# Wages and working conditions Key labor indicators in the Republic of Kazakhstan

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## 1. Keypoints

According to the results of 2022, the average salary in the Republic of Kazakhstan amounted to 309 867 tenge, which is 23.8% more than in 2022, in real terms, wages increased by 7.6%.

From January 1, 2023, the minimum wage is set at 70 000 tenge.

The median salary in the Republic of Kazakhstan for 2022 amounted to 204 149 tenge. In nominal terms, it grew by 23.1% by 2021, in real terms it increased by 8.7%.

#### 2. Wage dynamics

Over the past five years, average wages have increased by 1.9 times, while women's earnings have grown at a faster pace thanmen's.

### Wages in the Republic of Kazakhstan

Table 1 tenge

	2018	2019	2020	2021	2022	Nominal wage index	Real wage index
Total	162 673	186 815	213 003	250 311	309 867	2022 by 2018 1.9 times	2022 by 2018, in % 136,4
men	195 959	222 514	243 524	281 239	355 296	1,8 times	129,8
women	129 039	150 779	182 679	220 160	265 762	2.0 times	147.5

For reference:The source of data on the average monthly salary is a survey on the statistical form 1-T "Labor Report" with a periodicity of a quarter and a year. Annual data is generated taking into account quarterly reports.

Table 2

### Median salary

			tenge
	2020	2021	2022
RepublicofKazakhstan	142718	165816	204149

For reference: The data source since 2018 is a one-time survey of enterprises, which is carried out according to the statistical form 2-T (wages) "Report on the structure and distribution of wages of wages" with a frequency of once a year. All employees who have worked fully for the month of April are subject to examination.

# Wages by regions of the Republic of Kazakhstan

In the regional context, the highest average monthly nominal salary was noted in Atyrau region, which amounted to 523 210 tenge, Mangystau region – 459 953 tenge, in Astana city – 459 953 tenge.

The highest growth compared to the previous year was recorded in Ulytau region by 36.9%, Mangystau region – by 31.6% and Atyrau region – by 28.8%.

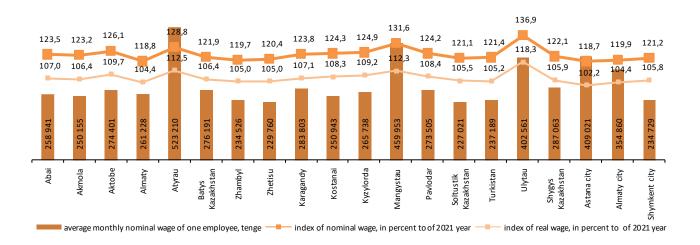
The lowest wages are observed in Soltustik Kazakhstan region – 227 021 tenge, in Zhetisu region – 229 760 tenge, in Zhambyl region – 234 526 tenge and in Shymkent city – 234 729 tenge .

Table 3

100.3

102,5

## Average monthly salary of by region in 2022\*



## Wages by type of economic activity in the Republic of Kazakhstan

The average monthly wages is growing faster than in 2021 in the Construction—by 38.6%, in Transport and storage — by 32.4%, in Provision of accommodation and meals – by 32.2%.

In the industry structure, the highest nominal wages are recorded in the Mining and quarrying industry – 2.1 times higher than the national average, in Financial and insurance activities - 1.8 times, in Professional, scientific and technical activities - 1.5 times, in the field of Information and communications – 1.4 times, respectively.

The smallest increase in the level of the average monthly nominal wages was noted in the Human health and social work activities - 9.8%.

Average monthly salary by type of economic activity in 2022\*

	Average mo	Average monthly nominal wage of one employee		
		in percent of the corresponding period last year		
	tenge	index of nominal salary	index of nominal salary	
Republic of Kazakhstan	309 867	123,8	107,6	
Agriculture, forestry and fishing	190 086	126,1	109,7	
Industry	418 811	128,0	111,3	
Mining and quarrying	653 345	129,6	112,7	
Manufacturing	349 930	126,5	110,0	
Electricity, gas, steam and air conditioning supply	268 615	125,8	109,4	
Water supply; sewerage, waste management and remediation activities	189 274	122,4	106,5	
Construction	416 940	138,6	120,5	
Wholesale and retail trade; repair of motor vehicles and motorcycles	268 469	123,3	107,2	
Transportation and storage	386 787	132,4	115,1	
Accommodation and food service activities	272 811	132,2	115,0	
Information and communication	436 980	128,3	111,6	
Financial and insurance activities	560 459	120,4	104,7	
Real estate activities	228 393	121,2	105,3	
Professional, scientific and technical activities	458 832	121,1	105,3	
Administrative and support service activities	308 465	126,7	110,1	
Public administration and defence; compulsory social security	263 843	126,3	109,8	
Education	248 575	121,1	105,3	
Human health and social work activities	249 834	109,8	95,4	

185 040

292 656

115.3

117,9

Arts, entertainment and recreation

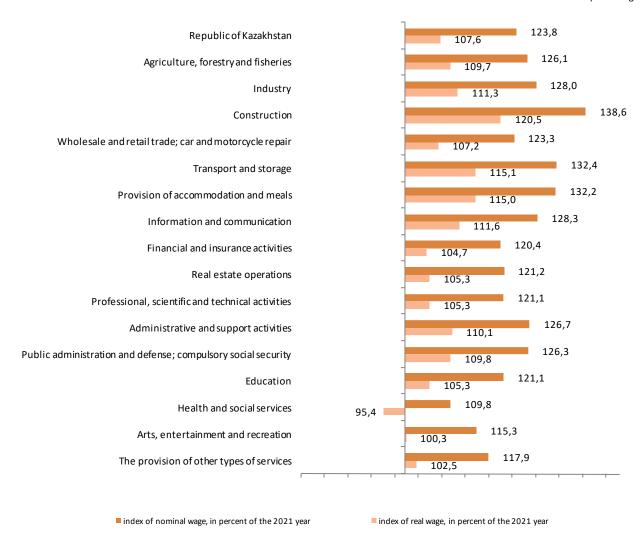
Other service activities

For reference: The wages fund of employees includes: 1) wages accrued at tariff rates and official salaries, 2) lump-sum payments and bonuses, compensation payments related to working hours and working conditions, 4) payment for unworked time

<sup>\*</sup>Excluding small businesses engaged in entrepreneurial activities.

## Wage indices by type of economic activity for 2022\*

in percentage



<sup>\*</sup>Excluding small businesses engaged in entrepreneurial activities.

## **Spreadsheets:**

Key labor indicators in the Republic of Kazakhstan

Cost of labor costs in the Republic of Kazakhstan

The structure and distribution of wages of employees in the Republic of Kazakhstan by types of ownership

# **Dynamic tables:**

Gender pay gap

# 3.The movement of labor and the use of the calendar fund of time by employees

In 2021, 1,055.6 thousand people were hired at enterprises and organizations, of which 73.7 thousand people - for newly created jobs and 4.5 thousand people - workers with disabilities.

1,015.3 thousand people left for various reasons, 17.0 thousand of them due to a reduction in the number of employees or liquidation of organizations, 849.7 thousand due to turnover reasons, and 140.0 thousand employees for other reasons.

In the context of regions, the largest number of employees is accepted in the city Almaty – 205618 people, in Astana – 118609 people and in Atyrau region – 85540 people. Of these, 11765 people were accepted for newly created jobs in city Almaty, 10940 people in Turkestan region and 10722 people in Astana.

The highest rate of replaced jobs is observed in the Turkestan region - 128.6%, Almaty region - 120.7% and Mangystau region - 110.9%.

## Calendar time fund per employee by type of economic activity in 2021\*

	Per employee					
				of them		
	number of days worked	hours worked	number of unworked man-days	paid annual leave (including additional leave)	due to illness	on leave without pay
Total	224,8	1 746,8	43,8	27,0	4,9	3,7
Agriculture, forestry and fisheries	254,5	1 912,5	38,0	18,5	5,0	7,2
Industry	215,8	1 725,4	44,9	24,3	7,8	5,3
Mining and Quarrying	208,6	1 690,0	48,0	28,1	8,3	3,5
Manufacturing Industry	218,8	1 740,5	44,5	22,1	7,5	6,9
Electricity, gas, steam, hot water and conditioned air						
supply	219,1	1 745,8	42,8	23,8	8,2	4,9
Water supply; sewerage system, control over the						
collection and distribution of waste	218,8	1 732,5	38,8	23,3	6,9	2,9
Construction	233,4	1 829,6	41,5	18,4	3,0	10,0
Wholesale and retail trade; repair of cars and						
motorcycles	225,9	1 768,0	40,4	18,6	5,0	5,6
Transport and storage	219,4	1 747,2	49,4	25,7	9,0	3,8
Accommodation and catering services	226,6	1 796,8	39,4	18,2	3,5	11,2
Information and communication	222,3	1 739,5	42,7	22,7	5,6	3,2
Financial and insurance activities	226,2	1 821,4	54,3	16,3	7,1	7,6
Real estate operations	231,1	1 820,8	41,5	17,2	3,7	3,8
Professional, scientific and technical activities	224,1	1 763,6	42,7	21,5	4,2	5,4
Administrative and support activities	229,2	1 804,7	32,0	17,9	4,4	2,7
Government administration and defense; compulsory						
social security	222,1	1 757,9	34,5	24,6	3,3	2,0
Education	226,4	1 693,0	46,9	36,9	3,1	1,8
Health care and social services	229,4	1 785,6	43,2	28,9	5,7	3,0
Arts, entertainment and recreation	220,7	1 725,5	39,8	22,8	2,9	1,4
Provision of other types of services	239,8	1 864,3	76,3	10,0	1,6	5,7

#### **Spreadsheets:**

The movement of labor and the use of the calendar fund of time by employees in the Republic of Kazakhstan

#### 4. The number of employees employed in harmful and other unfavorable working conditions

In 2022, 386.3 thousand people, or one in four (23.1%) of the total number of employees of the surveyed enterprises, worked in conditions that did not meet sanitary and hygienic requirements (norms).

Of these, almost every second (46.8%) worked under conditions of increased noise and vibration, every third (33.2%) worked under the influence of increased gas pollution and dustiness of the working area exceeding the MPC, and every sixth (16.7%) worked under unfavorable temperature conditions. 102.7 thousand people (6.1)% of the total number of employees of the surveyed enterprises were engaged in heavy physical labor.

Among women, one in eight (88.6 thousand people) worked in conditions that did not meet sanitary and hygienic requirements, of which 19.8% (17.5 thousand people) of women worked in a dusty and polluted environment.

207631.8 million tenge was spent on benefits and compensation for work in harmful and other unfavorable working conditions in 2022. The most common type of benefits - additional leave was granted – 531.9 thousand people, 404.3 thousand people used various material surcharges for harmful and other unfavorable working conditions, 321.9 thousand people received free milk or equivalent food, 88.6 thousand people received free therapeutic and preventive nutrition, 47.9 thousand people worked on a reduced working day.

For reference: The information in this section is formed based on the results of a survey of legal entities and (or) their structural and separate divisions with the main type of activity in the field of agriculture, forestry and fisheries, industry, construction, transport and warehousing, accommodation and catering services, information and communications, professional, scientific and technical activities, healthcare and social services, with the exception of small businesses engaged in entrepreneurial activities.

### **Spreadsheets:**

The number of workers employed in harmful and other adverse working conditions, by certain types of economic activity in the Republic of Kazakhstan

## 5. Labor cost index taking into account calendar and seasonal smoothing

The average annual total labor cost index, which characterizes the change in time of the average cost of labor costs per 1 hour worked, in 2021 compared to the previous year amounted to 121.3%, for the wage fund - 122.8%, for labor costs not taken into account in the wage fund - 112.0%.

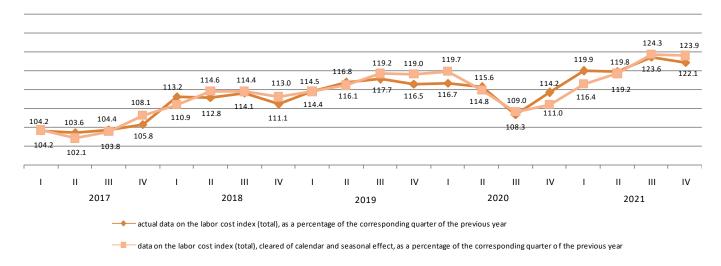
## Dynamics of the labor cost index by components

to the previous year, as a percentage

	LaborCostIndex (general)	The index of the cost of labor bythewagefund	Labor cost index for labor costs not included in the wage fund
2017	104,5	105,5	100,0
2018	112,8	111,6	120,6
2019	116,4	116,6	114,9
2020	113,6	114,7	106,5
2021	121,3	122,8	112,0

figure 3

## Dynamics of the labor cost index taking into account calendar and seasonal smoothing



## 6. Glossary

Wages are an important form of income for a significant part of the economically active population, namely, employees. According to the Labor Code of the Republic of Kazakhstan, wages are remuneration for work depending on the qualifications of the employee, complexity, quantity, quality and conditions of the work performed, as well as compensation and incentive payments.

According to the ILO standards, there are four main groups of remuneration:

- 1) wages accrued at tariff rates and official salaries;
- 2) lump-sum payments and bonuses;
- 3) compensation payments related to working hours and working conditions;
- 4) payment for unworked time.

The average monthly nominal salary of one employee is determined by dividing the amount of the accrued salary fund by the actual number of employees and by the number of months in the reporting period.

Wage indices are tools used to evaluate trends or dynamics of wages. There are two wage indices: nominal and real.

The nominal wage index is a relative indicator that characterizes the change in wages in the reporting period compared to the base period.

The real wage index is a relative indicator that characterizes the change in nominal wages in the reporting period compared to the base period, taking into account price changes. The real wage index is determined by dividing the nominal wage index by the consumer price index for goods and services. Both indexes belong to the same time period.

Median salary is the amount of wages that is in the center of the distribution of the number of employees by the size of the accrued salary and divides it into two equal parts – with wages below and above the median.

Modal salary is the amount of wages that is most often found in the distribution of the number of employees by the amount of accrued wages.

The labor cost index is a relative indicator that characterizes the change in time of the average cost of labor costs per 1 hour worked.

The cost of labor costs is the sum of all the costs of employers (organizations) related to the maintenance and use of labor, regardless of the source of their financing.

The cost of labor costs not taken into account in the wage fund is the sum of the costs (expenses) of the employer (organization), which include: taxes related to the use of labor; expenses of the organization to provide employees with housing; expenses of the organization for social protection of employees; expenses for cultural events, as well as for recreation and entertainment organizations; expenses of the organization for the training of employees; expenses of the organization for labor not related to the above groups.

## 7. Methodological explanations

The objects of state statistical observations on wage statistics are all legal entities and their structural and separate subdivisions of all types of economic activity, with a population of over 100 people, as well as with a population of up to 100 people, except those reporting on the statistical form "On the activities of a small enterprise" (index 2-MP), regardless of their affiliation and forms of ownership.

State statistical observations of the average monthly salary, the composition of the wage fund, and the employer's labor costs are conducted using a continuous method.

The state statistical monitoring of wages by profession and position, the distribution of employees by salary is selective, that is, large enterprises by a continuous method, and medium and small by a selective method.

#### 8. Links to related publications

Key labor indicators in the Republic of Kazakhstan

Structure and distribution of wages of employees in the Republic of Kazakhstan

#### 9. Useful links

Methodology for conducting sample surveys of the structure and distribution of wages of enterprises

Statistical Form 1-T "Labor Report" (periodicity quarter and year)

Statistical form 2-T (Wages) "Report on the structure and distribution of wages", Quality report.

Average monthly nominal salary/ «Taldau» Information and Analytical System

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