



International
Labour
Organization

Labour Migration and Productive Utilisation of Human Resources

Kyrgyz Republic



Bishkek 2009

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Resources**

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Views expressed in the report are those of the authors and contributors and do not necessarily represent those of the ILO or EU.

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Abbreviations:

ADB- Asian Development Bank

CDF /PRSP–Comprehensive Development Framework /Poverty Reduction Strategy programme

CDS-Country Development Strategy of Kyrgyzstan for 2007-2010

CIS –Commonwealth of Independent States

CTQRB- Common Tariff and Qualification Reference book of jobs and professions of workers

ILO- International Labour Organization

ISCO- International Standard Classification of Occupations

KR – Kyrgyz Republic

LMI – Labour Market Information System

NCO-National Classification of Occupations

NCWPSTS-National Classification of Working professions, Civil servants` jobs and Tariff Scales

NSC-National Statistical Committee of the Kyrgyz Republic

RF-Russian Federation

SAVE –State Agency on Vocational Education

SCME – State Committee on Migration and Employment of the Kyrgyz Republic

UIES – Unified Information Exchange System

VET – Vocational Education and Training

VS- Vocational schools

Executive Summary

The purpose of the study is to contribute to the productive utilization of human resources in the Kyrgyz Republic and in the region by making an analysis and recommendations towards improving the quality of education/training and portability of qualifications of middle and lower skilled Kyrgyz workers, in occupations in demand in CIS countries and where there is surplus within the country. The productive utilization of human resources entails better jobs for Kyrgyz workers as well as better trained workers for employers and the economy in the country and in the region. The research has included a survey of employers in Russia, Kazakhstan, Kyrgyzstan, a survey of Kyrgyz labour migrants in Russia and Kazakhstan, and a survey of potential labour migrants in Kyrgyzstan. The surveys were conducted in June-August 2008.

The **main findings** of the study are:

1. Labour migration from the Kyrgyz Republic

Destination countries: The survey of potential migrants in the study only confirms the direction of future migration flows. Thus, 62 % of potential migrants¹ who found a job abroad, said their job destination is Russia, 27 % - named Kazakhstan, 8 % - Korea, and 4 % - Turkey.

Sectors: According to the survey on Employment, Unemployment and Labour Migration conducted in 2006 by National Statistics Committee of the Kyrgyz Republic jointly with the State Committee on Migration and Employment of the Kyrgyz Republic, migrants from Kyrgyzstan work in construction (46%), commercial (shuttle) trade (36%), agriculture (6 %), and in various industries and services (3 %)². Similarly as per the study the most common segments or sectors where migrants from Kyrgyzstan work are construction and consumer/retail services (which include hair dressers, dry cleaner's, repair of domestic machines and appliances, cloth & shoes repair, repair of personal products, laundry services and the like).

Profile of migrants: The study found that the majority of labour migrants from Kyrgyzstan are people of Kyrgyz nationality in the demographic group of 20-35 years old. While men are in the majority, the proportion of women migrating ranged from 30% (labour migrants survey) to 38% (potential migrants). The majority of labour migrants surveyed had education only upto school level and some (8.5 %) have finished primary vocational school. In the above mentioned 2006 survey on Employment, Unemployment and Labour Migration only 5 % of migrants had incomplete school education, while in the current survey, about 12 % of migrants have incomplete school education. Although, these figures require additional research, they are reflective of the current trends expressed also in the experts' views. In general, the education profile of labour migrants working in the CIS, as well as profile of potential migrants *shows a general trend of declining quality of Kyrgyzstan's workers supplied to the labour markets of CIS.*

Intermediaries and networks: The survey of potential migrants showed that the majority of them (41 %) rely on their relatives and extended family as a source of information about

¹ Potential migrants is defined as those seeking employment abroad

² Employment, Unemployment, Labour Migration. The results of one-time survey of the population employment in July 2006. National Statistics Committee of the KR & State Committee on Migration and Employment. Special Publication. Bishkek, 2007

potential job place or employer. Employment and recruiting agencies are the second largest source of help for migrants in finding employment in CIS (36 %) Other sources include newspaper announcements, internet and informal recruiters.

Employment/recruitment agencies usually provide basic information on employment opportunities. However provision of more detailed but essential information (such as the employment contract and its terms/conditions) are more often not provided. As per the survey of potential migrants, there is a wide gap between wage expectations/perceptions and the reality.

Remittances: Kyrgyzstan which has one of the poorest economies in the CIS along with Tajikistan is reliant on migrant's remittances. Recorded remittances in 2006 were 7.39 mln. USD or 27.4% of GDP.³

2. Occupations in demand in CIS destination countries (Russia and Kazakhstan) and Kyrgyzstan

The study generally confirmed the occupations in demand both on the domestic market and in CIS countries. The types of professions which are in demand are mainly related to construction industry, communal (municipal) service provisions, consumer services, retail, public catering, cloth manufacture (textile) industry. Also technical professions such as welders, automotive repair workers, metal workers, machine operators, electricians are on the top of list of demanded professions. Employers in Russia and Kazakhstan when asked about the perspectives of labour market and occupations that will be in demand in the future generally said that construction sector will continue to be the one of fastest growing sectors of economy.

In Kyrgyzstan employers also projected increasing demand for occupations related to the energy sector, including hydro energy, mining and tourism industry. This reflects national programs and efforts of the national government to develop priority sectors of economy in the mid-term and longer term perspectives.

It was found that the demands for skilled workers on the domestic labour market and in CIS countries are in many ways are similar. Given that Kyrgyzstan is also experiencing a shortage of skilled labourers; this feature means that the national labour market is competing with foreign markets for the same categories of labour force. It is obvious that in this competition Kyrgyzstan is losing qualified workers to the CIS markets due to the wage differentials. As revealed by this survey, skilled workers in Kyrgyzstan can be offered average salaries in the range of 100-200 USD, while in Kazakhstan and Russia wages are several times higher (even if nationals earn more than migrant workers).

3. Assessment of the quality of education/ training of Kyrgyz workers and assessment of portability of qualifications of Kyrgyz workers in the CIS

Quality of Labour force on the national market by employers in Kyrgyzstan

During the survey of Kyrgyz employers it was found that a little less than half of the surveyed employers in Kyrgyzstan are generally satisfied with the quality of workers produced by the country's vocational education and training system. The survey summarizes the assessments given by Kyrgyz employers regarding level of skill and qualification of their workers:

³ World Bank. Migration and Remittances Factbook. 2008.
www.worldbank.org/prospects/migrationandremittances

Vocational education and training

As the VET system has the potential to train and make Kyrgyz workers more competitive in both the domestic and foreign labour markets, the study assesses the challenges within the VET system.

Cooperation between employers and vocational schools in relation to the development of new programs which better meet the requirements of employers was mentioned by 17 % of respondents. These are mainly in the machinery building and metal work industries, as well as production of construction materials. The same industries more frequently send requests for workers to vocational schools, and partially finance training of students in the most in-demand professions.

One of the main challenges of VET system in Kyrgyzstan is its limited relevance to labour market demand in terms of skill shortages and quality assurance mechanisms. Also a lack of linkages between VET system and the private sector, as well as the lack of clear vision for its future development were emphasized.

The other challenge is - lack of the efforts to make VET system more market-oriented, while at the same time addressing vulnerable groups such as youth and populations at risks. The study also confirmed the need for revision the curricula based on market needs and involvement the business, industry and labour organizations in this process, as well as into developing new national qualification standards. Such work requires the appropriate professional level of the VET school instructional staff.

Quality of labour force from Kyrgyzstan assessed by employers in Russia and Kazakhstan

The study explores whether Kyrgyz workers have the skills demanded by regional employers, and whether employers are satisfied with the quality of migrant labour force.

The majority of employers surveyed in Russia and Kazakhstan named the poor knowledge of language and of specific technical terminology as a main professional gap of migrant labour force from Central Asia, including Kyrgyzstan. The other shortcomings such as low qualification, lack of practical skills, including in the operation of equipment also have been mentioned, but in comparison with the main weakness (language problem and related to this, problem with technical terminology), other criteria play a much lesser or even a marginal role.

The language problem is obviously a bigger problem in Russia, while Kazakh employers to some extent tend to see no principle difference in the level of professional preparedness of foreign workers in comparison with national workers.

The Russian employers have started to introduce examinations on checking the knowledge of Russian. This might become a real challenge for many migrants coming from rural areas.

Issues in mutual recognition of qualifications

Present-day international standards relating to migrant workers include the provisions concerning recognition of their professional skills acquired outside the country of employment.

The study suggests that diplomas and certificates issued in Kyrgyzstan even when they are recognized by employers in the CIS are not seen as equivalent to their own national certificates. This relates to higher education diplomas, as well as certificates and diplomas of vocational schools.

The surveys confirmed that employers of Russia and Kazakhstan often take Kyrgyz migrants for lower qualification jobs regardless of their certificates or diplomas. This happens not due to the lack of recognition of their certificates or diplomas per se but because migrant workers from Central Asia often fill low wage jobs that nationals do not want. Many of these jobs are in the informal economy without a written employment contract.

Certification and accreditation in workers training

As per international practice, employers and professional bodies can play a crucial role in systems of professional qualification certification. This issue is on the national agenda for some time; however, various obstacles hinder the achievement of real results in this direction.

The survey confirmed the shortage of skilled labour on the domestic labour market and explains the paradoxical situation on the labour market in Kyrgyzstan. On one hand there is an excess of labour resources mainly due to demographic factors and limited capacity of national labour market to absorb all the economically active population; on the other hand, there is a shortage of skilled workers in many sectors of the national economy. The graduates of higher education institutions and vocational schools experience difficulties in finding jobs relevant to their education background, while at the same time employers report about difficulties in filling the existing vacancies in their enterprises and businesses.

Such situation is explained by the declining quality of education at all levels (primary, secondary, vocational and higher), and outdated education technologies. These problems are linked to the issue of education quality assessment, certification and accreditation in the whole education system.

One of the main drawbacks in the issue of certification and accreditation is the incipient stage of development of professional associations and employers organizations in Kyrgyzstan.

Only in some sectors with the support of international organizations initial efforts have been undertaken to develop national qualification certification bodies in some occupations. These are in the tourism sphere, and in the qualification assessment of accountants and auditors.

Bureaucratic obstacles in placement and recruitment

Employment services for Kyrgyz migrants are provided by private employment agencies. Their activities are regulated by the State Committee on Migration and Employment (SCME), which issues licenses to such agencies.

This study did not find any evidence of bureaucratic obstacles hindering the work of private employment agencies. However their role in job matching and placing workers appears to be very limited when compared to agencies in South and South-East Asia. The expansion of the role and greater interaction of employment agencies with employers in Russia and Kazakhstan would be desirable. Currently only about 15 agencies have licenses from the State Committee on Migration and Employment, and there is a lack of linkages between such agencies and foreign employers. Moreover, the employment agencies need to generate a demand for their services among employers and job-seekers.

4. Existing instruments of labour market analysis and national classification of occupations

There are certain problems in the usage of national classification of occupations, education fields, and qualification reference books. Although Kyrgyzstan developed and introduced a national classification of occupations, and the national classification of working professions, civil servants professions and tariff scales in 1998 based on the ISCO-88, no updates or revisions have been introduced for the last decade. Given the adoption of the new edition of ISCO-08, revision of national classifiers should be done, in harmony with ISCO-08 for purposes of comparability and international labour mobility.

The study confirmed that the existing instruments of labour market analysis are not comprehensive and it appears that the Labour force household sampling surveys are being conducted on an adhoc basis and contingent on the resources available.

The **main recommendations** of the study with respect to improving the quality of education/training and portability of qualifications of middle and lower skilled Kyrgyz workers are:

Given that Russian is remaining a major language of communication in CIS space, as well as considering language difficulties of labour migrants in Russia, Kazakhstan and other CIS markets that are being a main obstacle both for migrants and employers, an emphasis should be placed on improvement of the knowledge of language by Kyrgyz migrants. Links between private sector and vocational education providers should be strengthened and directed towards cooperation in developing new training programs, designing sectoral frameworks for qualification assessment and certification issues.

It is worthwhile to further investigate why the majority of Kyrgyz employers are still reluctant to provide on-job training, apprenticeships and invest into skills development, while placing responsibility on the state budget and vocational schools.

National Qualification Framework should be developed to establish competency-based approaches to the assessment of education quality and qualification certification.

National classification of occupations, and professional classifications should be revised based on new edition of ISCO-08.

Modernization of the vocational schools, introduction of new training programs, improvement of the quality of teaching staff, investments into re-building infrastructure of VET system should become a national concern with sufficient resources allocated to the VET system.

Building capacity of professional and employer organizations in qualification certification and accreditation is needed.

Introduction

An increasing number of developing countries and countries with economies in transition seek to adopt policies, legislation and structures which promote foreign employment for their workforce and generate remittances, while providing safeguards to protect migrants.⁴ While job creation at home is the first best option, an increasing number of countries see overseas employment as a part of a national development strategy for taking advantage of global employment opportunities and bringing in foreign exchange.⁵ At an individual level, with or without facilitation of the State, many people, including from the Kyrgyz Republic (KR), seek foreign employment opportunities in order to earn a better living. Wage differentials between rich and poor countries are significant.

The world demand for foreign workers is very heterogeneous ranging from highly skilled scientists, professionals and artists to skilled blue-collar workers, down to janitors in business enterprises and housemaids. For ease of exposition, skills can be classified into three broad categories. First are the highly skilled (HS) or those who have completed at least a first degree education from reputable universities/colleges or conservatories. The second group consists of skilled blue-collar workers such as aviation technicians, heavy equipment operators, automotive mechanics, welders, metal workers and pipe setters. They comprise a large group of migrant workers. To the third group of low-skilled workers belong housemaids, janitors and waiters in hotels and restaurants and labourers. Skills are acquired through formal education and experience. The relative importance of formal education versus experience differs between the three groups of skills.⁶

It is clear that abuses in recruitment and during employment are less common for skilled occupations since such migrant workers are usually better educated and more aware of the dangers and have better terms and conditions. Some labour-sending countries have recognised this and now concentrate on raising workers' skill levels to improve their employment opportunities. Employers in destination countries in the region have complained that skill levels of migrant workers often do not match the jobs they are employed for. The foci of this study are the second and third group of migrant workers. Increasing the quality of their education/training and portability of qualifications will increase chances of them finding better employment both at home and abroad.

The government of Kyrgyzstan is itself seeking to avail of labour migration opportunities for nationals. In June 2007 an MOU was signed by the State Committee on Migration and Employment of KR with the Ministry of Labour of the Republic of Korea. Within the framework of this programme 5000 Kyrgyz workers, upon completion of pre-orientation training courses (country information that include culture and legislation aspects, job and work related information, conditions of work and requirements of employer) and Korean language courses, can be sent to South Korea to work in the industry sector and agriculture.⁷ This initiative is in addition to bilateral arrangements that KR has with Russia and Kazakhstan with regards to visa-free movement and protection of labour migrants.

Goals of the research and the methodology

The purpose of the study is to contribute to the productive utilisation of human resources in KR and in the region by making an analysis and recommendations towards improving the quality of education/training and portability of qualifications of middle and lower skilled Kyrgyz workers. This is where occupations are in demand in CIS countries and where there is a surplus within the country. The productive utilisation of human resources entails better jobs for Kyrgyz workers as well as better trained workers for employers and the economy in the country and in the region.

⁴ OSCE-IOM - ILO Handbook on Establishing Effective Labour Migration Policies in Countries of Origin and Destination, Vienna, 2006.

⁵ Ibid.

⁶ Edita Tan and Nilim Baruah, Human Resources Development and Foreign Employment Policies in Countries of Origin, World Migration Report, IOM, Geneva, 2008

⁷ As of March 2008 only 8 persons had arrived in Korea illustrating that while government to government agreements can open the doors, other factors need to be in place as well.

Objectives of the research

The study has the following objectives:

- Identify professions in demand in CIS countries of destination (Russia and Kazakhstan) and in KR and provide a picture of the human resources profile in KR
- Make an assessment of the quality of education/training of KR workers and portability of qualifications
- Make an assessment of the occupational classification in use in comparison with ILO guidelines
- Provide recommendations for a more effective utilisation of human resources in the region on the basis of the above findings and in the context of well managed labour migration

Summary of the research Methodology

The research methodology included (1) Collection and analysis of secondary data, (2) Surveys in Kyrgyzstan, Russia and Kazakhstan.

Secondary data included official documents, reports produced by different government agencies and international organisations, surveys of labour force, available statistical data, and legislation and mass media sources.

Survey tools included:

1. *Survey of the following groups of experts in Kyrgyzstan:*
 - in the field of human resources and labour market (State Committee on Migration and Employment, Ministry of Economic Development, Ministry of Labour and Social Protection, National Statistical Committee, Federation of Trade Unions, and Private Employment Agencies)
 - in the field of vocational education and training (State Agency on Vocational Education and its regional branches, researchers)
 - in the field of labour migration (State committee on Migration and Employment, Labour migration information centers, recruiting agencies)
2. *Employer Surveys consisting of:*
 - Employer survey in Kyrgyzstan
 - Employer survey in two cities in Russia (Moscow and Yekaterinburg)
 - Employer survey in two cities in Kazakhstan (Almaty and Astana)

In all three countries the research team chose 4-5 sectors where demand for workers is highest. These included: (1) construction, (2) processing industry, (3) light industry (mainly clothing manufacture/textile), (4) housing and communal services and (5) services (several most in demand categories, such as for example, confectionaries, hairdressing, catering and others). The selection of occupational fields was based on the preliminary desk research and interviews with the key national stakeholders carried out by the research team.

The same sectors have been chosen to allow comparisons. Initially it was planned to survey 50 employers in Russia and Kazakhstan taken from 2 cities in each country. This was the smallest sample necessary to get a good representation of first-hand information from a sample of key employers and draw valid conclusions on the 4-5 sectors with most labour

demand and vacancies. However, the team experienced a challenge in Kazakhstan where only 50 % of initially planned sample could be covered. The Kazakh employers were reluctant to cooperate and in many cases refused to participate in the survey. In Kyrgyzstan the sampling was larger and included 238 respondents from the employers' community, and this fact helped to investigate the tendencies on the Kyrgyz labour market relatively deeper.

The research team is aware that a large number of labour migrants from Kyrgyzstan who work in Kazakhstan are usually employed as agriculture labourers, mainly on tobacco fields; however for the purposes of this study this group was not covered. In this research the main focus will be on human resources with a minimum level of vocational skills and/or qualifications requirements.

Due to the limited resources, the research team limited the surveys of employers in Russia and Kazakhstan to two cities in each country; these are places with sizable communities of labour migrants from KR. In Russia the surveys were conducted in Moscow and Yekaterinburg and in Kazakhstan – Almaty and Astana.

3. *Administrators survey in vocational schools (VS) in each of designated vocational schools:*

This survey intended to reveal how vocational schools in Kyrgyzstan evaluate the quality of education they provide, criteria on which they base their enrolment in different specialisations, how much they are aware of tendencies on domestic and international labour markets, what is their capacity to react on changing dynamics of labour markets, and what are their relations with employers and professional associations.

4. *Survey of potential migrants (mainly users of services provided by Labour Migration Information Centres):*

In this survey the intention was to find out the human-resource profile of migrants leaving or intending to leave the country for employment in CIS markets and compare the dynamics and changes in the profile of migrants.

5. *Survey of labour migrants currently working in Russia and Kazakhstan:*

Survey of labour migrants currently working in Russia and Kazakhstan showed the general picture of human resources employed in CIS labour markets, existing practices of employment, main issues in recognition of qualifications and other relevant information.

6. *Interviews with the leaders/activists of Kyrgyz Diasporas:* in two cities in each Russia and Kazakhstan to reveal main issues of employment, obstacles in labour markets in host countries, issues with recognition of qualifications, existing practices of employment. Kyrgyz diaspora leaders surveyed for this research are mainly leaders/activists of diaspora associations organised in CIS.

TOTAL SAMPLE:

Kyrgyzstan:

| Respondents groups | Number of respondents |
|--|-----------------------|
| Experts | 34 |
| Employers | 238 |
| Vocational Schools administrators/ teaching/training staff | 32 |
| Potential migrants | 100 |
| TOTAL for Kyrgyzstan | 404 |

Russia

| Respondents groups | Number of respondents |
|---------------------------------------|-----------------------|
| Employers | 50 |
| Labour migrants | 81 |
| Leaders/activists of Kyrgyz Diasporas | 6 |
| TOTAL for Russia | 137 |

Kazakhstan

| Respondents groups | Number of respondents |
|---------------------------------------|-----------------------|
| Employers | 24 |
| Labour migrants | 84 |
| Leaders/activists of Kyrgyz Diasporas | 2 |
| TOTAL for Kazakhstan | 110 |

TOTAL Sample for 3 countries –651.

Limitations of the research

The research methodology has its own limitations due to the financial, time and other resource constraints. The wide geographic coverage (Kyrgyzstan, Russia and Kazakhstan) in a short space of time as well as budgetary constraints make it difficult to carry out an in-depth and comprehensive study of tendencies in labour markets in Kyrgyzstan and within the CIS.

This study should be viewed as a sectional evaluation or a snapshot which gives a general or indicative picture. Due to the absence of reliable data and statistics, as well as the absence of systematic studies of labour migration, the sampling for surveys of migrant workers in several occupational groups in demand have been based on the methodology of snowball. The same methodology was used for employers. Due to the mentioned limitations, any statistical data which derived from this study should be interpreted cautiously. Nevertheless this study, looking at labour migration from a human resources development perspective, is the first of the kind in the region and is hoped that it will provide some direction for policy-makers in making human resource development in KR more relevant nationally and regionally.

Chapter 1. Labour Migration from Kyrgyz Republic

1.1 Labour Market

Following the collapse of the Soviet Union and its centrally planned economy, and the independence of Kyrgyzstan in 1991, the country has pursued reforms towards a market economy and democratic governance. The results have been mixed on both counts. Economic reforms towards privatization and a market economy have not yet been able to create sustainable livelihoods for many of the population. The current situation on labour market is characterized by several tendencies including:

- Transformation of the structure of labour resources with changes in the rural/urban and sectoral distributions of labour.
- The proportion of people with stable jobs is decreasing, while unemployment rates are increasing, and many people have to depend on temporary incomes and part-time jobs.
- Flows of migration, both internal and external are constantly increasing. According to the data of National Statistics Committee, during 1991-2005, migration outflow of the population comprised 475,621 people, while internal movements of population reached 889,921 people for the same period. Each year about 400,000 citizens of Kyrgyzstan participate in migration flows for temporary employment abroad.
- There is an imbalance between labour demand and labour supply on the national market, with oversupply in some areas and undersupply in others.
- There is a tendency of general decline in the quality of work force, including highly skilled human resources, as well as skilled workers due to the declining quality of an education system which is facing challenges to meet the demands of a market economy.
- The proportion of low skilled labour force in the economically active population is increasing, not least due to the underdevelopment of the system of vocational education and training and its inability to meet the requirements of the current labour market.

The transformation of the structure of labour resources is reflected in the outflow of people from rural areas to the cities. Although traditionally Kyrgyzstan is considered a country with a predominant rural population, according to the experts' estimates, currently the proportion of people (both registered and unregistered) in the cities, mainly Bishkek and Osh and their suburbs, constitute about 60-65 %. At the same time rural areas experience a shortage of specialists, including doctors and teachers. Shortage of workers in rural areas leads in turn to the situation when Kyrgyzstan is becoming a host for seasonal agricultural workers from neighbouring countries such as Uzbekistan and Tajikistan. Sectoral distribution of employment has seen a decrease in the proportion of manufacturing industries and agriculture and an increase in proportions of the construction industry and various services.

According to official data, the unemployment rate is 11 %, but considering that the rural population is mainly self-employed farmers, this figure might fluctuate depending on the seasons and in reality might be higher. The household sample survey conducted in 2006 showed that the unemployment rate in the country is about 16 %. About 100,000 young people enter the labour market annually but job creation is lagging behind.⁸

⁸ State programme of the Kyrgyz Republic on regulation of migration processes for 2007-2010, adopted on 25 September 2007.

1.2. Labour migration trends

During the last decade Kyrgyzstan became a country of origin of labour migration for CIS countries, and the third largest Central Asian supplier of labour migrants to Russia (after Uzbekistan and Tajikistan). Russia and Kazakhstan are the main destination countries for Kyrgyz labour migrants. This seems to be a natural trend given that Russia and Kazakhstan are the most viable economies of the former Soviet Union and that there is no visa regime between these countries. Knowledge of Russian and familiarity of the cultural space due to common history is also an important factor.

The officially recognised figures of labour migration outflow from Kyrgyzstan is estimated at 340,000 people⁹, but some estimations give figures as high as 500,000 or even 1 million. Out of 340,000 migrants, according to official data, about 300,000 people work in Russia. It is well known that the majority of labour migrants come from the southern parts of the country. Kubanychbek Isabekov, who was the head of the Kyrgyz parliamentary committee on labour migration, estimated that 90 % of labour migrants from Kyrgyzstan come from the south, while only 10 % from the north. Absence of job opportunities, the weak economy and poverty force people to migrate in search of better fortune. External migration is likely to continue in the near future. A sociological survey by Gallup came to the conclusion that currently about 20 % of the population in Kyrgyzstan would like to leave the country¹⁰. Many labour migrants strive to get Russian or Kazakhstan's citizenship. Thus, according to the existing data, about 100,000 Kyrgyz citizens have received Russian citizenship during the last 5 years¹¹.

It is estimated by key informants that 20-30% of labour migration goes through organised channels (recruitment agencies or the state), while 70-80 % of labour migrants do not use formal intermediaries. A large proportion of migrants become irregular (working without registration or work permits).

Demographic characteristics of labour migrants can vary depending on the destination country, region and specific location. The majority of labour migrants from Kyrgyzstan are people in the demographic group of 20-35 years old. Experts' estimation of the ethnic composition is close to the results received from our survey. Thus, according to the experts in the field of migration, 80 % of migrants are people of Kyrgyz nationality, while the survey showed that 71 % of potential migrants, i.e. people who are about to leave the country are Kyrgyz.

Most of the Kyrgyz migrants go to Russia or Kazakhstan temporarily, often employed in the informal sector, characterized by wages much lower than for the citizens, and difficult conditions and minimum rights. In addition, xenophobic attitudes towards migrants and particularly towards migrants from Central Asia are on the rise in Russia. Murders of Kyrgyzstan's citizens in Moscow that happened during 2008 have created not only public debates and concerns among the population of Kyrgyzstan, but also official appeals from Kyrgyz state bodies to the Russian government requesting investigation of the murders and the undertaking of special measures to prevent hate crimes. Leaders of ten organisations representing Kyrgyz Diaspora in the regions of Russia, Moscow and St Petersburg also

⁹ Akipress with reference to the data from SCME, 6 February 2008. <www.akipress.kg>

¹⁰ CA-NEWS, 26 June 2008.

¹¹ Akipress, 2 February 2008.

addressed the government of Russia with a request to investigate the four cases of murders committed against citizens of Kyrgyzstan in January 2008 alone.¹²

Kyrgyzstan which has one of the poorest economies in the CIS along with Tajikistan is reliant on migrants' remittances. Recorded remittances in 2006 were 7.39m USD or 27.4% of GDP.¹³

1.3. Profile of labour migrants

Characteristics of labour migrants profile in this section are based on the results of survey, complemented by analysis and comparison with the existing data on migrants profile by various indicators, including distribution by age, places of origin, areas of concentration in the destination countries, education, nationality and other characteristics.

The main Kyrgyz community in Russia settled in Yekaterinburg and Moscow. The most attractive for labour migrants from Kyrgyzstan according to key informants are the following regions in Russia: Yekaterinburg, Novosibirsk, Voronej, Lipetsk and Tatarstan. Among other preferred destinations in CIS potential migrants most frequently named Astana (Kazakhstan), and Yakutiya.

Migrants in Yekaterinburg are largely engaged in the trade of Chinese products, while in Moscow Kyrgyz migrants often work on construction sites, in communal services and shopping centres as street or shop salespersons. A smaller proportion of Kyrgyzstan migrants work in agriculture and commercial activities, mainly in Kazakhstan.

According to the survey on Employment, Unemployment and Labour Migration conducted in 2006 by the National Statistics Committee of the Kyrgyz Republic jointly with the State Committee on Migration and Employment of the Kyrgyz Republic, migrants from Kyrgyzstan work in construction (46%), commercial (shuttle) trade (36%), agriculture (6 %) and in various industries and services (3 %)¹⁴.

The choice of Russian cities is not surprising given that Yekaterinburg is located on the direct railway branch which connects Bishkek with Russia. Most of the migrants are shuttle-traders and they travel by railroad and transport their goods to Russia and back. It is important also that Kyrgyzstan had historic economic linkages to these regions during the Soviet period, when Kyrgyzstan, as a part of the integrated Soviet economy, used to provide certain parts of Russia with agricultural products (fruit and vegetables). Barnaul, Tomsk, and Novosibirsk were also cities where many Kyrgyz students used to receive their education in the universities, thus personal contacts and linkages may also be a factor. According to the feedback from migrants, the attitude of local population is more tolerant towards migrants in the regions of Siberia than in the big cities of the west and mid-west of Russia.¹⁵

In Kazakhstan the main destinations for Kyrgyz migrants are the cities of Almaty, Temir-Tau, Karaganda, Astana and Jambyl region. Almaty is important as a central transit market

¹² Akipress: www.akipress.kg, 2 February 2008.

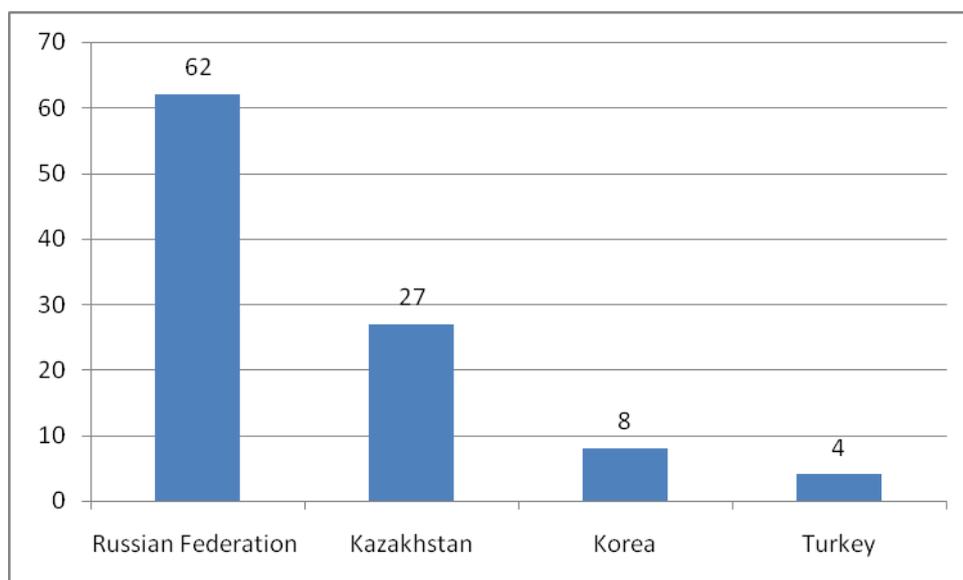
¹³ World Bank. Migration and Remittances Fact book, 2008.
www.worldbank.org/prospects/migrationandremittances

¹⁴ Employment, Unemployment, Labour Migration. The results of one-time survey of the population employment in July 2006. National Statistics Committee of the KR & State Committee on Migration and Employment. Special Publication. Bishkek, 2007.

¹⁵ Gender aspects of Labour Migration in Kyrgyzstan, Research conducted by El-Pikir, Bishkek, 2005.

place, from which and where the Kyrgyz migrants transport their goods for trade. Temir-Tau, Karaganda are big industrial cities where migrants seek opportunities for employment. The Jambyl region is often chosen because of its geographic closeness to Kyrgyzstan and many migrants from the Talas region of Kyrgyzstan go there to work in agricultural fields. It is likely that Russia and Kazakhstan will remain major destinations for Kyrgyz workers. While Moscow, Astana, Almaty and Yekaterinburg are the most attractive destinations, many potential migrants surveyed in this study said they are ready to go to any other city in Russia or Kazakhstan if they will not be able to find a job in their first destination city. The survey of potential migrants only confirms the direction of future migration flows. Thus, 62 % of potential migrants¹⁶ who found a job abroad, said their job destination is Russia, 27 % named Kazakhstan, 8 % Korea, and 4 % Turkey.

Diagram 1: Countries where potential migrants found jobs.



According to the Employment, Unemployment and Labour Migration household survey conducted in 2006 for almost 83 % of labour migrants the main destination country was Russia and for 15.4 %, Kazakhstan. Other destinations have been very marginal. Comparison of the 2006 data and results of this survey shows that, although main destinations for Kyrgyz labour migrants remain the same, there is a certain level of diversification of destination countries, at least in the new waves of potential migrants.

There are no complete statistics for migration flows as irregular flows are not recorded. According to the estimations of Kyrgyz diaspora leaders, the number of Kyrgyz migrants in 4 destinations alone (these are 4 cities under this research) could be approximately 135,000 - 200,000 people.

The survey of potential migrants showed that the majority of them (41 %) rely on their relatives and extended family as a source of information about a potential job place or employer. Employment and recruiting agencies are the second biggest source of help for migrants in finding employment in CIS (36 %). Other sources include newspaper announcements, internet and informal recruiters.

As the table below illustrates, employment/recruitment agencies usually provide basic information on employment opportunities. However provision of more detailed but essential

¹⁶ Potential migrants is defined as those seeking employment abroad

information (such as the employment contract and its terms/conditions) are more often not provided.

Table 1: Type of information provided by employment agencies (assessment by potential migrants in %)

| | Provided | Not provided |
|---|-----------------|---------------------|
| Name of organisation where migrant will work | 95 | 5 |
| Position/job | 91 | 9 |
| Requirements for qualification | 85 | 15 |
| List of documents needed for confirmation of qualifications | 81 | 19 |
| Size of salary | 86 | 14 |

The survey of potential migrants allows us to say that currently migration tendencies in the population of Kyrgyzstan remain strong and, the fact that 79 % of potential migrants said they are first time job seekers, provides a basis for an argument that migration flows of “new” migrants are quite strong along with the substantial waves of repetitive migrant workers.

In the survey of labour migrants, the gender composition of labour migrants was 70 % of men and 30 women. This was both relevant to Russia and Kazakhstan. Distribution of migrants according to their destination cities was the following:

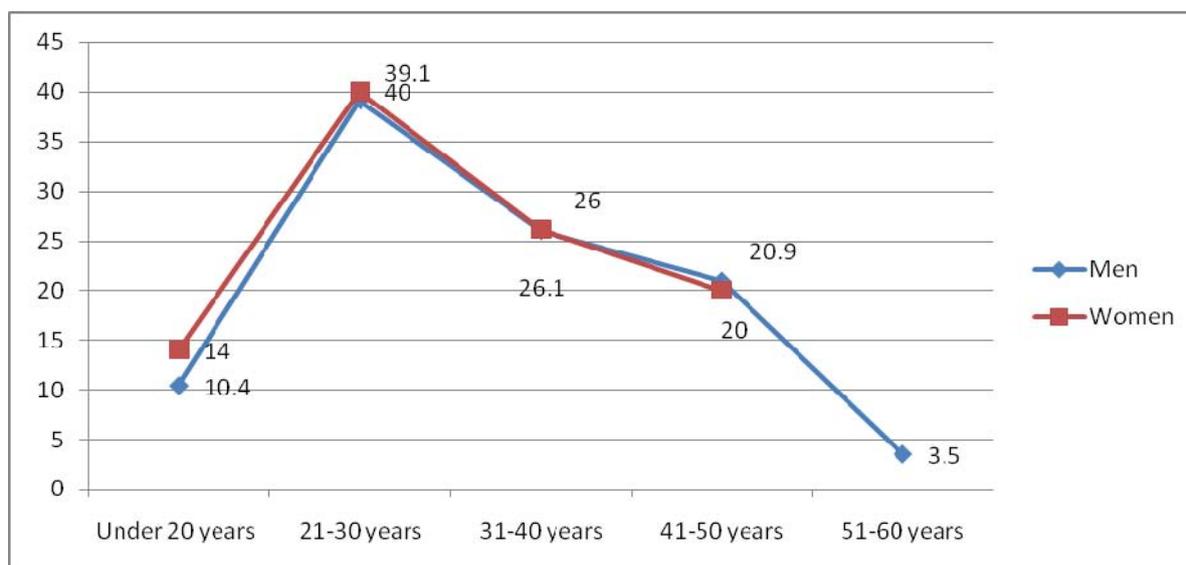
Table 2. Number of migrants currently working in Russia and Kazakhstan surveyed for this study by destination cities

| | Number of respondents | Proportion |
|---------------|------------------------------|-------------------|
| Astana | 19 | 11.5% |
| Almaty | 65 | 39.5% |
| Moscow | 41 | 24.8% |
| Yekaterinburg | 40 | 24.2% |

The ethnic profile of labour migrants from Kyrgyzstan in the survey in general confirms the existing data on this indicator. In the survey, the majority of migrants belong to Kyrgyz nationality, constituting about 68.5 % of all respondents. Other nationalities among migrants represented as follows: Uzbeks 15.8 %, Russians 10.9%, and other nationalities 4.8 %. The average age of a labour migrant was 32.2 years.

The diagram below shows composition of migrants by age groups:

Diagram 2: Profile of labour migrants from Kyrgyzstan by age groups (%):



Profile of migrants by places of their residence in Kyrgyzstan showed that 43.6 % came from rural places, 29.7% from small towns, 25.5 % from Bishkek and provincial capitals. As the following table shows, the majority of migrants originate from Osh Oblast of Kyrgyzstan:

Table 3: Profile of labour migrants surveyed for this study by places of their residence in Kyrgyzstan in % of respondents.

| | Migrants in Kazakhstan, % | Migrants in Russia, % | Total, in % |
|-------------------|---------------------------|-----------------------|-------------|
| Bishkek | 15.5 | 22.2 | 18.8 |
| Batken oblast | 1.2 | 12.3 | 6.7 |
| Jajal-Abat oblast | 3.6 | 13.6 | 8.5 |
| Issyk-Kul oblast | 11.9 | 4.9 | 8.5 |
| Naryn oblast | 1.2 | 1.2 | 1.2 |
| Osh oblast | 51.2 | 26 | 38.8 |
| Talas oblast | 1.2 | 6.2 | 3.6 |
| Chui oblast | 14.2 | 13.6 | 13.9 |
| Total | 100 | 100 | 100 |
| n= | 84 | 81 | 165 |

The findings above are in line with existing data about the prevalence of migrants coming from the southern parts of Kyrgyzstan.

Composition of migrants by their family status shows that more than 55 % of migrants have families (married). The average size of their families is 5.3 persons.

According to the survey on Employment, Unemployment and Labour Migration conducted in 2006, 72 % of labour migrants have school education or primary vocational education, 5 % finished only the 9th grade of school and 23 % have higher or secondary vocational education.

In the current survey, 57.6 % of migrants said they have school education or primary vocational education, while 29 % represent people with higher, or secondary vocational education and 12 % are migrants with primary education or incomplete school education. The following table pictures the profile of migrants in more detail by their education level and job destinations:

Table 4. Labour migrants profile by education level (% of respondents).

| | Migrants in Kazakhstan | Migrants in Russia | Total |
|--|-------------------------------|---------------------------|--------------|
| Primary | 3.6 | - | 1.8 |
| Incomplete | 15.4 | 5 | 10.3 |
| School education (complete=11 th grade) | 57.1 | 40.7 | 49.2 |
| Primary vocational (finished vocational school) | 6.0 | 11.1 | 8.5 |
| Secondary vocational education (finished technical school, college) | - | 27.2 | 13.3 |
| Incomplete higher education | 4.8 | 1.2 | 3.0 |
| Higher | 11.9 | 14.8 | 13.3 |
| Scientific degree | 1.2 | - | 0.6 |
| Total | 100 | 100 | 100 |
| n= | 84 | 81 | 165 |

Judging by these figures and comparing them with the data received from the official household sample survey conducted in 2006, it can be said that the main trends in migrants profile by their education levels remain the same. Thus, the majority of labour migrants working currently in the CIS can be considered lower skilled as they have only finished schools and some (8.5 %) have finished primary vocational school. The figures of outflow of people with higher education are a concern, as they show the continuous trend of a “brain drain” from Kyrgyzstan and a subsequent “brain waste”, as highly skilled labour resources lose their skills when employed in elementary jobs, for which they do not use their acquired qualifications. On the other hand, the survey results can also reflect a worrisome tendency of an increasing proportion of people with only primary or incomplete school education. Thus, in the above mentioned 2006 survey on Employment, Unemployment and Labour Migration only 5 % of migrants had incomplete school education, while in the current survey, as it is seen from the above table, about 12 % of migrants have incomplete school education on the level of 9th grade or even lower education at the level of 4th grade.

Although these figures require additional research and confirmation, they are reflective of the current trends expressed also in the experts` views. In general, the education profile of labour migrants currently working in the CIS, as well as the profile of potential migrants which is discussed in the following sections of this report, shows the general trend of a declining quality of Kyrgyzstan`s workers supplied to the labour markets of the CIS.

«If in the past mainly intellectual elite, highly qualified people with higher education were leaving the country, now, on the contrary, the majority of migrants leaving the country are low skilled young people without advanced education. Once they come to Russia, they very often become victims of various malpractices by dishonest employers and could easily become labour slaves. If they use illegal ways of migration, they fall into hands of dishonest employers where at job places they face total arbitrariness and exploitation”

(Expert voices)

The profile of the current migrants by occupations below (table # 5.) is relevant only to the respondents with a level of education higher than school education. The most frequently observed occupations are those in the technical fields, especially among men. Women migrants more

frequently are represented in pedagogical professions. The data in the table below reflects the profession of migrant workers and years of work experience in their area of specialty:

Table 5. Occupational background and years of work experience in their specialty (% of respondents).

| | Migrants in Kazakhstan, % | Migrants in Russia, % | Total, % | Work experience in their specialty, average number of years |
|---------------------------------------|----------------------------------|------------------------------|-----------------|--|
| Technical specialties | 15.0 | 50.0 | 39 | 9.1 |
| Pedagogical fields | 25.0 | 6.8 | 12.5 | 8.7 |
| Economics, accounting, marketing | - | 13.6 | 9.4 | 3.0 |
| Architecture and construction | 10.0 | 6.8 | 7.8 | 10.4 |
| Culinary | - | 11.4 | 7.8 | 9.2 |
| Medicine, veterinary, pharmaceuticals | 15.0 | 2.3 | 6.3 | 3.8 |
| Driver, tractor operator | 20.0 | - | 6.3 | 1.8 |
| Humanities (Social sciences) | 5.0 | 2.3 | 3.1 | 2.0 |
| Natural and hard sciences | 5.0 | 2.3 | 3.1 | 4.5 |
| No answer | 5.0 | 4.5 | 4.7 | - |
| Total | 100 | 100 | 100 | |
| N= | 20 | 44 | 64 | 7.3 |

According to this data, the average working experience of labour migrants is 7.3 years. Construction and architecture professionals have relatively more experience than the other groups, while the minimum experience is observed among drivers and tractor operators.

50 % of the total number of migrants informed that the main reason why they stopped their work in their home country was a low wage. Among other important factors, migrants named lay-offs and closure of organisations and firms where they worked. The prevailing majority of respondents who worked in agriculture or construction before leaving to Russia or Kazakhstan had wages approximately equal to 100 USD (or 3,500 KG Soms).

Wage differentials seem to be a major factor driving Kyrgyz migrants out of the country. The table below summarises responses of migrants to the question about main reasons for leaving the country:

Table 6. Reasons for leaving home country expressed by labour migrants (frequently mentioned) in % of respondents.

| | Migrants in Kazakhstan | Migrants in Russia | Total |
|--|-------------------------------|---------------------------|--------------|
| Higher wages in destination countries | 53.6 | 66.7 | 60.0 |
| Difficult financial conditions of my family | 34.5 | 42.0 | 38.2 |
| Absence of any employment opportunities in my city/village (no jobs at all) | 8.3 | 18.5 | 13.3 |
| Absence of work in my specialty | 3.6 | 13.6 | 8.5 |
| n= | 84 | 81 | 165 |

As is seen from the above data, on average about 60 % of migrants consider a search for better wages as one of the main reasons of labour migration, while the absence of employment opportunities at home have been mentioned only by 13.3 % of respondents.

An interesting fact is that the majority of migrants found jobs immediately after they arrived, or within one or two months (68.7 % and 21.5 % respectively). Less than 10 % experienced difficulties in finding jobs and spent longer times for job search. This is not

very surprising given that many migrants have investigated job opportunities (through their relatives or networking with friends, or using services by employment agencies, internet and mass media announcements) prior to arrival. A little less than 14 % of migrants informed that they came to their destination without any prior information or job offer.

An important indicator of labour migration is the proportion of new hires and re-hires (repeat workers). Although the survey was only a snapshot in some segments of CIS labour markets, it reflects some general tendencies. According to the migrants survey, about half of them (51.9 %) have not worked in a foreign country before, and thus should be considered new hires, while 42.5 % said they are re-hires. The following table shows some detailed differences between migrants in different destinations in Russia and Kazakhstan:

Table 7. Responses of labour migrants to the question “Have you worked outside Kyrgyzstan before?” in %.

| | Migrants in Kazakhstan, % | Migrants in Russia, % | Total, % | Average number of times when migrant worked outside the country |
|-------------------------|----------------------------------|------------------------------|-----------------|--|
| Have not worked before | 42.8 | 61.5 | 51.9 | - |
| Yes, in Russia | 16.7 | 29.5 | 22.8 | 3.9 |
| Yes, in Kazakhstan | 34.5 | 2.6 | 19.1 | 2.9 |
| Yes, in another country | - | 1.3 | 0.6 | 1.0 |
| Refuse to answer | 6.0 | 5.1 | 5.6 | - |
| Total | 100 | 100 | 100 | |
| n= | 84 | 78 | 162 | 3.4 |

The analysis of duration and types of work which Kyrgyz migrants have in Russia and Kazakhstan show some differences. As is seen from the table below, migrants in Russia in the majority of cases have jobs with longer duration, while in Kazakhstan, migrants are employed in short-term or seasonal jobs. Seasonal jobs might have a duration of up to 5 months.

Table 8. Responses of migrants to the questions “What kind of job do you have now?” in %.

| | Migrants in Kazakhstan | Migrants In Russia | Total |
|---|-------------------------------|---------------------------|--------------|
| The longer duration jobs (6 months- 1 year work for wage) | 39.3 | 70.5 | 54.3 |
| Short-term (up to 5 months work for wage) | 48.8 | 21.8 | 35.8 |
| Work independently | 8.3 | 2.6 | 5.6 |
| Other | - | 1.3 | 0.6 |
| Refuse to answer | 3.6 | 3.8 | 3.7 |
| Total | 100 | 100 | 100 |
| n= | 84 | 78 | 162 |

During the survey migrants have been asked questions about the sector where they are employed currently and how different their current job is from what was promised to them during the application and hiring process. As the data below shows, the most common segments or sectors where migrants from Kyrgyzstan work are construction and consumer/retail services (which include hair dressers, dry cleaner’s, repair of domestic machines and appliances, cloth & shoes repair, repair of personal products, laundry services and the like).

Table 9. Sectors (and occupations) where labour migrants are currently employed in %.

| | Migrants in Kazakhstan, % | Migrants In Russia, % | Total, % |
|--|---------------------------|-----------------------|----------|
| Construction (stonemason, roofer, construction worker etc) | 32.1 | 23.1 | 27.8 |
| Consumer/Retail services | 21.4 | 34.6 | 27.8 |
| Agriculture | 26.2 | - | 13.6 |
| Technical (joiner, plumber and pipe fitter, carpenter) | 10.7 | 15.4 | 13.0 |
| Culinary (cook) | 2.4 | 7.7 | 4.9 |
| Driver, tractor operator | 2.4 | 5 | 3.7 |
| Odd-Jobs worker | - | 6.4 | 3 |
| Management | 2.4 | 2.6 | 2.5 |
| Sewing | 2.4 | 1.3 | 1.9 |
| Engineer | - | 2.6 | 1.2 |
| Economist, accountant, marketing specialist | - | 1.3 | 0.6 |
| Total | 100 | 100 | 100 |
| N= | 84 | 78 | 162 |

Most migrants (61.1 %) said their current work is the same which was offered before arrival to the destination, 25 % said they came on their own and nobody promised them any specific job, and only about 5 % said they are doing absolutely different type of work.

1.4 Institutional framework for governance of labour migration in Kyrgyzstan

The State Committee on Migration and employment (SCME) is the leading government agency responsible for the state policy development and implementation in the field of migration and employment issues in Kyrgyzstan. The State Committee on Migration and Employment was established in 2005 by the Decree of the KR President dated from 15.10.2005. № 462. The new government agency emerged from two structures – the Department of the migration services (previously it was within the Ministry of Foreign Affairs) and Department of the Employment (previously it was within the Ministry of Labour and Social Protection). The State Committee on Migration and Employment has its structural departments in regions in Kyrgyzstan to deal with internal issues and official affiliates in the Russian Federation and Republic of Kazakhstan to deal with external migration.

External Migration:

The newly established agency has worked at the regional and intergovernmental levels on trying to ensure the protection of rights and legal interests of Kyrgyz citizens working abroad, mainly in the Russian Federation and Republic of Kazakhstan. Currently SCME affiliates are opened in the Russian Federation in Moscow, Saint-Petersburg, Samara, Krasnoyarsk, Rostov-na-Donu and in Almaty in the Republic of Kazakhstan. The SCME also is cooperating with KR Consulates in Moscow, Novosibirsk and Yekaterinburg.

The SCME has opened the Information and Consulting Centres in Bishkek and Osh cities in order to increase access of labour migrants to the information on available job vacancies in the Russian Federation and the Republic of Kazakhstan, as well as to facilitate the labour recruitment to Korea.

Policies and legislation for dealing with external migration:

State Programme of the Kyrgyz Republic on regulating the migration processes for the period 2007-2010 adopted by the KR Government Resolution on 28.09.2007.

“Law on external labour migration” signed by the KR President Decree on 13 January 2006, № 4, enforced on January 20, 2006.

Immigration and internal migration:

SCM is dealing with the following groups of immigrants and internal migrants:

- 1) Foreign citizens seeking employment in Kyrgyzstan
- 2) Ethnic Kyrgyz population returning to Kyrgyzstan from abroad
- 3) Internal migrants – dwellers from remote areas seeking employment in Bishkek and surrounding regions
- 4) Refugees seeking asylum in Kyrgyzstan

Legislation for dealing with internal migration and employment issues:

State Programme “Kaiyrylman” providing assistance to the ethnic Kyrgyz returning to their historical Motherland for the period 2006-2008. Adopted by the KR Government Resolution from 19 October 2006, №737.

Dealing with migration and employment issues, the State Committee is working with other government counterparts, trade unions, employers’ organisations, private employment agencies, civil society and international organisations. Government counterparts include but are not limited to:

Ministry of Labour and Social Protection
State Agency on VET under the government of the KR
Ministry of Foreign Affairs and its Consulates in RF and Republic of Kazakhstan
State Committee on Customs and Border Control
Ministry of Internal Affairs
State Committee on Security
Ministry of Education and Science
National Youth Labour Exchange

SCME is working with government counterparts and other interested parties on creating the Unified Information Exchange System (UIES) on migration issues. The UIES is not in place yet due to difficulties related to the budget constraints, institutional weaknesses and lack of knowledge of methodology.

Chapter 2. Occupations in Demand in Russia, Kazakhstan, and Kyrgyz Republic and human resource profile in Kyrgyz Republic

2.1. Occupations in shortage in Kyrgyzstan

Labour shortages occur when supply does not meet labour demand. Such shortages can be **absolute** where skilled persons required by employers simply do not exist in the numbers required or **relative**. It is for various reasons (mobility, wages, conditions of work etc.) that nationals do not wish to fill certain jobs. Perceived labour shortages are the *raison d'être* for creating a labour migration system

The Country Development Strategy for 2007-2010 (CDS) adopted in 2007¹⁷ identified the main sectors of the national economy as a priority for country development. These include: agriculture, mining and metallurgic industry, fuel and energy complexes, light industry, services, transport and communication and tourism. These are those sectors where the largest number of jobs is expected to be created according to the government of Kyrgyzstan.

Employers in Kyrgyzstan have been surveyed in several sectors which according to the existing data has the biggest demand for skilled workers and which are the fastest growing sectors of the economy. These include construction, processing industry, light industry (mainly cloth manufacture/textile), housing and communal services and other services.

In the survey employers have been asked questions concerning which professions they have had difficulty to find workers, and whether they always face difficulty in finding such workers. The analysis revealed that a significant number of employers experience constant difficulties in finding workers in shortage professions. The following table shows the sectoral distribution.

Table 10: Responses of employers in Kyrgyzstan who said they constantly have a difficulty to find workers in shortage professions. In % of surveyed employers:

| Sector | % |
|---|----|
| Light industry | 33 |
| Food industry | 2 |
| Machinery building and metal working | 17 |
| Production of construction materials | 22 |
| Construction | 26 |
| Consumer services | 15 |
| Repair of vehicles & consumer products | 31 |
| Communal service provision (Public utilities) | 15 |
| Processing industry | 8 |

According to the employers' answers, shortages in the surveyed segments of market are most common in light industry and technical trades (such as vehicle repair, repair of refrigerators, washing machines, vacuum cleaners etc). The construction sector and production of construction materials, as well as machinery building and metal working follow.

¹⁷ The Country Development Strategy (CDS) for 2007-2010 was adopted by the government of Kyrgyzstan in 2007. It is a main conceptual document, reflecting the medium-term outlook of the Kyrgyz Republic, determining basic development directions and activity of the country for 2007-2010. The document was adopted in the context of the completion of the National Poverty Reduction Strategy for 2003-2005.

The overall list of professions for which, according to employers in Kyrgyzstan there is not only demand but constant shortage, consists of 68 professions. The first 20 professions in demand are listed below in the ascending order (the most frequently named first):

List of professions in demand named by employers of Kyrgyzstan:

- Welder
- Radio-Tele-mechanic
- Crane Operator
- Engine Operator
- Baker
- Electrician
- Plasterer
- Turner
- Excavator operator
- Bulldozer operator
- Fashion-designer
- Auto-Electrician
- Master of automotive repair
- Driver
- Metal worker
- Master of sewing
- Sewing machine operator
- Milling machine operator
- Stonemason
- Master of whole furniture assembling

The list of professions which are projected to be in demand within the next 5 years by employers in Kyrgyzstan is almost identical to the list above but with little variation. This list has in addition professions related to the energy sector, including hydro energy, as well as mining, and tourism. The list is very much reflective of the official statements on the mid-term economic plans and development priority sectors.

One reason for unfilled vacancies is the low salaries offered. According to the survey results, about 63 % of employers are ready to pay 100-200 USD per month and each fourth employer said he/she is ready to pay 200-300 USD. Only 7 % of local employers said they could afford to pay USD 400 or more to the worker in high demand. The table below reflects the scale of salaries that could be potentially offered by local employers to the specialists in demand:

Table 11: Responses of local employers to the question: “How much are you ready to pay for the workers in high demand?” in %:

| | Up to 100 \$ | 100- 200\$ | 200- 300\$ | 300- 400\$ | More than 400\$ |
|---|-------------------------|-----------------------|-----------------------|-----------------------|--------------------------------|
| Light industry | 21 | 26 | 26 | 21 | 5 |
| Food industry | 33 | 33 | | | 33 |
| Machinery building and metal working | 17 | 17 | 50 | | 17 |
| Production of construction materials | | 57 | 43 | | |
| Construction | 30 | 50 | 10 | 10 | |
| Consumer/Retail services | 50 | 17 | 33 | | |
| Repair of vehicles & repair of consumer products (technical trades) | 57 | 7 | 14 | 7 | 14 |

| | | | | | |
|----------------------------|----|----|----|----|----|
| Communal service provision | 50 | 33 | | 17 | |
| Processing industry | 50 | 25 | 13 | | 13 |
| TOTAL | 33 | 30 | 21 | 9 | 7 |

The survey of employers in the selected segments of market showed the discrepancy between the demand and supply of skilled workers. According to the surveyed employers the overall demand for skilled workers is met by 61 %. The biggest gaps between the supply and demand in skilled workers, according to the survey, can be observed in the following sectors:

- Light industry
- Production of construction materials
- Construction
- Repair of vehicles & consumer products

2.2. Occupations in demand in Russia and Kazakhstan

Russia's economy is developing dynamically during the last decade and requiring more and more labour force, as demand for labour resources cannot be filled by Russia's own labour supply.

The previous studies point out to the disproportions between demand and supply of the labour force in relation to the requirements of the Russian labour market for the level of qualification of skilled workers. Below is a table which reflects these disproportions for various levels of qualifications of the labour force:

Table 12: Demand and supply of labour force in Russia

| Demand for labour: | Demand | Supply |
|----------------------------------|---------------|---------------|
| Skilled workers | 51.8% | 37.1 % |
| Specialists with high skills | 35.2% | 52.6 % |
| Unskilled or low skilled workers | 13.5 % | 10.3% |

Source: Report on the assessment of capacity of professional vocational schools in the Kyrgyz Republic in order to facilitate development and introduction of short-term training courses for labour migrants. Commissioned by the Eurasia Foundation of Central Asia, 2006

Thus, according to this data the biggest gaps between the demand and supply (in terms of absolute shortages) are in relation to skilled workers and a highly skilled labour force. For our purposes, it is interesting to note the existing gap between demand and supply of skilled workers with almost 15 % of undersupply of skilled workers, an area where Kyrgyz migrants can potentially fit in.

The problem is that Kyrgyz workers do not meet the requirements for the levels of skills in certain occupational areas that are in demand in the Russian labour market. Thus, it is known that the vacancy data banks include jobs with the requirements for workers who possess 4-6th competency levels (rankings) within their occupational groups. However, on the other side, the vocational schools in Kyrgyzstan offer education and qualifications usually no higher than 3rd level. This relates to professions such as turners, metal workers, machine operators, carpenters and some others. In order to be competitive, Kyrgyz workers

have to develop their skills up to the requirements of 4-6th levels of competence in their respective occupations.

The survey of employers conducted in this study confirmed that Russian and Kazakh employers indeed have a demand for workers with highly developed skills, those who possess higher than a 3rd level of competence within their job titles and/or specialisations. However, the majority of Russian and Kazakh employers responded that they employ migrant workers from Kyrgyzstan (and other Central Asian countries) mainly for jobs which require low skill or no skills at all, in other words, at elementary jobs such as odd-jobs workers, sweepers, cleaners of various sorts etc.

Below is the table which reflects demand in working professions by Russian and Kazakh employers at the current stage and the average wages in these occupations:

Table 13 . The most demanded working professions by employers¹⁸ (%).

| | Employers in Kazakhstan | Employers in Russia | Total | Average level of wages, median, USD |
|--------------------------|--------------------------------|----------------------------|--------------|--|
| Cleaner | 4.2 | 28.0 | 20.3 | 300 |
| Odd jobs worker | 8.3 | 22.0 | 17.6 | 350 |
| Welder | 16.7 | 6.0 | 9.5 | 600 |
| Driver | - | 14.0 | 9.5 | 650 |
| Waitress /order takes | - | 12.0 | 8.1 | 350 |
| Plasterer | 8.3 | 6.0 | 6.8 | 333 |
| Salesperson | - | 10.0 | 6.8 | 600 |
| Stonemason | 8.3 | 4.0 | 5.4 | 600 |
| Cook | - | 8.0 | 5.4 | 625 |
| Sweeper | - | 8.0 | 5.4 | 335 |
| Loader | - | 8.0 | 5.4 | 417 |
| Assembler of furniture | 12.5 | - | 4.1 | 288 |
| Assembler \ fitter | 8.3 | 2.0 | 4.1 | 500 |
| Plumber and pipes fitter | 12.5 | - | 4.1 | 500 |
| Cashier | - | 6.0 | 4.1 | 600 |
| Sewing worker | - | 6.0 | 4.1 | 800 |

We compared this list of occupations in demand named by employers in our survey with the existing studies. In one such study altogether 15,000 vacancies in the vacancy data have been analysed for the year 2006, and researchers came to the conclusion that the most demanded in 2006 were the following occupations:¹⁹:

1. Gas-Electric Welder Turner
2. Stonemason
3. Painter/plasterer
4. Electro-fitter
5. Construction worker, including building facers, carpenter and metal worker/plumber
6. Driver
7. Tailor's cutter, tailor, sewing worker
8. Salesman
9. Cook

¹⁸ Here indicated professions have been mentioned by employers twice and more times

¹⁹ Report on the assessment of capacity of professional vocational schools in the Kyrgyz republic in order to facilitate development and introduction of short-term training courses for labour migrants. Commissioned by the Eurasia Foundation of Central Asia, 2006

Below is another table received on the basis of our survey of potential migrants, which shows types of jobs offered to the potential migrants:

Table 14. List of jobs found by potential migrants

| Specialty | % |
|---------------------------|----------|
| Constructor | 20 |
| Salesman | 13 |
| Driver | 11 |
| Sewing worker | 9 |
| Plasterer/ painter | 7 |
| Decorators | 7 |
| Odd-jobs worker | 6 |
| Welder | 4 |
| Teacher | 4 |
| Mine shaft sinker | 4 |
| Economist | 2 |
| Tiling worker | 2 |
| Clerk | 2 |
| Repair of sewing machines | 2 |
| Concrete placer | 2 |
| Packer | 2 |

Judging from the three tables above, as well as experts` interviews, it can be said that the demand for occupations is stable and includes almost an identical list of occupations. It is obvious that the types of professions in demand are mainly related to the construction industry, some to cloth manufacture /textile industry, transport shipping, sales, public catering, communal services etc.

The above findings are in line with a study commissioned by ILO in the Russian Federation (RF) in 2008. According to applications for work permits made by employers, migrant workers are employed in over 2,600 types of occupations and jobs. However the demand is the greatest for manual workers, bricklayers, form workers, plasterers, carpenters and house painters.

Table 15. Distribution of foreign labour by occupation in the RF

| Occupation | Number of foreign workers, thousand |
|------------------------|--|
| Manual workers | 168 |
| Bricklayers | 104 |
| Plasterers | 71 |
| Concrete workers | 59 |
| Carpenters | 50 |
| House painters | 48 |
| Car drivers | 39 |
| Vegetable farm workers | 38 |
| Steel fixers | 32 |
| Loaders | 29 |
| Managers | 27 |
| Assemblers | 24 |
| Tillers | 19 |

| | |
|--|----|
| Commercial agents | 17 |
| Electrical/gas welders | 12 |
| Sales managers | 12 |
| Cooks | 12 |
| Cleaners of production and office premises | 10 |
| Steel and concrete structure erectors | 10 |
| Salesmen | 10 |
| Road workers | 9 |
| Sweepers | 9 |
| Maintenance technicians | 8 |
| Steel fixers | 8 |
| Engineers | 8 |
| Plumbers | 7 |
| Sewers | 7 |
| Joiners | 7 |
| Street cleaners | 7 |
| Maintenance workers | 6 |

Source: Data of the Ministry of Health and Social Development of the RF (based on employers' applications for migrant workers in 2008).

The greatest demand for migrant workers is in the regions where dynamic economic and industrial growth is observed or where new mineral deposits are developed, which calls for the employment of additional labour. Those areas include Moscow and St. Petersburg, Moscow Region, Krasnoyarsk Territory, Sverdlovsk, Irkutsk, Novosibirsk and Chelyabinsk regions.²⁰

When asked about perspectives of labour market development in Russia and Kazakhstan, the majority of surveyed employers said that construction will definitely continue to be the fastest growing sector in both countries, which will constitute the largest share in the total demand for labour force, both skilled and unskilled.

Perceived and real wage differentials are one of the driving forces of labour migration. Perceived or expected salaries are higher than those actually received in the case of Kyrgyz migrants.

Table 16: Wage expectations of potential migrants, who did not find jobs outside Kyrgyzstan at the time of survey in %:

| USD | % |
|---------------------|----|
| Difficult to answer | 13 |
| Refuse to answer | 6 |
| 100 | 2 |
| 300 | 2 |
| 350 | 2 |
| 400 | 4 |
| 500 | 9 |

²⁰ Review of approaches in measuring the need for migrant workers and labour migration planning: Russian Federation and international experience/ ILO Subregional Office for Eastern Europe and Central Asia, International Labour Office. - Moscow: ILO, 2009.

| | |
|----------------|-----|
| 800 | 4 |
| 1000 | 15 |
| 1200 | 2 |
| 1500 | 2 |
| 2000 | 13 |
| 2500 | 2 |
| 3000 | 13 |
| 4000 | 2 |
| 5000 | 4 |
| More than 5000 | 8 |
| Total | 100 |

It is interesting to further investigate why potential migrants in this survey have quite high wage expectations. One partial explanation could be that the respondents surveyed in this research as potential migrants were people who are more organised, perhaps more qualified users of labour migration support centres` services.

The interviews of diaspora leaders gave a different picture on wages of Kyrgyz migrants in Russia and Kazakhstan, which points to the need for more accurate and reliable dissemination of information as regards wage conditions. The wage expectations of people preparing to migrate for labour at this stage considerably differ from the wages that migrants currently working on CIS markets have.

The table below illustrates wage received by Kyrgyz migrants currently working in Russia as per estimates of leaders of Kyrgyz diasporas.

Table 17: Wages of Kyrgyz migrants in the estimation of the leaders of Kyrgyz Diasporas by sector of employment:

| Average salary of citizens of Kyrgyzstan working in the following sectors: | Russia | |
|--|---------------|------------|
| | Yekaterinburg | Moscow |
| Work in trade companies/firms | \$100-800 | \$ 300-600 |
| Work in the public catering /food services | \$100-400 | \$300-800 |
| Construction workers | \$300-1000 | \$300-800 |
| Metal processing | \$300-600 | \$300-800 |
| Work in the sphere of consumer services | \$100-400 | \$300-1000 |
| Work at enterprises of light industry | \$200-350 | \$300-1000 |
| Work at enterprises of processing industries | \$300-600 | \$300-800 |
| Work in the sphere of housing-communal services | \$100-500 | \$300-1000 |

Thus, according to the assessments of diaspora leaders wages in excess of USD 1000 are virtually non-existent. In general, the diaspora leaders said that wages of Kyrgyz migrants are usually lower than of wages of citizens of destination countries for the same type and quality of jobs with some variations in different destination cities. This needs to be further investigated. There is no doubt though that migrant workers are a lower cost pool of labour for employers in Russia and Kazakhstan as employers have less social security obligations for temporary workers (as labour migrants are classified). Moreover migrant workers do low paid jobs that nationals are not attracted to.

2.3 Human resources profile in Kyrgyzstan.

According to the latest statistical data received from the national survey on Employment, Unemployment and Labour migration (2006) the total economically active population made up 2 062 657 individuals, the level of economic activity is 72 %, the employment rate is 59.9 % , and unemployment rate is 16.8%.²¹

54.1 % of the employed population in the country has school education, while 16.4 % have higher education, and 13.1 % has middle-level professional education²².

According to the statistical collection “Education and Science in the Kyrgyz Republic”, published in 2008 by National Statistical Committee, Kyrgyzstan currently has 2,183 schools, 111 primary vocational schools, 82 institutions of middle-level professional education (technicums and colleges) and 49 higher education institutions.²³

The Primary vocational schools during 2002-2006 produced roughly 20 thousand graduates each year with insignificant variations in particular years. In addition, the secondary professional schools produced 8,100 specialists annually during 2002-2008. The higher education institutions output was 181, 165 graduates during 2002-2008. It is interesting to note that while in the primary and secondary vocational education system the output was more or less stable, in higher education there was considerable growth in the number of graduates in 2003/2004 by more than 5,000 individuals; in the next 4 years it was a relatively stable number and in 2007/2008 the dynamics have changed again towards a decrease in the number of graduates by 4,361 individuals in comparison with the previous year²⁴.

In the primary vocational school system, the analysis of enrolment and graduates show that female students comprise 33-37 % of the total number of students during 2002-2006. The Primary vocational schools have education programmes which cover 155 professions. But the publicly accessible official statistics on the output of specialists during 2002-2006 is available only for 54 professions which constituted 74 % of the total output of primary vocational schools in 2006²⁵. The list of 54 professions includes many of the occupations in demand on the domestic labour market, as well as in the CIS, including electro-fitters, electric metal workers, stonemasons, machine operators, assemblers, carpenters, sewers, tailors, etc. The list also includes data on 4 new professions which had their first output only in 2006 and previously not included in the VET system. These include office-manager, a farm mistress, hospitality services and hotel and restaurant worker.

The analysis of the dynamics in the output (graduates) of the vocational schools does not allow us to draw conclusions on clear tendencies, related, for example, to increasing or decreasing enrollments.

²¹ Survey on Employment, Unemployment and Labour Migration, The results of one-time survey of the population employment in July 2006. National Statistics Committee of the KR & State Committee on Migration and Employment. Special Publication. Bishkek, 2007. , p.25.

²² Ibid.

²³ Education and Science in the Kyrgyz Republic. Statistical Collection of the National Statistical Committee and “Rural Education” project of the Ministry of Education and Science, financed by World Bank. Bishkek, 2008, p.8-9.

²⁴ Ibid, p.108.

²⁵ Ibid.

The largest output was noted for the following professions (number of graduates in 2006):

- Operator of sewing machines (2,168)
- Electro-gas welder (1,871)
- Automobile drivers (1,373)
- Tailor (1,323)
- Electro-fitters (1,019)
- Hair dressers (727)
- Cooks (666)²⁶

Interestingly, many of the most demanded professions like electric metal worker, machine operators, milling machine operators, tractor and excavator operators, stonemasons, plasterers, assembler and some others are produced in very small numbers ranging from 25-50 specialists each year²⁷.

In the middle level of professional education there is also an imbalance between various groups of. The analysis of the official statistics shows the dynamics in the enrolment and the output of secondary vocational education. Thus, the largest enrollment and output is noted in the training of middle-level qualification specialists in the Public Health System, Economics and Management and Education. This tendency is quite stable. Also, starting from 2004/2005 there was a relative considerable growth in graduates specialised in transport exploitation (from 36 individuals in 2003/2004 to 501 in 2004/2005, but then in the next following years, the number of graduates have decreased drastically again: 45, 18, 19 individuals in the consecutive years).

Two other groups of specialisation with relatively larger numbers of student enrollments and graduates are: technology of food products and technology of widely used consumer products. These two groups produce about 150-250 specialists each year with minor variations in numbers.

The higher education system produced the following number of graduates in all specialisations:

2002/2003 – 26,261 individuals
2003/2004- 31,589 individuals
2004/2005 – 33,310 individuals
2005/2006- 32,854 individuals
2006-2007 – 30,756 individuals
2007-2008 – 26,395 individuals

Almost half of the total number of graduates consists of those with majors in Humanities and Social Sciences, including very large shares of specialisations in Jurisprudence, Economics and Management. Other significant groups of graduates consist of graduates with majors in Education and Technical Sciences.

It is interesting to see that such specialisations as Jurisprudence, IT, foreign language interpretation, economists and medical doctors remain very popular among students. As a response to this demand, the local universities keep high enrolment rates.

²⁶ Vocational technical education in the KR. Statistical Data book. State Agency for VET under the government of the KR, Bishkek 2007, p.26-27.

²⁷ Ibid, p.26-27.

In recent years, there is a tendency of growing interest in technical sciences and public health. The proportion of graduates with majors in Agriculture is stable at low levels (1 % of the total number of students).

Chapter 3. Assessment of the quality of education/ training of Kyrgyz workers and assessment of portability of qualifications of Kyrgyz workers in the CIS

3.1. Assessment by employers in Kyrgyzstan

Quality of Labour force on the national market by employers in Kyrgyzstan

During the survey of Kyrgyz employers it was found that a little less than half of the surveyed employers in Kyrgyzstan are generally satisfied with the quality of workers produced by the country's vocational education and training system. The table # 18 summarises the assessments given by Kyrgyz employers regarding the level of skill and qualification of their workers:

Overall, 48 % of employers consider the system of VET generally effective, 38 % think the VET system is ineffective and 14 % found it difficult to give an assessment to the quality of vocational education in the country.

Representatives of some sectors gave relatively lower or relatively higher assessments of the various skills of their workers, but overall it can be said that in general, the assessments of the skills and competencies are quite high.

The responses given by employers provide for an argument that employers tend to distinguish between theoretical preparedness of students by vocational schools and their practical skills. While more than half of the employers (53%) assess the theoretical programme quite highly, about 55 % do not consider that the graduates of vocational schools have sufficient practical skills to do their job competently (versus 37 % of those who assess practical skills of VS graduates positively). More than half of the surveyed employers said the VET system does not respond to the changes in the requirements of employers.

It was found from the survey that opinions about the necessity of state support of the VET system and the provision of substantial resources for its modernisation and development are quite strong among employers. At the same time, it was not evident that employers are ready to share the responsibility in developing skilled workers along with the state bodies. This is confirmed by the fact that 75 % of companies surveyed in this research admitted that they do not invest financial or other resources for on the job training of their employees. The most problematic in this sense is the trading and public catering sector, where none of the surveyed companies mentioned about on the job training or professional development of their employees.

The analysis confirmed that the prevailing practices of employing labour force remain more or less the same. Thus, employers mentioned recommendations of their relatives, friends etc as the main form of hiring workers (60 % of respondents), the second frequently named form of hiring is advertisement in the newspapers and other advertisement sources (48%), services of private employment agencies have been mentioned by 26 % of respondents and direct recruitment from the vocational schools was mentioned by 21 % of respondents.

Table 18: The assessment of the skills and qualifications of their employees occupying working professions by sectors of economy according to the scale, 1-5: 5-very good and 1-very bad

| Sector | Skills ad competencies in specialty | Knowledge in specialty (theoretical preparedness) | Knowledge of modern technologies | Independence in decision-making | Skills in team work | The level of professional responsibility | Need in continuous learning | Average score |
|--|-------------------------------------|---|----------------------------------|---------------------------------|---------------------|--|-----------------------------|---------------|
| Light industry | 4.2 | 4.0 | 3.5 | 3.6 | 4.3 | 4.1 | 3.3 | 3.9 |
| Food Industry | 4.1 | 4.0 | 3.6 | 3.6 | 4.4 | 4.0 | 3.6 | 3.9 |
| Machinery building and metal workers | 4.1 | 4.3 | 3.3 | 3.6 | 4.1 | 3.9 | 3.7 | 3.9 |
| Production of construction materials | 3.9 | 3.8 | 3.5 | 3.6 | 4.4 | 4.3 | 3.4 | 3.8 |
| Construction | 4.3 | 4.1 | 4.0 | 4.2 | 4.4 | 4.4 | 4.2 | 4.2 |
| Consumer services | 4.3 | 4.4 | 3.9 | 3.7 | 4.3 | 4.2 | 3.9 | 4.1 |
| Trade and public catering | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Repair of vehicles & consumer products& products of personal use | 4.5 | 4.2 | 3.8 | 4.4 | 4.5 | 4.4 | 3.6 | 4.2 |
| Communal services provision (Public utilities) | 4.2 | 3.8 | 3.8 | 3.9 | 4.4 | 4.3 | 3.9 | 4.0 |
| Processing industry | 4.4 | 3.4 | 3.4 | 4.1 | 4.3 | 4.2 | 2.9 | 3.8 |

During the survey, the employers have been asked, “do you cooperate with the system of vocational education for meeting any deficit in the supply of skilled workers for your enterprise?” Answers to this question are reflected in the following table:

Table 19: Employers-VET Cooperation (% of respondents)

| Sector | Yes, % | No, % |
|--|--------|-------|
| Light industry | 37 | 63 |
| Food industry | 40 | 60 |
| Machinery building and metal working | 43 | 57 |
| Production of construction materials | 14 | 86 |
| Construction | 23 | 77 |
| Consumer /Retail services | 43 | 57 |
| Trade and public catering | | 100 |
| Repair of vehicles & consumer products | 15 | 85 |
| Communal services | 41 | 59 |
| Processing industry | 24 | 76 |

The main form of cooperation between employers and the Vocational Education System named by employers was the provision of premises and equipment for practical training of the students of vocational schools and requests made by employers for specialists in certain categories of needed professions.

Cooperation between employers and vocational schools in relation to the development of new programmes which better meet the requirements of employers was mentioned by 17 % of respondents. These are mainly in the machinery building and metal work industries, as well as the production of construction materials. The same industries more frequently send requests for workers to vocational schools and partially finance training of students in the most in-demand professions.

In 2007 various international donor agencies working in the area of reforming vocational education in Kyrgyzstan commissioned a paper titled “A Donors` s view of the Kyrgyz Vocational Education system”. This paper summarised the perceptions of donor agencies which implement various projects in the system of vocational education, as well as their main recommendations for strengthening and improving the VET system. The paper described main challenges facing the VET system in Kyrgyzstan.

According to the authors of this paper, one of the main challenges of the VET system in Kyrgyzstan is its limited relevance to labour market demand in terms of skill shortages and quality assurance mechanisms. Also a lack of linkages between the VET system and the private sector, as well as the lack of clear vision for its future development were emphasised. Limited financial and human resources has been characterised as one of the biggest challenges for the VET system to implement and sustain reforms.

Based on the overview of the VET system’s challenges, donors proposed a number of steps to make the VET system more market-oriented, while at the same time addressing vulnerable groups such as youth and populations at risks. It was also proposed to reform the curricula based on market needs and involve business, industry and labour organisations in this process, as well as into developing new national qualification standards. Recommendations were also made to modernise facilities and equipment of the VET schools and build up the professional level of instructional staff.

As the VET system has the potential to train and make Kyrgyz workers more competitive in both the domestic and foreign labour markets, the research team conducted interviews among the administrators (directors) of vocational schools in order to assess the challenges.

Currently there are 111 primary vocational schools (PTU), and 78 secondary vocational education institutions (technicums and colleges, referred to in the national statistical documents as middle-level professional education). The study surveyed approximately 30 % of primary vocational schools because the target of our research was mainly the system that train skilled and semi-skilled workers.

The study confirmed many issues raised in the donor’s paper. Some of these issues are particularly relevant to the goals of this study. These issues include the problem of curricula development, the quality assessment and interactions with the private sector in identifying the requirements of the labour market.

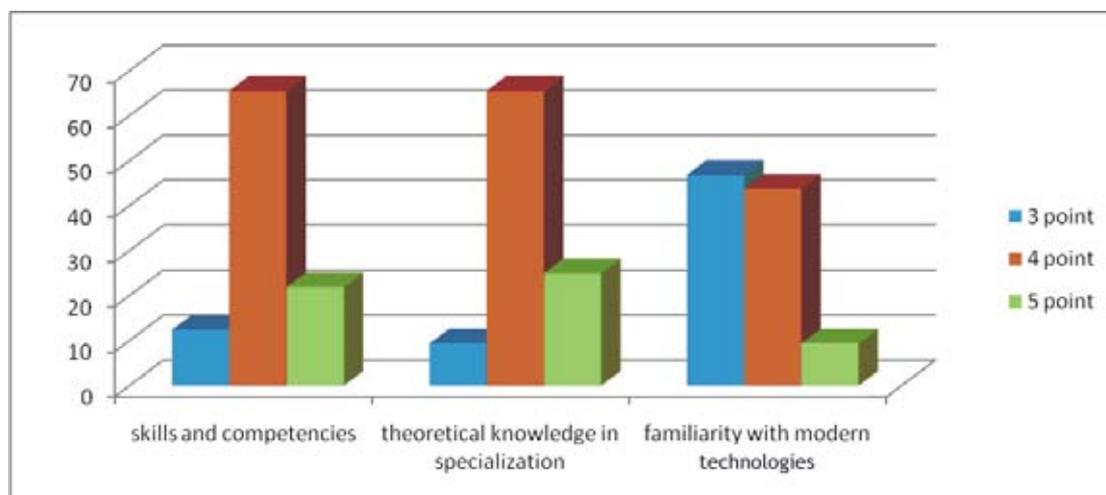
The study looked at the practices of studying labour market demands used by vocational schools. 63 % of the interviewed directors said they form the list of professions to be trained in their institution independently based on their estimations of the labour market demands, 28 % of vocational schools base their decisions upon direct requests from the employers, while 22 % said they form the programmes based on the directives of the State Agency on Vocational Education.

The education curriculum has to be approved by the State Agency for Vocational Education and Training. The vocational schools do not have freedom to introduce new programmes without government approval, although some of them try to introduce various short-term courses as a response to the demands of the market.

Some vocational schools have experience of working directly with employers, including foreign employers. For example, vocational schools # 3, 4, 6, 17, 27, 87, 94 train workers based on the requests of employers from such countries as Russia, Korea and Kazakhstan. These are mainly in demanded occupations such as electrician, master of repair of consumer goods, electro-gas welder, automotive- joiner, stonemason, plumber, waitress, turner, electro-assembler, hairdresser, concrete placer, carpenter, smith for reinforced concrete, cook etc.

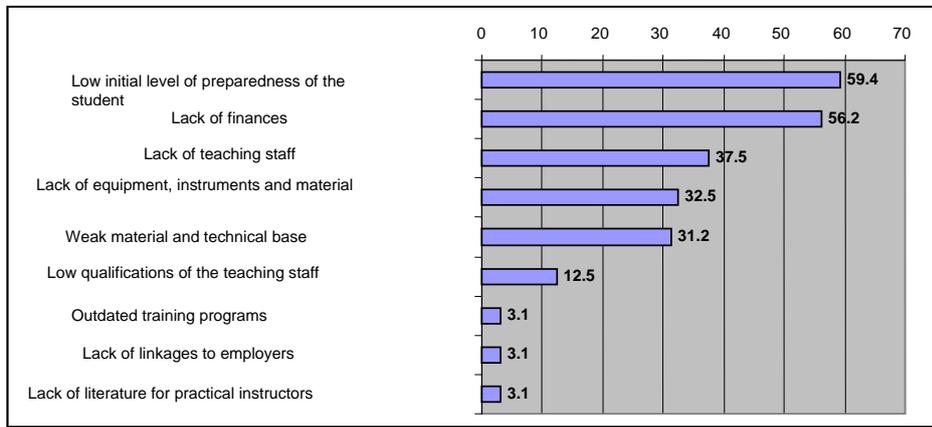
The leaders of vocational schools in general assess the quality of their training as generally good or satisfactory. The below diagram shows the assessments of the quality of VS graduates by the following criteria: (1) skills and competencies, (2) theoretical knowledge in specialisation (3) familiarity with modern technologies.

Diagram 3: Assessment of the quality of training of the VS graduates by different parameters (respondents)



None of the vocational schools directors said that the quality of their training is poor by national standards; almost half said the quality is high by national standards. The responses might be biased, although in the previous sections of the report we made an observation that employers in Kyrgyzstan also assess the quality of training provide by vocational schools in the country as generally good. The main problems which affect the quality of education in VCS according to the directors of VS are the following:

Diagram 4: Main problems which affect the quality of training in VS (%):

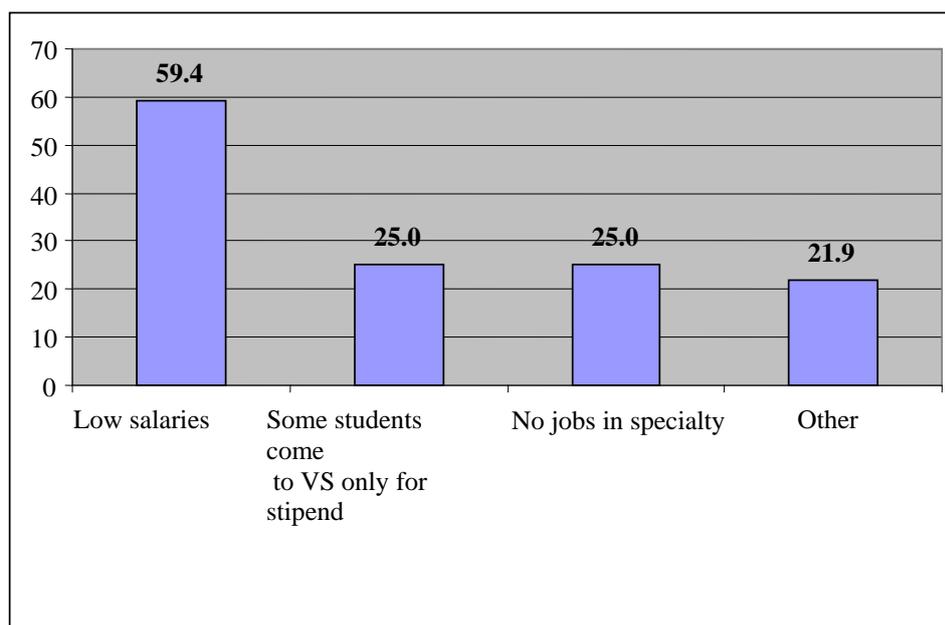


An interesting point is that literally all vocational schools with the only one exception said they cooperate extensively with employers in the process of training skilled workers. The various forms of cooperation cited included the provision of facilities by enterprises for VS to conduct practical training and requests from employers for graduates in certain occupations. A promising fact is that 56.3 % of schools also mentioned that they jointly work with employers on the reforming curricula. The State Agency for Vocational Education and Training also provided data that during 2007 about 30 training programmes have been updated based on the requirements of employers.

During similar surveys in the past, as well as in the current survey, representatives of vocational schools often say that they trace employment of their graduates after they finish school; usually they give very high figures on their employment. This time, 75 % of directors of vocational schools said the majority of their graduates find jobs. Such estimations by vocational schools of employment prospects for their graduates, unfortunately, are not based on documented evidence and are difficult to verify. This is also a huge issue in the higher education system as well. The majority of universities in the country have not established an effective system of tracking careers of their graduates and in most cases data on the employment of university graduates is solely judgmental. Only in recent years, with the help of international organisations, some universities started career centers and began to gain interest in the developing criteria for education quality assessment, at least for internal evaluation. In the absence of independent accreditation bodies both in the higher education, as well as primary and middle-level vocational education system, the country is likely to meet further challenges in improving the quality of education to meet the current and future demands of the labour market.

To the question, why graduates do not work on the jobs of their specialty, the responses were the following:

Diagram 5: Reasons why graduates of vocational schools do not get employment in their specialty (%)



From the interviews with representatives of the State Agency for Vocational Education, it was found that currently the national government is undertaking efforts to revitalise the VET system. A separate government body was created in 2007 by presidential decree to govern the system of vocational education given its importance for the labour force development – the State Agency on Vocational Education under the government of the Kyrgyz Republic. Previously, the vocational education system institutionally was a part of the Ministry of Labour and Social Protection, and in recent years there were also public debates whether it will be more effective to include vocational education into the institutional framework of the Ministry of Education and Science. Among other steps for improvement of the VET system is a regulation which transferred some vocational schools from the municipal budget to the national budget, a task force was created to develop a legislative/normative base for better regulation of vocational schools and their better adaptation to the labour market. As of December 2007, 73 VS have been financed by state budget and 39 by municipal (oblast level) budgets²⁸. Certain efforts are being undertaken to develop programmes which will be adapted to the requirements of employers at the domestic labour market. Thus, according to the State Agency for Vocational Education, a number of VS have signed special contracts with employers for training of skilled workers; new professions have been introduced based on the analysis of the labour market. These included, for example, the profession of “meat and dairy products processor” in Naryn (VS #15), “master of dry construction” in VS #22 in Issyk-Kul oblast, “designer & decorator working with gypsum-paste board” in VS # 4 in Bishkek, “worker of hotel and restaurant service” in VS # 18, “ metal-worker for truck automobiles” in VS # 27, “designer of computer graphics in advertising business” in VS # 93, “rigger/fitter of wagons and containers” in VS # 97, and some other professions.²⁹. A ten million dollar grant from the Asian Development Bank will be used to modernise the workshop facilities and equipment in a number of vocational schools, teaching staff will be re-trained, schools will be provided with new textbooks. In 2008 various stakeholders in vocational education participated in the workshop for public discussion of the Strategic

²⁸ The main outcomes of the year 2007. The State Agency on Vocational Education under the government of the Kyrgyz Republic. Bishkek, 2008, p. 3.

²⁹ Ibid, p. 13.

Programme of Vocational Education Development in Kyrgyzstan till 2012. The draft of this programme states its main objectives: modernisation of the VET system, formation of effective economic relations in the VET system, development of human resources, development of social and private-state partnership, provision of social guarantees of the VET system.

Some experts in the VET system expressed their view concerning duration of the programmes which are often unjustifiably long and financially inefficient. According to this opinion, training of, for example, a welder should not take 2-3 years, but rather 2-3 months in practical work, and then the system of qualification improvement must be developed to ensure improvement of skills as on-job training. The criticism of the existing approaches mainly relates to the lack of practical knowledge and skills.

“Currently, the student sits at the desk, reads a book, and draws something on the board. He/she is shown a tractor which was produced 25 years ago. This is a wrong way of training specialists which can meet the demands of modern world”.

“The training of specialists does not meet the requirements of labour market. The labour market is developing, technologies are changing, modernising. During the last years some new professions emerged which are not trained in our system of vocational education.

Expert’s view

3.2. Assessment by employers in Russia and Kazakhstan.

Quality of labour force from Kyrgyzstan assessed by employers in Russia and Kazakhstan

During this survey, employers have been asked various questions regarding the qualifications of Kyrgyz migrant workers. This was done in order to analyse whether Kyrgyz workers have the skills demanded by regional employers and whether employers are satisfied with the quality of migrant labour force.

Many employers found it difficult to assess the quality of migrants` qualifications. The employers surveyed in Russia could not in most cases distinguish workers from Kyrgyzstan from other Central Asian labour migrants. The majority of employers surveyed in Russia and Kazakhstan named the poor knowledge of language and of specific technical terminology as a main professional gap of migrant labour force from Central Asia, including Kyrgyzstan. The other shortcomings such as low qualification, lack of practical skills, including the operation of equipment also have been mentioned. However, in comparison with the main weakness (language problem and related to this, problem with technical terminology), other criteria play a much lesser or even a marginal role.

The language problem is obviously a bigger problem in Russia, while Kazakh employers to some extent tend to see no principle difference in the level of professional preparedness of foreign workers in comparison with national workers.

According to the views of some experts in the field of labour migration, the Russian employers have started to introduce examinations on checking the knowledge of Russian. This might become a real challenge for many migrants coming from rural areas.

Language seems to be an issue also according to the diaspora leaders. However, they assess the knowledge of Russian higher than Russian or Kazakh employers. The next table expresses the assessments of the migrants' knowledge of Russian by diaspora leaders.

Table 20. Assessments of Kyrgyz diaspora leaders about the knowledge of Russian by labour migrants

| How well labour migrants know the Russian language | Russia | | Kazakhstan | |
|--|---------------|--------|------------|--------|
| | Yekaterinburg | Moscow | Astana | Almaty |
| Very good | 30% | 20-30% | 40% | 70% |
| Satisfactory | 40-50% | 50% | 40% | 30% |
| Poor | 20-30% | 20-30% | 20% | |

About fifty percent of employers confirm the qualification of migrant workers through practical means, that is through assigning a mentor for probation time (mentioned by 67 % of employers), through assigning a practical task (mentioned by 47 % of employers). In very few cases employers have mentioned theoretical examinations as a way of checking the migrant's qualification. Of those that verified qualifications through such means, in most cases in our sampling of employers (78 % cases) the worker was found to have the skills demanded of the job. It should be noted however that most of the workers are employed in lower skilled occupations. Thus, in the survey of employers, almost half of them said they are not interested in knowing what qualifications have their migrant workers.

According to some experts, qualifications of graduates of vocational schools in Kyrgyzstan are likely to be accepted at those companies and enterprises in Russia and Kazakhstan where traditional technologies are predominantly used. However as many enterprises have begun to use new technologies, especially in construction, specialists trained in vocational schools in Kyrgyzstan become much less competitive.

3.3. Issues in mutual recognition of qualifications

Present-day international standards relating to migrant workers include the provisions concerning recognition of their professional skills acquired outside the country of employment. The International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families specifies that state parties shall strive to secure recognition of migrant workers' occupational qualifications acquired outside their territories.³⁰ According to Article 14 of ILO Convention No. 143, each International Labour Organisation member may "after appropriate consultation with the representative organisations of employers and workers make regulations concerning recognition of occupational qualifications acquired outside its territory, including certificates and diplomas." The CIS Agreement of 1994 on Cooperation in the Area of Labour Migration and Social Protection of Migrant Workers includes special provisions relating to mutual recognition by the states parties of diplomas and other certificates of education and occupational qualifications and length of service. In respect of diplomas, their recognition does not envisage their legalisation procedure. The provisions on reciprocal recognition of education documents without the need in their legalisation are also included into bilateral agreements on labour migration concluded with Kazakhstan.

Earlier the employer permit issuance rules effective in Kazakhstan required notarised translations of education certificates. Even in the case of the former Soviet Union countries,

³⁰ Clause 2b of Article 52.

this requirement often meant that an applicant should send an education certificate to the recruitment agency or potential employer in Kazakhstan to be translated into the Kazakh language with subsequent notarisation of the translation. In practice it created substantial obstacles for the foreigners' initial access to employment in Kazakhstan. It should be noted that the revised rules in Kazakhstan require that just a copy of an education certificate be provided in the Russian language which removes the necessity for many migrant workers of the prior sending of education certificates to the employer in Kazakhstan to be translated and notarised.³¹

Interviews with experts suggest that diplomas and certificates issued in Kyrgyzstan even when they are recognised by employers in the CIS are not seen as equivalent to their own national certificates. This relates to higher education diplomas, as well as certificates and diplomas of vocational schools.

The surveys confirmed that employers of Russia and Kazakhstan often take Kyrgyz migrants for lower qualification jobs regardless of their certificates or diplomas. This happens not due to the lack of recognition of their certificates or diplomas per se but because migrant workers from Central Asia often fill low wage jobs that nationals do not want. Many of these jobs are in the informal economy without a written employment contract. The below table reflects the practices of employing Kyrgyz migrants by Russian and Kazakh employers:

Table 21: Labour contracts between employers and migrants (according to the leaders of diasporas):

| How the labour relations are registered (agreed) between employers and migrants | Russia | | Kazakhstan | |
|---|---------------|--------|------------|--------|
| | Yekaterinburg | Moscow | Astana | Almaty |
| Sign a contract and make a note in the certificate of employment record | 10-20% | 5% | 10% | 20% |
| Sign a contract, but without note in the certificate of employment record | 30-50% | 30-35% | 20% | 10% |
| Oral agreement | 30-70% | 60-65% | 70% | 70% |

A majority of migrants surveyed in this study confirmed the lack of importance given by employers to the qualifications of labour migrants. While some migrants said that the biggest difficulty for them was a necessity to confirm their qualifications through exam or practical checking, 51.9 % of migrants said that their work does not require specific qualifications and employers or authorities were not interested in checking their qualifications. This data is reflected in the following table:

³¹ ILO. Rights of migrant workers in Kazakhstan: National legislation, International Standards and Practices. 2008.

Table 22. *Qualification recognition, checking procedures and professional training provided by employers (% of respondents).*

| | Migrants in Kazakhstan, % | Migrants I Russia, % | Total, % |
|--|----------------------------------|-----------------------------|-----------------|
| My work does not require skills | 65.5 | 37.2 | 51.9 |
| I have gone through professional training on-job | 19.0 | 33.3 | 25.9 |
| Employer was satisfied with my qualification | 8.3 | 10.3 | 9.3 |
| I have gone through preparation courses | 3.6 | 10.3 | 6.8 |
| My qualification was checked (confirmed) | 1.2 | 6.4 | 3.7 |
| I have gone through professional improvement courses | - | 1.3 | 0.6 |
| Refuse to answer | 2.4 | 1.2 | 1.8 |
| Total | 100 | 100 | 100 |
| n= | 84 | 78 | 162 |

Representatives of employment/recruitment agencies highlighted some other issues related to diplomas and certificates – namely the incidence of fraudulent documents provided by migrant workers.

3.4. *Certification and, accreditation in workers training*

In Kyrgyzstan, the practice of creating sectoral professional bodies independent from the government and actively involved in certification and accreditation of professions are almost non-existent. With the support of various international agencies, some projects have been implemented so far in the country with the efforts to revise the existing systems of quality assessment and accreditation in the education sphere. According to the international practices, employers play a crucial role in systems of professional qualification certification. This issue is on the national agenda for some time; however, various obstacles hinder the achievement of real results in this direction.

The shortage of skilled labour is a huge problem on the domestic labour market. Many researchers have already pointed out the paradoxical situation on the labour market in Kyrgyzstan. On one hand there is an excess of labour resources mainly due to demographic factors and a limited capacity of the national labour market to absorb all the economically active population; on the other hand, there is a shortage of skilled workers in many sectors of the national economy. The current situation is characterised by a situation where graduates of higher education institutions and vocational schools experience difficulties in finding jobs relevant to their education background, while at the same time employers report difficulties in filling the existing vacancies in their enterprises and businesses.

This is of course, to a large extent determined by the declining quality of education at all levels (primary, secondary, vocational and higher), and outdated education technologies. These problems are linked to the issue of education quality assessment, certification and accreditation in the whole education system.

Currently, the key principle in training various professionals is to comply with the existing National Classification of specialties in the education system which is interlinked to other classifications such as the National Classification of Occupations and the National Classification of Working Professions, Civil Servants and Tariff Scales (NCWPSTS). These classifications, despite being based on the international classifications and having been adapted to the national context, have many limitations. The qualification characteristics of the professions listed in these classifications in many senses are outdated, as they largely

reflect the Soviet heritage of the planned economy, while the economies of transition countries have undergone great transformations.

The reforms of the training and education system have been slow and it is still mainly supply-driven and not based on an analysis of the labour market or projection studies of the labour market in general or certain segments. The system of vocational education is continuing to develop as a self-sufficient closed system with little involvement of the employers' community in developing and implementing new training programmes that could better fit into the existing market environment. On the other hand, employers tend to see the reforms of vocational education as mainly a state responsibility and, despite the rhetoric of recognising the importance of employers in certification and accreditation issues, are still very slow to react to various initiatives of international agencies devoted to this issue. This was confirmed also by our survey of employers, who in their majority did not recognise their responsibility in reforming the system of education.

One of the main drawbacks in the issue of certification and accreditation is the weakness of professional associations and employer's organisations in Kyrgyzstan. Existing organisations of employers in various sectors are still on start-up stages, despite various donor-driven efforts to strengthen them. Professional associations which currently exist in Kyrgyzstan are mainly business structures involved in joint marketing of products or lobbying sectoral interests on the legislation level regarding taxes, regulatory frameworks and other legislative issues. They often lack professionalism to represent interest of their sector effectively. Many professional associations are institutionally weak and often lose their linkages to their constituencies.

Only in some sectors with the support of international organisations first efforts have been undertaken to develop national qualification certification bodies in some occupations. These are in the tourism sphere and in the qualification assessment of accountants and auditors.

Setting quality standards in higher education/training programmes is of obvious importance for the global labour market. The International Convention on Standards of Training, Certification and Watch-keeping for Seafarers was developed by the International Maritime Organisation in 1978 and it was adjusted regularly to meet developments in the sector³². As a member of the organisation, the Philippines has implemented the standards and this has significantly helped the employment of its seamen on international shipping lines, where they represent 20-25 per cent of employees.³²

3.5. Bureaucratic obstacles in placement and recruitment

Employment services for Kyrgyz migrants are provided by private employment agencies. Their activities are regulated by the State Committee on Migration and Employment (SCME), which issues licenses to such agencies. Before receiving licenses such agencies undergo certain procedures with the aim of checking their capacity to provide employment services, for example in relation to what contacts they have with employers, what legal frameworks they use, what conditions they are able to provide, including security and rights of labour migrants.

However, as some experts have noted during this study, currently private employment agencies very much differ in their sizes, capacities and quality of services they provide. Their activities on the labour market are not necessarily coordinated. Some see the creation of an association of private employment agencies as one of the ways to improve the effectiveness of employment agencies.

³² OSCE-IOM - ILO Handbook on Establishing Effective Labour Migration Policies in Countries of Origin and Destination, Vienna, 2006.

Currently, the most demanded services of private employment agencies include the actual employment of labour migrant, information support and consultations on various aspects of labour migration. Most of the private employment agencies are very young and often experience various difficulties in their activities. Cases when private agencies have legal disputes with their clients who are not satisfied with the services provided are not very rare. This very often happens regarding wages, when clients complain that the agency promised higher wages than migrants received upon their arrival to the job destination. In the survey of migrants, it was noted that about 46.2 % of respondents said their actual wages are lower than promised. The comparisons of wage expectations of potential migrants with estimates of wages by leaders of diasporas made in the previous chapters also show quite considerable discrepancy between expectations and actual wages.

There are employment agencies which are not officially licensed and authorised to provide such services as well as informal recruiters.

In relation to the procedures of placement and recruitment, provided by intermediate agents, the current survey showed that in most cases this is done at the expense of migrants, thus only in 10 cases out of hundred the employer pays the travel expenses of the newly hired employee. In 20 % of cases, a new hire has to pay in advance for the services provided by employment agency.

This study did not find any evidence of bureaucratic obstacles hindering the work of private employment agencies. However their role in job matching and placing workers appears to be very limited when compared to agencies in South and South-East Asia. The expansion of the role and improvement of interaction of employment agencies with employers in Russia and Kazakhstan would be desirable. Currently only about 15 agencies have licenses from the State Committee on Migration and Employment and there is a lack of linkages between such agencies and foreign employers. Moreover employment agencies need to generate a demand for their services among employers. Currently this is missing.

Chapter 4. Existing instruments of labour market analysis and national classification of occupations

The transition of the country towards a market economy cardinally changed the structure of labour market and posed numerous challenges in the area of labour statistics; in the planned economy labour market studies have been relatively established and easy. The existing instruments of labour market analysis have been mainly based on the collection of data from enterprises. Since during Soviet times, enterprises have been mainly state structures, and registered officially, it was relatively easy to obtain data from them regarding profiles of labour force employed at those enterprises, as statistical reports have been obligatory. Moreover, the planned economy assumed a more or less clear vision of priority economic sectors and projections of the labour force needed for certain industries and economic sectors and were based on the five-year plans set by the government. The education system was also designed to fit into the planned economies.

After the collapse of the communist system, like other transition countries, Kyrgyzstan experienced changes on the structure of the labour market. The emergence of a private sector resulted in changes in the structure of employed population, new types of labour activity such as self-employment, work in family enterprise, hiring workers by physical entities, emerged; rapid growth in unemployment, shadow economy development – these are some of the main changes in the labour market that appeared and challenged the existing systems of labour market analysis and projections.

Given this context, it should be noted, that with the assistance of international agencies, the National Statistical Committee introduced new instruments of labour force analysis. Thus in 2002 for the first time, the National Statistical Committee conducted a Household Labour Force Sample Survey covering 5000 households.³³ This was done with the financial support of the UK Department for International Development within the framework of the project “Development of Statistics to Support CDF / PRSP Processes: Kyrgyz Republic”. Starting from February 2003 the quarterly integrated sampling surveys were planned to be conducted permanently to study the issue of population employment.³⁴ Based on the information from key informants it was found that the National Statistics Committee produces each year an integrated household survey which contains a special module on the employment situation. Currently, the labour statistics are produced based on statistical reports from enterprises, institutions, organisations and data from household surveys conducted by the NSC each year.

Despite certain limitations, the Labour Force sample survey (2002) measured employment in an integrated way and included key characteristics: place of jobs, employment status, activity, main job, working hours, type of labour contract etc. The Labour Force sample survey also gave an opportunity to collect some information on informal labour markets that was not possible to obtain from official statistical reporting.

A sample survey of citizens leaving the country was also conducted in June 2003.³⁵ In 2006, a labour force household sample survey was initiated by the State Committee on Migration

³³ Labour Force Sample Survey in the Kyrgyz Republic in November 2002, National Statistical Committee and DFID, UK, Bishkek 2003

³⁴ Statistical Master Plan for the Development of the State Statistics and Information System in the Kyrgyz Republic (2006 –2009), National Statistical Committee, Bishkek 2005.

³⁵ Statistical Master Plan for the Development of the State Statistics and Information System in the Kyrgyz Republic (2006 –2009), National Statistical Committee, Bishkek 2005.

and Employment and conducted jointly with the National Statistical Committee. This one-time survey covered 1040 households.

For the analysis of the professional structure of labour resources, the NSC used the standard classification of occupations adopted in the country, which are very close to International (ILO) standards. The National Classification of Occupations (NCO) was developed by the Ministry of Labour and Social protection and introduced in 1998 by National Statistical Committee. According to this system occupations are divided into 10 main groups, which are then subdivided into subgroups, constitutive groups and base groups. Thus, the classification of occupations has 4 level hierarchical structures and complies with the structure of ISCO-88 with the division of occupations into major, sub-major, minor and unit groups. For comparison, see the following table:

| | <i>National Classification of Occupations of the KR (NCO)</i> | <i>ISCO -08</i> |
|---|---|--|
| 1 | All level government officials (representatives), including heads of institutions, organisation and enterprises | Managers |
| 2 | Highly qualified specialists | Professionals |
| 3 | Specialists of middle level qualification | Technicians and associate professionals |
| 4 | Employees engaged in developing information and documentation, accounting, financial and information services | Clerical support workers |
| 5 | Employees involved in service sector, housing and communal services, trade and similar activities | Service and sales workers |
| 6 | Qualified employees of agricultural, forestry, hunting, fishing and fish-breeding sphere | Skilled agricultural, forestry and fishery workers |
| 7 | Qualified employees of large and small industrial enterprises, applied arts, transport, communication, geology, geo-exploration | Craft and related trades workers |
| 8 | Operators of machine operatives, engine drivers, metal workers, fitters | Plant and machine operators, and assemblers |
| 9 | Unqualified employees | Elementary occupations |
| 0 | Armed Forces | Armed forces occupations |

In December 2007, in Geneva, the tripartite meeting of experts in labour statistics was held which discussed issues of updating the International Standard Classification of Occupations. Considering the request by UN Statistical commission that the timetable for revision of ISCO should take into account the needs of the 2010 round of population and housing censuses. Also the necessity to make significant modifications based on the experiences of many countries in using ISCO-88 should be taken into account along with new developments in the world; the meeting adopted a resolution concerning the updating of the International Standard Classification of Occupations. It was also decided to endorse the system of major, sub-major, minor and units groups and designate the International Standard Classification of Occupations, 2008 (ISCO-08)³⁶.

The Kyrgyz NCO is almost identical to the ISCO-88 in the principles of construction and conceptual provisions for classifications of occupations. Occupations are grouped on the basis of similarity of the tasks (duties) performed, as well as equipment and tools used, scope and complexity of the tasks, kinds of produced services and goods, etc. In other words characteristics that define qualification and specialisation of workers.³⁷

³⁶ <http://www.ilo.org/public/english/bureau/stat/isco/docs/resol08.doc>

³⁷ The Common Republican Classifier of Occupations, Ministry of Labour and Social protection, Bishkek 1998.

The qualification criteria are reflected in the level of education and working experience. The qualification criterion is used for grouping occupations into main groups with the exception of the first group of managers. The National Classification distinguishes four levels of qualification. The first level of qualification refers to school education, the second level refers to primary vocational education, the third to mid-level professional education and the fourth level of qualification refers to higher professional education (meaning university level education and post-graduate level). It is recognised that the certain level of qualification can be achieved not only through formal education but also through working practice.

Specialisation criteria relates to the sphere where the labour is used. This criterion is a basis for defining the type of necessary knowledge needed to perform the job, skills and competencies and to the types or specifics of used equipment, material, and kinds of products or services produced. Each of the subsequent groups in the classifier reflects deeper specialisation.

In order to keep the standard classification updated, the Ministry of Labour annually sends requests to all the ministries and state agencies to come up with suggestions and recommendations on classification related to new information on the labour market, new professions and jobs. The data is then analysed and summarised and a special regulation is taken and transmitted to the National Statistical Committee.

During conducting this research experts admitted only a couple of cases when new occupations have been introduced into the standard classification based on such recommendations. New professions such as an evaluator, as well as a state –secretary were introduced into classification. In one case, the range of competency levels within one job title was expanded by introducing higher levels of qualification.

It was also noted that the classification is not widely used by employers in the national Kyrgyz labour market. This is due to many employers representing private or family enterprises are not registered and also due to many private firms introducing their own job titles, including for some jobs that can be converted into standard classifications which are based on the internationally recognised ISCO-88 system.

The National Classification of Occupations is linked to the National Classification of Working Professions, Civil Servants and Tariff Scales (NCWPSTS) in a way that each profession and job in the NCWPSTS can be attributed to the respective group of occupations in the NCO. The National Classification of Working Professions, Civil Servants and Tariff Scales is a systematised document which lists working professions and civil servants jobs in alphabetical order. It has two main chapters; one on working professions and one on civil servants. Each working profession included in the NCWPSTS is described in detail in another document called “Common Tariff and Qualification Reference Book of Jobs and Professions of Workers” (CTQRB). This reference book was approved in 1985 by State Committee on Labour of the Soviet Union and published in 1986. For working professions alone, the CTQRB in fact includes 70 volumes which give a detailed description of the type of tasks, required knowledge of specific instruments or equipment, key competencies for each qualification level of the same profession. Most of the working professions in this reference book have six levels of tariff scale that comply with six levels of competency depending on the complexity, range and scope of tasks required from workers. Thus, the tariff scale reflects the scale of salaries according to the level of skill of the worker.

CIS: the state of affairs on Occupational Classification and their harmonisation

In 1994, all CIS Member States signed the Agreement on Cooperation in Labour Migration and Social Protection of Migrant Workers (15 April 1994). This agreement is guided by ILO standards and contains the following provisions:

- mutual recognition of diplomas, other job evaluation documents and work records;
- rules of employment in the destination country;
- elimination of double taxation;
- equal treatment between migrant workers and nationals in respect of social security, social insurance and medical care;
- transfer of earnings and savings.

However, the agreement is limited in scope since it only applies to lawfully resident migrant workers and excludes members of their families. It is also to be implemented through bilateral agreements and to date these have not been extensively adopted.³⁸

In January 1999 in Saratov, several CIS countries signed under the Agreement on Cooperation in usage of Common Tariff and Qualification Reference Book for working professions and Qualification reference book for civil servants. Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova and Tajikistan were signatories of this agreement, while Azerbaijan, Turkmenistan, Ukraine and Uzbekistan did not join the agreement. One of the provisions was about developing an inter-state classification for facilitating common approaches and common understanding of professions and of the requirements necessary for various levels of competencies. It was expected that the decision on the issues related to inter-state classifications be taken by the Consultative Council of the CIS on Labour, Migration and Social Protection.

In December 2000 the meeting of the Economic Council of CIS participating states adopted the concept of gradual formation of the common labour market in the CIS and regulation of workers migration in CIS countries. The concept was aimed at developing common approaches in relation to labour migration and formation of common labour market in the post-Soviet space. One of the important first steps envisaged in this document along with other measures was the development of inter-state classification of occupations and common approaches to the recognition and confirmation of professional work records, as well as creation of a common framework for an information system of the common labour market. In the framework plan of actions based on the above concept paper, in 2003 CIS countries adopted a first document of its kind in the region which relates to the protection of migrant workers and their families based on the international standards and human rights conventions. This was the Convention on the legal status of migrant workers and members of their families, but the document is not yet finalised and is still pending. Meanwhile some states withdrew from participation in the implementation of this concept paper, for example Azerbaijan. In 2007 at the meeting of CIS heads of state in Dushanbe, issues related to this concept were raised again and the Consultative Council of the CIS requested participating parties to consider the concept and offer their suggestions on updating it.

In 2008 Armenia and Belarus expressed their willingness in developing the inter-state classification of occupations. Kazakhstan informed that the work had already been undertaken in the country, including the adopted 1999 classification of occupations which is harmonised with the ISCO-88 through the direct use of codes and names of occupations accepted in ISCO-88. In 2005 the Ministry of Labour in Kazakhstan adopted substantial changes in the classification by excluding old and including new positions and professions.

³⁸ OSCE-IOM – ILO Handbook on Establishing Effective Labour Migration Policies in Countries of Origin and Destination, Vienna, 2006.

Kazakhstan also developed a qualifications reference book for professionals in various sectors, reference books for working professions, which have not been included in the existing Common Tariff and Qualification Reference Book. In addition to these national efforts, Kazakhstan expressed a positive opinion on the desirability of developing an inter-state classification that would include professions existing on the labour markets of CIS countries, as well as in the international labour markets, based on the new edition of ISCO-08. Kazakhstan expressed its interest in the receiving Russian version of the ISCO-08.

Several Russian ministries suggested to update and revise the concept and action plan, but in general supported the idea of developing an inter-state classification, however, there was no clear commitment expressed. Moreover, the Russian Federation pointed out that due to the absence of a unified budget for financing the updating of the Common Tariff and Qualification Reference Book, the work in this direction was suspended. According to the order of the Russian government dated by 17 February 2007, Russia announced its intention to withdraw from the agreement on the use of a Common Tariff and Qualification Reference Book. Thus, Russia made it clear that it sees the development of inter-state classification of occupation as problematic.

The General Confederation of Trade-Unions and Inter-parliamentary Assembly of the CIS supported the idea of developing an inter-state classification of occupations which will be based on the new edition of international classification, the ISCO-08. The Interstate Statistical Committee of CIS countries also strongly recommended in favour of developing an inter-state classification of occupations, which, in their view, will facilitate improved and coordinated cooperation among the states in the context of active labour migration flows in the CIS and will be very important in the process of developing and publishing the results of 2010 population censuses.

Conclusions and recommendations

1. Gaps in Human resources profile and occupational classification

This research generally confirmed the existing data and estimates on the trends in migration flows, areas of concentration of labour migrants in CIS countries, their profile by education, nationality, places of origin and age groups. But some features revealed in this study need further investigation.

For example, the gender composition of labour migrants needs further research. In the survey of migrants currently working in the CIS and survey of potential migrants who are currently preparing to leave the country and are using services of private employment agencies, the majority was men; this is 70 % versus 30 % of women. Among potential migrants 62 % of surveyed respondents were men, and 38 % women. The study did not set a specific gender quota in the sampling and these figures might not be an accurate reflection of migrants profile by gender. However, in the interviews of diaspora leaders, they also confirmed that the majority of workers from Kyrgyzstan in Russia and Kazakhstan are men and this is borne by other studies as well. Nevertheless women appear to comprise a significant minority.

This feature can have different implications on the future structure of the labour market in Kyrgyzstan and society in general. In the future it is worthwhile further researching gender differences in the labour migrants profile, including differences in the skills, perspectives for achieving portability of skills, identifying segments where female workers work in foreign markets and any related implications. In the current study, most of the migrant workers who have jobs in demanded occupations were also men. Women from Kyrgyzstan have been employed in jobs which do not require skills, while at the same time a relatively big number of female migrants informed that before coming to Russia they worked as teachers, thereby implying “brain-waste”.

One of the trends confirmed by this study is the declining quality of workers supplied from Kyrgyzstan to CIS labour markets. Thus, it was seen that the proportion of migrants with minimum skills or no skills at all is on rise, in other words 50 % of the workforce going to the CIS are fresh school leavers, and 12 % are those with incomplete school education or even primary education. On the other hand, there is a continuous trend in stable numbers of migration outflow among specialists with higher education. In the future it is worthwhile also to conduct tracer studies of graduates of education institutions to gain a better understanding of the labour markets dynamics for various segments of labour forces.

The fact that almost 80 % of potential migrants are “new” migrants, leaving the country for the first time can serve as evidence that in the foreseeable future, waves of new hires will be quite massive along with the movements of repeat workers. This makes necessary not only constant monitoring of labour migration, but requires further efforts by the government and social partners to work on the effective governance of labour migration.

One of the interesting themes revealed in this study was the analysis of information on wages: real, perceived and expected in certain selected occupational clusters in most demand in KR, Russia and Kazakhstan.

In the current study it was found that migrants from Kyrgyzstan have high wage expectations. Thus, as surveys of potential migrants showed, Kyrgyz workers tend to have high wage aspirations, in the range of 1000-3000 USD. Whether this is a trend reflecting

only wage expectations of people who use legal channels for migration is a question for further exploration. In the future it will be interesting to find out whether these wage expectations are caused by distortions of labour market information by various intermediaries or by other reasons. Currently, wages of Kyrgyz citizens in Russia and Kazakhstan are very different from the expectations of potential migrants. This points to the need for information dissemination to potential migrants at an early stage on migration realities, including actual wages.

There are certain problems in the usage of national classification of occupations, education fields and qualification reference books. Although Kyrgyzstan developed and introduced a national classification of occupations, and the national classification of working professions, civil servants professions and tariff scales in 1998 based on the ISCO-88, no updates or revisions have been introduced into them for the last decade. Moreover, the 70 volume reference book for describing detailed qualification requirements for all job titles and the levels of competencies in each of the job title is the main basis for certification of professions. It still serves as a basis for the formation of training programmes, a list of professions to be trained and competence levels awarded in the vocational training system and education system in general. This reference book for qualifications was developed during the Soviet Union and adopted in 1986. Since then no revision was made in the qualifications requirements. Many job titles simply might be outdated as they reflect the heritage of a soviet centrally planned economy. At the same time, the fact that currently many private employers do not use these standard classifications in their practice while introducing new job titles shows that there is a need of a serious update of these classifications.

Given the adoption of the new edition of ISCO-08, revision of national classifiers should go in line with ISCO-08. All CIS countries have expressed the need to get a Russian version of ISCO-08, however an up to date document is not available.

In the current context the qualification requirements should be developed within particular occupational sectors or cluster of sectors with active involvement of all relevant stakeholders. The current state of development of various professional associations and employer organisations do not leave much optimism for the development of national professional qualification frameworks in the near future. This is relevant both for higher education system as well as the VET system. All work in this direction is mostly donor-driven and limited only to selected sectors in the national economy.

Problems in the usage of standard classifications lead also to problems with collecting valid and internationally comparable statistics on the dynamics of labour market.

The study confirmed that the existing instruments of the labour market analysis are not comprehensive. It appears the labour force household sampling surveys are being conducted on an adhoc basis and contingent on the resources available. The state of national statistics is under criticism of various stakeholders and this problem is of a national concern, as only an effective system of labour market information can properly inform policy making in employment and migration. Without systematic use of the instruments of labour market analysis, the decision-making will not be sufficiently evidence based.

Kyrgyzstan introduced a system of Common interagency information network on employment and labour market issues; however it's proper functioning is impeded by lack of technical (electronic) equipment and software, as well as by a lack of state regulation on the procedures, interaction and responsibilities of various ministries. In order to create an

effective system of Labour Market Information, this work should be improved and inter-ministerial cooperation strengthened.

Labour Market Analysis should look into the decision making process of the various actors in the labour market, both regarding labour supply and demand and to cast light on the influences facilitating or impeding their decision making... It takes a close look and the effectiveness of running labour and employment policies and programs, both for monitoring and the identification of better alternatives and options.

(Richter, L. 1989: 28. Cited in: Nicholas Mangozho, *Knowledge, Skills, and Employability. Current Practices in Labour Market Information Systems development for human resources development planning in developed, developing and transition economies*. ILO, Geneva, Employment Services, Working papers, No13

There are different practices of LMI systems in various countries including transitional. The relevant national bodies should review them, identify and select elements that are realistic and achievable. In different countries the LMI system takes information from various multiple sources. These include labour force surveys, national graduates surveys, population censuses, wages and salaries surveys, industry sector studies, monthly snapshots, essential skills researches, household labour surveys and others. Hardly any of these types of research, analysis and monitoring of the labour market is being done in Kyrgyzstan.

2. Occupations in demand in CIS destination countries and KR

This study generally confirmed the occupations in demand both on the domestic market and in the CIS countries. The types of professions which are in demand are mainly related to construction industry, communal (municipal) service provisions, consumer services, retail, public catering, cloth manufacture (textile) industry. Also technical professions such as welders, automotive repair workers, metal workers, machine operators, electricians are on the top of list of demanded professions.

Employers in Russia and Kazakhstan when asked about the perspectives of labour market and occupations that will be in demand in the future generally said that the construction sector will definitely continue to be the one of fastest growing sectors of the economy which will require the largest share in the total demand for labour force, both skilled and unskilled.

In Kyrgyzstan employers also projected increasing demand for occupations related to the energy sector, including hydro energy, mining and the tourism industry. This reflects national programmes and efforts of the national government to develop priority sectors of the economy in the mid-term and longer term perspectives.

It was found that the demands for skilled workers on the domestic labour market and in CIS countries are in many ways similar. Given that Kyrgyzstan is also experiencing a shortage of skilled labourers; this feature means that the national labour market is competing with foreign markets for the same categories of the labour force. It is obvious that in this competition Kyrgyzstan is losing qualified workers to the CIS markets due to the wage differentials. As revealed by this survey, skilled workers in Kyrgyzstan can be offered average salaries in the range of 100-200 USD, while in Kazakhstan and Russia wages are several times higher (even if nationals earn more than migrant workers).

The current study showed that while CIS and bilateral agreements are in place on recognition of qualifications in practice they are often not to be considered as equivalent to the nationally issued certificates and documents by employers. This is not merely a bias or misperception on the side of Russian and Kazakh employers, but a problem caused by many

other factors. Due to high unemployment, many Kyrgyz citizens who received vocational training do not work 3-4 years consecutively in their specialties. This makes their skills already outdated and such workers are often considered by foreign employers as non-qualified. In many instances, certificates of Kyrgyz workers do not reflect the level of competence indicated in their documents. This is generally caused by low quality of training in vocational schools and a lack of on the job experience. Then there is also a problem of falsification of documents by migrants. The problem with recognition of qualifications can be a major impediment for Kyrgyzstan in its efforts to make skills of Kyrgyz workers portable in the CIS space.

3. Improving the quality of education and portability of qualifications.

The current study has confirmed many issues outlined in the Donor`s position paper regarding the development of the VET in Kyrgyzstan.

The vocational education and training system is very much based on the old approaches of human resources planning which were justified in industrial societies, especially in the centrally planned economy of the former socialist block. In the pre-transition period, the relation between education and the labour market was more direct, occupational structures changed very slowly, and it was much easier to make relevant projections about future demands of occupations, and the content of training and education was more or less easy to identify. The shifts in the employment patterns from the public sector to private, as a result of privatisation of state-owned enterprises ,and from a formal to an informal economy, necessitated shifts from the conventional manpower planning approaches to the development of more comprehensive labour market information systems and designing effective HRD policies. But these are currently lacking in Kyrgyzstan.

A topic which will require more investigation is why employers in Kyrgyzstan are generally reluctant to invest in on-job training, training or re-training of specialists in the demanded occupations. Some very good examples of cooperation exist, of course, but this is not a general trend. Thus, 75 % of employers surveyed in Kyrgyzstan said they do not invest resources into a vocational education system in any form.

A contradiction found in the study is that employers in Kyrgyzstan often criticise the system of vocational education and training for their inability to meet the demands of employers for skilled workers but, however, voice opinions about the need to build closer links between the education system and employers. But at the same time, many employers seem to be reluctant to take on a part of responsibility for the improvement of vocational education. Thus, only 17 % of employers said they cooperate with the existing vocational schools on the developing of new training programmes. Many employers expect the government to carry the responsibility for the reforms in the VET sector.

Unlike labour-sending countries in Asia where licensed private recruitment agencies play a major role in job matching between foreign employers (and intermediaries) and migrants, registered private recruiters play a very small role in regional migration. This is partly explained by the presence of a visa-free regime which allows migrants to travel and establish direct contact with intermediaries and employers in the country of destination. There is however a legislative gap in the countries of destination. In Russia and Kazakhstan while legislation is in place for agencies to send workers abroad, there appears to be no clear legislative basis for agencies to broker jobs for migrants coming to the country. Recruitment agencies in labour sending countries have also not been able to generate a demand for their services from employers. On the other hand, informal recruiters are much more active in job

matching, often charging migrants' excessive fees. A recommendation of the report is therefore to promote networking among recruitment agencies in labour receiving and sending countries in the region; to build capacity among national recruitment agencies in the area of marketing and to promote ethical recruitment and strengthen the regulation of recruitment.

4. Recommendations

Recommendations for follow-up in efforts to improve the quality of education and portability of qualifications:

- Given that Russian is remaining a major language of communication in the CIS space, as well as considering language difficulties of labour migrants in Russia, Kazakhstan and other CIS markets that are a main obstacle both for migrants and employers, an emphasis should be placed on the improvement of language by Kyrgyz migrants.
- Links between private sector and vocational education providers should be strengthened and directed towards cooperation in developing new training programmes, designing sectoral frameworks for qualification assessment and certification issues.
- It is worthwhile to further investigate why the majority of Kyrgyz employers are still reluctant to provide on-job training, apprenticeships and invest into skills development, while placing responsibility on the state budget and vocational schools.
- National Qualification Framework should be developed to establish competency-based approaches to the assessment of education quality and qualification certification.
- National classification of occupations and professional classifications should be revised based on the new edition of ISCO-08. The issue of the further usage of the Common Tariff and Qualification Reference Book of Jobs and Professions of Workers" (CTQRB) should be seriously considered, especially given the lack of commitment among CIS countries for the development of inter-state CIS classifications of occupations and professional classifications.
- Modernisation of the vocational schools, introduction of new training programmes, improvement of the quality of teaching staff, investments into re-building infrastructure of the VET system should become a national concern with sufficient resources allocated to the VET system.

General recommendations for the improvement of labour market analysis and statistics:

- Develop instruments for labour market analysis which are most realistic, cost-effective and feasible with available resources in Kyrgyzstan.
- Studies of labour market should be systematic and carried out in all regions of the country.
- A better understanding of labour market dynamics in Kyrgyzstan is needed at the micro-level - where firms and companies define appropriate solutions to the perceived or real shortages of skilled labour, depending on whether the shortage of skills is a technical problem due to the outdated training in vocational education system or relates largely to cultural problems reflected in corruption, nepotism at work places and the lack of protection of workers rights.

Recommendations for the system of employment management

- There is a need in training a cadre of specialists equipped with modern knowledge in employment and migration management.
- Strengthen the institutional capacity of State Committee on Migration and Employment of the KR by training of staff, especially in the analytical departments.
- Develop an effective system of inter-ministerial cooperation with delineated responsibilities in collecting and analysing of relevant information on the labour market. Regional and municipal layers of power should be involved in the monitoring of labour market signals and migration issues, both internal and external.
- The role of private intermediaries on the labour market, such as employment and recruiting agencies should be enhanced to better match supply and demand in labour market.
- Linkages between private actors and state bodies should be strengthened. Labour attaches abroad could play a bigger role in establishing linkages to employers and employer organisations.
- Further work should be carried out in the direction of legislation harmonisation and improvement of the effectiveness of bilateral agreements with main countries of destination.

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