

## Review of Labor Market in Russia

Kamaseva A. V.<sup>1</sup>, Salyakhov E. F.<sup>1</sup>, Halikov A. L.<sup>1</sup> & Fakhrutdinova A. V.<sup>1</sup>

<sup>1</sup> Kazan Federal University, Institute of Management, Economics and Finance, Kazan, 420008, Russia

Correspondence: Kamaseva A. V., Kazan Federal University, Institute of Management, Economics and Finance, Kazan, 420008, Russia. Tel: 7-919-690-0666, E-mail: hulia\_k@mail.ru

Received: March 19, 2015 Accepted: March 31, 2015 Online Published: April 30, 2015

doi:10.5539/ass.v11n11p336

URL: <http://dx.doi.org/10.5539/ass.v11n11p336>

### Abstract

The article is devoted to the detailed characteristic of a current state of the labor market in Russia. It analyses the gender and age structure of the population and gender and age structure of economically active population. The education level of the working people is considered in gender aspect. It reveals that shares of women and men in the labor market in Russia with sufficient education are not equal. People with the higher or secondary professional education (28,9 and 27,5% respectively) obviously prevail. Thus women among persons with the higher education prevail - 54,6%, with secondary education – 58,5%. This work also presents also a comparative analysis of a salary of separate employee categories of the social sphere and conclusions on dynamics of the level of unemployment in Russia.

**Keywords:** labor market, economically active population, employment, unemployment, gender inequality

### 1. Introduction

The economy of Russia in 2013 had two inconsistent tendencies. On one hand, the intensive expansion in consumption on the domestic market of the country, which stimulated economic growth, on the other, the reducing export which was caused by on going recession of economies in the countries of the Eurozone, the USA and Japan, the braking factor of oil prices falling caused by decreasing demand. The head of the Ministry of Economic Development of the Russian Federation Andrey Belousov reported about the acceleration of GDP growth in the II quarter of 2013 year, however, in the same report he noted that this growth was still lower than it was in 2005-2008, though higher than in the European Union. From the macroeconomic aspect the year 2013 became significant for Russia thanks to consumer capability which determined the amount of economy of Russia growth. It even outstripped GDP of Germany and forced Russia onto the 5th place in the world according to the results of 2012 and had risen Russian economy in five years by three line items up. By the results of 2012 Russian GDP was 3,4 trillion dollars, while GDP of Germany for the same year was 3,3 trillion dollars.

The GDP dynamics in comparison with the corresponding period of the previous year is accelerated thanks to gradual exhaustion of the negative effect of base due to acceleration of economic growth at the beginning of 2012. According to the Ministry of Economic Development of the Russian Federation, in relation to the corresponding period of 2012 year GDP growth in June was 1,5% after a surplus for 1,0% in May. In the II quarter of 2013, according to the Ministry of Economic Development of the Russian Federation, the GDP rate was about 1,9% (by II quarter 2012) against 1,6% in the I quarter. For the first half of the year of GDP grew by 1,7 percent (Russian Retail Sales Surprise in Sign of Support to Economy).

As appeared from Monitoring of social and economic development of the Russian Federation, inflation level in 2012 was 6,5%. By the results of 2011 inflation level in the Russian Federation was 6,1% and it was the best indicator for the last 20 years. The authorities spoke about a victory over price explosion. However the government didn't manage stop the inflation, the increase in prices started being accelerated. In June 2013 inflation growth was 0,4%, since the beginning of year – 3,5% (in June, 2012 – 0,9%, since the beginning of year – 3,2 percent). The inflation indicator for an annual period by June of 2012 year went down to 6,9% from 7,4% in May.

Export of goods in June 2013, constituted 41,6 billion of American dollars (101,8% by June, 2012 and 100,4% by May, 2013). Import in June of the current year, by an assessment, was 27,9 billion of American dollars (103,5% by June, 2012 and 105,7% by May, 2013) (Russian Retail Sales Surprise in Sign of Support to Economy).

## 2. Theory

The economy of Russia needs to be considered as a unified economic complex, that provides all demographical ranges of the Russian population with the requirements. (Fakhrutdinova, Safina, Kolesnikova, & Fedor, 2013) The labor market is an organic part of economy and one of the major parameters for economic growth detection.

The labor market is a special economic category that involves such aspects as employment, unemployment, and economically active and not active population. (Fakhrutdinova, Karasik, Safina, & Miropol'skaya, 2013) The labor market represents difficult system of an exchange between individual capabilities to work for the means, necessary for reproduction of labor power, further formation and growth of a human capital.

## 3. Results

The number of economically active population at the age of 15-72 years of the labor market in the Russian Federation according to Rosstat for 2012 was 75 676 thousand of people. Among them 71 545 thousand of people (94,5%) – employed and 4131 thousand of people (5,5%) - unemployed (Monitoring of the socio-economic development of Russia in the first half of 2013).

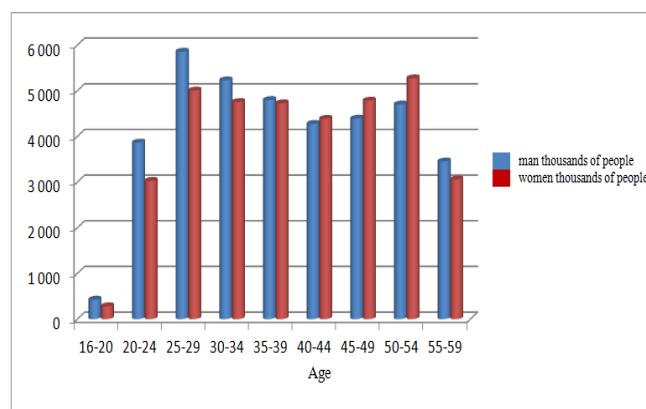


Figure 1. Gender and age structure of economically active population of Russia in 2012 according to information presented by the Federal State Statistics Service in 2012.

In the structure of economically active population prevail 25 to 29 years old people. This is 15% of economically active population of the country, thus the share of men prevails over female till 39 years, and within 40 to 54 years olds share of women is higher, but aged from 55 to the 59th share of men is higher (53% against 47%) this can be seen in the Figure 1.

The lowest indicators of economically active population involved into labor market are observed in an age group from 16 to 20 years (only 1%) this situation is explained by the age of school education, or military service, or study on the first years of universities.

Rather low indicators of economically active population aged from 20 to 24 (10%) involved into labor market is explained by the continuation of training.

The age from 25 to 29, according to Figure 1, prevails in structure of economically active population involved into labor market because at this age labor career begins.

Further from 30 to 44 years old there is a gradual decrease in economically active population involved into labor market (from 30 to 34 – 14%, from 35 to 39 – 13%, from 40 to 44 – 12%).

From 45 to 54 years old the increase in number of economically active population involved into labor market is observed (from 45 to 49 – 13%, from 50 to 54 – 14%). This is also explained by gender and age structure of the population of Russia in general.

In the structure of economically active population, the amount of people at pre-retirement age is an insignificant share (9%), despite that in the structure of the population of Russia the share of people of pre-retirement age is 11% this shows existence of demographic problems in Russia.

The level of education at the labor market demonstrates (see the Figure 2) that in the Russian labor market prevail people with the higher or secondary professional education (28,9 and 27,5% respectively)

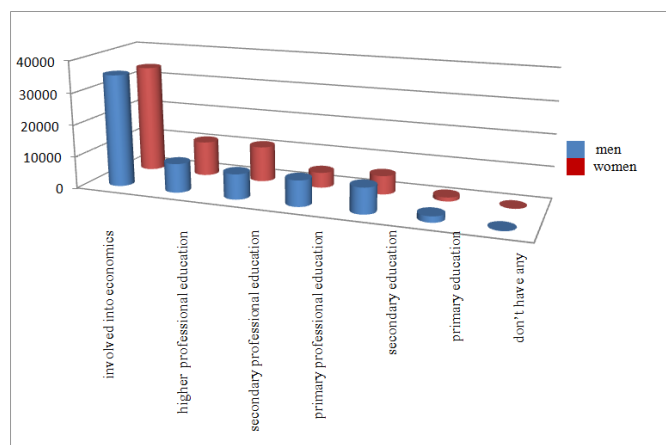


Figure 2. The level of population education occupied in economy in 2012 according to information presented by the Federal State Statistics Service

Women are more intent to get the higher and secondary professional education, among people with the higher education 54,6% - women, with secondary professional education – 58,5%. Men sharply prevail among persons with primary professional education and secondary education – 62,77% and 60,4% respectively. Thus the salary of women in Russia is much lower than of men. The ratio of a salary of women to a salary of men for the end of 2012 was 65% (30 005 rubles at men against 19 219 rubles at women) (Employment and Unemployment).

By types of economic activity this ratio varies from 64% in wholesale and retail trade sphere to 86% – in construction and education sphere. Among executives the salary of women in averaged is 68% from man's, among specialists – 69%, and among working specialties – 58%.

We will separately analyze a salary of separate employee categories of the social sphere and science of the Russian Federation for the data on January-June, 2013.

Table 1. Average salary of separate employee categories of the social sphere and science on subjects of the Russian Federation for January-June, 2013, in rubles according to information presented by the Federal State Statistics Service 2013

Employee categories	Average salary for January - June, 2013, (rubles)
Pedagogical employees of pre-school educational institutions	22 192
Pedagogical employees of educational institutions of primary and secondary education	28 947
Pedagogical employees of organizations of additional education of children	20 576
Teachers and training staff (masters) of educational institutions of primary and secondary professional education	24 848
Teachers of educational institutions of higher education	37 450
The doctors and employees of the medical organizations having the higher medical (pharmaceutical) or other higher education, providing the medical services (providing provision of medical services)	38 707
The average medical (pharmaceutical) personnel (the personnel providing conditions for provision of medical services)	22 410
junior medical personnel (the personnel providing conditions for provision of medical services)	12 839
social workers	13 234
Employees of cultural institutions	17 859
Researchers a	35 528

According to data of Federal State Statistics Service (see Table 1), the greatest average salary for January - June was received by the doctors and employees of the medical organizations having the higher medical (pharmaceutical) or other higher education, providing medical services (38 707 rubles), teachers of educational institutions of higher education (37 450 rubles) and also researchers (35 528 rubles). The smallest salary in the same period according to Table 1 at junior medical personnel (12 839) and social workers 13 234. However the junior medical personnel consists mostly of students and young graduates and has opportunity for further career promotion, for social workers such opportunity is complicated.

Table 2. Dynamics of the level of unemployment among the 15-72years old population, according to information presented by the Federal State Statistics Service 2012 - 2013

	Level of unemployment					percentage
	total	man	woman	city/town	rural area	unemployed %
<b>2012r.</b>						
January	6,3	6,7	6	5,2	10,1	45,8
February	6,2	6,8	5,7	5,1	9,9	44,3
March	6,3	6,9	5,6	5,1	10,1	43,7
April	5,6	5,9	5,3	4,7	8,4	46,2
May	5,2	5,6	4,8	4,4	8	45
June	5,2	5,4	5	4,2	8,4	46,8
July	5,2	5,6	4,7	4,3	8	44,5
August	5	5,1	4,8	4,2	7,4	47
September	5	5,3	4,7	4,2	7,8	45,8
October	5,1	5,5	4,7	4,2	8,1	45,1
November	5,2	5,5	5	4,3	8	46,4
December	5,1	5,3	4,8	4,1	8,1	46,2
<b>2013r.</b>						
January	6	6,4	5,5	4,8	9,7	45,2
February	5,8	6,1	5,4	4,7	9	45,4
March	5,7	5,9	5,4	4,8	8,4	46,4
April	5,6	5,8	5,2	4,4	9,3	46,2
May	5,2	5,5	4,8	4,5	7,4	45
June	5,4	5,8	5,1	4,6	8	45,5
July	5,3	5,8	4,8	4,6	7,5	43,8

According to the Table 2 the level of unemployment is seasonal. The level of unemployment at men is higher than at women, at rural population is higher than at the city population. The amount of women in the total number of the unemployed from January 2012 to July 2013 varies from 43,7 to 46,8%. In July, 2013 the level of unemployment was above the level of unemployment at the corresponding time in 2012 was higher for about 0,1 point, and this difference was formed by an increase in this indicator both at men (5,8 in 2013 against 5,6 in 2012), and at women (4,8 in 2013 against 4,7 in 2012).

#### 4. Conclusions

Problems of unemployment and employment of the population are always essential for the market economy, and over recent times a problem of youth unemployment of becomes more actual. The youth belongs to the most vulnerable category of job seekers. Among young people of 20-24 years old the level of unemployment is 15,3% and an average age of the unemployed in Russia according to data received in March, 2012 still keeps on a mark of 35 years, and the amount of young people till 25 years among jobless is 27,5% (Fakhrutdinova, Kolesnikova, Suleimanov, & Khalikov, 2014).

Generalizing the said above it is possible to note that the the Russian income growth outstripped the growth of GDP of Germany and forced Russia onto the 5th place in the world according to the results of 2012. In 2011 Russia came to record-breaking low indicator of inflation for the last 20 years (6,1%). However, in 2012 it constituted already 6,5% and in the first half of the 2013 year 3,5%. In the structure of economically active population of our country the population aged from 25 to 29 year olds prevails and constitutes 15% of economically active population of the country, thus the share of men prevails over female till 39 year olds, and with 40 to 54 year olds share of women is higher, but aged from 55 to the 59th share of men is higher (53% against 47%). In the labor market prevail people with the higher or secondary professional education (28,9 and

27,5% occupied in economy respectively). Thus women prevail among persons with the higher education of 54,6% - women, with secondary education – 58,5%. Thus the relation of a salary of women to a salary of men for the end of 2012 constituted only 65% (30 005 rubles at men against 19 219 rubles at women). The smallest salary have workers of the social sphere the category of junior medical personnel (12 839), the greatest the Doctors and employees of the medical organizations having the higher medical (pharmaceutical) or other higher education, providing medical services (38 707). The level of unemployment has seasonal nature. The level of unemployment at men is higher than at women, at rural population is higher than at the city.

### References

- Demographic Yearbook of Russia.* (2012). Federal State Statistics Service. Retrieved from [http://www.gks.ru/doc\\_2009/demo.pdf](http://www.gks.ru/doc_2009/demo.pdf)
- Employment and Unemployment. Federal State Statistics Service. Retrieved from [http://www.gks.ru/bgd/regl/b13\\_01/IssWWW.exe/Stg/d07/3-2.htm](http://www.gks.ru/bgd/regl/b13_01/IssWWW.exe/Stg/d07/3-2.htm)
- Fakhrutdinova, E. V., Kolesnikova, J. S., Suleimanov, T. D., & Khalikov, A. L. (2014). The interrelation of the problems of the youth labour market and the "brain drain". *Life Science Journal, 11*, 473-477.
- Fakhrutdinova, E., Karasik, E., Safina, L., & Miropol'skaya, N. (2013). The role of social protection in formation of quality of work life. *World Applied Sciences Journal, 27*(13), 77-81.
- Fakhrutdinova, E., Safina, L., Kolesnikova, J., & Fedor, M. (2013). Quality formation of working life of the youth. *World Applied Sciences Journal, 27*(13), 87-91.
- Federal State Statistics Service. *Information on the number and composition of the population.* Retrieved from <http://www.gks.ru/wps/wcm/connect/rosstat/rosstatsite/main/population/demography/#>
- Labour and employment in Russia. Federal State Statistics Service. Retrieved from [http://www.gks.ru/wps/wcm/connect/rosstat/rosstatsite/main/publishing/catalog/statisticCollections/doc\\_1139916801766](http://www.gks.ru/wps/wcm/connect/rosstat/rosstatsite/main/publishing/catalog/statisticCollections/doc_1139916801766)
- Monitoring of the socio-economic development of Russia in the first half of 2013. Retrieved from [http://www.economy.gov.ru/minec/activity/sections/macro/monitoring/doc20130724\\_01](http://www.economy.gov.ru/minec/activity/sections/macro/monitoring/doc20130724_01)
- Russia breaks into top 5 world economies, displacing Germany. Retrieved January 1, 2013, from <http://rt.com/business/russia-gdp-5th-largest-158/>
- Russian Retail Sales Surprise in Sign of Support to Economy. Retrieved January 1, 2013, from <http://www.bloomberg.com/news/2013-04-17/russian-march-retail-sales-exceed-forecast-as-unemployment-drops.html>
- Women and men in Russia.* (2012). Federal State Statistics Service. Retrieved from [http://www.gks.ru/bgd/regl/b12\\_50/Main.htm/](http://www.gks.ru/bgd/regl/b12_50/Main.htm/)

### Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/3.0/>)