

Legislative Provision of the Quality of Working Life in Russia

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Abstract: The article considers the legal bases for development of the quality of working life. Investigate the peculiarities of the legal framework for the creation, quality of work life of modern Russia. The most severe problems of legal provision of social guarantees. The authors suggest possible avenues of research in the aspect of the development of the quality of working life.

Key words: Quality of work life • The system of social protection • Minimum wage

INTRODUCTION

The formation and development of the quality of work life (QWL) in the current conditions is not possible without the development of the existing legislative framework. The system of legal regulation is the determining factor and the fundamental basic, which enshrines the basic institutions of the legal concepts and regulation of QWL. Today, the legislation system does not have a clear definition of the concept and content of QWL. This is, primarily, due to the complexity of the formation of the legal concept as a legal category. However, significant scientific and practical interest in the case determines a significant increase in research QWL. Now, this definition was registered at the level of legislation in the field of international relations and is displayed in the decision of the Economic Council of the CIS.

So, the decision of the CIS Economic Council determines QWL as “a condition of working life, which allows to take into account the level of realization of the interests of the employee and the use of his intellectual, artistic, moral, organizational skills, etc. The quality of working life is reflected in increasing feelings of satisfaction with his work and in an effort to improve his skills...”[1] This definition is formulated as narrowly as possible in the economic and legal meaning, but it very poorly reflects the economic and legal component of this category.

Nevertheless, the system of legal regulation in the part of formation of QWL exists, but is not sufficiently developed in governmental regulation. This is all due to

the fact, that environment of formation of QWL, which is the system of legal regulation of labor relations between the subjects (the main subjects are the employee and the employer) is not sufficiently regulated by the government with legislative provision of the conditions of interaction between subjects.

In our opinion, nowadays, the objective difficulty and the problems, connected with the issue, are concluded in the absence of the urgent need of the legal and regulatory evaluation of the concept of fixing QWL. However, this does not exclude the researching and systematization of the existing regulatory-legal basis for QWL. Complexity of category of study defines the search for particular approaches to the classification and systematization of regulatory-legal basis. Traditional binding of classification to the objects, subjects and components of QWL, in our opinion, is complicated by the fact that this category is characterized by the presence of both objective and subjective evaluation parameters of QWL. In this case, the most preferable option is to use the groups of factors that form the QWL by Zhulina E.G. [2] as the starting point. In this classification, factors of development and formation of QWL are grouped into a six levels: mega, macro, meso, micro, mini and nano level. Correspondingly, each level is characterized by its own content of the regulatory framework. Mega level is represented by a variety of international labor agreements ratified by the Russian Federation. Macro level is represented by the Russian Constitution, the Code of the Russian Federation, federal laws, the Decrees and Resolutions of the President and the Government of the

Russian Federation, as well as the various ministries and departments. Mesolevel reflects the regional and sectoral aspect of the legal framework of labor and social welfare. Mini level contains internal regulations of each particular company. Micro-level is represented by the normative documents of structural divisions of the company and the nanolevel-is the level of agreement between each employee of the company with the employer.

It is also possible to consider a more general approach to the classification of the entire legal framework environment of formation of QWL. It is obvious, that QWL is formed under conditions, determined by the employer independently within the existing legal environment and legislation. From the position of the direction of the formation of the interaction between the employee and the employer the following groups of regulations can be distinguished. First group, defensive-here are the rules of law, defining the obligations of the employer in relation to the employee and guaranteeing the rights of the employee. The second group-cooperation-here are the rules, that determine the possibility of the contractual relationship between the employee and the employer in the framework of social partnership. The third group-the control-is represented by the law and it allows supervising and determining the level of punishment for non-compliance with applicable labor laws. Of course, such classification of the legal base of the formation and development of QWL is rather conventional. However, this approach allows not only to determine the degree of development and the level of legal regulation in the field of QWL, but also, with the help of comparative legal analysis, it could establish and identify some kind of legal relations, that require appropriate legal regulation or another. Correspondingly, the further development of the regulatory framework of QWL should be formed with the condition of not a separate element of QWL, but also from the perspective of the formation of a

single, integrated, multi-level united interaction of all the subjects of social and labor relations of the development of QWL entirely.

Analysis of the Practice: In our opinion, the development of legal norms is the most controversial thing at the moment that defines the social obligations of the employer towards the employee and guarantees the rights of the employee. In the most common form social guarantees are a way of implementing the constitutional rights, like right to live, work, for personal safety, for property, of the freedom of thought, etc. In a narrow case-social guarantees are nothing, but a set of basic benefits guaranteed by the government and declared in legal acts at the level of minimum social standards (minimum wage, social pension, the minimum amount of unemployment benefits, etc.).

The most important social guarantee for the employed population is the minimum wage. From the point of the formation of QWL it is necessary to determine the proportion of the minimum wage in salary structure. There is no such thing as a complete statistics of the number of employees receiving wages at the level of the minimum wage in Russia. There are an official data, the comparison and analysis of which is difficult due to the lack of a unified approach in the method of calculation and the number of restrictions. Calculations of the data presented in Table 1 are carried out by statistics centers of the government on the basis of sample surveys for the month of April of each year, excluding small businesses, where wage is often set at the level of the minimum wage.

According to the Federal State Statistics Service, a separate record of the number of employees with wages below the minimum wage is conducted only from the January 1, 2007. Since 2008, such researches have been performed every two years. In addition to that,

Table 1: The distribution of the number of employees in Russia by the size of received salaries [3]

Jan. 1 st	Min. wage in Russia, rub	Received salary, rub						
		Below min. wage	Up to 1000	1000,1-1800,0	1800,1-2600,0	2600,1-3400,0	3400,1-4200,0	4200,1-5000,0
2002	since 1.01.2001-200; since 1.07.01-300		28,4	21,3	15,3	10,2	6,6	4,6
2003	since 1.05.2002-450		14,7	16,8	15,5	12,8	9,2	7
2008	since 1.09.2007-2300	1,0	2,9	4,4	5,1	5,7	5,7	
2009	2300	2,8		1,3*	2,4	2,9	3,6	4,2
2010	since 1.01.2009-4330	-	-	-	-	-	2,6**	6,9
2012	since 1.06.2011-4611	1,8	-	-	-	-	1,5**	4,7

*up to 1800,0 rub; **up to 4200,0 rub.

Table 2: Indicators of income of the population of the Russian Federation from 2003 to 2012 [4]

Indicators	On the 1 st of January									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
The number of people with incomes below the subsistence minimum, millions of people; in% of total population	35,6	29,3	25,2	25,2	21,5	18,7	18,8	18,2	17,9	18,1
The share of the economically active, but poor people, in%;	24,6	20,3	17,6	17,7	15,2	13,3	13,4	13,0	12,6	12,8
From them, employed in the economy, in%	61,2	60,5	60,2	60,2	60,5	61,1	61,4	63,3	64,9	65,6
	58,7	58,2	58,1	58,4	58,7	59,4	59,7	60,7	61,0	63,1

the calculations for the month of April did not take into account the actual changes in the minimum wage scale during the year. This situation has taken place almost every year during the research period except for 2004 and 2008. In such circumstances, a comparative analysis is not correct. It is possible to analyze the statistics of the population with incomes below the subsistence minimum, Table 2.

Growing trend of the number of “working poor” indirectly indicates that in many regions of Russia and even in entire industries salary does not exceed the minimum wage or not much above.

Today, the minimum wage does not provide a fixed subsistence level in the country. The minimum wage is only 63.5% of the minimum subsistence level for employable population in the IV quarter of 2012 (excluding dependents)[5]. The mechanism of formation of the minimum wage and its application in Russia, since the 90s of the last century, is so, that the function of social guarantees to the employees is not fully realized. Correspondingly, the basic social guarantees related to the minimum wage, do not work as a factor of improving the QWL.

CONCLUSION

To solve the problem of the definition of social guarantees, as a factor in the formation of QWL, we can use two approaches. The first approach is related to the fact that we accept the possibility of varying the implementation of a factor in the formation QWL. Thus, stating that factor can both positively and negatively influence on the development of QWL, we should reflect this in the classification of the factors forming QWL. At the same time, social guarantees for those, who is working (in particular, the minimum wage), in the form in, which they are implemented in Russia today, will not be so much formative, but on the contrary,

as the major constraints of development of QWL of Russia.

The second approach assumes determination of the conditions under which social guarantees will act as a factor of development of QWL. It must be understood that social guarantees are given with regard to economic, political conditions and financial capabilities of the country. For example, changes in the minimum wage are accepted legally, but mechanism of its indexation is not transparent and does not reflect the real needs of the employees. In the period from 2000 to 2013, the value of the minimum wage has increased in 39 times, without reaching the value of the subsistence minimum for the working population, set for the relevant year.

The overall political situation in 2012 has identified a return to discussion of the possibility of the growth of the minimum wage and bringing it to level of the subsistence minimum. For example, it was reported that the State Duma Committee on Labor, Social Policy and Veterans Affairs is preparing a bill for three times the minimum wage indexation, the purpose of which is to increase the minimum wage to 6500 rubles in October 2012 (actually on 01.01.2013. the minimum wage was increased only to 5205rub.) in our opinion, the most valuable legislative initiative is not the fact of the minimum wage growth and a return to the discussion of the problem of calculation of its value. The possibility of appearing of regional minimum wage has already been declared and even the possibility of transition to the hourly the minimum wage too[6]. Exactly, the understandable, accessible procedure of calculating the minimum wage and mechanism of its indexation will help to ensure that social guarantees will support the growth of the quality of working life.

Another controversial issue, in our opinion, is the definition of job security by some authors as a factor in the formation of QWL. Article 7 of the Constitution of Russia establishes the right to work, but not the job security. The Labour Code of Russian Federation defines

job security only for a narrow category of people, such as pregnant women. Federal legislation also does not guarantee job security.

For example, Article 12 of the Federal Law "On Employment in the Russian Federation" [7] defines the following list of guarantees, like the freedom of choice of occupation, profession (specialty), the type and the nature of work, protection against unemployment, free assistance in suitable work finding and employment through the mediation of employment services and information on the situation on the labour market. This law defines social guarantees for the unemployed, the question of financial and social benefits security and the procedure of its definition. The edition of the Law from 30.11.2011 can be interpreted as the law on compulsory social insurance against unemployment.

Today the security of employment as a measure to protect the worker is determined by the frames of the agreement between the employee and the employer. Due to the fact that despite the variety of forms of employment contracts, in the issue of termination the employment contract an employer actually has more rights than an employee who signed a contract and we consider the definition of this category as a factor in the formation and of development of QWL very inappropriate. In our opinion, it would be more appropriate to define job security [8] or stability of employment [9] as a factor in the formation of QWL.

Changes in legislation, declared by the Government of the Russian Federation as aimed at improving the social protection of the population and which became virtue on the January the 1st of 2011, are focused more on solving the problems of the enormous budget deficits of all state extra budgetary funds, than on the development of the social security system, which is focused on increasing the QWL. For example, in payment of the insurance contributions to the state budget funds part. Since 2011, the amount of total insurance contributions increased to 34%, including payments to the FSS-2.9%, so, the burden on employers is growing, but the payment of sick leaves on incapacity of the employee for the first three days (two days in 2010) are also at the expense of the employer, not the FSS [10].

Thus, on the basis of the all above, we can conclude that the development of the legal space of ensuring the development of QWL has significant gaps in the Russian practice. The category of QWL is formed by the impact of a variety of different factors. It determines not only the need for systematization and classification of factors, but a critical analysis of the factors from the perspective

of the formation of QWL. Such an approach will highlight the most significant factors affecting the development of the quality of working life.

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