

Raising incomes is state concern

By Lyudmila Mikhailovskaya

Belarus ranked third after Russia and Kazakhstan in CIS for average monthly salary in Dollar equivalent

According to Marianna Shchetkina, Belarus' Minister for Labour and Social Protection, the nominal monthly average salary in Belarus has risen 2.7-fold over the last five years while its real value has risen 1.6-fold. Last year, salaries accounted for 56 percent of the population's income, with those employed in the budgetary sphere receiving considerable rises. "The state is doing all it can to keep wages in line with each other," stresses Ms. Shchetkina.

While the welfare of workers primarily depends on their labour, qualifications and entrepreneurial spirit, the state feels it should raise the incomes of those unable to work (due to objective reasons). Belarus, as well as Russia, Ukraine and Uzbekistan, has preserved a relatively low pension age of 55 years for women and 60 years for men. Moreover, pensioners are not obliged to cease work, with some minor exceptions. Almost 500,000 pensioners continue to find employment.

Ms. Shchetkina notes that the number of elderly is rising. Despite the complex demographic situation, the country's pension system is functioning stably while the number of those employed is falling. There are currently 57 pensioners per 100 employed in Belarus. Pensions are financed in full and are paid on time.

Competition and revenue able to balance the situation

World news agencies have recently been reporting rising prices for everything from food and fuel to transport and housing, utility services, medicine, education and leisure. What's going on in the world and what can we expect from the future?

By Mikhail Overianov

The World Bank has announced that a food crisis has begun. Its President, Robert B. Zoellick, notes that prices for food products have already reached a dangerous level, with further growth forecast. Last year, food prices rose by 29 percent on average, resulting in 44m people finding themselves below the poverty line.

To feed their populations, Belarus' neighbours are selling grain from their accumulated reserves. Sergey Trigubenko, Ukraine's Deputy Minister for Agrarian Policy and Food, notes that products unsubsidised by the state may rise in price by 10 percent.

Our country has also seen food prices rise; in March, meat, milk, kefir, sour cream and cottage cheese rose in price, although the increase has been incremental. It reflects the appreciation of meat and milk, while bringing prices for dairy and meat products in line with those in neighbouring regions.

Experts view the move as positive. "We can remember the 1980-1990s, when almost everything was 'swept away' from Belarusian counters," asserts Georgy Grits, Professor at the Belarusian State University's Institute for Lifelong Education. "As a result, Bel-



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Present price growth is within reasonable limits and allows us to reduce price competition in the open market

rusian consumers lost out. The current price growth is objective and enables us to reduce price competition within our country's open economy, taking into account our integration aspirations. Alongside the evident advantages, the simplification of customs and visa procedures does have another side."

Factors influencing price growth worldwide are rising in number. Riot-hit Libya has reduced oil extraction by over 3-fold — down by as much as 500,000 barrels per day. One of the largest oil ports and two oil refineries are closed; they account for 88 percent

of the country's oil refinery. Before the civil war, Libya extracted up to 1.69m barrels of oil daily.

"As a result, oil prices will continue to grow, alongside those for industrial and agricultural goods," forecasts Alexey Danilchenko, the Head of the Belarusian State University's Chair for International Economic Relations. "Under these conditions, we have only one way out: to reduce costs while enhancing labour productivity."

"If the Customs Union operates at full capacity, the competitiveness of our produce and population incomes

will rise, so we'll avoid reduced standards of living," explains Mr. Grits. He is keen to accent the prospects of the Customs Union. According to Dominique Strauss-Kahn, who heads the IMF, sustained growth of oil prices, caused by turmoil in the Middle East and North Africa, threatens the world economy. Meanwhile, this year, the Russian economy could rise 7.4 percent. "This is a reaction to the aggressive forecast relating to oil prices," explains Dmitry Polevoi, an expert with ING Bank for Russia and Kazakhstan. Although most analysts agree that GDP growth at the expense of oil and gas rev-

enue is no reason for pride, the Customs Union could use this opportunity to its advantage.

The Belarusian state continues to control prices for socially important goods and services while salaries are raised from time to time. Mr. Grits notes that such steps compensate for rising world prices. He adds, "Our Government aims to maintain the level of citizens' welfare, preventing a sharp drop in purchasing power. I believe that, in the first six months of this year, price jumps connected with objective world processes and population incomes will find a balance."

Evident need to co-ordinate efforts to maintain state border security

By Yevgeny Novoselov

Over 12,000 illegal immigrants carrying fake documents were detained on the Belarusian border in 2010, noted the First Deputy Chairman of the State Border Committee of Belarus, Andrei Gorulko, speaking to a task group on illegal migration — part of the International Border Conference

Last year, about 100 illegal immigrants were arrested for violating the law on migration, including 67 at the border; 74 criminal cases were initiated, with criminal charges brought against 17 people for organising illegal migration.

According to Mr. Gorulko, illegal migration is aiding the destabilisa-



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Counteracting Illegal Migration task group

tion of the world. "Drug and human trafficking are spreading at an alarming rate," he added. The situation requires a more co-ordinated and efficient border service, with law enforcement bodies across Europe using a unified policy, alongside international organisations. In addition to illegal migration and human trafficking, the issue

of refugees and asylum-seekers is growing. As a result, it is becoming harder to determine the status of detainees.

The Minsk forum has aided the evaluation of the role of international co-operation in countering illegal migration and identifying priorities for border and law enforcement bodies. It has also inspired the devel-

opment of efficient border co-operation instruments at a multinational level.

The UNHCR Representative in Belarus, Sholeh Safavi, thanked the Belarusian authorities for their efforts in helping refugees, noting that Belarus applies a complex approach to maintaining border security and observing international standards.

The International Border Conference was set up in 1992, acting as an advisory forum for heads of the border services of over 60 states. Executive directors and representatives of organisations such as Interpol, Europol, Frontex, the IOM, the United Nations High Commissioner for Refugees and the OSCE take part. Belarus joined the forum in 1994, leading two task groups.

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