KYRGYZSTAN: EMPLOYMENT OF WOMEN WITH CHILDREN AND CHILD POVERTY

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Employment of women with children and child poverty

Women and the labour market

Economic independence constitutes the basis of equality for women and the motive force behind the exercise by women of their rights. In addition, female paid labour is important for the welfare of children because of their mothers’ contribution to the family budget. Women’s opportunities for finding employment and receiving adequate wages are also important for their children’s well-being.

By the beginning of the transition period, women’s involvement in the labour market was substantially greater. Women had permanent jobs during their entire working age period. The planned economy demanded considerable labour resources and the state encouraged women to work by supporting their families and granting a variety of benefits.

Before the beginning of the transition period, obtaining an education, creating a family, seeking a full-time job and having children were all encouraged by the state. Considerable attention was focused on ensuring employment as civic duty and the guaranteed right to work. At the time the social security system did not render its services directly to the members of the family, but attached them to the work place. This engendered a high level of economic activity of both men and women and a relatively narrow wage gap. In spite of their active involvement in the labour market women, however, were often counted as second-rate workers, unable to devote all their time to their job duties and career, since they also had to take care of the members of the family.

Women also had to spend a lot of time on housework: this “extra shift” lasted an average of 3.6 hours a day. The transition period dramatically changed the composition of the labour force and undermined the stability of women’s employment. Female labour became markedly less active.

One of the results of the transition period was the shrinking state budget and a sharp drop in the share of public expenditure allocated for financing the social sector and encouraging the setting up of families. The state’s failure to meet its commitments in this sphere resulted in the responsibility for bringing up children being transferred to the parents themselves. The number of state children’s institutions fell. Considering the predominant patriarchal model of society, the logical consequence of this process was shifting the entire responsibility for bringing up children to the women.

The transition period saw a fundamental reassessment of the relative value of time spent on production activities and activities connected with looking after children and bringing them up. A substantial share of the responsibilities for upbringing children was transferred from the state to the members of the household.

It became characteristic of Kyrgyzstan that the double burden of responsibilities borne by women engendered specific problems connected with their activity on the labour market. These included:

– a high degree of gender differentiation;
– lower wages for women compared to men doing the same jobs.

Data on the overall employment trends in the country cited in this report are based on the results of calculations of the manpower balance, carried out annually by the state statistical agencies.

These balance calculations have been carried out since 1958 and up until 2002 have constituted the main source of information on population employment. Calculation of the manpower balance is based on the data of the official statistical reports on labour, demography, education, pensions, data
of the State Register on the number of individual entrepreneurs, of the Tax Authorities on the number of business licences, and so on.

Analysis of the manpower balance for the last six years (1997-2002) shows the following dynamics in employment of the country’s population. In 1997-2002, the manpower figures (men between the ages of 16 and 59 and women from 16 to 54) increased by 282,400, i.e., an average increase of 56,500 per annum. Population growth rates over the last six years have far outstripped the growth rate of those employed, as a result of which the level of employment among the working-age population dropped from 64 per cent in 1997 to 62.3 per cent in 2002.

In 2002, the labour force totalled 1,807,100 and was 7 per cent higher than in 1997. The rise in employment over the last six years occurred mainly due to those engaged in farming, individual labour activity and working for hire for private entrepreneurs, as well as servicing private households. At the same time, the number of workers engaged in the organised sector of the economy, i.e. enterprises, organisations and institutions, fell over this period by 21.9 per cent and their distribution among economic units with different organisational and legal forms also underwent major changes.

From 1997 to 2002, the share of the population working in public enterprises, institutions and organisations among the total labour force fell from 25.8 to 20.3 per cent. The public sector shrank due to the privatisation of public enterprises and the emergence of new private ones. The numbers employed fell fastest in the public enterprises in the main production sectors. In 2002, their share constituted: in manufacturing – 4.8 per cent, in the production and distribution of electricity, gas, steam and hot water – 29.2 per cent, in construction – 7.2 per cent, in transport and in communications – 26.1 per cent of the total numbers employed in these sectors. It is mainly large companies – natural monopolies in electric power, transport, communications and telecommunications – that still belong to the state.

In 2002, public sector employees accounted for 39 per cent in education, 20 per cent in healthcare and 17 per cent in government agencies, including security and defence agencies, whereas in 1997 the corresponding figures for these types of activity were 31, 20 and 13 per cent, respectively.

Companies with foreign investment are expanding their activities in the country. Over the last five years, the number of those employed in these companies have risen by more than a third and reached 36,200 in 2002. Among all employees of joint ventures and foreign-owned companies, 54.5 per cent were engaged in the manufacturing industry, 18.1 per cent in trade, in repairing cars, household appliances and personal items, 6.6 per cent in construction and 6 per cent in transport and communications.

The share of the self-employed population continues to rise. In 2002, the number of people engaged in individual labour activity is estimated at 224,100 (14.6 per cent of the total labour force), while those working for hire for individual persons numbered 79,800 (4.4 per cent). Individual labour activity is most widespread in trade, repairs of cars and household appliances (83 per cent of the total number of people engaged in this type of activity), hotels and restaurants (58 per cent), transport (35 per cent), construction (27 per cent) and provision of municipal, personal and social services (35 per cent).

Individual enterprise has also become widespread in the agricultural sector of the economy. Over the period from 1997 to 2002, the number of people engaged in work on farms rose by almost 20 per cent to reach 695,300, and their share in the overall labour force increased from 34.4 per cent to 39 per cent. In 2002, those working on individual farms accounted for 73 per cent of the total population engaged in agriculture.
The changes that occurred in the distribution of the working population between the three main sectors of the economy during the period from 1997 to 2002 were characterized by a drop in the share of those employed in industry and construction (from 13.5 per cent to 10.3 per cent), the services (from 38.2 per cent to 37 per cent) and a rise in employment in agriculture (from 48.3 per cent to 52.7 per cent). At the same time, it should be noted that in recent years new trends have emerged towards a redistribution of the employed population: against a relative stabilization of the share employed in the agricultural sector, industry and construction, the share engaged in the services has started to grow.

**Employment in the main sectors of the economy**

(%)  

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture and forestry</th>
<th>Industry and construction</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>48.3%</td>
<td>13.5%</td>
<td>38.2%</td>
</tr>
<tr>
<td>1998</td>
<td>49.0%</td>
<td>13.1%</td>
<td>37.9%</td>
</tr>
<tr>
<td>1999</td>
<td>52.4%</td>
<td>11.6%</td>
<td>36.1%</td>
</tr>
<tr>
<td>2000</td>
<td>53.1%</td>
<td>10.5%</td>
<td>36.5%</td>
</tr>
<tr>
<td>2001</td>
<td>52.9%</td>
<td>10.4%</td>
<td>36.7%</td>
</tr>
<tr>
<td>2002</td>
<td>52.7%</td>
<td>10.3%</td>
<td>37.0%</td>
</tr>
</tbody>
</table>

During 1997-2002, there was a growth in the number of those engaged in agriculture (by 16.6 per cent), in trade, car and personal item repairs (by 14.5 per cent), in the hotel and restaurant business (by 40 per cent), in the financial services (by 12.5 per cent), the provision of municipal, personal and social services (by 10 per cent) and in education (by 7 per cent). At the same time, there was a fall in employment in the manufacturing industry, construction, transport and healthcare.

It may thus be concluded that the situation on the labour market of the Kyrgyz Republic has remained complex over the last six years and has been characterized by a drop in opportunities for finding jobs in the organized sector of the economy, i.e., in companies and organizations. The labour activities of enterprises and organizations are regulated by the Labour Code, which envisages guarantees of workers’ rights, such as a 40-hour working week and two days off, annual vacation, as well as deductions by employers and employees into the Social Fund, guaranteeing pensions to workers when they reach retirement age. There is a large proportion of those engaged in the informal sector in the country. This includes small-scale farming, individual labour activity, and work for private individuals, usually carried out on the basis of a verbal agreement on working conditions and payment. The worker employed in the informal sector is usually socially unprotected; his/her working day is longer, he/she has no annual paid leave and so on. The increase in the scale of the informal sector in the Kyrgyzstan’s economy is a result of several interconnected factors. Under the conditions of the overall drop in the economy and the substantial decrease in the number of jobs in the organized sector of the economy, small enterprise has become the source of means of survival for many people. The high cost of undertaking and running a formal business is an incentive to its de-formalisation.
Employment of women with children

The only source providing data on the employment of women with children is the First National Population Census (1999). Regrettably, the previous population census does not provide data on families with children and the nature of the parents’ occupations, so there is no opportunity for comparison of indicators.

Before the transition to the market economy, work was a universal obligation in Kyrgyzstan and, owing to the extensive development of the economy, a high level of employment took shape not only among men, but also among women. All the conditions were created for drawing women into work, since the rate of the natural reproduction of manpower could not keep up with the expanding demand for it. A system of benefits was envisaged for working women, connected with giving birth and bringing up children, such as maternity leave, parental leave to look after a child until it reached a certain age. The system of children’s pre-school institutions was well developed, thereby giving women the opportunity to hold down a job. The overwhelming majority of women, like men, were employed for most of their adult lives. Women left work only to give birth. When the child reached a certain age (3 years) or even earlier, most women returned to work. Shorter working hours or weeks were not a widespread practice. Women worked full time.

The main incentive for women to work was and remains the low level of family incomes. Women’s contribution to the family budget is, in most cases, a necessary condition for maintaining the family income. On the other hand, job gives women a certain social status, economic independence and opportunity to self-fulfilment.

The economic recession and drop in the volume of production during the transition period gave rise to greater redundancy. Negative processes on the labour market affected the entire population, but women were hit the hardest. According to the First National Population Census data, compared to the results of the previous census (1989), the employment level among men of working age dropped from 83.8 per cent to 70.6 per cent, while the respective figures for women were 74.8 and 58.8 per cent. In 1999, 42.8 per cent of women in towns held jobs, compared with 69.2 per cent in rural areas. The economic recession led to a substantial drop in the demand for manpower in the towns. The crisis affected most the industries where female labour predominated. As statistical reporting data show, for the period from 1989 to 1999, the number of jobs held by men in the organised sector of the economy (in enterprises, institutions and organisations) reduced by 4.5 per cent, while those held by women – by 54.6 per cent. In rural areas, the situation was eased somewhat by the transfer of the land to private ownership, accompanied by the spread of individual farming in the countryside. The share of women engaged on the newly formed individual farms in the countryside was quite high.

In 1999, the level of employment of women of working age was 11.8 per cent lower than among men. The narrowest gap was observed in the 30 to 49 age bracket, and accounted for 5.6 per cent. Women of this age usually have older children and are actively involved in labour activity. The drop in the labour activity of women begins at the age of 50 and older, as a result of the earlier pensionable age for women (55 for women against 60 for men) and the large proportion of mothers of large families, who, under the existing system of benefits, retire at the age of 50.

The 1999 Census data showed that a present-day model of the distribution of duties between husband and wife in the family is current in Kyrgyzstan, i.e., most often both spouses work. Among the total number of married couples with children under the age of 14, in 61 per cent of cases, both husband and wife held jobs; in 24 per cent – only the husband worked; in 5 per cent – only the wife and in 10 per cent – neither of them. The picture with respect to employment of married couples differs somewhat between town and countryside. In the towns, in only 33 per cent of cases both husband and wife had a job or an income-generating occupation, while the respective figure for
rural areas was 75 per cent. Meanwhile, in urban areas there are more families in which only the wife works (9 per cent as against 3 per cent) and where neither husband nor wife has a job (19 per cent compared to 6 per cent). This situation can be explained by the nature of the employment of people living in the towns and those living in the countryside. Agricultural enterprises are usually family-run entities in which virtually all the able-bodied members of the family are occupied. In addition, virtually every rural family has an allotment next to its house, where mostly the women work. The income from the subsidiary plot often makes a substantial contribution to the family budget, both in kind and in monetary terms, if the produce is sold.

In the countryside, no big differences are observed in the level of employment of women with children, depending on the age of the youngest child. For instance, in families with children under the age of two 77 per cent of the women worked, while in those with children under 14 – 78 per cent. In the towns, the difference between these indicators is more significant – 26 and 41 per cent respectively.

In rural areas, where most families have many children and multiple family links, even women with small children are able to work in the family enterprise or on the personal allotment.

In urban communities, the existence of children of preschool age often hampers female employment, since there are sometimes difficulties involved in enrolling children in preschool institutions; in some cases, the cost of the children’s day-care institution or travel fare is too high compared to the mother’s wage, so it is more expedient for her to bring up the children herself, and in others, the living standard in the towns is higher, so some families can afford for the mother to bring up the children and not go out to work.

For this reason, in urban locations, whether women with children under 14 go out to work is inversely proportional to the number of children in the family, that is, the more the children, the smaller the percentage of the working women. Thus, in a one-child family, 44 per cent of women work; when there are five or more children – 34 per cent. In rural areas, the opposite is the case: the more children under 14 there are in the family, the higher the percentage of women who work. If there is one child, for instance, 71 per cent of women work, but if there are five or more children – 86 per cent do.

Wages and salaries

From 1995 onwards, the growth rate of wages outstripped the rise in consumer prices, which provided for a real increase in wages and this continued until 1999. In 1997, for example, the rise in the real wages of workers in enterprises, organisations and institutions (over the previous year) was 112.3 per cent; in 1998 – 111.9 per cent. In 1999, as a consequence of the significant rise in consumer prices, resulting from the financial and economic crisis in Russia, real wages fell to 91.9 per cent and in 2000 this drop continued, yielding a figure of 98.5 per cent. The following two years saw a renewed rise in real wages: 110.9 per cent in 2001 and 113.5 per cent in 2002.
In 2002, the average nominal monthly wage of those employed in enterprises, organisations and institutions, compared with 1997, increased by 150% and reached 1,684.4 som. The size of real wages rose by 27.4 per cent over this period.

In spite of the annual increase in nominal wages, from 1997 to 2001 they did not reach the level of the minimum consumer budget of the able-bodied population. In 1997, for instance, the ratio of the nominal wage to the minimum consumer budget of the able-bodied population stood at 82.5% and the corresponding figure for 2001 was 93.3 per cent. In 2002, for the first time in a number of years, nominal wages stood at 102.3 per cent of the minimum consumer budget of the able-bodied population.

Wages are not the main source of the monetary incomes of the population and their share in total incomes continues to fall. Over the period from 1997 to 2002, the share of wages in the incomes of
the population fell from 35.5 to 22 per cent, while that of other sources of income (including incomes from entrepreneurial activities, from the sale of real property, money transfers from other countries, and so on), on the contrary, rose.

The differentiation of wages by sector of the economy persisted in 2002. They were the highest in the financial sector (5,146.3 som), production and the distribution of electricity, gas and water (3,391.9 som), the manufacturing industry (2,833.5 som), hotel and restaurant businesses (2,580.6 som). The lowest wages were in the healthcare and social services spheres (799.5 som) and agriculture (775.9 som). The difference between the sectors with the highest and those with the lowest average monthly wages was 6.6 fold in 2002, compared to 6.1 fold in 1997.

In September 2002, the distribution of workers employed at enterprises, institutions and organisations who have worked a full month was surveyed by wage level. A similar survey was carried out in November 1998. According to the results of this survey, in September 2002, wages not exceeding 6 times the minimum wage (the minimum wage in 1998 and in 2002 was 100 som) were paid to 31 per cent of workers (in 1998 – 57.7 per cent), from 6 to 10 times the minimum wage – to 26.5 per cent (24.1), from ten to fifteen times the minimum wage – 14.5 (9.0), from fifteen to twenty minimum wages - 8.5 (4.3) and more than twenty times the minimum wage – to 19.5 (4.9) per cent of workers.

The share of workers receiving wages less than ten times the minimum wage dropped from 81.8 to 57.5 per cent, while that of those receiving more than ten times the minimum wage rose from 18.2 to 42.5 per cent.

Distribution of enterprise, institution and organisation employees who have worked a full month by wage level (%)

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
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<tbody>
<tr>
<td>Number of employees</td>
<td>100</td>
<td>100</td>
<td>100</td>
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<td>100</td>
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<tr>
<td>who have worked a</td>
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<tr>
<td>full month</td>
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<tr>
<td>Including employees</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>receiving wages</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>equal to:</td>
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<tr>
<td>Under 6 minimum</td>
<td>57.7</td>
<td>52.2</td>
<td>40.6</td>
<td>37.8</td>
<td>31.0</td>
</tr>
<tr>
<td>wages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From 6 to 10 minimum</td>
<td>24.1</td>
<td>24.6</td>
<td>26.8</td>
<td>25.7</td>
<td>26.5</td>
</tr>
<tr>
<td>wages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From 10 to 15 minimum</td>
<td>9.0</td>
<td>9.6</td>
<td>12.4</td>
<td>13.3</td>
<td>14.5</td>
</tr>
<tr>
<td>wages</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>From 15 to 20 minimum</td>
<td>4.3</td>
<td>5.0</td>
<td>6.9</td>
<td>7.3</td>
<td>8.5</td>
</tr>
<tr>
<td>minimum wages</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over 20 minimum</td>
<td>4.9</td>
<td>8.6</td>
<td>13.3</td>
<td>15.9</td>
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</tbody>
</table>

The average wage (in the US dollar equivalent) dropped from 39.2 dollars in 1997 to 35.9 dollars in 2002 due to the rise of the US dollar exchange rate in relation to the som, which grew 170 per cent over these years and outstripped the growth of the nominal wages (150 per cent).

There are gender differences in wages, influenced, above all, by the sector distribution of female and male employment, resulting from their different physical potential and established traditions. The system of remuneration that existed under the planned economy exerted a major influence on the gender distribution by sector. The comparatively low level of wages in the budget-financed organisations did not attract men into those industries, as a result of which female labour predominated here. Thus, it may be said that these were loud-standing differences between the wages of men and women.
Over the last 5 years, the wage gap between women and men has widened: in 1997, the average female wage stood at 71.5 per cent of that of men, while the corresponding figure for 2002 was 64.9 per cent. In 2002, women’s wages exceeded men’s in the hotel and restaurant business, in fishing and fishery, and amounted to 1,427.5 som (against 964.6 som for men) and 627.1 som (against 420.5 som for men) respectively. As regards all other sectors, the minimum gap between wage levels of men and women was in transport and communications (women earned 90.1 per cent of the men’s wage), the utility municipal, social and personal services (88.5 per cent), in the production and distribution of electricity, gas and water (88.3 per cent).

**Dynamics of the ratio of women’s to men’s wages**

![Graph showing the ratio of women's to men's wages from 1997 to 2002.]

Even so, the modernisation of market, especially the development of its science-intensive and service sectors, and of the tertiary sector always opens up new opportunities. Moreover, the rise in the incidence of self-employment and in the growing number of small and medium-sized enterprises, which is of strategic importance for improving productivity and reducing unemployment, offers a multitude of new opportunities for women.

**The structure of the family and average family size**

During the period of transition of the Kyrgyz Republic to a democratic system, accompanied by changes in political, social and cultural life, the family remains an important social unit. Under the Constitution, all citizens enjoy equal rights in family relations. No direct or indirect limitation of rights is permitted, or the establishment of direct or indirect advantages upon marriage or in family relations, depending on origins, social or property status, race or nationality, sex, education, language, attitude to religion, type and character of occupation, place of residence and other circumstances. Questions of the upbringing of children and other aspects of family life are resolved jointly by the married couple, by mutual agreement.

According to the last population census (1999), there were 976,500 families in Kyrgyzstan, their average size being 4.7 persons. According to the previous census (1989), there were 856,100 families, also with an average size of 4.7 members. Over the ten-year interim, a certain increase was observed in the average size of families only in urban settlements (from 3.9 to 4.0 members), which was connected with the migration of rural dwellers to the towns, while in the villages the average size remains the same (5.2 persons).

Over the last forty years, for the country as a whole, the average size of the family has changed insignificantly: from 4.2 members in 1959 to 4.7 in 1999. The trends in urban and rural areas are
different, however. In urban areas, since 1979 there has been a gradual increase in family size, while in the countryside, the opposite is the case, which is connected with a drop in the proportion of very large families of seven or more members (from 30 per cent in 1979 to 24 per cent in 1999).

The 1999 Census showed that 94 per cent of the population of Kyrgyzstan lived in families. The most widespread type of family, in both town and country, is one consisting of a married couple with children (47 per cent of all families). The basis of the majority of families is the married couple.

Out of the total number of families, 793,000, or 81 per cent included children under the age of 18. Families with one child accounted for 26 per cent of the total number of families with children in this age group, with two children – 29 per cent, with three children – 22 per cent, with four children – 14 per cent and with five or more children – 9 per cent.

One particular category consists of one-parent families, i.e., the family consists of a mother and children or a mother and children plus other relatives. According to the 1999 Population Census, incomplete families, i.e., those consisting of only a mother (father) with children under the age of 18, numbered 11,500, or 13 per cent of the total number of families with children of this age group. Of these, 7.9 per cent are families consisting of a single mother with children, 3.6 per cent include grandparents or other relatives. In urban areas, the share of such families is greater and accounts for 17.8 per cent, against 8.2 per cent in rural areas. The share of single fathers is less significant and accounts for 1.2 per cent of families with children under 18, with 0.4 per cent living with other relatives.

### Number of women aged 15 and over by marital status
*(according to the 1999 Population Census, %)*

<table>
<thead>
<tr>
<th>Women</th>
<th>Total</th>
<th>including</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Urban population</td>
</tr>
<tr>
<td><strong>Kyrgyz Republic</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population aged 15 and over</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Never married</td>
<td>21.1</td>
<td>24.7</td>
</tr>
<tr>
<td>married:</td>
<td></td>
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</tr>
<tr>
<td>registered marriage</td>
<td>54.4</td>
<td>47.0</td>
</tr>
<tr>
<td>common-law marriage</td>
<td>4.6</td>
<td>4.9</td>
</tr>
<tr>
<td>widowed</td>
<td>11.9</td>
<td>12.2</td>
</tr>
<tr>
<td>divorced</td>
<td>6.2</td>
<td>8.9</td>
</tr>
<tr>
<td>separated</td>
<td>1.7</td>
<td>2.4</td>
</tr>
</tbody>
</table>

In total, 1,770,000 children lived in families (complete and incomplete), including 116,000 children in incomplete families (6 per cent of all children and adolescents under the age of 18), 14.1 per cent of these in urban areas and 6.2 per cent in rural areas. Single people accounted for 2 per cent and 4 per cent respectively. These are members of families living separately but connected with the family by a common budget (mostly students).

Out of the total number of incomplete families with children under the age of 18, 69 per cent lived in separate households and 31 per cent together with parents or other relatives. As compared to the data of the 1989 Census, an increase is observed in the number of incomplete families (from 9 to 13 per cent: from 13 to 19 per cent in the towns and from 7 to 9 per cent in the countryside). Divorces, births out of wedlock and long absences of one of the parents due to migration constitute
the main reasons for the growing number of incomplete families, consisting of a mother or father with children. In rural areas, families are more stable. According to the 1999 Census, the share of divorced and separated women aged 15 and over was 11.3 per cent in the towns and 5.7 per cent in the countryside. Children born out of wedlock are also much rarer among women who live in rural areas.

**Reduction in family support and child upbringing**

There are currently 60,200 people officially unemployed, of whom 54.1 per cent (32,600) are women. There has been a sharp drop in real wages and a substantial widening of the wage gap. This exerts pressure on families, as they strive to maintain two income sources (and thus a high level of female employment) given the drop in the number of jobs available and the chance of finding work. Moreover, wages are often not paid out or delayed for extended periods. In the sectors of the economy particularly affected by these problems, women constitute the majority of those employed.

Those who had small incomes before the transition period now have even smaller ones, families with children have lost even more, and the position of large families has deteriorated most.

The cut in state support for bringing up and looking after children has resulted in the full volume of these responsibilities being shouldered by women. Considering the continuing high level of economic activity, these dynamics have led to an increase in the “double burden” being imposed on women and a reduction in their leisure time.

Mothers of preschool children found themselves in a difficult situation under the conditions of the economic crisis: in the Soviet era, the gender role of “working mother” got targeted state support, whereas now motherhood is the private affair of the family. The legislation guaranteeing women paid maternity leave and parental sick leave is often not observed, especially in the private sector of the labour market. The increased payment charged by children’s preschool institutions forces mothers to refuse their services and stay home with the children, and this means a worsening of the family’s economic position.

The cut in the size of child allowances led to a drop in women’s contribution to the aggregate family budget and this undermined their position in the family in terms of decision-making; the reduction in the number of children’s institutions and the fall in other types of services designed to offer support to the family, against the background of constantly growing indicators of economic activity of women, accounted for women being “short of leisure time”. In this connection, a serious concern arises about the possibility of greater stress suffered by women and about the state of their health.

Preschool institutions and extended-day schools were a way to help working women. However, in recent years, due to the deteriorated economic situation, the decreased funds of enterprises, the sharp rise in prices and rates, the network of preschool institutions has shrunk from 998 (in 1993) to 416 (in 2003). The number of children attending them has dropped by half (from 92,2000 to 46,000). Moreover, the downsizing of the network of preschool institutions has been particularly significant in rural regions. The decrease continued until 1996 and only over the last few years has a slow process of recovery begun.
Number of regular preschool institutions

<table>
<thead>
<tr>
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<tr>
<td>Rural areas</td>
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<td>164</td>
<td>171</td>
<td>177</td>
<td>174</td>
<td>179</td>
</tr>
<tr>
<td>Including privately owned institutions</td>
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<td>6</td>
<td>6</td>
<td>6</td>
<td>5</td>
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</table>

Social allowances, work records and the pension system

State support for women and men in Kyrgyzstan is rendered on common grounds – low income and disability. The legislative base for social support is provided by the 1998 Law on State Allowances in the Kyrgyz Republic. The disabled, including children, who are not entitled to a pension and those who have been disabled since childhood are entitled to state allowances, as are poor families, if their income is below the guaranteed minimum consumption level for each member of the family. Social support is provided in the form of state allowances (poverty allowances and social allowances), benefits to individual categories of the population and social services (institutional, in residential homes, and at home, for single and elderly people). Work is being carried out in the country to build up a reliable database of poor families and subsequently develop individual programmes for bringing them out of poverty.

In Kyrgyzstan, where 13.8 per cent of the population are extremely poor and 44.4 per cent are poor, one person in five receives state allowances and one in three families enjoys some sort of benefits. For example, 171,400 families receive poverty allowances, and of these, 2 per cent are families consisting of single mothers or fathers having one to three children. In the country as a whole, there are about 47,200 recipients of social subsidies, including 180 “hero mothers”, 3,200 people of pensionable age but without work record and 19,100 disabled people not enjoying the right to a pension. The social benefits system in the country at the moment remains highly extensive. There are more than 30 different types of benefit available for 6 categories of the population, but since 2000 there have been an active process of streamlining the system and a switch to targeted support. Compensation for heating, hot water, gas and electricity are being introduced for poor families, as well as the right to subsidised medical care.

The guaranteed minimum level of consumption (GMLC) is a social standard set by the Government of the Kyrgyz Republic proceeding from the national budget and the state of the economy with the account taken of the minimum consumer budget. It allows to ensure poor families and individuals the necessary survival level of consumption through subsidies.

As society develops, the guaranteed minimum level of consumption should draw closer to the subsistence minimum set by the legislation of the Kyrgyz Republic and then exceed it. The amount of subsidies for citizens to reach the guaranteed minimum level of consumption is determined as the difference between the established social standard and the aggregate average per capita income. The guaranteed minimum level of consumption is applied as the minimum social standard in providing social assistance to poor families and individuals through the system of means-tested state allowances.

In accordance with the Law of the Kyrgyz Republic on State Allowances, the following types of social allowance are allocated to children:

– to disabled children suffering from cerebral palsy – 300 per cent of the guaranteed minimum level of consumption (GMLC);
– to HIV-infected children or children suffering from AIDS – 225 per cent of the GMLC;
– to disabled children – 225 per cent of the GMLC;
– to children in case of loss of the breadwinner – 150 per cent of the GMLC;
– to orphaned children (who lost both parents) – 225 per cent of the GMLC.

In addition, considering the established family income (on the condition that the average per capita aggregate income of the family does not exceed the GMLC), the following allowances are allocated to children:

– a post-natal allowance – 300 per cent of the GMLC;
– to children under the age of 1.5 years – 100 per cent of the GMLC;
– to twins – 100 per cent of the GMLC;
– to triplets or more children – 150 per cent of the GMLC;
– a universal monthly children’s allowance – the sum constituting the absolute difference between the GMLC and the average per capita aggregate income of the family.

Regrettably, these allowances are extremely small. For instance, the GMLC amounted to 100 som until 2000, which equalled approximately to 2 US dollars, and from 2002 the level of the GMLC was raised to 140 som. For comparison, the actual size of the consumer basket in Kyrgyzstan in 2002 was about 1,400 som.

The sharp rise in the number of poor families, on the one hand, and very limited financial possibilities of the state, on the other, have called for a transition to targeted social assistance, to providing state support for the most needy families with children. The mechanism for this targeted social assistance presupposes the existence of two conditions for the provision of social assistance:

– neediness, that is, the family incomes must be below the guaranteed minimum level of consumption;
– disability, that is, self-support is hampered by illness or age.

Thus, today more than 10 per cent of the population are recipients of poverty allowances, and of these, 96 per cent are children. The state demonstrates particular concern for disabled children. They receive a monthly allowance, irrespective of the family’s neediness status, the average sum being three times more than the poverty allowance.

The priority in the state’s social policy is not material aid, but assistance in the development of the family and children and creation of opportunities for social activity providing self-support. The first serious step in this direction was made in 1999, when the registration of the population was carried out for social purposes, which makes it possible to rank families according to the criteria of their social prospects. In this case, targeted state support will not be focused merely on the ensuring of the biological survival of the family with the help of allowances, but also on its socio-economic development through the provision of start-up capital (micro-financing, micro-crediting, land allotments, equipment, provision of basic knowledge and retraining of the unemployed in the professions most in demand on the labour market, and so on).
The legislative acts envisaging state support to the disabled are the Law of the Kyrgyz Republic on Social Protection of the Disabled and the Resolution of the Government of the Kyrgyz Republic on Improving the System of Social Protection of Poor Families and Individuals. In accordance with the said documents, the disabled, irrespective of their sex, but depending on the disability type and group, and families with disabled children under the age of 16, are granted discounts on the payment for utility services, medicines and fossil fuels, and the free provision of wheelchairs is envisaged for persons with disturbances of the locomotor system.

The social security system proceeds from an individual as a unit for calculating allowances with the size of the allowance being determined depending on aggregate earnings.

The Labour Code prohibits discrimination for reasons of sex when hiring for a job. Restrictions have been introduced on overtime, night work for women in general or women with children. They are banned from carrying out hazardous jobs, entailing a risk to their life and health, or business trips. It is prohibited to deny conclusion of labour agreements to women or cut their wages for reasons connected with pregnancy or the existence of children under the age of 3 and for single mothers, if they have children under the age of 14 (or a disabled child under the age of 16).

At the request of a pregnant woman or a woman with a child under the age of 8 (14 in case of a disabled child), the employer, in compliance with the Labour Code, shall allow them work shorter hours or working week.

The Labour Code also envisages the right to receive, in addition to annual leave, social leave: parental leave and maternity leave.

The right to use annual leave at any time convenient for the worker is granted to those with two or more children under the age of 14 or with a disabled child under the age of 16.

The right to take an advance annual leave at a specific time is granted to pregnant women and single mothers with a child under the age of 14, at any time of the year convenient for them.

Social leave is granted to workers for the purpose of creating favourable conditions for motherhood, for looking after children, obtaining an education while working, satisfying family and domestic requirements and other social purposes. The right to social leave does not depend on work record, the place or type of work, or ownership status of the employer. During social leave, the previous job is kept open and, in cases envisaged by the Labour Code or the collective agreement, the wage is maintained, too. Social leave is granted over and above annual leave for the calendar year in which the worker is entitled to it. In the event that social leave is not taken during the current calendar year, it is not carried over into the next working year and is not compensated for in monetary form, including on dismissal or resignation.

After maternity leave employer shall grant working women, at their wish, are entitled to receive paternal leave to look after their child until it reaches the age of 3 years. Leave can be used at one stretch or in a piecemeal way for periods of any duration. The working father of the child or any other relative or other person actually looking after the child, by decision of the family, in the absence of maternal care, may be granted social leave instead of the mother. The terms and the size of allowances to be paid during parental leave granted to look after a child until it reaches the age of 18 months are determined by the legislation of the Kyrgyz Republic.

A woman, while she is on parental leave until the child reaches the age of 18 months, may, at wish, work part-time in her usual or another job (not more than half the standard monthly number of hours) or at home and still receive the monthly allowances. Maternity leave until the child reaches the age of 3 years is included in the general, uninterrupted work record and the record of working in
Maternity leave is granted to women 70 calendar days before the birth and 56 (and in the case of birth complications or the birth of two or more children – 70) calendar days after the birth, with the state social insurance allowance being paid out for this period.

For women working in highland areas, the ante- and post-natal leave, irrespective of the length of their work record, is extended to 140 calendar days (70 calendar days before the birth and 70 calendar days afterwards), with state social insurance allowances being paid in the amount equal to the full wage.

No matter how long a woman has been working, she is entitled to parental leave until the child reaches the age of 3. In addition, a mother bringing up a disabled child under the age of 16 may, if she applies, be granted one day a month off work, with payment equal to the average daily wage, out of social insurance funds. Mothers with two or more children under the age of 16, at their request, be granted one day a month off work, paid in the amount and on the terms agreed in the collective bargaining agreement.

In addition to the usual breaks for rest and food, women with children under the age of 18 months are granted additional breaks for feeding the child. These breaks are granted at least every three hours, each for a period of no less than thirty minutes. If there are two or more children under the age of 18 months, these breaks shall last no less than one hour.

The granting of paid maternity leave was, before the transition period, the main form in which society recognised the double burden borne by women due to fulfilling their reproductive functions and also participating in production activities. The social security system also envisaged compensation for women’s reproductive activities and looking after children by setting high family allowances, paid mainly to women. In combination with the wide accessibility of children’s and childcare institutions, the payment of these allowances was intended to stimulate the birth rate and ensure a balance between women’s production activities and the fulfilment of their maternal obligations.

Maternity leave currently guarantees women that they will retain their previous wage and job during the period when their main function involves caring for children. It also enables women to stop working for a while, without leaving the labour market and encourages them to return to work after the birth of the child. Even so, the given type of social payments has the following shortcomings:

- the striving by employers to exclude women of childbearing age from potential job candidates, owing to the costs involved in implementation of their rights to paid maternity leave;
- if women are off work for a long time for giving birth and looking after children, they may become less economically active and actually or potentially lose their professional skills. This, in turn, may result in a lower wage;
- during periods of high unemployment, maternity leave may become a form of concealed unemployment, as it defers the return to the labour market.

In Kyrgyzstan, the pensionable age for women has been raised from 55 to 58 years and for men from 60 to 63 since January 1999. The increase is being introduced gradually, step by step, over the period up to 2007. At the same time, women in Kyrgyzstan enjoy certain privileges: they can still retire 5 years earlier than men and they need a shorter work record in order to do so. Women living in highland areas may retire 10 years earlier than the set age if they have a work record of 12 years in the highland regions, have three or more children and brought them up to the age of 8 years.
Normally, a mother of five or more children who brought them up to the age of 8 years requires a 15-year work record and may retire 5 years earlier. There are also benefits for mothers of disabled children, in particular, a 5-year reduction in their pensionable age.

In 2001, a State Programme for the exercise of children’s rights in the Kyrgyz Republic, entitled “New Generation”, was adopted in the country for the period up to 2010. The “New Generation” Programme is a complex of measures with a ramified network for covering target groups of children. The programme is managed both at the local and the national administration level. Overall control over implementation of the State Programme “New Generation” is exercised by the Office of the Prime Minister of the Kyrgyz Republic. The working body is the Commission for the Affairs of Minors under the Government of the Kyrgyz Republic and, at the local level, Commissions for the Affairs of Minors of local administrations. A Secretariat has been set up to monitor fulfilment of the programme at the local level and provide technical, organisational and informational support. The Secretariat provides information on fulfilment of the programme to the Government of the Kyrgyz Republic. One of the main purposes of the programme is rendering support to the family, as the natural environment for the development of children. The main goal is to guarantee, by taking economic, social, legal and administrative measures, children’s rights to live in a family, support for the family in bringing up and providing for the children, and improvement of the family way of life. This presupposes development of the family’s potential for self-support, combining work and family responsibilities with the personal interests of each individual, stimulating growth of families’ real incomes and developing the system of basic social guarantees for families with children. Fulfilment of the objectives set will require the stage-by-stage implementation of the following measures:

– improving the system of the remuneration and taxation of individuals, taking into account the burden of their dependents; supporting the efforts of families to obtain supplementary incomes (from additional work, personal subsidiary plots, and so on); extending economic, legal and informational support for the establishment of small family businesses, and granting various types of loans to families with children;

– maintaining and expanding the system of preschool institutions; developing the network of institutions for providing various social services to families with underage children;

– developing a complex of measures to eliminate the reasons for children being placed in public care (preventive work with parents leading an asocial way of life, prevention of abandonment of children, above all among underage mothers and so on); working out alternative institutional forms of upbringing (foster families, family children’s homes, family upbringing groups and the like), provision of socio-economic, legal and psychological-pedagogical support for families taking on children for upbringing;

– providing organizational support for families with children by monitoring the socio-economic potential of the family (the family’s social passport), the position of children in families of different types, above all higher social risk families; working out a methodology and mechanisms to conduct expert checks of decisions taken by the legislative and executive authorities in terms of an impact they produce on family life.

One of the mechanisms for equalising the economic opportunities of women and their real chances of increasing their labour activities is the granting of loans. Within the framework of state programmes for developing enterprise and business initiative, for the purpose of improving the economic status of women in Kyrgyzstan, the following programme documents are being implemented: the Programme of Measures for the Occupational Retraining of Redundant Civil Servants and Their Integration into the Processes of the Economic Development of the Kyrgyz
Republic, approved by the Government Resolution; the State Programme for the Development of Enterprise in the Kyrgyz Republic for 2001-2003, approved by the Government Resolution.

The priority in the programmes is given to the support of entrepreneurs in highland areas of the country, for example, through cuts in interest rates on loans they receive. In 2001, with support from the State Commission for Development of Enterprise under the Government of the Kyrgyz Republic, 156 women entrepreneurs managed to obtain financing for private projects under various lines of credit, and accounted for 41 per cent of all the credit resources disbursed. Such organisations as the Kyrgyz Agricultural Finance Corporation, the Central Asian American Fund for supporting business, the Crossroads Asian credit company, the KfW German development bank, FINKA-Kyrgyzstan micro-crediting project, and the Swiss association Helvetas also provide loans in the country. The greater part of loans attracted in Kyrgyzstan, however, are often focused on a targeted group, such as highland areas or regions affected by natural disasters, so investment resources for the development of women’s enterprise are not yet sufficient.

**Child poverty**

The materials of a household sample survey provide unique information on the population’s living standard in the country, of individual population groups living in urban and rural areas, in highlands and remote regions. The information received makes it possible to monitor the process of economic reforms and, in particular, their impact on poverty and unemployment, and can also be used for elaborating social programmes designed for ensuring the effective social security of the population and for studying gender differences in the country.

From 1996 to 2002, levels of poverty were determined using the poverty line calculated by experts from the World Bank, which is adjusted annually taking account of the rate of inflation.

The National Statistical Committee of the Kyrgyz Republic uses two indicators of the poverty line to measure the level of poverty. The first poverty line (foodstuffs) measures extreme poverty and is set at the consumption level below which, on the condition that all resources are devoted to acquiring foodstuffs, it is not possible to ensure the provision of minimum calorie requirements. The extreme poverty line is based on calculations of the cost of the food basket providing for daily consumption, in calories, and reflects real trends in the population’s diet.

In determining the cost of the food basket, use is made of the food share method, according to which, the cost first of the actual food basket of a group of families, that are assumed to be poor (roughly one third of the population), is calculated, and then the structure of consumption is determined at which the set level of consumption of food energy is achieved (2,100 Kcal.).

Yet people also have other requirements besides food. With respect to non-food items, however, no objective consumption standards exist. In order to avoid the problems of the emergence of arbitrary judgements concerning clothing, housing or transport, expenditure on foodstuffs is calculated on the basis of the above-mentioned families. This process is carried out primarily by calculating the share of expenditure on non-food items in the overall outlays of the families in which consumption of foodstuffs is closer to the extreme poverty line. In view of the fact that for these base families, consumption of foodstuffs is minimal, it is assumed that all outlays on non-foodstuffs are on the most important items and they are given preference only after an increase in food consumption becomes possible. After estimating the share of non-food consumption, the value of the foodstuff poverty line is raised in such a way that the share of non-food consumption is equal to the consumption level in the base families.

The poverty line was determined according to the results of a sample “poverty monitoring” survey for 1996, where the level of expenditure on foodstuffs was 60.2 per cent of the total per capita
consumption. The poverty line calculated in 1996 is adjusted annually to take account of the rise in the consumer price index.

In 2002, the extreme poverty line was set at 4,604 som per capita per annum (in 1996 it was 2,199 som a year).

The second, or general poverty line is the minimum consumption level, taking into account both foodstuffs and non-foodstuff requirements. The value of the second, or general poverty line, after adding the share of non-foodstuff consumption to expenditure on foodstuffs, was 7,648 som per capita per annum in 2002 (in 1996 – 3,652 som).

<table>
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<th>Year</th>
<th>Extreme poverty line</th>
<th>General poverty line</th>
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<td>1996</td>
<td>2,199</td>
<td>3,652</td>
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<tr>
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</tr>
<tr>
<td>2002</td>
<td>4,604</td>
<td>7,648</td>
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For the purposes of ensuring comparability of the welfare indicators of populations living in different parts of the country, the expenditures of households are adjusted for the regional price indexes since in different areas of the country there may be different prices. When price data are compared, the regional price indexes are based on the cost of one and same basket of goods in different regions.

The expenditure or consumption by households is recalculated to take account of these regional indexes and are compared with the country average data received, according to the following formula:

\[
P_k = \frac{\sum_{j=1}^{J} p_j^k \cdot q_j^{Nat}}{\sum_{j=1}^{J} p_j^{Nat} \cdot q_j^{Nat}}
\]

where \( p \) – is the price of good "\( j \)" in region "\( k \)".

Adjustment of the nominal value of per capita expenditures or incomes using the regional price indexes makes it possible to estimate the level of poverty using one national poverty line, rather than to calculate different poverty lines for individual regions of Kyrgyzstan.

According to the results of a sample survey of 3,000 households, it was determined that, out of the total number of children, 11-13 per cent lived with one parent. In 1996, 47.6 per cent of children aged 0-14 in the country lived below the poverty line, while 21 per cent of children lived in extreme poverty. During the period from 1996 to 2002, the number of poor children grew by almost 5 per cent, while the numbers living in extreme poverty fell by 3.7 per cent. Considering the situation with the change in the poverty level among children from 2000 to 2002, it may be noted that, during this period, the number of poor children fell by 6.6 per cent while the number of children living in extreme poverty – by 2.3 per cent, as can be seen from the graph.
The effective methods for implementing the measures envisaged in the documents of the Comprehensive Development Framework and the National Poverty Reduction Strategy in the Kyrgyz Republic have evidently made it possible to reduce the level of poverty of the population, including children. This situation is characteristic both of children living with a single parent and for those in complete families, with both parents. The drop in the number of poor children in 2001 was greater than that in 2002. The main factors responsible for the faster fall in poverty in 2001 were a low level of inflation and a 20 per cent rise in the wages of those employed in budget organisation, in pensions, and allowances paid to the most needy strata of the population, as can be seen from the graph below.

**Real growth rates of per capita expenditures by decile (10 per cent) groups of the population**

(\% of the previous year, adjusted for the consumer price index)

The number of poor children in 2000, compared to 1996, was 11 per cent higher, irrespective of which families these children lived in (with a single or both parents). In recent years (2000-2002), however, the level of poverty among children with a single parent has fallen faster (-7.5 per cent) than that among children living with both parents (-6.6 per cent). Moreover, the level of poverty among children in complete families is now higher than that among children living with a single parent.
Temporal poverty level dynamics, depending on the marital status of the parents
(% of the total number of children living with a single or with both parents)

The level of poverty among children with a single unemployed parent is higher than that among children with a working parent. The results of the sample survey of households show, however, that the level of poverty among children living with an unemployed parent has fallen more rapidly every year than that among children with a working parent. Finally, in 2002, it turned out that the level of poverty among children living with a single unemployed parent was almost 5 per cent lower than that among children living with a single working parent.

Temporal poverty level dynamics, depending on the employment status of the single parent
(% of the total number of children with a working or an unemployed parent)

The situation with respect to the change in the level of poverty among children living with both parents, depending on their employment, is similar to the poverty indicators for children with a single parent. To all appearances, a more detailed study needs to be carried out to find out why the level of poverty among children living with unemployed parents has fallen more rapidly and proved to be lower than that among children living with working parents, whether they were single or married.
Temporal poverty level dynamics, depending on the employment status of both parents

(% of the total number of children with working or unemployed parents)

Considering the difference in the levels of poverty, depending on the employment status of both parents, it may be noted that, when only the mother of the children is working or both parents are unemployed, the level of poverty among these children is higher than that among children living with working parents. Yet it is in that family category that the number of poor children is falling faster (from 68.7 per cent in 2000 to 45.5 per cent in 2002) than among children with working parents (from 54.3 per cent to 52.3 per cent). Considering the distribution of families by employment status of the parents, it may be noted that just over 40 per cent of the children live in families with both parents working, just under 40 per cent in families with a working father and an unemployed mother, 6.7 per cent with a working mother and an unemployed father and, finally, about 14 per cent of children live with both parents neither of whom is employed.

Poverty level dynamics among children living with both parents, depending on the employment status of the parents

(% of the total number of children in the corresponding group of families)

The results obtained show that more detailed research is definitely needed, since it is usually presumed that the level of poverty in families without work cannot outstrip the high indicators of the fall in the level of poverty in families where the parents are working and have the necessary sources of income in the form of wages or incomes from individual labour activity. For example, in families in which the parents do not work, children who are above the age of 14 and are still living
at home might work, since it is not the norm in Kyrgyzstan for children to leave home and live separately when they reach their majority. It is quite possible that non-working parents may already be of pensionable age and the children under 14 are their grandchildren, since in rural areas of Kyrgyzstan there are big extended families, where the parents live together with married sons and daughters-in-law and have grandchildren under the age of 14. These national traditions can sometimes affect the results of estimates of the level of poverty and engender somewhat distorted results with respect to the groups proposed for consideration in this report.

**Conclusion**

In Kyrgyzstan, social protection is currently provided in the form of state allowances (universal, monthly and social), benefits extended to individual categories of the population and social services rendered to needy families and individuals. The work carried out within the social protection system has made it possible to achieve positive results. The gradual transfer of social protection to the principle of targeted assistance permits a continuous increase in the size of state allowances. The process of filling in social passports, which already covers about 500,000 poor families, is continuing throughout the country.

In connection with the rise in the charges for energy, poor families (except for those living in the country’s capital) are entitled to the compensation of charges for heating, hot water and natural gas. In the city of Bishkek, poor families receive subsidies for municipal services. Beginning from 2002, compensation has been introduced for electricity bills, too.

In the process of improving the social protection system, however, and its transfer to the targeted assistance principle, the following problems have emerged:

– one out of ten Kyrgyz citizens receives a state allowance, one out of three families enjoys some sort of benefits and this entails an unbearable burden on the budget;

– the funds approved in the budget are not allocated in full or on time;

– in spite of the increase in the size of allowances already achieved, the level of state support for the poor remains insufficient compared with the poverty indicators;

– there are problems involved in entering data into poor people’s social passports in the database, because the computer equipment available to the social services is outdated.

The limited budgetary funds make it impossible to concentrate fully on the further development of the social protection system. The available resources are spent largely on stabilising the population’s living standard.

The main priorities for achieving the set goals are:

– increasingly targeted nature of social protection;

– a rise in the level of social security;

– social mobilisation of the population.

The following mechanisms are intended to be used to enhance targeted social protection:

– streamlining the existing system of benefits by passing and enforcing a law on special state allowances;
– improving the methodology for determining the need for state support by adopting new standards for incomes from the land and farm animals;

– improving the mechanism of social protection of citizens against rising energy bills by introducing compensation for the difference in charges for poor families, simplifying the procedure for documents filing and processing to receive this, creating of a database of the poor’s social passports, thereby obtaining a fuller picture of poverty by region. At the same time, all the conditions will be observed to ensure that the system of social passports does not become a hindrance to the provision of social aid to the families truly in need of it.

The rise in the level of social protection can be achieved by using the following mechanisms:

– a gradual increase in the guaranteed minimum level of consumption (GMLC). The GMLC must be maintained at 12 per cent of the minimum consumer budget;

– improvement of the methods used to calculate minimum social standards, which will help ensure the social focus of the budget and will rationalise the limited budget resources;

– provision of full and timely payment of state social guarantees, predominantly in monetary form;

– further structural transformations in state agencies dealing with social protection issues.

The problem of child poverty, in contrast to poverty among the adult population, has more serious negative consequences for society as a whole. Such indicators as the number of working children and children living outside the family are currently on the rise. In order to resolve these problems, the “New Generation” State Programme for implementing the rights of the children of Kyrgyzstan has been adopted and is now being implemented.

The main problems that do not allow to fight effectively child poverty are the following:

(a) The imperfection of the legislative base.

There are target groups of children not covered by legislative support. These include neglected children, children brought up in institutional care, those who leave children’s institutions (including specialised ones) and minors after serving a sentence or receiving a suspended sentence. There is no system in place for making expert checks on the regulatory documents passed from the angle of observance of children’s rights.

(b) The absence of a state agency for working with families and children.

There is no comprehensive approach to resolving the problems of child poverty and neglect. This is carried out partly by the Ministry of the Interior (efforts to detect homeless children, sending children off through the reception centres to the locality where they live), the Ministry of Education and Culture (guardianship, school attendance), Commissions for the Affairs of Minors (CAM) and the Ministry for Labour and Social Security (payment of allowances and social pensions). The guardianship agencies have been transferred under the jurisdiction of the local self-government bodies, but their employees have not been put on the latter’s payroll. Child welfare inspectors and the responsible secretaries of the commission for the affairs of minors combine this with other jobs, so there is virtually no system for monitoring risk group families and children.

(c) The absence of effective registration of risk group children and families.
A lack of correspondence is observed between the data received on risk group children from the various structures. For example, the number of homeless children ranges between 2,000 and 15,000. Information about “latent dropouts” among schoolchildren from different sources differ 10 to 20-fold.

(d) The absence of a targeted children’s budget.

There is virtually no financial support for work with neglected children or measures to bring families out of crises; no state support is given to children leaving children’s correction institutions and there is no financing for guardianship families.

The main aim in the sphere of support for children is to mitigate poverty among socially vulnerable children.

In this connection, the main priorities in the work are:

– ensuring family self-sufficiency and support for children;
– broad involvement of the families and children themselves in mitigating poverty.

The stabilisation strategy envisages a solution to the problem of the family self-sufficiency and support for children living in institutions or in a family that has no opportunity for development, including by forming a system of social and family patronage.

This is formed with the help of the Family and Children Support Services through a system of micro-crediting, establishment of patronage over the family and provision of reduced-cost (including free) educational and healthcare services for children.

For children living in families where they face violence, alcoholism, and drug addiction, control over the child’s development is exercised by social workers, even to the extent of removing the child from the family. In this case, the support is given mainly to the child, rather than the family (daytime and 24-hour mini-kindergartens, provision with food and clothing in schools, targeted humanitarian aid).

Children in institutional care also have the right to a family upbringing in accordance with the Convention on the Rights of the Child. The development for such children of a system of family children’s homes and foster families is envisaged. In exceptional cases, adolescents may be sent to residential-type children’s institutions, on the condition that they have occupational training. For this purpose, the material and technical facilities and personnel of vocational schools may be used.

The development strategy is focused on involving the families and children themselves more fully in activities to overcome poverty. The given strategy makes use of the “peer-to-peer” method, creation of self-support groups, children’s organisations and public associations. In the future, this will allow to make the community responsible for each child.

Over the last three years (2000-2002), the situation on the labour market has been marked by an excessive supply of manpower. As a result of the restructuring of the economy and recession in the production sectors, the gap between demand and supply on the labour market is widening and this, in turn, is engendering higher unemployment.

The ranks of the unemployed are swelled by redundant workers, who averaged 30,000 over the past three years, and over a third of whom are registered with the employment agencies, as well as by those who leave enterprises and organisations voluntarily, over 70 per cent of whom are seeking
jobs and apply to the employment services. It should also be noted that people often quit because they are forced to take extended unpaid leave during the period of the enterprises’ idleness.

As a result, during the period from 2000 to the first six months of 2003, the number of unemployed and registered with the employment agencies rose from 58,300 to 60,100. In 2002, the level of registered unemployment stood at 3.1 per cent, which is 0.1 per cent higher than in 2000.

At present, only the private sector has any real potential for creating new jobs.

The role of the Government in the obtaining situation consists in creating the necessary conditions for the development of private sector, as well as taking measures to ensure social protection for the officially registered unemployed. Moreover, the priority here are the so-called active policy measures implemented on the labour market, which in 2000-2002 and during the first six months of 2003 allowed to achieve positive results.

The Law on Promoting Employment of the Population has been passed. The number of unemployed people participating in public paid work has doubled. In the course of this work, social passports were drawn up for poor families, and irrigation systems and water lines were repaired or restored, among other things. The rate at which the indicator of occupational retraining of the unemployed fell was 29.4 per cent. The number of micro-credit recipients among the unemployed has trebled. The growth rate of the job creation indicator through all sources of financing has exceeded 116 per cent. At the same time, there also exist the following outstanding problems.

The official level of unemployment does not describe in full the situation on the labour market, so it is also a major problem to determine a more adequate unemployment indicator. For example, according to the method used by the World Labour Organisation, the level of overall unemployment in the country is 8-9 per cent.

The number of people who leave enterprises and organisations is, on average, 50 per cent higher than the number taken on. Each year, over 50 per cent of the unemployed who quit enterprises and organisations or became redundant turn to employment agencies.

Economic reforms in the country have facilitated significant changes in the area of labour relations and wages.

New sources of money income for the population have emerged in the form of funds received from enterprise or an interest in the profits of market participants. For the majority of the population, however, wages remain the main source of income.

Issues of social and labour relations in Kyrgyzstan come under the jurisdiction of the National Trilateral Commission. A General Agreement for 2000-2004 and a number of sectoral and collective agreements have been concluded. The Social Partnership System Development Framework in the Kyrgyz Republic has been approved and, to the same end, a draft law is being worked out on Social Partnership in the Kyrgyz Republic.

The main problems in the area of wages and labour relations are:

– a growing differentiation in wage levels between sectors and regions. Such sectors as education, science, and healthcare are characterised by extremely low wages – 50 per cent of the average wage in the economy at large;

– the low wages have resulted in remuneration losing its incentive role, a fall in real incomes and, consequently, a rise in poverty indicators;
– the lack of active interaction between associations of employers and employee representatives in resolving social issues, including wage rate regulation, as a result of the imperfections in the regulatory acts;

– employers are insufficiently involved in the drafting and concluding of agreements.

The priorities in the remuneration of labour and social and labour relations are:

– developing market-based mechanisms for regulating wages through the improvement of legislation;

– establishing and providing wage guarantees by the state through the drafting of the relevant regulatory acts and elimination of unjustified differentiation in wages, and a gradual increase in wages in the state-run sector;

– creating conditions for effective regulation of labour relations through accelerated drafting of regulatory acts to govern social and labour relations and promotion of social partnership.

The transition period reaffirms the priority of the family and is an appropriate time for establishing a balance between the roles of women, men and society in bringing up children. A wider network of affordable daycare centres is needed; the number of family-friendly jobs should be increased, particularly in the private sector, and a striving on the part of men to take a more active role in bringing up children must be encouraged and supported. In the final count, women and men, who are both self-sufficient personalities and members of their families, must choose an optimal balance between career and childrearing.