

SOCIAL PROTECTION AND CIRCUMSTANCES OF THE POPULATION IN THE REPUBLIC OF KAZAKHSTAN

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Abstract: *The article deals with the problems of social protection and social insurance of the population in the Republic of Kazakhstan in recent years. The influence of the growth of the country's economic development and the implementation of resolutions on social protection indicators of the population is analysed. Thus, it is proved that high indicators of economic development and the results of the proper implementation of social policy led to an increase in the basic indicators of the standard of living of the population. It is the redistribution of public funds that determines the final amount of income that can be directed to use in the social sphere. Despite the importance of the problem of social protection of the population today, social satisfaction is still not developed in our country and has not been thoroughly studied, which led to the need for a more detailed study of this issue using sampling, monographic studies and statistical methods of studying stochastic relations.*

Keywords: social protection, social security, economic development, social assistance, population growth

JEL codes: I30, I39.

1. Introduction

A necessary condition for maintaining social stability in the country is the social security of the population, and their confidence in the future of their children and grandchildren. Social security is due, in the main, to a real increase in the incomes of the population. In turn, the economic growth of the country is the basis for increasing the population's incomes. At the same time, it is known that the real impact of raising incomes on improving the quality of life of the population depends not only on its size, but also on the equitable distribution and use of the results of stable economic growth. The problem of the country's social development covers a wide range of issues - from the primary distribution, conditioned by the ownership structure, to the social protection systems characterizing the state's redistribution policy. It is the redistribution of public funds that determines the final amount of income that can be directed to use in the social sphere. Despite the importance of the problem of social protection of the population today, social

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satisfaction is still not developed in our country and has not been thoroughly studied, which led to the need for a more detailed study of this issue using sampling, monographic studies and statistical methods of studying stochastic relations.

2. Research goal

The purpose of this study is improving a reliable system of social protection of the population, which should maintain social stability in society, contribute to maintaining its stability during periods of accelerated development or transformation from one system to another. To achieve this goal, the following tasks were accomplished: to show the standard of living of the population in the country, socio-demographic indicators of the Republic of Kazakhstan for analysing those segments of the population that need social protection, and to develop proposals for improving the state of protection.

2.1. Research methodology

The methodology of the study is that improving the quality of life of the population depends not only on the amount of income, but also on the equitable distribution and use of the results of stable economic growth. The basis of the research methodology was the principles of dialectical approach to the study of economic phenomena and processes. For this purpose, the authors have applied various methods and techniques at the theoretical level, such as a systematic approach, as well as observation, analysis and comparison. The analysis used traditional statistical and economic methods: averages and tables. The use of a complex system approach and limited information led to the need for selective, monographic and logical methods, in particular, the sociological method.

2.2. Background

The peculiarity of the subject of the theory of social protection is due to the fact that of all possible forms of human behaviour that have socio-economic significance, the phenomenon of social protection, especially in its original unorganized forms, is the most difficult for rational understanding and therefore the least explainable by science. The sources of the theory of social protection are the knowledge accumulated about this and related phenomena in the following Sciences: philosophy, non-economic social Sciences (history, law, sociology, conflictology, demography, anthropology, Ethnology, political science, etc.), non-economic natural Sciences (biology, geography, physiology, psychology, medicine, etc.), General economic theory, special economic Sciences (labour Economics, public sector Economics, social Economics and its branches, social policy, management, etc.). Given the socio-economic content of the scientific category “social protection”, the theory of social protection in the structure of social sciences refers to economic science (institutional direction).

The place of the theory of social protection in the system of economic knowledge is determined by the peculiarity of the subject and the methods of its cognition. Since social protection is one of the fundamental socio-economic functions of human society, the theory of social protection continues a number of theories

that consider the long-existing phenomena of human behaviour and social interaction from an economic or socio-economic point of view. The elements of the theory of social protection as sufficiently expressed and substantively separate sets of theoretical and practical knowledge are: the theory of risk (limited), the theory of insurance (limited), the history of social protection, the theory of health care, the theory of educational organization, the theory of charity, the theory of social work, the theory of social insurance, the theory of social security, the theory of social assistance, including support and service [1].

This series can be expanded by identifying new sub-subjects of research, for example, the theory of system social protection or the theory of management of the social protection system, etc. Structural elements of the theory of social protection can also be considered various theoretical studies limited to historical or categorical subject-object framework, for example: social protection of pre-industrial and industrial society, social protection in traditional, capitalist and socialist societies, state and non-state social protection, social protection of the employed, disabled, children, women, the elderly, etc.

Social protection is an ever-evolving socio-economic and socio-cultural phenomenon that has existed since the inception of human society. The ever-existing basis of social protection is the biological characteristics of people (the ability to experience feelings, emotions, the ability to think and reason, to have a need for helping behaviour), especially social organization (social rituals and norms, social scientific and practical design), as well as individual and social humanistic Outlook, forming the norms and rules of social and personal behaviour in the field of social protection.

2.3. The main results of the study

A necessary condition for maintaining social stability in the country is the social security of the population, and their confidence in the future of their children and grandchildren. Social security is due, in the main, to a real increase in the incomes of the population. In turn, the economic growth of the country is the basis for increasing the population's incomes.

At the same time, it is known that the real impact of raising incomes on improving the quality of life of the population depends not only on its size, but also on the equitable distribution and use of the results of stable economic growth. The problem of the country's social development covers a wide range of issues - from the primary distribution, conditioned by the ownership structure, to the social protection systems characterizing the state's redistribution policy. It is the redistribution of public funds that determines the final amount of income that can be directed to use in the social sphere. The main indicators reflecting the standard of living of the population of the Republic of Kazakhstan demonstrate a generally stable positive dynamics (Table 1).

Table 1. The standard of living of the population in the Republic of Kazakhstan for 2010-2017

№	Indicators	2010	2015	2016	2017	2018 forecast
1	Average per capita nominal monetary incomes of the population, thousand tenge	39,1	67,2	70,3	75,8	79,7
2	USD	264,8	303,6	210,3	233,5	340,2
3	index of nominal cash income, as a percentage of the previous year	113,8	108,1	107,4	104,4	103,5

4	the index of nominal monetary incomes, in percentage to 1995.	2266,9	3911,8	4279,7	4425,5	4602,5
5	The index of real money income, as a percentage of the previous year	106,3	101,4	95,5	103,5	103,2
6	Share of the population having incomes below the subsistence level, in percentage terms	6,5	2,7	2,5	2,5	2,5
7	The amount of the subsistence minimum, tenge	13 487	19 647	21 612	24 459	28 284
8	USD	91,53	88,61	63,16	75,3	85,7

Source: table compiled by the authors based on data from the statistics Committee of the Ministry of economy of RK

Indicators of average per capita nominal cash income of the population of Kazakhstan, calculated in national currency, are growing throughout the period under review. The index of real money incomes, calculated taking into account the consumer price index, changes in a similar way. This trend is well illustrated and the share of the population with incomes below the subsistence level: if before the middle of the 2000s its value stably exceeded 30%, then starting with 2006 it began to fall precipitously, reaching in 2015 – 2017, an absolute minimum of 2.7%. At the same time, the value of the subsistence minimum in the national currency continues to grow, reaching 28 284 tenge in 2018.

As a result of measures taken to improve health care and the introduction of a healthy lifestyle program in all regions of the Republic of Kazakhstan, life expectancy in 2016 was 72 years, which is 6 years more than in 2006. (Table 2).

Table 2. Socio-demographic indicators in the Republic of Kazakhstan for 2010-2017

№	Indicators	2010	2015	2016	2017
1	The total fertility rate (per 1000 people)	22,54	22,66	23,03	23,1
2	The overall death rate (per 1000 people)	8,97	7,48	7,44	7,31
3	The infant mortality rate (per 1000 births)	16,58	9,34	8,6	8,05
4	The maternal mortality ratio (per 100,000 births)	22,70	12,50	12,7	7,46
5	Natural increase in population., thousand people.	221,6	266,4	277,6	231,4
6	per 1000 people	13,57	15,18	15,59	14,25

Source: Table compiled by the authors based on data from the statistics Committee of the Ministry of Economy of RK

In the republic, the indicators of maternal mortality also decreased. According to the Committee on Statistics, the maternal mortality rate in 2017 was 7.46 cases per 100,000 births, while in 2010 it was 22.7

cases per 100,000 births. There is a positive dynamics in infant mortality. In 2017, this indicator was 8.05 cases per 1000 births, which is half the amount compared to 2010.

Social protection of the population is an inalienable function of each state. The main priorities of Kazakhstan's social development, in the early years of independence, were aimed at building a socially-oriented economy. But, reforming the economy on the basis of liberalization of all aspects of social life has led to an aggravation of the situation in the social sphere, and above all, through the social protection of the population. Therefore, the leadership of the country was faced with the task of building a reliable system of social protection, which was supposed to maintain social stability in society, to maintain its stability during periods of accelerated development or transformation from one system to another [6].

The volume of social security depends crucially on the effectiveness of the country's economy. In economically weak countries, the social protection system is able to provide only a relatively low level of social guarantees. With the growth of the economy, it becomes possible to expand the system of state social security in three directions: expanding the sphere of social security; expansion of the composition of socially protected groups; increase the number and increase the level of social security services.

In Kazakhstan, the provision of social protection of the population aims to provide the following guaranteed social services:

1. Social support for families with children;
2. Social security and social insurance.
3. Social help [4].

2.4. Social support for families with children

Within the framework of the implementation of the Kazakhstan Nation's Plan - 100 concrete steps to implement the five institutional reforms, the Law of the Republic of Kazakhstan "On Amendments and Additions to Some Legislative Acts of the Republic of Kazakhstan on Social Protection of the Population" dated October 28, (84 steps), according to which the ideology of targeted social assistance will change. Since January 1, 2018, a single benefit has been introduced - targeted social assistance of a new format, which will combine three existing social payments for low-income families: special rushes to families with four or more children, an allowance for children under 18 and targeted social assistance).

Targeted Social Assistance for the new format will be provided to families with incomes below 50% of the subsistence level in the form of unconditional and conditional cash assistance, taking into account the availability of able-bodied family members in the family, and subject to mandatory participation of the latter in employment promotion measures. This will strengthen the economic independence and personal motivation of citizens to exit from a difficult life situation.

In accordance with the existing legislation, state support was provided to families with children in 2016 as below:

1. the allowance for the birth of a child was received by 438.1 thousand people (which is 9.8% more than 2015) in the amount of 32.3 billion tenge, on June 1, 2017 -122.8 thousand people (which is less by 23.1% of the same period last year) in the amount of 9.8 billion tenge;

2. the allowance for child care until one year covered an average of 143.3 thousand people (which is 0.7 % more than in the same period of 2015) in the amount of 30.9 billion tenge, as of June 1, 2017-an

average of 148.4 thousand people (which is 6.1 % more than in the same period last year) in the amount of 13.4 billion tenge;

3. the allowance to a person raising a disabled child was received by an average of 73.4 thousand people, totaling 21.7 billion tenge, as of June 1, 2017-an average of 76.1 thousand people, totalling 9.9 billion tenge;

4. allowance for children up to 18 years from low-income families covered by 576,1 thousand children, the sum of assignments amounted to 11.3 billion tenge, on May 1, 2017 - 450,9 thousand children, which is less in comparison with the situation on May 1, 2016 6.4 %, the sum of assignments amounted to 3 514,1 million tenge (<http://stat.gov.kz>).

For 2016 social payments from the state social insurance fund in case of loss of income, in connection with the care of a child upon reaching the age of one year, paid in the amount of 69 billion tenge 211.5 thousand recipients; for 5 months of 2017 paid 28.7 billion tenge, in May the number of recipients amounted to more than 197 thousand. More than 56.5 billion tenge was allocated for social payments in case of loss of income due to pregnancy and childbirth, adoption of a newborn child (children) from the state social insurance Fund, 25.9 billion tenge for 5 months of 2017 (<http://stat.gov.kz>).

The comprehensive measures had taken a positive impact on the demographic situation in the country, as evidenced by the annual increase in the number of births. So, if in 2003 year 248 thousand children were born in the country, in 2016 year 400.2 thousand children (statistical yearbook for 2003-2016 years). In pursuance of the order of the Head of State, from July 1, 2017, the amount of a one-time childbirth grant increased by 20%. Thus, its size was 86222 tenge, and at birth in the family of the fourth and more child - 142947 tenge (<http://stat.gov.kz>).

2.5. Social security and social insurance

At present, the country has a multi-level model of the social security system that is consistent with the principles of the market economy and provides for the distribution of responsibility for social security between the state, the employer and the employee at the basic, mandatory solidarity and voluntary levels.

The new pension system assumes that, upon retirement, the payer of pension contributions may accumulate funds for his pension provision in amounts significantly exceeding the amount of insurance contributions. In 1998, a new pension system was introduced in the Republic.

In accordance with the Concept of further modernization of the pension system of the Republic of Kazakhstan until 2030 (hereinafter – the Concept) to maintain the size of solidarity pensions at an acceptable level, their size is indexed annually ahead of inflation by two percent.

In this regard, since January 1, 2016 in accordance with the decree of the Government of the Republic of Kazakhstan dated December 10, 2015 № 985 “on increasing the size of pension payments from the authorized organization and pension payments for seniority from January 1, 2016” the size of pension payments increased by 9 % [2].

As a result of rising in 2016, the amount of basic pension payment reached 11 965 tenge, with its view of minimal size of pension payments amounted to 37 789 tenge, the maximum size is 77 186 tenge, the average size was 55 117 tenge. Such pension payments are received by more than 2 million people, in 2016, 1.3

trillion were sent from the Republican budget for these purposes. The current stage of the pension system development is also characterized by the adoption of additional measures aimed at ensuring adequate pension payments in connection with the curtailment of the solidarity pension.

Thus, one of the conceptual changes is the introduction of the criterion for the basic pension. From 1 July 2018, the basic pension will be granted depending on the length of participation in the pension system and only upon reaching the generally established retirement age (58-63/63).

Its size with the length of participation in the pension system of 10 years or less or its absence will be equal to 54% of the subsistence minimum, for each year over 10 years its size will increase by 2% and with an experience of 33 years or more it will be equal to the subsistence minimum.

Thus, in the medium term, this measure will maintain the replacement rate of 40%, and will lay the Foundation and encourage citizens to regularly participate in the funded pension system.

From 1 January 2017, in accordance with the law on the Republican budget for 2017-2019, the size of pension payments according to age and seniority increased by 9 %. Since July 1, 2017, they have been increased by 11%, and the basic pension-by 13%. As a result, the pension has been increased to 20 percent compared to 2016. Thus, in 2017, the size of the basic pension payment amounted to 12 802 tenge, the average size of pension payments, including 59 554 tenge.

The number of recipients of state social benefits (GSP) on 1 January 2017 was 692.1 million people, including the disabled 517.6 thousand people, the beneficiaries of the survivor 171.1 thousand people by age which is 3.4 thousand people. Their average sizes were formed: 30374, 506 27 and 11 887 tenge, respectively (<http://stat.gov.kz>).

2.6. Social help

The transition of the Republic to market relations made it necessary to move away from the welfare of the state distributor. If earlier, traditionally, subsidies and control over the prices of basic goods and services were important factors, significant funds from the budget were spent on public transport and subsidies for the production of bread products, now the state has completely eliminated subsidies. Issues of improving the standard of living of the population is carried out by social protection of the population with a high degree of targeting. Social assistance is provided only to those who, for objective reasons, cannot provide for themselves and their families.

To support low-income families, as of January 1, 2017 shows as targeted social assistance (hereinafter – TSA) was assigned to 28.8 thousand people, which is less by 24.7% (compared to the situation as of 1.01.2016), while the amount of appointments amounted to 842.3 million tenge or decreased by 15.8% (compared to 2015).

As of May 1, 2017, targeted social assistance (hereinafter – TSA) was assigned to 17.7 thousand people, which is 20.6% less compared to the same period last year, while the amount of appointments-236.6 million tenge (compared to 2016 decreased by 14.3 %). The average size of the TSA for the period amounted to-336.8 tenge, which is 8% more compared to the same period last year. Housing assistance was provided to 97.1 thousand families, in the amount of 2.4 billion tenge (compared to 2015, the amount decreased by 1.1%), on April 1, 2017 - 55.9 thousand families were provided, in the amount of 914.5 million tenge (compared to the same period in 2016 increased by 1.4 %). The average size of housing assistance in 2016

amounted to 2 083.1 tenge, as of April 1, 2017 - 5 452.8 tenge, which is more by 7.6 % compared to the same period of 2016.

The years of independence turned out to be an important historical milestone for Kazakhstan for the construction of an independent sovereign state, as well as a period of difficult and ambiguous search for new forms of socio – economic and political development, optimal ways of entering the world community. There was a need to address issues related to the supply of labour, its qualification characteristics, the level of employment, social security, demographic situation, reproductive behaviour of the population. The problem of developing a new social and cultural policy of the state has become one of the urgent tasks. It was necessary to achieve a certain level of balance in all spheres of public life, to resolve social contradictions, to maintain or restore the balance of strategic and tactical social contradictions.

Despite the economic difficulties in the crisis, 2014-15 years in the country were actively seeking to combat unemployment, reforms of pensions and health care, education and culture. Therefore, further improvement of social and cultural policy remains the most important and urgent task of the state. The Constitution of Kazakhstan laid the foundation for the construction of a social state. The construction of the state, which could be rightly called social, is a task that cannot be solved in one day. The transition from a country of “developed socialism” with a low standard of living to a rich and prosperous social state is very difficult. However, Kazakhstan is moving forward more confidently, choosing its own path of economic and social development.

3. Conclusions

According to the existing social protection system in the Republic of Kazakhstan, it shows the stage of improvement, reconstruction and development. It is very important to understand that the directions and effectiveness of social protection depend on many factors, among which the economic and social resources of the state take a prominent place in order to monitor the social situation and quickly respond to urgent questions of members of society, taking into account the demographic situation in the country.

In the context of the economic and financial crisis, the limited financial resources in the Republic of Kazakhstan necessitated the creation of an integrated system of social protection of the population, which is based on new criteria and approaches - targeting social policies for a particular family, ensuring rights and social guarantees that provide for the family as the main unit of society. The main direction of this system is the deepening of targeted social support for the unprotected strata of the population, on the basis of taking into account the financial situation of each family.

The mechanism for reforming the social security system involves the availability of resources, the creation of administrative structures and the adoption of appropriate decisions by the state. But we must add that the social policy of our state today highlights the tasks of ensuring its basic principle, that is, in a market economy, the social protection system of the population should act in such a way as to provide those people who can and want to work and those, who is insolvent - social protection. Finally, it should be noted that from what we are today and what we will be tomorrow depends the fate of Kazakhstan and its future.

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