

LABOR MIGRATION
FROM ARMENIA IN
2002-2005

A SOCIOLOGICAL SURVEY OF
HOUSEHOLDS

YEREVAN 2005

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PREFACE

International migration presents many demanding challenges for the migrants and other citizens of the receiving and sending countries. The economy of the country of origin is directly affected by the remittances received from abroad. In addition, both the sending and receiving countries experience a modified labor market and a changed societal structure.

For Armenia, labor migration is an important, and to a large extent, problematic issue. Most of the discussion in Armenia tends to be linked to the dramatic effects of the Soviet Union's collapse when hundreds of thousands of Armenians were forced to leave the country to provide for their families. The reasons for leaving the country, and the reality in which many citizens find themselves living far away from their homeland, are often truly painful. At the same time, labor migration has helped to bridge Armenia's worst economic downturn and has sustained livelihoods of thousands of families.

In recent years Armenia's economic growth has appeared strong. However, a significant portion of the nation's GDP is still believed to be linked to the remittances from abroad. As the country recovers, there is a need to develop sound policies that will allow for labor mobility, while, at the same time, promoting domestic employment opportunities so that those who choose to return have the chance to do so. Additionally for those who choose to work abroad, policies must guarantee dignified working and living conditions, and protection of basic human rights, as well as labor rights. Confronting these issues will require careful analysis of the current realities and trends, and a thorough understanding of the phenomenon of labor migration and its various aspects.

Though labor migration from Armenia has been significant, factual information about labor migration trends in the last decade has been scattered and incomplete. Without a definitive study, the formulation of related governmental policies has been extremely difficult if not, in some areas, outright impossible. For these reasons, the OSCE Office in Yerevan in cooperation with the Armenian Government initiated this study, which has been implemented by the Advanced Social Technologies NGO. We would like to thank the Foreign and Commonwealth Office of the United Kingdom for their financial support. Also, we would like to thank OSCE/ODIHR for funding the research Labor Migration from Armenia: An Overview of Literature, quoted in this report.

We hope that this report will contribute to an issue-based discussion about migration at large, and labor migration in particular, and finally, to a further revision of the Armenian migration policy, as well as its effective implementation, prioritizing protection of human rights of the migrants.

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INTRODUCTION

This section intends to provide the reader with basic information regarding the scope and methodology of the survey as well as with general remarks on data analysis and interpretation.

SCOPE OF THE SURVEY

Generally and in frames of the current study, labor migration is defined as a cross-border movement for purposes of employment in a foreign country.

During the past decade various research organizations have carried out quantitative and qualitative surveys on external migration processes. Some of those surveys have covered certain aspects of labor migration; however, to date, this phenomenon has not been studied and analyzed comprehensively.

This current survey is an attempt to answer a number of questions regarding the nature and diffusion of the phenomenon of labor migration from Armenia. Being the first initiative of its kind, this survey intends to give a big picture of the labor migration flows and outline possible directions for further in-depth analysis.

Data collection

A nationwide household survey was conducted in the period of 8 February to 8 March 2005. A method of structured face-to-face interviewing was employed to collect the necessary data. The head of the family or his/her closest relative was asked to participate in the survey.

The questionnaire covered three blocks of questions:

1. Social-demographic characteristics of the respondent and the household (covering in detail the social-demographic background of each of the family members and containing filter questions to determine the actual and potential involvement of the household in labor migration process);
2. Labor migration process (covering the preparation of the trip and various aspects of the migrants' stay in the host country);
3. Perceptions of the households (addressing the perceptions of the respondents regarding the causes and consequences of labor migration).

Households that were not involved in labor migration process (i.e. none of the family members have left to work abroad in the period of 2002-2005) were only asked the questions of Block 1.

Sampling

The main survey was carried out with employment of random multi-stage sampling method. In total, 1503 interviews were conducted nationwide. Given the total number of households in Armenia (778,667 as per Census 2001) the sample size should guarantee a 2.6% margin of error with confidence level of 95%.

Although the sample of 1500 households would suffice for reliable extrapolation of the survey results to the universal set of the Armenian households, there was a chance that the survey does not include a big enough absolute number of migrant families for drawing solid conclusions regarding some qualitative aspects of labor migration. Hence it was decided that a drop-out survey will be conducted upon completion of the main phase so that the number of migrant families eventually totals 400-450.

The drop-out survey was implemented with the same random choice methodology as the main survey, but with one difference: the interviewers were required to skip those households, which do not satisfy the criterion of having labor migrants. After getting negative answer to the filter question the interviewers continued searching until a target household was located. To ensure time and cost efficiency the drop-out survey was conducted in those marzes (provinces) of Armenia, where according to the results of the main survey the proportion of labor migrants was the highest. In addition, some marzes were included in the drop-out phase based on recommendations provided by Ministry of Labor and Social Issues of the RA.

Since the data acquired through the drop-out survey could possibly distort the sample, it was used only for qualitative analysis, and all quantitative estimates are based on the main representative sample.

DATA ANALYSIS

Data acquired through the survey was subject to multi-dimensional quantitative analysis with SPSS software. The results have been compared with official statistical information (namely data from Census 2001 and Statistical Yearbooks of Armenia for years 2003 and 2004) and with available research papers on external migration processes (using the overview of literature on labor migration from Armenia).¹

However, this comparative analysis has certain limitations. Firstly, as mentioned, no comprehensive survey on labor migration from Armenia has been conducted in the past and hence the data is compared with pieces of information from various surveys, which were conducted with employment of varying research methodology. Secondly, this data is not time-consistent, which gives limited possibilities for longitudinal analysis: it appeared that several surveys have covered the same periods of time while data on certain years is completely missing.

¹ Yeganyan, Ruben and Nelson Shahnazaryan, *Labor Migration from Armenia. An Overview of Literature*. Yerevan, 2004, unpublished.

CHAPTER 1. SOCIAL-DEMOGRAPHIC CHARACTERISTICS OF THE HOUSEHOLDS

This chapter outlines the general characteristics of the surveyed households in terms of demographic structure and main social-economic descriptions. Where possible and applicable, the data is compared with official statistics and results of similar researches to verify the representativeness of the sample.

NUMBER OF HOUSEHOLD MEMBERS

The main sample of the survey included 1503 households consisting of 6833 members. Table 1-1 presents the breakdown of households by number of members, and the comparison of results with official statistical data.

Table 1-1 *Number of household members*

Members	Main sample (%)	Statistics ² (%)
1	5.7	11.0
2	11.0	12.8
3-4	32.6	35.2
5-6	36.6	30.5
7 and more	14.1	10.5
Total	100.0	100.0
Mean	4.55	4.11

There is a 0.5 difference in means between the main sample and the official statistics. Two major reasons may explain this difference in means:

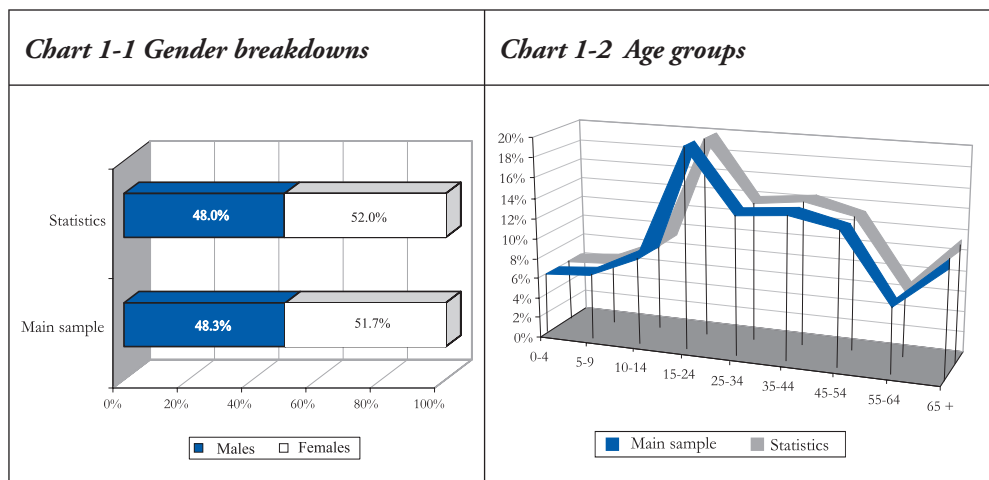
1. Families consisting of only one member are underrepresented in the sample, due to the fact that there were fewer chances to reach the respondent at home.
2. The field research was implemented in winter, when rural households tend to become larger: relatives that usually live apart come together to share a common economy.

The latter assumption is supported by comparison of urban and rural households: while in urban settlements the mean number of family members (4.13) is almost identical to official statistics (3.95), in rural areas the deviation is rather significant (5.09 against 4.42).

² Hereafter “Statistics” refer to official data of Census 2001. Wherever the results are compared with other available data, the source is specified.

GENDER AND AGE BREAKDOWN

Despite the small discrepancy between the main sample of the survey and census data in terms of the number of family members, the gender and age structure of the surveyed households pictures an almost ideal model of Armenia's population (see Charts 1-1 and 1-2).



Distribution of the members of surveyed households by gender and age is presented in Table 1-2.

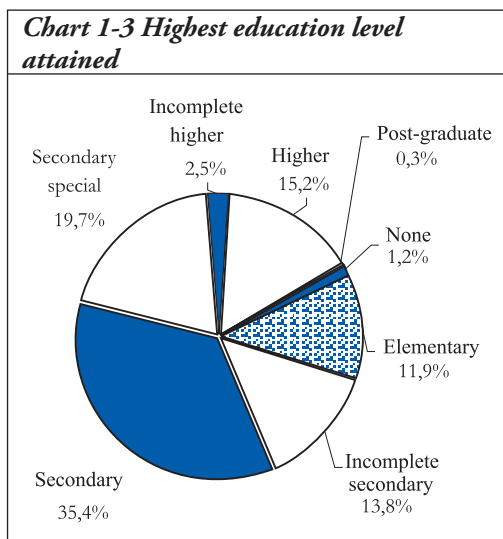
Table 1-2 Gender-age cross-tabulation

Age	Gender (%)		Total
	Males	Females	
0-4	3.0	3.0	6.0
5-9	3.4	3.2	6.6
10-14	4.4	4.1	8.6
15-24	9.5	10.3	19.8
25-34	7.3	6.5	13.7
35-44	6.6	7.5	14.1
45-54	6.3	6.9	13.2
55-64	3.2	3.3	6.5
65 +	4.6	6.9	11.5
Total	48.3	51.7	100.0

EDUCATION

The majority of surveyed household members (aged 11 and above) have secondary (35.3%) or secondary special (19.6%) education. 15.9 % has higher education (0.3% of which has a postgraduate degree) and about one quarter did not (did not yet) complete the secondary school (see Chart 1-3).

This data corresponds well to Census 2001, which documents 34.5% of Armenia's population aged 11 and above having secondary education, 19.3% secondary special education, 15.1% higher education and 0.3% with postgraduate degree.



Educational attainment of male and female members of the sampled households reflects the general proportions of the country data: secondary special education was attained by 18.0% of males and 21.0% of females; almost equal percentages of males and females have higher education (15.7% and 15.6% respectively) and incomplete higher education (2.5% and 2.4%).

At the same time, there is a remarkable and reasonable difference between residents of the capital and the other settlements of the Republic. This difference is clearly illustrated in Table 1-3.

Table 1-3 Educational attainment by place of residence

Highest education level attained	Yerevan (%)	Other settlements (%)
No formal education	0.2	1.5
Elementary (3 years)	10.2	12.3
Incomplete secondary (8 years)	9.2	14.7
Secondary (10 years)	24.7	37.7
Secondary specialized (12 years)	17.1	20.1
Incomplete tertiary (university)	3.3	2.3
Completed tertiary (bachelor or masters degree)	34.2	11.4
Post-graduate (doctoral degree)	1.2	0.1
Total	100.0	100.0

As shown, every third resident of Yerevan has higher education, and only 0.2% of the city's population did not participate in formal education process. This significant gap between the capital city and the regions of Armenia is yet conditioned by unequal access of the rural population to formal education and especially to institutions of higher education.

SOCIAL-ECONOMIC STATUS

Economic activity and unemployment³

According to the latest available statistics (2003) labor resources (workforce) of Armenia totaled 2,008,400 people⁴ (or 62.5% of the country's de jure population⁵).

The proportion of economically active and inactive population within the total labor resources was officially estimated as 61.4% and 38.6%, respectively. The economically inactive population includes students not engaged in production (7.5%) and people at working age engaged in households (31.1%).

LABOR RESOURCES are defined as able-bodied population at working age, working pensioners and working teenagers.

As of 01.01.2004 WORKING AGE POPULATION includes 16-62 year old males, and 16-58 year old females.

ECONOMICALLY ACTIVE POPULATION includes the employed and unemployed population, while the ECONOMICALLY INACTIVE POPULATION includes all able-bodied people that do not work and are not looking for a job.

UNEMPLOYED are able-bodied citizens at working age who, not having a job (profitable activity), are actively seeking for one and are ready to begin working immediately.

The employed population (those who are engaged in all branches of the economy, including farmers, entrepreneurs and self-employed population) comprised 89.9% of the economically active population, and the official unemployment rate (ratio of registered unemployed to the number of economically active population) stood at 10.1%. These numbers, however, differ from data acquired through current research. Table 1-4 compares the main indicators of economic activity and employment recorded during the field research with the official data.

³ The definitions used in this chapter are taken from the local context in order to make it possible to draw comparisons with the official statistics. In general, the wording of the economic activities does not correspond to the usual ILO wording and standards.

⁴ Statistical Yearbook of Armenia – 2004, NSS.

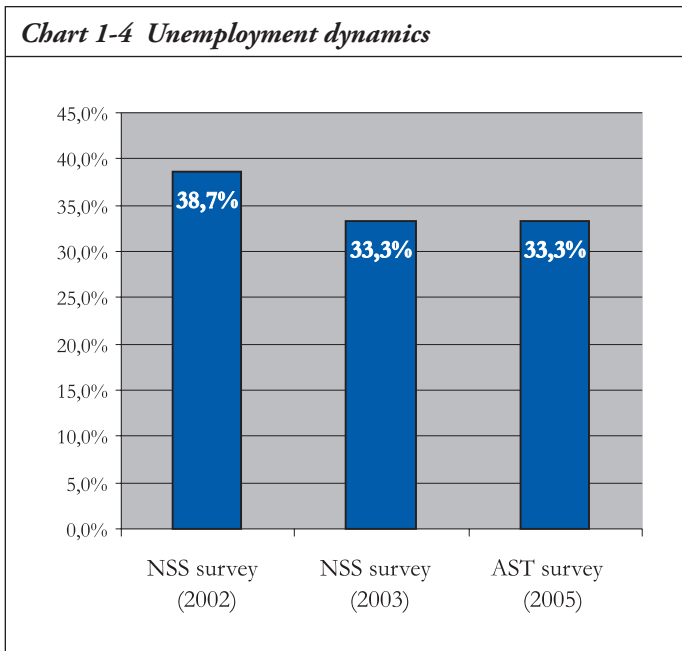
⁵ The census results present “de jure population” or, in Armenian, “permanent population”, which consists of all residents officially registered at places of residence. This is not the same as “de facto population” or “actual population”, which counts all those residing in Armenia at the moment of the census, i.e. considering the external migration flows (in and out). As per census 2001, de jure population of Armenia was 3,213,011, de facto population was 3,002,594.

Table 1-4 Economic activity

Economic activity	Main sample	Statistics (2003) ⁶
1. Labor resources (% of total sample / de jure population)	62.3	62.5
2. Economically active population (% of labor resources)	65.0	61.4
2.1. Employed in the economy (% of economically active population)	66.7	89.9
2.2. Unemployed (% of economically active population)	33.3	10.1
Out of which: registered unemployed	5.0	10.1
not registered unemployed	28.3	-
3. Economically inactive population (% of labor resources)	35.0	38.6
Out of which: students not engaged in production	9.6	7.6
able-bodied population engaged in households	25.4	31.0

As shown, the general breakdown of labor resources into active and inactive components is similar to official statistics. Furthermore, the newly acquired data revealed a positive tendency towards economic activity compared to 2003, i.e. some persons who were inactive in 2003 got employed or started to actively look for jobs.

Nevertheless, the breakdown into groups of employed and unemployed within the category of economically active population significantly differs from the estimates of the National Statistical Service (NSS). Such outcome is quite reasonable, since *a)* official unemployment rate is calculated based on the number of registered unemployed population only, and *b)* results of researches performed by various organizations in the past several years speak for the fact that the actual unemployment rate is at least three times higher than the declared rate and that roughly speaking each



⁶ Statistical Yearbook of Armenia – 2004, NSS.

third able-bodied Armenian is not engaged in any profitable activity. Moreover, this estimate was reflected in the household survey performed by the NSS in 2003, which reported unemployment of 33.3% of Armenia’s economically active population.⁷

Although the results of NSS household surveys of 2003 and 2002 showed small yet promising development in the labor market, the current survey revealed that the situation did not improve since 2003.

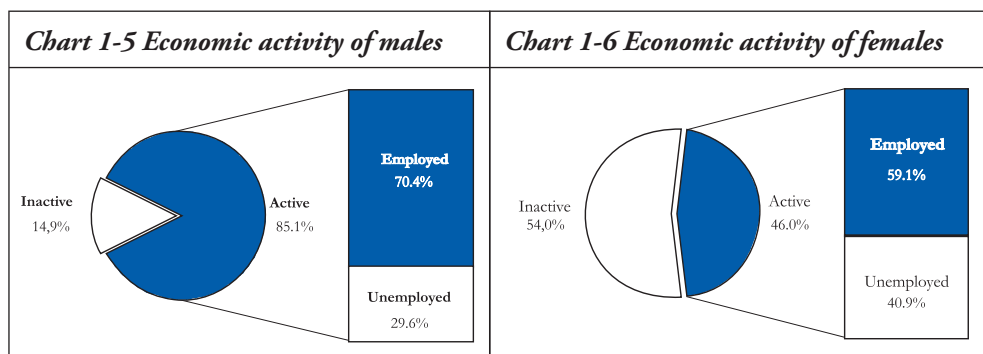
According to our survey, the majority of the employed members of households (57%) are wage earners either in budgetary institutions (37%) or in the private sector (20%). Out of the employed members, 1.6 % of the employed household members are employers and 40.7% are self-employed, including the farmers (24.1%). Similar breakdown was reported by UNDP in 2003: according to the results of nationwide household survey 58.3% of the employed population are wage earners, 40.6% are self-employed and 1.1% are employers.⁸

Determinants of economic activity

The survey revealed important correlations between the economic activity of the population and certain objective social-demographic characteristics, such as gender, age, education and place of residence. Although these correlations have been examined by other similar researches, we will shortly present the latest data reflected in the current survey.

Gender and age

Among all factors, GENDER affects economic activity most explicitly. According to the results of the survey 63.8% of economically active population at working age are males, and only 36.2% are females. Moreover, if 70.4% of economically active males are employed, in the case of females the employment rate is 1.2 times lower.



⁷ *Social-Economic Situation in the Republic of Armenia from January to December, 2003. Monthly information-analytical report.* NSS, Yerevan, 2004, p. 114; from *Labor Migration from Armenia. An Overview of Literature.* Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

⁸ *Education, Poverty, and Economic Activity in Armenia.* UNDP Yerevan, p. 67; from *Labor Migration from Armenia. An Overview of Literature.* Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

Similar data of actual unemployment rates was recorded by NSS in 2003: the household survey reported 40.2% unemployment of economically active females and 27.1% unemployment of able-bodied males.

AGE is another factor that has a remarkable influence on employment. The results of the current survey are consistent with other research papers in terms of drawing the age-related trends of the economic activity. Thus, according to the survey, the percentage of economically active people is the highest in the age groups of 35-44 and 45-54 and the lowest in the marginal age groups of 15-24 and 65 and above.

At the same time, the unemployment rate reaches its peak in the youngest group and has the lowest estimate in the group of 65 + years old.⁹ However, the mentioned trends do not equally apply to males and females. Table 1-5 illustrates the results of cross-tabulation of the three variables.

Table 1-5 Gender, age and economic activity

Economic activity	Males							Females						
	15-24	25-34	35-44	45-54	55-64	65+	Total	15-24	25-34	35-44	45-54	55-64	65+	Total
Economically active	53.5	97.1	98.9	96.3	79.5	8.8	85.1	32.5	45.1	53.4	55.1	36.8	2.4	46.0
Employed	48.3	67.2	79.6	78.6	72.4	92.6	70.4	28.9	58.8	69.9	67.6	72.8	81.8	59.1
Unemployed	51.7	32.8	20.4	21.4	27.6	7.4	29.6	71.1	41.2	30.1	32.4	27.2	18.2	40.9
Economically inactive	46.5	2.9	1.1	3.7	20.5	91.2	14.9	67.5	54.9	46.6	44.9	63.2	97.6	54.0

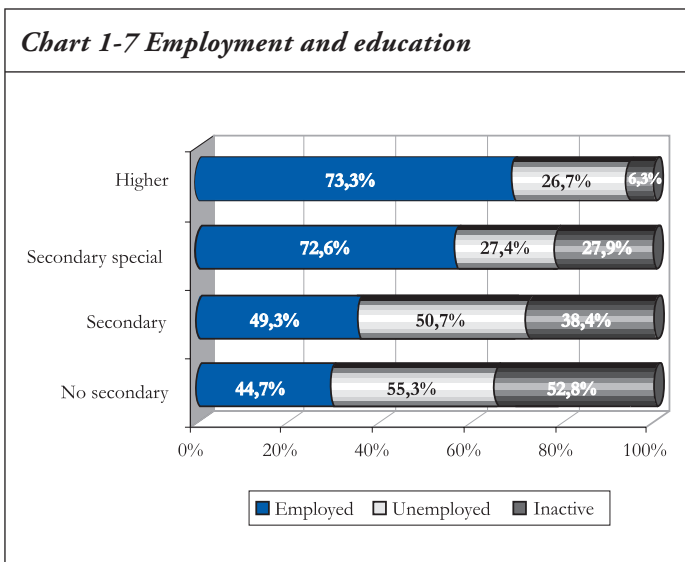
The table outlines the following specifics of the economic activity of males and females:

1. While in the case of males, the most economically active age group is 35-44, females tend to show highest economic activity at the age of 45-54.
2. If each second economically active male of age 15-24 is employed, only 32.5% of females of the same age are engaged in profitable activity.
3. Nevertheless, employment rate of females consistently grows with their age, whereas proportion of employed males declines after 45.
4. The latter tendency culminates in the age group of 55-64, where the percentages of employed and unemployed males and females are equal.

⁹ The percent of unemployed among people of this age group is naturally very low, because they are not considered to be of “working age”. Within the small group of those who are economically active the employment rate is quite high, since the group is mainly comprised of those who, having a job, choose to continue working rather than retire.

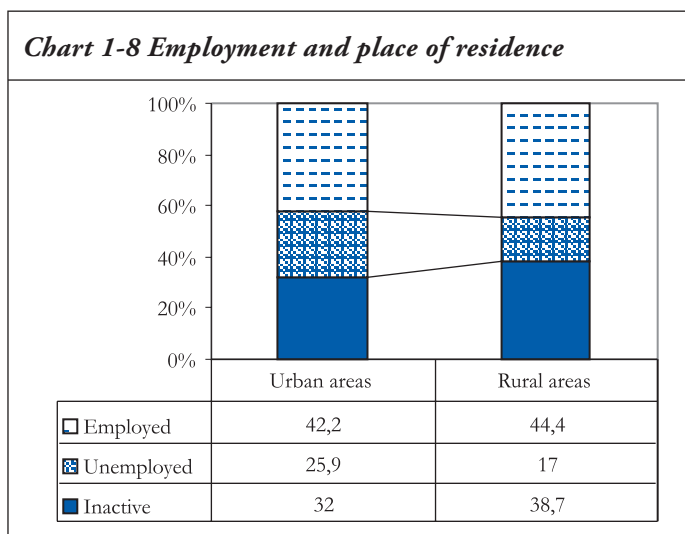
Education

A strong positive correlation is observed between the education level and the economic activity of the population. Furthermore, education reasonably affects the employment statistics: the higher the level of education, the lower the unemployment rate. Chart 1-7 shows that among people with higher education, the ratio of employed to unemployed is 2.7:1 and among those with secondary special education is 2.6:1. Comparing this with 1:1 in cases of secondary education and 0.8:1 in cases of lower or no education, we can state that people with professional education obviously have better chances to earn a living. However, note that each fourth person with higher education still fails to find a job.



Place of residence

The survey revealed that economic activity indicators vary depending on the type of settlement. Thus, urban population tends to show higher economic activity than the rural population; however the proportion of unemployed within economically active population of urban settlements is 1.6 times higher (see Chart 1-8).



These results are quite logical, since the rural population often has an opportunity to engage in farming as an alternative income generating activity that does not depend much on the situation in the labor market. On the other hand, the lower rate of economic activity is rather conditioned by the subjective perception of the respondents: the rural population often considers land cultivation and animal husbandry as part of their households' daily routine, i.e. housekeeping, rather than as an economic activity.¹⁰

We had a chance to compare the data on employment of urban population with the information acquired by the NSS in 2002. It appears that the proportion of the economically active population has increased by almost 20%, however the situation with employment did not improve: the NSS survey reported unemployment of 24% of the economically active urban population.¹¹

Given the common stereotype that Yerevan is the center of economic activity of Armenia, and hence, in terms of living standards it essentially differs from other settlements, it was interesting to get the real picture of the employment of Yerevan population as compared to the population of the remaining 10 marzes. Table 1-6 summarizes the results of such comparison.

Table 1-6 Economic activity and place of residence

Economic activity	Yerevan	Other settlements
Economically active	64.3	65.1
Out of which: employed	69.7	65.8
unemployed	30.3	34.2
Economically inactive	35.7	34.9

Surprisingly, as shown, the indicators of economic activity and employment do not vary much. The only notable difference is that the unemployment rate in Yerevan is 3.9% lower.

To conclude the examination of economic activity of the population, we would like to add that according to the results of the survey, the top two economically active marzes of Armenia are Shirak and Lori, average rate of economic activity was recorded in Aragatsotn, Kotayk, Gegharkunik, Ararat and Armavir, and the lowest rates were

¹⁰ Similar perception patterns have been uncovered in several other researches on social-economic conditions of rural areas carried out by Advanced Social Technologies over the last two years. (See also: *Vardenis and Chambarak Regions of Gegharkunik Marz: Current Situation and Perspectives for Development*; AST, Yerevan, 2005. *Social and Economic Conditions of Karakert, Armavir Marz*; AST, Yerevan, 2004.)

¹¹ *Labor Force in Urban Settlements of the Republic of Armenia*. NSS, Yerevan, 2002, pp. 22-23; from *Labor Migration from Armenia. An Overview of Literature*. Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

observed in Vayots Dzor, Tavush and Syunik. At the same time, the unemployment rate is the highest in Aragatsotn, Lori and Ararat, and the lowest in Vayots Dzor, Syunik and Tavush. Table 1-7 contains data on economic activity and employment from all marzes.

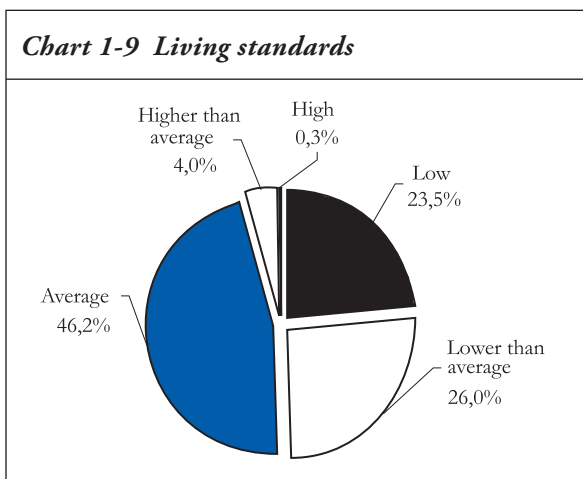
Table 1-7 Regional indicators of economic activity

Marz	Economic activity	
	Active	Employed
Shirak	74.7	75.8
Lori	71.7	48.9
Aragatsotn	64.5	35.8
Yerevan	64.3	69.7
Kotayk	63.3	70.3
Gegharkunik	62.9	73.2
Ararat	62.2	53.6
Armavir	61.7	74.8
Syunik	60.6	91.2
Tavush	59.1	83.6
Vayots Dzor	55.8	92.5

HOUSEHOLD INCOME

Living standards

Considering the general inclination of the respondents to conceal objective information about household income, we intentionally omitted direct questions on quantitative estimates of the family budget and rather preferred assessing the subjective perceptions of the survey participants regarding the living standards of their households. It appeared that somewhat more than half of the respondents (50.5%) place themselves among the class of population with average or higher than average living standard. However, roughly each second respondent thinks his/her family is either poor or belongs to the lower than average income group.



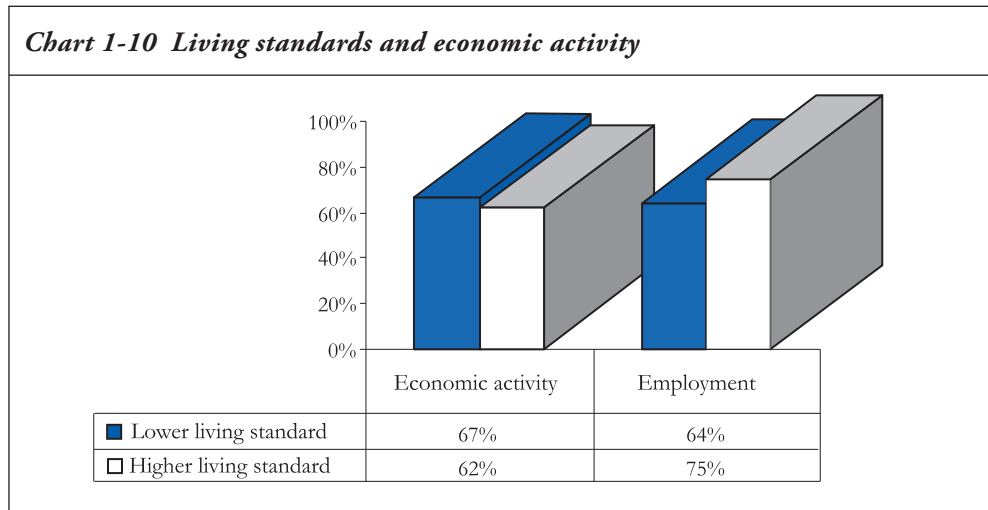
In order to compare the living standards of different groups of population, we will use a scale of 1 to 5 with 1 referring to the lowest estimate and 5 to the highest. Thus, the mean estimate of living standard for the whole sample is equal to 2.32, i.e. close to the “lower than average” category. Using this number as a dividing point, we can see how the mean estimate of living standards differs by the region.

Table 1-8 Living standards in different regions of Armenia

Living standard	Marz	Mean
Higher than country average	Ararat	2.72
	Syunik	2.67
	Armavir	2.51
	Kotayk	2.44
	Vayots Dzor	2.38
	Yerevan	2.35
	Country average	2.32
Lower than country average	Aragatsotn	2.28
	Lori	2.23
	Shirak	2.22
	Tavush	2.22
	Gegharkunik	2.16

It is necessary to bear in mind that these estimates are based on the perceptions of the respondents, rather than on objective assessment of the population’s livelihood. Therefore, in some cases the estimates correspond to the current Armenian reality, e.g. Gegharkunik, Tavush and the disaster areas (Shirak, Lori) being the poorest regions of the country, whereas in other cases the claims of the respondents are not borne out by the available data. The latter particularly concerns Yerevan, which on our scale hardly exceeds the country average and is left far behind by Ararat and Syunik. In our view, this outcome is strongly conditioned by the phenomenon of relative deprivation: when assessing the livelihood of their households the respondents tend to compare it with the perceived standard of good living, which in Yerevan is apparently higher than in other regions.

At the same time, not matter how subjective the estimates are, it is interesting to correlate them with main indicators of economic activity discussed above. It appears that in the marzes that feature lower-than-average living standards, people are economically more active, but the unemployment rate in these regions is higher. Chart 1-10 on next page shows that the average rate of economic activity in the regions with higher living standard is 5% lower, whereas the average employment rate is about 1.2 times higher.



Although this is just a rough generalization, it helps explain the respondents' estimates regarding their living standard. In this sense, it is worth mentioning that according to the assessment of UNDP, the proportion of poor and extremely poor is 1.4 times higher among the unemployed population as compared to different groups of employed.¹²

Sources of household income

To further explore the economic situation of the population, let us take a look at the main and secondary sources of household income.

According to the results of the survey, the top three MAIN SOURCES of household income are wages (46.3%), pensions and social assistance (20.3%), and cultivation of the homestead land (18.4%). 4.5% of the families claimed that remittances from their relatives living abroad constitute the main part of their household income. Among other main sources of income, the respondents have mentioned farming, small business and support from their relatives and friends in Armenia (10.6% in aggregate).

¹² *Education, Poverty, and Economic Activity in Armenia*. UNDP Yerevan, p. 69; from *Labor Migration from Armenia. An Overview of Literature*. Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

Table 1-9 shows how the living standards of the households vary depending on the main source of their income.

Table 1-9 Main source of household income and living standards

Living standard	Main source of income	Mean
Higher than average	Small business	2.62
	Homestead land	2.60
	Wages	2.57
	Remittances from abroad	2.42
	Farming	2.41
	Country average	2.32
Lower than average	Support from relatives in Armenia	1.92
	Pension, social assistance	1.81

As far as the ADDITIONAL (SECONDARY) SOURCES of household income are concerned, pensions and social assistance are mentioned most frequently (50.9%) and are closely followed by various agricultural activities (42.3%). In this range remittances from abroad rate third (10.7%).¹³ Hence, remittances constitute a certain part of the income of 15.2% of the surveyed households.

¹³ Hereinafter, percentages not adding up to 100 means multiple responses were accepted. If not otherwise specified, the percentages are based on respondents.

Main income earners

The respondents were requested to sort their household members in ascending order according to the value the person contributes to the family budget.

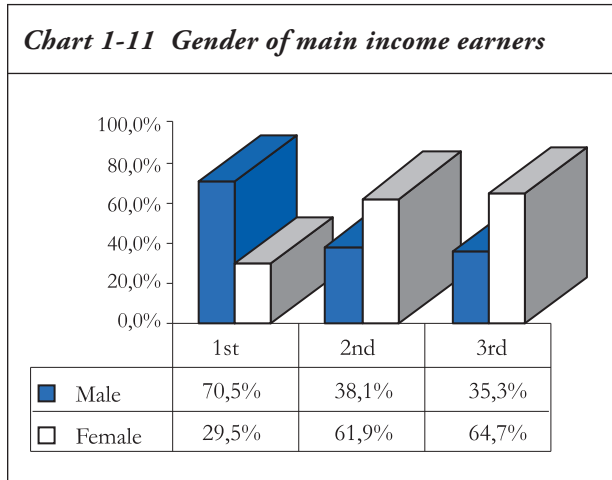
Expectedly, the majority of first (most important) income earners are men (70.5%). The second and third most important income earners are women (over 60%).

The most productive age group is 35-54: majority of primary income earners (males - 52.2%, and females – 39.6%) belong to this group. At the same time, the mean age for men here is 44.8, while

for women the mean age is 52.8. In case of secondary income earners, the age structure of men and women is quite different: the majority of men are younger than 35, while women are older than 45.

As far as the social-economic status of the income earners is concerned, the majority (63.3%) of those who contribute the highest value to the family budget are wage earners, farmers, or self-employed, while those that are in second place are mostly pensioners.

To conclude, most of the income in an average Armenian household is generated by 35-54 year old employed males with secondary special or higher education.



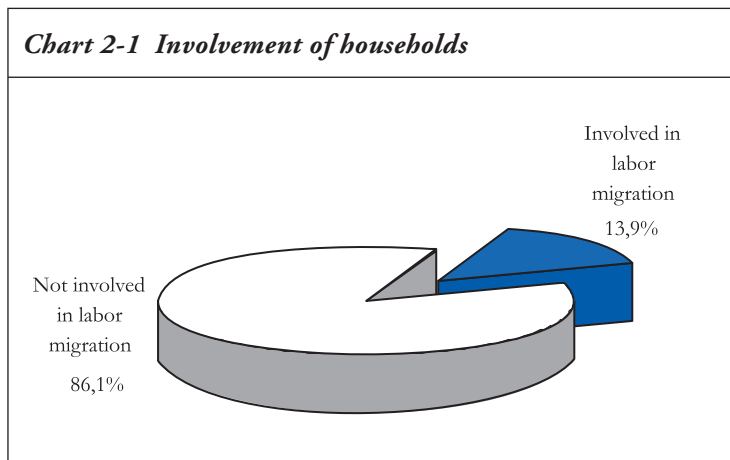
CHAPTER 2. LABOR MIGRATION: BASIC DESCRIPTION

This chapter gives quantitative estimates of labor migration rates for the period of 2002-2005. It also presents a map of labor migration, including both the migrants' place of residence in Armenia and the countries of their destination.

RATES OF LABOR MIGRATION FROM ARMENIA IN 2002-2005

Country data

Two hundred nine (209) families (or 13.9% of the main sample of the survey) were involved in labor migration process in 2002-2005. If we extrapolate this data to the universal set of 778,667 households (with 95% confidence level and calculated margin of error of 1.7%), we can estimate the actual number of households that were involved in labor migration process between 2002 – 2005 at 95,000-122,000 (or 12.2-15.6% of the total households).

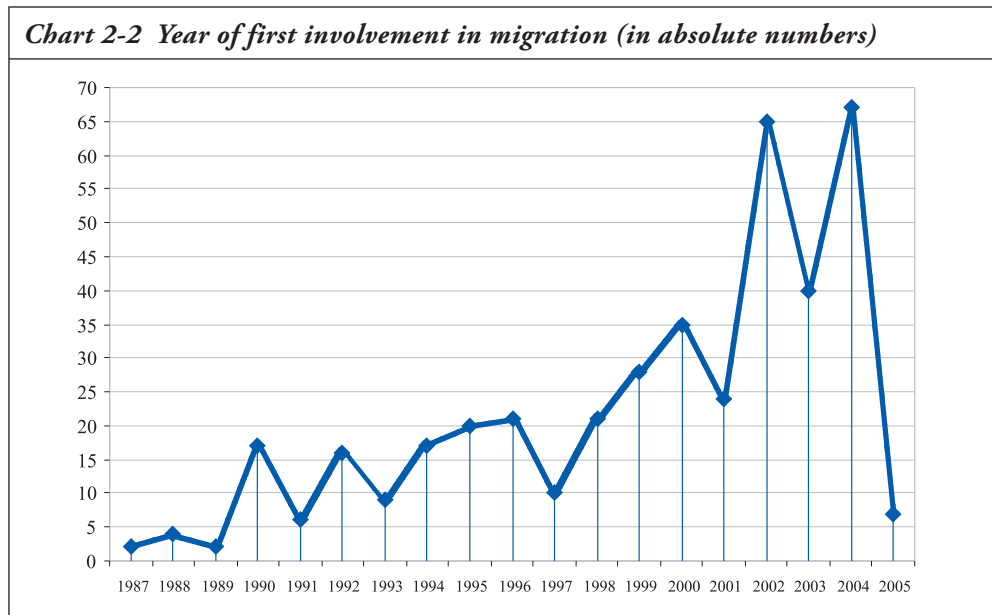


In the overwhelming majority of cases (78%) one member of the family had left to work abroad; 15.4% of the families had two labor migrants and only 6.6% had three and more migrants.

In total, the survey reported involvement of 280 (4.1%) of 6833 members of surveyed households in labor migration process. This allows approximating the absolute number of labor emigrants over the last three years as 116,000 – 147,000 people or 3.6-4.6% of Armenia's de jure population (considering the estimated 0.5% margin of error). This is to say that in the period of 2002-2005, 7.3 - 9.2% of the economically active population of Armenia was involved in labor migration process.

During the discussed period half of the migrants conducted one trip abroad, each fourth migrant realized two trips, and another quarter completed three or more trips. At that, according to the survey, 63.4% of labor migrants have already returned to Armenia, leaving at this point a negative net migration of 102 people.¹⁴ Extrapolated to the general population, this means 73,500-93,000 migrants from those who departed in 2002-2005 should have returned and 42,500-53,800 labor migrants should still be working abroad.

The majority of migrants have carried out their first trip either in 2002 or in 2004. Chart 2-2 shows the dynamics of the involvement of new migrants in the labor migration process.



However, we would like to emphasize that based on this picture no substantial judgments can be made regarding the general dynamics of labor migration. This is because our sample did not include a substantial number of households that were formerly involved in labor migration and now permanently reside abroad.

Moreover, the results of our survey may suggest that the rates of labor migration have actually decreased compared to 2001-2002. The sample study of passenger flows at border crossing points of the RA, conducted by the NSS in the period of February 2001-February 2002, reported 84,100 departures, 45,200 returns, and a net emigration of 38,900 labor migrants. These numbers are about two times higher than the rough average annual migration indicators defined by the current survey (maximum 31,000 departures, minimum 14,000 returns and maximum net emigration of 17,000).

¹⁴ According to the respondents, 34 more migrants will return to Armenia in 2005

Even considering the risk that some of our respondents could have concealed the fact of their involvement in labor migration processes, the difference is too big to be disregarded. One of the possible explanations to this circumstance is that the study carried out by NSS might also include the “chelnoks” (individual traders conducting short-term visits to foreign countries to import and export goods), while our survey did not cover this specific type of migration.

Involvement of different marzes

The first representative data on regional differences in emigration activity was reported by the NSS in 1999 in “The Overview of External Migration Processes in the Republic of Armenia during 1991-1998”. The nationwide survey of 3600 households recorded the highest emigration rate in Gegharkunik, Kotayk, Shirak and Lori, average emigration activity in Yerevan, Aragatsotn, Syunik, Vayots Dzor and Tavush, and low emigration activity in Ararat and Armavir.¹⁵ The survey, however, did not differentiate the types of emigration and hence did not provide a regional breakdown of labor migrants. Nevertheless, it would be logical to assume that the latter should not differ much from the general migration statistics. Based on the results of the current survey we tested this hypothesis.

Table 2-1 Labor migration rates by marzes

Marz	Ratio of households involved in labor migration, %	Migration rate (ratio of household members involved in migration, %)
Shirak	32.9	9.2
Lori	21.2	7.5
Kotayk	13.3	3.4
Gegharkunik	12.6	3.6
Ararat	12.6	2.9
Vayots Dzor	11.8	1.8
Yerevan	10.5	4.2
Aragatsotn	8.9	2.5
Tavush	7.8	2.1
Syunik	7.1	2.7
Armavir	6.8	1.5

The table shows that the highest rates of HOUSEHOLD INVOLVEMENT in labor migration were recorded in Shirak and Lori, where accordingly each third and each fifth

¹⁵ *Overview of External Migration Processes in the Republic of Armenia during 1991-1998*. NSS, Yerevan, 1999; from *Labor Migration from Armenia. An Overview of Literature*. Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

household was involved in labor migration. Average rates were observed in Kotayk, Gegharkunik, Ararat, Vayots Dzor and Yerevan, and the lowest rates in Aragatsotn, Tavush, Syunik and Armavir.

At the same time, arranging the marzes according to the ACTUAL MIGRATION RATES (i.e. ratio of labor migrants) we observed a different picture: Shirak, Lori, Yerevan, Gegharkunik and Kotayk showing the highest migration activity as compared to the other marzes.

As shown, the results have much in common with the data provided by the NSS in 1999; however the existing differences need clarification. Some reasons for the differences are noted:

1. Firstly and most importantly, being nationwide representative, our sample was not designed to provide the same level of representation for each of the marzes. (The reason behind this is that trying to assure a sound confidence level and an acceptable statistical error for all marzes would need at least doubling of the sample size.) Hence, any data broken down by marzes is no more than an approximation.
2. Certain settlements or sub-regions of some marzes show much higher migration activity than others. This particularly applies to Gegharkunik where the town of Martuni and the surrounding 4-5 villages are long known to show the highest labor migration rates in the whole country. With a random selection of settlements within each marz our main sample did not include any of the mentioned locations. Therefore, in Gegharkunik and other marzes with similar specifics the migration rates might be underestimated.

After making the necessary calculations for the margin of error it is possible to estimate the absolute numbers of labor migrants in each marz during the last three years.

Table 2-2 Estimation of absolute number of labor migrants by marzes

Marz	De jure population	Labor migration rate		Absolute number of labor migrants	
		<i>As recorded</i>	<i>Maximum</i>	<i>As recorded</i>	<i>Maximum</i>
Shirak	283,400	9.2	16.0	26,100	45,300
Lori	286,400	7.5	13.9	21,500	39,800
Yerevan	1103,500	4.2	7.7	46,300	85,000
Gegharkunik	237,600	3.6	8.4	8,600	20,000
Kotayk	272,500	3.4	7.7	9,300	21,000
Ararat	272,000	2.9	6.9	7,900	18,800
Syunik	152,700	2.7	8.0	4,100	12,200
Aragatsotn	138,300	2.5	7.8	3,500	10,800
Tavush	134,400	2.1	7.0	2,800	9,400
Vayots Dzor	56,000	1.8	8.7	1,000	4,900
Armavir	276,200	1.5	4.4	4,100	12,200

Although in some marzes the margin of error is too big and hence the estimations are rather confusing, the data is still useful for estimating the maximum possible volume of labor migration from each marz. Calculations are made with 99% confidence level, meaning the probability that the actual number of labor migrants exceeds the upper margin of the interval is minimal.

On the other hand, it is worth mentioning that the labor migration rates (both on household and on individual levels) recorded in Yerevan during this survey are similar to the results of the representative survey of Yerevan households conducted by Caucasus Research Resource Center Armenia (CRRC Armenia) in 2004. The latter reported that somewhat more than 9% of the households residing in the Capital are involved in labor migration, estimating the actual migration rate at 3.9% or 43,000 people.¹⁶ This allows us to assume that the actual number of labor migrants, at least from Yerevan, is close to our primary estimations.

Involvement of urban and rural population

Various researches on migration reported that migration activity of urban settlements is higher than that of the rural areas. Similarly, our survey recorded that the migration rate in urban locations is almost twice as high as in rural ones (5.4% and 2.8% respectively). At that, the highest migration rate was recorded in urban areas of Lori (9.6%), Gegharkunik (8.7%) and Shirak (8.4%), and the lowest rate in rural areas of Armavir (1.0%).

MAP OF LABOR MIGRATION FROM ARMENIA

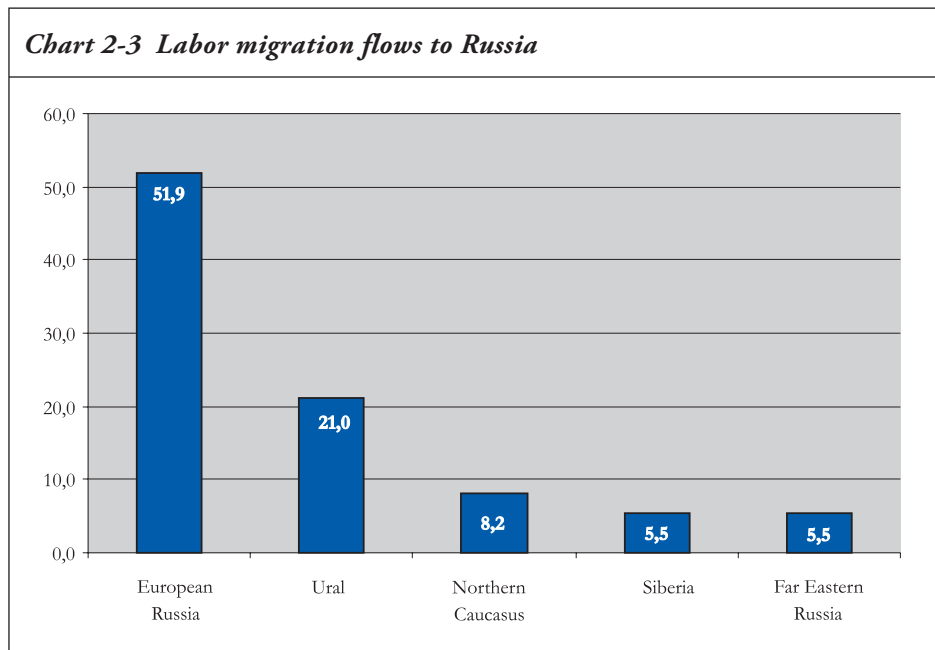
Russia and the Commonwealth of Independent States

The most popular country of destination for labor migrants was and still is Russia: 87.6% of labor migrants have visited this country at least once during the last three years. Transferred to absolute numbers this would mean that 87,600-143,600 Armenians have left to work in Russian Federation in the period of 2002-2005.

In total, 90.1% of the labor migrants have worked in the CIS countries, including (besides Russia) Ukraine (2.2%) and Kazakhstan (0.3%). This result was quite expectable due to several objective reasons, including the shared language, the lack of visa requirement, relatively low travel and living costs, and the largest Armenian Diaspora. According to the survey, 94.7% of labor migrants to CIS countries have resided in urban settlements.

¹⁶ *Household Survey Data Collection Initiative*. CRRC Armenia, Yerevan 2004; from *Labor Migration from Armenia. An Overview of Literature*. Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

A significant proportion of Armenian citizens migrating to Russia enabled us to assess migration rates to different cities within the Russian Federation. Thus, the survey reported that the most popular city of the migrants' destination is still Moscow: 43.1% of all surveyed migrants to Russia have found shelter in the Russian capital. Other popular destinations are St. Petersburg, Tumen, Chelyabinsk and Rostov. However, the number of labor migrants to each of the mentioned cities is about eight times less than that recorded for Moscow.



As far as the regional breakdown is concerned, the majority of the Armenian migrants are/were concentrated in the European Russia, and the lowest rates were observed in Siberia and Far Eastern Russia.

Europe, North America and other countries

As previously mentioned, the overwhelming majority (90.1%) of labor migrants found (or have been trying to find) jobs in the CIS, and the absolute number of those who preferred other countries (57 migrants out of both samples) is too small to allow for any substantial generalization. However, the data might be useful in terms of mapping the general directions of labor migration from Armenia.

Thus, the biggest share within the remaining 9.9% belongs to the EU countries (31 migrants from our sample, or roughly about 7,000 people nationwide) with France being the most frequently mentioned. Some labor migrants from Armenia have visited other EU countries, namely, Germany, Greece, Denmark, Spain, Poland, Belgium and Bulgaria.

Approximately every third labor migrant that did not choose to work in the CIS countries has migrated to the USA (21 migrants from our sample or in total about 5,000 people). Additionally, the survey recorded four cases of business trips to Turkey and only one trip to the UAE.

These results were also predictable: as already mentioned the study covered only those migrants who live(d) and work(ed) abroad for a certain period of time. The map of labor migration would look different if the “chelnoks” (individual traders conducting short-term visits to foreign countries to import and export goods) were included: e.g. the proportion of migrants to Turkey and Iran would definitely be significant.

Determinants

Although, as mentioned the rates of labor migration to all countries but Russia are very low, it was still interesting to find some correlations between the country of migrant’s destination and his/her social-demographic background. In particular, we wanted to see whether or not the choice between CIS and other countries is conditioned by certain objective parameters, such as place of the migrant’s residence in Armenia, his/her gender, age and education. In this section we discuss the first hypothetical dependence, while the rest are covered in Chapter 3.

Table 2-3 presents labor emigration flows from different marzes of Armenia to three major destinations: CIS countries, EU and the USA.

Table 2-3 Destinations of labor migration by marzes

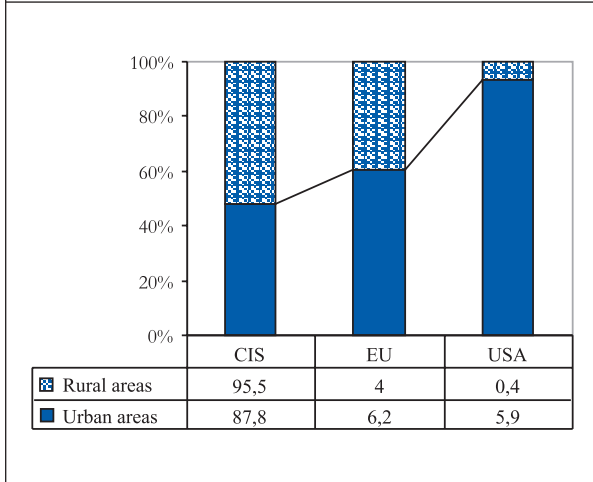
Marz	Destination		
	<i>CIS (%)</i>	<i>EU (%)</i>	<i>USA (%)</i>
Yerevan	54.2	10.4	35.4
Aragatsotn	100.0	0.0	0.0
Ararat	100.0	0.0	0.0
Armavir	93.0	5.9	1.1
Gegharkunik	98.0	2.0	0.0
Lori	94.8	3.0	2.2
Kotayk	96.0	4.0	0.0
Shirak	95.7	4.3	0.0
Syunik	100.0	0.0	0.0
Vayots Dzor	100.0	0.0	0.0
Tavush	100.0	0.0	0.0

As shown, the majority of Armenian labor migrants to the EU and the USA come from Yerevan. Although the exact rates might be somewhat overestimated due to the small absolute number of surveyed migrants in other marzes, this correlation is still too evident.

Another remarkable finding was that within the group of labor migrants who migrate to the EU and the USA the ratio of migrants from urban areas of Armenia to those from rural settlements is

about 4:1. Chart 2-4 shows the countries of destination of migrants from urban and rural areas of Armenia, (see the data table) and the composition of the flows to the three destinations.

Chart 2-4 Labor emigration from urban and rural areas by destination



CHAPTER 3. LABOR MIGRANTS: CHARACTERISTICS AND BACKGROUND

One of the attributes of any social process is the distinctive structure of participants or actors involved. Therefore, in this chapter we try to describe the demographic, social, and economic characteristics of the labor migrants, which can help gain better understanding of the phenomenon of labor migration and making primary assumptions regarding its consequences.

SOCIAL-DEMOGRAPHIC CHARACTERISTICS OF THE MIGRANTS

Gender and age breakdown

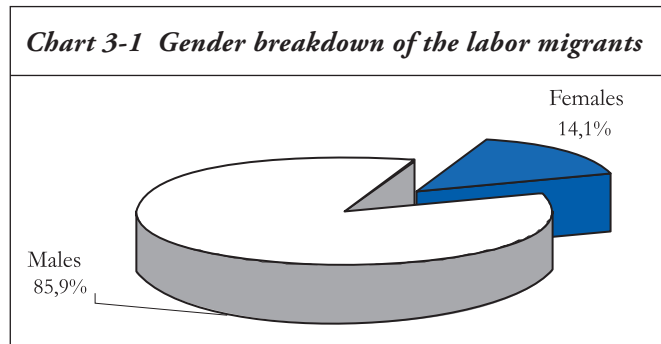
According to the survey, 85.9% of labor migrants are male, and 14.1% are female. The ratio of male labor migrants to the total male population aged 15 and above is 9.2%, whereas in case of females the same ratio is more than seven times lower (1.3%).

Extrapolation of these results to the general population allows us to estimate the absolute numbers of male and female migrants: 92,000-118,000 males and 11,300-22,300 females. If we narrow the universal set to the economically active population, this

data would mean labor migration of 10.9-14.0% of economically active males and 1.5-3.0% of economically active females.

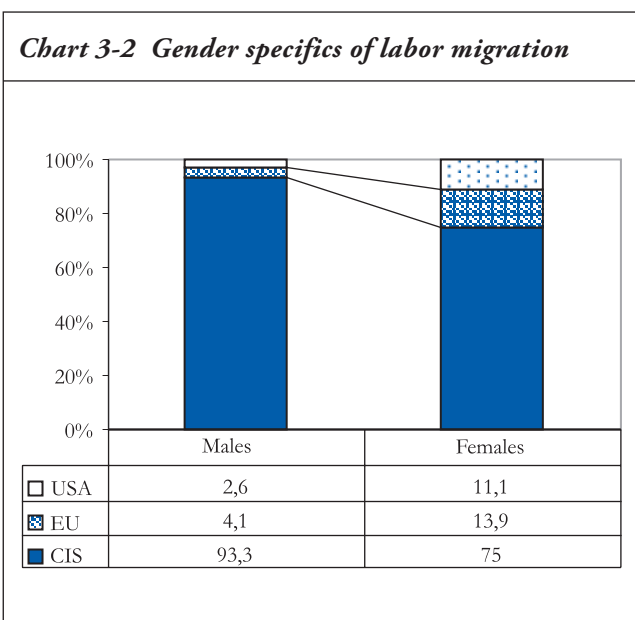
Such disproportionate gender migration is conditioned by many factors, and most importantly by national mentality, which still sees women at home while men take sole responsibility for the household income. The issues of social perception and attitudes towards labor migration of women will be further discussed in Chapter 6.

An important remark to be made here is that the migration activity of females strongly depends on their place of residence. While women comprise only 7.3% of labor migrants from rural areas of Armenia, the proportion of female migrants to the total number of migrants from urban settlements is as high as 17.3%. This outcome can be explained by the fact that the rural population is much less involved in globalizing processes and hence remains more conservative in terms of gender roles and equality. Moreover, in this sense it seemed quite natural that the gender specifics



of labor migration from Yerevan would differ from all other settlements of Armenia. Indeed, it appeared that almost each fourth labor migrant from the capital (24.0%) is female, which is twice more than in the other regions (12.1%).

While discussing the labor migration rates of males and females we would also like to refer to the data on countries of the migrants' destination. Although the majority of both males and females have traveled to CIS countries, an interesting finding was that the proportion of females who have worked in the EU and the USA is much higher than that of males (3.4 times higher in case of the EU and 4.3 times higher in case of the USA).



As far as the age structure of labor migrants is concerned, the overwhelming majority of them are of age 21-50 (86.6%) with the age group of 41-50 having the largest share: roughly each third Armenian labor migrant (34.2%) belongs to this group. The mean age of the labor migrants is 38.2; for males, 38.3 and for females, 36.4. The youngest age of both male and female migrants is 20; however the oldest male migrants are aged 69 and females are aged 56.

An interesting correlation was established between the age structure of Armenian labor migrants and the countries of their destination. It appeared that the mean age of those that work(ed) in the EU and the USA (44.8) is considerably higher than of those who migrated to the CIS countries (38.5). Besides, the youngest migrants that traveled to the EU and to the USA are accordingly 27 and 30 years old, while about 15% of those who left to CIS are younger than 25.

It was interesting to compare the age-specific characteristics of migration activity, i.e. to define which age groups tend to show lowest and highest involvement in labor migration process. Table 3-1 summarizes the findings both for the total sample of migrants and according to gender.

Table 3-1 Age-specific migration rates

Age group	Migration rate (ratio of migrants to total number of household members in the given age group, %)		
	Total	Males	Females
16-20	0,4	0,6	0,3
21-25	6,0	10,9	1,5
26-30	7,5	12,8	1,6
31-35	7,5	14,2	1,8
36-40	7,6	14,6	2,0
41-45	7,9	15,1	3,1
46-50	9,8	17,4	2,1
51-55	5,2	10,6	0,6
56-60	2,7	4,6	0,2
61-65	2,3	4,3	0,1
66 and above	0,8	1,3	0,1
Total	4,1	9,2	1,3

The table shows that starting from age 21 labor migration rates constantly grow and reach their peak in the age group of 46-50: each sixth Armenian of this age was involved in labor migration in the last three years. After 51, however the proportion is cut in half for almost all consequent age groups. At the same time females and males tend to show different levels of migration activity in certain age groups.

As shown the most “productive” age of males is 46-50, whereas the highest rate of labor migration of females is recorded in the age group of 41-45. At the same time, the migration rate of females starts declining already from the age of 46, while in the case of males it remains significant till the age of 56.

The majority of labor migrants (63.1%) were younger than 35 at the time when they first got involved in labor migration. Only 8.9% of them carried out their first trip when they were over 46. The youngest labor migrant was 17 years old and the mean age for first-time migrants was 32.8.

Marital status and family relationship

The overwhelming majority of migrants are married (81.7%), 14.9% are single, 2.2% are divorced and 1.1% are widowed. In most cases the migrant is either the head of the family (male) or his son.

Table 3-2 Relation of the migrant to the head of the family

Relation	Percent
Head of the family (male)	38,9
Wife	4,4
Son/son-in-law	40,7
Daughter/daughter-in-law	5,6
Other male relative	5,9
Other female relative	4,4
Total	100.0

Coupled with what was already said about the demographic structure of the migrants, these results indeed prove the statement that labor migration is nothing but *“a unique quest of fathers aimed at fetching a living for the family”*.¹⁷

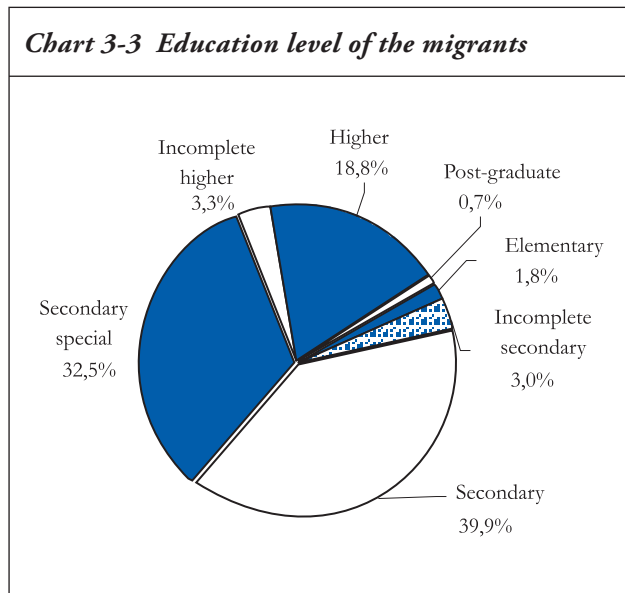
Education

The majority of labor migrants have either secondary or secondary special education (39.9 and 32.5% accordingly).

Approximately one-fifth of the migrants (19.5%) have higher education or post-graduate degree.

In addition, it appeared that the greatest migration activity is by people with secondary special education, and the lowest activity by those who did not finish a secondary school education.

Chart 3-3 Education level of the migrants



¹⁷ *Sample Survey of Passenger Flows at Border Crossing Points of the R.A.* NSS, 2002; quoted in *Labor Migration from Armenia. An Overview of Literature*. Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

Table 3-3 summarizes the ratios of migrants to the total population with a given level of education.

Table 3-3 Migration activity and education

Education level	Migration rate
No secondary	0,8
Secondary	5,3
Secondary special	7,7
Higher and post-graduate	5,7

Profession

By profession, 39.4% of Armenian labor migrants are specialists (people having acquired higher or secondary special education) in either of the following fields: engineering (15.1%), construction (11.2%), social sciences (8.8%), natural sciences (2.4%) and agronomy (1.8%).

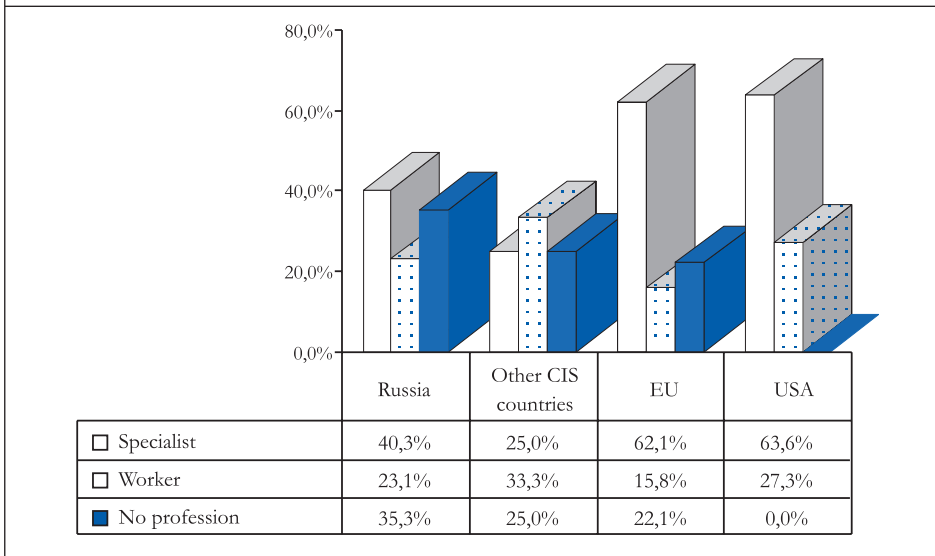
Next, by weight, is the group of migrants who do not have any profession; that is, they have not participated in formal education process after secondary school and hence have not obtained a certificate or diploma of professional education. Each third migrant belongs to this group (33.9%).

About one quarter of the migrants are skilled workers: drivers, bakers, carpenters, painters, woodworkers, etc. The remaining 2.4% of the migrants represent the fields of arts and sports.

Given the very small number of female migrants (only 39) it was impossible to draw solid comparisons between the professional background of males and females; however, the survey reported the following rough estimates: the proportion of specialists and skilled workers among male migrants is considerably higher than among females (1.5 and 6 times accordingly) and the percentage of females having no specialization is about twice as high as that of males.

Interestingly, though rather naturally, the professional breakdown of migrants to different countries has major distinctions. Thus, the majority of migrants to the EU and the USA are specialists with university degrees, and in contrast those that migrate to the CIS countries, mostly, either have no profession or are skilled workers. Moreover, all migrants to the USA have at least a worker's qualification. However, while in case of Russia the proportions reported by the survey should be rather accurate, the breakdown in other countries is likely to be rather imprecise due to limited information.

Chart 3-4 Professional background of migrants by countries of destination



Typical labor migrant

If we summarize the information presented in the subsequent sections of this Chapter, we could portray an average Armenian labor migrant as a 41-50 year old married male with secondary or secondary special education that most probably started seeking a job abroad at the age of 32-33.

EMPLOYMENT HISTORY IN THE HOME COUNTRY

Employment record

Approximately half (50.7%) of the labor migrants were involved in some paid activity before their first trip abroad. Of this group, 64.6% had permanent jobs, and 35.4% were occasionally employed. This allows us to assume that at least for each third Armenian labor migrant the act of migration could not be conditioned on lack of workplaces in general.

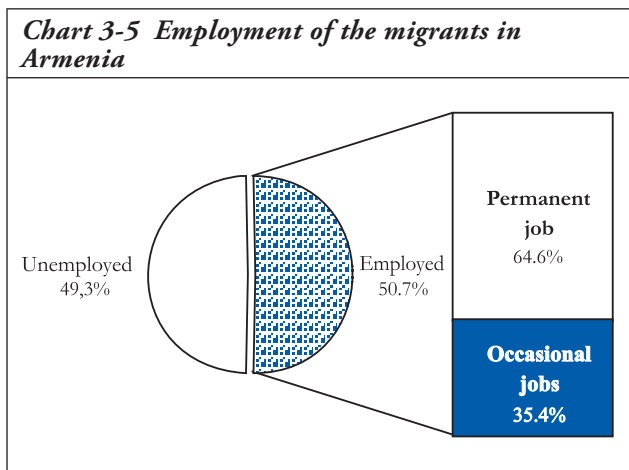


Table 3-4 presents the main spheres of the labor migrants' employment in the home country.

Table 3-4 Main sphere of employment in Armenia

Sphere of employment	Percent
Services	22,9
Construction	16,3
Agriculture	15,9
Trade/public food	15,4
Production	9,3
Transport	6,6
Education	4,4
Science	2,2
Art	2,2
Other	4,8
Total	100,0

As far as the status is concerned, the majority of the employed migrants (65.4%) were either skilled workers or white-collars (35.8% and 29.6% accordingly), 26.5% were self-employed (including farmers) and 8.0% were managers.

Average monthly income

According to the respondents, the average monthly income of their migrant relatives barely exceeded 100 USD at the time they worked in Armenia (80.3% of cases). Another 15.5% of the migrants earned incomes of 100-200 USD, and only 4.2% were earning more than 200 USD a month.

The calculated mean of the migrants' monthly income in Armenia is 97.5 USD. However, these earnings were the sole source of income for only 12.2% of the families. Moreover, in most of the cases (56.9%) the mentioned sum did not form even half of the household budget, constituting, on average, 37.0% of the gross family income for one month.

This important information allows us to approximate the average monthly income of the families that later got involved in labor migration processes. It appears that the household income was approximately 250 USD. With this estimation we can once again confirm the findings of other similar research in terms of stating that labor migrants mostly come from families with average income, rather than from low or high income groups. This is quite natural, since the lower economic class of population does not possess enough financial resources to afford the travel costs, while those who have high income in the home country apparently do not have the motivation to engage in labor migration.

CHAPTER 4. LABOR MIGRATION PROCESS

Based on the results of the survey, the current chapter will guide the reader through the whole process of labor migration: from planning and preparation of the trip to income generation and living conditions in the host country.

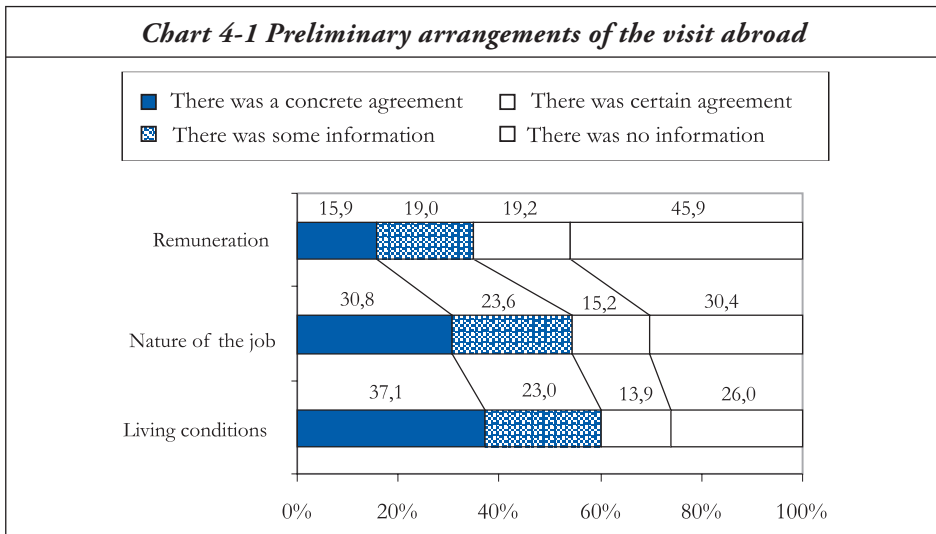
PREPARATION OF THE TRIP

An overwhelming majority of migrants (94.2%) stated that they planned their last visit abroad as a business trip. Only 5.8% did not have a direct intention to find a job in the host country, but did not exclude such possibility either.

When CHOOSING THE COUNTRY OF DESTINATION, the future migrants were considering the following main factors: friends, relatives living in the country (66.1%), less barriers for entering the country and getting employed (28.2%), and knowing the language (19.3%). This helps explain why the vast majority of migrants have ended up in Russia and other CIS countries and not in the Western states.

A minority of migrants had a concrete PRELIMINARY AGREEMENT regarding the nature of the work, the remuneration and the housing conditions prior to arriving in the host country. Each second migrant did not have any idea about the salary he/she would get, each third did not know what type of job he would be doing, and each fourth migrant did not even have an agreement regarding the housing conditions.

Chart 4-1 pictures the extent to which the migrants were prepared for their trip in terms of arranging the housing and agreeing on the terms of the job.



In most of the cases (44.1%) the migrants have carried out the business trips without the HELP OF A THIRD PARTY. In each third case, friends and relatives of the migrant in the host country offered him/her some assistance (32.5%), and in fewer cases (11.3%) support was provided by an individual intermediary abroad. Local and foreign companies have facilitated the process for only 4.6% of the labor migrants.

Whenever any assistance was provided, it mostly included helping to find a job (57.8%), providing accommodation and food (46.1%), paying for transportation (30.5%) or lending money to cover the expenses for the first months of stay (17.2%). Some migrants were given support for getting entry visas (6.3%) where the host countries required so. An overwhelming majority of the respondents claimed that the intermediaries had fulfilled their initial promises completely (76.3%) or at least in part (18.3%). Only ten migrants stated that their expectations from the third parties were not met.

Due to limited information about the job and the remuneration, a significant number of migrants (40.3%) did not plan the DURATION of their business trip at all. Those of them, who eventually managed to project the situation, were mostly planning to stay in the host country for 6-12 months (55.0%). Only a small number of the migrants were planning to stay in the country for less than three months or longer than a year (6.1% and 11.4% accordingly). With this information we can very roughly estimate the average planned duration of the trip as eight months.

As far as the FINANCING OF THE TRIP, 42.0% of the migrants could cover the expenses from their household budget. However, in the majority of cases, the migrants had to take out a loan or were even forced to sell their property (40.2% and 7.9% accordingly). In 8.3% of the cases, the migrants' future employers financed the business trips.

In cases when the host country required an ENTRY VISA, the majority of migrants (88.9%) stated they got it by only making official payments. Four migrants claimed they had to overpay (bribe) the consular to be provided with an entry permit (all to EU countries). At that, 5.1% of the respondents stated that they know people who were forced to pay bribes to get an entry visa to a foreign country.

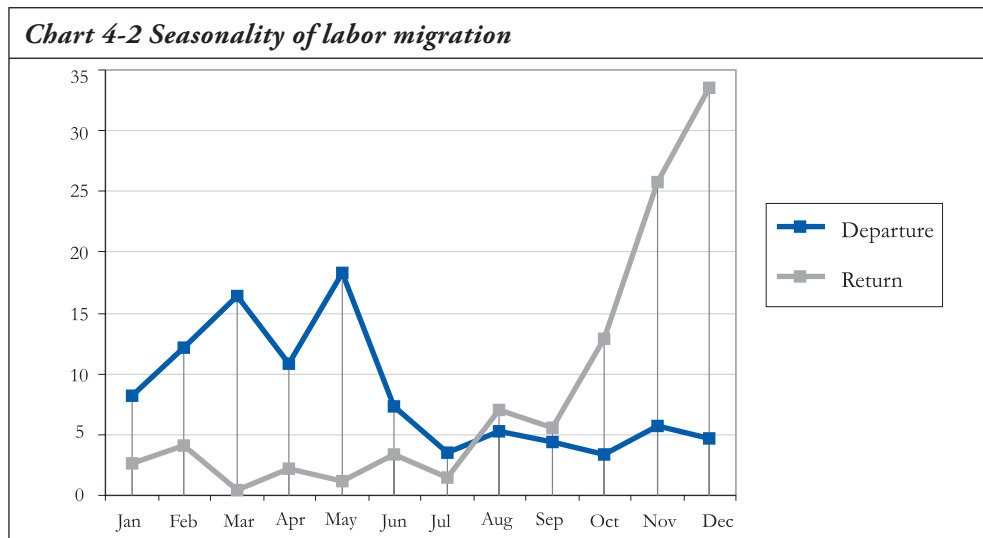
As far as getting an EXIT STAMP from the RA is concerned, very few respondents (25 people or 1.4% of the respondents) claimed to be aware of cases where the exit permit was refused by the authorities.¹⁸ According to the respondents the main reason for the refusal was that the person who was planning to leave the country had to serve in the army (5 cases). Ten respondents said the officials wanted a bribe, while the remaining ten stated that no explanation was provided.

A minority of the migrants (16.6%) have gone abroad as part of a group and the remaining 82.9% have carried out the trip individually.

¹⁸ An exit stamp (or exit 'permit') is a stamp validating national passports (identification documents) for travel abroad.

Seasonality and actual duration of the trip

Many surveys on external migration processes have pointed out the SEASONALITY of emigration and remigration flows. Results of our survey also allow us to assume that labor migration is in most cases a seasonal phenomenon.



Thus, as Chart 4-2 shows, the majority of migrants left the country either in the beginning or in the end of spring and returned to Armenia by the end of autumn/beginning of winter.

As for the DURATION OF THE TRIP, the majority of migrants have stayed abroad for 5-11 months (67.5%). It was mentioned that more than half of the migrants have planned the duration of their trip in advance. It was interesting to see whether or not their plans matched with the actual duration of their stay.

Thus, it appeared that the mean actual duration of the trips was nine months, which is in fact somewhat longer than the average duration initially planned by the migrants. Moreover, while only 11.1% of the migrants were originally planning a long-term trip, each fifth migrant has actually spent more than a year in the host country. At the same time, only one-third of the migrants who originally planned to return to Armenia in less than three months did eventually come back to Armenia within the specified period of time.

Interestingly, the duration of the trip depends on the country of the migrants' destination. The average duration of the migrants' stay in Russia was nine months, and in other CIS countries 7.5 months, whereas in the EU the average duration of stay was 6.5 months and in the USA it was two months.

Residential status

The breakdown of migrants by residence status in the host country is presented in Table 4-1.

Table 4-1 Status of the labor migrants

Status	Percent
Citizen of the host country	4,5
Residence and work permit	8,5
Residence permit without work permit	1,3
Temporary registration	72,9
No official registration	10,5
Don't know	2,2
Total	100,0

As shown, the majority of migrants have temporary registration (which is natural, since most of them lived in CIS countries) and each tenth migrant literally violates the law.

Only 4.5% of the Armenian labor migrants have citizenship of the host country. However, 21.0% of the surveyed migrants have tried to establish permanent residency during their last business trip.

Employment

The majority of migrants (64.3%) were provided with INFORMATION REGARDING THE JOB OPPORTUNITIES by their friends and relatives living in the host country. This is consistent with the fact that the migrants are most likely to leave for the countries where their relatives are already residing.

Another 16.5% of the migrants started to search for a job on their own after their arrival in the country. Only 3% of them used the services of local employment agencies and another 3% got information on job vacancies from Mass Media.

The majority of migrants STARTED WORKING almost immediately or within a maximum of 30 days after arrival in the host country (53.6% and 29.8% accordingly). 9.1% of the migrants found jobs in 1-3 months, and the process took a longer time in only 2.9% of cases. The remaining 3.3% of the migrants could not find employment.

As we mentioned, before engaging in labor migration the majority of employed migrants had permanent jobs. In contrast, the TYPE OF EMPLOYMENT of the migrants in the host countries was mostly temporary in nature (53.7% of cases).

The most popular SPHERE OF EMPLOYMENT of Armenian labor migrants is construction: two-thirds of them are engaged in this field. Next, though six times smaller in proportion, are trade/public food and services spheres. Table 4-1 compares the spheres of the migrants' employment in the host country and in Armenia.

Table 4-2 Spheres of employment

Sphere of employment	Abroad	In Armenia
Construction	62,0	16,3
Trade/public food	11,5	15,4
Services	10,6	22,9
Production	7,2	9,3
Transport	3,4	6,6
Art	1,4	2,2
Science	0,7	2,2
Education	0,2	4,4
Agriculture	0,0	15,9
Other	3,0	4,8
Total	100,0	100,0

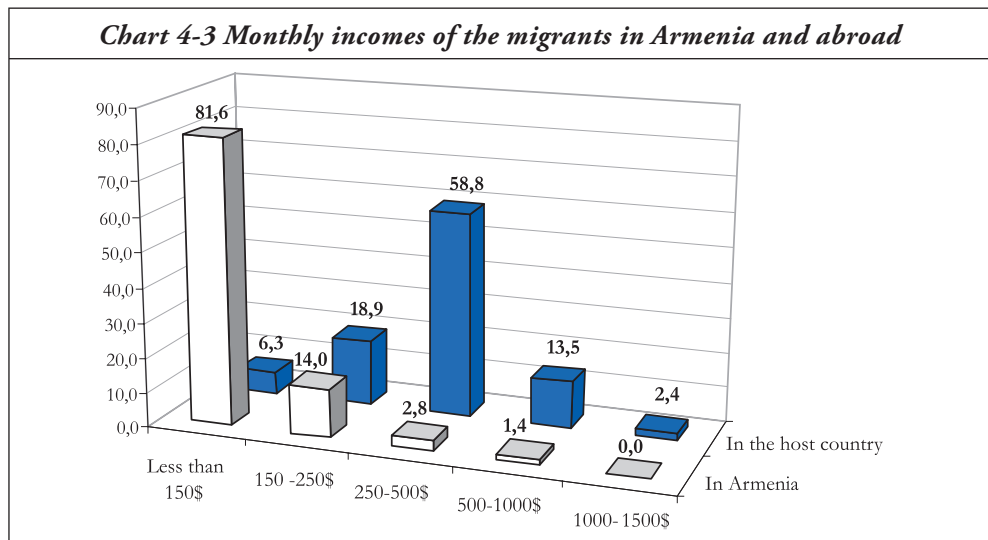
As for the POSITION of the migrants, 72.8% of them were workers, which is twice more than the percentage of workers among those that were formerly employed in Armenia. Consequently, the proportion of the migrants holding the positions of managers, white collars and self-employed is much lower (1.5, 2 and 5 times respectively).

The mean duration of the migrants' WORKING DAY is 10.5 hours. The majority of migrants were/are working full-time (8-10 hours) or in 12-hour shifts (34.1% and 33.4% accordingly), 5.6% worked part-time (1-7 hours) and 8.0% claimed to work more than 12 hours a day. Only 43.9% of the labor migrants had regular DAYS OFF. Each fourth migrant did not have any days off, and 22.5% rarely had days off.

The most probable explanation to this as well as to the extended working day is that only 11.5% of the labor migrants had a written AGREEMENT (employment contract) with their employers in the host country. In the overwhelming majority of cases (72.3%) relations with the employers were based solely on oral agreements. It is mainly due to this that in each third case the employers did not keep to the initial agreement or fulfilled its terms only in part. Moreover, 11.9% of migrants stated that the labor relations were not regulated at all (not even with an oral agreement) and hence the parties did not assume any liabilities towards each other.

Turning to the migrants' REMUNERATION, it must first be mentioned that the recorded response rate to the question about monthly incomes was 65.2% and hence our following estimations are based on information from 296 labor migrants out of 454. The majority of migrants earn (used to earn) 250-500 USD a month (58.8%), and almost one quarter earns less than 250 USD. 16.9% of the migrants stated that they had an average monthly income of more than 500 USD.

The mean monthly income of the migrants in the host country was 410 USD with minimum and maximum of 100 and 1500 USD. Although in absolute numbers the average income is four times higher than what the migrants used to get in Armenia, it is apparently not much higher in a relative sense. If we consider the short duration of the trips, it seems that with the income of 400-500 USD the migrants should only be able to pay off their debts (if any) and cover the direct expenses, such as travel costs and living costs in the host countries (which even in Russia are higher than in Armenia). This finding could indeed put the economic efficiency of the labor migration in doubt if there was proof that the incomes of the migrants are not underestimated.

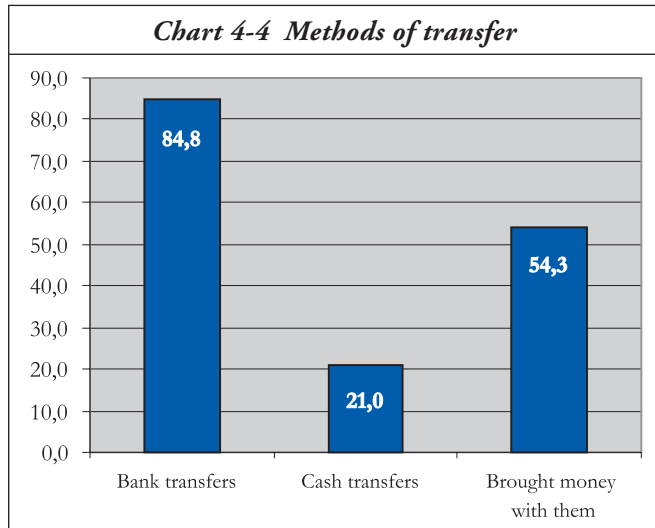


Remittances

Regarding money sent home, 18.8% of the respondents stated that their migrant relatives have never sent monetary remittances to the household. The majority of migrants who could find ways to support their families financially (55.7%) have sent money 2-6 times during their stay in the host country.

A majority of the migrants (70.9%) could first send money to their households in the period of two months or less after the departure. Each fifth migrant managed to produce the first savings in 3-6 months, and only for 4.6% it took more than half a year. The mean period of time reported by the survey was 2.4 months.

The most popular method of transferring money to the households has been bank transfer: 84.8% of the migrants have used the bank services during their last trip abroad. In contrast only 21.0% of the households have received cash transfers through individuals and more than half of the migrants (54.3%) have brought the money with them.



In our view, the prevalence of bank transfers is conditioned by the recent development of the Armenian banking system in general, and the system of bank transfers between Armenia and CIS countries in particular. Most of the banks now assure almost momentary transfers charging an interest rate of only 1%. These quick and low-cost services allow migrants to avoid unnecessary troubles connected with finding reliable people to deliver the money to Armenia whenever needed, or leaving the families without any financial support until coming back to Armenia. The mentioned assumptions are supported by the migrants' evaluation of the bank services: almost all of them are satisfied with the banks in terms of the speed of transactions (96.4%), reliability (97.4%) and price (95.8%) of the services.

According to the respondents, the average amount of money sent (brought) by each migrant to his/her family during the last trip totals 1540 USD. This number might still be an underestimation, however in our view it is closer to the reality than the data on monthly income discussed above. Indeed it seems quite contradictory: an *average* labor migrant who receives an *average* monthly salary of 400 USD for an *average* nine months could hardly save an *average* of 1540 USD, because it would mean he/she has spent less than 200 USD per month on living in the host country, not including the travel expenses and necessity to pay back the debts [if any].

If we multiply the calculated 1540 USD by the average number of trips each migrant has conducted in the last three years (1.8 trips) the mean amount of the remittances received by each of the households would total to 2772 USD. This allows us to estimate if not the exact but the MINIMUM financial inflow to Armenia from the labor migrants in the period of 2002-2005: 260-330 million US dollars depending on the absolute number of migrants (excluding the 18.8% of “unsuccessful” trips), or on average about 100 million dollars a year. Interestingly the same volume of gross annual inflow was estimated in 1996 (for the period of 1991-1995) in the research paper “Migration

of Armenian Population in Post-Soviet Period”.¹⁹ However, due to the fact that the 1996 survey covered the external migration processes in general, the estimated volume certainly could not be produced in whole by the labor migrants.

STAY IN THE HOST COUNTRY: LIVING CONDITIONS AND MAIN PROBLEMS

Housing conditions

While working abroad the majority of the migrants (38.5%) were renting accommodation. At that 28.9% used to rent a separate apartment and only 9.6% shared the rent of housing with friends or relatives. Rather naturally, in Europe and in the USA renting accommodation is much more popular: more than half of the Armenian labor migrants to these countries rent a lodging either alone (41.0%) or together with friends (15.0%).

Each third Armenian labor migrant (30.3%) lived either at his/her actual workplaces (office, factory, etc.) or in barracks. It must be mentioned though that 99.2% of these migrants lived and worked in Russia. Another common practice is living with relatives or friends who have already resided in the country of the migrant’s destination. This option was chosen by 20.6% of all migrants, by 19.2% of migrants in Russia, and by almost 32% of migrants in the other countries. Some migrants lived in dormitories (6.7%) and at homes of the employers (3.8%).

Table 4-3 Types of housing

Option	Percent
Rented a separate apartment	29.0
Lived at the workplace or in barracks	27.5
Lived at relatives’ or friends’ house	20.5
Rented an apartment together with friends	9.6
Lived in a dormitory	6.7
Lived at the employer’s house	3.8
Owns an apartment	0.9
Other	0.4
Don’t know	1.6
Total	100.0

¹⁹ *Migration of Armenian Population in the Post-Soviet Period*. Independent research group of Prof. S. Karapetyan with funding from UNFPA, Yerevan, 1996, p. 31; from *Labor Migration from Armenia. An Overview of Literature*. Ruben Yeganyan and Nelson Shahnazaryan, Yerevan, 2004.

The majority of migrants were satisfied with their housing conditions. Furthermore, those who worked in the USA and European countries rated their housing conditions higher than those who lived in Russia and other CIS countries. At that, when asked to compare their housing conditions in the host country with the ones in Armenia, the majority of respondents (53.2%) stated that the conditions were better (naturally, those who were either living with their relatives or were renting a separate housing); 31.1% considered that the conditions were worse, and 11.3% mentioned no difference.

Major problems

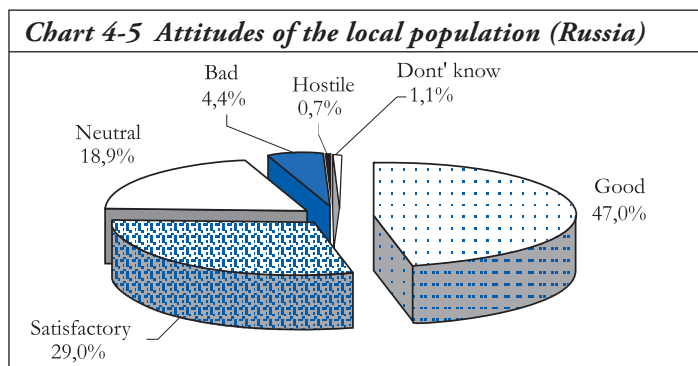
The only countries where the surveyed migrants claimed to have encountered certain problems were Russia (96.7 %) and the USA (3.3 %). However, given the very small number of migrants to EU and other CIS countries this does not mean that Armenians generally do not meet any troubles in these countries.

Since the absolute number of migrants to the USA is also small to make any generalizations, the current section will describe the problems that concern Armenian labor migrants in Russia.

The main problems mentioned by the respondents can be divided into three groups: *a)* bureaucratic problems (registration process, demand of bribes by the police and documents being checked very often); *b)* problems with employment (general difficulty to find a job and being eventually paid less than it was initially agreed); and *c)* negative attitudes of the host country authorities and native population. At that, migrants of age 51-65 mostly faced problems with employment, while younger migrants encountered bureaucratic obstacles more frequently.

Attitudes of the local authorities and population

The majority of migrants (52.5%) consider the attitudes of the host-country authorities to be either good or satisfactory. In contrast, only 2.0% of the migrants stated that they are hostile. Quite expectedly the government and the executive bodies show the most positive attitude towards the migrants who are citizens of the host country and are negatively disposed towards those who are breaking the registration rules.



Compared to the attitudes of the authorities, the migrants are more satisfied with the attitudes of local population: 46.5% think the attitudes are positive, 28.6% rate them as satisfactory and 18.7% consider them to be neutral. At that, rather naturally, the native population has a somewhat better attitude towards female migrants than towards males.

LABOR EXPLOITATION AND TRAFFICKING

Trying to assess the diffusion of some negative manifestations of labor migration, we asked the respondents to remember real life examples of their friends, relatives or acquaintances that were transferred to foreign countries and were subject to labor exploitation or were forced to engage in prostitution.

Two hundred fifty respondents (14.3%) claimed to be aware of cases of labor exploitation, and 3.1% (54 respondents) remembered stories of women's sexual trafficking. Perhaps naturally, the majority of respondents who could remember cases of labor exploitation represent families that are involved in the labor migration process. Moreover, in Shirak where the labor migration rate is the highest, almost every third surveyed family claimed to be aware of concrete examples of labor exploitation of Armenians in foreign countries. These results, however, cannot even roughly be transferred to absolute numbers, since in the majority of cases (and particularly in small settlements) the respondents might have been speaking of the same cases of labor exploitation/trafficking.

CHAPTER 5. CAUSES AND CONSEQUENCES OF LABOR MIGRATION

Having examined the objective facts and figures, it is now necessary to look into subjective perceptions of the migrants and their family members regarding the reasons and effects of labor migration. This chapter summarizes the assessment of the phenomenon from the respondents' point of view.

REASONS FOR LABOR MIGRATION

The research showed that the main reasons behind the decision to migrate were connected with employment problems in Armenia (96.9%). Of this group, 51% of the respondents mentioned lack of jobs in general, 43.0% considered the lack of jobs that pay sufficiently for normal living, and 2.9 % stated that the main reason for their migration was the absence of profession-specific jobs in Armenia. The fact that only 14 out of 454 labor migrants were being driven by other reasons (such as unhealthy atmosphere) was not at all surprising.

It is interesting to note that, while middle-aged migrants paid most attention to high remuneration, the majority of those aged 21-30 and 51 and above stated that they decided to leave because they were unable to find a job in Armenia. This outcome might be explained by the fact that it is generally easier for the middle-aged population to find a job. Bigger demand for middle-aged people in the labor market is natural, since the young are not experienced enough and the elder do not possess the skills required by the contemporary market. This is why the middle-aged population is concerned about finding a “good” job, rather than just enlarging their employment record.

In this sense, it is also reasonable that migrants with higher and post-graduate education would have higher requirements from their jobs than the rest. Indeed, it appeared that 55.1% of them stated that they left Armenia because they were not paid enough, while the majority of those with lower levels of education claimed they could not find jobs in Armenia at all.

In addition to problems with employment in Armenia, the respondents have mentioned the following reasons for emigration: absence of development perspectives in Armenia (9.4%), obstacles to doing business (9.4%), unhealthy moral and psychological atmosphere (5.6%) and unstable geopolitical situation (0.7%).

Given the big share of migrants who left the country because of low wages, it was necessary to assess their minimum salary requirements. It appeared that the average monthly salary the migrants want to get in order not to leave abroad again is 337 USD, which is about ten times more than the actual minimum monthly rate defined by the Government of the Republic of Armenia.

EFFECTS OF LABOR MIGRATION

The majority of MIGRANTS stated that their last trip met their expectations at least in part (63.7%), and 12.3% were completely satisfied with their journey. At the same time, each fifth migrant claimed his/her expectations were not met at all. Overall, four fifths of the migrants would advise others to work abroad.

As far as the assessments of the MIGRANTS' FAMILY MEMBERS are concerned, they are much more reserved: each third family thinks the trip was not justified and claims it is pointless for the migrants to continue working abroad.

In the opinion of the respondents, the fact that some of their family members are temporarily working abroad does not really influence the FAMILY STRUCTURE. Mostly, they think that the number of children and married couples would be the same if the migrants stayed in Armenia. This is quite logical if we consider that the majority of migrants are 41-50 year old married males. As far as the younger migrants are concerned, the temporary nature of the migration, perhaps, does not keep them from getting married and having children - a situation, which in Armenia you can come across very frequently.

Unlike this, the majority of respondents (76.1%) believe that the family would be financially less sustainable if there were no labor migrants among their close relatives. The remaining one quarter of the respondents, however, thinks that the situation would be the same (19.5%) or even better (3.1%). A sound correlation in this sense was established between the opinions of the respondents and the remittances sent by the migrants during their last business trips. The average amount of money received by the households which consider labor migration to be economically effective, is 1637 USD, whereas those that doubt the ECONOMIC RATIONALE received on average only about 400 USD (or four times less).

The respondents expressed different opinions as to the influence of labor migration on the MORAL-PSYCHOLOGICAL ATMOSPHERE in the family. However, a breakdown of the responses speaks for the fact that the effect is rather positive: the ratio of those who think the influence was negative to those who claimed it was positive is about 1:3 (or 17.3% to 40.3%).

The most probable reasoning for the first point of view is that, for however short a period of time, the families are broken apart. This argument is supported by the finding that the attitude depends on the average duration of the migrants' trips: in the majority of cases when the families considered migration to contribute to the atmosphere within the family, the migrants have usually spent less than 8 months abroad. In contrast, the mean duration of the trips of those migrants whose families were concerned about the psychological consequences of the process is 10.5 months.

At the same time, the opinions of the respondents depend on whether or not the migrant had a job back in Armenia. Thus, it appeared that 60% of the migrants

from families that support the idea were unemployed. Indeed, unemployment, shortage of financial resources and continuous search for sources of living might damage the morale of the family more than the necessity to live away from the family for a period of time.

One of the social consequences of labor migration could be the weakening of the SOCIAL NETWORK: about one-third of the respondents claimed that due to migration of their family members they now get in contact with their friends, relatives and acquaintances less frequently. This situation can still be attributed to the age and gender structure of the labor migrants. Most of them are young or middle-aged males, who perhaps used to contribute the highest value to the social network of the family.

CHAPTER 6. ASSESSMENT OF THE MIGRATION POTENTIAL

As far as the results of the survey allowed, the current chapter projects both internal and external migration flows of Armenian population for the year 2005, including potential temporary and permanent emigration. With the necessity of extrapolation of the acquired data to the total population of the country, the findings presented are based on the main representative sample of households.

INTERNAL MIGRATION POTENTIAL

The survey showed that 5.1% of the members of surveyed households would like to move from their current place of residence to live or work in another settlement of the RA and mostly in Yerevan (3.0%). Of this group, 1.3% already plan to migrate in 2005 and 0.6% among those would settle in Yerevan. Converted to absolute numbers, this means that about 13.000 residents of the regions of Armenia will most probably settle in Yerevan this year.

In our opinion, the tendency of the population to move to the capital is conditioned by both objective and subjective factors. Yerevan certainly differs from the rest of the republic in terms of better lifestyle and wider opportunities; however the perceptions of the population regarding the drastic difference in living standards are rather exaggerated.

According to the survey, the migration flow to Yerevan will mostly involve migrants from regions situated close to the capital - Aragatsotn, Ararat and Kotayk (66.7%) and a smaller percentage of migrants from the disaster zone - Lori and Shirak (33.3%). The majority of the migrants to Yerevan this year will be younger than 34 years old, and will come from families with lower than average living standards.

ATTITUDES TOWARDS EXTERNAL MIGRATION

Attitudes towards permanent migration

The respondents were asked to express their attitude towards those of their compatriots who go abroad for permanent residency (using a scale of 1-4, with 1 meaning negative attitude, 2 – rather negative attitude, 3 - rather positive attitude and 4 – positive attitude). As a result, 39.8% of the respondents (the largest group) defined their attitude as clearly negative, which is about 1.5 times higher than the percentage of those who supported distinctly positive attitude (24.4%). However, combining “rather positive” and “rather negative” attitudes with the appropriate poles, it appears that the percentage of those who disapprove the phenomenon is not much higher than of those who approve it (52.8% and 44.8 % accordingly). With this we can conclude that Armenian society tends to have a mildly negative attitude to permanent emigration.

To understand which groups of the population tend to be positively or negatively disposed towards permanent emigration, we have correlated the attitudes with the variables of gender, education, type of settlement, presence or absence of migrants in the families, and living standards of the households. As expected, the strongest correlation was observed between the attitudes of the households and their involvement in migration processes. Unlike all other groups of respondents, families that were involved in labor migration mostly regard permanent migration as a positive phenomenon (54.9%). This finding is very important, because it allows us to assume that the respondents, for the most part, would not object if their family members who left the country to temporarily work abroad eventually stayed in the host country.

Furthermore, it appeared that females tend to be somewhat less loyal than males to those people that permanently leave the country: The proportion of negative attitudes in the case of females is 54.5%, while in the case of males it is almost equal to the proportion of positive attitudes (49.8%). At the same time almost the same breakdown is observed when comparing the attitudes of rural and urban population with the latter being more tolerant to permanent migration (50.7% of respondents as compared to 55.7%). This outcome is rather natural, if we consider that the migration rate from urban areas is much higher than that from rural areas.

Interestingly, there is a big gap between the assessment of people with no formal education and those with post-graduate education. While only 30% of the first group regards permanent migration as a positive phenomenon, an overwhelming majority of the second group (85.8%) has a positive attitude.

While comparing the attitudes of different social classes, it came out that respondents from families with high living standards demonstrated indifference towards permanent migration: within this group the percentage of negative and positive attitudes is the same (50%). This may be conditioned by the migration activity of different income groups (as mentioned in previous chapters higher than average income groups tend to show lower migration activity).

Attitudes towards labor migration

Unlike the ambiguous social perception of permanent migration, Armenian society tends to show quite a high level of solidarity in terms of attitudes towards labor migration. The majority of respondents (58%) have a positive and 28.4% have a rather positive attitude towards labor migration, meaning that the absolute majority of the population (86.4%) regards labor migration as an acceptable and commendable phenomenon. In contrast, only each tenth Armenian condemns those who look for employment opportunities abroad.

Let us now turn to discussion of the respondents' opinion regarding LABOR MIGRATION OF WOMEN in particular. It appeared that the overwhelming majority of Armenian population (78.1%) is still very intolerant towards the migration of females.

The respondents have mentioned different reasons behind their negative point of view. The most frequently mentioned explanations were that seeking jobs abroad contradicts the image of Armenian women (20.6%), that women should not leave the country (20.5%), or even that women should not work at all (13.8%). Another widespread opinion is that most of the women who go abroad engage in prostitution (10.4%). However, we are inclined to think that the latter argument is rather based on subjective stereotypes than on real life stories. Some other reasons why the respondents think women should not work abroad are that the migration of women destroys the family, that women must not go abroad alone, and that they can find a job in Armenia (2.3%).

It seems that the small minority showing a positive attitude towards labor migration of women rationalizes its opinion rather than supports it. 47.6 % of the respondents state that women can work abroad if they are forced to earn a living; 19.1% considers that women may work abroad if they cannot get employment in Armenia; 4.4% mentioned that women may go abroad if they get a good job offer and 3.9% stated that women might leave the country if they go with their husbands. Interestingly, only a few respondents (6.4%) referred to universal human rights stating that everyone has a right to work, irrespective of the gender.

Thus we can conclude that (similar to other situations) the social attitudes of Armenians towards labor migration are directed by cultural norms and traditions, rather than by social and economic rationale.

EXTERNAL MIGRATION POTENTIAL

Labor migration

The survey found that 6.9% of the members of surveyed households expressed willingness to leave the country to work abroad.

As far as the actual intentions are concerned, the results of the survey suggest that the labor migration rate in 2005 will be much higher than the average annual rates recorded for the period of 2002-2005. This will be mainly due to the following two circumstances:

1. The majority of the migrants that went back to Armenia in February 2005 (or their 77.5%) were planning to conduct another business trip before the end of the year. Thus, the absolute number of migrants who will carry out a regular trip abroad would be between 57,000 and 72,000 people.
2. New migrants will become engaged in labor migration: the process will involve about 8% of the families that did not have any family members working abroad in 2002-2005. In total, 1.8% of the members of these families stated that they plan to leave the country in 2005. This means a total of 48,000-68,000 new migrants.

In total, according to our projections, 105,000-140,000 labor migrants from Armenia (3.3-4.3% of the total population of the country) will try their luck in foreign countries in 2005. In our view, however, the fact that this estimate is about three times higher than the annual average calculated for the last three years must not be considered as a radical increase in labor migration rates. Firstly, both the actual and potential migration rates are based on the information provided by the respondents and not on factual registration of migration acts. Hence, the actual rates might be fairly underestimated, whereas the potential rates could be overestimated. We are inclined to think that not all of the planned trips will eventually be realized. This can happen both due to objective reasons and due to the fact that the respondents might state that some of their relatives plan to go abroad even in cases when such plans are quite vague. On the other hand, it is known that the respondents in general are more disposed to the discussion of plans (which does not assume any liability) rather than to the sharing of facts.

Most probably the gender and age structure of departing migrants will be similar to that recorded for 2002-2005. 88.4% of those who are planning to work abroad are males and 11.6% are females; and the majority of migrants will be of age 25-54 (73.5%).

Permanent migration

Regarding permanent relocation, 5.1% of the respondents' family members would like to establish permanent residency in foreign countries. At that, the projected rate of this specific type of emigration (percent of people that plan to move from Armenia in 2005) stands at 0.7%. Extrapolated to the general population this means 16.000-30.000 people (or 0.5-0.9% of the total population). Hence, in 2005 the labor migrants will comprise about 87% of the total volume of external migration.

Unlike labor migrants, those who will migrate from the republic permanently are mostly older than 45 (63.8%) and the majority of them are female (56.7%).

SUMMARY OF FINDINGS

LABOR MIGRATION RATES

- o Extrapolation of the survey results allows estimating the number of households that were involved in labor migration process in the discussed period of time as 95,000-122,000 (or 12.2-15.6% of the total of 778,667 households). In the overwhelming majority of cases (78%), one member of the family had left to work abroad; 15.4% of the families had two labor migrants and only 6.6% had three or more migrants.
- o According to the survey, the absolute number of labor emigrants over the last three years has been 116,000 – 147,000 people, or 3.6-4.6% of Armenia's de jure population. This is to say that in the period of 2002-2005, 7.3 - 9.2% of the economically active population of Armenia was involved in labor migration process. The survey suggests that 73,500-93,000 migrants from those who departed in 2002-2005 should have returned and 42,500-53,800 labor migrants should still be working abroad [by March, 2005].
- o The highest rates of household involvement in labor migration were recorded in Shirak and Lori, where accordingly each third and each fifth household was involved in labor migration. Average rates were observed in Kotayk, Gegharkunik, Ararat, Vayots Dzor and Yerevan, and the lowest rates in Aragatsotn, Tavush, Syunik and Armavir. At the same time, arranging the marzes according to the actual migration rates (i.e. ratio of labor migrants to total population aged 15 and above) we observed a different picture with Shirak, Lori, Yerevan, Gegharkunik and Kotayk showing the highest migration activity as compared to the other marzes.
- o The survey reported that the migration rate in urban locations is almost twice as high as in rural ones. At that, the highest migration rate was recorded in urban areas of Lori, Gegharkunik and Shirak, and the lowest rate in rural areas of Armavir.

COUNTRIES OF DESTINATION

- o The most popular country of destination for labor migrants was, and still is, Russia: 87.6% of labor migrants have visited this country at least once during the last three years. Transferred to absolute numbers this would mean that 87,600-143,600 Armenians have left to work in Russian Federation in the period from 2002-2005.
- o In total, 90.1% of the labor migrants have worked in the CIS countries, including (besides Russia) Ukraine (2.2%) and Kazakhstan (0.3%). About 12,000 labor migrants left Armenia to search for jobs in the EU countries (mainly France) and the USA.

SOCIAL-DEMOGRAPHIC STRUCTURE OF THE MIGRANTS

- o According to the survey, 85.9% of labor migrants are male, and 14.1% are female. At that, the ratio of male labor migrants to the total male population aged 15 and above is 9.2%, whereas in case of females the same ratio is more than seven times lower (1.3%). Extrapolation of these results to the general population allows us to estimate the absolute numbers of men and women migrants over the last three years: 92,000-118,000 men and 11,300-22,300 women. If we narrow the universal set to the economically active population, this data would mean labor migration of 10.9-14.0% of economically active men and 1.5-3.0% of economically active women.
- o The overwhelming majority of labor migrants are of age 21-50 with the age group of 41-50 having the largest share. Analysis of migration activity of different age groups showed that starting from age 21 labor migration rates constantly increase and reach their peak in the age group of 46-50: each sixth Armenian of this age was involved in labor migration in the last three years. After 51, however, the proportion is cut in half for almost all subsequent age groups.
- o The overwhelming majority of migrants are married and in most cases, the migrant is either the head of the family (male) or his son.
- o The majority of labor migrants have either secondary or secondary special education. Approximately one-fifth of the migrants have higher education or post-graduate degree.

EMPLOYMENT AND INCOME IN ARMENIA

- o Approximately half of the labor migrants were involved in some paid activity before their first trip abroad. Of this group, 64.6% had permanent jobs, and 35.4% were employed occasionally. This allowed us to assume that at least for each third Armenian labor migrant the act of migration could not be conditioned on lack of workplaces in general.
- o According to the respondents, the average monthly income of their migrant relatives hardly exceeded 100 USD at the time they worked in Armenia (80.3% of cases). Another 15.5% of the migrants earned incomes of 100-200 USD, and only 4.2% were earning more than 200 USD a month. The calculated mean of the migrants' monthly income in Armenia is 97.5 USD.

PLANNING OF THE TRIP

- o A minority of migrants had a concrete preliminary agreement regarding the nature of the work, the remuneration and the housing conditions prior to arriving in the host country. Each second migrant did not have any idea about

the salary he/she would get, each third did not know what type of job he would be doing, and each fourth migrant did not even have an agreement regarding the housing conditions.

- o Results of the survey speak for the fact that labor migration is in most cases a seasonal phenomenon. The majority of migrants have left the country either in the beginning or in the end of spring and returned to Armenia by the end of autumn/beginning of winter.
- o Due to limited information about the job and the remuneration, a significant number of migrants (40.3%) did not plan the duration of their business trip at all. Those who eventually managed to secure necessary information were mostly planning to stay in the host country for 6-12 months. Only a small number of the migrants were planning to stay in the country for less than three months or longer than a year. The average planned duration of the trip was estimated as eight months, whereas the mean actual duration of the trips was somewhat longer (nine months).

EMPLOYMENT AND INCOME IN THE HOST COUNTRY

- o The majority of migrants started working almost immediately or within a maximum of 30 days after arrival in the host country. 9.1% of the migrants found jobs in 1-3 months, and the process took a longer time in only 2.9% of cases.
- o The type of employment of the migrants in the host countries was mostly temporary in nature. The most popular sphere of employment of Armenian labor migrants is construction: two-thirds of them are engaged in this field. Next, though six times smaller, are the trade/public food and services spheres.
- o The mean duration of the migrants' working day is 10.5 hours. The majority of migrants were/are working full-time (8-10 hours) or in 12-hour shifts, 5.6% worked part-time (1-7 hours) and 8.0% claimed to work more than 12 hours a day. Only 43.9% of the labor migrants had regular days off. Each fourth migrant did not have any days off, and 22.5% had days off only rarely.
- o Only 11.5% of the labor migrants had a written agreement (employment contract) with their employers in the host country. In the overwhelming majority of cases (72.3%) relations with the employers were based solely on oral agreements. Moreover, 11.9% of migrants stated that the labor relations were not regulated at all [not even with an oral agreement] and hence the parties did not assume any liabilities towards each other.
- o The mean monthly income of the migrants in the host country was 410 USD with minimum and maximum of 100 and 1500 USD respectively.

REMITTANCES

- o 18.8% of the respondents stated that their migrant relatives have never sent monetary remittances to the household. The majority of migrants who could find ways to support their families financially have sent money 2-6 times during their stay in the host country.
- o A majority of the migrants (70.9%) could first send money to their households in the period of two months or less after the departure. Each fifth migrant managed to produce the first savings in 3-6 months, and only for 4.6% it took more than half a year. The mean period of time reported by the survey was 2.4 months.
- o The most popular method of transferring money to the households has been bank transfer: 84.8% of the migrants have used the bank services during their last trip abroad. In contrast only 21.0% of the households have received cash transfers through individuals.
- o According to the respondents, the average amount of money sent (brought) by each migrant to his/her family during the last trip totals 1540 USD.
- o Considering the average number of trips conducted by the migrants during the last three years (1.8), the mean amount of the remittances received by each of the households would total 2772 USD. This allowed us to estimate if not the exact but the minimum financial inflow to Armenia from the labor migrants in the period of 2002-2005: 260-330 million US dollars depending on the absolute number of migrants (excluding the 18.8% of “unsuccessful” trips), or in average about 100 million dollars a year.

MAIN PROBLEMS IN THE HOST COUNTRY

- o The main problems that Armenian migrants have faced in the host countries can be divided into three groups: a) bureaucratic problems (registration process, demand of bribes by the police and documents being checked very often); b) problems with employment (general difficulty to find a job and being paid less than it was initially agreed); and c) negative attitudes of State bodies and native population.
- o Migrants of age 51-65 mostly faced problems with employment, while younger migrants encountered bureaucratic obstacles more frequently.

CAUSES AND CONSEQUENCES OF LABOR MIGRATION

- o The research showed that the main reasons behind the decision to migrate for economic reasons were connected with employment problems in Armenia (96.9%). Of this group, 51% of the respondents mentioned lack of jobs in general, 43.0% considered the lack of jobs that pay sufficient for normal living

and 2.9 % stated that the main reason for their migration was the absence of profession-specific jobs in Armenia.

- o As far as the consequences of labor migration are concerned, the majority of the respondents think that the fact that some of their family members are temporarily working abroad positively influences the financial sustainability and moral-psychological atmosphere in the family, somewhat negatively affects the family's social network, but does not influence the family structure.

INTERNAL MIGRATION POTENTIAL (PROJECTIONS FOR 2005)

- o 5.1% of the members of surveyed households would like to move from their current place of residence to live or work in another settlement of the RA and mostly in Yerevan (3.0%). Of this group, 1.3% of the household members already plan to migrate in 2005 and 0.6% among those would settle in Yerevan. Converted to absolute numbers, this means that about 13,000 residents of the regions of Armenia will most probably settle in Yerevan this year. According to the survey, the migration flow to Yerevan will mostly involve migrants from regions situated close to the capital - Aragatsotn, Ararat and Kotayk (66.7%) and a smaller percentage of migrants from the disaster zone - Lori and Shirak (33.3%).

EXTERNAL MIGRATION POTENTIAL (PROJECTIONS FOR 2005)

- o In total, according to our projections, 105,000-140,000 labor migrants from Armenia (3.3-4.3% of the total population of the country aged 15 and above) will try their luck in foreign countries in 2005. In addition, 0.5-0.9% of Armenia's population (16,000-30,000 people) will permanently emigrate from the country this year. Hence, the labor migrants will comprise about 87% of the total volume of external migration estimated as 121,000-170,000.
- o Most probably the gender and age structure of departing migrants will be similar to that recorded for 2002-2005. 88.4% of those who are planning to work abroad are men and 11.6% are women; and the majority of migrants will be of age 25-54 (73.5%). Unlike labor migrants, those who will migrate from the republic permanently are mostly older than 45 and the majority of them are women.

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LABOR MIGRATION FROM ARMENIA
IN 2002-2005

A SOCIOLOGICAL SURVEY OF HOUSEHOLDS

Anna Minasyan, Blanka Hancilova
