

## DIRECTIONS OF THE STATE POLICY ACCORDING TO THE SOLUTION OF DEMOGRAPHIC AND LABOUR PROBLEMS IN NORTHERN TERRITORIES OF RUSSIA\*

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**Abstract:** *The article proves the main directions of state policy in the field of the social and labor relations and demographic development of the northern regions of Russia; the levels of responsibility are defined (state - region - corporation); recommendations to the Federal Assembly of the Russian Federation and the Government of the Russian Federation according to the solution of demographic and labor problems are provided.*

**Keywords:** *North of Russia, state policy, population, demographic development, living standards, guarantees and compensation.*

### 1. INTRODUCTION

Obviously, there is no uniform solutions of development of the Russian North. Meanwhile, the strategy of development of the northern regions of Russia is necessary. That question prompted by serious, largely mutually exclusive bases: the value of the natural and resource potential of the North to Russia's economic security; the need to preserve traditional nature as one of the most important conditions for maintaining the ethnic group of northern people; difficult situation in the economy of the North, where possibilities of transition to the market relations in the conventional model less, than in other regions of Russia.

In order that the economy of northern regions of Russia gained stability it is necessary to overcome disproportions in development of extracting and processing branches, to reduce the share of resources in structure of commodity production while increasing its physical volumes, and also to promote the equally effective development of small, medium and large businesses.

For many years, the problem of developing the North viewed only from an economic point of view, but there is also one more important aspect - the people. At the same time

the active exploration of natural resource potential of northern territories led to anthropogenic pollution of the environment and the negative impact on the socio-cultural development of the indigenous peoples of the North.

Nowadays it is necessary to develop a strategy. Primarily due to the fact that there is the increasing differentiation in the socio-economic development of regions. The Ministry of economic development and trade pushed the concept of reducing differences in socio-economic development of the regions in Russian Federation, called «equalization policy». There is a «Fund of financial support of regions», «Fund of regional development», «Fund of reforming the regional finance» which gave and give help in development of regional economy. It was supposed that more developed regions will help to develop to less developed regions and disproportions in development will be reduced. But this did not happen. As less developed regions didn't want to be tightened under the average level (if they are tightened, any more to them won't help), and more developed regions didn't want to help less developed regions and to develop in parallel. The policy showed the inefficiency [1]. Secondly, in our opinion, if to leave everything as it is going now, the natural course of existing processes will lead to realization to selective development of northern regions, regarding the production focused, first of all, on optimization, processing and export of raw material resources.

Therefore there is an urgent need for working out the strategy of development of northern regions of Russia. It could determine their development, not only as sources of raw materials, but also as areas of intensively developing through the effective use of all available resources.

## **2. COORDINATION OF THE INTERESTS OF ALL MANAGEMENT LEVELS IN THE NORTHERN TERRITORIES**

In this situation the problem of coordination of all management levels (states, regions, corporations, local communities, etc.) is of particular importance. The program document focused on the creation of conditions for stable social and economic development of northern regions; on increasing the gross domestic product and a standard of living of the population on elimination of disproportions in social and economic development of regions belonging to the Russian North; on realization the unique geostrategic capacity of northern regions.

For achievement this specified purposes of social and economic revival of northern regions, fixing their sustainable development, the uniform strategy of development considering features of each territory also is necessary. Realization of Strategy of development in all Russian North will allow using:

- the principle of synergetic efficiency – inefficient from the economic point of view the separate regional projects having a strategic importance for municipality, have to be configured among themselves so that to provide the essential growth of the local economic efficiency;
- the principle of realism which gives the exact time frame of individual projects, the calculation of the available resources and the participation of all stakeholders;
- the principle of synchronization of projects – coordination of rate of implementation of each project in a context of other projects and design plans from the point of view of short, average and long-term goals and complementarity;

- the principle of a trans boundary – limits of compound projects don't become isolated administrative borders of territories.

Definition of the strategy purposes is possible with primary orientation to the decision global, and already through it local tasks.

Searching the solution to problems of preservation and development of the North has the state value. Therefore during working on strategy the important role has to be given to measures of the state influence. After the transition to market transformations the approach which avoids any state involvement, even in those types of economic activity which are subsidized around the world is prevailed. It is necessary to analyze the state support measures, to define the priority directions of development and specific mechanisms for their implementation. There is no uniform decision, but there are a recognized need to use available competitive advantages of each particular area [2].

Force of a federal state is based on force of its regions. On the basis of such approach it is necessary to consider a question of features of the modern "northern" policy representing an important component of the regional policy of Russian. On the basis of such approach it is necessary to consider a question of features of modern «northern» policy which represents important part of regional policy of the Russian state.

The effective regional policy should include several elements: an understanding of the specifics of the region, working out the reasonable measures and decisions for the development of the region taking into account its specifics and consecutive implementation of these decisions in practical life.

It became obvious that the continuation of policy of the 1990-2000th doesn't provide a sustainable socio-economic development of the northern regions, but also conducts to their degradation. The representatives of the northern regions of Russia had been saying about this problem for a long time. In order that steady positive dynamics of the North development was outlined, the relation to northern regions has to be changed in principle. In such country as Russia where the North occupies more than two thirds of the territory of the country, should be formed specific state «northern» policy [3]. At the basis of such policy the following principles and mechanisms have to be used:

- increasing the role of the state in combination with market mechanisms in regulating the economy and social sphere of the northern regions;
- creation of a common economic space with the mandatory-specific areas with special conditions of managing;
- a comprehensive socio-economic development of the northern territories, including new areas of natural resource development; support operating and creation of the new industrial complexes (clusters) ;
- state protectionism directed not on creation privileges and preferences for the population and branches of economy of the North, but on the mode of development taking into account ensuring the state needs and the social sphere;
- accelerating the introduction of science and new technologies, ensuring rapid growth in production while reducing process cycle time and the required volume of importation and storage of fuel, raw materials and other resources;
- the formation of intergovernmental relations, tax policy and customs positions with equal economic conditions for economic activities and livelihoods;
- the comparison of economic growth opportunities with effective management in special climatic, ecological and geographical conditions;

- maintenance of natural resource and capacity , taking into account the need to meet the needs of future generations;
- maintenance of transport systems serving major traffic flows in the North, including the perspectives of development of the continental shelf of the Russian Federation and the Northern Sea Route ;
- formation of budgetary provision and sufficiency of the northern territories to meet the increasing cost of reproduction of labor resources and ensuring life;
- optimization of the population based on market principles of management, facilitating the resettlement of disabled and disadvantaged citizens;
- creating conditions for a traditional way of life and economic activities of indigenous peoples;
- providing a differentiated approach to each of the northern territory on the basis of climatic conditions, transport provision and the level of socio -economic development.

This policy will allow turning the North into dynamically developing region with steady economy and a stable economy and social progress, securely providing Russia's demand for natural resources in the long term.

Does not require proof the fact that the work of people in the North is necessary today. It will be necessary in foreseeable prospect, until there are no real alternative fuel and energy resources. But the North - it's not just a «natural larder». Northern territories have a strategic importance for Russia, first of all, in safety and defense capability of the country. The solution of demographic and labor problems requires a comprehensive approach, an active federal and regional socio-demographic directed on all components of preservation and increase in population – the birth rate growth, decrease in incidence and mortality, attraction and fixing of a manpower in regions of the North.

Practice shows that there are still very weak motivational mechanisms to attract and retain qualified personnel in the North, especially the youth, necessary for the region development. The system of attraction and manpower training for the development of the North, existing to the beginning of the 1990s, was destroyed, but the new system, assuming sufficient economic incentives, was not created.

The existing system of guarantees and compensations require major adjustment that would make life and work in the North attractive and a labor cost – justified from the point of view of compensation of material and moral losses of the person caused by extreme climatic conditions of this region.

For most people, especially for young people, the main incentives that are crucial when choosing a place of residence, are the presence of interesting and well-paid jobs, career opportunities, create normal living conditions, access to education, health, cultural and sporting institutions respective territory. Therefore, the solution of demographic problems of the northern regions of Russia is impossible without comprehensive modernization of social infrastructure [4].

### **3. THE MAIN DIRECTIONS FOR THE SOLUTION OF DEMOGRAPHIC AND LABOR PROBLEMS**

The main directions for the solution of demographic and labor problems of northern regions were identified in recommendations at parliamentary hearings in the Federation Council of Federal Assembly of Russia: «Problems of legislative demographic en-

sure implementation of state policy in the Far North and the districts equated to them” on November 30, 2011. All recommendations had address character on imperious levels management [5]. Let’s denote the main recommendations made by the participants of the parliamentary hearings.

1. *To recommend to the Federal Assembly of Russia and Government of the Russian Federation to:*

- 1) develop and adopt the acts directed on activation of demographic policy of the state in northern regions of Russia, having provided additional measures for birth rate stimulation, reduction of mortality of the population, optimization of migratory processes;
- 2) accelerate the development and adoption of federal laws in the Russian North and the Arctic zone of the Russian Federation;
- 3) make changes and additions to the Labour code of the Russian Federation and to the Law of the Russian Federation «About the state guarantees and compensations for the persons working and living in the region of the Far North and equated to them districts», establishing:
  - a system of the minimum standards of conditions of work and standard of living of the citizens working and living in the region of the Far North and equated to them districts;
  - the minimum guarantees and compensations for the persons working in the organizations, not relating to the budgetary sphere, having determined their size not below guarantees and compensations of the persons working in the organizations, financed of the federal budget;
  - the specified concept of the minimum wage, having excluded from it compensation and stimulating payments (regional coefficients, percentage extra charges and so forth) and having defined that the sizes of tariff rates, salaries, basic salaries can’t be lower than a minimum wage;
  - the right of persons is younger than 30 years working in the region of the Far North and equated to them districts, on receiving a percentage extra charge to a salary in full from first year of work if they lived before work in these areas not less than 5 years;
  - the reduced 36-hour working week for the women working in the region of the Far North and equated to them districts, without instruction on need of inclusion of this norm in the collective agreement or the individual employment contract;
  - the account in seniority the period of baby-minding until the child reaches the age of three years and training time in higher education institution
  - uniform order, the size and conditions of granting a compensation for expenses on journey to a place of use of holiday and back for all persons working in the region of the Far North and equated to them districts and members of their families;
  - right for compensation from the federal budget for travel expenses and baggage: wards children to the place of vacation; unemployed disabled children who are the recipients of social pensions; children in need of spa treatment and living in families whose average income is less than the subsistence minimum;

- payments from the federal budget for travel expenses and baggage to unemployed pensioners of disabled age irrespective of a type of received pension, leaving for permanent residence outside of the Far North and the districts equated to them;
  - the right for free travel once a year to the place of permanent residence and back to undergraduate and graduate students living in the Far North and the districts equated to them;
  - free medicament from the federal budget for preschool children (under 6 years) , children from large families, single-parent and low-income families;
  - restore and consolidate the federal legislation sanctions of employers in the private sphere for providing northern guarantees and compensations to their employes;
  - increase the size of the family capital for the persons living in the region of the Far North and the districts equated to them;
  - establish that the monthly payments to veterans and disabled people living in the Far North and the districts equated to the mare paid based on regional coefficient;
  - transfer the spending authority for the organization of emergency medical care with the use of aviation in the Far North and the districts equated to them to the federal level;
  - provide in the legislation governing the provision of educational services, the possibility of establishing educational institutions in the form of nomadic educational school and nomadic kindergarten.
2. *To recommend to the Government of the Russian Federation to instruct relevant ministries and departments of the Russian Federation to:*
- 1) develop proposals for adjustment of economic and demographic policy, aimed at improving the quality of life in the Far North and districts equated to them, including systems of protection of a family providing creation, motherhood and the childhood, priority medical examination and improvement of women and children, increase in duration of a maternity leave, increasing the responsibility of employers for workers' health;
  - 2) develop strict criteria for the health of people attracted to work and residence (constant or temporary) in the Far North and districts equated to them;
  - 3) enter obligatory medical examinations at the expense of employers of the persons attracted for work (constant or temporary) in the Far North and districts equated to them, and accompanying members of their families;
  - 4) identify and establish the form and order additional compulsory health insurance of persons involved to work (constant or temporary) in the Far North and equivalent areas , and accompanying members of their families ;
  - 5) provide conditions for effective treatment of regional pathology in northern areas, having provided retraining and professional development of primary care physicians in the prevention, diagnostics, treatments and rehabilitations of patients with regional pathology;
  - 6) include the category of children of the indigenous peoples of the North in the list of persons subject to an annual medical examination at the expense of the federal budget;

- 7) take the measures providing target contract training specialists with higher and secondary professional medical education to work in the Far North and districts equated to them with obligatory working off by graduates not less than five years on distribution;
  - 8) amend the health rules, regulations, and requirements for educational institutions, tailored nomadic educational institutions;
  - 9) extend the practice of payment of the cost of airline tickets, river traffic on the citizens residing in the remote areas of the Far North and districts equated to them;
  - 10) develop a mortgage and other types of housing loans to citizens attracted to work in the Far North and districts equated to them, with lower fees for the credit and the possibility of its consecutive decline with increasing length of service in the northern regions.
3. *To recommend to state authorities of subjects of the Russian Federation which are in whole or in part carried to northern regions to:*
- 1) allocate an independent branch of measures in the regional programs of socio-economic development to improve the demographic situation;
  - 2) provide measures to promote and strengthen the institutions of social services for families and children;
  - 3) provide granting guarantees and compensations to the persons receiving them from the budgets of subjects of the Russian Federation and local budgets, in an amount not lower than from the federal budget;
  - 4) provide special standards and volumes of rendering medical care to citizens in remote and inaccessible areas;
  - 5) develop legal and economic mechanisms to encourage businesses and potential investors to participate in the socio-economic development of the territories;
  - 6) provide methodological support of the local authorities to manage demographic and labor processes.

#### 4. CONCLUSION

We emphasize once again that for the solution of economic and geopolitical problems of the Russian Federation it is necessary to approach more closely to the solution of demographic and labor problems of northern regions. It makes a life of northerners comfortable and safe. For the successful decision of the mentioned problems it's necessary to require a special authority to manage the North of Russia. There is a hope that this problem will be solved soon.

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