
Economic Growth In Armenia Does Not Promote Growth Of Vacancies.

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According to a research by the World Bank, the impressive economic growth in Armenia does not promote growth of the number of vacancies. Arvo Cudo, head of the World Bank "Job Market Dynamics in the Republic of Armenia" research group stated that in 1990-2005 that employment in Armenia has reduced by 32% - 1 million 630 thousand to 1 million 105 thousand. He said that in spite of certain progress during the last few years is obvious, the level of unemployment in Armenia remains very high.

It is also worthy mentioning that in Yerevan, the capital of the Republic of Armenia, the level of employment (38%) is lower than the average level for the whole republic (48,7%). It comes out that in general employment in rural areas of Armenia (67,2%) is higher than in urban settlements (38,4%).

Mr. Cudo said that most employees in Armenia work in the spheres of agriculture, construction, retail trade and service - 40-45%. 26% of Armenian employees work over 51 hours a week. 56% of the employees are dissatisfied with their wages and say they hardly fit their minimum expenses.

Armenia has a problem with opening new job vacancies.

So as to provide normal level of employment by 2015, Armenian employers will have to open 120 thousand new vacancies. In order to reach the EU minimum employment level (65%) 340 thousand vacancies must be created, and do reach the Lisbon standard of 70% - 470 thousand vacancies.

The World Bank emphasizes establishment of positive business atmosphere in Armenia, which will contribute the economic growth and the opening of new vacancies.

The research results say that certain progress in this aspect was made through 2005-2006, and Armenia reached the 34-th place in the business-rating list. Still there is a number of problems to be solved. Most of all Armenian businessmen complain of bureaucracy in tax system, inaccessibility of financing and tax rates.

The World Bank proposes Armenia to align the education programs with the economic market. As compared with the neighbor-states, in Armenia the employers spend fewer resources on trainings for the employers.
