The Role of Labour Migration in the Development of the Economy of the Russian Federation
Facilitating Migration Management in North and Central Asia

The Role of Labour Migration in the Development of the Economy of the Russian Federation

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1

Migrant workers in the Russian Federation
1.1 Factors influencing labour migration to the Russian Federation

The Russian Federation is the main country of destination for temporary migrant workers in North and Central Asia. These migrant workers primarily come from neighbouring countries that, until 1991, were part of the erstwhile Soviet Union. These migrant flows are motivated by a host of economic, socio-demographic, cultural-historical and political factors.

**Economic factors.** A number of economic push factors are present in countries of origin. These include low productivity and low salaries for those with jobs, high levels of unemployment and labour force surpluses, making it difficult for others to find work, and resulting in high levels of poverty and inequality. These combine with major pull factors in the Russian Federation (and, to some extent, Kazakhstan) where there is a diversified economy with a high level of labour demand, offering higher wages and a better quality of life. As a result, an important migratory system has formed in North and Central Asia, centred on the Russian Federation and Kazakhstan as countries of destination, attracting labour migrants from the countries of North and Central Asia, as well as others from China, the Democratic People’s Republic of Korea, Viet Nam and some countries of Eastern Europe.

The differences in salaries between countries of the subregion provide a strong example of these factors at work. According to available data, whereas workers in the Russian Federation and Kazakhstan could expect to earn an average salary of US$689 and US$526 per month respectively in 2010, the corresponding figures for major countries of origin such as Armenia, Kyrgyzstan and Tajikistan were US$292, US$155 and US$81 respectively (table 1.1.1). The difference is a clear sign of the incentive for workers from neighbouring countries to migrate for work in the Russian Federation and Kazakhstan.

Unemployment provides another incentive for labour migration. The rate of unemployment reached 8.4 and 16.8 per cent in some Central Asian countries in 2013, an indication that workers lack economic opportunities. By contrast, unemployment remained relatively low in the Russian Federation and Kazakhstan (5.5 and 5.2 per cent respectively) (table 1.1.2), a trend that has endured, despite recessions in the Russian Federation in 2009 and 2014.

This combination of high unemployment and poor wages for those in work spurs migration from the countries of North and Central Asia. Although other factors such as recession and policy changes in countries of destination may have some impact on the overall numbers and compel some potential migrants to search for new destinations outside the subregion, the combination of economic factors with structural nature of this migration means that this trend likely to continue in the long-term.

**Social demographic factors.** Combined with the economic attraction of higher wages in the Russian Federation drawing migrants there for work, demographic factors also mean that migrant workers are in demand. The Russian Federation is a rapidly ageing country, with low growth of the working-age population in recent decades, and an increase in the population of older persons.

This aggravates labour deficits in the Russian labour market, creating demand for workers and thus spurring labour migration from the countries of origin in the region. This is especially the case as the demographic situation of several of the countries of origin in North and Central Asia is very different, with working age populations forecasted to grow in the medium term in Uzbekistan, Tajikistan, Turkmenistan and Kyrgyzstan. It is likely that this will add to existing labour force surpluses in these countries, further incentivizing migration.

Social factors also play a role in encouraging migration. Success in many countries of the subregion has been associated closely with migration, either through work or further study. This is heightened at the local level where non-migrants are confronted with migrants who have better access to material goods such as housing and cars.
TABLE 1.1.1: AVERAGE MONTHLY NOMINAL WAGE IN SELECTED COUNTRIES OF NORTH AND CENTRAL ASIA, 2001–2010 (UNITED STATES DOLLARS)

<table>
<thead>
<tr>
<th>Country</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>44.1</td>
<td>47.7</td>
<td>60.1</td>
<td>81.4</td>
<td>113.7</td>
<td>149.7</td>
<td>217.0</td>
<td>285.7</td>
<td>264.3</td>
<td>291.3</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>117.9</td>
<td>132.6</td>
<td>154.6</td>
<td>208.3</td>
<td>256.3</td>
<td>323.5</td>
<td>428.2</td>
<td>505.4</td>
<td>456.5</td>
<td>525.7</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>30.0</td>
<td>35.9</td>
<td>43.8</td>
<td>52.5</td>
<td>63.7</td>
<td>81.4</td>
<td>106.4</td>
<td>147.1</td>
<td>143.6</td>
<td>155.4</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>111.1</td>
<td>139.1</td>
<td>179.2</td>
<td>234.0</td>
<td>302.5</td>
<td>391.2</td>
<td>531.6</td>
<td>696.9</td>
<td>588.3</td>
<td>689.4</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>9.9</td>
<td>11.8</td>
<td>14.6</td>
<td>20.8</td>
<td>26.8</td>
<td>35.2</td>
<td>47.4</td>
<td>67.5</td>
<td>68.9</td>
<td>81.0</td>
</tr>
</tbody>
</table>


TABLE 1.1.2: ANNUAL AVERAGE UNEMPLOYMENT (THOUSANDS) AND UNEMPLOYMENT RATE (PERCENTAGE OF ECONOMICALLY ACTIVE POPULATION) ACCORDING TO THE METHODOLOGY OF THE ILO IN THE RUSSIAN FEDERATION AND SELECTED COUNTRIES OF NORTH AND CENTRAL ASIA, 2000–2013

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Russian Federation</td>
<td>Unemployment</td>
<td>7,700</td>
<td>6,424</td>
<td>5,699</td>
<td>5,934</td>
<td>5,666</td>
<td>5,242</td>
<td>5,250</td>
<td>4,519</td>
<td>4,697</td>
<td>6,284</td>
<td>5,544</td>
<td>4,922</td>
<td>4,131</td>
<td>4,137</td>
</tr>
<tr>
<td></td>
<td>Rate</td>
<td>10.6</td>
<td>9.0</td>
<td>7.9</td>
<td>8.2</td>
<td>7.8</td>
<td>7.1</td>
<td>7.1</td>
<td>6.0</td>
<td>6.2</td>
<td>8.3</td>
<td>7.3</td>
<td>6.5</td>
<td>5.5</td>
<td>5.5</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>Unemployment</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>258.3</td>
<td>250.9</td>
<td>243.1</td>
<td>236.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rate</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>5.7</td>
<td>5.5</td>
<td>5.2</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>Armenia</td>
<td>Unemployment</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>231.6</td>
<td>269.9</td>
<td>278.2</td>
<td>265.7</td>
<td>245.5</td>
<td>224.6</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rate</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>16.4</td>
<td>18.7</td>
<td>19.0</td>
<td>18.4</td>
<td>17.9</td>
<td>16.8</td>
<td></td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>Unemployment</td>
<td>906.4</td>
<td>780.3</td>
<td>690.7</td>
<td>672.1</td>
<td>658.8</td>
<td>640.7</td>
<td>625.4</td>
<td>597.2</td>
<td>557.8</td>
<td>554.5</td>
<td>496.5</td>
<td>473.0</td>
<td>474.8</td>
<td>470.7</td>
</tr>
<tr>
<td></td>
<td>Rate</td>
<td>12.8</td>
<td>10.4</td>
<td>9.3</td>
<td>8.8</td>
<td>8.4</td>
<td>8.1</td>
<td>7.8</td>
<td>7.3</td>
<td>6.6</td>
<td>6.6</td>
<td>5.8</td>
<td>5.4</td>
<td>5.3</td>
<td>5.2</td>
</tr>
<tr>
<td>Kyrgyzstan*</td>
<td>Unemployment</td>
<td>…</td>
<td>…</td>
<td>265.5</td>
<td>212.3</td>
<td>185.7</td>
<td>183.5</td>
<td>188.9</td>
<td>191.1</td>
<td>195.6</td>
<td>203.7</td>
<td>212.3</td>
<td>212.4</td>
<td>210.4</td>
<td>205.7</td>
</tr>
<tr>
<td></td>
<td>Rate</td>
<td>…</td>
<td>…</td>
<td>12.5</td>
<td>9.9</td>
<td>8.5</td>
<td>8.1</td>
<td>8.3</td>
<td>8.2</td>
<td>8.2</td>
<td>8.4</td>
<td>8.7</td>
<td>8.6</td>
<td>8.5</td>
<td>8.4</td>
</tr>
<tr>
<td>Tajikistan*</td>
<td>Unemployment</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>196.0</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>241.2</td>
<td>241.2</td>
<td>…</td>
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<td>…</td>
</tr>
<tr>
<td></td>
<td>Rate</td>
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<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>11.5</td>
<td>11.6</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>Unemployment</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>658.2</td>
<td>622.4</td>
<td>626.3</td>
<td>639.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rate</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>…</td>
<td>5.4</td>
<td>5.0</td>
<td>4.9</td>
<td>4.9</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Note: (*) data on some countries are absent in separate years.

Unemployment in North and Central Asia is particularly acute among the population in rural areas; indeed, given the subsistence nature of agriculture in some of these areas and their remoteness from Government services, the actual numbers of unemployed people may be even higher than reported.
Cultural and historical factors. Migration in North and Central Asia is further facilitated by the shared history of the countries of the region, and the shared facility in the Russian language. This, combined with transnational social networks connecting the countries, makes access to employment much easier for migrants in the Russian Federation compared to other countries.

Infrastructure and geographical factors. The Russian Federation is in relatively close proximity to migrants from the subregion and easily accessible through multiple means such as rail, road, air or sea. Given the historical connections between these countries, these links are often better than with other neighbouring countries such as China, or with destinations further abroad such as the Middle East or Europe.

The growth of air travel in recent years has played an important role in the development of labour migration flows to the Russian Federation. Many national and Russian airlines have opened direct flights not only to Moscow but also other large cities of the Russian Federation, with tickets being relatively affordable. Systems of credit have also evolved for funding journeys to the Russian Federation.

Political factors. A number of political factors have encouraged different forms of migration since 1991. For populations of Russian ethnic origin, the growth of nationalism and civil wars in several countries of origin and their involvement in international conflicts have resulted in trends such as the reduction of the sphere of use of Russian and lack of career prospects, and have motivated their migration to the Russian Federation. Others also sought asylum to escape political repression.

However, at the same time processes of political and economic integration have developed, culminating most recently in the creation of the Eurasian Economic Union (EEU) which became effective 1 January 2015. Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation are members of the EEU, with other countries, notably Tajikistan, also considering membership. Among the areas for integration in the EEU is the creation of a space of free movement of labour, with workers from these countries entitled to work in other member States without a permit.

For most countries in the subregion which are not members of the EEU, a visa-free regime remains in place in the Russian Federation. Thus citizens of Tajikistan, Uzbekistan, and Azerbaijan have 30 days from their arrival in the Russian Federation and find employment and obtain an employment licence, referred to as a “patent”. Work visas and the permits are still required for citizens of Georgia and Turkmenistan.

Due to these factors a migratory subsystem has emerged in North and Central Asia, which is characterized by large-scale flows of primarily temporary labour migrants from the countries of Central Asia and the Southern Caucasus to the Russian Federation and Kazakhstan. First, it is characterized by large flows of migrant workers. However, other forms of migration are also of significance including migration for permanent residence, marriage migration and educational migration. The factors driving this migration are likely to remain in the medium-long term.
Some migrants have been able to translate their status into full citizenship in the Russian Federation. Nearly half of Central Asian migrants (40 per cent) who obtained Russian citizenship in 2001–2011 came from Kazakhstan (figure 1.1.1). Migrants from Uzbekistan (25 per cent) and Kyrgyzstan (23 per cent) account for most of the rest of the naturalizations. Between 2001 and 2011, more than 1.6 million people from the countries of North and Central Asia became Russian citizens (table 1.1.3). The number of naturalizations of citizens of Kyrgyzstan is on the rise while naturalizations of citizens of Uzbekistan has declined.

Taking on Russian nationality by migrants from other North and Central Asian countries can be seen as a sign of their desire to integrate into Russian society. Requirements for Russian nationality have increased significantly, notably in 2002 and 2010.

1.2 The official number of migrant workers in the Russian Federation

Official data on migrant workers in the Russian Federation are based on the number of documents issued by the Federal Migration Service (Federal’naya Migratsionnaya Sluzhba) permitting migrants to work. In 2014, 3,690,000 documents were issued, including 2,387,000 licences and 1,303,000 work permits (figure 1.2.1). From January to July 2015, 1,406,000 documents were issued to migrant workers, including 1,265,000 licences and 141,000 work permits.

The countries that sent the largest number of migrant workers to the Russian Federation in 2014 were Uzbekistan, Tajikistan, Ukraine, China, Kyrgyzstan, Moldova, Armenia, the Democratic People’s Republic of Korea, Turkey and Viet Nam (figure 1.2.2). This trend has remained consistent since the 1990s.

There have been a number of changes to the documents issued to migrant workers. There are now three types of procedures for migrant workers to obtain documentation, which vary depending on the nationality of the migrant worker (table 1.2.1).

The first procedure — free labour migration — in which migrants are not required to obtain documentation to work in the Russian Federation, has been in place since 2012 for citizens of member States of the EEU, which allows for free movement of labour between its member States. Despite these reforms, small numbers of citizens of these countries have received other forms of work permission, suggesting that some workers and employers are unaware of the laws around employment of nationals of EEU member States.

The second procedure — licence — was initially introduced in July 2010 to allow migrants from countries which were part of the visa-free travel regime to work for physical persons. Initially, the cost of the licence was 1,000 roubles (RUB) per month, and it could...
FIGURE 1.2.1: NUMBER OF DOCUMENTS ISSUED TO MIGRANT WORKERS IN THE RUSSIAN FEDERATION, 1994–2014 (THOUSANDS)

Source: FMS data provided to the author, July 2015.

FIGURE 1.2.2: NUMBER OF MIGRANT WORKERS IN THE RUSSIAN FEDERATION BY COUNTRY OF ORIGIN AND TYPE OF DOCUMENTS, 2014

Source: FMS data provided to the author.
be renewed for up to a year. As the procedures for obtaining a licence were seen as cheaper, simpler and more transparent than those for securing other work permits, many workers moved from work permits to the licence system between 2011 and 2014. The status of some migrants remained irregular in practice if the migrant worked for an entity other than the physical persons listed on their licence. Nonetheless, migrants preferred the licence, especially when dealing with police or other authorities. The greatest number of licences were granted to citizens of Uzbekistan, followed by Tajikistan, Ukraine, Moldova and Kyrgyzstan (figure 1.2.3).

The licence system was reformed in January 2015 to become the only document required for migrant workers from countries with a visa-free travel regime, regardless of their workplace. Since 1 September 2015, citizens of five countries—Azerbaijan, Moldova, Tajikistan, Ukraine and Uzbekistan—can obtain licences. However, in addition to this reform, the price of licences increased. This price varies by region,

TABLE 1.2.1: PROCEDURES FOR DOCUMENTATION OF MIGRANT WORKERS IN THE RUSSIAN FEDERATION ACCORDING TO NATIONALITY (AS OF 1 SEPTEMBER 2015)

<table>
<thead>
<tr>
<th>NATIONALITY OF MIGRANT WORKERS</th>
<th>DOCUMENTS FOR ENTRY INTO RUSSIAN FEDERATION</th>
<th>TYPE OF DOCUMENTS FOR WORK IN RUSSIAN FEDERATION</th>
<th>KEY PROCEDURES</th>
</tr>
</thead>
<tbody>
<tr>
<td>EEU countries (Armenia, Belarus, Kazakhstan, Kyrgyzstan)</td>
<td>Foreign passport, migration card</td>
<td>None required</td>
<td>1) Registration of the migrant worker on residence (within five working days after entry into Russian Federation); 2) Notification of FMS by the employer regarding termination of the contract with the migrant worker (within three working days from the end of the contract)</td>
</tr>
<tr>
<td>Countries of the former USSR with a visa-free regime (Azerbaijan, Tajikistan and Uzbekistan)</td>
<td>Foreign passport, visa, migration card</td>
<td>Licence</td>
<td>1) Registration of the migrant worker on residence (within five working days after entry into Russian Federation) 2) Receipt of the licence by the migrant worker (within 30 days of entry into the Russian Federation) 3) Notification of FMS by the employer regarding termination of the contract with the migrant worker (within three working days from the end of the contract)</td>
</tr>
<tr>
<td>Countries of the former USSR with a visa regime (Georgia and Turkmenistan) and other States</td>
<td>Foreign passport, visa, migration card</td>
<td>Work permit</td>
<td>1) Registration of the migrant worker on residence (within five business days after entry into the Russian Federation) 2) Acquisition of permission by the employer for the employment of the foreign worker in the Russian Federation 3) Receipt of the work permit by the migrant worker (within 30 days from entry into Russian Federation) 4) Notification of FMS by the employer regarding termination of the contract with the migrant worker (within three working days from the end of the contract)</td>
</tr>
</tbody>
</table>
a licence requiring an initial payment of RUB 14,000 in
Moscow and RUB 21,000 in St. Petersburg, in addition
to a monthly fee of RUB 4,000 in Moscow and RUB
3,000 in St. Petersburg (Solopov and Opalev, 2015, p.
2). Beyond this, the procedures for acquiring a licence
have become more costly, including requirements that
workers buy medical insurance, undergo medical ex-
aminations, take examinations in the Russian language,
laws and history, and provide translated and notarized
documents (figure 1.2.4). Regions are also free to set
their own conditions and limitations on licences, and
migrant workers are restricted to the region in which
they are registered. A migrant worker who breaks
these conditions may be denied entry into the Russian
Federation.

The third type of documentation - work permit - is
issued to citizens of the countries with whom the
Russian Federation has visa relations (for example,
China, Georgia, Turkmenistan and Viet Nam), or
where visa-free short-term entrance solely for the
purpose of tourism or short-term business is permitted
in bilateral agreements (for example, Brazil, Argentina,
Serbia, Thailand and Turkey). Prior to the creation of
the free movement regime of the EEU and the 2015
reform of the licence system, it was also required for
migrants from CIS countries working for legal entities.
Employers were required under this system to gain
permission to hire migrant workers within special
quotas which are established annually by the Govern-
ment and subdivided by region and vocational group,
based on requests by employers (see table 1.2.2). After
the employer was granted permission, the migrant
worker could apply for the work permits based on
employment with a specific employer. As a rule, the
work permit was issued to migrant workers for up to
one year. In the case of highly qualified specialists, it
could be issued for up to three years.

The quota levels have been criticized as being both
unrealistically high and low. For example, in 2007,
only 27 per cent of the quota was used. In 2008, it was
exceeded: instead of 1.8 million permits being issued,
authorities issued 2.4 million. As the economy entered
a recession in 2009, this dropped again to 28 per cent.
Quotas were reduced from 2009, resulting in almost
two thirds of spaces being filled (Ryazantsev, 2015).
Since 2015 quotas remained only for foreign workers

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**FIGURE 1.2.3: NUMBER OF LICENCES ISSUED TO MIGRANT WORKERS IN THE RUSSIAN FEDERATION BY COUNTRY OF ORIGIN, 2014**

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Licences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other countries</td>
<td>2,471</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>1,406</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>95,452</td>
</tr>
<tr>
<td>Armenia</td>
<td>149,701</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>164,400</td>
</tr>
<tr>
<td>Moldova</td>
<td>181,580</td>
</tr>
<tr>
<td>Ukraine</td>
<td>259,767</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>463,850</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>863,535</td>
</tr>
</tbody>
</table>

**Source:** FMS data provided to the author, July 2015.
from the countries with a visa regime. Quotas of foreign workers were also set by sector in 2015 (Ministry of Labour and Social Protection, 2014).

In 2014, the Russian Federation granted the greatest number of work permits to citizens of Uzbekistan, followed by Tajikistan, Ukraine, China and Kyrgyzstan (figure 1.2.5).

In 2012 over half (51 per cent) of migrant workers within the work permit system were skilled, while a third (31 per cent) were unskilled. In total about 8 per cent were medium-skilled workers, and only 5 per cent were qualified professionals (figure 1.2.6).

To date, a relatively small number of highly qualified workers have migrated to the Russian Federation. From 2010 to 2012, only 25,700 work permits were granted to highly skilled workers, most of whom (23,800) came from eligible countries under the visa regime, despite the fact that the work permit procedure for highly qualified foreign specialists was significantly simplified in 2010.

Most highly skilled migrant workers enter and work under intra-corporate contract, as foreign multinational corporations prefer to bring managerial and engineering personnel into the Russian Federation. This explains why a higher share of highly skilled workers are found in industries where private business is more important, whereas the share is much lower where industries are more dependent on the State. In 2010–2012 the largest proportion of highly qualified specialists worked in the real estate sector (28.1 per cent), while 21.5 per cent worked in wholesale and retail trade, 13.7 per cent in manufacturing, 9.8 per cent in construction, 8.6 per cent in finance and 7.6 per cent in mineral extraction (figure 1.2.7).

According to Russian law, the only criterion for a “highly skilled foreign worker” is a minimum annual wage of RUB 2 million, or, in science and education, RUB 1 million. The level of education is not used as a criterion. For many scientific organizations and universities this minimum salary acts a major barrier preventing them from hiring foreign professors, teachers and researchers.

**Figure 1.2.4: Structure of the Price of the Licence in the Moscow Region, 2015 (Thousands of Rubles)**

TABLE 1.2.2: QUOTAS FOR MIGRANT WORKERS AND THEIR USE IN THE RUSSIAN FEDERATION, 2003–2015

<table>
<thead>
<tr>
<th>YEAR</th>
<th>QUOTA OF WORK PERMITS FOR FOREIGN CITIZENS (THOUSANDS)</th>
<th>WORK PERMITS ISSUED TO FOREIGNERS (THOUSANDS)</th>
<th>FULFILMENT OF QUOTA (PERCENTAGE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>530</td>
<td>378</td>
<td>71.3</td>
</tr>
<tr>
<td>2004</td>
<td>213</td>
<td>460</td>
<td>216.0</td>
</tr>
<tr>
<td>2005</td>
<td>214</td>
<td>703</td>
<td>328.5</td>
</tr>
<tr>
<td>2006</td>
<td>329</td>
<td>1 014</td>
<td>335.4</td>
</tr>
<tr>
<td>2007</td>
<td>6 309</td>
<td>1 717</td>
<td>27.2</td>
</tr>
<tr>
<td>2008</td>
<td>1 829</td>
<td>2 426</td>
<td>132.5</td>
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<tr>
<td>2009</td>
<td>5 228</td>
<td>1 473</td>
<td>28.2</td>
</tr>
<tr>
<td>2010</td>
<td>2 556</td>
<td>1 641</td>
<td>64.2</td>
</tr>
<tr>
<td>2011</td>
<td>1 754</td>
<td>1 028</td>
<td>58.6</td>
</tr>
<tr>
<td>2012</td>
<td>1 746</td>
<td>1 149</td>
<td>65.8</td>
</tr>
<tr>
<td>2013</td>
<td>1 746</td>
<td>1 112</td>
<td>63.7</td>
</tr>
<tr>
<td>2014</td>
<td>1 632</td>
<td>1 137</td>
<td>69.7</td>
</tr>
</tbody>
</table>

Source: Federal State Statistics Service (2014a) p. 334; and data from the Ministry of Labour and Social

FIGURE 1.2.5: NUMBER OF WORK PERMITS ISSUED TO MIGRANT WORKERS BY COUNTRY OF ORIGIN IN THE RUSSIAN FEDERATION, 2014 (UNITS)

Source: FMS data provided to the author, July 2015.
FIGURE 1.2.6: VOCATIONAL STRUCTURE OF MIGRANT WORKERS IN THE RUSSIAN FEDERATION, 2012

Source: FMS data provided to the author, July 2015.

FIGURE 1.2.7: DISTRIBUTION BY SECTOR OF HIGHLY QUALIFIED FOREIGN WORKERS IN THE RUSSIAN FEDERATION, 2010–2012

Source: FMS data provided to the author, July 2015.
In 2014 a total of 31,100 work permits for highly skilled migrants were issued, of which 29,400 were for migrants from countries requiring visas for entry to the Russian Federation (FMS data, 2014). It is noteworthy that in 2010–2012 China, France, Germany, Great Britain and Turkey were the main countries of origin, while in 2014 most highly skilled migrants came from China, Viet Nam, the Philippines, Turkey and Serbia (figure 1.2.8).

This may reflect strengthening economic and political ties between the Russian Federation and East and South-East Asian countries; however, employers may be using the simplified procedures for highly skilled migrants to bring in workers at lower skill levels. Following the economic crisis of 2014, many foreign companies reduced the number of foreign staff in the Russian Federation.

Unfortunately, data are not readily available on the gender and age structure of migrant workers in the Russian Federation. In terms of work permits issued by FMS since 2007, the 18–29 age cohort predominated. In 2010, 39 per cent of all migrant workers were in this age group, while 29 per cent were in the age group 30–39 years (figure 1.2.9).

In 2014, 45 per cent of all migrant workers were young people aged 18–29 years, while 25 per cent were aged 30–39 years. (figure 1.2.10). This points to a trend of “rejuvenation”: the flow of migrant workers to the Russian Federation was connected with youth transitioning from education to work in labour migration processes.

In 2014, migrant workers who received work permits in the Russian Federation were mostly men (figure 1.2.11), 80 per cent of whom were aged 18–39 years.

It is difficult to establish the distribution of the migrant workers working under the licence system by gender and age because data are not readily available. Research on trends in 2011–2012 showed that most licences were obtained by men. However, there was a notice-
FIGURE 1.2.9  AGE COMPOSITION OF MIGRANT WORKERS RECEIVING WORK PERMITS IN THE RUSSIAN FEDERATION, 2010

Source: FMS data provided to the author, July 2015.

FIGURE 1.2.10  AGE COMPOSITION OF MIGRANT WORKERS RECEIVING WORK PERMITS IN THE RUSSIAN FEDERATION IN 2014

Source: FMS data provided to the author, July 2015.

FIGURE 1.2.11: DISTRIBUTION OF MIGRANT WORKERS BY GENDER RECEIVING WORK PERMITS IN THE RUSSIAN FEDERATION, 2014

Source: FMS data provided to the author, July 2015.

FIGURE 1.2.12: DISTRIBUTION OF MIGRANT WORKERS BY GENDER UNDER THE LICENCE SYSTEM IN THE RUSSIAN FEDERATION, 2014

Source: FMS data provided to the author, July 2015.
able increase in the number of women receiving these licences. Experts estimated that women made up 30 per cent of the recipients of licences. This was caused by a bigger demand for female labour in domestic work and other sectors such as nursing which are traditionally feminized (Ryazantsev and others, 2012, p. 22). According to data from 2014, 19 per cent of migrant workers working in Russian Federation under the licence system (figure 1.2.12) were women. Those facts in conjunction with other research suggest a gradual feminization of labour migration flows to the Russian Federation.

All of the above data show that migration from the countries of North and Central Asia is the main trend for migration to the Russian Federation, and it has grown significantly as more categories of people, including increasing numbers of rural inhabitants, women and youth engage in migration.

### 1.3 Remittances from the Russian Federation

Personal transfers include non-commercial transfers from households abroad for the benefit of the households in the territory of the reporting country, and similar transfers from household residents abroad. This component of personal transfers is provided by transactions between resident and non-resident households. In 2013, the volume of personal transfers of labour migrants in the Russian Federation reached US$19.8 billion (figure 1.3.1), most of which came from workers’ remittances.

According to the Central Bank of the Russian Federation, remittances through money transfer systems in 2013 made up 40 per cent of the total volume of transfers of physical persons abroad. The turnover of money transfers through these money transfer systems in 2013 peaked for the period under study at US$27.6 billion, 88 per cent of which was directed towards CIS countries (table 1.3.1). This shows that migrants are highly motivated to send money to their families and are increasingly using official channels for money transfer.

High levels of competition among system operators has led to a reduction in commissions charged to migrant workers for sending remittances. Remittance costs from the Russian Federation are the lowest in the G20. Between 2014 and 2015, these costs varied between 2.2 per cent to 2.8 per cent, compared to an overall G20 average of 7.68 per cent. Thus for a remittance transaction of US$500, fees would reach a maximum of US$14.
These transfers are made regularly. According to a 2008 study by the Institute of Socio-Political Research under the Russian Academy of Sciences on the use of remittances in 200 remittance-receiving households in Khojend, the second-largest city in Tajikistan, most households (65 per cent) received remittances from abroad once a month. About a quarter of families received them once every few months. A further 9 per cent received them several times a month. 88 per cent of migrants were using official money transfer systems; however, around 1 in 10 migrants still used unofficial channels, sending money with acquaintances (Ryazantsev, 2010). Many families in Tajikistan and other countries of Central Asia now are very strongly dependent on these remittances. According to the study, remittances made up the majority of the household’s income in 45 per cent of households under study, while for a further 39 per cent it made up around half of their income (figure 1.3.3).

Many surveys show that remittances are, as a rule, spent by households for daily consumption that can stimulate considerable growth of national industries,

<table>
<thead>
<tr>
<th>Country</th>
<th>2010</th>
<th>2011</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIS</td>
<td>11 080</td>
<td>15 143</td>
<td>23 589</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>2 845</td>
<td>4 262</td>
<td>6 633</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>2 216</td>
<td>3 015</td>
<td>4 155</td>
</tr>
<tr>
<td>Ukraine</td>
<td>1 809</td>
<td>2 360</td>
<td>3 078</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>1 106</td>
<td>1 547</td>
<td>2 080</td>
</tr>
<tr>
<td>Armenia</td>
<td>1 018</td>
<td>1 284</td>
<td>1 597</td>
</tr>
<tr>
<td>Moldova</td>
<td>845</td>
<td>1 076</td>
<td>1 261</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>794</td>
<td>1 049</td>
<td>1 232</td>
</tr>
<tr>
<td>China</td>
<td>…</td>
<td>…</td>
<td>797</td>
</tr>
<tr>
<td>Georgia</td>
<td>566</td>
<td>669</td>
<td>789</td>
</tr>
<tr>
<td>Belarus</td>
<td>165</td>
<td>151</td>
<td>…</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>247</td>
<td>363</td>
<td>…</td>
</tr>
</tbody>
</table>

**Source:** Central Bank of the Russian Federation (2012) and (2014).

**FIGURE 1.3.2: RESPONSES TO THE QUESTION “WHAT SHARE OF YOUR INCOME IS MADE UP BY MONEY TRANSFERS?”**

- **Most part:** 45.0
- **About a half:** 38.5
- **Smaller part:** 15.0
- **No answer:** 1.5

**Source:** Ryazantsev (2010).
primarily those making day-to-day goods (the food industry, service sector), and construction. The study showed that 74 per cent of households in Khojend spend remittance money on food, 34 per cent on clothes and 31 per cent on medical services and medication. Moreover, 26 per cent of households spent money on the purchase, construction or repair of housing, 45 per cent invested in their children’s education, and 23 per cent saved their money (figure 1.3.4).

However, wider impacts are limited. As money is spent on consumption, little is invested in local infrastructure such as water supply systems, gas pipelines and roads; small business and entrepreneurship; production; or in savings. Thus, their medium-term impact is limited due to lack of investment.

1.4 Northern and Central Asian migrant workers in the Russian Federation

Table 1.4.1 presents data on the estimated number of people from the countries of North and Central Asia who are working abroad, including in the Russian Federation, based on official data and expert estimates.

The following will analyse migration trends by specific country of origin.

Migrant workers from Uzbekistan. According to the Russian population census of 2010 there were 131,000 citizens of Uzbekistan among the resident population (defined as people who had lived in the Russian Federation for more than one year). A further 64,700 citizens of Uzbekistan were in the Russian Federation for the purpose of work or study, including 63,000 at working age (Federal State Statistics Service, 2010). However, considering other data sources, the census figures appear to be below the actual population of migrant workers from Uzbekistan in the Russian Federation.

The estimates of the World Bank are likely to be more accurate, indicating about 2 million citizens of Uzbekistan (7 per cent of the population of the country) worked abroad in 2010 (2011, p. 156). Similarly, FMS reported in August 2015 that there were 2.1 million citizens of Uzbekistan in the Russian Federation. Some 479,000 work permits and 864,000 licences were issued to citizens of Uzbekistan in 2014 (figure 1.4.1).

One more source of information are data from a sample survey of entrepreneurs and individuals regarding their employment of migrant workers conducted in 2014. According to these data, 421,600 citizens of Uzbekistan worked in domestic work, while 167,300 worked for business owners (Federal State Statistics Service, 2014b).
TABLE 1.4.1: NUMBER OF MIGRANT WORKERS FROM THE COUNTRIES OF NORTH AND CENTRAL ASIA WORKING ABROAD, INCLUDING IN THE RUSSIAN FEDERATION, 2010–2015

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Azerbaijan</td>
<td>1 500–2 000</td>
<td>500–1 200</td>
<td></td>
<td>500–1 200</td>
</tr>
<tr>
<td>Armenia</td>
<td>500–1 000</td>
<td></td>
<td></td>
<td>180–500</td>
</tr>
<tr>
<td>Georgia</td>
<td>300–600</td>
<td></td>
<td></td>
<td>50–150</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>350–600</td>
<td>9 041</td>
<td>3.9–6.6</td>
<td>10–100</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>320–700</td>
<td>2 469</td>
<td>13.0–28.4</td>
<td>240–520</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>600–1 100</td>
<td>2 363</td>
<td>25.4–46.6</td>
<td>626–985</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>200–300</td>
<td>1 892</td>
<td>10.6–15.9</td>
<td>5–15</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>1 200–2 500</td>
<td>13 163</td>
<td>9.1–11.4</td>
<td>1 332–2 100</td>
</tr>
<tr>
<td>Total, Northern and Central Asia</td>
<td>2 670–4 200</td>
<td>28 928</td>
<td>9.2–14.5</td>
<td>15–100</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>500–1 000</td>
<td></td>
<td></td>
<td>50–300</td>
</tr>
<tr>
<td>China</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


FIGURE 1.4.1: NUMBER OF MIGRANT WORKERS FROM UZBEKISTAN IN THE RUSSIAN FEDERATION, 2010–2015 (THOUSANDS)

Note: 2015 data are for January till June.
According to FMS data in 2008, migrant workers from Uzbekistan were concentrated in border regions of Russian Federation with Kazakhstan — in the Astrakhan, Samara, Saratov, Omsk regions and Altai territory. This pattern was likely driven by the industrial structure and migration policies of these regions, as well as the desire of workers from Uzbekistan to leave their home country. In 2014 St. Petersburg, Moscow, the Moscow region, Krasnodar territory, the Samara region, the Novosibirsk region, the Kaluga region and the Republic of Bashkortostan (figure 1.4.2) were the main destinations for migrant workers from Uzbekistan.

Migrants who left Uzbekistan and resettled in the Russian Federation generally recruit and organize the employment of other citizens of Uzbekistan. Many migrants from Uzbekistan undertake temporary, seasonal work to Russian Federation in the spring and the summer, and return home in the autumn.

Unfortunately, a breakdown by sector of the employment of migrant workers in the Russian Federation is only available in a limited format. In general, the introduction of licences led to a considerable number of documented migrant workers from Uzbekistan statistically “moving” to domestic work, although in practice many continued to work in the private sector. According to FMS, in 2010 most citizens of Uzbekistan in the Russian Federation with work permits at legal entities worked in construction (37 per cent), followed by manufacturing (17 per cent), trade (12 per cent), agriculture (11 per cent), services (11 per cent), transport (4 per cent) and housing and utilities (3 per cent) (figure 1.4.3).

There are gaps in FMS data on work permits for 2014: there is no information on the sectors of employment of about 24 per cent of migrant workers from Uzbekistan. In total, two thirds of migrant workers from Uzbekistan worked in services (35 per cent) and construction (28 per cent) (figure 1.4.4). These data are likely to be approximate.

The sample survey carried out by Rosstat in 2014 is likely to give a better picture of the employment of migrant workers from Uzbekistan. According to this survey, most migrant workers from Uzbekistan worked for business owners in trade (40 per cent), construction (19 per cent), the agricultural industry (16 per cent), or in the service sector (10 per cent) (figure 1.4.5).

Despite the ban imposed in 2010 on the employment of foreign citizens in retail in markets, migrant workers from Uzbekistan are mainly occupied in the trade sector. Their employers try to bypass these restrictions through methods such as reclassifying their markets as “shopping centres”, where the employment of migrant workers is permitted. Moreover, a significant share of
FIGURE 1.4.3: **EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM UZBEKISTAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2010**

Construction 37%

Wholesale and retail trade 12%

Agriculture 11%

Manufacturing 17%

Real estate transactions 11%

Transport and communications 4%

Utilities 3%

Other 5%

Source: FMS data provided to the author, July 2015.

FIGURE 1.4.4: **EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM UZBEKISTAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2014**

Services 35%

Construction 28%

Wholesale and retail trade 3%

Agriculture 4%

Manufacturing 2%

Transport and communications 4%

Unknown 24%

migrant workers from Uzbekistan are in an irregular situation. These migrants are vulnerable to rights abuses, labour exploitation and human trafficking (Ryazantsev, 2014).

The scale of cross-border transactions by physical persons based in the Russian Federation with Uzbekistan in 2013 reached US$6.1 billion, US$5.7 billion was for the benefit of physical nonresident persons in Uzbekistan (Central Bank of the Russian Federation, 2013, p. 5). A lack of research and poor official data make it difficult to further evaluate the scale of these transactions. Population forecasts suggest that Uzbekistan, at least in the medium-term, is likely to remain a major country of origin of migrants to the Russian Federation.

Migrant workers from Tajikistan. After Uzbekistan, Tajikistan is the second most common country of origin of migrant workers in the Russian Federation. According to data from the Russian census of 2010, there were only 87,000 citizens of Tajikistan residing in the Russian Federation. An additional 31,500 citizens of Tajikistan were in the country for work or study, including 30,500 at working age (Federal State Statistics Service, 2010). The census only covered migrants living in the Russian Federation for more than a year.

Given the temporary and seasonal nature of much of the migration to the Russian Federation, it is almost certain the true number of Tajik citizens in the country is much higher.

Some estimates suggest that there are around 700,000 Tajik migrant workers in the Russian Federation (Ryazantsev, 2007, p. 223). According to the World Bank, 791,000 citizens of Tajikistan lived abroad in 2010, equivalent to more than 11 per cent of the population of the country (2011, p. 238). According to FMS, in 2014 there were about 626,000 migrant workers from Tajikistan, of whom 162,000 worked with work permits in companies while 464,000 were employed with licences (figure 1.4.6). The total figure had grown to 985,000 as of August 2015.

A Rosstat sample survey on the work of migrants in 2014 showed around 250,700 migrants from Tajikistan worked in the domestic economy, while business owners employed 145,600 migrant workers from Tajikistan (Federal State Statistics Service, 2014b).

According to FMS data from 2014, migrants from Tajikistan worked in practically all regions of the Russian Federation. The largest numbers of migrants from
Tajikistan were found in St. Petersburg, Moscow, the Moscow region, Khanty-Mansiysk autonomous area, and also Sverdlovsk, Kaluga, Samara, Novosibirsk, Tyumen and Volgograd regions (figure 1.4.7).

It is possible to distinguish two groups of labour migrants from Tajikistan. The first group is made up of temporary, seasonal employees. They go to the Russian Federation in the spring and summer to work in the agricultural industry and construction, and return to Tajikistan in the autumn. Estimates suggest that in some regions of the Russian Federation, about 75–80 per cent of seasonal migrants are from Tajikistan. The second group of migrants from Tajikistan is made up of those who have been in the Russian Federation for a long period. Many of these migrants work legally, while others work without official registration in industries such as services, housing and communal services and transport.

Men make up the majority of labour migrants from Tajikistan, but in recent years the share of women has increased. The age composition depends on the sector of employment. For example, most migrants in construction are younger, whereas agriculture workers are more likely to be middle-aged.

In 2010 according to FMS, the largest share of migrant workers from Tajikistan in the Russian Federation worked in construction (44 per cent), followed by trade (14 per cent), manufacturing (11 per cent), services (5 per cent), agriculture (4 per cent) and transport (3 per cent) (figure 1.4.8).

According to FMS, by 2014 migrant workers from Tajikistan mainly worked in the service sector (42 per cent) and construction (29 per cent). However, the accuracy of the data are limited as information on the employment of 18 per cent of migrant workers was missing (figure 1.4.9).

According to the Rosstat sample survey in 2014, migrant workers from Tajikistan employed by business owners showed a diversified employment structure: almost a quarter worked in trade (24 per cent), a fifth in construction (20 per cent), 12 per cent in agriculture, a tenth in municipal services (10 per cent), and 8 per cent in transport (figure 1.4.10).

For many years, the working conditions and lives of migrant workers from Tajikistan in the Russian Federation have been poor: housing conditions are often
FIGURE 1.4.7: MAIN DESTINATION REGIONS IN THE RUSSIAN FEDERATION FOR MIGRANT WORKERS FROM TAJIKISTAN WITH WORK PERMITS, 2014


FIGURE 1.4.8: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM TAJIKISTAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2010


FIGURE 1.4.9: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM TAJIKISTAN WITH WORK AUTHORIZATIONS IN THE RUSSIAN FEDERATION, 2014

poor, a large number of migrants are undocumented and there are cases of labour exploitation and trafficking (Ryazantsev, 2014).

However, despite these difficulties, many migrant workers from Tajikistan indicate that they would like to become permanent residents of the Russian Federation. The Centre for Demography and Economic Sociology of the Institute of Socio-Political Research of the Russian Academy of Sciences surveyed migrants from Tajikistan and found that about 48 per cent wanted to gain permanent resident status (Akramov, 2006, pp. 5–6). This desire is borne out by statistics on naturalization: between 2001 and 2011, about 145,000 citizens of Tajikistan became citizens of the Russian Federation, many of whom are now dual nationals (OECD, 2013, p. 411).

Remittances sent by migrant workers play a very significant role in the social and economic development of Tajikistan, especially in specific regions and households. In 2010 migrants sent US$2.1 billion to Tajikistan (World Bank, 2011, p. 238). This increased in 2014 to about US$4 billion, equivalent to 52 per cent of GDP of the country (World Bank, 2014, p. 4).

**Source:** Data provided by FMS to the author.

Migrant workers from China. The population census of 2010 recorded 29,000 ethnic Chinese and 28,000 Chinese citizens in the Russian Federation (Ryazantsev, Manshin and Nguyen, 2013). However, the survey included only the resident population (the population living in the Russian Federation for more than one year) and excluded a large number of Chinese migrants who work temporarily in the Russian Federation. Furthermore, the census faced difficulties collecting information in migrant workplaces and accommodation (such as markets, construction sites, and rural areas). Thirdly, migrant workers in an irregular situation avoided census takers, as they were afraid of any contact with authorities.

The data of FMS are likely to be more accurate, although they exclude all Chinese citizens working independently or for individuals. In 2010 about 187,000 work permits were issued to citizens of China, while the real number of Chinese migrants in the Russian Federation could be as high as 350,000–400,000 people. According to FMS data, between 2000 and 2008, the number of work permits issued to Chinese citizens increased by more than 10 times: from 26,000 in 2000 to 281,700 in 2008. After the economic crisis of 2009 the number of
work permits for Chinese citizens began to decrease, stabilizing since 2011 at 70,000–77,000 (figure 1.4.11). This is likely to be connected with the strengthening of the orientation of the Russian migration policy to the countries of North and Central Asia with which it has a visa-free regime.

According to 2010 census data, the main regions of destination of Chinese migrants in the Russian Federation were the border regions of the Far East and Siberia, and Moscow. The Chinese community in Moscow is estimated at being around 100,000 people, made up primarily of men (70 per cent) around 40 years of age (68 per cent), half of whom are not married. In Moscow about 70 per cent of Chinese migrants live in shared rooms, hostels and hotels (around metro stations Izmailovo, Cherkizovo, Maryino, Yasenevo, Krylatskoye, Ochakovo).

In 2014 Chinese migrant workers were employed in regions of the Far East, Siberia and the Urals: in Primorsky territory, Zabaykal territory, Irkutsk region, Khabarovsk territory, Amur region, the Jewish autonomous area, Chelyabinsk region, Sverdlovsk region and Novosibirsk region. There was also a considerable number in Moscow: 8,000 Chinese citizens received work permits (figure 1.4.12).

**FIGURE 1.4.11: NUMBER OF MIGRANT WORKERS FROM CHINA IN THE RUSSIAN FEDERATION, 2000–2015 (THOUSANDS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>26.2</td>
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<tr>
<td>2005</td>
<td>69.5</td>
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<td>2006</td>
<td>76.9</td>
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<td>2007</td>
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<td>2008</td>
<td>77.4</td>
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<td>2009</td>
<td>281.7</td>
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<td>2010</td>
<td>186.5</td>
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<td>2011</td>
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<td>2012</td>
<td>76.9</td>
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<tr>
<td>2013</td>
<td>71.3</td>
</tr>
<tr>
<td>2014</td>
<td>77.4</td>
</tr>
<tr>
<td>2015</td>
<td>26.2</td>
</tr>
</tbody>
</table>

*Source:* Federal State Statistics Service (2014b) p. 28; FMS data provided to the author.

**FIGURE 1.4.12: MAIN DESTINATION REGIONS IN THE RUSSIAN FEDERATION FOR MIGRANT WORKERS FROM CHINA WITH WORK PERMITS, 2014**

- Novosibirsk region: 2,933
- Sverdlovsk region: 4,364
- Chelyabinsk region: 4,374
- Jewish Autonomous Region: 4,406
- Amur region: 5,530
- Khabarovsk territory: 6,079
- Irkutsk region: 6,568
- Transbaikal territory: 7,321
- Moscow city: 8,025
- Primorsky territory: 10,633

*Source:* Data provided by FMS to the author, July 2015.
The Chinese community has become an increasingly significant factor of social and economic development in Russian cities and regions: a system of acceptance and adaptation of Chinese migrants has emerged which includes services such as employment agencies, hostels, hotels, markets, restaurants, shops, banks and law offices.

Before laws were enacted in 2007 restricting the employment of foreign citizens in trade, more than half of all Chinese migrants in the Russian Federation traded in markets (more than 52 per cent in 2006). By 2010, the situation had changed: 33 per cent of Chinese migrant workers were employed in construction, 23 per cent in trade, 21 per cent in agriculture and forestry, 10 per cent in manufacturing, 7 per cent in service (such as centres of Chinese medicine and cosmetics, hotels and restaurants), and 5 per cent in fisheries (figure 1.4.13).

In 2014 almost a third of Chinese migrant workers were employed in construction (32 per cent), followed by services (12 per cent), agriculture (10 per cent), trade (9 per cent) and manufacturing (5 per cent) (figure 1.4.14).

According to data from the 2014 Rosstat sample survey, Chinese migrant workers working for business owners were employed in construction (92 per cent), hotels and restaurants (5 per cent), and trade (3 per cent) (figure 1.4.15).

In many regions, Chinese migrants have developed a reputation as good farmers who add significant value to labour processes. Therefore collective farms of the Far East prefer to employ Chinese migrant workers and lease land to them. Around 20 per cent of agricultural enterprises in the Primoye territory employ Chinese migrant workers (Ryazantsev and Hongmei, 2010, p. 63). In Krasnoyarsk territory, Chinese workers are employed in the spring and the summer, while others remain through the winter to work in greenhouses, living directly in their workplaces (IUF, 2008, p. 13).

In terms of the gender and age structure of Chinese migrant workers, 90 per cent are men, with the largest group being aged between 18 to 39 years (about 40 per cent). Chinese migrant workers are relatively well-adapted to the Russian labour market, especially

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**FIGURE 1.4.13: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM CHINA WITH WORK PERMITS, 2010**

![Pie chart showing employment sectors]

Migrant workers from Kyrgyzstan. According to the census of 2002, 29,000 Kyrgyz citizens and 32,000 ethnic Kyrgyz lived in the Russian Federation. By 2010, their number had increased to 45,000 and 103,000 respectively (Federal State Statistics Service, 2002 and 2010). Estimates of the number of citizens of Kyrgyzstan living abroad vary from 320,000–700,000, or between 13 and 28 per cent of the economically active population (IOM, 2015, p. 25). The World Bank estimated there were 621,000 Kyrgyz citizens living abroad in 2010 (equivalent to 11 per cent of the population of the country) (2011, p. 156). According to FMS, Some 519,000 Kyrgyz citizens were in the Russian Federation in August 2015.

In 2014 238,000 migrant workers from Kyrgyzstan were in the Russian Federation, of whom 73,400 worked for private companies while 164,500 worked in private households (figure 1.4.16).
Most migrant workers from Kyrgyzstan work in St. Petersburg and Moscow (figure 1.4.17). It should be noted that their distribution across other Russian regions is almost even, from the Kaliningrad region in the west to the Sakhalin region in the east.

In 2010 almost a third (27 per cent) of migrant workers from Kyrgyzstan worked in construction, 18 per cent in services, 15 per cent in manufacturing and trade, and 5 per cent each in agriculture and transport (figure 1.4.18). However, these data did not include those employed in domestic work on the basis of licences.

In 2014 57 per cent of migrant workers from Kyrgyzstan were employed in services, 17 per cent in manufacturing and trade, and 5 per cent each in agriculture and transport (figure 1.4.19). The increased share of migrant workers from Kyrgyzstan in services is connected with the fact that they are considered to speak better Russian than other migrants, as Kyrgyzstan is one of the few countries of the former USSR where Russian has remained in use, including as the second official language. Russian language skills give competitive advantages in the Russian labour market. Research by the Centre for Social Demography and Economic Sociology of the Institute of Socio-political Research of the Russian Academy of Sciences showed that women from Kyrgyzstan often work as governesses and nurses, owing to their greater ability in the Russian language (Ryazantsev and others, 2012, p. 25).

According to data from the 2014 Rosstat sample survey of migrant workers from Kyrgyzstan employed by business owners, 40 per cent were employed in trade, 26 per cent in manufacturing, 20 per cent in agriculture and 11 per cent in utilities (figure 1.4.20).

Considering that many migrant workers from Kyrgyzstan have advantages in the labour market, they tend to occupy higher social and economic niches in the Russian economy and are better integrated into Russian society. It should be noted that many migrants from Kyrgyzstan have actively obtained Russian citizenship using a special agreement between the countries on this issue: between 2001 and 2011, 374,000 citizens of Kyrgyzstan obtained Russian citizenship (OECD, 2013, p. 411). In recent years, the authorities of Kyrgyzstan have made attempts to attract these migrants back home.

According to the World Bank, migrants from Kyrgyzstan sent more than US$3 billion in remittances in 2013, almost 31 per cent of the GDP of the country (2014, p. 17). In 2013, migrants in the Russian Federation sent

![Figure 1.4.16: Number of Documents Issued to Migrant Workers from Kyrgyzstan, 2010–2015](source: Federal State Statistics Service (2014a) p. 334; FMS data provided to the author, July 2015. Note: 2015 data are for January till June.)
FIGURE 1.4.17: MAIN DESTINATION REGIONS FOR MIGRANT WORKERS FROM KYRGYZSTAN, 2014

- Khabarovsk territory: 2,350,000 (Licences: 15,810), 2,350,000 (Work permits)
- Chelyabinsk region: 2,510,000 (Licences: 9,095), 2,510,000 (Work permits)
- Khanty-Mansi autonomous area: 2,869,000 (Licences: 34,723), 2,869,000 (Work permits)
- Sakhalin region: 3,314,000 (Licences: 9,223), 3,314,000 (Work permits)
- Irkutsk region: 3,547,000 (Licences: 20,501), 3,547,000 (Work permits)
- Republic of Yakutia: 4,201,000 (Licences: 9,091), 4,201,000 (Work permits)
- Krasnoyarsk territory: 4,795,000 (Licences: 13,336), 4,795,000 (Work permits)
- Sverdlovsk region: 4,910,000 (Licences: 24,181), 4,910,000 (Work permits)
- Novosibirsk region: 6,324,000 (Licences: 23,224), 6,324,000 (Work permits)
- Moscow region: 8,930,000 (Licences: 86,393), 8,930,000 (Work permits)
- Moscow city: 1,445,000 (Licences: 93,823), 1,445,000 (Work permits)
- St. Petersburg: 1,445,000 (Licences: 255,733), 1,445,000 (Work permits)


FIGURE 1.4.18: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM KYRGYZSTAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2010

- Construction: 27%
- Real estate transactions: 18%
- Wholesale and retail trade: 15%
- Manufacturing: 15%
- Agriculture and forestry: 5%
- Transport and communications: 5%
- Housing services: 3%
- Other: 12%

Source: Data provided by FMS to the author.
about US$2.1 billion to Kyrgyzstan (Central Bank of the Russian Federation, 2014). On the one hand, these large-scale money transfers support families, reduce poverty and help stimulate the development of some sectors of the economy. However, on the other hand, labour migration is also associated with loss of labour force, particularly at the higher end of the skill scale (Turdiyev, 2012, p. 119).

Migrant workers from Kazakhstan. In 2010 there were 3.7 million Kazakh citizens outside the country, other estimates of migrant workers from Kazakhstan range between 350,000 and 600,000 (IOM, 2015, p. 25).

Generally migrant workers from Kazakhstan have tended to work in the Russian Federation, though in recent years there has been a diversification of migration destinations towards European countries, the Republic of Korea, the United States of America and the United Arab Emirates among others. Labour migration to the Russian Federation is facilitated by its geographical position and the ready availability of transport, including road, rail and air links between major cities of the two countries. The main flow of labour migrants from Kazakhstan links the northern regions of Kazakhstan to the Urals and Southern Siberia.

With the entry into force of free movement provisions of the EEU, migrant workers from Kazakhstan no longer require work permits or licences to work in the Russian Federation, accounting for a large drop-off in the numbers of these documents issued since 2011 (figure 1.4.21). Thus in 2015, citizens of Kazakhstan received only about 100 work permits and 200 licences.

According to FMS data, in 2014 about 45 per cent of migrant workers who obtained work permit were employed in construction and 25 per cent in the service sector (figure 1.4.22).

The Rosstat sample survey of 2014 found that 76 per cent of migrant workers from Kazakhstan were employed by business owners worked in trade. Transport, the service sector and utilities each accounted for the employment of around 5–6 per cent of migrant workers from Kazakhstan (figure 1.4.23).
FIGURE 1.4.21: NUMBER OF DOCUMENTS ISSUED TO MIGRANT WORKERS FROM KAZAKHSTAN IN THE RUSSIAN FEDERATION, 2010–2015 (THOUSANDS)

Note: 2015 data are for January till June.

FIGURE 1.4.22: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM KAZAKHSTAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2014

Source: FMS data provided to the author, July 2015.

FIGURE 1.4.2: EMPLOYMENT BY SECTOR OF MIGRANTS FROM KAZAKHSTAN WORKING FOR BUSINESS OWNERS IN THE RUSSIAN FEDERATION, 2014

Source: Data provided by FMS to the author.
The majority of licences obtained by citizens of Kazakhstan in 2014 were in Moscow and the Irkutsk region (figure 1.4.24).

According to the World Bank, in 2010 labour migrants from Kazakhstan remitted about US$131 million, much less than migrants from other countries of Central Asia (2011, p. 156). In 2013, the Central Bank of the Russian Federation reported that money transfers to Kazakhstan reached US$455 million, but remained much lower than the figures for countries such as Tajikistan and Kyrgyzstan (2014). Moreover, a distinctive feature of money transfers to Kazakhstan is that the net balance of transfers is actually in favour of the Russian Federation, most likely because some transfers from the Russian Federation to Kazakhstan are informal.

Many migrants from Kazakhstan are well-integrated into Russian society. Between 2001 and 2011, about 650,000 migrants from Kazakhstan obtained Russian citizenship. About 40 per cent of all naturalized citizens of the Russian Federation from Central Asia between 2001 and 2011 came from Kazakhstan (OECD, 2013, p. 411). By contrast with other countries, the authorities of Kazakhstan aim to attract “oralman” (ethnic Kazakhs from abroad) more than to engage the diaspora that has formed in the years since independence.

**Migrant workers from Turkmenistan.** Data on migration from Turkmenistan remain difficult to access: on the website of the official statistical office of Turkmenistan Goskomstat, it is not possible to find information on population movements. Despite the aspiration of the Government to strictly limit emigration, experts estimate that since 2007, the flow of emigrants increased by approximately three times (Demoscope Weekly, 2012). A feature of labour migration from Turkmenistan compared to other countries of the subregion is its wide geographical diversification. Citizens of Turkmenistan emigrate to Turkey, the Islamic Republic of Iran, the United Arab Emirates, Qatar, the Russian Federation, CIS countries, and European countries. Indeed by some estimates, dynamically developing Qatar has become the new destination for labour migration from Turkmenistan (IOM, 2015, p. 25). Because of labour migration, there is a significant increase in the size of the diaspora of Turkmenistan. In 2010, according to the World Bank, 261,000 citizens of Turkmenistan lived abroad, equivalent to 5 per cent of the population (2011, p. 247). Expert estimates suggest that 11–16 per cent of the economically active population of Turkmenistan lives and works abroad.

The Russian population census of 2010 found about 37,000 people of Turkmen ethnicity lived in the Russian Federation, many of whom had done so from the
Soviet period. According to FMS, labour migration from Turkmenistan peaked in 2002 when 7,000 Turkmen citizens received work permits. Following this, the scale of labour migration to the Russian Federation began to fall: in 2008 only 3,100 Turkmen citizens received work permits; this decreased further in 2010 to 1,200 people, to a low of 500 in 2013 (figure 1.4.25). Labour migrants from Turkmenistan can only work in the Russian Federation on the basis of the work permit scheme, not the licence scheme. The number of migrants from Turkmenistan is so small that it has no significant impact on the Russian labour market.

Information on the sector of employment was not available for of 59 per cent of migrant workers from Turkmenistan with work permits in the Russian Federation in 2014. It is therefore unclear whether construction (32 per cent) is indeed the main sector of employment for migrant workers from Turkmenistan (figure 1.4.26).

It is difficult to estimate the scale of money transfers to Turkmenistan as neither national institutes nor the World Bank publish such data. The only source is the Central Bank of the Russian Federation. In 2013, cross-border transfers by natural persons to Turkmenistan from the Russian Federation reached US$40 million, of which US$19 million was in favour of nonresident individuals. The fundamental difference between the situation with regards to money transfers to Turkmenistan in comparison with all other countries of Central Asia is that only a small number of transactions are noted. Indeed, the size of transfers from the Russian Federation to Turkmenistan in 2013 was less than from Turkmenistan to the Russian Federation (Central Bank of the Russian Federation, 2014). Furthermore, research has not been conducted on the use of money transfers by families of labour migrants in Turkmenistan, thus no information is available.

**FIGURE 1.4.25: NUMBER OF WORK PERMITS ISSUED TO MIGRANT WORKERS FROM TURKMENISTAN IN THE RUSSIAN FEDERATION, 2010–2015 (THOUSANDS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1.2</td>
</tr>
<tr>
<td>2011</td>
<td>0.5</td>
</tr>
<tr>
<td>2012</td>
<td>0.6</td>
</tr>
<tr>
<td>2013</td>
<td>0.5</td>
</tr>
<tr>
<td>2014</td>
<td>0.5</td>
</tr>
<tr>
<td>2015</td>
<td>0.1</td>
</tr>
</tbody>
</table>

*Source: Federal State Statistics Service (2014a) p. 334; FMS data provided to the author; and internal statistical form 2-T (http://www.fms.ru).*

*Note: 2015 data are for January till June.*

**FIGURE 1.4.26: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM TURKMENISTAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2014**

- Construction: 32%
- Unknown: 59%
- Services: 7%
- Wholesale and retail trade: 2%
- Manufacturing: 0%
- Transport and communications: 0%

*Source: Data provided by FMS to the author.*
**Migrant workers from Viet Nam.** Viet Nam has traditionally been an important country of origin for labour migrants in the Russian Federation. In 2004, Vietnamese migrants made up 10 per cent of all foreign workers in the Russian labour force. The latest agreement between Viet Nam and the Russian Federation on temporary labour migration of Vietnamese citizens was signed on 18 August 2003. This agreement took an important step concerning different categories of irregular Vietnamese migrants and acknowledged the legality of stay of citizens of Viet Nam who arrived under the previous agreement of 2 April 1981 on condition of their registration at the Embassy of Viet Nam and receipt of the work permit in the Russian Federation. The agreement also allowed Vietnamese citizens to search independently for work (article 2 of the protocol of the agreement). However, the agreement did not specify regions, industries or the number of labour migrants from Viet Nam necessary for the economy of the Russian Federation.

The number of workers from Viet Nam peaked in 2009 when about 98,000 work permits were issued (figure 1.4.27). From 2011 to 2013, the number of documented migrant workers from Viet Nam fell to 10,000–12,000 people, because of the crisis in the Russian economy and the toughening of Russian migration policy. In 2014, the number of work permits issued to workers from Viet Nam in the Russian labour market reached about 15,000, including about 3,700 permits issued to workers classified as highly qualified.

In 2014, the main sectors of employment of Vietnamese citizens in the Russian Federation were the service sector (about 40 per cent), and also trade and construction (8 per cent) (figure 1.4.28).

Officially registered Vietnamese workers are most numerous in Moscow (3,700), the Moscow region (2,700), followed by Tula region (1,500), the Vladimir region (1,200), Sverdlovsk region and Khabarovsk territory (1,000) and the Ryazan and Pskov regions (500).

Young people from the northern provinces of Viet Nam usually work in the Russian Federation for three to five years and then return home. Viet Nam has considerable demographic potential to become the regional leader in South-East Asia for migration to the Russian Federation in the medium-term given its young age structure. However, currently the process for hiring migrant workers from Viet Nam is costly and complex.

**Migrant workers from Armenia.** According to expert evaluations, after the dissolution of the Union of Soviet Socialist Republics (USSR), Armenia experienced large-scale emigration as about 1.5 million people left the country. According to the population census of 2010 about 1.2 million ethnic Armenians live in the Russian Federation, while about 12,000 citizens of Armenia were in the Russian Federation temporarily. However, according to FMS in 2014 in the Russian Federation, 31,200 work permits and 149,700 licences were issued to citizens of Armenia (figure 1.4.29).
Thus the number of migrant workers from Armenia to the Russian Federation is likely to be at least 180,000 people.

A large wave of emigration from Armenia to the Russian Federation took place in the 1990s. (Poloskova, 2002, p. 52). Armenian communities in the Russian Federation facilitate the movement of migrant workers from Armenia (Arutyunyan, 1999, p. 72; Ryazantsev, 2000, p. 80 and 2003, p. 125). Armenians settled mainly in Moscow and in the North Caucasus (Krasnodar territory, Rostov region, and Stavropol territory). The majority of licences were granted to Armenian migrant workers in Moscow, the Moscow region, regions of the North Caucasus, the Samara region and Yakutia (figure 1.4.30).
More than half (54 per cent) of Armenian migrant workers in 2014 were employed in construction (figure 1.4.31). Armenians are reputed to be skilled construction workers who can also be hired cheaply.

According to the Central Bank of the Russian Federation, migrant workers transferred US$1.597 billion from the Russian Federation to Armenia (2013, p. 8). Remittances in 2013 were the equivalent of 19.1 per cent of GDP (World Bank, 2015), while surveys have shown that remittances support a large number households in Armenia (Panossian, 2003, p. 143).

The Armenian diaspora in the Russian Federation is relatively well-integrated, and members of the Armenian communities in the Russian Federation support regular cultural and economic relations with Armenia and carry out cultural and educational activities.

**Migrant workers from Azerbaijan.** Labour migration from Azerbaijan to the Russian Federation began in the 1950s and 1960s. In the later years of the former USSR, Soviet citizens of Azerbaijani origin moved to large Russian cities where they participated in and dominated the trade in fruit, vegetables and flowers (Dyatlov, 1999, p. 117 and Yunusov, 2003, p. 122).
According to the 2010 Russian population census, more than 600,000 ethnic Azerbaijanis and 150,000 citizens of Azerbaijan lived in the Russian Federation, while there were a further 12,000 citizens of Azerbaijan who were temporary residents. In 2014, almost 96,000 work permits and 13,400 licences were issued to citizens of Azerbaijan (figure 1.4.32).

Citizens of Azerbaijan live and work in different regions and the cities of the Central federal district, Siberia, the Far East, the North, and the North Caucasus. The majority of migrant workers from Azerbaijan received licences to work in Moscow and the Moscow region, followed by Dagestan, Sverdlovsk, Rostov, Samara, Novosibirsk regions, Khanty-Mansiysk autonomous area, Tatarstan, St. Petersburg and the Astrakhan region (figure 1.4.33).

Note: 2015 data are for January till June.
Many migrant workers settle and find work through ethnic networks. Azerbaijanis are employed in construction (34 per cent of migrant workers from Azerbaijan); the service sector (28 per cent); trade (5 per cent of work permits in 2014), primarily of fruit, vegetables and other foodstuffs; and agriculture (2 per cent) (figure 1.4.34). Migrants from rural areas of Azerbaijan tend to work in Russian villages in the agricultural sector.


**Migrant workers from Georgia.** Before the dissolution of the USSR, more than 30,000 Georgians lived in the territory of the present-day Russian Federation. The conditions in Georgia upon independence were challenging, including civil war and economic crisis. The 2010 Russian population census showed there were 200,000 ethnic Georgians and 50,000 citizens of Georgia in the Russian Federation, as well as 1,500 temporary residents from Georgia. Administrative data from FMS show a significant decline in the number of Georgian migrant workers following the deterioration of relations between Georgia and the Russian Federation after 2008, and the introduction of a visa regime (figure 1.4.35).

A third (33 per cent) of migrant workers from Georgia in 2014 were employed in construction, 17 per cent in the service sector, and 12 per cent in transport (figure 1.4.36). Georgian restaurants are popular and migrants from Georgia trade in foodstuffs, especially where there is a history of transborder trade.

Despite the fact that the official number of migrant workers from Georgia to the Russian Federation is very low, remittances to Georgia from the Russian Federation still reached US$789 million in 2013. Money transfers supported many households, and enable the families of migrants to maintain their livelihoods.

**FIGURE 1.4.34: EMPLOYMENT BY SECTOR OF MIGRANT WORKERS FROM AZERBAIJAN WITH WORK PERMITS IN THE RUSSIAN FEDERATION, 2014**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>34%</td>
</tr>
<tr>
<td>Construction</td>
<td>28%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2%</td>
</tr>
<tr>
<td>Transport and communications</td>
<td>5%</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>5%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2%</td>
</tr>
<tr>
<td>Unknown</td>
<td>25%</td>
</tr>
</tbody>
</table>

**Source:** Data provided by FMS to the author.

**FIGURE 1.4.35 NUMBER OF PERMITS FOR MIGRANT WORKERS FROM GEORGIA IN THE RUSSIAN FEDERATION, 2000–2015 (THOUSANDS)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Permits</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>5.2</td>
</tr>
<tr>
<td>2005</td>
<td>4.3</td>
</tr>
<tr>
<td>2006</td>
<td>4.9</td>
</tr>
<tr>
<td>2007</td>
<td>4.8</td>
</tr>
<tr>
<td>2008</td>
<td>4.2</td>
</tr>
<tr>
<td>2014</td>
<td>0.2</td>
</tr>
<tr>
<td>2015</td>
<td>0.05</td>
</tr>
</tbody>
</table>

**Source:** Federal State Statistics Service (2014b) p. 28; and FMS data provided to the author, July 2015.
1.5 **The number of undocumented migrant workers in the Russian Federation**

The number of migrant workers in an irregular situation in the Russian Federation has become a subject of high-level political discussion. The majority of migrant workers are likely to be citizens of the CIS countries who have the right to come to the Russian Federation without a visa, but who then do not receive work permits or licences.

There are few data available on the total number of irregular migrants in the Russian Federation. Politicians have claimed there are as many as 15 million irregular migrants in the country; however, these estimates do not appear to be based on evidence. Censuses provide some evidence on these populations. For example, the 2002 census revealed about 2 million people who were not included in current data. The census of 2010 also “increased” the population of the country by 1 million people. It is likely that these changes were reflections of temporary migrant workers not otherwise included in current statistics.

Statistical methods have been used to estimate the number of irregular migrants. In 2006, the director of FMS, K.O. Romodanovsky, reported that, according to estimates based on a coefficient of irregular migrants, there were 10.2 million irregular migrants in the Russian Federation (Regnum Information Agency). In 2010, a further exercise was undertaken based on the following coefficient:

\[
GCC_{um} = \frac{CC_{um\_icb} + CC_{un\_reg} + CC_{um\_wap}}{3}
\]

Where:

a. \( GCC_{um} \) – general correction coefficient of undocumented migration,

b. \( CC_{um\_icb} \) – correction coefficient of the undocumented migration connected with illegal border crossing,

c. \( CC_{un\_reg} \) – correction coefficient of the undocumented migration connected with other regular activities,

d. \( CC_{um\_wap} \) – correction coefficient of the undocumented migration connected with work permits or licences.
The calculation of each component of the general correction coefficient of undocumented migration is made based on an average total score of a survey of experts. The benefit of this method is its ability to account for different categories of undocumented migrants and the regional specificities of the Russian Federation. The number of migrants and their social and demographic structure may differ by location, as economic specializations and the ease of obtaining documents varies from region to region. Thus, this method considers local features of undocumented migration in the Russian Federation.

The survey was carried out among 106 experts (including FMS staff, police, community leaders, non-governmental organizations working with migrants, scientists and others) in 25 regions of the Russian Federation. The objective of the survey was to use regional perspectives to identify the scale of three forms of undocumented migration on the basis of the correction factors, and to determine its trends and effects in Russian regions. Estimates of the number of undocumented migrants in the three categories were produced for 25 regions of the Russian Federation. Data for 2010 were used for calculations according to the work permits issued in the country to labour migrants working for legal entities. Correction coefficients for undocumented migration over the country, in general, were calculated as the mean value in the regions which are included in the sample. The results of calculations are provided in table 1.5.1.

The results of this coefficient suggest that there were at least 3 million irregular migrants in the Russian Federation in 2010. This assessment is similar to the estimate provided by the Director of FMS suggesting that there were 3.6 million irregular migrants, and the estimate of the Associate Director of FMS who stated 3.5 million foreign citizens in the Russian Federation entered into an irregular situation in 2014 (Egorova, 2014). This suggests that irregular migration to the Russian Federation has decreased in recent years, likely as a result of campaigns for the regularization of irregular migrant workers and the simplification of registration procedures.

The authorities carried out two campaigns to regularize the situation of irregular migrant workers. The first campaign aimed to simplify registration procedures through the use of postal facilities, while the second campaign introduced licences for migrants from North and Central Asian countries to work for private individuals. This latter campaign allowed around 3 million migrant workers from eligible countries to receive documentation enabling them to work legally (Ryazantsev, 2014).

However, despite these efforts, the figures presented above suggest that irregular migration remains significant. This reflects the desire of employers to underpay workers, and their lack of concern for working conditions of workers. It further represents the existence of "permit trading" using intermediary firms, where firms who have not been able to access the required number of work permits under the quota system buy them from intermediary firms. According to experts, the price of obtaining a work permit from an intermediary reached RUB 30,000–RUB 40,000 in Moscow in 2014, and RUB 15,000–RUB 20,000 in other the Russian regions (compared to a State fee of RUB 8,000, about RUB 2,000 for the work permit and RUB 6,000 for permission to hire the foreign worker) (Tagiltseva, 2015).

Thus, by 2015 it can be estimated that there were between 2.8 million and 3 million irregular labour migrants in the Russian labour market (Ryazantsev, 2014). Among these migrants are likely to be between 1.8 million and 2 million migrants from North and Central Asia. These migrants are in a vulnerable situation, at risk of exploitation and becoming victims of human trafficking. Non-governmental organizations in the Russian Federation estimate that about 4 million migrants are victims of labour exploitation (Kolesnichenko, 2004). Research from 2013 suggests that the number of labour migrants in a situation of labour exploitation in the Russian Federation ranged from 500,000 to 1 million (figure 1.5.1), a lower — but still significant — figure (Ryazantsev, 2014).
### TABLE 1.5.1: PARTIAL ESTIMATE OF UNDOCUMENTED LABOUR MIGRANTS IN FEDERAL SUBJECTS OF THE RUSSIAN FEDERATION BASED ON THE CORRECTION COEFFICIENT, 2010

<table>
<thead>
<tr>
<th>REGION</th>
<th>REGULAR LABOUR MIGRANTS</th>
<th>CC_UN_ICB</th>
<th>CC_UN_REG</th>
<th>CC_UN_WAP</th>
<th>GCC_UW</th>
<th>ESTIMATED NUMBER OF UNDOCUMENTED MIGRANTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moscow</td>
<td>345 142</td>
<td>1.5</td>
<td>2.0</td>
<td>4.0</td>
<td>2.5</td>
<td>862 855</td>
</tr>
<tr>
<td>Moscow region</td>
<td>134 855</td>
<td>1.1</td>
<td>2.5</td>
<td>4.5</td>
<td>2.7</td>
<td>364 109</td>
</tr>
<tr>
<td>Saint Petersburg</td>
<td>120 875</td>
<td>1.2</td>
<td>1.5</td>
<td>3.0</td>
<td>1.9</td>
<td>229 662</td>
</tr>
<tr>
<td>Sverdlovsk region</td>
<td>82 969</td>
<td>1.5</td>
<td>1.5</td>
<td>2.0</td>
<td>1.7</td>
<td>141 047</td>
</tr>
<tr>
<td>Irkutsk region</td>
<td>62 853</td>
<td>1.5</td>
<td>1.5</td>
<td>2.5</td>
<td>1.8</td>
<td>113 135</td>
</tr>
<tr>
<td>Khanty-Mansiysk autonomous area</td>
<td>58 981</td>
<td>1.2</td>
<td>1.5</td>
<td>2.5</td>
<td>1.7</td>
<td>100 267</td>
</tr>
<tr>
<td>Krasnodar territory</td>
<td>45 988</td>
<td>1.2</td>
<td>1.5</td>
<td>3.5</td>
<td>2.1</td>
<td>96 574</td>
</tr>
<tr>
<td>Primorsky territory</td>
<td>41 734</td>
<td>1.5</td>
<td>2.0</td>
<td>3.0</td>
<td>2.1</td>
<td>87 641</td>
</tr>
<tr>
<td>Ryazan region</td>
<td>41 075</td>
<td>1.0</td>
<td>1.0</td>
<td>1.5</td>
<td>1.7</td>
<td>69 827</td>
</tr>
<tr>
<td>Novosibirsk region</td>
<td>33 857</td>
<td>1.2</td>
<td>1.5</td>
<td>1.5</td>
<td>1.4</td>
<td>47 399</td>
</tr>
<tr>
<td>Yamal-Nenets autonomous area</td>
<td>29 160</td>
<td>1.0</td>
<td>1.2</td>
<td>1.5</td>
<td>1.2</td>
<td>34 992</td>
</tr>
<tr>
<td>Khabarovsk territory</td>
<td>28 962</td>
<td>1.5</td>
<td>1.5</td>
<td>2.5</td>
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<td>52 131</td>
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<td>Krasnoyarsk territory</td>
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<td>1.3</td>
<td>2.0</td>
<td>1.5</td>
<td>41 835</td>
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<td>Bashkortostan</td>
<td>25 173</td>
<td>1.0</td>
<td>1.2</td>
<td>1.5</td>
<td>1.2</td>
<td>30 207</td>
</tr>
<tr>
<td>Kaluga region</td>
<td>24 663</td>
<td>1.0</td>
<td>1.0</td>
<td>1.5</td>
<td>1.5</td>
<td>36 994</td>
</tr>
<tr>
<td>Leningrad region</td>
<td>22 642</td>
<td>1.2</td>
<td>1.5</td>
<td>2.5</td>
<td>1.7</td>
<td>38 491</td>
</tr>
<tr>
<td>Amur region</td>
<td>21 353</td>
<td>1.5</td>
<td>1.7</td>
<td>2.5</td>
<td>1.9</td>
<td>40 570</td>
</tr>
<tr>
<td>Samara region</td>
<td>18 692</td>
<td>1.6</td>
<td>2.0</td>
<td>3.5</td>
<td>2.4</td>
<td>44 860</td>
</tr>
<tr>
<td>Astrakhan region</td>
<td>17 526</td>
<td>1.5</td>
<td>1.5</td>
<td>3.0</td>
<td>2.0</td>
<td>35 052</td>
</tr>
<tr>
<td>Kaliningrad region</td>
<td>14 225</td>
<td>1.3</td>
<td>1.5</td>
<td>1.5</td>
<td>1.4</td>
<td>19 915</td>
</tr>
<tr>
<td>Rostov region</td>
<td>13 889</td>
<td>1.5</td>
<td>1.5</td>
<td>2.5</td>
<td>1.8</td>
<td>25 000</td>
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<td>Smolensk region</td>
<td>10 079</td>
<td>1.0</td>
<td>1.2</td>
<td>1.5</td>
<td>1.2</td>
<td>12 094</td>
</tr>
<tr>
<td>Yaroslavl region</td>
<td>7 178</td>
<td>1.0</td>
<td>1.2</td>
<td>1.5</td>
<td>1.2</td>
<td>8 613</td>
</tr>
<tr>
<td>Stavropol territory</td>
<td>5 693</td>
<td>1.5</td>
<td>2.0</td>
<td>3.0</td>
<td>2.1</td>
<td>11 953</td>
</tr>
<tr>
<td>Omsk region</td>
<td>5 212</td>
<td>1.5</td>
<td>1.5</td>
<td>2.5</td>
<td>1.8</td>
<td>9 381</td>
</tr>
<tr>
<td>Total</td>
<td>1 640 801</td>
<td>1.4</td>
<td>1.5</td>
<td>2.4</td>
<td>1.8</td>
<td>2 953 441</td>
</tr>
</tbody>
</table>

**Source:** Calculations based on Federal State Statistics Service (2014a) and interviews with experts (ISPR survey, 2012–2013).
In 2014, Russian authorities strengthened their approach to fighting irregular migration, including by banning identified irregular migrants from re-entering the country (Egorova, 2014). By mid-2015, 1.3 million people were banned from entering the Russian Federation. However, these methods were critiqued for being unduly harsh, affecting migrants who had committed minor, administrative offences and others who had been misidentified. This also had negative consequences for countries of origin. Furthermore, these measures did not address other aspects which prevented migrants being able to migrate legally, such as the lack of reliable information on procedures, the unwillingness of landlords to register migrant workers, the complexities of the quota system, and complexities and costs associated with reforms to the licence scheme.

### 1.6 Other migratory flows to the Russian Federation with labour market impacts

**Migration for education** includes international students, graduate students, doctoral candidates and trainees. Migration for education is considered as one of the most desirable migratory flows for the Russian Federation. It has positive social and economic effects such as increasing the size of the working age population and thus rejuvenating the age structure of the overall population, as well as increasing the number of highly skilled workers and stimulating cultural exchange and educational development. In recent years, the inflow of foreign educational migrants to the Russian Federation has increased steadily (figure 1.6.1), reaching a peak of over 200,000 in the 2013/14 academic year.

The main countries of origin for educational migrants in the Russian Federation are Kazakhstan (31,400), Belarus (15,600), Turkmenistan (11,000), China (9,800)

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**FIGURE 1.5.1: ESTIMATION OF THE NUMBER OF MIGRANT WORKERS IN THE RUSSIAN FEDERATION AND THEIR LEGAL AND ECONOMIC STATUS, 2013**

<table>
<thead>
<tr>
<th>Category</th>
<th>Estimated Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documented labour migrants</td>
<td>2.2–2.3 million</td>
</tr>
<tr>
<td>Undocumented labour migrants</td>
<td>2.5–3.0 million</td>
</tr>
<tr>
<td>Labour migrants in the “grey” economy</td>
<td>2.5–3.0 million</td>
</tr>
<tr>
<td>Labour migrants in “black” economy</td>
<td>1.0–1.5 million</td>
</tr>
<tr>
<td>Labour migrants - victims of labour exploitation</td>
<td>0.5–1 million</td>
</tr>
</tbody>
</table>

*Source: Ryazantsev, 2015.*
and Uzbekistan (8,600) (figure 1.6.2). About 40 per cent of educational migrants in the Russian Federation are citizens of the countries of the former USSR. However, the flow of educational migrants from CIS countries is gradually reorienting towards other States, suggesting that the Russian Federation is losing out in the market for educational services (Pismennaya, 2009).

International students are registered in more than 600 Russian higher education institutions and distributed unevenly across the territory of the Russian Federation. About 49 per cent of international students are taught in the Central federal district, 17 per cent in the Northwest federal district, 12 per cent in the Siberian federal district, 8 per cent in the Volga federal district, and 6 per cent in the Youzhny federal district (figure 1.6.3).

These variations are the result of geographical factors such as the size of the cities, and their geographical location including in border regions: 16 cities with the largest number of international students are located in border areas. This results in certain cities catering to particular groups of educational migrants: more than half of students from Kazakhstan are trained in the higher education institutions of Siberia and the Urals (56 per cent), while only 30 per cent study in Moscow and St. Petersburg (Arefyev, 2007, p. 85). Most of the students from border regions of northeast Kazakhstan (Aktyubinsk, Kokchetav, Kustanay, Pavlodar, Peter and Paul, Karaganda and other regions) attend higher education institutions in Novosibirsk, Omsk and Chelyabinsk regions. This also reflects the distribution of prestigious higher education institutions, as well as...
specific programmes for foreign students. For example, in Tomsk and Belgorod regions, Krasnodar territory, Moscow and St. Petersburg, some higher education institutions specialize in Russian language training for foreign students. In St. Petersburg State University, students participating in this preparatory study make up 46 per cent of the whole contingent of international students (Ministry of Education and Science, 2007, p. 34).

For a long time, foreign students were barred from legal employment outside their universities. However, research suggested that over a quarter of foreign undergraduates and about half of foreign graduate students work irregularly and the likelihood of employment increases the older the educational migrants are, reaching its peak at the postgraduate level (figure 1.6.4).

Foreign students work in a wide range of industries. However, in most cases, their work does not match their future profession, but rather is to cover living expenses, reflecting the limited funding opportunities and high costs of living. Others are motivated by the desire to try different forms of work in order to guide their post-study employment choices. A small number begin working in their chosen field. Salaries tend to be relatively low, reflecting the part-time nature of much of the work which has to fit around study. Most migrants made RUB 10,000–RUB 25,000 per month, dropping to RUB 7,000–RUB 12,000 in the regions.

Older educational migrants would like to be able to use student work as a means of transitioning into full-time work after study. However, unless they find work through the quota system, they are not allowed to work legally. This has helped to feed informal labour practices, deprived students of opportunities to gain experience and reduced the potential contributions of migrants to their employers, as they considered their work temporary.
However, State policy has begun to shift in recognition of the potential contribution foreign students can bring. The potential role of educational migration as a means of attracting high-skilled labour in the long-term were recognized in the Presidential decree of the Russian Federation of 9 October 2007 No. 1351 and the State Migration Policy of the Russian Federation to 2025 (Presidential decree of June 13, 2012) (Point 16, the Section III). The Order of the Government of the Russian Federation of 17 November 2008 No. 1662-r set a target of foreign students making up 5 per cent of the total student body, with special priority for students from CIS member States. These statements were followed by a reform in 2014 to the law on the legal status of foreign citizens in the Russian Federation which simplified the process of employing foreign students, allowing them to apply directly to FMS for work permits, freeing them from quotas and freeing employers of the obligation to apply for the right to take on foreign workers when hiring students. These changes have improved the situation of foreign students in the Russian labour market.

Further reforms are needed to maximize the impacts of these students, however. It was only 2013 when the potential role of students was recognized in the policy of resettlement of compatriots. Meanwhile there is no single state policy guiding the attraction of foreign students; rather, universities compete among themselves to attract foreign students. Finally, there are few efforts exerted to promote the use of Russian abroad or to encourage student or staff exchanges or internships abroad, and funding for research is limited.

**Return migration of “compatriots”.** The Russian Federation facilitates the migration of people who have cultural and historical ties to it. This generally relates to those who speak Russian or are from former Soviet countries. Russian legislation uses the term “compatriots” to refer to this population. It is estimated that there are around 30 to 35 million compatriots outside the Russian Federation, of whom 16 to 19 million are found in the countries of the former USSR (Ryazantsev and Grebenyuk, 2008). The largest population of Russian speakers outside the Russian Federation is in Kazakhstan (3.8 million people), followed by Ukraine (3.5 million) and Belarus (785,000).

The number of compatriots has decreased rapidly: for example in Tajikistan according to the census of 2000, there were 68,200 Russians, whereas in 2010 this had decreased to 38,000 (Tajikistan Agency for Statistics, 2012, p. 30). According to population censuses in Kyrgyzstan, the number of Russians was 419,600 in 2009, compared to 375,400 in 2013 (Kyrgyzstan National Statistical Committee, 2013, p. 19).

Russian-speaking people from the countries of the former USSR migrated in large numbers to the Russian Federation in the second half of the 1990s. The State Programme on Rendering Assistance to Voluntary Resettlement to the Russian Federation of Compatriots Living Abroad was set up to support people wishing to migrate to the Russian Federation (Ministry of Foreign Affairs, 2007, p. 37). During the 2006–2012 period, it was expected the programme would support the migration of 300,000 compatriots to the Russian Federation. Twelve regions of the Russian Federation participated in the first stage of programme implementation: Irkutsk, Lipetsk, Tver, Tambov, Kaluga, Kaliningrad, Tyumen, Novosibirsk, Amur regions, and Krasnoyarsk, Primorsky and Khabarovsk territories (figure 1.5.6). The main flow of migrants under this programme was to the central and northwest regions (48 per cent and 38 per cent respectively). Over time, the programme grew to encompass 76 federal subjects. However, from 2007 to 2010 only 25,000 people were accepted in the programme. The main problems of the programme were connected with the lack of affordable housing in some regions and the compatriots’ dissatisfaction with job opportunities and the territories to which they were resettled (particularly rural areas with underdeveloped infrastructure).

In 2013, an updated programme of open-ended resettlement began, with a three-year planning period. It emphasized the role of non-governmental organizations in relation to supporting migrants with information and help in the organization of moving, searching for housing and registration of residence. Government Order No. 848-r of 27 May 2013 approved the list of territories of priority settlement, including regions of the Far East and Siberia (The Republic of Buryatia; Transbaikal; Kamchatka; Primorsky and Khabarovsk territories, the Amur, Irkutsk, Magadan, Sakhalin regions, and also the Jewish autonomous
area). As of 15 May 2015, the programme was active in 57 federal subjects. Due to the mass arrival of compatriots from Ukraine in 2014, changes were made to enable asylum-seekers to participate in the programme (Yakolev, 2015).

From the beginning of programme implementation to 25 May 2015, 292,000 applications for the participation of 656,000 people were submitted. Within the programme 317,000 people, including 64,000 in 2015 alone, moved to the Russian Federation. Most programme participants are of working age: 23 per cent were age 18–30, 26 per cent were age 30–40, 14 per cent were age 40–50, and a further 14 per cent were age 50 and above. The educational level of participants of the Programme and members of their families is high: 40 per cent have begun or completed higher education, 39 per cent have secondary vocational education and 22 per cent have a senior secondary education. According to FMS estimates, 90 per cent of compatriots remain where they initially arrived (Yakolev, 2015). This confirms that many compatriots successfully adapt to the Russian labour market, since many go to a specific workplace in a particular region, in areas where they have relatives.

In 2013 compatriots moved to the Russian Federation in the largest number from Uzbekistan (34 per cent), followed by Kazakhstan (23 per cent), Moldova (15 per cent), Armenia (8 per cent), Ukraine (7 per cent), Tajikistan (6 per cent), and Kyrgyzstan (4 per cent). In 2014, in connection with the situation in Ukraine, the distribution changed. The largest number of compatriots came from Ukraine (39 per cent), followed by Kazakhstan (21 per cent), Uzbekistan (14 per cent), Moldova (9 per cent), Armenia (6 per cent), and Tajikistan (5 per cent) (figure 1.6.5). In 2014 and the first half of 2015, FMS received more than 59,000 applications from citizens of Ukraine (for a total of 122,000 people) for participation in the programme.

The participants of the programme have diversified their regions of migration across the territory of the Russian Federation in connection with the expansion of regions participating in the Programme. In 2013, the majority of compatriots were settled in the Central federal district (48 per cent), followed by the Siberian (25 per cent) and Northwestern (18 per cent) federal districts. In 2014, a smaller majority of compatriots settled in the Central federal district (39 per cent), followed by the Siberian (21 per cent), Northwestern (11 per cent) and Volga (10 per cent) federal districts (figure 1.6.6).

In 2014, the largest number of compatriots settled in the Kaluga region. A number of regions aim to attract compatriots to fill human resource gaps in rural areas and specific industries, particularly in Tula, Omsk, Voronezh, Lipetsk, Kaliningrad and other regions (figure 1.6.7).

Research shows that there are large numbers of actual and potential migrants in the countries of the former USSR. In the years after the dissolution of the USSR, the migratory potential increased, and people are still interested to move to the Russian Federation. They proceed gradually, generally through a step-by-step process of family migration: at first, children go to study in the Russian Federation, then heads of families move to join them, followed by the parents of the family.
heads and other relatives. The likelihood of movement is primarily determined by the situation in the Russian Federation. The exception to this is the situation in Ukraine which, in 2014–2015, stimulated an inflow of participants in the resettlement programme. With this in mind, Russian migration policy should attract potential participants by eliminating bureaucratic obstacles and barriers to residence permits and nationality, and provide support for employment, housing and entrepreneurial initiatives.

Source: Data provided by FMS to the author.

Source: Data provided by FMS to the author.
2

Geography and employment of migrant workers in the economy of the Russian Federation
2.1 Migrant workers in regions and industries of the economy of the Russian Federation

Migrant workers are unevenly distributed across the territory of the Russian Federation. The largest concentration of migrant workers, accounting for 43 per cent of the total population, is found in the Central federal district; indeed, almost a third of all migrant workers are in the city and region of Moscow. In the Central federal district, most migrants work in construction, trade, services, municipal services, and transport. One in six migrant workers are found in the Ural federal district, with a particular concentration in the oil extraction and construction industries in the Tyumen region, Yamal-Nenets autonomous area and Khanty-Mansiysk autonomous area. A further 10 per cent of migrant workers work in the Far East. These migrants are mostly from China, the Democratic People's Republic of Korea and Viet Nam and work in construction, agriculture and forestry in Primorsky and Khabarovsk territories and the Amur region.

In all, there are five types of regions with different employment structures for migrant workers:

- Regions with a concentration of migrant workers in construction, including Smolensk, Yaroslavl, Rostov, Samara regions, Krasnodar territory, and to some extent Moscow and the Moscow region, though here the structure of employment of foreign labour power differs significantly. Many regions of this group have experienced construction booms, requiring cheap labour and thus attracting migrant workers.

- Regions with a concentration of migrant workers in transport — for example, the Kaliningrad and Kaluga regions.

- Regions with a concentration of migrant workers in manufacturing and transport, including most regions of the Central Russian Federation, the Northwest, the Novosibirsk region and Zabaykal territory.

- Regions with a concentration of migrant workers in trade and services industry — for example, Bryansk, Oryol, Saratov, Penza regions, Stavropol territory, regions of the Urals, the Altai and Primorsky territories. Here migrant workers are involved in trade, hospitality and consumer services.

- Regions with a concentration of migrant workers in rural and forestry sectors — for example, Karelia, Kalmykia, Novgorod, Volgograd, Astrakhan, Kirov, Omsk, Amur, regions, Krasnoyarsk and Khabarovsk territories. Here migrant workers in agriculture as hired employees, tenant farmers, as well as in logging and gathering forest products.

Some sectors could be called “migrant-dependent”, given the high level of reliance of migrant workers. In 2010, a third (28 per cent) of migrant workers worked in construction, 23 per cent in household work, 13 per cent in manufacturing, 12 per cent in wholesale and retail trade, 8 per cent in real estate and finance, 6 per cent in agriculture, 4 per cent in transport, and 2 per cent in the housing and municipal sphere (figure 2.1.1). In 2014 the employment structure had shifted: 65 per cent of migrants worked in private households, 11 per cent in the service sector, and only 10 per cent in construction (figure 2.1.2).

Since the 1990s, households have employed migrant workers. For many years, this category of migrants remained invisible, with many migrants being in an irregular status until the introduction of licences in 2010. Between 2010 and 2013, about 3 million licences were issued (Federal State Statistics Service, 2014b, p. 28), and the 190,000 migrant workers performing household work made up almost a quarter of migrant workers in the Russian Federation in 2010 (Ryazantsev and others, 2012, p. 15). The number of licences grew to almost 2.2 million in 2014 (FMS, 2015). However, irregularity remains in the sphere of domestic services: according to calculations, there could still be 344,000 irregular migrants in this sector in the Russian Federation (Ryazantsev, 2014).
FIGURE 2.1.1: EMPLOYMENT STRUCTURE OF LABOUR MIGRANTS IN THE RUSSIAN FEDERATION, 2010


FIGURE 2.1.2: EMPLOYMENT STRUCTURE OF LABOUR MIGRANTS IN THE RUSSIAN FEDERATION, 2014

Source: Data provided by FMS to the author.
Within this sector, migrants work in different areas. They are employed in holiday homes in the Moscow region. Moreover, as the number of wealthy people in Moscow and other large cities has grown they have bought up second homes in the countryside, which employ migrant workers as gardeners, janitors, watchmen and other ancillary workers, especially during the summer. Migrants are also employed in repair and construction. In Moscow and other large cities of Russian Federation “the repair and construction boom” of private houses and apartments since the 1990s was facilitated by large numbers of migrant workers. Thirdly, migrants work in the sphere of domestic services, including a wide range of activities, some of which require special skills, training and qualifications, such as nurses and other medical personnel, nannies and drivers. Finally, there are migrant workers in other sectors working with licences, given the relative simplicity of acquiring these documents, as noted above (Ryazantsev, 2014).

Another sector which is a major employer for migrant workers in the Russian Federation is the construction and repair work sector. In addition to the large numbers of official documents issued in this sector (accounting for 28 per cent of migrant workers in 2010, or more than 230,000 migrant workers; see figure 2.1.3), it could be estimated the 400,000–500,000 people work in this sector irregularly (FMS, 2015).
The employment of labour migrants in construction is particularly important in the Russian regions undergoing a "construction boom" (Moscow, the Moscow, Smolensk, Yaroslavl, Rostov and Samara regions, Krasnodar territory and others). Migrant workers in construction are hired by both construction companies and private employers. Migrant workers were important in the construction of buildings for the 2014 Winter Olympics in Sochi (Krasnodar territory) in 2011–2014. In the Russian Federation, construction companies from Turkey are the most socially responsible in terms of the treatment of their workers. However, exploitation of workers in this sector is widespread. For example, some employers are paid to “transfer” whole crews of workers after the termination of a project to other employers. Work documents are also held by employers and transferred to new employers without workers having any say. Indeed, document confiscation is a major tool for the exploitation of migrant workers, enabling employers to maintain control over them. Research shows that in construction, nearly a third of migrant workers do not have their passports as they are held by the employer. Thus, migrant workers lose the right to free choice of work and employer, and are “chained” to one employer (Tyuryukanova, 2006, p. 58).

Manufacturing is the next most important employer of migrant workers in the Russian economy. In 2010, about 105,000 people (13 per cent of migrant workers) were officially working in this sector (Federal State Statistics Service, 2014b, p. 28). In 2014, more than 20,000 people, or 1 per cent of migrant workers were employed by the manufacturing sector (FMS, 2015). The number of undocumented migrant workers in this sector could be as high as 190,000 people (figure 2.1.3). Most industrial enterprises employing migrant workers are in the Central Russian Federation, in the Urals, and Siberia. Many Russian industrial enterprises make use of “an organized set” of migrant workers from countries of origin. Some forms of labour exploitation are widespread in manufacturing, such as the absence of official contracts, forced overtime work, poor living and working conditions, and non-payment of salaries (Ryazantsev, 2014).

The wholesale and retail trade sector employed about 100,000 migrant workers (12 per cent) (Federal State Statistics Service, 2014b, p. 28) in 2010. In 2014 about 347,000 permissions for services and 47,000 permissions for trade were issued (FMS, 2015). The number of irregular migrants in this sector could be as many as 180,000 (figure 2.1.3). As noted above, attempts in 2007 to limit the number of foreign workers in markets led to many migrant workers in this sector entering into an irregular situation, increasing their vulnerability to exploitation and abuse. Research shows that the most widespread form of exploitation in this sphere is debt bondage: overall, 15 per cent of migrant workers said that the debt they owe to their employer prevents them from being able to leave or change work, in the trade sector this indicator is significantly higher (Tyuryukanova, 2006, p. 66).

In the agriculture and forestry sector there were around 52,000 migrant workers, or about 6 per cent of the total number of migrant workers in 2010 (Federal State Statistics Service, 2014b, p. 28). In 2014, more than 37,000 work permits in these industries (1 per cent of the total) were issued (FMS, 2015). The number of undocumented migrant workers working in the agricultural sector and logging could reach 95,000 people (figure 2.1.3). The main regions with a concentration of migrant workers in rural and forestry sectors are the Republics of Karelia and Kalmykia, the Novgorod, Volgograd, Astrakhan, Kirov, Omsk and Amur regions, and Krasnoyarsk and Khabarovsk territories. Migrant workers work in collective and private farms, cultivating and harvesting crops, logging, and gathering forest products. Unfortunately, in this industry cases of forced labour, including coercion to work, non-payment of salary, violence, illegal fines and other forms of labour exploitation are also widespread. Often in the rural zone it is easier for employers to hide exploitation because of the inaccessibility of work sites for migratory and law enforcement authorities (Ryazantsev, 2014).

In the transport sector in 2010 about 30,000 people had work permits (Federal State Statistics Service, 2014b, p. 28). In 2014, about 57,000 work permits were issued (FMS, 2015). Total employment in this sector of the Russian economy could be as high as 50,000–60,000 people (Ryazantsev, 2014). In many regions of the Rus-
sian Federation, migrant workers work as drivers of shared taxis, and public transport. The hiring of foreign workers in the transport has been controversial. Since 1 January 2010, the Government of the city of Moscow tried to forbid migrant workers from working as taxi drivers for companies, justifying this on the grounds of passenger safety given the assumed lack of skills of migrant drivers. However, this prohibition did not in practice stop employers from hiring migrant workers.

In 2010, about 15,000 migrant workers worked in housing and communal services, or 2 per cent of the total (Federal State Statistics Service, 2014b, p. 28). In 2014, this sector was not disaggregated in FMS statistics. Some experts suggest that the number of migrant workers in housing and communal services has reduced (Borsoglebsky, 2015, p. 1). However, the number of undocumented migrant workers in the industry could be between 25,000 and 100,000 people (Ryazantsev, 2014). Research shows that most of the migrant workers in this industry are ignored and underpaid by employers, receiving a salary one and a half to two times smaller than Russian citizens. Moreover, in Moscow and other large cities of Russian Federation, schemes have been set according to which migrant workers do work that is officially done by Russian citizens (who receive the salary for the work). The difference goes to the owners of cleaning firms. Meanwhile, migrant workers do not receive their salaries on time, work in excess of the working hours established by law, and live in poor conditions (Ryazantsev, 2014).

2.2 **Salary level and working conditions of migrant workers**

There are two main drivers of demand for migrant labour in the Russian Federation. First, migrant workers are highly competitive compared to national workers as they are often employed irregularly without a written contract, and as a result are often paid less by employers, who also do not provide social benefits such as health insurance, nor do they provide decent accommodation. Second, the structure of the Russian economy is based on the extensive use of cheap labour rather than increased productivity.

In 2010 the All-Russian Centre for the Study of Public Opinion (ARCSPO) and the All-Russian Organization of Small and Medium Businesses conducted a survey of Russian employers to understand the causes of irregular employment of migrant workers. Most respondents indicated that the official procedures for registration of migrant workers were expensive and complex, while the flexibility irregular employment afforded employers with regards to salary, dismissal and management of migrant workers was also mentioned (Lunkin and others, 2010, p. 69).

<table>
<thead>
<tr>
<th>Answers</th>
<th>Small business</th>
<th>Medium-sized business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irregular migrants can be paid less</td>
<td>23</td>
<td>26</td>
</tr>
<tr>
<td>It is possible to save on social security obligations and taxes</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>It is simpler to manage, dismiss, and punish irregular migrants</td>
<td>21</td>
<td>20</td>
</tr>
<tr>
<td>Official registration is complicated, requiring too much time and money</td>
<td>36</td>
<td>36</td>
</tr>
<tr>
<td>Other reasons</td>
<td>2</td>
<td>5</td>
</tr>
</tbody>
</table>

**Source:** Lunkin and others (2010) p. 69.

Salaries in the Russian Federation differ significantly between economic sectors and regions (table 2.2.2). The highest salaries are found in the transport and communication, and real estate transactions sectors.
### TABLE 2.2.2: AVERAGE MONTHLY NOMINAL ACCRUED PAYROLL OF WORKERS IN THE INDUSTRIES OF ECONOMY OF THE RUSSIAN FEDERATION, 2000–2013 (ROUBLES)

<table>
<thead>
<tr>
<th>Year</th>
<th>ALL ECONOMY</th>
<th>RURAL AND FORESTRY</th>
<th>MANUFACTURING</th>
<th>WHOLESALE AND RETAIL TRADE</th>
<th>CONSTRUCTION</th>
<th>HOTELS AND RESTAURANTS</th>
<th>TRANSPORT AND COMMUNICATION</th>
<th>REAL ESTATE</th>
<th>EDUCATION</th>
<th>HEALTH CARE</th>
<th>UTILITIES, SOCIAL AND PERSONAL SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>2 223.4</td>
<td>965.1</td>
<td>2 365.2</td>
<td>1 584.5</td>
<td>2 639.8</td>
<td>1 640.0</td>
<td>3 220.2</td>
<td>2 456.7</td>
<td>1 240.2</td>
<td>1 333.3</td>
<td>1 548.0</td>
</tr>
<tr>
<td>2001</td>
<td>3 240.4</td>
<td>1 434.6</td>
<td>3 446.6</td>
<td>2 294.9</td>
<td>3 859.3</td>
<td>2 403.8</td>
<td>4 304.2</td>
<td>3 546.6</td>
<td>1 833.0</td>
<td>1 959.9</td>
<td>2 311.7</td>
</tr>
<tr>
<td>2002</td>
<td>4 360.3</td>
<td>1 876.4</td>
<td>4 439.1</td>
<td>3 068.9</td>
<td>4 806.9</td>
<td>3 039.3</td>
<td>5 851.5</td>
<td>4 677.1</td>
<td>2 927.3</td>
<td>3 141.3</td>
<td>3 183.1</td>
</tr>
<tr>
<td>2003</td>
<td>5 498.5</td>
<td>2 339.8</td>
<td>5 603.4</td>
<td>3 974.2</td>
<td>6 167.4</td>
<td>3 966.7</td>
<td>7 471.3</td>
<td>6 196.3</td>
<td>3 386.6</td>
<td>3 662.6</td>
<td>3 920.3</td>
</tr>
<tr>
<td>2004</td>
<td>6 739.5</td>
<td>3 015.4</td>
<td>6 848.4</td>
<td>4 906.2</td>
<td>7 304.7</td>
<td>4 737.3</td>
<td>9 319.9</td>
<td>7 795.4</td>
<td>4 204.3</td>
<td>4 612.0</td>
<td>4 822.7</td>
</tr>
<tr>
<td>2005</td>
<td>8 554.9</td>
<td>3 646.2</td>
<td>8 420.9</td>
<td>6 552.1</td>
<td>9 042.8</td>
<td>6 033.4</td>
<td>11 351.1</td>
<td>10 236.8</td>
<td>5 429.7</td>
<td>5 905.6</td>
<td>6 291.0</td>
</tr>
<tr>
<td>2006</td>
<td>10 633.9</td>
<td>4 568.7</td>
<td>10 198.5</td>
<td>8 234.9</td>
<td>10 869.2</td>
<td>7 521.7</td>
<td>13 389.9</td>
<td>12 763.2</td>
<td>8 983.3</td>
<td>8 059.9</td>
<td>7 996.4</td>
</tr>
<tr>
<td>2007</td>
<td>13 593.4</td>
<td>6 143.8</td>
<td>12 878.7</td>
<td>11 476.3</td>
<td>14 333.4</td>
<td>9 339.0</td>
<td>16 452.3</td>
<td>16 641.6</td>
<td>8 778.3</td>
<td>10 036.6</td>
<td>10 392.2</td>
</tr>
<tr>
<td>2008</td>
<td>17 290.1</td>
<td>8 474.8</td>
<td>16 049.9</td>
<td>14 927.4</td>
<td>18 574.0</td>
<td>11 536.2</td>
<td>20 760.8</td>
<td>21 275.0</td>
<td>11 316.8</td>
<td>13 048.6</td>
<td>13 538.6</td>
</tr>
<tr>
<td>2009</td>
<td>18 637.5</td>
<td>9 619.2</td>
<td>16 583.1</td>
<td>15 958.6</td>
<td>18 122.2</td>
<td>12 469.6</td>
<td>22 400.5</td>
<td>22 609.7</td>
<td>13 293.6</td>
<td>14 819.5</td>
<td>15 070.0</td>
</tr>
<tr>
<td>2010</td>
<td>20 952.2</td>
<td>10 668.1</td>
<td>19 078.0</td>
<td>18 405.9</td>
<td>21 171.7</td>
<td>13 465.8</td>
<td>25 589.9</td>
<td>25 623.4</td>
<td>14 075.2</td>
<td>15 723.8</td>
<td>16 371.4</td>
</tr>
<tr>
<td>2011</td>
<td>23 369.2</td>
<td>12 464.0</td>
<td>21 780.8</td>
<td>19 613.2</td>
<td>23 682.0</td>
<td>14 692.5</td>
<td>28 608.5</td>
<td>28 239.3</td>
<td>15 809.1</td>
<td>17 544.5</td>
<td>18 200.3</td>
</tr>
<tr>
<td>2012</td>
<td>26 628.9</td>
<td>14 129.4</td>
<td>24 511.7</td>
<td>21 633.8</td>
<td>25 950.6</td>
<td>16 631.1</td>
<td>31 444.1</td>
<td>30 925.8</td>
<td>18 995.3</td>
<td>20 640.7</td>
<td>20 984.5</td>
</tr>
<tr>
<td>2013</td>
<td>29 792.0</td>
<td>15 724.0</td>
<td>27 044.5</td>
<td>23 167.8</td>
<td>27 701.4</td>
<td>18 304.4</td>
<td>34 575.7</td>
<td>33 846.3</td>
<td>23 457.9</td>
<td>24 438.6</td>
<td>24 739.9</td>
</tr>
</tbody>
</table>

**Source:** Data from the Federal State Statistics Service (http://www.gks.ru).

Unfortunately, there is no official statistical information concerning salaries of Russian and migrant workers. However, considering the structure of employment of migrant workers in the Russian economy, where migrant workers are concentrated in low-wage sectors (agriculture, construction, trade, hotels, and restaurants), it is possible to assume that the salary of migrant workers is significantly lower than that of Russian citizens (see figure 2.2.1).

Some surveys have been carried out regarding the irregularity of employment practices and the salaries of migrant workers. For example, a survey was carried out in 2008–2009 concerning the employment of migrant workers from Central Asian countries in housing and communal services in the city of Moscow. It found that whereas the average salary for migrant workers with contracts was over RUB 14,000 per month, for those without contracts it was only around RUB 12,000 (figure 2.2.1).

Research shows that in many sectors payments are made in an irregular fashion, with migrant workers receiving their salaries as cash-in-hand. In other cases, migrant workers might be used in jobs officially filled by Russian workers at lower salary levels (Ryazantsev, 2010, p. 69).

According to data from a poll, 91 per cent of foreign migrant workers are sure that they receive less than Russian citizens in the same positions doing the same amount of work (figure 2.2.2). It is important to note that despite the relative ease of accessing Russian nationality for migrants from Kyrgyzstan and Tajikistan, they are still paid less than Russian workers even after they attain Russian nationality. This discrimination...
in compensation is connected with the longstanding stereotypes of Russian employers concerning the low cost of employing migrant workers.

In addition to feeling underpaid, 78 per cent of migrants interviewed also felt that they worked in worse conditions than Russian workers (figure 2.2.3). While this is a subjective assessment; objective figures tend to confirm that migrant workers are worse off in terms of salary, length of the working day, length of business week, amount of work carried out in housing and communal services.

The working and living conditions of migrant workers in many industries of the economy therefore remain poor, with salaries being low in comparison with Russian workers. Often even migrants with contracts are considered as cheap labour. Many employers do not consider raising salaries and improving working conditions of workers given the overall context of exploitation of cheap migrant workers.

**FIGURE 2.2.1: AVERAGE SALARY OF MIGRANT WORKERS FROM THE COUNTRIES OF CENTRAL ASIA IN THE HOUSING AND COMMUNAL SERVICES SECTORS IN MOSCOW, 2009 (RESULTS OF SOCIOLGICAL POLL, N = 101 PERSONS) (ROUBLES)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Salary (Roubles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average salary of the migrant workers who did not have a contract</td>
<td>12,371</td>
</tr>
<tr>
<td>Average salary of the migrant workers who had a labour contract</td>
<td>14,169</td>
</tr>
<tr>
<td>Average salary of migrant workers in housing and communal services of Moscow</td>
<td>14,045</td>
</tr>
<tr>
<td>Average salary across Moscow in sector of utility and social services</td>
<td>19,194</td>
</tr>
</tbody>
</table>


**FIGURE 2.2.2: SALARIES OF MIGRANT WORKERS FROM TAJIKISTAN AND KYRGYZSTAN IN THE HOUSING AND COMMUNAL SERVICES SECTOR IN MOSCOW COMPARED TO SALARIES OF RUSSIAN WORKERS, 2009 (RESULTS OF POLL, N = 101 PERSONS)**

- Paid the same as Russian citizens: 7%
- Paid more than Russian citizens: 1%
- Paid less than Russian citizens: 91%
- No answer: 1%

*Source: Ryazantsev (2010).*
2.3 Are migrant workers replacing national workers?

The official employment policy of the Russian Federation prioritizes the employment of Russian citizens. This idea is enshrined in several normative and legislative documents at the federal level (for example, in the Employment Act of the population, the Law on a legal status of foreign citizens in the Russian Federation) and at the regional level. For example, according to the Order of the Government of Moscow No. 718-PP of 12 December 2012, in the city of Moscow the employment of residents of Moscow has to be prioritized in labour market policies.

However, as noted above, the irregular of employment of migrant workers gives them competitive advantages compared to national workers. Employers are able to pay them less and invest less in improving working conditions. In public and political discourse there is a popular belief that Russian citizens do not want to take up jobs in which migrant workers work, because of these jobs are considered “undervalued”. For example, some experts claim that national workers can afford to focus on higher-skill jobs given the overall labour deficit and orientation of the economy, and so do not choose to take up work in “3D” jobs (that is, jobs which are difficult, dirty and degrading) (Ivakhnyuk, 2008, p. 36).

Researchers have conducted a number of studies in regions and cities in the Russian Federation with a high concentration of migrant workers. These studies have shown that the presence of migrant workers, as a rule, does not lead to an increase in unemployment among the local population (Metelev, 2006, p. 101; Ryazantsev, 2007, p. 45; IOM, 2005; Tyuryukanova, 2004). In addition, there does not seem to be a correlation between the level of employment of migrant workers and the size of the unemployed population. This leads to the conclusion that the employment of migrants is primarily in those jobs which for one reason or another are not filled by Russian citizens (Iontsev and Ivakhnyuk, 2012, p. 21). The employment structure of migrant workers shows them being concentrated in sectors such as construction where work is largely hard and

![Figure 2.2.3: Assessment of Working Conditions Migrant Workers from Tajikistan and Kyrgyzstan in Housing and Communal Services in the City of Moscow in Comparison with Russian Workers, 2009 (Results of Poll, N = 101 Persons)](source: Ryazantsev (2010).)
low-skilled, whereas the employment structure of the population of the Russian Federation is gradually moving towards a greater focus on the service sector, which includes transport, communication, trade, public catering, health care, education, public administration, culture and science.

Until 2009, the numbers of unemployed Russian citizens and migrant workers in the Russian Federation were strongly correlated. When unemployment decreased, the number of migrant workers grew (figure 2.3.1). The crisis of 2009 provoked a toughening of migration laws, reducing the number of channels for the legal employment of migrants. This led to a restructuring of the flow of labour migrants to the Russian Federation, increasing the number of irregular migrants (Zaionchkovskaya and Tyuryukanova, 2010, p. 21).

Iontsev and Ivakhnyuk argue that migrant workers are used as a “buffer” in the Russian labour market: in times of downturn, they are the first to be dismissed from formal employment, while they can also be used as irregular (and cheaper) labour to maintain competitiveness (2012, p. 21). This was the case in 2008-2009, when many Russian employers not only resorted to dismissals of workers, including migrant workers, but also made use of unregistered employment, especially of migrants who were less-likely to assert their rights (IOM, 2009a, p. 35).

Even in times of crisis, labour migration continues (undocumented labour migration can even increase) as in a number of sectors structural labour demand remains, despite the general growth in unemployment. This demand is due to the fact that national workers do not possess the necessary qualifications, or are unwilling to, carry out some kinds of unskilled or low-skilled

Source: Ryazantsev (2010).
work (IOM, 2009b). In 2008–2009, while there was a considerable reduction in the number of jobs in construction, manufacturing and the financial sector, labour demand remained high in the field of housing and communal services, urban public transportation and services. Many vacancies in these sectors were filled by the redistribution of migrant workers who showed a high degree of flexibility in their employment strategies, compared to Russian workers who preferred temporary unemployment with some social protection benefits, to lowering their social status by undertaking low-skilled work (IOM, 2009a, p. 56).

It is likely that, in the medium term, the countries of North and Central Asia will remain the main countries of origin for the Russian Federation and Kazakhstan, although some experts consider that the current economic crisis, the growing social and cultural distance between young migrants and the Russian population, as well as the tough migration policies of the Russian Federation might significantly reduce the inflow of migrant workers from Central Asia. Potential migrant workers from the states of Central Asia might reorient themselves to the countries of the Middle East, the Persian Gulf, or East Asia (Turkey, Qatar, Oman, the United Arab Emirates, the Republic of Korea and others). It is likely that in the years to come as the Russian economy stabilizes, the number of migrant workers will recover.

Although salaries in Turkey or the Republic of Korea are higher, the social and economic costs of migration there are higher, including strict quality requirements for employment, complexity of obtaining working visas, need for linguistic knowledge, and the attitude of employers is different. However, if migration policy continues to harden, and the attitude towards labour migrants in the Russian Federation worsens, the increased social and economic costs in the Russian labour market might exceed expenses to migrate to other destinations, potentially changing the direction of labour migration from North and Central Asia.

A survey of labour migrants from CIS countries employed in the informal labour market of Moscow in 2002 revealed that more than 50 per cent of migrants working in this sector do not feel that they compete with local workers on the labour market (Tyuryukanova, 2005, p. 165). This reflects both the higher living standards of the population of the capital, and a clearer segmentation of work between locals and migrants, which has developed because of the intensive migration to the region of Moscow in the last 20 years. E.V. Tyuryukanova argues that 35 per cent of jobs in the regions of the Russian Federation, and as much as 50 per cent of jobs in the capital, are essentially migrant-only jobs due to the lower costs associated with their employment (2004, p. 96; see also Iontsev and Ivakhnyuk, 2012, p. 21). This becomes cultural, as workers stop looking for work in these jobs, and employers discount national workers. This obviously has negative effects on migrants as well, as they are often exploited.

This situation reflects not only a structural need for migrant labour, but also the underuse of national workers through a lack of internal mobility, opportunities for retraining and retention of workers. It was only in 2009 that the Federal Service for Labour and Employment developed a uniform database on vacancies throughout the country. Thus more efficient use of national manpower could also reduce the dependence of the Russian economy on foreign labour power.

The labour migration policy of the Russian Federation should be based on an accurate determination of labour force requirements, aligned with economic and geopolitical interests so that migration outcomes support State socio-economic development policies in terms of the skills and numbers of people admitted.
3
Estimates of the contribution of migrant workers to the economy of the Russian Federation
3.1 Economic effects of labour migration through employment and GDP

Labour migration has substantial economic effects for the Russian Federation. At a sectoral level, productivity in construction, housing and communal services, other services, agriculture and transport has increased thanks to the contribution of migrant workers. However, exact estimates of their economic contribution are absent. In 2009, FMS Director K.O. Romodanovsky publicly noted for the first time that the work of labour migrants contributed 6–8 per cent of GDP in the Russian Federation. Although the technique used to calculate this estimate was not explained, the figure began “to circulate” actively in Russian mass media and political discourse.

The below analysis of the contribution of migrants to the GDP of the Russian Federation is based on the technique developed to assess the contribution of migrants to the economy of Thailand (Martin, 2007, p. 9). The results of this calculation are shown in table 3.1.1.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>WORK PERMITS AND LICENCES (THOUSANDS)</th>
<th>TOTAL EMPLOYED POPULATION (THOUSANDS)</th>
<th>DOCUMENTED MIGRANT WORKERS AS A PERCENTAGE OF EMPLOYED POPULATION</th>
<th>GDP IN REAL TERMS 2008 (BILLIONS OF Roubles)</th>
<th>CONTRIBUTION OF MIGRANT WORKERS TO GDP IN REAL TERMS, 2008 (BILLIONS OF Roubles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>281</td>
<td>64 149</td>
<td>0.44</td>
<td>22 908.3</td>
<td>100.8</td>
</tr>
<tr>
<td>1996</td>
<td>292</td>
<td>62 928</td>
<td>0.46</td>
<td>22 081.8</td>
<td>101.6</td>
</tr>
<tr>
<td>1997</td>
<td>245</td>
<td>60 021</td>
<td>0.41</td>
<td>22 386.8</td>
<td>91.8</td>
</tr>
<tr>
<td>1998</td>
<td>242</td>
<td>58 437</td>
<td>0.41</td>
<td>21 190.2</td>
<td>86.9</td>
</tr>
<tr>
<td>1999</td>
<td>211</td>
<td>63 082</td>
<td>0.33</td>
<td>22 536.0</td>
<td>74.4</td>
</tr>
<tr>
<td>2000</td>
<td>213.3</td>
<td>64 465</td>
<td>0.33</td>
<td>24 799.9</td>
<td>81.8</td>
</tr>
<tr>
<td>2001</td>
<td>284</td>
<td>64 664</td>
<td>0.44</td>
<td>25 937.0</td>
<td>147.5</td>
</tr>
<tr>
<td>2002</td>
<td>360</td>
<td>66 266</td>
<td>0.54</td>
<td>27 312.3</td>
<td>167.0</td>
</tr>
<tr>
<td>2003</td>
<td>378</td>
<td>66 339</td>
<td>0.57</td>
<td>29 304.9</td>
<td>173.6</td>
</tr>
<tr>
<td>2004</td>
<td>460</td>
<td>67 319</td>
<td>0.68</td>
<td>31 407.8</td>
<td>213.6</td>
</tr>
<tr>
<td>2005</td>
<td>702.5</td>
<td>68 339</td>
<td>1.03</td>
<td>33 410.5</td>
<td>344.1</td>
</tr>
<tr>
<td>2006</td>
<td>1 014</td>
<td>69 169</td>
<td>1.47</td>
<td>36 134.6</td>
<td>531.2</td>
</tr>
<tr>
<td>2007</td>
<td>1 717.1</td>
<td>70 770</td>
<td>2.43</td>
<td>39 218.7</td>
<td>953.0</td>
</tr>
<tr>
<td>2008</td>
<td>2 425.9</td>
<td>71 003</td>
<td>3.42</td>
<td>41 276.8</td>
<td>1 411.7</td>
</tr>
<tr>
<td>2009</td>
<td>2 223.6</td>
<td>69 410</td>
<td>3.20</td>
<td>38 048.6</td>
<td>1 217.6</td>
</tr>
<tr>
<td>2010</td>
<td>1 826.8</td>
<td>69 934</td>
<td>2.61</td>
<td>39 762.2</td>
<td>1 037.8</td>
</tr>
<tr>
<td>2011</td>
<td>1 792.8</td>
<td>70 857</td>
<td>2.53</td>
<td>41 457.8</td>
<td>1 048.9</td>
</tr>
<tr>
<td>2012</td>
<td>2 229.1</td>
<td>71 545</td>
<td>3.12</td>
<td>42 882.1</td>
<td>1 337.9</td>
</tr>
<tr>
<td>2013</td>
<td>2 230</td>
<td>71 391</td>
<td>3.12</td>
<td>43 447.6</td>
<td>1 355.6</td>
</tr>
<tr>
<td>Growth 1995–2013</td>
<td>7.9</td>
<td>1.1</td>
<td>7.1</td>
<td>1.9</td>
<td>134.5</td>
</tr>
</tbody>
</table>

Source: Calculated based on Federal State Statistics Service (2014a) and (2014c).
These calculations show that the contribution of labour migration to the GDP of the Russian Federation peaked in 2008, before the economic crisis of 2009, reaching 3.4 per cent. In 2011 this indicator reached its lowest point at 2.53 per cent. As the Russian economy recovered, this increased to 3.12 per cent in 2013 (figure 3.1.1).

Similarly, in absolute values the largest contribution to GDP by labour migrants in the Russian Federation was in 2008, at 1.4 trillion (figure 3.1.2).

The following calculations are based on available statistics from 2010 on the main branches of the economy of the Russian Federation (table 3.1.2). Data on the numbers of documented migrants were supplemented by estimates on the number of irregular migrants. It was established that regular and irregular migrant workers made up about 7 per cent of the total number of employed persons in the Russian Federation, and that the largest concentration of migrant workers was in construction (Iontsev and Ivakhnyuk, 2012, p. 21). These calculations show that in 2010 on average one migrant worker who is officially employed in the Russian Federation added RUB 568,100 (in 2008 prices) to the GDP.

In 2010, migrant workers in Russian Federation added almost RUB 3 trillion to the Russian GDP (table 3.1.2). The largest contribution of migrant workers was in construction, where they added almost RUB 1 trillion (almost a third of the total contribution), followed by trade and consumer services, and industry which both accounted for around 14 per cent of the total value addition by migrants. The smallest contribution was to health care, where migrant contributions amounted to RUB 13.6 billion. Meanwhile, migrants working under the licence system added over RUB 300 billion, more than 10 per cent of the total contribution (figure 3.1.3).

The costs of irregular migration should be considered alongside the positive economic effects of regular labour migration. Iontsev and Ivakhnyuk estimated on the basis of average salaries that 1.5 million regular migrant workers in the Russian Federation in 2011 paid around RUB 70 billion in income tax, but this was
FIGURE 3.1.2: CONTRIBUTION OF MIGRANT WORKERS TO THE GDP OF THE RUSSIAN FEDERATION, 1995–2013 (BILLIONS OF ROUBLES)

Source: Calculated based on Federal State Statistics Service (2014a) and (2014c).

FIGURE 3.1.3: AN ASSESSMENT OF THE CONTRIBUTION OF MIGRANT WORKERS TO DIFFERENT SECTORS OF THE RUSSIAN FEDERATION, 2010 (BILLIONS OF ROUBLES)

Source: Calculated based on Federal State Statistics Service (2014a) and (2014c).
### Table 3.1.2: Assessment of the Contribution of Migrant Workers to the Sectors of the Russian Economy, 2010

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>DOCUMENTED MIGRANT WORKERS</th>
<th>IRREGULAR MIGRANT WORKERS</th>
<th>TOTAL MIGRANT WORKERS (DOCUMENTED + IRREGULAR)</th>
<th>TOTAL EMPLOYMENT BY SECTOR</th>
<th>TOTAL MIGRANT WORKERS AS PERCENTAGE OF TOTAL EMPLOYMENT BY SECTOR</th>
<th>GDP ADDED BY MIGRANT WORKERS (RUB BILLIONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>595 151</td>
<td>1 071 272</td>
<td>1 666 423</td>
<td>5 642 000</td>
<td>29.5</td>
<td>946.7</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>272 114</td>
<td>489 805</td>
<td>761 919</td>
<td>13 542 000</td>
<td>5.6</td>
<td>432.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>254 732</td>
<td>458 518</td>
<td>713 250</td>
<td>13 197 000</td>
<td>5.4</td>
<td>405.2</td>
</tr>
<tr>
<td>Real estate transactions, lease, services, financial activities</td>
<td>169 538</td>
<td>305 168</td>
<td>474 706</td>
<td>6 932 000</td>
<td>6.8</td>
<td>269.7</td>
</tr>
<tr>
<td>Agriculture and forestry, hunting and fishery</td>
<td>149 923</td>
<td>269 861</td>
<td>419 784</td>
<td>6 609 000</td>
<td>6.4</td>
<td>238.5</td>
</tr>
<tr>
<td>Transport and communication</td>
<td>70 592</td>
<td>127 066</td>
<td>197 658</td>
<td>5 430 000</td>
<td>3.6</td>
<td>112.3</td>
</tr>
<tr>
<td>Housing and municipal services</td>
<td>43 180</td>
<td>77 724</td>
<td>120 904</td>
<td>2 547 000</td>
<td>4.8</td>
<td>68.7</td>
</tr>
<tr>
<td>Health care, education and social services</td>
<td>8 519</td>
<td>15 334</td>
<td>23 853</td>
<td>10 270 000</td>
<td>0.2</td>
<td>13.6</td>
</tr>
<tr>
<td>Other</td>
<td>77 052</td>
<td>138 694</td>
<td>215 746</td>
<td>3 734 000</td>
<td>5.8</td>
<td>122.6</td>
</tr>
<tr>
<td>Total number of work permits at legal entities</td>
<td>1 640 801</td>
<td>2 953 442</td>
<td>4 594 243</td>
<td>2 610.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licences</td>
<td>191 200</td>
<td>344 160</td>
<td>535 360</td>
<td>304.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1 832 001</td>
<td>3 297 602</td>
<td>5 129 603</td>
<td>67 968 000</td>
<td>6.6</td>
<td>2 914.1</td>
</tr>
</tbody>
</table>

**Source:** Calculated based on Federal State Statistics Service (2014a) and (2014c).
offset by the lack of payment of such taxes by irregular migrant workers, which they estimated at an overall loss of tax revenue of RUB 150 billion–RUB 200 billion. The losses are partially offset by the fact that irregular migrants do not use social services (2012, p. 29).

From the above we can conclude that the contribution of migrant workers to the economy of the Russian Federation is considerable. Even with the loss of an estimated RUB 200 billion in tax revenue as a result of non-payment of taxes by irregular migrants, the net benefit to the Russian economy was still RUB 2,714.1 billion. Thus although irregular migration is a concern, it is still offset by the contributions made by irregular as well as regular migrants to the overall economy.

### 3.2 Economic effects of labour migration through income from administrative procedures

A second method of evaluating the economic effects of labour migration concerns income from administrative procedures, including the fees related to the issuing of work permits and licences, and administrative penalties on employers. Information on licences and penalties has been published on the FMS website since 2012. From 2010–2014 the FMS issued more than 6.5 million licences to migrant workers. This added around RUB 45 billion to the budget of the country (Gulina, 2015). Unfortunately, information on income from the fees for work permits is not available.
FIGURE 3.2.1: LICENCE FEES IN FEDERAL SUBJECTS OF THE RUSSIAN FEDERATION, 2015 (ROUBLES)

As of 1 January 2015, new rules for licences widened their scope and allowed the federal subjects to establish the price of licences, with the highest fees being charged in the northern regions of Chukotka autonomous area, Yakutia and the Yamal-Nenets autonomous area (figure 3.2.1), while in Moscow the cost of the licence was established at RUB 4,000 a month. In 29 federal subjects, the minimum cost (RUB 1,568) is applied. Overall, the average licence cost is RUB 2,750 a month.

This reform led to an increase in the fees collected from migrant workers. In the first eight months of 2015, this amount was RUB 19.4 billion (figure 3.2.2), compared to RUB 18.3 billion for all of 2014. The income from administrative penalties on employers remained static between RUB 6.1 billion and RUB 6.4 billion a year.

Most of these fees were received from the main cities (Moscow and the Moscow region, St. Petersburg and the Leningrad region) as well as from the important industrial and agricultural regions (Krasnodar territory, the Samara region, Sverdlovsk region, the Kaluga region, etc.) (table 3.2.1).

In addition to these direct fees migrants pay for medical examinations, an examination on Russian language, history and the legislation of the Russian Federation, the medical insurance, transfer and notarized passport fees, as well as other payments for the preparation of relevant documents. On average these additional one-time costs amounted to RUB 9,700 rising to RUB 17,100 in Moscow and RUB 20,500 in St. Petersburg and the Leningrad region. The income from fees collected at Government centres in Moscow to carry out these procedures added over RUB 2.3 billion to the budget, in some cases exceeding the fees from the licences (table 3.2.2).

Experts estimate that the new multifunctional migratory centres that help migrants apply for the licence have reduced the number of intermediaries working in the market for migratory documents and have increase the speed and convenience of obtaining documents. However, the cost of obtaining the licence has significantly increased for the migrant workers. This cost resulted in a considerable increase in the income of the Russian budget.

### 3.3 Economic effects of labour migration through consumption

It is important to note that labour migrants are not only producers but also consumers of goods and services in the economy of the host country. Most money earned
### Table 3.2.1: Income from Licences Gained by Selected Federal Subjects of the Russian Federation, January–May, 2015

<table>
<thead>
<tr>
<th>Regions</th>
<th>Number of Licences Issued</th>
<th>Monthly Payment Per Licence (Roubles)</th>
<th>Total Received from Licence Fees (Millions of Roubles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moscow</td>
<td>237,536</td>
<td>4,000</td>
<td>3,653</td>
</tr>
<tr>
<td>Moscow region</td>
<td>94,781</td>
<td>4,000</td>
<td>1,458</td>
</tr>
<tr>
<td>St. Petersburg and Leningrad region</td>
<td>115,161</td>
<td>3,000</td>
<td>1,328</td>
</tr>
<tr>
<td>Krasnodar territory</td>
<td>26,330</td>
<td>2,800</td>
<td>283</td>
</tr>
<tr>
<td>Samara region</td>
<td>23,657</td>
<td>2,500</td>
<td>227</td>
</tr>
<tr>
<td>Sverdlovsk region</td>
<td>22,162</td>
<td>2,400</td>
<td>204</td>
</tr>
<tr>
<td>Kaluga region</td>
<td>13,001</td>
<td>3,900</td>
<td>195</td>
</tr>
<tr>
<td>Khanty-Mansiysk autonomous area</td>
<td>15,336</td>
<td>3,000</td>
<td>177</td>
</tr>
<tr>
<td>Republic of Bashkortostan</td>
<td>13,880</td>
<td>2,823</td>
<td>151</td>
</tr>
<tr>
<td>Chelyabinsk region</td>
<td>10,166</td>
<td>3,500</td>
<td>137</td>
</tr>
<tr>
<td>Tver region</td>
<td>11,757</td>
<td>3,000</td>
<td>136</td>
</tr>
<tr>
<td>Tula region</td>
<td>11,517</td>
<td>3,000</td>
<td>133</td>
</tr>
<tr>
<td>Volgograd region</td>
<td>13,214</td>
<td>2,600</td>
<td>132</td>
</tr>
<tr>
<td>Republic of Tatarstan</td>
<td>11,986</td>
<td>2,839</td>
<td>131</td>
</tr>
<tr>
<td>Novosibirsk region</td>
<td>17,378</td>
<td>1,568</td>
<td>105</td>
</tr>
<tr>
<td>Yamalo-Nenets autonomous area</td>
<td>4,082</td>
<td>6,634</td>
<td>104</td>
</tr>
<tr>
<td>Voronezh region</td>
<td>7,949</td>
<td>3,294</td>
<td>101</td>
</tr>
</tbody>
</table>

**Source:** Solopov and Opalev (2015) p. 2.

### Table 3.2.2: Income from Licences Gained by Selected Federal Subjects of the Russian Federation, January–May 2015

<table>
<thead>
<tr>
<th>Regions</th>
<th>Number of Licences Issued</th>
<th>One-Off Costs of Obtaining Licences (Roubles)</th>
<th>Total Received from One-Off Costs (Millions of Roubles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moscow</td>
<td>237,536</td>
<td>9,700</td>
<td>2,304</td>
</tr>
<tr>
<td>Moscow region</td>
<td>94,781</td>
<td>17,100</td>
<td>1,621</td>
</tr>
<tr>
<td>St. Petersburg and Leningrad region</td>
<td>115,161</td>
<td>20,500</td>
<td>2,361</td>
</tr>
</tbody>
</table>

**Source:** Solopov and Opalev (2015) p. 2.
by migrants is spent in the Russian Federation for daily needs, with the remainder being sent home (Iontsev and Ivakhnyuk, 2012, p. 21).

Clearly, a large proportion of migrants’ income does not remain in the Russian Federation, but is sent to countries of origin (see above). There is certainly evidence that migrant workers minimize their expenses abroad in order to maximize the amount of money they are able to remit (Ryazantsev, 2010, p. 12). However, even if migrant workers’ consumption forms only a small part of their overall earnings, it supports demand in the Russian economy. Table 3.3.1 presents several scenarios of migrants’ consumption in the Russian Federation.

### Table 3.3.1: Scenarios of the Income of Economy of the Russian Federation from the Current Consumption of Migrant Workers, 2013

<table>
<thead>
<tr>
<th>Proportion of Migrant Workers’ Salaries Spent on Consumption in the Russian Federation</th>
<th>Net Compensation</th>
<th>Costs of Consumption of Migrant Workers</th>
<th>Income of the Russian Economy from the Current Consumption of Migrant Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>15%</td>
<td>10,470.0</td>
<td>1,570.5</td>
<td>8,899.5</td>
</tr>
<tr>
<td>30%</td>
<td>10,470.0</td>
<td>3,141.0</td>
<td>7,329.0</td>
</tr>
<tr>
<td>50%</td>
<td>10,470.0</td>
<td>5,235.0</td>
<td>5,235.0</td>
</tr>
</tbody>
</table>

**Source:** Calculated based on Federal State Statistics Service (2014a) and (2014c).
4

Recommendations for labour migration reforms in the Russian Federation
The Russian Federation is at the centre of the Eurasian migratory subsystem, with greater potential for economic growth than during the days of the former Soviet Union. In some ways, the Russian economy is dependent on a cheap foreign labour force with limited rights. The volume of migration is likely to grow in the years to come, as the Russian Federation shows increasing interest in strengthening the integration of the countries of the former Soviet Union, with priority on cooperation on migration issues given to neighbouring countries. For many of the main countries of origin, the Russian Federation is the nearest neighbour with whom they have the best transport connections. However, the evolution of the structure of the Eurasian migratory system and the emergence of the new poles of attraction for labour migrants (such as Kazakhstan) suggest that the Russian Federation will have to compete to attract migrant workers at the regional level. Thus, the development of a strategically calibrated migration policy at the national level combined with the development of regional integration processes aimed at the creation of a single labour market, and the use of interstate cooperation mechanisms on migrations with countries of origin are priority tasks for the Russian Federation (Ivakhnyuk, 2008, p. 12).

This study shows that the system regulating labour migration in the Russian Federation requires reform to meet these goals. The dual system of issuing work permits was a key weakness of the system until 2015, as one system— the licence system —was relatively straightforward, while the process of obtaining work permits was more complex, and was perceived as bureaucratic and inflexible, resulting in migrants being employed under the former system rather than the latter, while abuses occurred under the latter system such as visa trading among employers. Other inflexibilities included quotas that prevented employers from hiring workers even when they genuinely required migrant workers to meet their labour needs as well as the lack of a single registry of regional quotas.

A key driver of this inefficiency is the lack of a mechanism to objectively assess the need for migrant workers in the Russian Federation. Such key documents as the Concept of State Migration Policy outline the general need for foreign workers without providing a detailed assessment of the place of foreign workers in the economy and labour market, nor considering the impact of migrant workers on the 4–5 million unemployed national workers. Similarly, migration policy does not take into account demographic trends in the Russian Federation, such as changes in birth rates and the declining mortality of the working-age population. The Russian Federation needs a system enabling an accurate calculation of the need for migrant workers, taking the national labour force into account, with a reformed and transparent quota system with quotas assigned to particular employers, without right of resale.

It is also important to ensure the employment of foreign students who, with their knowledge of the Russian language and system, are well adapted and prepared for the Russian labour market. This would support efforts to encourage more highly skilled workers to migrate to the Russian Federation. The reforms of 2010 simplified processes for employing highly skilled migrants and expanded opportunities for foreign students to work, and started a discussions about the need to liberalize naturalization procedures for foreign entrepreneurs and investors. However, more can yet be done in this area.

Another important issue for the Russian Federation is the regulation of labour migration and prevention of irregular migration in the context of economic integration with countries of origin.

Economic integration within the EEU is one of the main strategic resources of interaction between the Russian Federation, Kazakhstan, Belarus, Kyrgyzstan, and Armenia; the accession of Tajikistan and potentially Viet Nam have been considered. Economic integration drives the development of labour migration between the member States of the EEU, as well as being a driver of integration. However, the regulation of labour migration across the countries of North and Central Asia has developed in an irregular and unilateral fashion, with countries of origin aiming to maximize the number of migrant workers and protect their rights, while countries of destination aim to shape labour migration flows to meet their needs. Potential cooperation is further stymied by issues such as the large volume of irregular migration, the lack of strategic information on labour market needs and the politicization of labour.
migration. Further harmonization and integration of labour markets based on common standards arrived at through dialogue is therefore essential in making labour migration one of the means to regulate the labour market of the Eurasian economic community.

Linking trade, investment and migration policies could be one means of reducing irregular migration. Rather than relying on migrants in the agricultural sector, the Russian Federation and Kazakhstan could work to promote the agricultural sector in countries of origin. Further, policies which aim to increase productivity per worker through increasing the efficiency of production processes and making use of modern technology can help to reduce the reliance on cheap (migrant) labour.

The overall shape of labour migration regulation can look as follows. First, countries of destination should calculate their needs for labour power based on trends in the labour market, as well as demographic and industrial trends. Secondly, they should aim to meet these needs with the human resources within their own populations, through employing unemployed workers, youth, older persons and increasing internal mobility, so they can understand the true scope of their need for labour migrants. Thirdly, they should designate migration policy priorities with partner countries in the context of political and economic integration, and sign interstate agreements on organized labour migration.

The Russian Federation could implement the following measures to improve the system of regulation of labour migration.

1. In the field of interstate regulation of labour migration.

1.1 Prioritize recruitment of migrant workers according to the geopolitical and economic priorities of the Russian Federation. Uzbekistan, Tajikistan, Ukraine, Moldova, Viet Nam, the Democratic People’s Republic of Korea, Turkey and Serbia could be considered as priority countries of origin in addition to the countries of the Eurasian Economic Community (Armenia, Belarus, Kazakhstan and Kyrgyzstan). The Government of the Russian Federation may consider enabling citizens of these countries to work without requiring work permits (Russian Government, FMS and MFA).

1.2 Sign bilateral agreements with the main countries of origin on the organized recruitment of labour migrants taking into account the interests and needs of the Russian regions. This could include requirements for pre-departure orientation in training centres in countries of origin (Russian Government, FMS and MFA; and the Governments and the ministries of foreign affairs of the countries of origin).

1.3 Develop infrastructure to support regular processes of hiring of migrant workers in countries of origin such as migratory centres, Russian-language institutes, training centres and employment agencies (Russian Government, FMS, MFA, the Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad, and International Humanitarian Cooperation (Rossotrudnichestvo) and Russian World Fund).

1.4 Licence and create a unified register of private employment agencies working in the Russian Federation and the main countries of origin of migrant workers (the Government of the Russian Federation, FMS and Ministry of Labour).

2. In the field of regulation of labour migration in the interests of the Russian labour market.

2.1 Develop a uniform technique based on national and international best practice for assessing the labour force needs of the Russian regions (FMS, Ministry of Labour).

2.2 Simplify the process of issuing work permits for migrant workers through setting quotas at the firm level, based on a clear justification of the need for migrant workers. If a migrant has a working visa and a contract with the employer, employers should automatically receive the work permit (FMS, Ministry of Labour and MFA).
2.3 Give priority to Russian workers in filling vacancies, including Russian workers from other regions (Ministry of Labour, employers).

2.4 Criminalize the owners of firms engaged in counterfeiting and selling registration documents, migration cards, work permits, licences, health certificates and other documents (Ministry of Justice and FMS).

2.5 Strengthen administrative punishments for the unlawful confiscation of documents of foreign citizens by law enforcement officers, employers or officials (Ministry of Justice, Ministry of Internal Affairs and FMS).

2.6 Register migrant workers through their employers, rather than by their place of residence (Ministry of Justice, Ministry of Internal Affairs and FMS).

2.7 Remove the need to specify the sector of employment, type of activity, and employer on migrant licences; and allow work-related travel within the Russian Federation for migrants working under this system (Ministry of Labour and FMS).

3. In the field of working and living conditions of labour migrants.

3.1 Reduce the income tax rate for short-term migrant workers from 30 to 13 per cent (Russian Government, Ministry of Economic Development and FMS).

3.2 Use tax incentives to stimulate employers of migrant workers to develop health insurance systems, and reduce the social charges on employers who make investments in corporate life insurance and health programmes for Russian workers and migrant workers (Ministry of Economic Development, Ministry of Health and Social Development).

3.3 Trade unions should work to provide information and support to migrant workers (Federation of Independent Labour Unions and other trade union organizations).

3.4 Organize systematic monitoring of compliance with working conditions, safety at work and accommodation of migrant workers (Ministry of Labour and Social Development labour inspectors and trade union organizations).

3.5 Strengthen penalties of employers (up to criminal prosecution) who detain migrant workers or withhold salaries, who confiscate documents or limit freedom of travel (Ministry of Internal Affairs, FMS, Ministry of Labour and Social Development, Ministry of Justice and labour inspectors).

4. In the field of supporting the adaptation of migrant workers.

4.1 Oblige employers of migrant workers to provide temporary housing which meets minimum standards (FMS and employers).

4.2 Settle labour migrants in mixed areas to promote cultural exchange between migrants (FMS).

4.3 Oblige employers to organize training courses in the Russian language and basic aspects of Russian legislation with state support in workers’ free time, and using remote training methods (FMS, Ministry of Education and Science, employers and universities).

5. In the field of integration of migrant workers into Russian society.

5.1 Remove administrative bureaucratic “barriers” to permission to work, permission for temporary residence, long-term residence permits, and Russian nationality for migrants in highly skilled categories such as students, graduate students, scientists, qualified professionals and in professions with particular needs for labour, high-level managers, cultural figures and artists, athletes, businessmen, and investors) (Russian Government, Ministry of Economic Development, FMS and Ministry of Education and Science).
5.2 Simplify residence and nationality procedures for migrant workers who have lived and worked in the Russian Federation for more than five years on the basis of proof of work and tax payment in the Russian Federation, or desire to pay taxes for the specified period in case of their failure to pay earlier (FMS).

5.3 Implement programmes to integrate migrants into Russian society through public financing of projects of educational, cultural and scientific institutions, as well as providing grants for non-governmental organizations (free training in the Russian language, legal support for migrants, cultural projects) (FMS, Ministry of Culture, Ministry of Education and Science, non-governmental organizations, universities and the Russian Scientific Fund).

5.4 Provide free access for the children of migrant workers to comprehensive schools in the Russian Federation (Ministry of Education and Science).

6. In the field of improvement of the statistical recording of labour migration.

6.1 Develop and implement a uniform register of foreign citizens across all regions of the country, and gather information on the number of visas issued, border crossings, registrations of residence, availability of work permits and licences, employment and social and demographic structure of migrant workers, to be able to provide up-to-date and objective information about the number and population structure of labour migrants. The central database on accounting of foreign citizens (TsBDUIG) developed by FMS could serve as the basis for this register (FMS, MFA, the Federal Border Service, Ministry of Internal Affairs and Federal State Statistics Service).

6.2 Provide data on labour migration in the Russian Federation publically, disaggregated by key countries of origin, sectors of the economy, destination regions, and social and demographic characteristics of migrant workers (FMS and Federal State Statistics Service).
References


Federal Migration Service (FMS) (2015). Data provided to the author upon request.


