

UNEMPLOYMENT and MIGRATION

IN-DEPTH STUDY ON

POLICY, FEATURES, CHALLENGES

AMERICAN UNIVERSITY OF ARMENIA

**A MASTER'S PROJECT SUBMITTED TO THE FACULTY OF
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Abstract

In the light of unstable political developments in the country, harsh socio-economic conditions and high unemployment rate, Armenians continually leave the country mostly for economic reasons to seek employment opportunities abroad to sustain their families. Hence, the migration process is activating, bringing with it changes in the labor force structure, age-sex composition of population.

In much of the theoretical work relating to the explanation of the initiation and perpetuation of contemporary international migration, pre-eminence is given to the primacy of market forces and social networks (Massey et al.1993)[10]. It is often overlooked that Governments can and do intervene to shape the extent to which potential migrants with particular characteristics are permitted to enter or leave a country and the nature of their experience at the destination. Government of the Republic of Armenia is going to become a crucial player influencing the scale, direction and composition of population movement, develop policies and programs related to migration and settlement, assuming it of much importance politically, economically, socially and demographically.

Since Armenia is now in the stage of transition, changes occur in labor demand patterns driven by changes in economic structure. For instance, demand for production related workers is insignificant due to termination of many factories. At the same time demand for service related activities is rising from day to day. So, it is very important to have skills which match the newly established economic activities. For a lot of workers this implies that they have to acquire new skills (or they are at risk to become long-term unemployed), adjust to other working methods, which imply additional expenses on skill conversion.

Another problem is that the official demographic estimations (both volume and structural and relative estimations) are conditional in the whole, since there is no exact figure on population size, which actually excludes the possibility to receive main objective picture of neither demographic, nor social and economic situations. The number of officially registered unemployed people on the beginning of 2000 was 11.6%.

[5] (graph 1)

The official number misses several categories of workers including discouraged workers and hidden unemployment (informal sector), visible "under-employment"*. [p29] Also, school leavers and individuals who have been employed for less than one year are not counted as an unemployed. The Employment service can also dismiss people, according to 71 P decree, when the unemployed do not come once per month for inadequate reason (he or she can be taken off the status of unemployed). [8]

Thereafter, "real" unemployment figures are much higher than "official" ones. The same situation exists within migration process, where the actual scope is much greater.

One of the major objectives of the present paper is to review and assess Government's attempts to shape the extent, character and direction of labor exports. Another objective is to clear up a question why the particular target group of unemployed people behaves in such a mode that some of them are registered with State Employment Service and others are using Private Employment Service, what kind of problems do they face.

Since there is no trust on figures and because of persistent nature of the proposed problems, qualitative research methods were employed such as an observation, interviewing responsible officials and "direct victims"unemployed, focus group, analyzing of existed information.

The study revealed some differences between two types of Services, drawbacks of those services, and made evident direct connection between unemployment and migration.

All today's problems in the labor market namely mismatch of supply and demand, high youth unemployment rate, long duration of unemployment, labor migration, passive labor policy are associated with poorly organized management of the present system.

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LIST OF ABBREVIATIONS

- RoA-Republic of Armenia
- DMR- Department of Migration and Refugees
- IOM- International Organization of Migration
- RELS- Republican Employment and Labor Service
- G.A.M.G.-Private Employment Agency
- ILO- International Labor Organization
- GoA-Government of Armenia
- CIS-Commonwealth of Independent States
- CES-Central Employment Service

Part 1: Current situation with Unemployment and Migration in The Republic of Armenia (Government Policy Analysis)

The present stage of free economic system is still in transitional period. Consequently the formation of inter-industry and within industry relationships is not completed yet; rapid movements of capital between industries continue to take place. Due to this, lack of stable jobs has become evident and it can be considered as a major problem in the real sector of economy.

Labor market policies are an essential part of the social security system in the well-established market economies. Balance in the labor market is one of the prerequisites, which can contribute to the reduction of unemployment as well as to job creation. Vacancies remain unfilled while unemployment exists at the same time. Such a mismatch can exist due to imperfect information, i.e. lack of market transparency. During November-December 1999 labour demand declined, and then grew modestly relative to the previous year, while for the fourth quarter and for the year labour demand grew by more than one-third. Despite this growth the surplus of labour supply in 1999 exceeded the corresponding indicator in 1998. The average number of people registered by the employment services and searching for a job in 1999 was 234 per vacancy. [1] Thus, there are regional mismatches with vacancies in one region and unemployment in another. There is also a mismatch of skills with labor shortages in some occupational sectors and unemployment in others. Here the labor service can intervene, for example, with training programs.

In fact, the Employment Service in Armenia follows passive labor market policy, when it becomes exhausted only by paying unemployment benefits, while in active policy schemes participants are remunerated or get financial assistance for a limited period of time. The latter policy has further and more ambitious objectives. It seeks to bring the supply of labor and demand for it into balance. It implements job search, improves labor market mobility between sectors and occupations, supports the return of the unemployed to working life.

Moreover, when comparing the public expenditure for labor market policy in European countries and Armenia (see Table 1), we can understand existing oppressive situation with unemployment.

Table 1: Public Expenditure for Labor Market Policy in Selected OECD – Countries and Armenia 1999 (Percentage of GDP)

COUNTRIES	Total Expenditure	Active Measures 1)	Passive Measures 2)	Subsidized Employment 3)
	1999	1999	1999	1999
Germany	3.56	1.27	2.29	0.39
Denmark	5.63	1.89	3.74	0.30
Netherlands	4.90	1.76	3.14	0.50
France	3.22	1.37	1.85	0.52
United Kingdom	1.47	0.42	1.05	0.00
Armenia	0.14	0.01	0.13	0.003

1) Public Service /Administration; Training; Youth measures; Subsidized Employment; Measures for the Disabled

Source: OECD Employment Outlook June 1999; Eurostat Labor Force.

2) Unemployment Compensation; Early Retirement;

3) Subsidies to regular employment in the Private sector; Support of Unemployed starting enterprises; Direct Job Creation (Public Works).

The Law on Unemployment defines three schemes of passive policy in case of unemployment:

- ❖ **unemployment benefits**, which make now 3900 dram; duration depends on the work experience and varies between 5-12 months. On the average only 24 % of registered unemployed received benefits in 1999, not even in time.
- ❖ **Financial support**, which is paid to those people, whose period of unemployment benefits is expired.
- ❖ **Early retirement**-unemployed persons who have 35 year work experience and are entitled to unemployment benefits, have one year left to achieving pension age, can be granted the right to early retirement.

Article 15 of the mentioned law specifies, that unemployed, who want to start their own business can get financial assistance from the State Employment Service in the way of lump-sum 312000 dram or US\$ 578. In fact, most of those Small Businesses end up as a bankrupt, due to heavy tax burden, which has not assisting, but even hindering impact.

Moreover, article 10 of the Law on Employment of the RoA stated that the unemployed have the right of re-specialization and re-qualification, which can be done in training centers of State Employment Services or other training institutions. In the meantime, nothing has been done in the field of training. This can be supported by the answers of respondents involved in conducted survey.

It is necessary to mention, that mobility aid (costs for being sent to work in other areas) scheme, which is the part of Article 10 of Law on Employment, will be the main subject of future Law on Migration and Overseas Employment. It will assist to regulation of internal and external migration.

Paragraph 2 of article 3 in the draft of the Law on Overseas Employment states:

“ Taking into consideration the socio-economic situation in the Republic of Armenia and the ratio of supply and demand in the labor market, and the important role of overseas employment in providing living for many families, and taking into account the conditions dictated by international distribution of labor, the State shall create favorable conditions for involvement of certain specialists in overseas

employment processes and provide legal guarantees for protection of rights and interests of labor migrants". [11]

Thus, the Government, presented by Ministry of Economy and Finance and Ministry for Foreign Affairs and Diplomatic Missions, will collect information on demand and supply in the labor market in Armenia as well as in foreign countries, scrutinize conditions of employment of workers in foreign states, define the list of specialties preferable for overseas employment, take up other responsibilities linked to coordination of overseas employment procedures. The main instrument for realizing these activities is establishment of an agency within Government bureaucracy to play a role in the labor export process. Creation of Support Fund is a necessary precondition for protection of overseas workers against possible risks. Later on labor migrants will make payments (1% of the total amount of the salary established in the employment contract, signed between the overseas worker and the foreign employer) to that fund. Government of Armenia is considering countries of Middle East and North Africa as potential partners.

Such an experience is peculiar to many countries, for instance Philippines, China etc, where overseas employees pay back to the Exchequer millions of dollars. [12]

The illegal flow of migrant workers will be not stopped, since the official system is extremely time consuming and expensive, due to various payments.

Nevertheless, it can be viewed as an important way to reduce unemployment and simultaneously control migration process.

Along with State Employment Service there are 22 Private Employment Agencies, which have got their license from the Ministry of Social Affairs to whom they give monthly statistical reports (on how many people find a job through the agency, on which vacancies etc). In spite of this fact, some of these Services swindle unemployed taking an advantage of desperate conditions.

Thus, meanwhile, there is no control over activities carried by those agencies and no social protection of the unemployed on the State level.

Part 2 Interpretation of situation in figures

The figures related to migration and unemployment, which were obtained during research, are very controversial. The figures from the National Statistical Service of

the RoA are completely different from the ones of the Department of Migration and Refugees, since the Ministry of Statistics is counting migration still only by flights (receiving figures only from 3 airports), which is obsolete form of research.

With the support of International Organization for Migration, Department of Migration and Refugees is working on implementing a new computerized system in 8 main cross boundary points, five of which are by land.

According to the latter, only by aviation (from January till July) the number of departures was 162200 and balance comprised -17000. By railway the balance was -5692, by motor transport -5712. Totally the balance on July was -28404. [8] This figures are only for Bagratashen and Gogavan, 3 another boundary points are remaining unstudied. Whereas the balance on aviation, according to the Ministry of Statistics, was -6879. [a]

Information on age-sex composition is an essential prerequisite for the description and analysis of many other types of demographic data. Nowadays situation is the following. In 1998 and 1999 men were the most active in terms of leaving the country, especially of age 25-40, but currently women's share is becoming more and more. This phenomenon can be explained by the fact that males have found jobs abroad and try to call women with children. Countries of destination are Russia - 67%, Eastern and Western Europe, USA-14%, CIS countries - 9%. Educational level of migrants has the following picture: people with higher education -46.4%, with secondary-53.6%. [a]

In the case of unemployment, women's share is consequently decreasing (by 1.6% compare to the last year), since the neutral or beneficial effect of immigration would seem to be confirmed by unemployment data. Despite tendency, it is still high 63.7% or 110200 people. In the age structure the 30-50 category comprises 61.1%(seeFigure3). [5]

With the purpose of getting requalification in the following fields-Finance, Small Business management, Computer design, 481 unemployed were sent to Training Centers. At the beginning of 2000 75 people more were involved in the training courses. [5]

For some unemployment is simply a transition between jobs, while for others it is a persistent problem. According to the National Statistical Service, the average duration of unemployment comprised 14.3 months in 1998 and 13.3 months in 1999.

Youth unemployment contributes **one third** to total unemployment. The number of registered people has increased through December 1999 to March 2000, since there were some benefits for families which have unemployed person. From April this law is not valid and the number again has decreased. On July 2000 the number of registered unemployed was **168,073**. [5] This year the number of dismissed people has made about **3000**. [8]

There are structural changes of the people employed in different branches of the economy (see table 2). For example the number of people employed in agriculture increases by 7.4%, while the share of employed in the industry decreases by 7.2%. Thus, the labor force of the RA comprises **1493.1** thousand people, number of the employed –**1320000** and unemployed-**173100** (see table 3).

Informal estimations and field observations suggest that total unemployment rate falls between 40 and 50 % of the workforces, consequently the reliability of figures can be seriously questioned.

Part 3 Goals and tasks of the research

One of the major objectives of the present paper is focused on revealing how accurate State Employment Services are implementing Government Policy on Employment and whether Private Employment agencies assist in their activities to reduction of the tension in the labor market or hinder the development of the latter. The interest of this study is also on exposing whether there is a direct connection between unemployment and migration or not and on the net effect of migration and unemployment on an area's population age – sex structure. Finally, certain recommendations based on SWOT analysis will be given.

PART 4 METHODOLOGY

Purpose: This study aimed to reveal differences of provided services of Private Employment Agency (according to the survey made by A1+ TV channel as a best Employment Agency was recognized **G.A.M.G**, which is working from March 2000) and CES, define shortcomings through a survey.

In order to collect data for the research, in-depth interviews through open-ended questions following the pre-test of the questionnaire has been held. [6] The research

instrument, an open-ended questionnaire, has been purposefully designed with a preliminary determined logic, which is the following. Due to irrelevance of all figures, this study was focused on getting opinion from the unemployed rather than generalizing figures.

The target group is twenty-five unemployed registered with State Employment Service and twenty-five unemployed who have applied to the Private Agency. In order to have a good comparison of work done by State and Private bodies, these two were placed in one district (Central).

Thereby, in this research was involved GAMG (Mashtots 38) Private Employment Agency as well as Central Employment Service (Grashat 1).

In order to get more realistic picture, every second visitor was given short questionnaire- focused on the main points of survey and every fifth comer was asked by long questionnaire (questionnaires are given in Appendix).

For further exploration of the topic, one of the qualitative research methods was implemented namely focus groups. The purpose of focus group was to observe interaction between two groups of people- first group, who seek support in finding a job through State Regulatory Body and second group, who was relying mostly on the Private Employment Agency. Focus group consisted from 6 people (three from each target group), who provided most arguable answers during in- depth interviews.

As the sample for in-depth studies usually is small and not representative, this study cannot be generalized for a whole population. Nevertheless, as it was presumed this type of qualitative field study enabled to reveal issues, which are alarming for others as well.

Part 5 Findings

Fifty people were interviewed; twenty-five of them were clients of State Employment Service and twenty-five clients of G.A.M.G Private Agency

1. Ten percent of those interviewed in CES were making their first visit to the Center; of the other 90% most were visiting the Center "many times" each month. From those interviewed in G.A.M.G. 85 %were first time visitors, 15 % were invited for offering a job. Nearly all respondents from both Services said that they did not have to wait at all;

-
2. Sixty percent of CES users were visiting the Center to collect a benefit check, 15 % - to find a job, 10 % - for reference to get financial aid from "PAROS" program, 10 % - to register, 5 % - to recommence the status. Fifty three percent of respondents from G.A.M.G were visiting the Agency to register, 27 % were asked to come for offerings, 20%-"to satisfy curiosity";
 3. Seventy percent of the clients considered that the staff of CES is "helpful", 55 % thought that staff is "knowledgeable", 60% -"pleasant". Eighty five percent of G.A.M.G clients considered staff "helpful", 65%"knowledgeable", 75%-"pleasant";
 4. Nearly all respondents have problems with unemployment benefits (receiving them not in time). Clients are expecting "the Government " to solve the problem;
 5. Forty five percent of respondents from CES while looking for a job had encountered such problems like mismatch between there own and newly required skills, 55 % -"absence of jobs", 10 % -age restriction.
G.A.M.G clients face similar problems;
 6. Clients of G.A.M.G were looking for a great variety of jobs. The most common individual occupations were chemists, accountants, workers, and lawyers. CES users mostly are people with special secondary education and occupations, which need requalification;
 7. Respondents from both Services were not totally reliant on offered help or a training course and were making own approaches to find a job directly from companies and asking friends or relatives;
 8. Thirty five percent of G.A.M.G.clients had experience with CES, the rest thought that it is useless to apply for a job to State financed organizations. Fifty five percent of CES clients had never heard about Private Agencies, 35% -had heard but did not trust to their service, 10%-had visited such an agency;
 9. The most common answer on the question "What would you like to improve in the Centers" was to bring "more serious attitude and more opportunities for unemployed in terms of training". Some clients were mentioning about the option of finding jobs abroad;
 10. Duration of unemployment of clients is significantly different, since CES users had stayed without jobs in average 7 years which is much longer than clients of G.A.M.G(1.5 year);
-

-
11. Direct connection between unemployment and migration was supported by 87% of answers (see Figure 2);
 - 12 It is noteworthy that 70 % of female respondents on question whether they would like to leave RoA or not answered negatively, in contrast to men(52 % of male expressed their willingness to stay).(see Figure 1);
 - 13 CES users were mostly women (65%) in the age category 31-38; users of G.A.M.G. had 50/50 % sex structure in the age category 23-30;
 - 14 The most popular answer on potential country of destination was Russia, which comprised 70% (see Figure 4).

Focus group generated great debates, although participants were in the age category 23-30, two of which had higher education and four secondary special. The main topic of discussion was that Employment Services are very passive in offering a job or training: after few times offering a job with low wage (5000 dram), if unemployed is not accepting the offer he or she can be dismissed due to unwillingness to work. The point of discussion was also about cheating of unemployed by some Private Agencies. Debates over intention to leave, ended up by conclusion that if nothing is undertaken in this field, all participants will become potential migrants.

Thus, the study showed that, what is related directly to fulfilment of the duties by the staff, there were no significant remarks. Employees of the Service are eager to meet changes in their activities, but this is not enough,since desire for radical changes should come from the top.

Part 6 SWOT ANALYSIS of the Present System of Central Employment Service(st. Grashat 1)

<p>Strengths</p> <ul style="list-style-type: none"> • Clear system of registration ; • Knowledgeable and helpful staff; • Clients are mainly satisfied with the help provided in Center; • Desire for changes 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Long-term unemployment is a serious problem due to lack of training and actual job creation; • Passive policy implemented; • Non-computerized system; • Bad conditions of working in term of building
<p>Opportunities</p> <ul style="list-style-type: none"> • Except private Agencies there is no potential competitors in the field; • Can become a valuable part of economy development strategies; • High potential of staff 	<p>Threats</p> <ul style="list-style-type: none"> • RA economic development will be hindered if an active policy will be not acquired; • Labor migration will suspend in chaotic way

This SWOT analysis can be used for the RELS also.

Part 8 Conclusion

The "new" economic environment, which is result of the transformation process, requires new forms of labor allocation and social protection. Importance of labor market policies in well-developed countries was recognized long time ago. For instance, Denmark is spending on active labor policy 5.6 % of GDP. (table 1) Armenia is adhering to passive labor policy, which is preoccupied with paying unemployment benefits and distributing financial assistance.

Thus, the situation of the Armenian labor market is deplorable. There is a huge deficit of jobs and mass unemployment. As main problems can be considered the high level of long-term unemployment and existence of vulnerable groups hard hit by unemployment such as women, people of age 50 and more, individuals with lower education, school leavers and university graduates. The lowest level of educational attainment contributes more than 2/3 to unemployment. In 1999 59.1 % of the unemployed had been in search of jobs more than one year. Almost 70 % of the long-term unemployed were women.

Despite the fact that women have suffered from unemployment more than men, the latter part of population is more active in terms of leaving the country. This tendency was also proved by answers of women respondents during the survey (figure 1). As a chief motive of emigration nearly all respondents (87 %) have mentioned lack of jobs that could ensure a normal living standards (figure3), which means that we have deal mostly with labor migration. The latter process can not be stopped, but can be organized in such a way that can be beneficent for the society, with particular focus on maximizing remittance flows.

A great deal of the research has been focused upon Government interventions attempting to shape the migration policy in order to influence the scale and composition of emigration, through developing a detailed draft of the Law on Overseas Employment, which is going to be adopted in the near future. Since the Government of RoA can not stop labor migration, it is clear that labor export should become of considerable significance in national development and can be viewed as one of the ways to reduce unemployment. In turn the Republican Employment and Labor Service should implement active labor policy to protect the unemployed from becoming long-term unemployed.

The study revealed such an issue as mistrust toward State Employment Service, that's why many unemployed have applied to Private Agencies, which in turn did not justify their hopes as well. Some agencies taking as an advantage desperate conditions of the unemployed are cheating them without remorse. Here the Government should intervene by strengthening control over such organizations.

Hence the deeper involvement of the Government in pursuing the schemes on implementation of active labor policy and legalizing labor export is an urgent priority.

Part 7 Proposals

1. Cooperation between all levels of Governmental and Non-Governmental organizations should be enhanced; the latter should participate in all kinds of policy development;
- 2 It is recommended that all CIS countries with support of each other should solve the problem of labor migration, which includes sharing of experience, collaboration in this field, protection of the residents of the country;
3. To approve the Law on Migration and Overseas Employment as soon as possible and start implementation in order to stop chaotic movement of labor;
4. Promulgation of all information in the way of pamphlets, social advertising, meetings with people;
5. To increase control over the activities carried out by the State Employment Service as well as by the Private Employment and Migration Agencies, which are sometimes working without any license (Migration Bridge agency); [9]
6. To establish different Training Centers, which can be affordable for each unemployed;
7. To increase self-employment opportunities, since it can be seen as a basis for job creation, but at the same time establish "tax relief" program for the unemployed;

8. There is a great need for Labor Market Research, in order to clear up the picture with labor Supply and Demand;

9. The long-term unemployed in general and especially long-term unemployed women should be considered as target groups for policies.

10 The definition of the "unemployed" should be broaden.* [p.29]

11.To implement an Active Labor Market Policy (to spend money allocated to unemployment benefits on training).

Appendices

Survey Questionnaire

For clients of Public Service

(The purpose of this questionnaire is to identify differences between State Employment Service and Private Employment Agency)

1. Is this your first visit to this office? YES/NO
2. How many times have you visited this office?
3. How long do you usually have to wait?
4. What is the purpose of your visit today?
5. Have you had any problems with unemployment benefits? YES/NO
6. Are the staff usually knowledgeable and helpful? YES/NO
7. What kind of problems did you face?
8. Have you had any problems while looking for the job?
9. Who do you think should solve these problems?
10. Are you completely reliant on this office to help you to find a job or training course?
YES/No
11. Are you aware about existence of Private Employment Agencies? YES/NO
12. What do you think of the service offered by the private agency?
.....
13. What would you like to see improved in this office?
.....
14. What sort of job you are looking for?
15. What qualifications (if any) do you have?
16. How long have you been looking for the job?
17. What are you doing to find a job or training?
18. If you do not find a job, will you try to leave Armenia? YES/NO
19. If Yes, which countries will you consider?
20. Which forces, besides unemployment are influencing your decision?

21. If you decide to leave the country how you will prefer to travel?

By land By air Railway By foot

22 Do you find the figures which are provided by State financed organizations like Ministry of Statistics or Republican Employment service reliable?

YES/No

23. Are you?

Male Female

24. In which category are you?

23-30 31-38 39-46 47-54 more than 55

25. What is your educational level?

Higher Secondary school Secondary special Bachelor degree Master degree

26. What is your occupation?

27. What is your marital status?

Single Married Divorced

28. Number of individuals in the household

1-3 3-5 more than 5

Thank you for helping in this survey .

Survey Questionnaire

For clients of Private Employment Service

(The purpose of this questionnaire is to identify differences between Republican Employment Service and Private Employment Service)

1. Is this your first visit to this office? YES/NO
2. How many times have you visited this agency?
3. How long do you usually have to wait?
4. What is the purpose of your visit today?
5. Are the staff usually knowledgeable and helpful? YES/NO
6. What kind of problems did you face?
7. Have you had any problems while looking for the job?
8. Who do you think should solve these problems?
10. Are you completely reliant on this office to help you to find a job or training course?
YES/No
11. Are you aware about existence of Republican Employment Service? YES/NO
12. What do you think of the service offered by such an agency, especially about unemployment benefits?
.....
13. What would you like to see improved in this office?
.....
14. What kind of job you are looking for?
15. What qualifications (if any) do you have?
16. How long have you been looking for the job?
17. What are you doing to find a job or training?
18. If you do not find a job, will you try to leave Armenia? YES/NO
19. If Yes, which countries will you consider?
20. Which forces, besides unemployment are influencing your decision?
21. If you decide to leave the country how you will prefer to travel?

- | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|
| By land | By foot | Railway | By air |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

22 Do you find the figures which are provided by State financed organizations like Ministry of Statistics or Republican Employment service reliable? YES/NO

23. Are you?

Male

Female

24. In which category are you?

23-30

31-38

39-46

47-54

more than 55

25. What is your educational level?

Higher Secondary school

Secondary Special

Bachelor degree

Master degree

Master degree

26. What is your occupation?

27-. What is your marital status?

Single

Married

Divorced

28. Number of individuals in the household

1-3

3-5

more than 5

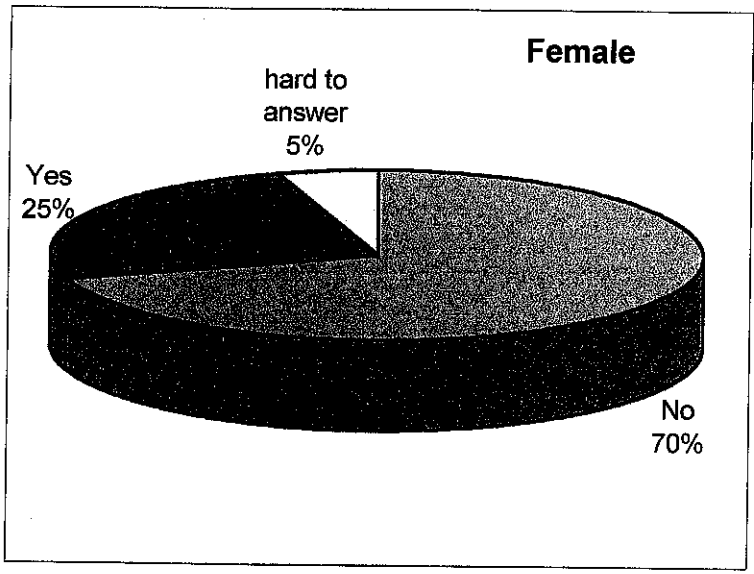
Thank you for helping in this survey .

Short Questionnaire

- 1 What kind of job you are looking for?
- 2 What qualifications (if any)do you have?
- 3 How long have you been looking for the job?
4. What are you doing to find a job or training?
- 5 If you do not find a job, will you try to leave Armenia? YES/NO
- 6 If Yes, which countries will you consider?
- 7 Which forces, besides unemployment are influencing your decision?
- 8 If you decide to leave the country how you will prefer to travel?
- | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|
| By land | By air | By foot | Railway |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- 9 Do you find the figures which are provided by State financed organizations like Ministry of Statistics or Republican Employment service reliable? YES/NO
- 10 Are you?
- | | |
|--------------------------|--------------------------|
| Male | Female |
| <input type="checkbox"/> | <input type="checkbox"/> |
- 11 In which category are you?
- | | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| 23-30 | 31-38 | 39-46 | 47-54 | more than 55 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- 12 What is your educational level?
- | | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|
| Higher Secondary school | Secondary Special | Bachelor degree | Master degree |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
13. What is your occupation?
- 14 What is your marital status?
- | | | |
|--------------------------|--------------------------|--------------------------|
| Single | Married | Divorced |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- 15 Number of individuals in the household
- | | | |
|--------------------------|--------------------------|--------------------------|
| 1-3 | 3-5 | more than 5 |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Thank you for helping in this survey .

Figure1 Migration Potential of respondents by Sex



Source: Own Calculations

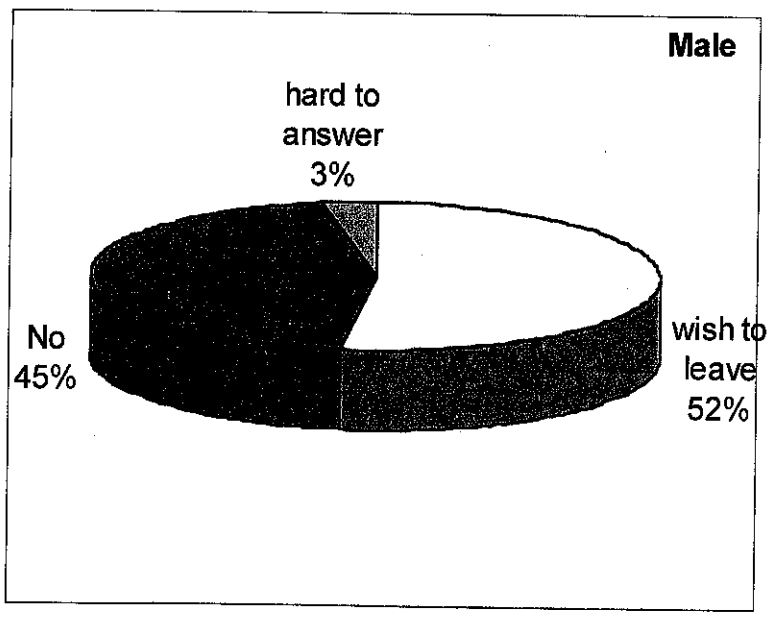


Figure 2 Analysis of potential migration by reasons

Source: Own Calculations

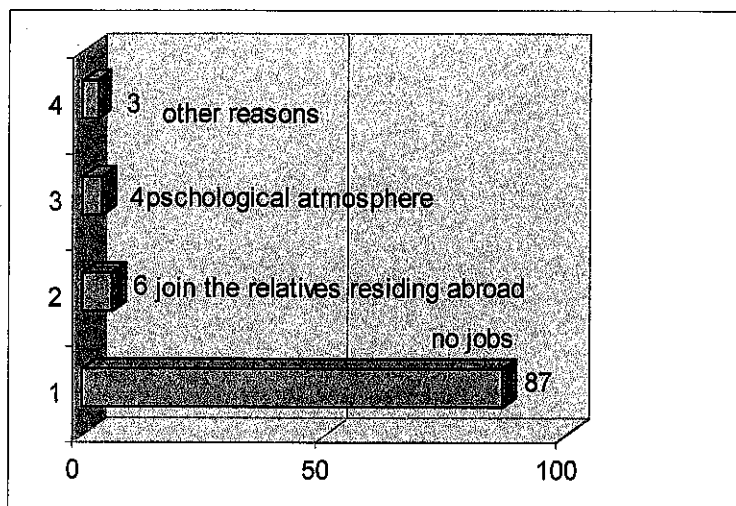


Figure 3 Age structure of the unemployed

Source: RELS

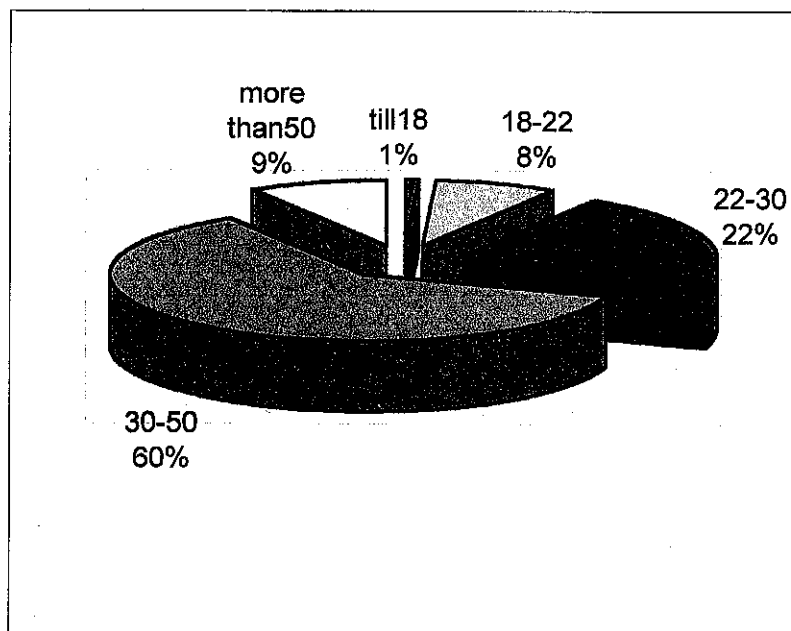


Table2 Employment by Branches of the Economy in the RoA

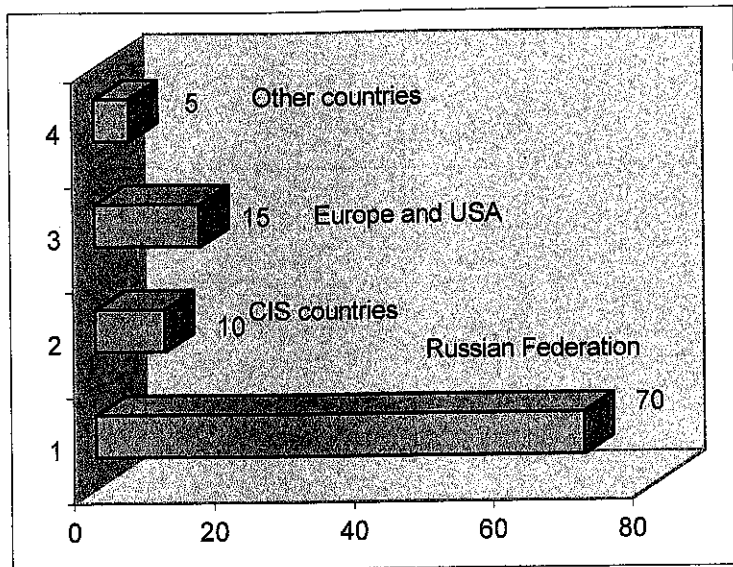
Branch	1994		1998	
	thousand	%	thousand	%
Agriculture	504.00	33.9	558582	41.3
Industry	355000	23.9	225868	16.7
Education/Culture/Art	181000	12.2	159595	11.8
Trade/Catering/Material supply/Procurement	64000	4.3	113610	8.4
Health Care/Social Security/Sports	84000	5.6	79798	5.9
Construction	97000	6.5	48690	3.6
Transport/Communication	30000	2.0	48690	3.6
Housing and Personal Services	58000	3.9	47337	3.5
ExecutivePersonal/Administration	33000	2.0	28402	2.1
Science /Research	25000	1.6	16230	1.2
Credit/Finance /Insurance	n.a	-	4058	0.3
Other Branches	27000	1.8	10820	0.8
Not Available	33000	2.3	10820	0.8
Total	1488000	100	1352500	100

Source: Knut

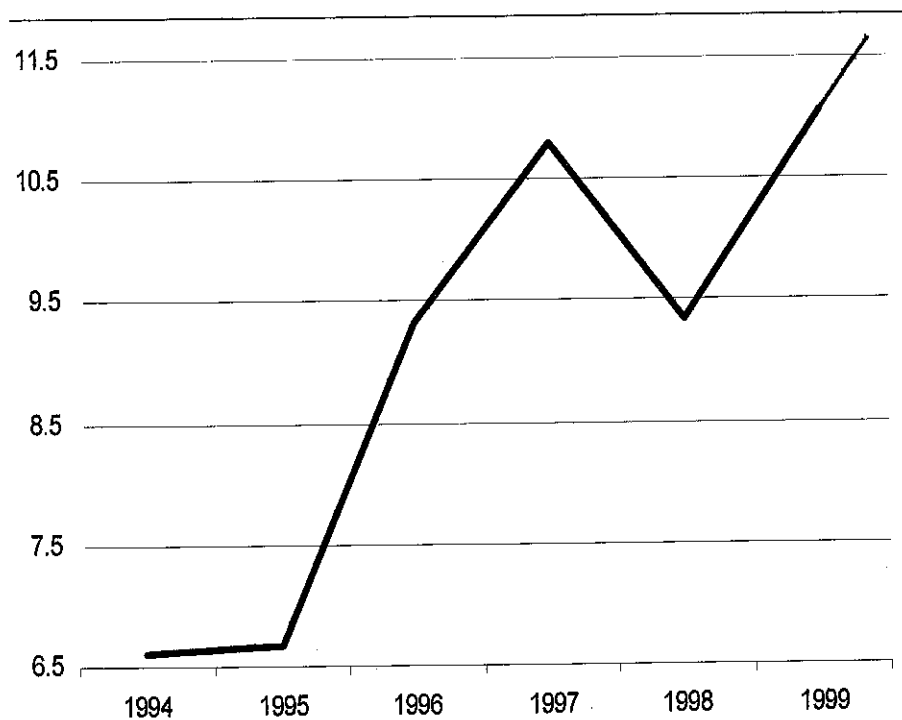
Emmerich's
calculations[3]

Figure 4 Potential Countries of Destination

Source: Own Calculations



Graph 1 Unemployment (annual % of labour force)



Source: Republic Center of Labour and Employment; AET calculations.

Table3 Main Indicators of Employment in the Republic of Armenia

Indicators	Unit of measure	01.01. 1996	01.01. 1997	01.01. 1998	01.01. 1999	01.01.20 00	01.07 2000
Labor Force	000 people	1572.6	1594.9	1573.4	1493.8	1516.1	1493.1
Number of the Employed	--,,--	1413.4	1435.6	1399.0	1360	1341.2	1320
Number of the Unemployed	--,,--	159.2	159.3	174.4	133.8	174.9	173.1
From the Unemployed							
Officers	--,,--	59.4	60.2	72.3	49.2	63.7	61.7
Workers	--,,--	99.5	99.1	102.1	84.6	111.2	111.4
Educational level of the Unemployed							
Higher	--,,--	18.7	18.8	21.6	16.4	20.1	19.7
Secondary Special	--,,--	36.1	36.2	39.4	31.8	40.2	39.9
Age structure of the Unemployed							
Till 30	--,,--	70.5	70.6	69.7	49.5	54.4	52.1
30-50	--,,--	75.0	75.1	88.8	73.2	104.9	105.8
More than 50	--,,--	13.7	13.6	15.9	11.0	15.6	15.2
Labor Demand (open job vacancies)	people	525	531	130	554	792	715
Number of people who found jobs through State Employment Services during the year	--,,--	4418	4567	4637	5379	10702	5248
Average duration of receiving unemployment benefits	month	4,0	8,5	8,5	8,5	8,5	8,5
Unemployment Rate	%	10.1	10.0	11.1	8.9	11.5	11.6

Source :RELS[5]

End Notes

ble underemployment according to ILO”when hours of work of an unemployed person sufficient in relation to an alternative employment situation in which the persons ; and available to engage”.

rding to Article 7 of the Law on Employment, unemployment refers to :
se unemployed persons of working age and able to work, who do not receive pensions l by the legislation of the Republic of Armenia, have at least one year of work nce, have applied to State Employment Service for finding employment and have d unemployment statusare considered unemployed.”

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yan (Information Systems key specialist)

ew with Sveta Ohanyan (chief specialist from Republican Employment and Labor Service)

iew with the chief of Department of Labor Migration (under the GoA)

andyan.

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