 41 hours a week. 2% of both boys and girls in the 15-17 age group worked over 56 hours a week, which is absolutely unacceptable at that age.

Even if the work is simple, a child's body is unable to tolerate long working hours. Since children were involved mainly in physical labour, and often performed work requiring extreme concentration, severe health damage is to be expected as a consequence.

Notably, the size of children's earnings did not correspond to the number of hours worked. About 75% of children who worked an average of 42-48 hours a week were paid below the lowest official income level; 22% of these children earned less than 40 UAH per month. Half the children who worked 56 hours a week or more earned up to 160 UAH monthly.

Among the children engaged in economic activities, 21% were dissatisfied with their job. Reasons for their dissatisfaction were given as unfavorable working conditions (9%) and low pay (8%). The highest percentage of dissatisfied children was in the 13-14 age group and the lowest in the 7-9 age group.

Among the working children surveyed, 42% stated that they worked in unfavorable conditions. Heavy physical labour was cited by 19% of working children, whereas 9% complained of a heavy work load (physical and non-physical overload, excessive concentration, eye strain, absence of lunch and other breaks) and 8% of excessive dust, fumes and noise.

This data raises serious concerns about the physical and mental development of children who have been working in hazardous conditions since early childhood. Extremely worrisome is the data concerning children under 12 and girls, as both are legally prohibited from engaging in heavy physical labour.

Two-thirds of working children fell ill on a regular basis, and one in fourteen fell ill frequently. In the 7-9 age group, 11% of working children became ill frequently. Among boys in this age group, this rate rose to 13%. Among working girls, frequent illnesses were most common in the 13-14 age group (12%). The survey showed only 27% of working children were in good health throughout the year.

3.3. Adequate earnings, productive work and decent work hours

Wage is the main source of income for wage employees and their well-being. In 2002 in the GDP structure the cost of wage employees made up 43.7% where almost 80% was their labour remuneration. One of the key indicators of well-being and decent work is the real wage being a characteristic of real wage purchasing ability affected by goods/services price variation. In 2002 the annual-average real wage growth was 18.2% (in 2001 –19.3%, in 2000 – reduction by 0.9%).

In 2002, the average-month nominal wage per one staff employee was above the set living minimum for able-bodied persons (365 UAH) by 3.1% and made up 376.38 UAH. Compared to 2001, this indicator showed 21% improvement. However, in 2002 the wage growth rate declined.

	Average monthly wage accruals
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	Average monthly wage accruals					
	UAH per staff employee	% of previous year	UAH per hour of work	% of previous year	per staff employee equivalent of full-time employment	% of previous year
2000	230,13	129,6	1,77	128,3	256,70	127,9
2001	311,08	135,2	2,31	130,5	336,77	131,2
2002	376,38	121,0	2,78	120,3	409,07	121,5

Labour remuneration for men and women was different. Despite women and men have the equal rights for work and remuneration, in Ukraine the pay rate for women is lower compared to men. Thus, in 2002 in economy the average-month women wages were by 30.7% lower wages of men being 309.75 and 447.08 UAH, respectively.

Wage growth was mainly due to the minimum wage increase in 2002. It had the most effect on the budget-sphere workers wages, in particular, in state management sector the average –month wages grew by 24.9%, in health and social protection sector (22.3%), education (19.3%). In the production sphere the highest wage growth was in transport sector (24.5%) and forestry (21.1%).

Differentiation of average pay depending on sector of economy is considerable. Ratio of the average pay rate in financial sector (976.14 UAH) to wages in agricultural enterprises (177.82 UAH) was 5.5-fold, i.e. being at level of 2001. Workers employed in social sphere (education, health, and social assistance, culture, sport, leisure) had average wages not higher 71.5% of the average wage in economy.

It was already noted that the legally set minimum wage was increased two-fold (from 1 January 2002 – to 140 UAH and from 1 July 2002 – to 165 UAH) what resulted in redistribution of workers by wage size.

In December 2002 for every four of ten workers who worked 50% and more hours the accrued wage was 365 UAH (subsistence minimum), while in December 2001r. it was three of ten. One-fourth of workers had wages exceeding 500 UAH, in 2001 this category of workers made up 19.1%. Only 6.35 of workers had the accrued wages above 1,000 UAH, and in this category 1.2% of workers had wages above 2,000 UAH.

And every sixth worker had the accrued wage of 165 UAH, i.e. not higher the minimum wage set in second semester of 2002. These workers were employed mainly in agricultural sector (half of employment in the sector).

Wage size of wage employees in production sphere depends on the results of work. Hence it directly depends on labour force utilisation rate and efficiency of work hours utilisation. In 2002 this sphere is marked with certain improvement.

In 2002, to fulfilment of works (services) volumes, production output in condition of full productive employment, employment was estimated as 11.6 million persons or 94.4% of employment in economy (in 2001 92.4%). In production sectors workers' surplus was somewhat higher but when compared to 2001 it went down and was consequently in agriculture 11.3% and 12.8%; in industry (8.6% and 11.4%) in construction (8.7% and 11.7%).

Difference between actual pay rate for staff employee and those who worked full month was 8.7% in average for economy; in agriculture –19.1%, industry (11.2%) and construction (14.5%). It means that with increase of the work hour utilisation rate the average pay rate of staff workers goes up.

Insufficient utilisation rate and excessive labour is also demonstrated by share of waged workers who fully worked work hours set for December 2002 being 74.3% of the average listed staff workers for this months. It means that in December 2002 every forth worker worked not a full month, in industry- every third worker.

Payroll tax is accrued both on worked and not worked but paid hours (annual leaves, additional leaves, educational leave, partial pay of hour in stoppage, etc.). In 2002, in average for economy these pays on payroll made up 8.4%, in industry (9.4%), agriculture (6.0%), transport (8.4%), education (10.2%). In 2002 payroll tax on the hour paid was 2.52 UAH and in 2001- 2.10 UAH.

In 2002 enforced underemployment continued to go down.

In 2002, 621.9 thousand persons were in administrative leaves of different duration and this volume is by one-third lower the volume in 2001. Mainly these workers were employed at industrial enterprises (390.2 thousand persons). During the passed year, employment under reduced working time went down by 10.8% in economy in average making up 1,519.0 thousand persons. In this regime worked every fifth worker in industry, every forth worker in transport and construction.

Increase in employment rate is also linked to changes in structure of work hour stock and its utilisation rate.

Structure of work hour fund

	2001		2002	
	Average per employee, hours	% of overall	Average per employee, hours	% of overall
work hour fund	1949	100,0	1937	100,0
There of				
Hours worked	1616	82,9	1623	83,8
Hours non-worked due to valid reason:				
annual leaves	154	7,9	153	7,9
temporary disability	46	2,4	49	2,5
educational leaves and other legal absences	7	0,4	8	0,4
absences due to off-season etc.	20	1,0	18	0,9
Work hours lost, by reason:				
Absences permitted by management	25	1,3	21	1,1
administrative leaves	30	1,5	17	0,9
Absences due to reduction of working time	44	2,3	41	2,1
other reasons	7	0,3	7	0,4

In 2002 the positive trend was observed in cutting work hour losses due to absence from work for different reasons and this losses made up 1,024.6 million men-hours (4.3% of the total work hour stock); in 2001 – 1,353.9 million men-hours (5.4%). In structure of absenteeism more than two-thirds are annual leaves, one-fifth – absence for temporary illnesses.

Thus, the analysis of the data showed the positive developments in the sphere of work pay and work hour utilisation in the passed year. First, nominal and real wages continued to increase. Second, enforced underemployment went down, work hour losses for economic reasons went down. At the same time, a significant differentiation of wages still remains between sectors of economy as well as between the regions what calls for refinement of regional and sectoral wage policy.

3.4 Stability and security of work

The Ukraine economy still features the high workers' mobility. For the passed three years (2000-2002) it did not change and had remained within the range of 6.2-6.3 million persons annually (those who were employed and quitted).

In 2002 high workers' mobility was evidenced in education (every fourth was recruited or made redundant), in health and social assistance, government management, in transport (every third), in agriculture, industry (every fourth). A slight labour force turnover was observed in trade, construction and financial sectors.

As in preceding years, in 2002 the coefficient of quit was higher the recruitment coefficient in economy in general as well as in sectors including financial, management and administration, education, health and social assistance sector. This leads to annually observed reduction in average and large company employment. Much higher volumes of those who quitted over those who were recruited in 2002 (outflow of labour force) was observed in forestry and agriculture, construction and industry.

In 2002 mainly workers quitted due to staff turnover (80.1% of those who quitted work), staff cut (only 5.4%). Among those who were redundant 55% were women.

The highest redundancy rate due to staff cut was in the air transport - 16.7%, financial sector-11.6% and industry – 7.2%, while due to staff turnover (accordingly about 90%) – in health and social assistance, education and agriculture sectors.

It is to be noted that men show higher mobility rate in the labour market. Both on quit and recruitment the men indicator was much higher that for women. And in 2001 among 2.9 million persons recruited at large and average enterprises and among 3.4 mln. redandunt employees 60% were men.

In the last 3 years respondents' interviews confirm that volume of persons aged 15-70 years who seek the second main or additional work goes down. In 2002 volume of these persons went down by 16.1% being 415.0 thousand persons or 2% of total employment. In this category 86.7% were looking for second main work, the other were seeking additional work. It is representative that volume of men looking for second main or additional work was by one-forth (24.7%) higher that for women in the category. Here, the low pay rate is main reason for job seek or additional earning.

3.5. Balancing work and family life in context of decent work

There is evidence that despite the role played by women in socio-economic life in Ukraine their work potential has not been fully employed. At the same time, high competitiveness in labour market results in negative gender disproportions what has a negative impact on women economic activity.

In 2002 large and average enterprise employment was 6,298.9 thousand women (51.5%) and 5,936.4 thousand men (48.5 %). Nevertheless, by economic sectors this segregation features a significant variance. Main employment is traditionally higher in complex economic activities, in particular, in forestry and fishery, industry, transport and construction. In industry a traditional sectors with prevailing men employment include mining (72.4% of total sector employment), timber and wood-working (71.8%), metal working (73.8%). Women employment is prevailing in sphere of services, namely, retail trade (72.9%), hotels and catering (76.2%), finance (68.8%), education (75.4%), health and social assistance.

The highest month wages in 2002 were reported for sphere of production with prevailing men employment, in particular, coke and oil refinery (824 UAH), non-ferrous metallurgy (780 UAH.), ferrous metallurgy (705 UAH), iron ore mining (706 UAH) and non-ferrous ore mining (648 UAH). Work pay rate was much lower in sectors with prevailing women employment: in light industry (textile and clothing manufacture) (257 UAH), leather and footwear manufacture (271 UAH).

It is to be noted that wage size depends on many factors like general work input and work result, position, education and qualification level, etc. Also it is acknowledged as a problem when despite high education and occupation qualification women hold positions less prestigious and lower paid. It happens mainly because of the labour legislation that bans women employment at hard and hazardous works. Men who hold these positions have certain benefits being paid compensations and granted certain employment benefits what significantly results on their earning rate.

Women in employment largely have a higher education level compared to men. In the end of 2002, 55.6% of women in employment or 3.6 million had university education. Among 2.8 million workers who graduated from universities with 3-4th accrediting grade women made up 58.5%. At the same time, women occupational skill upgrading opportunities were more limited. This could be confirmed with the 2002 data when among those who upgraded occupational skills women made up only 43.1% or 419.9 thousand; among those who were retrained (285.5 thousand) women made up only one-quarter (26.3%).

	State employees		Local authority officials	
	women	men	women	men
Managers, persons, total	34494	22479	17890	14451
there of, by official ranks:				
first	19	211	1	26
second	177	742	2	57
third	915	2007	84	808

Despite men and women employment being equal in economy, on-the job training was more accessible for men (3.6% and 1.2% of staff employment (men and women, respectively)). Also it is associated with occupational training when mainly skills are transferred on blue-collar workers' occupations, more complex and difficult, that lay in sphere of men employment, namely, the following economic sectors as industry (7.1%), water and air transport (6.0% и 6.8%, respectively), transport services (6.0%), forestry (3.8%), construction (3.5%), fishery (3,1% of the men staff employment). In spheres with prevailing women employment, men and women occupational re-training opportunities were equal, being 0.3% and 0.4% of staff employment.

One of the differences in men and women opportunities in labour market is their chances to hold certain positions. This could be clearly demonstrated by civil officers and local governance employment survey data. In 2002 manager and specialist positions were mainly held by women, namely, 60.5% of manager positions and 80.1% of specialist positions. However, the highest posts are mainly held by men.

3.6. Safe work

Work safety is objected to efficient use of potential of economically active persons by providing normal conditions for one's health and life. When conditions are not provided, the workers' social security should be guaranteed by state in case of part or full disability and social assistance of family members and dependants in case of fatal injury.

Based on the data of enterprises of industry,, agriculture, transport, telecommunication and construction, in 2002 every forth worker worked in unfriendly conditions, namely: high level of noise, infra-sound, ultra-sound (10.6%), dust mainly of fibre nature (8.9%), hazardous chemicals of 1.2 – 3.4 grade of hazard (6.2% of staff employment).

In percentage terms the data exceeding the average national indicator of unfriendly-conditions employment volumes were found at enterprises of coal and brown coal, turf industry metallurgy (74.4%), metallurgy and metal working (56.8%), coke and oil refinery (56.5% of staff employment). In total employment in hazardous conditions women made up one-sixth (16.9%).

Work in unfriendly conditions leads to occupational injury. In Ukraine cost of the labour safety actions per one worker was 106 UAH in 2002.

In Ukraine in 2002 occupational injuries rate was 2 persons per 1,000 employees. The highest rate was in mining industry and construction (22 and 3 persons, respectively). In this period the following reasons caused occupational injuries: administrative mismanagement (51.4% of total injuries), technology and process related injuries (19.9%), psychology and physiology related injuries (3.0%).

In 2002 in Ukraine 1,227 fatal occupational injuries were registered: in agriculture, hunting and forestry – 224, mining industry – 269, manufacturing industry –236. Fatal occupational injuries were caused by: transport accident–24.4%, high-altitude works – 13.0%, injuries caused by collapse, material and object fall – 11.7%, moving, rotating, scattering parts and objects – 10.2%, electric injury – 7,9 %.

Healthiness of the labour market calls for state social and economic protection of workers against unfriendly production affects on one's health.

Enterprises bear additional costs on providing compensations and benefits for work at hazardous works: additional leaves in line with the lists agreed by the collective agreement, meals subsidy

(including milk), reduced week work hours, higher tariff rates set, additional pay for work conditions and intensity, etc.

In 2002, volume of workers granted at least one of the benefits and compensations made up 1,922.7 thousand persons or 28% of staff employment. Additional leaves and meals (milk) subsidy was the main benefit granted

Also those who were employed at hazardous works had entitlement for early retirement and state pensions (by list 1, list 2, service period, pensions paid by enterprises, etc.). In 2002 those who had this entitlement made up 15.3% of staff employment at enterprises of industry, agriculture, transport, telecommunication and construction.

3.7. Social protection

Population ageing is one of the demographic factors having a negative effect on the economic situation in the country. In 2002 there were 13.5 million pensioners. Pensioners-employment ratio was 66.4%. It is one of the highest indicators for CIS countries.

In pension sphere there were positive developments. In 2002 a series of actions was implemented to increase pensions. For a year the labour pensions were increased two times and the average pension size increased approximately by 20%. As of 1 January 2003 it was 137 UAH. Share of pensioners who get pensions below living minimum granted for persons who lost ability to work get lower from 38.7% (end of 2001) to 31.8% (end of 2002). Unified pension insurance information system is being build up including personified system of accounting pension contributions which covers today 22,2 million persons. Pension cost under different pension programs that funded from the state budget and pension fund is being revised. From second half of 2002 onwards, function of pension assigning is implemented by Pension Fund in all regions of Ukraine based on the personified account data.

System of pension provision still has some shortcomings to be addressed:

- low size of existing pensions (in 2001, pension size was 42.6% of the living minim of persons who lost ability to work; in 2002. – 51.1%);
- no linkage of pension size to service period, earnings with contribution made (pension size does not exceed 30-35% of earnings);
- no social guarantees for workers employed under flat tax system as it does not allow to have personal account of contributions in system of pension and social protection.

3.8. Social dialogue and labour relations

Regulation of labour relations through collective agreements is the frame for social-industrial relations at level of production unit. The current data evidence an increase in collective agreement coverage however lower than in 1997-1998.

Collective agreement coverage greatly varies by sectors of economy. Thus, in such sectors as coal, lignite, turf mining; metallurgy and metal working; power generation and distribution, gas, water production and distribution the collective agreement coverage goes to 98-100%, while every second in sector of finance and every third in trade is not covered by collective agreements.

	Collective agreements		Number of workers of large and middle-scale enterprises, covered by collective agreements	
	Number	% of previous year	thou. persons	% of overall number of workers
1996	39585	100,4	8590,8	60,3
1997	47919	121,1	8732,4	66,7
1998	58505	122,1	10613,3	68,9
1999	62748	107,3	10604,5	71,9
2000	72089	114,9	10361,4	75,6
2001	75669	105,0	10139,7	78,2
2002	77020	101,8	9829,5	80,3

In collective agreement traditionally many of the articles focus on work pay. Thus, in the end of 2002 one collective agreement had approximately three articles on employment and 6 on work pay and work safety.

But, implementation of agreed commitments still remains the urgent issue though the situation has improved compared to 2001.

Observance of Collective agreements in Ukraine

	Number of articles included in the collective agreement					
	2001			2002		
	Planned number total, units	average per an agreement	actually fulfilled, in %	Planned number total, units	average per an agreement	actually fulfilled, in %
focused on:						
employment	245427	3	86,5	254652	3	91,6
work pay	446296	6	89,4	474545	6	90,9
work safety	418989	6	89,4	449502	6	90,0

Conclusions

As it was noted above, the key objective of the report is to present the ILO concept on decent work and statistics indicators for its measurement given the data available in Ukraine (see section 1 and 2). According to Project implementation plan, the State Statistics Committee of Ukraine has analysed 30 core statistics indicators and suggested alternative variants on some of them given real opportunities in collecting raw data and social-economic specifics. Also, based on earlier agreement, some complimentary indicators were proposed on such agenda of decent work as adequate earnings and safe work.

In section 3 brief analysis was made over some indicators based on the labour force household sample survey and budget household sample survey, current data as well as administrative data of related ministries and agencies.

Larger circle of statistics indicators and broader analysis of decent work in Ukraine will be prepared based on the data of the decent work module survey conducted in September 2003.

Based on agreement with the ILO, the said information will be included in detail in the second report to be prepared in frame of the Project and presented at seminar "Decent Work in Ukraine" planned for 1 quarter in 2004.

Statistical tables.

Gross Domestic Product (GDP), by income category

(actual price)							
Years	GDP	There of			% of overall		
		Labour compensation of employees	Taxes less subsidies on production and import	gross income, mixed income	Labour compensation of employees	Taxes less subsidies on production and import	gross income, mixed income
Billion, karbovanets (krb)							
1990	167	89	14	64	53,1	8,4	38,5
1994	1203769	477503	209050	517216	39,7	17,3	43,0
1995	5451642	2371770	1039741	2040131	43,5	19,1	37,4
Billion, UAH							
1996	81519	38931	17866	24722	47,8	21,9	30,3
1997	93365	45391	18068	29906	48,6	19,4	32,0
1998	102593	49307	19758	33528	48,1	19,2	32,7
1999	130442	57838	22975	49629	44,3	17,6	38,1
2000	170070	71930	28523	69617	42,3	16,8	40,9
2001	204190	86440	27264	90486	42,3	13,4	44,3
2002	220556	96284	30070	94202	43,7	13,6	42,7
I Quarter	43699	20308	6629	16762	46,5	15,2	38,3
6 months	93592	43763	13874	35955	46,8	14,8	38,4
9 months	157673	70233	21405	66035	44,5	13,6	41,9

Gross Domestic Product (GDP), by category of final use

(actual price)

Years	GDP	Final consumption expenditure of				Gross capital formation			Net exports		
		Total	House-holds	Non-profit institutions (NPI)	general government sector	total ¹⁾	Gross fixed capital formation	changes in inventories	Net exports	Export of goods and services	Imports of goods and services
Billion, krb.											
1990	167	123	92	4	27	46	38	6	-2	46	-48
1994	1203769	816573	533139	50365	233069	425309	283306	139489	-38113	426002	-464115
1995	5451642	4165054	2709374	296135	1159545	1454673	1269154	178734	-168085	2566265	-2734350
Billion, hrn.											
1996	81519	65119	43469	3912	17738	18481	16891	1467	-2081	37215	-39296
1997	93365	76198	50617	3252	22329	20023	18517	1346	-2856	37898	-40754
1998	102593	83569	58323	3126	22120	21357	20096	1128	-2333	42974	-45307
1999	130442	100481	71310	3305	25866	22746	25131	-2519	7215	70884	-63669
2000	170070	127982	92406	3909	31667	33531	33427	-42	8557	106200	-97643
2001	204190	156344	112260	4017	40067	44525	40211	4229	3321	113245	-109924
2002	220556	168750	120192	3950	44608	41743	44747	-3098	10063	124391	-114328
I Quarter	43699	37465	27927	940	8598	4122	7270	-3171	2112	26918	-24806
First six months	93592	77702	57077	1853	18772	12233	17220	-5029	3657	56340	-52683
9 months	157673	122941	90313	3045	29583	28917	29694	-843	5815	88501	-82686

¹⁾ Including net acquiring of valuables

Gross Domestic Product (GDP), by category of final use

(actual price)

Years	GDP	Final consumption expenditure of				Gross capital formation			Net exports		
		Total	House-holds	Non-profit institutions (NPI)	general government sector	total ¹⁾	Gross fixed capital formation	changes in inventories	Net exports	Export of goods and services	Imports of goods and services
1990	100,0	73,6	54,8	2,3	16,5	27,4	23,0	3,4	-1,0	27,7	-28,7
1994	100,0	67,9	44,3	4,2	19,4	35,3	23,5	11,6	-3,2	35,4	-38,6
1995	100,0	76,4	49,7	5,4	21,3	26,7	23,3	3,3	-3,1	47,1	-50,2
1996	100,0	79,9	53,3	4,8	21,8	22,7	20,7	1,8	-2,6	45,6	-48,2
1997	100,0	81,6	54,2	3,5	23,9	21,5	19,8	1,5	-3,1	40,6	-43,7
1998	100,0	81,5	56,9	3,0	21,6	20,8	19,6	1,1	-2,3	41,9	-44,2
1999	100,0	77,0	54,7	2,5	19,8	17,5	19,3	-1,9	5,5	54,3	-48,8
2000	100,0	75,2	54,3	2,3	18,6	19,8	19,7	0,0	5,0	62,4	-57,4
2001	100,0	76,6	55,0	2,0	19,6	21,8	19,7	2,1	1,6	55,4	-53,8
2002	100,0	76,5	54,5	1,8	20,2	18,9	20,3	-1,4	4,6	56,4	-51,8
I Quarter	100,0	85,8	63,9	2,2	19,7	9,4	16,6	-7,3	4,8	61,6	-56,8
6 month	100,0	83,0	61,0	2,0	20,0	13,1	18,4	-5,4	3,9	60,2	-56,3
9 month	100,0	78,0	57,3	1,9	18,8	18,3	18,8	-0,5	3,7	56,1	-52,4

¹⁾ Including net acquiring of valuables

Government social security expenditure

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
	Billion, krb						Million. UAH.					
Total State budget expenditure	8,4	15,3	358,6	18059,9	70350,1	332134,5	4105,6	5607,7	4227,0	4147,1	5985,2	8482,7
% of total expenditure	19,2	15,6	18,7	31,5	11,2	13,7	12,0	16,4	13,6	11,9	12,4	15,4
% of GDP	0,5	5,1	7,1	12,2	5,8	6,1	5,0	6,0	4,1	3,2	3,5	4,2

Price indices by sector of economy

	(as % of previous year)								
	1994	1995	1996	1997	1998	1999	2000	2001	2002
	times			percent					
Consumer price index	9,9	4,8	1,8	115,9	110,6	122,7	128,2	112,0	100,8
Industrial producer price index	12,3	5,9	1,5	107,7	113,0	131,1	120,8	108,7	103,0
Price index of sale of agricultural products by agricultural enterprises	6,7	4,3	1,6	105,1	110,0	129,2	155,8	105,0	87,4
there of:									
crops	7,3	4,1	1,7	101,7	97,7	137,0	168,2	92,4	87,8
livestock	6,1	4,5	1,6	111,5	128,3	120,4	138,5	136,8	86,6
Price index for fixed capital investment	10,2	5,7	1,7	108,3	106,1	125,2	117,7	114,1	104,8
Price index for construction and assembly work	11,0	6,7	1,8	103,0	100,8	123,6	118,0	116,0	105,8

Price indices

(as % of previous month)

	1994	1995	1996	1997	1998	1999	2000	2001	2002
January	119,2	121,2	109,4	102,2	101,3	101,5	104,6	101,5	101,0
February	112,6	118,1	107,4	101,2	100,2	101,0	103,3	100,6	98,6
March	105,7	111,4	103,0	100,1	100,2	101,0	102,0	100,6	99,3
April	106,0	105,8	102,4	100,8	101,3	102,3	101,7	101,5	101,4
May	105,2	104,6	100,7	100,8	100,0	102,4	102,1	100,4	99,7
June	103,9	104,8	100,1	100,1	100,0	100,1	103,7	100,6	98,2
July	102,1	105,2	100,1	100,1	99,1	99,0	99,9	98,3	98,5
August	102,6	104,6	105,7	100,0	100,2	101,0	100,0	99,8	99,8
September	107,3	114,2	102,0	101,2	103,8	101,4	102,6	100,4	100,2
October	122,6	109,1	101,5	100,9	106,2	101,1	101,4	100,2	100,7
November	172,3	106,2	101,2	100,9	103,0	102,9	100,4	100,5	100,7
December	128,4	104,6	100,9	101,4	103,3	104,1	101,6	101,6	101,4
annual ¹⁾	501,0	281,7	139,7	110,1	120,0	119,2	125,8	106,1	99,4
Average monthly	114,4	109,0	102,8	100,8	101,6	101,5	101,9	100,5	99,9
Average annual	991,2	477,0	180,3	115,9	110,6	122,7	128,2	112,0	100,8

¹⁾ December to December of previous year

Industrial producer price index

	as % of previous year							2000	
	1994	1995	1996	1997	1998	1999	2000	1990	1994
Industry	79,2	95,4	103,3	107,1	103,9	109,6	116,0	100,3	139,3
Power industry	84,5	89,8	89,7	98,6	98,1	101,2	93,1	46,0	73,5
Fuel industry	88,5	98,0	102,2	113,5	106,3	105,6	100,3	65,7	128,1
Ferrous metallurgy	74,7	96,7	110,2	105,9	94,2	107,1	116,3	60,9	132,6
Non-ferrous metallurgy	83,2	101,0	109,2	103,4	112,0	111,7	114,4	99,9	163,4
Chemicals/ petrochemicals	80,8	93,6	99,7	108,3	105,2	111,7	114,7	78,1	136,1
Machine-building/processing	68,2	86,1	84,1	109,8	102,9	106,6	126,3	96,6	110,1
Wood/pulp&paper industry	71,2	86,4	90,1	102,0	115,0	123,7	138,3	130,4	156,1
Production of building materials	69,9	78,9	74,6	99,8	110,2	106,1	104,2	42,7	71,7
Light industry	60,8	76,2	87,0	108,5	109,5	114,6	149,4	79,6	134,8
Food	84,0	88,4	97,6	90,5	105,0	110,3	123,8	64,4	111,9

Labour productivity index by type of production activity

(as % of previous year)

continuation

	2000	2001	2002		2000	2001	2002
Industry	116,8	118,6	111,8	pulp&paper, printing, publishing;	133,2	114,6	109,6
Extractive	110,1	106,3	105,8	coke production/ petroleum refining	92,2	155,1	124,5
there of:							
fuel extraction	106,5	108,7	102,7				
				Chemicals/ petrochemicals	113,2	114,1	110,9
non-fuel extraction	118,0	100,7	111,3				
				Other non-metal mineral products	111,1	120,2	114,6
Processing	120,8	122,7	114,9				
there of:				Metallurgy and metal processing	117,4	104,1	105,7
Food/ agriculture output processing	123,7	119,6	109,1	Machine-building	124,5	128,4	120,2
Light industry	144,9	123,0	115,3				
				production and distribution of electric power	93,9	97,3	96,6
Wood	149,2	134,6	124,3				

Population of non-working age

(based on the data of the 2001 All-Ukrainian population census)

	Number of persons of non-working age per 1000 persons of working age		
	total	there of:	
		population under working age, pers.	population over working age, pers.
Total	723	312	411
Urban	629	279	350
Rural	950	392	558

**Average population age, share of population of working age,
share of population under working age, share of population over working age**

(based on the data of the 2001 All-Ukrainian population census)

	Average population age, years			share of population under working age, %			share of population of working age, %			share of population over working age, %		
	total	men	women	total	men	women	total	men	women	total	men	women
Total	38,9	36,2	41,2	18,1	20,1	16,4	58,0	63,2	53,6	23,8	16,7	30,0
Urban	38,3	35,9	40,3	17,1	19,0	15,5	61,3	65,6	57,7	21,5	15,3	26,8
Rural	40,2	36,9	43,1	20,1	22,2	18,3	51,3	58,2	45,2	28,6	19,6	36,5

Household money income and expenditure

per capita

Years	Household money income	Household money expendi- tures and sav- ings	Ratio of household money income to money expenditures and savings, %	Real money income as % of previous year	Years	Household money income	Household money ex- penditures and savings	Ratio of household money income to money expenditures and savings, %	as % of reference period of previous year	
									Household money income	Household money ex- penditures and savings
	Billion, krb					krb.				
1990	110	110	99,5	...	1990	2117,2	2127,9	99,5	115,5	117,4
1994	538914	475382	113,4	86,0		Thous. krb.				
	Million, UAH				1994	10379,4	9155,8	113,4	x8,6	x 9,3
1995	26498	24784	106,9	101,8		UAH				
1996	40311	38961	103,5	82,9	1995	514,2	480,9	106,9	x5	x 5,3
1997	50069	47933	104,5	106,3	1996	788,7	762,2	103,5	153,4	158,5
1998	54379	53376	101,9	98,4	1997	987,6	945,5	104,5	125,2	124,0

1999	61865	59518	103,9	92,0	1998	1081,0	1061,1	101,9	109,5	112,2
2000	86911	83777	103,7	109,9	1999	1239,6	1192,6	103,9	114,7	112,4
2001	109391	102835	106,4	109,6	2000	1755,7	1692,4	103,7	141,6	141,9
					2001	2247,5	2112,8	106,4	128,0	124,8

Household money income and expenditure

Years	Househol d money income	Household money ex- penditures and savings	Ratio of household money income to money ex- penditures and savings, %	Real income as % of	
				previous month	reference period of previous year
Millions UAH.					
2002	191946	196711	97,6	x	121,2
January	10397	11702	88,8	x	112,6
February	11966	13201	90,6	113,3	112,2
March	13715	14951	91,7	108,5	124,7
I Quarter	36078	39854	90,5	x	116,6
April	14825	16967	87,4	105,5	120,2

Household money income and expenditure (per capita)

	Household money income	Household money expenditures and savings	Ratio of household money income to money expenditures and savings, %	as % of reference period of previous year	
				Household money income	Household money expenditures and savings
	UAH				
2002	3982,1	4080,9	97,6	121,9	115,7
January	215,7	242,8	88,8	121,6	120,4
February	248,2	273,9	90,6	117,5	122,8
March	284,5	310,2	91,7	127,8	110,6
I Quarter	748,5	826,8	90,5	122,5	117,3
April	307,5	352,0	87,4	129,8	136,0

May	13673	14382	95,1	98,0	122,1
June	14395	14890	96,7	106,2	120,2
six month	78971	86093	91,7	x	118,7
July	19999	18203	109,9	157,9	128,6
August	18653	17745	105,1	94,9	115,5
September	18371	17947	102,4	98,4	125,5
9 months	135994	139988	97,1	x	120,4
October	18146	18098	100,3	95,9	133,3
November	17591	17679	99,5	94,8	122,8
December	20215	20946	96,5	102,7	115,3

May	283,7	298,4	95,1	118,9	110,5
June	298,7	308,9	96,7	118,3	111,7
six month	1638,3	1786,1	91,7	122,3	118,3
July	414,9	377,6	109,9	128,6	118,3
August	387,0	368,1	105,1	116,2	113,6
September	381,1	372,3	102,4	122,5	114,2
9 months	2821,3	2904,2	97,1	122,3	117,1
October	376,5	375,4	100,3	129,4	121,7
November	364,9	366,8	99,5	121,4	103,6
December	419,4	434,5	96,5	113,3	112,7

Structure of Household money income

(in % of total)

Year	Household money income			
	compensation for work in all economic sectors	revenues from sold agricultural products	pensions, stipends, various kind of assistance	revenues from sold hard currency
1990	70,7	5,4	15,8	-
1994	62,7	2,5	19,8	-
1995	59,0	2,5	19,5	3,0
1996	58,8	2,7	24,5	6,7
1997	51,1	3,0	25,0	12,4
1998	48,2	3,5	23,4	13,2
1999	49,5	4,6	23,8	5,9
2000	48,7	5,2	20,9	4,8
2001	51,6	6,9	20,5	4,0

Structure of Household money expenditures and savings

(in % of total)

Years	Household money expenditures and savings			
	purchase of goods and services	compulsory payments and voluntary contributions	increased deposits, acquisition of securities	purchase of hard currency
1990	78,2	10,7	10,8	0,3
1994	84,7	7,9	4,1	3,3
1995	81,3	8,7	1,5	8,1
1996	70,5	10,1	6,2	12,6
1997	66,5	10,9	5,4	16,2
1998	65,3	10,5	4,7	18,0
1999	70,3	11,3	7,7	8,2
2000	70,5	11,0	10,3	4,7
2001	75,7	13,7	6,1	3,4

Structure of Household money income

(in % of total)

	Income			
	labour com- pensa- tion	revenue and mixed in- come	social benefits, other current and capital transfers	property income and other reve- nues
2002	42,5	16,2	30,9	10,4
January	55,2	5,5	30,6	8,7
February	50,0	5,2	36,4	8,4
March	48,7	5,0	36,7	9,6
I Quarter	51,0	5,2	34,9	8,9
April	43,8	8,6	36,3	11,3
May	47,5	9,6	32,0	10,9
June	47,7	8,0	34,4	9,9
six month	48,4	7,1	34,6	9,9
July	36,8	27,2	25,1	10,9
August	36,7	27,8	25,4	10,1
September	38,2	26,6	26,4	8,8
9 months	43,7	15,6	30,8	9,9
October	39,0	19,1	30,7	11,2
November	39,9	19,7	29,3	11,1
December	39,1	15,3	33,3	12,3

Structure of Household money expenditures and savings

(in % of total)

	Household money expenditures and savings			
	purchase of goods and services	income tax, prop- erty tax, other current and capi- tal transfers	money in- vestments	other expendi- tures
2002	81,1	7,1	7,6	4,2
January	89,3	7,2	8,4	-4,9
February	84,5	7,3	12,8	-4,6
March	81,5	7,4	7,9	3,2
I Quarter	84,8	7,3	9,7	-1,8
April	81,2	7,2	7,7	3,9
May	85,0	6,9	4,0	4,1
June	83,9	7,3	6,6	2,2
six month	83,9	7,2	7,8	1,1
July	78,0	6,7	7,5	7,8
August	77,4	6,8	6,9	8,9
September	77,9	6,6	6,0	9,5
9 months	81,6	7,0	7,4	4,0
October	81,2	6,9	7,2	4,7
November	80,2	7,0	8,0	4,8
December	79,0	7,3	8,9	4,8

Household actual final consumption

Years	Household actual final consumption						Final consumption per capita
	total	there of costs					
		Household final consumption	Non-profit institutions	general government expenditures for individual and collective consumption			
				total	there of		
					healthcare, physical culture, social security	education	
In actual prices							
Billion, krb.							Thou., krb.
1990	107	92	4	11	5	6	2,1
1994	707169	533139	50365	123665	60145	54591	13620,0
1995	3719348	2709374	296135	713839	324356	321143	72176,5
Million, UAH							UAH
1996	57984	43469	3912	10603	4552	4115	1134
1997	67053	50617	3252	13184	5927	5300	1323
1998	74778	58323	3126	13329	5565	5085	1487
1999	91064	71310	3305	16449	5301	6521	1825
2000	115887	92406	3909	19572	8702	8729	2341
2001	139984	112260	4017	23707	10926	10447	2876
2002	150859	120192	3950	26717	11804	12645	3130
I Quarter	33999	27927	940	5132	2555	2396	705
6 month	70177	57077	1853	11247	5579	5269	1456
9 month	110851	90313	3045	17493	8655	8198	2300

Years	Household actual final consumption				
	total	Non-profit institutions	there of costs		
			general government expenditures for individual and collective consumption		
			total	there of	education
healthcare, physical culture, social security					
in %					
1990	86,0	3,7	10,3	4,7	5,6
1994	75,4	7,1	17,5	8,5	7,7
1995	72,8	8,0	19,2	8,7	8,6
1996	75,0	6,7	18,3	7,9	7,1
1997	75,5	4,8	19,7	8,8	7,9
1998	78,0	4,2	17,8	7,4	6,8
1999	78,3	3,6	18,1	5,8	7,2
2000	79,7	3,4	16,9	7,5	7,5
2001	80,2	2,9	16,9	7,8	7,5
2002	79,7	2,6	17,7	7,8	8,4
I Quarter	82,1	2,8	15,1	7,5	7,0
6 month	81,3	2,7	16,0	7,9	7,5
9 month	81,5	2,7	15,8	7,8	7,4

Average monthly nominal and real wages

	Nominal wages, UAH	as % of previous year	
		nominal wages	real wages
1990	244 ¹⁾	114,8	...
1991	480 ¹⁾	196,4	...
1992	6505 ¹⁾	1356,1	...
1993	162790 ¹⁾	2502,4	59,9
1994	1427708 ¹⁾	877,0	84,8
1995	73	514,2	110,6
1996	126	171,4	96,6
1997	143	113,7	96,6
1998	153	107,2	96,2
1999	178	115,7	91,1
2000	230	129,6	99,1
2001	311	135,2	119,3
2002	376	121,0	118,2

Note: regardless small-scale enterprises

¹⁾ Data for the period 1991 – 1994 are reflected in Krb

	Nominal wages, UAH	as % of reference month of 2001	
		nominal wages	real wages
2002			
January	320,76	126,6	117,3
February	328,70	124,7	118,8
March	354,81	126,3	121,2
April	355,78	123,1	118,9
May	358,88	118,5	115,5
June	377,41	118,8	118,6
July	398,10	121,6	121,2
August	390,07	118,4	117,8
September	391,14	119,9	119,2
October	397,49	118,4	117,1
November	395,70	118,3	117,2
December	442,91	117,0	115,6

Average monthly nominal wages by type of economic activity

	Average per one staff employee				
	2000	2001	2002	2002	as % of
	UAH			2000	2001
Total	230,13	311,08	376,38	163,6	121,0
Agriculture, hunting and forestry	113,89	154,42	182,90	160,6	118,4
Fishery	145,39	203,62	241,58	166,2	118,6
Industry	302,41	405,77	485,01	160,4	119,5
Extracting	393,89	516,71	609,94	154,9	118,0
Processing	270,67	368,27	441,25	163,0	119,8
Construction	260,13	362,33	427,49	164,3	118,0
Wholesale and retail trade (including trade and service of vehicles)	225,49	283,50	330,42	146,5	116,6

Hotels and restaurants	177,57	234,77	286,12	161,1	121,9
Transport	335,32	459,92	572,50	170,7	124,5
Financing activity	559,25	833,03	976,14	174,5	117,2
Real estate operations, renting and providing services					
	277,01	372,74	437,13	157,8	117,3
Public administration	336,52	396,30	495,03	147,1	124,9
Education	156,46	224,13	267,41	170,9	119,3
Healthcare and social security	138,71	182,72	223,46	161,1	122,3
Collective, public and individual services	162,69	210,22	246,52	151,5	117,3

Note: not included small-scale enterprises

Wage arrears, by type of economic activity

(on 1 of January)

	2002		2003		
	Total, million UAH.	structure of ar- rears, in %	Total, million UAH	as % of 2002	Debt structure, in %
Total	2484,3	100,0	2313,5	93,1	100,0
Agriculture, hunting and forestry	440,1	17,7	391,1	88,9	16,9
Fishery	13,4	0,5	16,4	122,3	0,7
Industry	1383,7	55,7	1352,9	97,8	58,5
Extracting	552,4	22,2	576,3	104,3	24,9
Processing	752,4	30,3	706,1	93,8	30,5
Construction	234,6	9,4	193,0	82,2	8,3
Hotels and restaurants	7,5	0,3	4,6	61,8	0,2
Transport	151,3	6,1	125,2	82,8	5,4
Financial activity	0,9	0,0	0,8	92,5	0,0
Real estate operations, renting and providing services	125,7	5,1	116,3	92,5	5,0
Public administration	14,6	0,6	11,2	76,6	0,5
Education	12,0	0,5	11,4	95,2	0,5
Healthcare and social security	13,7	0,6	11,0	80,6	0,5
Collective, public and individual services	33,2	1,3	30,2	91,1	1,3

Note: not included small-scale enterprises

Wage arrears

(as of 1 January of reference year)

	1999	2000	2001	2002	2003
Total,					
million UAH	6518,6	6400,8	4928,0	2484,3	2313,5
as % of previous period	-	98,2	77,0	50,4	93,1
by reasons of accumulation:					
Wage fund of enterprises					
million UAH	5636,8	5858,4	4665,4	2436,2	2271,5
as % of previous period	...	103,9	79,6	52,2	93,2
Budget funds, total					
million UAH	881,8	542,4	262,6	48,1	42,0
as % of previous period	...	61,5	48,4	18,3	87,3
There of :					
State budget					
million UAH	...	131,5	57,8	41,9	34,8
as % of previous period	...	-	44,0	72,5	82,9
Local budget					
million UAH	...	410,9	204,8	6,2	7,2
as % of previous period	...	-	49,8	3,0	117,2
By property forms (as % of total arrears)					
State	32,9	27,1	25,0	32,5	33,3
munucipal	9,9	8,7	7,8	6,9	5,8
other forms	57,2	64,2	67,2	60,6	60,9
Number of employees with wage arrears					
thou. persons	10793,4	9467,3	6536,7	3148,1	2155,0
as % of previous period	-	87,7	69,0	48,2	68,5
Average arrears per one employee					
UAH	603,94	676,09	753,89	789,15	836,74
as % of previous period	-	111,9	111,5	104,7	106,0

Total arrears to the population

(as of 1 January of reference year; in % of reference date of previous year)

	Total ¹⁾		There of		wages and salaries		military personnel allowances		pensions and direct money aids/subsidies	
	million UAH	%	million UAH	%	million UAH	%	million UAH	%	million UAH	%
1997	5880,7	...	4188,7	...	208,4	...	1154,1	...		
1998	7135,9	121,3	5165,7	123,3	233,2	111,9	1360,5	117,9		
1999	9844,7	138,0	6518,6	126,2	466,4	x2 increase	2013,3	148,0		
2000	9094,1	92,4	6400,8	98,2	427,1	91,6	1358,6	67,5		
2001	6120,5	67,3	4928,0	77,0	339,7	79,5	-	-		
2002	3112,6	50,9	2484,3	50,4	23,3	6,9	-	-		
2003	2980,9	95,8	2313,5	93,1	90,4 ²⁾	388,1	-	-		

Continuation

	There of		stipends for students, pupils, cadets		unemployment benefits		security benefits to persons with work-related injuries		social security insuranceaid		selected social aids	
	millions UAH	%	millions UAH	%	millions UAH	%	millions UAH	%	millions UAH	%	millions UAH	%
1997	107,9	...	9,8	...	...	...	191,7	x	20,1	x		
1998	105,1	97,4	16,5	x1,7	...	...	231,8	120,9	23,1	114,9		
1999	98,9	94,0	26,4	x1,6	424,1	...	269,4	116,2	27,6	119,7		
2000	14,3	14,5	18,1	68,5	610,3	143,9	221,1	82,1	43,8	1,6		
2001	9,2	64,2	-	-	614,5	100,7	167,6	75,8	61,5	140,5		
2002	1,7	18,1	-	-	483,5	78,7	104,6	62,4	15,2	24,7		
2003	3,4	x2 increase	-	-	340,4	70,4	80,1	76,5	153,1	10,1		

¹⁾ Data are available since 1996

Employed population by status of employment, property form and type of economic activity

(thou. persons)

	Period average			
	1999	2000	2001	2002
The employed population aged 15 to 70, total	20048,2	20419,8	20238,1	20400,7
There of				
by status of employment:				
employees	18317,5	18408,1	18068,6	17953,3
employers	151,9	154,1	198,4	204,6
self-employed	1388,8	1638,7	1717,6	1872,5
unpaid family workers	190,0	218,9	253,5	370,3
There of				
by property form:				
State	9432,7	8967,9	8713,8	8225,3
Collective	7223,4	7285,1	6684,9	6586,4
Private	3365,8	4129,8	4807,6	5556,9
Other	26,3	37,0	31,8	32,1
There of by type of economic activity:				
agriculture, forestry and fishery	4117,6	4177,3	3993,2	4049,3
Extractind & Processing industry, production of electricity, gas and water	5183,1	5349,8	5233,3	5321,4
Construction	1200,4	1064,6	992,0	966,4
Wholesale and retail trade, trade and service of vwnicles, hotels and restaurants	2195,9	2572,8	2778,2	2859,4
Transport and communication	1577,6	1493,4	1427,7	1428,5
Education, health care and social security	3265,9	3316,7	3343,3	3276,6
Other types of economic activity	2507,7	2445,2	2470,4	2499,1

Unemployment and duration of work-seeking

	1995	1996	1997	1998	1999	2000	2001	2002
Unemployed aged 15-70, thou. pers.	1437,0	1997,5	2330,1	2937,1	2698,8	2707,6	2516,9	2301,0
There of looked for a work or had tried to establish own business, thou. pers.	1219,8	1666,2	1995,4	2825,4	2565,1	2628,7	2431,3	2204,3
There of by duration of work-seeking, in %								
under 3 month	32,4	26,7	20,4	17,9	14,9	13,2	14,0	15,1
4-6 month	21,1	20,2	20,4	19,1	13,9	11,0	11,0	11,6
7-9 month	10,3	11,1	11,9	10,7	12,0	12,2	10,1	10,0
10-12 month	8,2	9,3	15,0	15,3	12,9	13,1	10,1	9,8
over 1 year	28,0	32,7	32,3	37,0	46,3	50,5	54,8	53,5
Average duration of work-seeking, month	7	8	8	9	9	10	10	10

Registered unemployment

(as of the end of reference year)

	1995	1996	1997	1998	1999	2000	2001	2002
Number of unemployed registered at a State Employment Office, thou. pers.	126,9	351,1	637,1	1003,2	1174,5	1155,2	1008,1	1034,2
Unemployment rate (percentage ratio of unemployed to able-bodied population of working ages)	0,5	1,3	2,3	3,7	4,3	4,2	3,7	3,8
Number of non-active population per one vacancy, pers.	2	11	20	30	24	17	11	9
Labour force demand, thou. pers	86,4	35,2	34,8	34,6	50,7	68,2	96,9	123,9

Forced underemployment, by type of production activity

(% of total number of employees)

	Number of employees in administrative leaves	Number of employees in forced under-employment
--	--	--

	2000	2001	2002	2000	2001	2002
Industry	31,8	15,2	10,9	20,7	21,4	19,9
Extracting	7,4	2,5	3,5	5,7	4,7	5,7
fuel extraction	4,3	0,4	0,8	0,8	0,7	0,6
non-fuel extraction	16,5	8,2	10,7	20,0	15,9	19,7
Processing	40,9	20,7	14,6	26,4	28,5	26,4
food						
agriculture products	39,7	17,7	9,3	21,0	25,9	25,6
textile/ apparel	58,4	32,1	24,9	20,7	28,4	31,7
leather/leather footwear	68,7	34,1	27,5	20,4	42,5	44,2
wood	52,8	25,7	11,0	22,2	27,6	16,6
pulp&paper; publishing	22,3	10,6	9,1	12,6	11,4	11,4
coke/nuclear fuel/petro-chemicals	15,6	2,7	1,7	4,4	5,9	7,2
Chemicals	30,9	12,8	9,3	27,0	27,1	26,3
Rubers/plastics	66,3	34,3	26,2	24,9	30,2	36,3
Other non-ferrous minerals	43,6	26,0	16,5	20,9	24,9	26,0
Metallurgy/ metals processing	30,9	14,2	10,4	17,5	16,2	12,6
Machine-building and equipment produce	41,1	21,7	19,3	35,4	34,3	29,1
Electric and non-electric machinery	43,8	25,9	17,1	41,9	47,2	45,2
Transport equipment	42,8	22,2	19,0	35,2	37,4	35,2
Produce of electricity, gas, water	10,2	1,1	1,1	6,9	2,8	3,6
Reference						
Whole economy	16,1	7,2	5,1	13,3	13,3	12,4

Note: regardless small-scale enterprises

Economic activity of population

(thou. pers.)

	1995	1996	1997	1998	2000	2001	2002
Economic activity of population, thou. pers.							
aged 15 to 70	25562,1	26111,5	26085,6	25935,5	22747,0	22755,0	22701,7
in working age	23053,7	23725,1	23335,8	23181,2	21219,8	21251,0	21117,7

Employed, thou. pers.							
aged 15 to 70	24125,1	24114,0	23755,5	22998,4	20048,2	20238,1	20400,7
in working age	21715,5	21834,0	21077,8	20333,2	18565,8	18748,9	18830,1
Unemployed, based on the ILO definition, thou. pers.							
aged 15 to 70	1437,0	1997,5	2330,1	2937,1	2698,8	2516,9	2301,0
in working age	1338,2	1891,1	2258,0	2848,0	2654,0	2502,1	2287,6
Economic activity rate, as % of relevant age group							
aged 15 to 70	67,8	69,3	70,8	70,8	62,3	62,7	62,6
in working age	78,9	80,3	82,8	80,1	73,2	72,8	72,4
Employment rate, as % of relevant age group							
aged 15 to 70	64,0	64,0	64,5	62,8	54,9	55,8	56,2
in working age	74,3	73,9	74,8	70,2	64,0	64,3	64,6
Unemployment rate, based on the ILO definition, percentage							
ratio of a number of unemployed aged 15 to 70 to the economically active population of a specified age							
aged 15 to 70	5,6	7,6	8,9	11,3	11,9	11,1	10,1
in working age	5,8	8,0	9,7	12,3	12,5	11,8	10,8

Working time use, by type of production activity

	Average worked per one staff employee, hours			as % of work hour stock		
	2000	2001	2002	2000	2001	2002
Industry	1453	1562	1596	72,8	78,0	80,4
Extracting	1472	1512	1498	73,8	75,5	81,1
fuel extraction	1423	1460	1442	71,3	72,9	80,6
non-fuel extraction	1612	1654	1653	80,8	82,6	82,2

Processing	1401	1535	1582	70,2	76,7	78,7
food						
agriculture products	1474	1590	1646	73,9	79,4	81,7
textile/ apparel	1190	1374	1421	59,6	68,6	71,3
leather/leather footwear	1024	1215	1342	51,3	60,7	67,1
wood	1285	1476	1621	64,4	73,7	80,1
pulp&paper; publishing	1623	1688	1714	81,4	84,3	85,0
coke/nuclear fuel/petro-chemicals						
	1692	1737	1710	84,8	86,8	84,6
Chemicals	1525	1610	1605	76,4	80,4	80,3
Rubers/plastics	1383	1540	1534	69,3	76,9	77,1
Other non-ferrous minerals	1437	1537	1603	72,0	76,8	79,2
Metallurgy/ metals processing	1612	1669	1682	80,8	83,4	82,8
Machine-building and equipment produce	1368	1529	1543	68,6	76,4	77,3
Electric and non-electric machinery	1121	1327	1405	56,2	66,3	70,8
Transport equipment	1360	1494	1559	68,2	74,6	77,0
Produce of electricity, gas, water	1718	1757	1765	86,1	87,8	87,6
Reference						
Whole economy	1560	1616	1623	78,2	80,7	83,8

Note: regardless small-scale enterprises

Number of pensioners

(as of 1 of January)

Years	Number of pensioners thou. pers.	There of by					number of pensioners per 1000 persons
		age	disability	loss of money-earner	long service	Beneficiaries of social pensions	
1991	13084	9713	1313	1209	...	318	253
1992	13554	10294	1355	1044	361	500	273
1993	14191	10737	1388	1155	379	532	279
1994	14477	10865	1477	1236	398	501	282
1995	14515	10668	1734	1228	415	470	284
1996	14487	10615	1814	1195	429	434	284
1997	14487	10587	1868	1163	443	426	286

1998	14535	10558	1923	1168	464	422	289
1999	14521	10473	1978	1153	493	424	291
2000	14530	10424	2005	1155	517	429	294
2001	14447	10299	2015	1150	552	431	295
2002	14423	10275	2033	1127	558	430	299

Average monthly pensions

(as of 1 January)

Года	Average monthly pension of pensioners registered in Sosial security service	There of by				
		age	disability	loss of money-earner	long service	Beneficiaries of social pensions
	Krb.					
1991	104	110	96	58	105	53
1992	540	555	583	424	480	332
1993	9735	10204	10469	6304	10577	3773
	thou. krb					
1994	292	307	317	186	331	102
1995	1156	1174	1368	809	1264	548
	UAH					
1996 ¹⁾	38,7	38,8	45,6	33,2	40,7	21,4
1997 ¹⁾	51,9	50,8	67,3	43,6	53,3	33,0
1998 ¹⁾	52,2	50,9	68,6	43,5	53,9	33,7
1999 ²⁾	60,7	60,1	75,9	47,8	66,2	36,0
2000 ³⁾	68,9	69,3	82,3	52,0	76,4	37,6
2001 ³⁾	83,7	85,2	94,5	61,0	105,8	43,7
2002 ³⁾	122,5	127,1	129,7	85,5	146,1	54,8

¹⁾ including compensation payments

²⁾ including direct monetary assistance

³⁾ considering monetary assistance and indexation

ILO Project
«Ukraine Decent Work Statistical Indicators »

Work Plan

REPORT I.

A. UKRAINE DECENT WORK STATISTICAL INDICATORS: COUNTRY PROFILE

Reporting period: **March - June 2003**

Action	Deadline
1. Indicators selection and systematization for calculation of Decent Work statistical Indicators	14 April - 30 May 2003
2. Project budget scheduling and aproving	14 April -1 May 2003
3. Development of a draft of the module questionnaire of the sample Decent Work Survey	14-25 April 2003
4. Development of a draft of instrumentation, methodological and organizational considerations for Decent Work Survey conducting	25 April – 18 May 2003
5. Development of a plan of the approbating the module questionnaire designed for the sample Decent Work Survey.	18 - 23 May 2003
6. Replication and dessimenation of instrumentation and methodological instruction on pilot survey conduct.	23 - 30 May 2003
7. Testing the instrumentation (pilot survey conducting)	9 - 6 June 2003
8. Preparation of the report „Decent Work Statistical Indicators: acquaint-ance”	30 June 2003

II REPORT:

B. UKRAINE DECENT WORK STATISTICAL INDICATORS: SURVEY RESULTS

Reporting period: **June 2003 - March 2004**

Action	Deadline
1. Processing the data from different sources for calculation of the Decent Work Statistical Indicators of Ukraine	1 -31 July 2003
2. Development of the methodological recommendations on sample constructing for the regional statistics offices	1 July - 1 August 2003
3. Improving the module questionnaire basing on the approbation results.	1 July - 1 August 2003
4. Development of methodological manual on conduct of the Decent Work Survey in Ukraine (DWS).	1 July - 15 August 2003
5. Preparation to the meeting with the staff of regional statistics offices	15-25 July 2003
6. Conduct of the meeting on organizational and methodological issues of DWS with the staff of regional statistics offices	28-31 July 2003
7. Replication and dissemination of the Survey instrumentation	21-29 August

	2003
7.1. Survey Sample constructing	25-29 August 2003
7.2. Conduct of instructive seminars on organizational and methodological issues of DWS with interviewers.	3 September 2003
8. Conduct of field works on the DWS	8 September - 6 October 2003
9. Development of software for survey data processing	1 August -1 October 2003
10. Replication of the software package for the regional statistics offices.	1 decade of October 2003
11. Data control, coding and entering in computers	6-24 October 2003
12. Electronic transfer of microfiles contained the survey data from the regional statistics offices to the State Statistics Committee of Ukraine.	24 October 2003
13. Controlling and gathering the microfiles into national data array. Data base constructing.	27 October - 7 November 2003 года
14. Calculation of DW statistical indicators on the basis of the Survey data.	7 November – 31 December 2003
15. Preparing the publication „Decent Work Statistical Indicators: Ukraine's Peculiarities ”	15 January – 27 February 2004
15.1. Publication of the materials „Decent Work Statistical Indicators: Ukraine's Peculiarities ”	16-27 February 2004
16. Conduct of the seminar with data users „Decent Work Statistical Indicators: Ukraine's Peculiarities ”	3-4 March 2004
17. Preparation of the final progress report on the results of the Ukrainian DWS.	2 February - 31 March 2004

Annex 2

Summary of suggested decent work indicators

(Blue/italics indicate cross-reference to indicator presented in another section.)

Indicators	By Sex?	Implementation issues	Shortcomings, omissions, possibilities*
Employment Opportunities			
1. Labour force participation rate	•	• Improve comparability.	• Ongoing efforts to improve international comparability should be incorporated into the indicators as improvements become available.
2. Employment-population ratio	•	• Improve comparability.	
3. Unemployment rate	•	• Improve comparability.	
4. Youth unemployment rate	•	• Improve comparability.	
<i>Time-related underemployment rate</i>	•	• <i>See entry under Decent Hours</i>	
5. Share of wage employment in non-agricultural employment	•	• Improve comparability.	
Unacceptable Work			
6. Children not in school by employment status (percent by age)	•	• Need to establish when factors other than work cause non-attendance such as absence or poor quality of local school.	• Neglected aspects for future development: forced labour, hazardous and other worst forms of child labour. • Total "work" time, including non-economic household work may be relevant. • Regular attendance and progress in school also important to consider.
7. Children in wage employment or self-employment (percent by age)	•	• Limited data availability.**	

Adequate Earnings and Productive Work

8. Inadequate pay rate (percent of employed below 1/2 of median hourly earnings or absolute minimum, whichever is greater, by status in employment)	• Requires earnings distribution, not averages. • Improve comparability of earnings data. Choice of relative and absolute thresholds requires further consideration.	• Earnings often poorly measured for self-employed workers, therefore useful to report indicator by status in employment. • Key neglected aspect: irregularity of employment/earnings. Superficial portrayal of training.
9. Average earnings in selected occupations	• Appropriate selection of occupations from October Inquiry. Improve comparability, country coverage and consistency of October Inquiry data. •	
<i>Excessive hours of work</i>	• <i>See entry under Decent Hours</i>	
<i>Time-related underemployment rate</i>	• <i>See entry under Decent Hours</i>	
10 Employees with recent job training (percent with . job training during last 12 months provided or paid for by employer or state)	• Limited data availability.**	

Decent Hours

11 Excessive hours of work (percent of employed, by . status in employment)	• Comparability issues include usual hours vs. reference period hours, main job hours vs. hours on all jobs.	• Neglected aspects: atypical/asocial hours, reasons for excess hours, commuting time.
12 Time-related underemployment rate (percent of	• Limited data availability.**	

. employed persons working less than hours threshold, but available and wanting to work additional hours)	• Improve comparability.	
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Stability and Security of Work

13 Tenure less than one year (percent of employed persons who have held their main job/work for less than one year, by age)	• Limited data availability.**	• Indicators primarily backward-looking; neglect perceptions of future security. • Key neglected aspect: irregularity (intermittency) of employment.
14 Temporary work (percent of employees who classify their jobs as temporary)	• Limited data availability.** • Comparability problems surround use of the word "temporary" in survey questions.	

Balancing Work and Family Life

15 Employment rate for women with children under compulsory school age (ratio to employment rate for all women aged 20-49)	• Will require special tabulations from labour force survey for some countries.	• Neglected aspects: maternity and paternity job protection and monetary benefits, flexible hours, atypical/asocial hours, child care, leave for care of sick or injured relatives.
<i>Excessive hours of work</i>	• <i>See entry under Decent Hours</i>	

Fair Treatment in Employment

16 Occupational segregation by sex (percent of non-agricultural employment in male- or female-dominated occupations and index of dissimilarity)	• Comparability problems around level of detail of occupational classification.	• Other bases for discrimination (ethnic, religious, migrant status, etc.) not considered. • Neglected aspects: sexual harassment, workplace abuse and violence, employer/employee relations (handling of grievances, etc.), autonomy.
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17 Female share of employment in managerial and administrative occupations (ratio to female share of non-agricultural employment)	• Comparability problems stemming from differences between ISCO-68 and ISCO-88 classifications.	
<i>Share of women in non-agricultural wage employment</i>	• <i>See entry under Employment Opportunities</i>	
<i>Female/male wage or earnings ratio, selected occupations</i>	• <i>See entry under Adequate Earnings</i>	
<i>Female/male ratios or differences for other indicators</i>	• <i>See entries under other headings</i>	
Safe Work		
18 Fatal injury rate (per 100,000 employees)	• Improve comparability	• Nonfatal injuries not covered due to overwhelming comparability, coverage, and enforcement problems in reporting systems. • Fatal injury rate and labour inspectors cover only formal sector.
19 Labour inspection (inspectors per 100,000 employees and per 100,000 covered employees).	• Set up data collection system. • Estimating covered employment may prove difficult.	
<i>Excessive hours of work</i>	• <i>See entry under Decent Hours</i>	
20 Occupational injury insurance coverage (percent of employees covered by insurance)	• Set up data collection system.	• Fatal injury data are often of poor quality. • Neglected aspects: sick leave entitlement, physical and mental health problems other than injuries, entitlement to breaks, toilet facilities etc.

- No coverage of risk except long hours, but accurate measurement of a comprehensive set of risks would be very difficult.
- Labour inspectors' effectiveness varies.

Social Protection

21 Public social security expenditure (percent of GDP, . separately for total, health services, and old-age pensions).	• Available data not timely for some countries.	• Neglected aspects: share of population covered by health care services, sickness insurance, private sector expenditures and coverage, distributional aspects of pension and health benefits, maternity/paternity protections.
22 Public expenditure on needs-based cash income support (percent of GDP).	• Conceptual development required for consistency . Set up data collection system. •	
23 Beneficiaries of cash income support (percent of poor)		
24 Share of population over 65 benefiting from a . pension	•	• Data for gender differentials on pension indicators may not be widely available.
25 Share of economically active population contributing to a pension fund.	•	
26 Average monthly pension (percent of median/minimum earnings).	•	
<i>Occupational injury insurance coverage</i>	• <i>See entry under Safe Work</i>	

Social Dialogue and Workplace Relations

27 Union density rate .	• Set up data collection system.	• Not covered and for future development: statistical indicators and collective bargaining for effective right of freedom of association.
28 Collective wage bargaining coverage rate .	• Set up data collection system.	
29 Strikes and lockouts (per 1000 employees) .	• Improve comparability.	• Neglected aspects: union democracy, quality of social dialogue, participation in workplace decisions, quality of employer/employee relations, gender differentials for union membership.

Socio-Economic Context

Output per employed person (PPP level)	•	Data are available for most countries for all indicators from ILO or other international organisations, except informal economy employment.
Growth of output per employed person		
Inflation (consumer prices where available)		
Education of adult population (adult literacy rate, adult secondary school graduation rate)		
Composition of employment by economic sector (agriculture, industry, services)		
30 Informal economy employment (percent of non- . agricultural or urban employment)	•	
Income inequality (ratio of top 10% to bottom 10%, income or consumption)		

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

* Some "neglected aspects" could be measured using available methodology, but data are not collected for a sufficiently wide range of countries at present

** Limited data availability implies that data are not presently available for a substantial number of developing countries.

A complementary set of indicators measuring the effective coverage and scope of national and international laws, regulations and conventions should be developed.

Annex 3

Matrix on Agreed Decent Work Indicators and Data Sources in Ukraine

No	Indicator	Data source	Need to use module and questions as to be worded in module	Questions and comments
1.	Labour force participation rate	Labour Force Survey (hereafter LFS).		Is this indicator adequate employment rate indicator? Is it calculated in percentage to persons aged 15-70 years or economically active persons?
2.	Employment-population ratio	LFS, demographic data.		
3.	Unemployment rate	LFS, National Employment Service data.		15-70 years old unemployed- economically active persons ratio Two unemployment indicators are available: Registered; Based on ILO methodology.
4.	Youth unemployment rate	//		//
4.1	<i>Time-related underemployment rate</i>	LFS.		Underemployment measurement will be refined base on the survey program launched in October 2003.
5.	Share of wage employment in non-agricultural employment	LFS, enterprise data, Form 1-IIB.		
6.	Children not in school by employment status (percent by age)	1999 Child Labour Survey.		
7.	Children in wage employment or self-employment (percent by age)	//		
8.	Inadequate pay rate (percent of em-	Enterprise data, Form 1-	Questions proposed for the module	Based on the national specific, we

	ployed below 1/2 of median hourly earnings or absolute minimum, whichever is greater, by status in employment)	IIB, 3-IIB; Ukrainian Labour Flexibility Survey (ULFS-2002), module as possible.	questionnaire: 8.1.For the passed three month you get wages in full? 8.2.If you have late wages, indicate period in month. 8.3.What percentage of your full wage was paid in the passed three month?. 8.4.What is the main reason for wage delay? 8.5.What wage size you got to be paid based on employment agreement or what wage was promised by employer? 8.6. What was you actual wage paid last month?	suggest to treat this indicator taking into account two following aspects: 1) forced underemployment; 2) wages paid not in time (judging from questions in the module).
9.	Average earnings in selected occupations	In additions to i.8, LFS employment data on 9 core occupational trade groups could be used.	_____/_____/_____	
9.1	<i>Excessive hours of work</i>	LFS.		
9.2	<i>Time-related underemployment rate</i>	LFS.		
10	Employees with recent job training (percent with job training during last 12 months provided or paid for by employer or state)	Enterprise data, Form 6-IIB, ULFS-2002, module as possible.	Questions suggested for the module questionnaire: 10.1. In the passed two years, whether you were covered by occupational training, upgrading or re-training? 10.2. Did your enterprise, establishment/employer paid the cost (subsidised) this occupational training, upgrading or retraining?	

			Yes, paid in full or in part. Yes, paid in full or in part. No, I paid in full the cost.	
11	Excessive hours of work (percent of employed, by status in employment)	LFS, module as possible.	Questions suggested for the module questionnaire: Indicate a reason why you worked more than 40 hours a week: willing to have higher earning (income); normal routine proposed by employer; employer's exclusive requirement due to specific tension in production cycle in the surveyed week; social commitment (notion to be specified); no other business; - other (indicate)	Will be refined based on the new survey program to be launched in October 2003.
12	Time-related underemployment rate (percent of employed persons working less than hours threshold, but available and wanting to work additional hours)	LFS.		____//____
13	Tenure less than one year (percent of employed persons who have held their main job/work for less than one year, by age)	Enterprise data, Form 3-PIB; LFS, module as possible.	Questions suggested for the module questionnaire: 13.1. How long do you work at current job, at this employer? less 1 month; 1-3 months; 6-9 months; 9-12months; 1 year and more.	

14	Temporary work (percent of employees who classify their jobs as temporary)	Enterprise data, Form 3-ПБ, LFS, module as possible.	Questions suggested for the module questionnaire: 14.1 Indicate the tenure of your employment agreement, contract to fulfil certain volume of work(services): less 1 month; 1-6 months; 7-11 months; 1 year and more. 14.2.C Do you think your work is regular or temporary? 14.3.Why do you think that your work is temporary? 14.4 When do you expect you will have to change your work?	
15	Employment rate for women with children under compulsory school age (ratio to employment rate for all women aged 20-49)	LFS, module as possible.	Questions suggested for the module questionnaire: 15.1. Do you have children aged 6 years and below? 15.2.Who normally takes care about you child(children)? 15.3.How you manage to balance your work and family life? easily relatively easy relatively difficult	
16	Occupational segregation by sex (percent of non-agricultural employ-	LFS, enterprise data, Form 1-ПБ, 9-ДС.		

	ment in male- or female-dominated occupations and index of dissimilarity)			
17.	Female share of employment in managerial and administrative occupations (ratio to female share of non-agricultural employment)	____//____		
18	Fatal injury rate (per 100,000 employees)	Enterprise data, Form 7-TBH.		
19	Labour inspection (inspectors per 100,000 employees and per 100,000 covered employees)	Administrative data of Ministry of Labour and Social Policy.		As Labour Inspection controls observance to labour legislation implementation at all enterprises of all forms of ownership, we request to specify the method for indicator calculation in regard to 10000 workers of total employment or those employed in the registered sector of economy.
20	Occupational injury insurance coverage (percent of employees covered by insurance)	____//____, module as possible.	Questions suggested for the modular questionnaire: 20.1. Do you have your individual policy to insure you in case of occupational injury? 20.2 Who pays the contributions? enterprise, establishment, person.	
21.	Public social security expenditure (percent of GDP, separately for total, health services, and old-age pensions).	Data on national accounts, administrative data.		
23	Public expenditure on needs-based cash income support (percent of GDP).	Administrative data of Ministry of Labour, Budget Household Survey data.		
24	Beneficiaries of cash income sup-	Administrative data of Pen-		

	port (percent of poor)	sion Fund.		
25	Share of economically active population contributing to a pension fund.	_____//_____		
26	Average monthly pension (percent of median/minimum earnings).	_____//_____		
27	Union density rate	Administrative data of National Federation of Trade Unions, OPIIT, module as possible.	Questions suggested for the module questionnaire: 27.1. Do you have membership in trade union at main job? 27.2. Do you pay membership fee regularly?	
28	Collective wage bargaining coverage rate	Enterprise data, Form 3-IIIB; module as possible.	28. Are you covered with the collective agreement?	
29	Strikes and lockouts (per 1000 employees)	Enterprise data, Form 1-IIIB (strikes); administrative data		
	<i>Socio-Economic Context</i>			
	Output per employed person (PPP level)			It is necessary to specify the calculation methodology for indicators, as PPR is based not on output production but its consumption. Also, clarification is needed whether nominal or real GDP should be used.
	Growth of output per employed person			_____//_____
	Inflation (consumer prices where available)	Consumer prices data		
	Education of adult population (adult literacy rate, adult secondary school	2001 census data		

	graduation rate)			
	Composition of employment by economic sector (agriculture, industry, services)	LFS, administrative data, enterprise data.		
30	Informal economy employment (percent of non-agricultural or urban employment)	LFS.		
	Income inequality (ratio of top 10% to bottom 10%, income or consumption)	Budget household sample survey.		
	Poverty (percent of population subsisting on less than \$1/day and less than \$2/day)	Budget household sample survey - estimates, enterprise data; module as possible		