

Committee on the Application of Standards

Date: 22 May 2023

Governments appearing on the preliminary list of individual cases have the opportunity, if they so wish, to supply on a purely voluntary basis, written information before 22 May 2023.

► Information on the application of ratified Conventions supplied by governments on the preliminary list of individual cases

Armenia (ratification: 1994)

Employment Policy Convention, 1964 (No. 122)

The Government has provided the following written information.

Article 1

Currently active work is being done on the development of the Draft Employment Strategy, which is considered as the main direct result of the 2nd priority direction of the “Decent Work Country Programme”. The main objective of the Draft is to promote employment through creation of a competitive and employable workforce and the expansion of highly productive work opportunities. The Draft is intended to greatly contribute to the strengthening of the education-labour market connection in the coming years. Based on the strategy, as a result of the in-depth analysis of the labour market, working-age citizens of the communities including the regional cities of Armenia, non-studying, non-working youth aged 18–29, middle-aged (30–40) non-working women, without family and social benefits are planned to be as the target group of the strategy, the employable beneficiaries to whom the state employment policy will mainly be directed in the coming years.

One of the strategic goals envisaged by the Draft is the transformation of the state policy system in the field of employment, aimed at the development of human capital (labour market supply), the growth of high-productivity jobs (labour market demand), and the reduction of discrepancies between labour supply and demand. In the Draft strategy, such regulation topics as: labour rights, ensuring inclusion and equal opportunities (persons with disabilities, gender equality, migrants, displaced persons, national minorities, etc.) have found their place. Within the framework of the development of the strategic document, the possibilities of introducing the unemployment insurance system are also being studied. While developing the Draft between 25 November and 6 December 2022, six focus group discussions were held among employers in prospective sectors of the economy in order to find out the changing trends of the employment structure, labour productivity, and labour demand in Armenia, as well as to identify the problems of the target groups of the strategy to be involved in the labour force,

and the ways of their possible solution. The recommendations made as a result of the discussions found their place in the draft strategic document.

The Draft Employment Strategy's vision, primary objectives, programs to achieve these objectives, and implementation strategies are currently developed. The Draft is currently in the stage of discussion and coordination with the relevant government bodies. At the beginning of next month, a meeting-discussion with representatives of the confederation of trade unions and various employers' associations is also planned, the results of which will also be taken into account in the process of improving the Draft Employment Strategy.

In addition to the development of the Draft Employment Strategy, it should also be noted that the "Decent Work Country Programme" has greatly contributed to the development of the capacities of employees of both the Ministry and the USS in the field of employment, as within the framework of the latter, large-scale capacity building initiatives were implemented, consultation and training materials were translated and provided.

ILO representatives actively participated in the strategic session to discuss the analytical part, vision, goals and programmes of the Draft Employment Strategy. They also carried out an in-depth review of the related materials and provided detailed comments, which have been very useful in revising the document.

According to the Armstat data, in 2022 the preliminary index of the unemployment rate in Armenia was 13.0 per cent, which decreased by 2.5 percentage points compared to the previous year. At the same time, the preliminary index of the employment level was 51.1 per cent, which increased by 2.2 percentage points compared to the previous year. Preliminary index of the number of employed people in 2022 was 1,139.1 thousand persons, which is 4.7 per cent more than last year.

At the same time, the number of unemployed made 170.1 thousand persons, which decreased by 14.5 per cent compared to last year. The tables below present the main indicators of employment and unemployment in Armenia, which are published by Armstat.

As of the end of December 2021, the number of jobseekers registered in the territorial centres of the USS of the MLSA was 86,396 persons, which decreased by 1.8 per cent compared to the previous year. During 2021, 10,117 persons were employed, which was increased by 0.08 per cent compared to the previous year.

The number of unemployed registered in the territorial centres of the USS as at the end of December 2021 was 58,153 persons, which decreased by 5.1 per cent compared to the previous year. At the end of December 2021, the share of unemployed women in the total number of unemployed was 64.2 per cent or 37,336 persons, which decreased by 0.5 per cent points compared to the previous year's indicator. 4.3 per cent of the registered unemployed or 2,517 persons were persons with disabilities.

As of the end of December 2022, the number of jobseekers registered in the territorial centres of the USS was 70,544 persons, which decreased by 18.3 per cent compared to the same period of the previous year. In 2022 since the beginning of the year, 10,362 persons were employed, which was increased by 2.4 per cent compared to the previous year.

The number of unemployed as of the end of December 2022, was 48,561, which decreased by 16.5 per cent compared to the previous year. As of the end of December 2022, the share of unemployed women in the total number of unemployed was 62.8 per cent or 30,543 persons, which decreased by 1.4 percentage points compared to the previous year's index (64.2 per cent

as of the end of December 2021). 4.4 per cent of the unemployed or 2,140 persons were persons with disabilities (as of the end of December 2021 4.3 per cent of the unemployed).

In order to ensure the employment of the population, in 2021 by the USS measures of vocational training, partial compensation to the employer for the salary paid to a person with disabilities, acquisition of work experience, seasonal employment, as well as support for animal husbandry activities were carried out. Measures were also implemented to support the organization of professional training for mothers who are uncompetitive in the labour market and do not have a profession, and organization of childcare for working persons alongside work.

In particular, the number of persons included in the vocational training programme was 487, of which 377 were women, and 58 were persons with disabilities, 353 unemployed persons were included in the work experience acquisition programme, and 322 of them were young persons, 301 were women, and 9 were persons with disabilities, 106 persons were included in the programme of vocational training for mothers without a profession, of which 34 were young people. In general, in 2021, around 3,958 persons were included in state employment programmes, including 2,600 women, 1,185 young people and 314 persons with disabilities.

At the same time in 2021–22, measures aimed at ensuring the employment of the unemployed citizens of Artsakh (Nagorno Karabakh), who were displaced as a result of the war unleashed by Azerbaijan on 27 September 2020 and were actually in Armenia, continued to be implemented. In particular, as a result of the support measure for gaining work experience, in 2021–22, around 703 citizens of Artsakh (Nagorno Karabakh), gained work experience and became employed, and 93 citizens of Artsakh (Nagorno Karabakh), became temporarily employed within the framework of the organization of paid public works.

During 2022, around 1,800 persons, including 596 women, 345 young people, and 200 persons with disabilities, were included in the state programmes for ensuring employment.

In 2022, by the USS the following measures were implemented, which are planned to be implemented also in 2023:

1. Organization of vocational training and provision of employment for unemployed persons who took part in the military operations unleashed by Azerbaijan in 2016 and 2020, within the framework of which, as a result of gaining work experience or being included in vocational training programmes or providing lump sum support to the employer, in 2022 around 276 citizens participating in the military operations became employed, including 224 young people, 30 persons with disabilities. In 2023 it is also planned to include around 500 unemployed persons in the measure.
2. Seasonal employment promotion measure, within the framework of which around 1,178 unemployed persons, including 321 women, 14 young persons, and 157 persons with disabilities, received the opportunity to carry out agricultural work and become temporarily employed. In 2023 it is planned to include about 2,300 unemployed persons in the measure.
3. As a result of providing lump sum support to the employer within the framework of the measure “Ensuring the employment of the unemployed”, 23 unemployed persons became employed, including 10 unemployed persons from beneficiary families. In 2023 it is planned to include another 177 unemployed people in the measure.

At the same time, in February 2023, the Government approved a new employment promotion measure, within the framework of which, in the case of hiring an unemployed

person, compensation for the expenses incurred by the employer in terms of income tax calculated from the latter's salary is provided. In addition, the amounts and terms of the compensation are different depending on the fact of being from a beneficiary family, age, having a child, and having a disability. In the scope of the measure, compensation to the employer for adapting the workplace of a person with disabilities is also planned.

In 2023 it is planned to ensure the employment of around 206 people within the framework of the measure. It is planned to provide support to the employer in the amount of 100 per cent of the income tax calculated and paid from the salary of the employed person for a period of 12 months, but not more than 50,000 AMD per month, in case of hiring an unemployed person aged 16–29 from a family receiving family or social benefits, in the amount of 50 per cent of the income tax, for a period of three months, but not more than 15,000 AMD per month, receiving family or social benefits in the case of unemployed family members aged 30–45, in the amount of 30 per cent of the income tax, for a period of six months, but not more than 12,000 AMD per month, and in the case of a mother with a child under 5 years of age, an increase in the duration of support by another three months. The provision of assistance to the employer with the same measure is also intended for the employment of unemployed persons of other target groups.

Article 2

National legislation does not define state control mechanisms for the activities of private employment agencies, but discussions are currently underway on the possibilities of cooperation between state-private agencies. In particular, it is planned to take measures to ensure that private agencies become participants in the process of the implementation of state employment programmes.

Undeclared work

The Government will continue to provide updated disaggregated information on the impact of measures aimed at reducing the number of undeclared/unregistered employees and facilitating their integration into the formal economy.

Bringing the informally employed to the formal labour market can also be greatly facilitated by the implementation of the new employment promotion measure, which is mentioned in the information of Article 1. The Government will present information about the impact of the event.

Article 3

In order to implement any initiative in the field of employment, opinions of social partners were continuously taken into account while developing drafts. All drafts of legal acts developed in the field were submitted both to the Confederation of Trade Unions of Armenia and Republican Union of Employers of Armenia for their opinion.

In addition, as the main strategic document of the sphere, the results of the above-mentioned focus group discussions with various employers were taken into account within the framework of the development of the Draft Employment Strategy.

► **Unemployment rate in RA disaggregated by gender, 2020–22**

Index	2020	2021	2022 (preliminary)
Unemployment rate (male)	19.1	15.7	–
Unemployment rate (female)	17.2	15.2	–
Unemployment rate (total)	18.2	15.5	13

► **Employment rate in RA disaggregated by gender, 2020–22**

Index	2020	2021	2022 (preliminary)
Unemployment rate (male)	56.1	59	–
Unemployment rate (female)	40.9	40.5	–
Unemployment rate (total)	47.8	48.9	51.1

► **Labour underutilization levels, 2020–22**

Labour underutilization levels	2020	2021	2022
Unemployment rate	18.2	15.5	–
Coupled with long-term underemployment and unemployment level	19.8	17.1	–
Combined rate of unemployment and potential labour force	28.6	24.9	–
An aggregate indicator of labor underutilization	30.0	26.3	–
Underemployment rate	2.0	1.9	–
Long-term unemployment level	49.3	54.1	–

► **Employed persons by age (1,000 persons)**

Age group	Men		Women		Urban		Rural		Total	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
15–24	44.6	40.5	30.9	28.9	42.6	33.7	32.9	35.7	75.5	69.4
25–34	138.3	153.4	88.4	94.1	130.2	131.1	96.4	116.3	226.7	247.5
35–44	134.8	130.2	114.7	111.8	153.8	144.9	95.8	97.1	249.6	242.0
45–54	95.6	98.0	110.0	109.3	117.4	116.7	88.2	90.6	205.6	207.3
55–64	121.6	135.1	118.8	120.7	125.0	134.0	115.4	121.9	240.4	255.9
65–74	31.1	37.0	23.6	29.3	30.7	34.2	23.9	32.1	54.6	66.3
Total	566.0	594.3	486.4	494.0	599.7	594.6	452.7	493.7	1 052.4	1 088.3

► **Unemployed persons by age (1,000 persons)**

Age group	Men		Women		Total	
	2020	2021	2020	2021	2020	2021
15–24	20.6	15.8	15.4	14.6	36	30.4
25–34	35.3	30.1	25.5	23.4	60.8	53.5
35–44	29	23.9	28	18	57	41.9
45–54	21.2	16.9	16.3	19.1	37.4	36.1
55–64	22.4	19.7	14.3	11.7	36.7	31.4
65–74	4.7	4.2	1.7	1.6	6.4	5.8
75–84	0.2	0	–	0.5	0.2	0.5
Total	133.4	110.6	101.2	88.9	234.6	199.5

► **The number of jobseekers and employed persons registered in the Unified Social Service, by gender and age, by Marzes of Armenia and Yerevan, 2020–22**

Index	2020	2021	2022
Total jobseekers:	87 999	86 396	70 544
Female	57 537	56 321	45 097
Young persons	18 181	17 452	13 733
Unemployed	61 320	58 153	48 561
Total employed:	10 109	10 117	10 362
Female	6 960	6 867	6 706
Young persons	2 821	2 950	0
The number of employed people by Marzes			
Total Aragatsotn:	569	641	620
Female	332	412	375
Young persons	185	188	172
Total Ararat:	755	888	1 115
Female	499	588	673
Young persons	191	239	266
Total Armavir:	762	830	889
Female	499	572	566
Young persons	275	288	247

Index	2020	2021	2022
Total Gegharkunik:	520	748	895
Female	316	488	532
Young persons	166	241	290
Total Lori:	1 069	902	963
Female	794	658	713
Young persons	360	342	281
Total Kotayk:	1 132	1 223	1 188
Female	801	786	721
Young persons	279	324	293
Total Shrak:	1 506	1 345	1 296
Female	1 019	954	875
Young persons	479	397	314
Total Syunik:	569	619	640
Female	442	448	474
Young persons	145	146	149
Total Vayots Dzor:	273	379	379
Female	180	238	243
Young persons	93	93	115
Total Tavush:	701	601	601
Female	467	401	355
Young persons	211	211	201
Total Yerevan:	2 253	1 941	1 776
Female	1 611	1 322	1 179
Young persons	437	481	335
Number of persons included in the programme "Providing support to the agricultural economy through the promotion of seasonal employment"	2 688	1 076	1 178
Number of persons included in the programme "Provision of temporary employment of the unemployed through the organization of paid public works"	568	0	0