

ANNOTATION
to the dissertation work of Kurmangaliyeva Lyazat Akbergenovna
on the topic: «Labor income of the population of the Republic of
Kazakhstan: assessment of trends and priorities of regulation»
presented for the doctor of philosophy degree (PhD)
by specialty «8D04101 – Economics».

Relevance of the research topic.

For countries with market economies, including Kazakhstan, the issues of the formation and regulation of labor income of the population are of particular relevance. Under current conditions of limited resources allocated for the implementation of social programs and declining living standards, the contradiction between the need to ensure economic growth and the requirement to improve the population's standard of living has intensified.

Population income may be considered not only as a factor determining the quality and standard of living but also as an indicator underlying the predictive assessment of economic development. This is due to the fact that a portion of aggregate income serves as an important investment source for economic development and the implementation of public social programs. The significance of this study is determined by the fact that the level of labor income, its formation mechanism, and differentiation act as economic indicators of public welfare and measures of social stability, thereby forming the foundation for Kazakhstan's successful economic transformation.

Population income represents one of the most objective instruments for measuring public welfare. A market economy, while orienting the population toward improving welfare through labor activity, initiative, and entrepreneurship, simultaneously requires state guarantees of a minimum level of consumption for all citizens. Due to its significance and multidimensional nature, the issue of regulating population income constitutes an important object of labor economics research. Population income has a dual nature: on the one hand, it is the most important factor in ensuring the standard of living; on the other hand, it reflects the country's level of economic development and determines economic growth. Therefore, the processes occurring in the sphere of income formation and regulation affect the interests of the country's population, determine social stability, the potential for labor force reproduction, and the development of human capital.

The current stage of the country's socio-economic development is characterized by a low level of per capita monetary income and a high degree of income differentiation among the population. In general, the absence of sustainable growth in real income, the relatively low level of labor income, the high share of self-employment, and population outflow increase the risks of failing to achieve future real income growth targets. The updated Population Income Enhancement Program identifies increasing citizens' income levels, including those of rural residents, as a key objective. The program focuses on improving the welfare and quality of life of Kazakhstani citizens. The implementation of the comprehensive plan includes measures in five areas, four of which are associated with increasing the share of labor

income in the structure of household monetary income. The relevance of scientific research into the theoretical, methodological, and applied issues of labor income regulation is determined by the insufficient theoretical understanding of labor income regulation practices and the need to develop directions for improving labor income regulation in order to enhance living standards, ensure sustainable income growth, and reduce poverty.

Degree of scientific development of the research topic.

The problems of the formation and distribution of incomes have always been at the center of attention of economic science; however, scholars of different schools and directions have considered the issues of income formation from different positions. Thus, the mercantilists (J. B. Colbert, T. Mun, A. de Montchrétien, J. Steuart, and others) believed that the formation of the population's incomes is associated only with the sphere of circulation. The physiocrats (F. Quesnay, A. Turgot, and others) saw the source of wealth and the increase in the population's incomes in labor directed toward the growth of production. A significant contribution to the development of income theory was made by the classics of political economy — A. Smith, D. Ricardo, and K. Marx. In the works of A. Marshall and J. Clark, the issues of income theory are analyzed from the standpoint of marginal economic values. These scholars, as well as V. Pareto, M. Friedman, F. Hayek, and others, developed the theory of non-intervention of the state in the distribution of the population's incomes.

In the works of foreign scholars on problems of economic theory, such as J. Galbraith, W. Jevons, J. M. Keynes, W. Leontief, W. Nordhaus, A. C. Pigou, P. Samuelson, and J. Hicks, individual aspects of the essence of incomes, their formation, and distribution are examined. In Russian economic literature, the study of population incomes is reflected in the works of L. I. Abalkin, N. A. Volgin, V. M. Zherebin, A. Karapetyan, Yu. P. Kokin, P. P. Mayer, P. P. Maslov, L. S. Rzhantsyna, N. M. Rimashevskaya, V. Roik, R. Rybkina, P. V. Savchenko, A. E. Surinov, A. A. Fedchenko, R. A. Yakovlev, and others.

The works of L. S. Babynina, M. G. Belyaeva, N. A. Volgin, B. A. Zamaraev, A. G. Zeldner, E. I. Kapustin, Yu. P. Kokin, V. V. Kulikov, E. A. Mitrofanova, O. V. Mramornova, L. V. Nikiforov, N. M. Pliskevich, I. A. Pogosov, L. S. Rzhantsyna, N. M. Rimashevskaya, V. D. Roik, L. V. Sankova, M. V. Kapelyuk, Z. A. Simonova, E. N. Sobolev and other authors are devoted to the study of the category of wages and the socio-economic interests of the state, employers, and employees.

Issues of wage formation and differentiation were studied in the works of V. E. Gimpelson, L. A. Ilyina, I. A. Denisova, R. I. Kapelyushnikov, A. L. Lukyanova, L. N. Ovcharova, K. A. Ozerova, A. Yu. Oshchepkov, A. A. Razumov, and P. L. Spiglazov. Issues of minimum wages and the problems of their development were considered by N. T. Vishnevskaya, M. A. Ivanov, E. N. Kobzar, N. I. Lygina, and other researchers.

In domestic literature, issues of labor incomes and their regulation have been studied in the works of E. B. Aimagambetov, M. B. Kenzheguzin, N. K. Nurlanova, A. S. Smagulov, Yu. D. Derbishev, R. O. Bugubaeva, O. D. Bezler, G. A. Kenesheva and others. Issues of the formation, distribution, and differentiation of incomes were

studied by such Kazakhstani scholars as S. S. Kemelbayeva and K. S. Mukhtarova.

The purpose of the dissertation research is to provide a comprehensive assessment of trends and factors influencing changes in the labor incomes of the population of the Republic of Kazakhstan and to develop proposals for improving the mechanisms of their state regulation.

To achieve the purpose of the dissertation research, the following interrelated tasks were formulated and solved, which determined the logic of the work and its structure:

- to investigate the essence and theoretical foundations of labor income of the population;

- to systematize the methodological foundations and instruments for assessing labor income of the population;

- to examine the theoretical foundations of state regulation of labor income and relevant international experience;

- to analyze and assess the development trends of labor income of the population of the Republic of Kazakhstan;

- to evaluate the factors and characteristics of labor income differentiation among the population;

- to assess the effectiveness of state regulation of labor income in the Republic of Kazakhstan;

- to substantiate directions for improving the state regulation of labor income of the population in the Republic of Kazakhstan;

- to evaluate and model the forecast parameters of labor income of the population.

The object of the dissertation research is the labor incomes of the population of the Republic of Kazakhstan.

The subject of the research is the economic relations arising in the process of the formation and distribution of labor incomes of the population.

Theoretical and methodological significance of the research. The theoretical and methodological basis of the research consists of fundamental studies presented in the works of domestic and foreign scholars on issues of the formation and distribution of labor incomes of the population.

The development of the theoretical provisions of the dissertation was facilitated by the study of materials from international and national scientific and practical conferences devoted to the problems of the mechanism for the formation and regulation of population incomes.

The research methodology is represented by a set of scientific approaches: systemic, historical, interdisciplinary, and comprehensive. In the course of the research, various methods were applied: systemic, abstract-logical, monographic, statistical (comparisons, averages, indicators of time series, index method, groupings, tabular and graphical methods), and econometric methods (forecasting based on regression equations and cluster analysis).

The empirical base of the research was formed on the basis of official statistical data of the Bureau of National Statistics of the Republic of Kazakhstan, data of the Ministry of Labor and Social Protection of the Population of the Republic

of Kazakhstan, the Ministry of National Economy of the Republic of Kazakhstan, data from international organizations (ILO, Canberra Group, OECD), information and legal systems Adilet and Paragraph, materials from periodical publications and Internet resources, as well as the author's provisions and independently obtained research results.

Scientific novelty of the dissertation research. The most significant results containing scientific novelty include the following:

– an integrated model was developed for the conditions of Kazakhstan, based on accounting for intersectoral disparities in labor productivity and inflationary changes, which enables the gradual adjustment of the minimum wage within the indexation range and is aimed at enhancing the flexibility and validity of state regulation of labor income;

– the use of the median labor income of all employed persons as a statistical and regulatory benchmark was scientifically substantiated, enabling equal consideration of the labor component in the income structure of wage employees, self-employed individuals, and individual entrepreneurs, thereby expanding the coverage of labor income assessment;

– a social rapid assessment method was developed to provide an оперативное evaluation of the potential socio-economic consequences of regulatory decisions concerning the minimum wage, allowing for the comparison of alternative regulatory options and the preliminary identification of socio-economic risks;

– forecast parameters of labor income of the population for 2026–2031 were assessed based on scenario forecasting, enabling a comparative evaluation of possible changes in labor income dynamics under different macroeconomic conditions.

Main provisions of the dissertation research submitted for defense:

1. An integrated model was proposed that enables the annual adjustment of the minimum wage within the indexation range, taking into account intersectoral disparities in labor productivity and inflationary changes.

2. The use of the median labor income of all employed persons as a statistical and regulatory benchmark was proposed, allowing for equal consideration of the labor component in the income structure of wage employees, self-employed individuals, and individual entrepreneurs.

3. A social rapid assessment method was proposed for the prompt evaluation of the potential socio-economic consequences of regulatory decisions related to the minimum wage.

4. Forecast parameters of labor income of the population for the period 2026–2031 were assessed based on scenario forecasting.

The practical significance of the study is determined by the possibility of applying its findings within the system of state regulation of labor income of the population and in the applied practice of socio-economic policy. The proposed integrated model makes it possible to develop a more substantiated approach to the annual adjustment of the minimum wage within the indexation range by taking into account intersectoral disparities in labor productivity and inflationary changes. The application of this model contributes to strengthening the consistency between social and economic factors in determining the minimum wage level, while also enabling a

preliminary assessment of the potential consequences of regulatory decisions. The use of the median labor income of all employed persons as a statistical and regulatory benchmark enables a more comprehensive consideration of labor-based income earned by wage employees, self-employed individuals, and individual entrepreneurs. The application of this indicator in analytical and forecasting practices contributes to enhancing the validity of state decisions in the field of labor income and facilitates a more accurate assessment of trends affecting the welfare of the population. The results of scenario forecasting of labor income parameters for the period 2026–2031 make it possible to assess potential changes in labor income dynamics in the medium term. The findings obtained may be applied in substantiating socio-economic development priorities, assessing the potential consequences of labor income policies, and conducting forecasting calculations. The proposed social rapid assessment method enables the prompt evaluation of the potential socio-economic consequences of regulatory decisions related to the minimum wage. The application of this method provides an opportunity to comparatively assess the potential effects of regulatory decisions, compare alternative options, and preliminarily identify scenarios characterized by high socio-economic risks.

Approbation and implementation of the research results.

The main findings of the dissertation research have been published in 8 scientific works, including 1 article in a scientific journal indexed in the Scopus database, 3 articles in journals recommended by the Committee for Quality Assurance in Science and Higher Education of the Ministry of Science and Higher Education of the Republic of Kazakhstan, and 4 publications in the proceedings of international scientific and practical conferences. The results of the dissertation research were reviewed by the Department for Employment Coordination and Social Programs of the Karaganda Region and were confirmed by an implementation certificate.

Structure and volume of the dissertation.

The dissertation consists of normative references, designations and abbreviations, an introduction, three chapters, a conclusion, a list of references, and appendices.

The first chapter of the dissertation is devoted to a comprehensive study of the economic essence of labor income of the population, the characteristics of its formation, assessment approaches, and the theoretical foundations of state regulation. Within the framework of the chapter, the evolution of the concept of labor income of the population, its socio-economic content, approaches to its interpretation in scientific literature, international and domestic methodological approaches, as well as the theoretical foundations of state regulation of labor income and international experience were systematically examined.

The first section of the chapter provides an in-depth analysis of the essence and theoretical foundations of labor income of the population. Labor income was considered as an economic category from a historical development perspective, and the views of various scientific schools regarding its formation were systematized. In particular, comparative assessments were conducted of interpretations of labor income within the framework of classical political economy, Marxist theory,

neoclassical economics, the Keynesian approach, institutional theory, and the human capital concept. The findings revealed that the content of labor income has undergone a significant transformation over time: whereas classical theories primarily associated it with the wages of hired workers, contemporary scientific literature considers labor income as a multidimensional socio-economic category encompassing a broad range of monetary and in-kind earnings generated through various forms of employment.

Special attention was paid to the evolution of theoretical approaches explaining the economic nature of labor income. Representatives of the classical school characterized labor income as the result of labor's contribution to social production, whereas Marxist theory viewed it as the monetary expression of the value of labor power. In neoclassical theory, labor income was associated with labor productivity and the relationship between labor supply and demand in the labor market. At the same time, institutional theories substantiated the influence of legal norms, institutions of social partnership, labor legislation, and state policy on the formation of labor income. The systematization of these scientific approaches made it possible to demonstrate that labor income constitutes a complex category possessing not only economic but also social and institutional dimensions.

The necessity of adopting an expanded approach to understanding labor income under conditions of structural transformations in the contemporary labor market was substantiated. It was demonstrated that digitalization, platform employment, freelancing, the spread of self-employment, and increasing labor flexibility reinforce the need to reconsider the traditional understanding of labor income. In this regard, it was scientifically justified that labor income should not be limited solely to the wages of hired employees but should also include the income of self-employed individuals, labor-based earnings of individual entrepreneurs, and income generated through contractual and temporary forms of employment. As a result, a definition of labor income of the population was proposed within the dissertation research, and its structure was systematized in an expanded conceptual framework.

The subsequent section of the chapter examines the methodological foundations and instruments for assessing labor income of the population. It was shown that the complexity of labor income assessment is обусловлена its multidimensional nature, the diversity of employment forms, and the specific features of statistical accounting. Based on the recommendations of international organizations, including the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD), and the Canberra Group, modern approaches to labor income assessment were examined. It was specified that the analysis of labor income involves the use of nominal and real wages, median and average income indicators, labor productivity measures, the structure of labor income, income inequality indicators, and tools for assessing differentiation.

The chapter further elaborates on the content of statistical, comparative, economic-mathematical, and econometric methods used in assessing labor income. The potential of time series, indices, grouping methods, comparative analysis, regression analysis, and cluster approaches for analyzing labor income dynamics, identifying structural changes, evaluating factor dependencies, and forecasting was substantiated. Furthermore, the content and limitations of the key indicators used in

labor income assessment were analyzed, and the advantages of median indicators in evaluating the actual welfare of the population were demonstrated. This formed the methodological basis for the study of labor income and provided the scientific foundation for the empirical analysis conducted in the subsequent chapter.

The third section of the first chapter examines the theoretical foundations of state regulation of labor income and international experience. The role of the state in regulating labor income was assessed through labor legislation, minimum wage determination, tax and social policy, social insurance systems, collective agreements, and social partnership instruments. State regulation of labor income was considered as a mechanism for ensuring social justice, reducing poverty, decreasing income inequality, and supporting incentives for labor activity.

In the analysis of international experience, models of labor income regulation in both developed and developing countries were comparatively examined. Socially oriented labor income regulation models in European countries, minimum wage indexation practices, the importance of collective agreements, and the impact of social protection systems were analyzed. In addition, the relationship between labor productivity and wages, employment structures, and the characteristics of state support instruments in OECD countries were investigated. The analysis of international experience demonstrated the limitations of directly transferring international approaches to the conditions of Kazakhstan and substantiated the need to adapt them to the specific characteristics of the national labor market.

The second chapter of the dissertation is devoted to a comprehensive analysis of the current state of labor income of the population of the Republic of Kazakhstan, the assessment of its development trends, the identification of differentiation factors, and the evaluation of the effectiveness of state regulation of labor income. Within the framework of the chapter, based on official statistical data, the dynamics, structure, regional and sectoral characteristics of labor income, differences among various socio-economic groups of the population, as well as the effectiveness of state regulatory instruments were assessed. This made it possible to identify the main trends and problematic aspects in the development of labor income and to establish an empirical basis for the development of regulatory mechanisms proposed in the subsequent chapter.

The first section of the chapter provides a comprehensive analysis of the development trends of labor income of the population of the Republic of Kazakhstan. This section examines the role of labor income within the structure of household monetary income, its dynamics, changes in nominal and real indicators, the characteristics of labor market development, the employment structure, and wage dynamics. The results of the analysis demonstrated the dominant role of labor income within the structure of population income and confirmed that it is one of the key factors determining public welfare and social stability. Furthermore, labor income dynamics were examined in relation to economic growth, inflationary processes, labor productivity, and changes in the employment structure.

In assessing the trends in labor income changes in Kazakhstan, per capita monetary income, average and median wage indicators, the real income index, labor productivity, and changes in the minimum wage level were analyzed. The findings

revealed that although nominal growth in labor income has been observed in recent years, the growth rate of real income has remained uneven under inflationary pressure. This indicates the persistence of key risks affecting purchasing power and living standards. In addition, it was substantiated that the high share of wage employment within the structure of labor income, the instability of self-employed individuals' income, and structural characteristics of the labor market contribute to income differentiation among the population.

Special attention in the chapter was given to the regional and sectoral characteristics of labor income. Significant disparities in wage levels and labor income volumes among the regions of Kazakhstan were identified. The formation of these disparities was associated with regional economic specialization, production structure, labor productivity levels, investment activity, and employment quality. Furthermore, sectoral differentiation in labor income was explained by higher wage levels in the oil and gas, financial, and industrial sectors, whereas relatively lower income levels were observed in education, agriculture, and social services. This confirms the persistence of structural factors contributing to labor income inequality.

The subsequent section of the chapter evaluates the factors and characteristics of labor income differentiation. Demographic, economic, institutional, and human capital factors influencing labor income differentiation were comprehensively analyzed. In particular, the effects of education level, professional training, work experience, employment type, regional location, type of economic activity, and gender characteristics on labor income levels were examined. The findings demonstrated that disparities in labor income are determined not only by labor productivity but also by labor market segmentation, structural characteristics of the economy, and institutional constraints.

During the study, labor income differentiation was assessed in relation to income inequality, employment quality, and social mobility. In particular, it was substantiated that the instability of the labor income structure of self-employed individuals, the persistence of informal employment, and differences in labor productivity contribute to income disparities among specific population groups. In addition, it was demonstrated that the use of the median labor income indicator provides more objective results in assessing the actual income conditions of the population compared to average indicators. This substantiated the need for applying new methodological approaches to labor income assessment.

The third section of the second chapter evaluates the effectiveness of state regulation of labor income in the Republic of Kazakhstan. This section examines the mechanisms for determining the minimum wage, state influence on the wage system, the impact of tax and social policies on labor income, and the effectiveness of employment programs and social support instruments. State regulation was assessed as a tool for ensuring an adequate level of labor income, reducing income inequality, and strengthening the social protection of the population.

The results of the analysis revealed that although several positive developments have been observed in Kazakhstan's labor income regulation system, problems affecting its effectiveness persist. In particular, the insufficient alignment of the minimum wage with labor productivity and the actual cost of living, the persistence

of sectoral and regional inequalities, difficulties in fully accounting for the labor income of self-employed individuals, and the inadequate protection of real income under inflationary pressure were identified as key constraints. Furthermore, the need to apply more flexible and evidence-based approaches, taking into account international experience, was substantiated in order to improve the effectiveness of state regulatory instruments.

The third chapter of the dissertation is devoted to substantiating directions for improving the state regulation of labor income of the population of the Republic of Kazakhstan, developing proposals for enhancing existing regulatory mechanisms, and assessing the forecast parameters of labor income of the population. Within the framework of the chapter, the results of the conducted theoretical and empirical research were synthesized, and scientifically grounded approaches aimed at addressing the identified structural problems in the field of labor income were proposed. In addition, model-based solutions designed to enhance the effectiveness of state regulation of labor income were developed, and the medium-term prospects for labor income development were assessed.

The first section of the chapter examines directions for improving the state regulation of labor income of the population in the Republic of Kazakhstan. The results of the analysis conducted in the second chapter demonstrated that, despite the growth of labor income, such problems as structural inequality, regional and sectoral differentiation, the dependence of real income on inflationary pressure, and difficulties in comprehensively assessing the income of self-employed individuals continue to persist. In this regard, the third chapter substantiates the need to adapt labor income regulation mechanisms to the conditions of transformation in the modern labor market.

The study considered key directions for improving labor income regulation, including the enhancement of the minimum wage determination mechanism, strengthening the balance between labor productivity and wages, expanding the statistical basis for labor income assessment, and improving institutional instruments aimed at reducing inequality in the labor market. It was substantiated that the effectiveness of the state regulation system should not be limited solely to the administrative determination of wage levels but should be implemented in relation to labor productivity, inflationary changes, employment structure, and the population's standard of living.

As an important instrument for improving the state regulation of labor income, an enhanced approach to determining the minimum wage was proposed. The findings revealed that, under the conditions of Kazakhstan, intersectoral differences in labor productivity, inflationary processes, and changes in the real income of the population are not sufficiently taken into account when determining the minimum wage. In this regard, the dissertation developed an integrated model that enables the gradual indexation of the minimum wage while taking into account intersectoral disparities in labor productivity and inflationary changes. The proposed model is aimed at enhancing the flexibility and validity of state regulation of labor income and strengthening the socio-economic justification of regulatory decisions.

Special attention in the third chapter was devoted to improving methodological

approaches to labor income assessment. The study demonstrated that relying solely on average wage indicators to assess the actual state of labor income of the population has significant limitations. Therefore, the use of the median labor income of all employed persons as a statistical and regulatory benchmark was scientifically substantiated, enabling equal consideration of the labor component in the income structure of wage employees, self-employed individuals, and individual entrepreneurs. It was proven that this approach allows for a more accurate assessment of the actual condition of labor income, the identification of income inequality, and the enhancement of the effectiveness of state decisions.

In addition, the chapter substantiates the need for a preliminary assessment of the potential socio-economic consequences of regulatory decisions in order to improve the effectiveness of state regulation of labor income. In this regard, a social rapid assessment method was proposed, enabling the prompt evaluation of the potential effects of decisions made regarding the minimum wage. This method makes it possible to compare alternative regulatory options, identify social and economic risks in advance, and assess the potential outcomes of government decisions. Such an approach not only enhances the effectiveness of regulatory instruments but also ensures a comprehensive consideration of factors affecting the welfare of the population.

The second section of the chapter evaluates the forecast parameters of labor income of the population and addresses issues related to their modeling. The study assessed possible medium-term changes in labor income while taking into account economic development trends, inflationary factors, labor productivity, and the specific characteristics of state regulation. Forecast calculations for the period 2026–2031 were carried out using a scenario-based approach, allowing for a comparative analysis of potential changes in labor income dynamics under different macroeconomic conditions. This approach made it possible to evaluate not only the growth potential of labor income but also the risks affecting its sustainability.

The results of forecast modeling demonstrated that future labor income dynamics will depend on the pace of economic growth, changes in labor productivity, the inflation rate, and the quality of state regulation.

As the final outcome of the dissertation research, an integrated model for minimum wage regulation was developed, allowing for the consideration of intersectoral differences in labor productivity and inflationary changes; the use of the median labor income of all employed persons as a statistical and regulatory benchmark was scientifically substantiated; a social rapid assessment method was proposed for the prompt evaluation of the potential socio-economic consequences of regulatory decisions; and forecast parameters of labor income of the population for the period 2026–2031 were assessed. As a result, a system of scientifically grounded recommendations was developed aimed at strengthening the scientific validity of state regulation of labor income, reducing income inequality, improving public welfare, and forming effective regulatory mechanisms adapted to the contemporary transformational conditions of the labor market.

Dissertation candidate



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