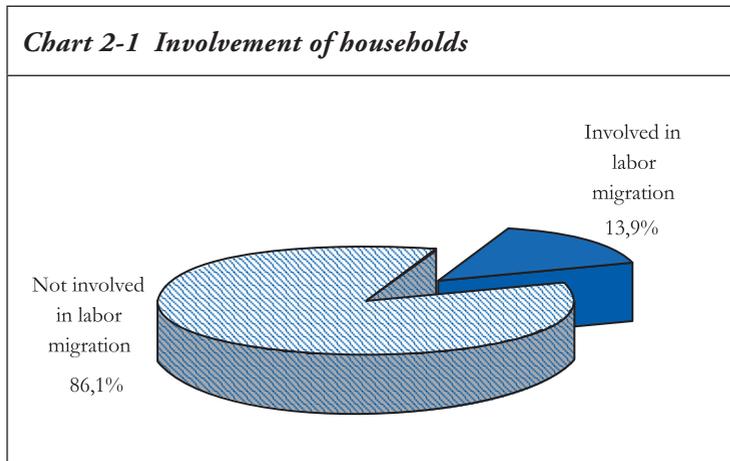

CHAPTER 2. LABOR MIGRATION: BASIC DESCRIPTION

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).

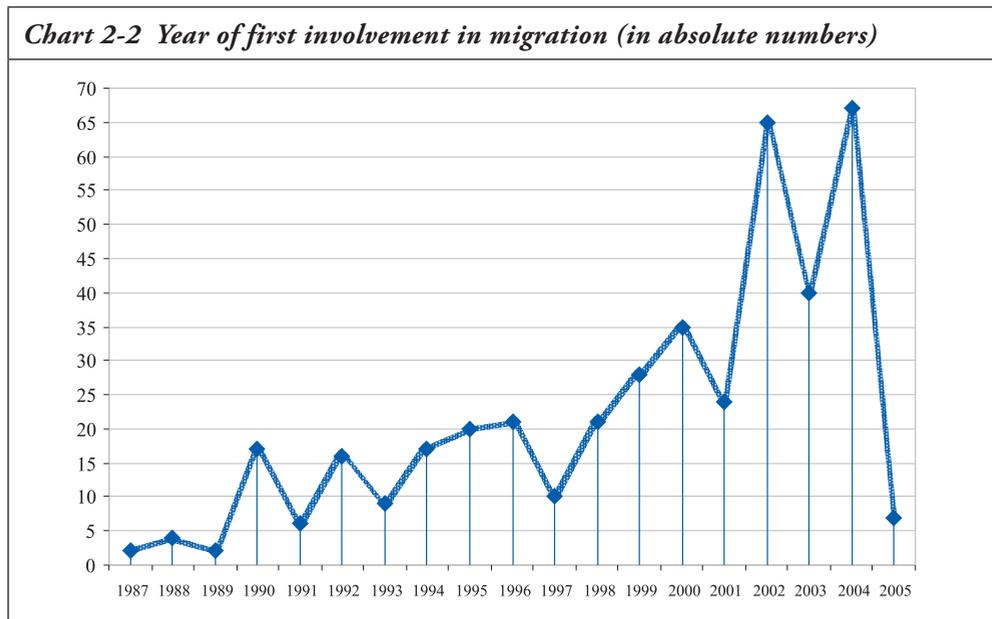


In the overwhelming majority of cases (78%) one member of the family had left to work abroad; 15.4% of the families had two labor migrants and only 6.6% had three and more migrants.

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

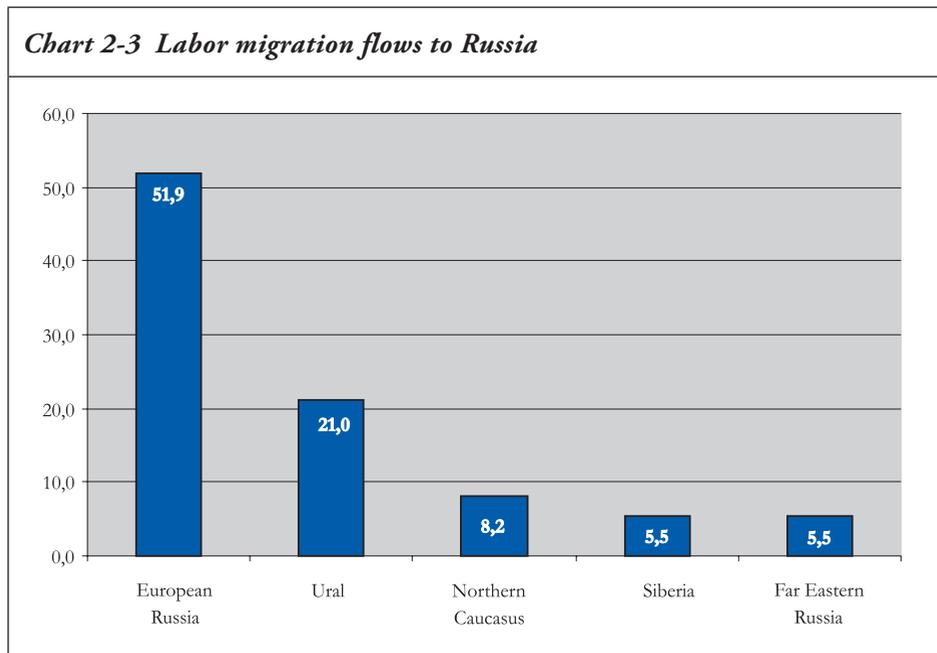
Russia and the Commonwealth of Independent States

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

