


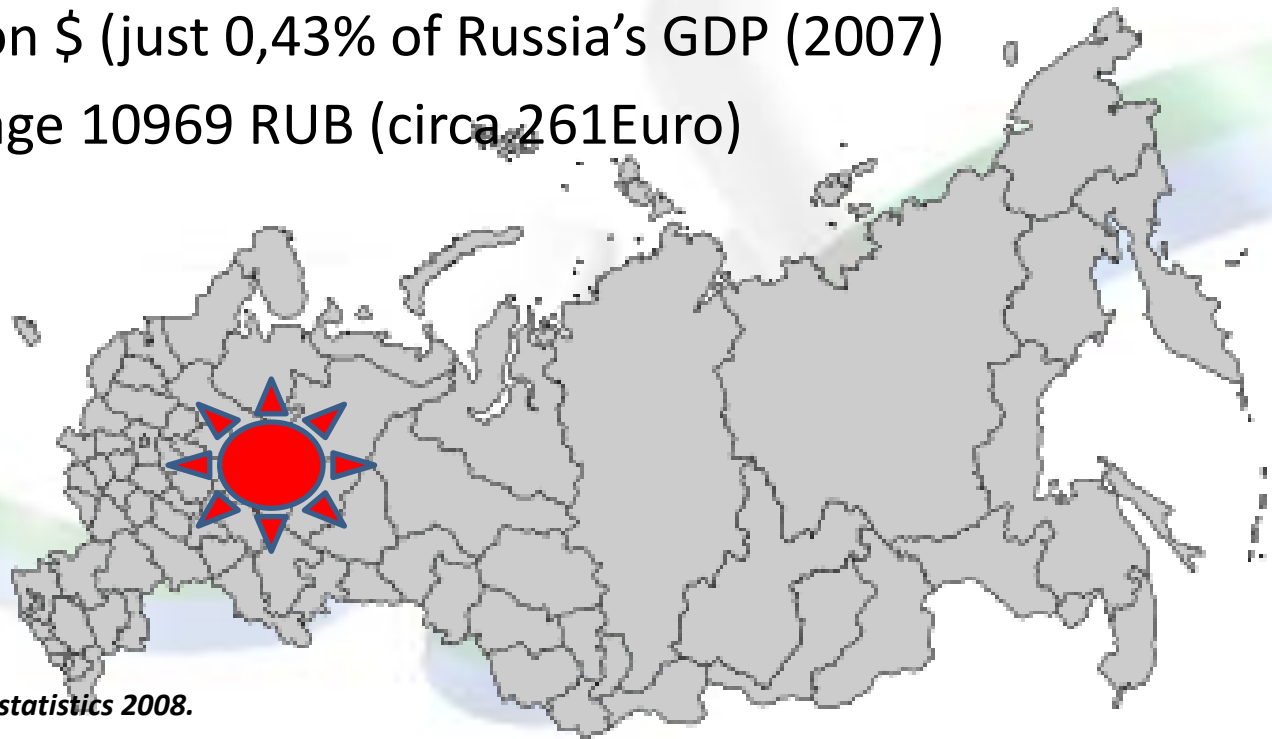
Kirovskaya oblast

Program of employment
maintenance as response to
economic crisis challenges in 2009

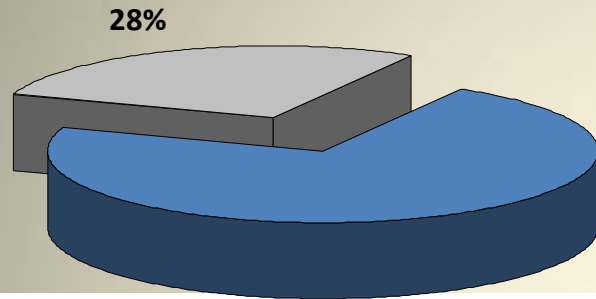
The bottom half of the slide features a decorative graphic consisting of several overlapping, wavy, ribbon-like lines in shades of light green and light blue, set against a white background.

Kirovskaya oblast

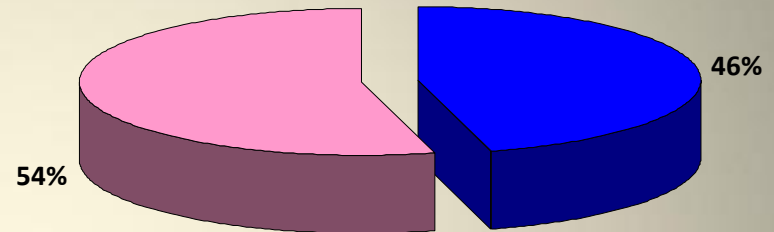
- Located in the central part of Russia
- Occupies a territory of 120 thousands square kilometers.
- 1,4 million residents (1% of Russia's total)
- Life Expectancy male 61/ female 74
- GRP- 4billion \$ (just 0,43% of Russia's GDP (2007))
- Average wage 10969 RUB (circa 261Euro)



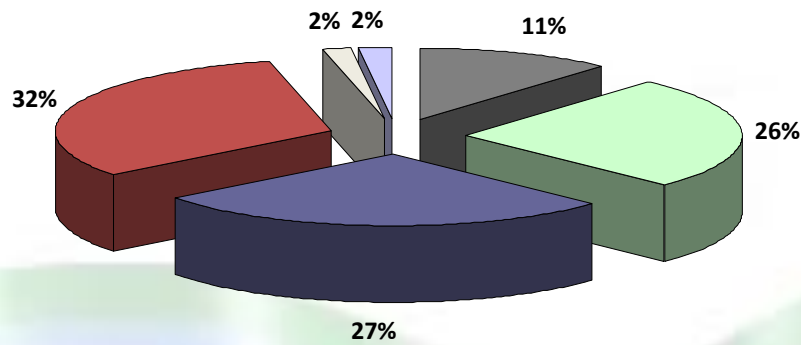
Population profile



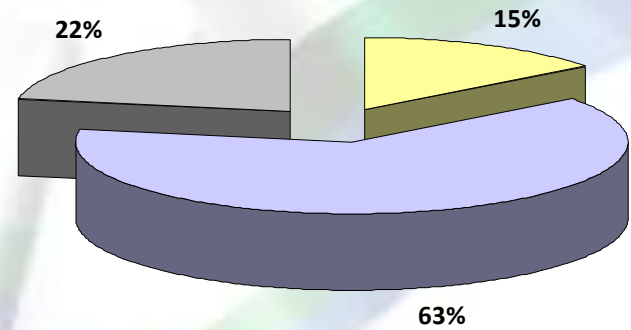
■ urban areas ■ rural areas



■ male ■ female

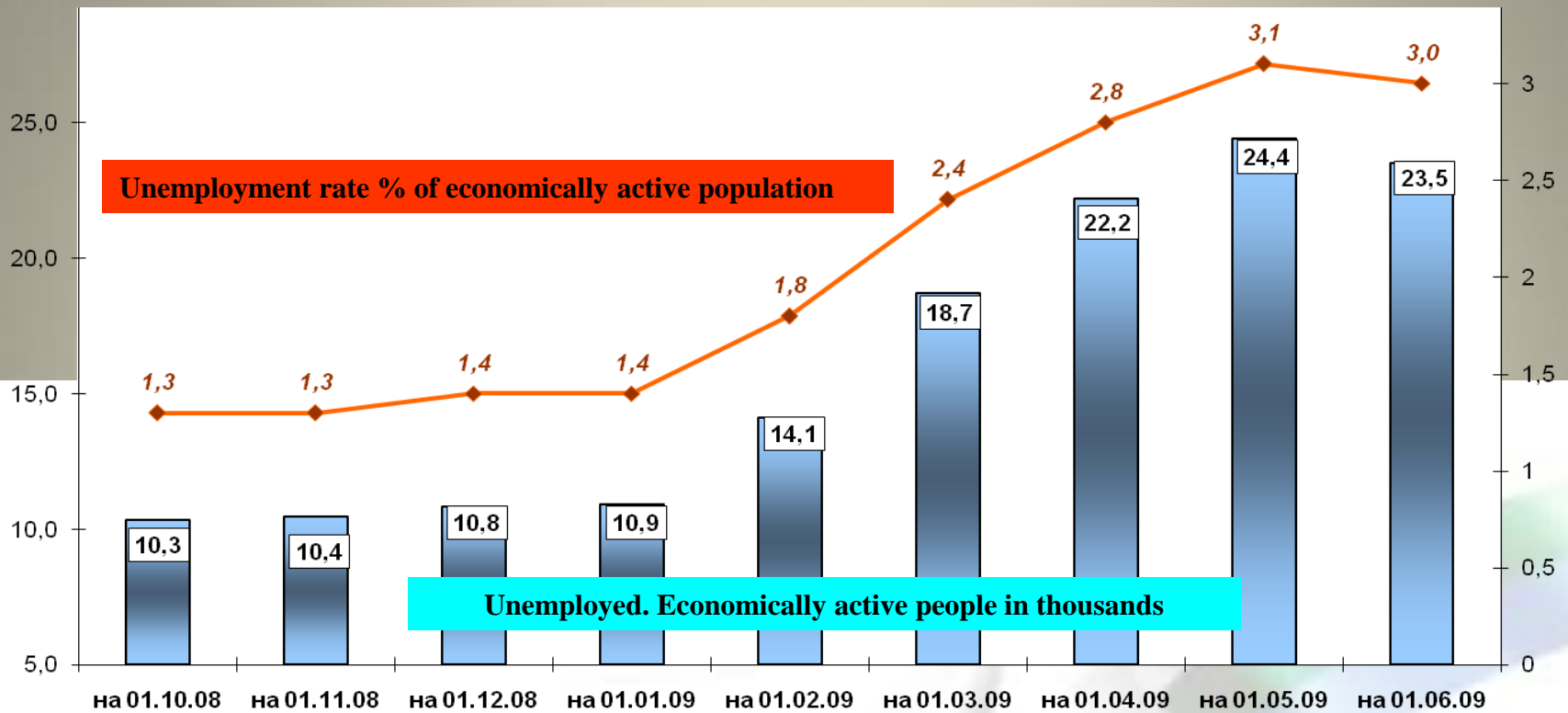


■ higher education ■ professional education
 ■ technical education ■ school
 ■ don't have school educ ■ unfinished higher education



■ below working age ■ working age
 ■ older than working age

Unemployment dynamics



Expected layoffs (01.06.2009)

Number of firms and enterprises reporting massive dismissals in June-August 2009

127

Number of employees with notice of dismissals in June-August 2009

5472

Subemployment (01.06.2009)

Number of firms and enterprises reporting to be compelled to move the employees into partial employment

635

Number of partially employed

36800

Employment maintenance program in Kirovskaya oblast

- **Main goal:** Support people, maintain employment, maintain incomes
- **Total budget:** Circa 16 190 476 Euro, 90% from federal budget and federal design.
- **Main focus:** Public works, trainings and study courses, self employment (small business)

Trainings and study courses

Participants:

Employees with notice of dismissal, those moved to partial employment, moved to unpaid leave

Mechanics:

A subsidy of 7400Rub to employers for education and trainings for those employees with obligation of posterior employment

Coverage: 4607 part.

Public works

Participants:

Unemployed, employees with notice of dismissal, those moved to partial employment, moved to unpaid leave

Mechanics:

A wage of 4330 Rub for public work organized by firms and enterprises.

Coverage: 32223part.

Self employment

Participants:

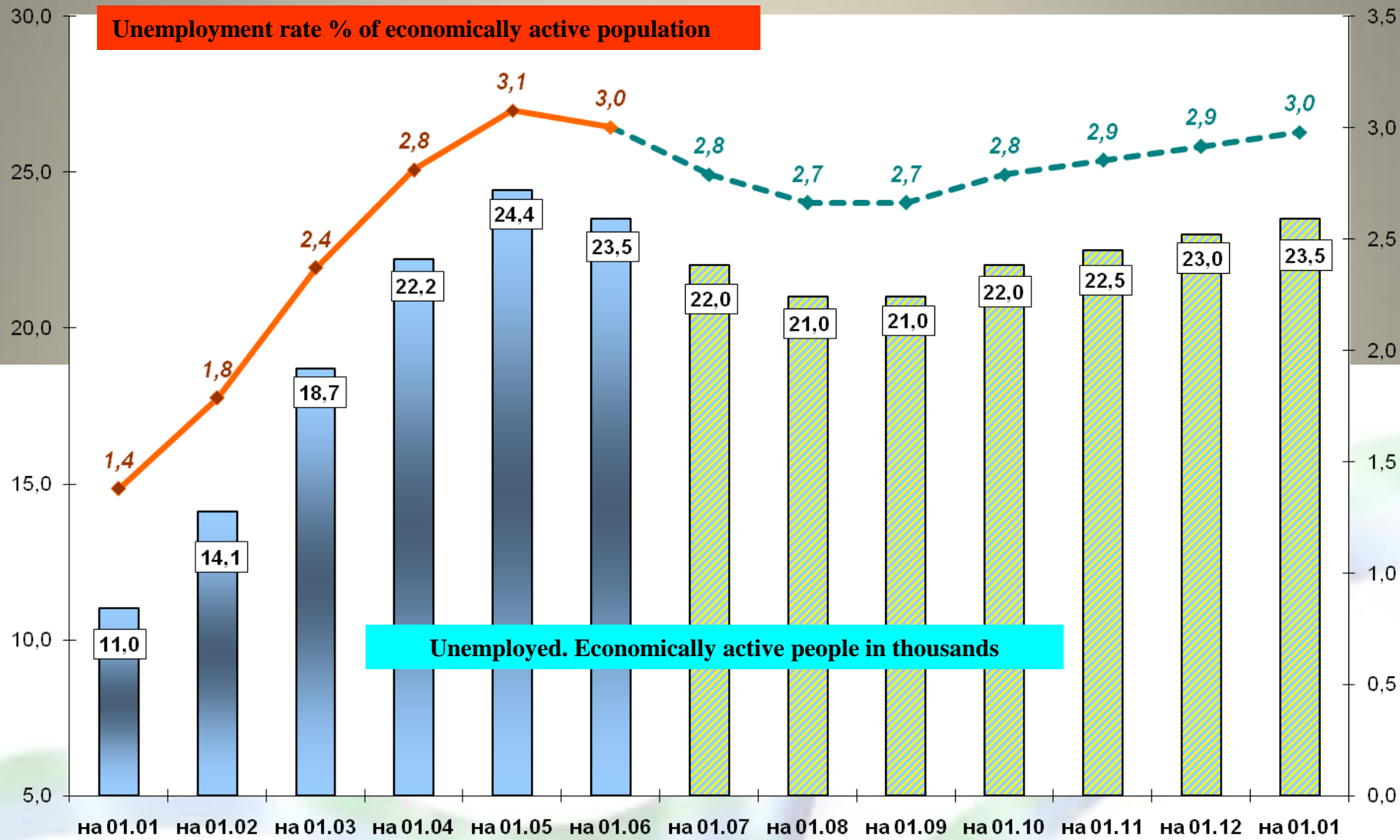
Unemployed

Mechanics:

An unemployment compensation paid flat in advance for a year 58800 RUB, as a grant for starting up a small business.

Coverage: 265 part.

Unemployment dynamics projection



Main problems with current programs

- Provide quick fix but no solution to the issue.
- Locks people in ineffective sectors and enterprises.
- Does not change labor structure and labor behavior.
- Helps those who are weak and easy to help