
Social-economic, Demographic and Health Situation in the Republic of
Armenia
/1990-2002/

General Data

Territory	29,743 sq.m		
Capital	Yerevan		
Official Language	Armenian		
Religion	Armenian Apostolic Church		
Monetary Unit	Dram		
Rate of exchange of USD	1USD = 555.07 drams (2001), 573.35 drams (2002)		
Financial year	January-December		
		2001	2002*
<u>Real Sector</u>			
	Gross Domestic Product (GDP), mln. USD	2117.7	2367.3
	Average monthly nominal salary of 1 employee (-estimated) ¹ , USD	43.2	46.1
	Real financial incomes of population, mln. USD	1336.9	1488.5
	Real managing incomes of population, mln. USD	1240.9	1408.3
	Financial expenses of population, mln. USD	1326.8	1444.2
	Volume of retail trade turnover, mln. USD	917.8	1027.2
	Volume of services rendered to population, mln. USD	320.8	340.7
	Index of consumers' prices	100.9	102.0 ²
	Industrialist's index prices of production (in comparison with the previous year)	99.6	102.5
	Inflation, average annual, %	3.1	1.1
<u>Taxbudget Sector</u>			
	Total incomes and official transferts, mln. USD	348.7	397.6
	Total expenses, mln. USD	432.0**	411.3***
	Public expenses on health, in % of total expenses	6.4	6.2
	In % of GDP	1.3	1.2
	All kinds of expenses on health, in % of GDP (expert estimation)	4.2	4.2
	External trade turnover, mln. USD	1219.0	1498.2
	Export, mln. USD	341.8	507.2
	Import, mln. USD	877.8	991.0
<u>Social-demographic indicators</u>			
	Population, thous. people		
	(accordong to calculation conducting by current statistics based on census data, on state of year beginning,)	3212.9	3210.9
	Distribution of population, %		
	urban	64.2%	64.2%
	rural	35.8%	35.8%
<u>Health</u>			
	Infant mortality (per 1000 alive new-borns)	15.4	13.4
	Maternal mortality (per 1000 alive new-borns)	18.8	12.4
	Number of population falling on 1 doctor, person	319	322

* Data of 2002 are preliminary. Source - National Statistical Service of the RA, if there is no other note. A base of all indices calculation were connected with population number calculated by curent statistics (3.2 mln. people) which is conditioned by the absence at the present of sex-and-age distribution of the number of population received by the results of 2001 census

** In expenses of the RA State Budget in 2001 there are included the means received in the frames of targeted programs financed by international organizations and foreign countries during January-November

*** In expenses of the RA State Budget in 2002 there are not included the means received in the frames of targeted programs, financed by international organizations and foreign countries

¹ With monthly periodicity according to the data of statistical reports received from 9000 economic subjects

² December 2002 comparatively with December 2001

	2001	2002*
Number of population falling on 1 hospital bed, person	172	180
<u>Education</u>		
Index of people entered all the educational institutions of the 1 st , the 2 nd and the 3 rd levels (amongst 7 and 17 years old, %)	70.0	70.1
Index of people enrolled in all the educational institutions of the 1 st , 2 nd and the 3 rd levels (amongst 7-21years old)	68.6	68.8
Literacy of adult population (according to 2001 census summarized data, %)	99.4	99.4

1. Demographic Situation

The base for the RA administrative-territorial separation was the law of the RA accepted on December 4 1995 - "About administrative-territorial separation of the RA", according to which the RA territory is separated to 11 marzes, including Yerevan city – with the status of marz (with 12 district communities), 47 towns and 871 rural communities.

In the 90s as a principle for the RA population number calculation were taken the results of 1989 census. But taking into consideration that it immediately followed the earthquake and for the number of other reasons (there was non-calculated migration), the number of calculated constant population was less reliable. From January 1 2003 in the base of the RA constant population was put an index* of constant population number obtained by the results of the census conducted in the RA on October 10-19th 2001. Thus, on the base of data about natural increase¹ and migration² change registered in the republic (from the moment of census registration) to the end of the year, in the state of January the 1st 2002 the number of the RA constant population is 3213.0 thous. people and according to the data of natural increase and migration change registered in January-December 2002, at the beginning of 2003 the number of constant population is 3210.8 thous. people. The population is mainly homogeneous – Armenians.

According to the indicators of constant population number in 2002 a decrease was registered though the positive trend of the republic population natural increase is still remained. But, as in 2000, 2001, so in 2002 negative indicator of migration increase exceeds natural increase indicator (in 2002 by 2.2 thous people, comparatively with 2.4 thous. people in 2001).

The indicator of the RA population natural increase in 2002 is positive, i.e. birth-rate exceeded death-rate (unlike the number of countries of CIS – Russian Federation, Belarus, Ukraine and Moldova, where natural increase kept on being negative). Comparatively with the according period of 2001 natural increase reduced on 12.4%, which is mainly conditioned by death-rate growth. Relative indicator of natural increase, for 1000 people, is 2.2‰ in comparison with 2.5‰ in 2001.

In 2002 increase of birth-rate indicator was registered, both of absolute and relative one, in the case when beginning from 1990 only the reduction of birth-rate level was registered in the republic. Comparatively with 32065 new-borns in 2001, in 2002 32380 new-borns were registered and the birth-rate coefficient, per 1000 population, increased from 10.0‰ to 10.1‰.

Important indicators characterizing the reproduction ability of population are birth-rate gross¹ and net² coefficients as well, which made up, correspondingly, 1.277 and 1.237 in 1990; 0.498 and 0.481 in 2001. Actually abovementioned indicators have reduced in the given period and in the present are less than 1, i.e. not only expanded but also simple reproduction of the republic population wasn't provided.

One of important indicators of reproduction is also life expectancy calculated from birth-time. Thus, in 2000 it made up 73.4 years, including 70.9 of men, 75.7 of women, and in 2001, correspondingly, 73.5; 71.0 and 75.9.

Individual groups of population in particular with age less than 10 and 60 and more years old have been suffered serious changes. According to current data of population calculated on the base of 1989 census, in 2001 comparatively with 1991 the number of 0-9 decreased by 35% (the one of 0-4 – by 51.8%), and the number of 60 and more years old increased by 41%, just as the increase of population number made up 6.4%.

¹by the data of regional branches of registry offices of the Ministry of Justice of the RA

²by the data of regional passport branches of the police of the RA

¹how many girl-infants in average would be born by one woman up to the end of reproductional period

²how many girl-infants born by one woman in average would reach the mother's age

Basic demographic indicators

(per 1000 population)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
New-borns	21.6	19.2	15.8	13.7	13.0	12.8	11.6	10.4	9.6	9.0	10.0	10.1
Dead	6.5	7.0	7.4	6.6	6.6	6.6	6.3	6.1	6.3	6.3	7.5	7.88
from them under 1*	17.9	18.5	17.1	14.7	14.2	15.5	15.4	14.7	15.4	15.6	15.8	13.5
Natural increase	15.1	12.2	8.4	7.1	6.4	6.2	5.3	4.3	3.3	2.7	2.5	2.2
Marriages	7.8	6.2	5.8	4.6	4.2	3.8	3.3	3.0	3.3	2.9	3.8	4.3
Divorces	1.1	0.9	0.8	0.9	0.7	0.7	0.6	0.4	0.3	0.4	0.6	0.5

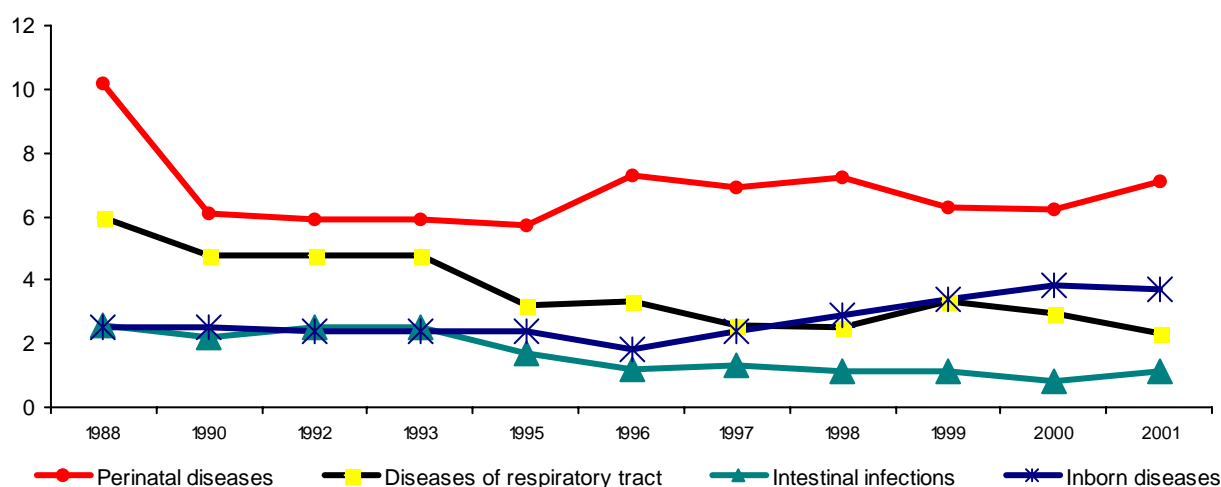
* per 1000 alive new-borns

Analysis of the RA constant population age groups' distribution (take it conditionally as under work age, of work age and above work age) shows that dependence coefficient, namely the part of under work age and above work age population in total number of population in 1991 and 1996 had approximately the same index – 0.448 and 0.444; and in 2001 it already reduced up to 0.382. It's mainly the result of reduction of the share of under work age population.

The next important indicator of natural migration of population is mortality. In 2002 mortality cases increases by 5.5%, and a relative indicator of mortality increased from 7.5‰, and made up 7.9‰ in 2002. In structure of death causes the increasing of blood circulation system diseases, tumours (inspite of their specific weight reduction in total number of deaths), respiratory organs diseases, digestive organs diseases, although the reduction of death cases caused by accidents, injures was fixed.

Given demographic indicator is important also by the fact that in certain meaning it characterizes an activity of health system. In this case the most characteristic is infant's mortality. In 2002 the cases of infant's death during the 1st year of their lives decreased by 12.7%, and in the structure of death cases under 1 the number of cases caused by the condition formed in perinatal period (first week of life) and by inborn diseases decreased, i. e. the death from diseases which are closely related to the mother's health state is still high and their specific weight in 2002 made up 72.8%, comparatively with 71.5% of the previous year. According to the official statistics in 1991-1995 the level of infants' mortality abruptly decreased (reduced from 19 per 1000 alive new-borns to 14 in 1995) which was followed by the stabilization of infants' mortality rate – 15 per 1000 alive new-borns. Meanwhile the progress of infants' mortality reduction in 1990-2001 is not significant (21%).

Infant's mortality dynamics by causes, per 1000 live births



In general the level of new-borns mortality is a bit higher for boys than for girls. The general index for boys in 2001 was 22, for girls – 15.

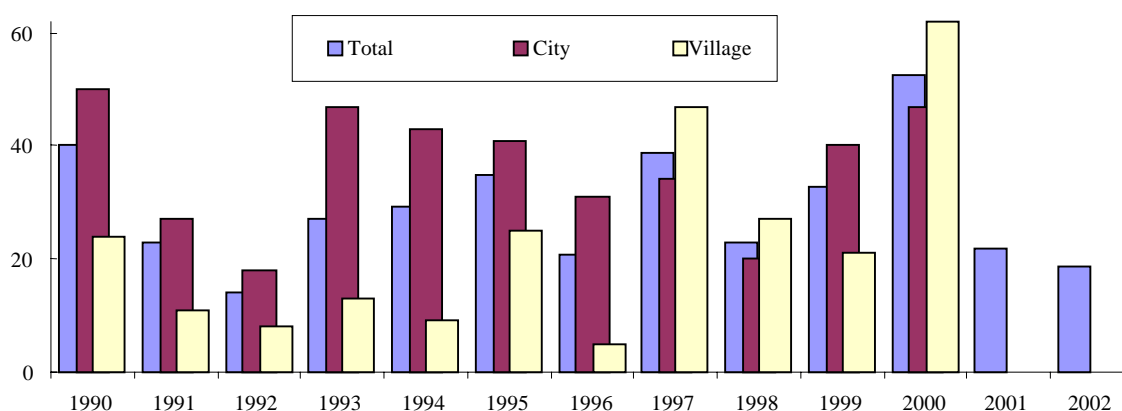
There are trends of under 5 mortality indices' reduction. In 2001 the index of mortality under 5 was 20 per 1000 alive new-borns, meanwhile in 1990 it was 24 (it has reduced by 17% from 1990). The main cause of death under 5 in 2000 is in diseases got in perinatal period (38%), inborn diseases (23%), acute diseases of respiratory tract (17%), infectious and parasitic diseases (8%) and injuries and poisonings (5%).

According to official statistics indices of under 5 children mortality reduced for masculin and for feminin sex as well, at the same time by absolute count it is a bit higher for boys than for girls (in 2001 for boys it was 22, for girls - 18).

In 2002 in the structure of under 5 mortality the mortality of under 1 prevailed (84.4%). It should be mentioned that under 5 death rate made up 15.9‰ (for 1000 alive new-borns) (the index is higher for new-born boys).

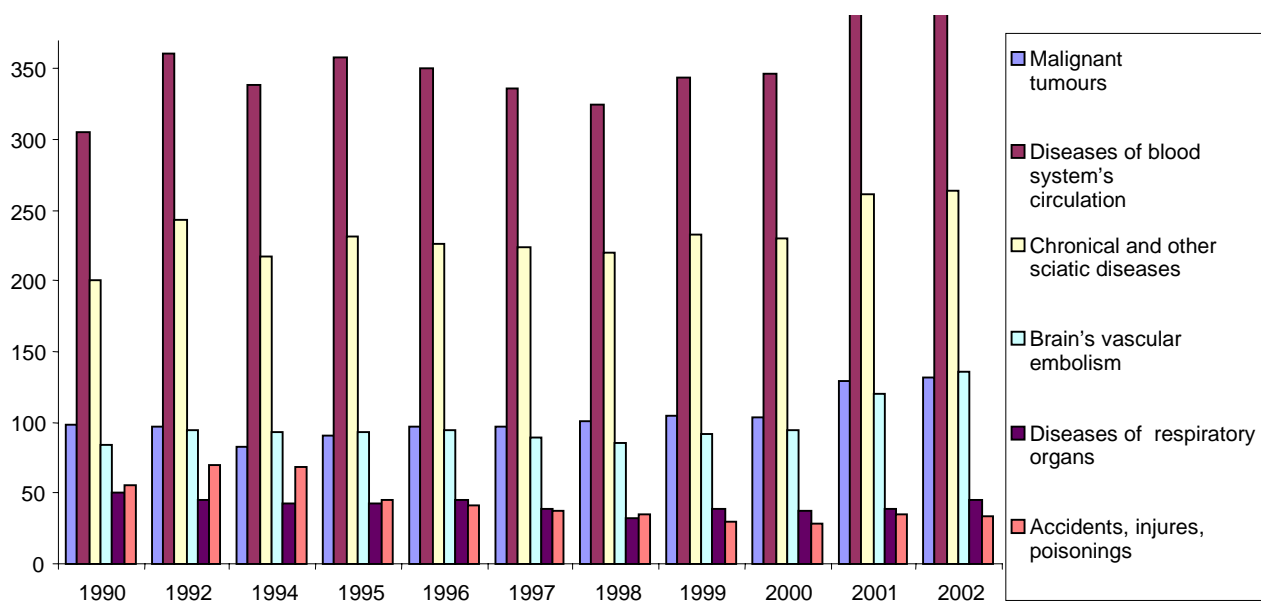
The level of maternal mortality in Armenia exceeds maximal index intended by WHO for Eastern Europe (15 per 100 000 alive new-borns). It means that in 2000 Armenia didn't reach the aim intended by itself (20/100 000), and the reduction of maternal mortality's level by ¾ till 2015 is not likely to happen in present situation of Armenia. In conditions of maternal mortality's level's reduction in Armenia (per 100 000 alives), from complications connected with pregnancy in natal and postnatal period 4 death cases were fixed in 2002, depending on which maternal mortality's level made up 12.4 and in 2001 – 18.6 (6 cases).

The level of maternal mortality per 100 000 alives



By evidence of health sphere experts the most vulnerable for the main death-causing diseases are 40- 60 years old. Among main death-causing diseases the more specific weight have got diseases of blood circulation system, chronic diseases and sciatic diseases, malignant tumours, brain's vascular embolism, which in comparison with 1990s had trends of growth by 10-18%.

Mortality dynamics by causes, per 100 000 population (the countings were done according to the new population census in 2001 and 2002)



In recent years after sinking are observed the number of registered marriages which in 2002 increased by 11.3% in comparison with 2001 and made up 13687, and the number of divorces decreased by 5,3% and made up 1683. In 2002 there were registered 123 divorces per 1000 newly formed couples in the republic.

By the results of the RA control passing points migration's sample survey, field-work were conducted from February 2002 up to February 2002 by the method of questioning of 5581 passengers leaving the republic and 4508 passengers arriving in the republic, it became possible to reveal a number of fundamental problems deserving consideration in the aspect of migration processes.

In particular the main part of total number of persons crossing the border of the RA, two of every three arriving passengers and more than 95% of leaving ones are the citizens of the RA. Passengers' flow of living in Armenia RA citizens had more than 24% negative remainder (almost 2.8 times prevailing over corresponding total quantity) and for living/lived abroad RA citizens – the opposite, with about 70% positive remainder.

Among questioned arriving and leaving passengers each 3 of 4 are adult, each 1 of 5 – under 18, and only each 20th – 65 and more years old. 12.3% of passengers' made up going to work abroad which formed 2/3 of total negative remainder of passengers' circulation. By the way, 59.2% of arriving from work abroad and 38.3% of leaving ones were occupied with building activities. 89% of returning from work abroad activities had a temporary registration in the country of exit.

19.1% of returning to constant residence is going to leave again, 47% is not going, and 33.3% doesn't exclude the possibility of depart.

Besides Armenians amongst representatives of other nations taking part in external passengers' circulation of the RA the Russians made up 3.2% of total volume, Georgians – 2.3%, representatives of Ezids/Kurds – less than 1%, Iranian people – 0.7% and etc.

Employment and Unemployment

With economy's setting free at the beginning of 1990s economical, and, with acceptance in 1992 the law of the RA "About Employment" and the number of adjacent normative letters, also legal foundation of labour market forming were created.

At the beginning of 1990s one of the peculiarities of labour market is, that the reduction of employment and the increase of unemployment are not equivalent to the fall of macroeconomic indicators. Thus, if in 1993 GDP in the republic comparatively with 1990 reduced 2.1 times and the volume of industrial production – 2.3 times, then total employment reduced only 1.1 time, and the number of industrial production staff – 1.4 times. Average annual level of officially registered unemployment made up 1.8% in 1992. Since 1992 the constant reduction of total employment was registered in Armenia (in average 2.4% annual) which allows correlation with general economic processes. Despite of certain economic growth the reduction of employees' number is still being fixed – in 1998 comparatively with 1992 it reduced by 2.5% correspondingly, in 1999 – by 2.9% and in 2000 – by 1.6%.

With the purpose of counteraction to the growing in transitional period unemployment the creation of new work places in the republic is really connected with the development of private sector. In 1999 71.7% of total number of employees are centralized in the private sector of economy, 27.4% - in public and 0.9% - in social and religious organizations and funds. In 2000 the picture is following – 72.9; 26.5 and 0.6% (correspondingly in 1991 those indicators made up 30.1; 67.2 and 2.7%).

A development of private sector in the republic is connected with the creation of new economic subjects' creation and the process of privatization as well which got a new scope in 1995, with beginning of large and medium-sized enterprises privatization in industrial sphere. Although it favoured the increase of private sector but it didn't bring to increase of employment level and was also accompanied with personnel's reduction and hidden unemployment concentration as well. A problem of non-full employment is the most critical at the large enterprises.

Officially registered unemployment in the republic in 1992-1997, not counting some exceptions noticed at the end of 1994 and the beginning of 1995, had a trend of growth. Only in 1998, during the whole year, the reduction of number of registered unemployed was fixed which is more likely conditioned by changes made in the law of the RA "About Employment" and narrowing of unemployment definition (in the presence of at least 1-year work experience). The distribution by sex of the number of unemployed shows high specific weight of women – in 1998 it made up 69.4% against in 1992 63.5%, in 2000 – 64.6%. The data about the age structure is evidence of constant growth of 30-50 years old group – it increased from 39.4% in 1994 to 54.7% in 1998 and 61.5% in 2000. The specific weight of other age groups remained almost on the same level or changed not so significantly. 64.1% of unemployed in 1998 has got secondary or incomplete secondary education, 23.7% - specialized secondary and 12.2% - higher education; in 2000 they correspondingly made up 64.2; 23.8 and 12%.

Existing quantitative, geographic and professional discrepancy between supply and demand of labour force brought to low productiveness of getting fixed up in a job and to chronic unemployment. Since 1992 this given remains without appreciable changes in Armenia – the average duration of unemployment in 1998 made up 14.3 months, in 1999 it remained the same, in 2000 it made up 14.4 months.

Average annual number of economically active population in 2002 in the republic by the estimation made up 1415.6 thsd. people, 90.6% or 1281.9 thsd. people of which (17 thsd. more than in 2001) were occupied in the economy. 9.4% or 133.7 thsd. people didn't have stable jobs got registered in the "RA Employment Service Agency" of the Ministry of Social Insurance and received the status of unemployed.

By the estimation employees of the private sector in 2002 made up 77.0% of employed population, of public sector and administrative system – 22.6%, of social and religious organizations and funds – 0.4%. The specific weight of the employed in the public sector and administrative system in the total number of employed people in January-December 2002 reduced by 1.9%, and the one of the people employed in the private sector, on the contrary, increased by 2.3%. Only the number of people employed in public sector has reduced by 7.6% comparatively with January-December 2001, and in private sector (without self-employment and rural farms) increased by 5.6%.

The information about 32.0% of population or 409.6 thsd. employed in economy was received from 9000 subjects – on the base of statistical reports aggregated with monthly and quarterly periodicity.

Besides permanent employees at the abovementioned subjects on the base of combined jobs/contracts of civil- legal nature in 2002 January-September 19.7 thsd. people were employed. The number of latter ones comparatively with the year beginning increased by 68.4% and comparatively with according period of 2001 – by 1.0%. In total number of permanent employees external jobs combining employees made up 1.8%, people, the ones working on a base of the contracts of civil-legal character – 3.0%. Specific weight of people working on the base of combined jobs and contracts of civil-legal character is the highest in the construction (22.4%), in the health system – 18.8%, in the industry – 16.8% and in the educational system – 15.5%.

At the end of december 2002 by means of “RA Employment Service” agency of the Ministry of Social Insurance of the RA in the given agency with the purpose of getting fixed up in the jobs 154.1 thsd. job seekers got registered, among them – 152.5 thsd. unemployed. Employed people wishing to get additional job made up 1.0% and wishing to work pensioners – 0.1%.

According to the data of “RA Employment Service” agency 0.7% of job seeking unemployed were pensioners, 2.3% - people with less than 1-year work experience and 13.5% - people looking for job for the first time. Meanwhile 24.4% of primary jobseekers had higher, specialized secondary and general education. 83.5% of non-occupied got the status of unemployed. Labourers made up great specific weight among latter – 67.0%. By the way the number of unemployed comparatively with the previous month reduced by 1.2% and comparatively with the according month of the previous year – by 8.0%.

Unemployed population mainly (94.4%) centralized in urban places of residence ; amongst them 26.6% - in Yerevan, 19.9% - in Gyumri and 11.2% - in Vanadzor city. In the number of officially registered unemployed women made up 67.3%. This indicator has increased by 1.3% comparatively with 2001.

Officially registered unemployed by sex, age and educational structure, in the state of the end of December, 2002

		Number of unemployed in %, comparatively with total	
		Total	From them - women
Total unemployed		100	100
By age	Under 18	0.4	0.4
	18-22	6.0	5.6
	23-30	21.8	20.0
	31-50	63.0	66.0
	51 and more	8.8	8.0
By education level	higher	12.5	11.7
	specialized secondary	25.1	24.0
	general secondary	56.8	59.8
	basic and elementary general	5.6	4.5

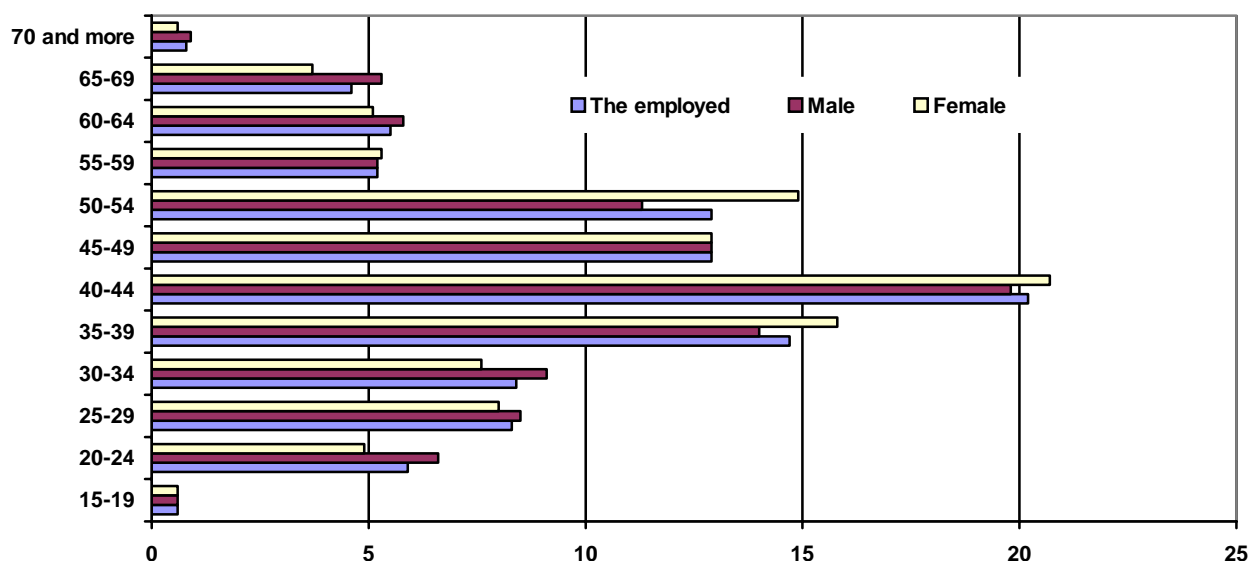
In December 2002 the load of one vacancy made up 170 non-occupied people.

The demand of labour force officially presented by the employers the most significant in industry which made up 52.0% of total demand. The demand of labour force by the employers is the greatest for such official professions as teachers (14.7%), doctors (1.2%), and among labour professions – weavers (23.8%), drivers (6.3%), labours, non-requiring any specialization (17.3%).

The number of unemployed receiving grants-in-aid in the republic in December 2002 made up 6.0 thsd. people, and the average size of unemployment grants – 3214 drams.

The level of unemployment calculated as ratio of the unemployed registered in the regional centers of employment and economically active population (employed and unemployed) made up 9.1% in December 2002 and in comparison with previous month reduced by 0.1%, and with the same month of 2001 – by 0.8%.

Specific weights of employed population by sex-and-age structure, 2002



It is significant that in 2002 the reduction of the level of official unemployment in the republic received by the methodology of Labour International Organization was registered. In the first case the average annual level of officially registered unemployment reduced by 1.0 per cent point or by 9.6% (in 2002 by 9.4% against 10.4% in 2001), and in the second case – by 1.4 per cent points or 4.3% (in 2002 by 31.4% against 32.8% in 2001).

Social Conditions of Households and Poverty

Integral surveys of poverty in the republic were conducted from 1996 and summarized for 1996, 1999 and 2001. In the result of households integral survey's data analysis the value of actual food basket, i.e. food line of poverty, by average prices of 1998-1999, made up 7194 drams, and the value of actual minimal food basket, i.e. the absolute line of poverty - 11735 drams.

Dynamics of basic indicators of poverty

(in %)

	1996	1999	2001
Non-poor population	45.3	44.95	49.1
Poor population	27.0	32.14	34.9
Very poor population	27.7	22.91	16.0
Depth of poverty	21.5	19.0	15.1
Acuteness of poverty	11.1	9.0	6.1
Gini coefficient			
in the context of total incomes	0.653	0.570	0.528
in the context of current incomes	0.602	0.593	0.535
in the context of current expenditures	0.444	0.372	0.344

Actually the level of poverty hasn't changed during last years, more exactly, the specific weight of poor population has increased only by 0.35%.

Fixed in the republic in 1996 involved volume of poverty unfortunately hasn't shown any trend of reduction. The data show that the poverty is characteristic for households with a lot of members, and by this reason the specific weight of poor population is higher than the one of poor households.

The ratio of the poor and very poor has changed in recent years as well. A specific weight of the very poor population has reduced by 4.8% comparatively with 1996. Here, obviously, the application of family address grants' system had its positive influence as it was targeted to the too poor households' conditions' improvement.

In the state of transitional economy economic conditions of population are subject to constant fluctuations, due to which the certain mass of population periodically appears under the line of poverty.

Specific weight of people subjected to poverty danger (which are, for per capita, a bit higher of poverty line – 12000 – 12500 drams) is 13.5%. A lot of people can't get out of the chains of poverty and the specific weight of people which are a bit lower of poverty line (11500-11000 drams) is 16.9%.

Potential field of specific weight of population liable to social protection made up population under the general line of poverty (55.1%) and liable to poverty (13.5%) – 68.5% of total population.

A present situation is characterized also by the high level of inequality and polarization in society. The ratio of incomes of upper and lower quantil groups of population made up 32.2 times and the one of expenses – 6.6 times. So, the organized medium class of population hasn't been formed yet. According to the results of the survey Gini coefficient, by incomes, made up 0.593 and by expenses – 0.372.

Analysis of non-monetary indicators of poverty shows that

- ◆ Education isn't a guarantee of being protected. At the same time people having higher education are less vulnerable (56.7% of them are not poor) than people having secondary and elementary education (43%).
- ◆ Insolvency, malnutrition brought to so called “poverty illnesses” – tuberculosis, anaemia, malegnant tumours and etc.
- ◆ Type of dwelling, territory, communal conditions of the considerable part of population considerably inferior to international standards. There are cases when people with a purpose of some financial problems solving artificially get worse flat and dwelling conditions – selling their property and getting comparatively bad one. More than 2% of the republic families have got registered in flat lines.
- ◆ In the result of slowly proceeding reforms especially poor and indigent strata of population have got uncertainty towards the future and and the loss of confidence.

Alternative Estimations of Poverty

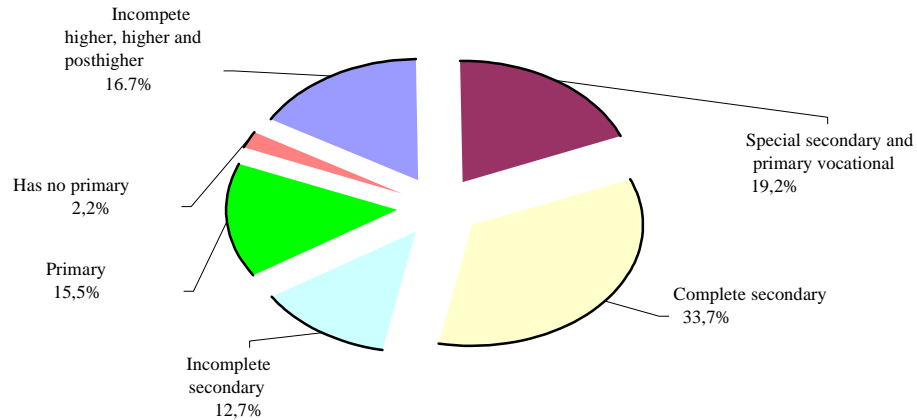
The most widespread in the international practice is the variant guaranteed by the World Bank, according to which the threshold of poverty, by per capita, is 1.2 and 4 USD (calculate the poverty on a par dollar). In this case specific weight of poverty made up

	1999	2001
- 1USD daily	7.54%	3.4%
- 2USD daily	43.5%	36.1%
- 4 USD daily	86.2%	81.8%

As a display of poverty the part of population could be mentioned, which is deprived of medical services' using possibility, safe drinking water, has no sewerage system, the whole part of family budget f which is spent on getting food, etc.

Education

One of the most important indicators of educational level is – adult populatin's estimation level of literacy (15 and more) which is defined on the base of summarized data of the census. According to the results of 2002 census the republic population's literacy made up 99,4 %. Thus for women it made up 99.2%, for men – 99.7%. By the same results the population educational level had following picture.



Characteristic indicators of educational process are availability of educational institutions and enrollment of population in educational system. In 2002 62.1% of 3-21 years old population of the republic is enrolled in some educational institutions.

By the state of 2002 the activity of educational systems is following:

	<u>Per 100 000</u> <u>population</u>	<u>enrollment, %</u> <u>(from population of</u> <u>according age)</u>
<u>pre-school institutions</u>	22	26.7 (3-6)
<u>general education</u>	46	86.8 (7-16)
<u>specialized secondary (by branches)</u>	3.5	11.9 (17-20)
<u>higher</u>	3.2	23.4 (17-21)

Breaking of the law

Since 1990s maximal quantity of crimes registered in the police system of the RA, was in 1992-1993 – 44.1 crimes for 10 thsd. people. The greatest number of crimes committed by economic motives is one of stealing (maximum in the same years – 23.7 or 54% of registered crimes). By the official information in 2002 the stealings made up 28.7% of registered crimes (for 37.6 ten thous. people).

Among 7528 persons against whom criminal proceedings were instituted (one of each 427 residents of the republic) 9.2% are women, 5.3% - the under age (about 3% of them - girls). Against 22.1% criminal proceedings were instituted for stealings, 3.7% - for intentional homicides and for intentional causing of heavy physical injuries. About 20.0% of people committed the crimes are secondary criminals (about 18% of women criminals).

Bad habits endangering health

The most widespread of bad habits, bringing to harmful effects on health are the use of drugs, smoking, using of alcohol, sexual perversions and etc. The most widespread is the habit of smoking. Using of tobacco is the main cause of complicated diseases of lungs cancer, emizema, nosethroat and upper respiratory tracts. The most endangering quality of smoking is the danger for passive smokers as well (for persons which are in the same room with smokers) and especially for women and children. By the summarized results of survey connected with health problems and conducted by NSSRA in 2002 the bad habit of smoking has the following distribution in Armenia.

TABLE 11-1 Distribution of smoking habit, in % from the number of answers

Status of being questioned	Female		Male	
	smoking at the moment of questioning, %	the number of questioned person	smoking at the moment of questioning, %	the number of questioned person
1. Age distribution				
15-19	0.6	1150	20.0	263
20-24	1.5	1007	71.9	215
25-29	2.6	769	74.8	194
30-34	3.9	763	80.4	205
35-39	2.4	962	80.7	237
40-44	5.5	947	80.1	275
45-49	6.1	822	70.6	203
50-54	69.9	126
2. Family status				
never married	1.5	1851	44.7	530
married at the time of questioning	2.8	4125	77.5	1161
formerly married	11.2	455	84.8	28
3. Place of living				
city	4.6	3942	69.4	1024
village	0.6	2488	64.8	695
4. Educational level				
primary/basic general	1.7	593	60.8	245
complete secondary	1.1	2341	65.8	510
specialized secondary	3.2	2295	75.5	588
higher professional	7.3	1201	61.7	376
Total	3.1	6430	67.5	1719

The structure of households consumers expenses (NSSRA, survey of households, 1999 and 2001) shows that expenses of buying tobacco made up about 5.2% of consumers expenses (11.9 thsd. drams for one member) (for comparison, in 1997 11.7 thsd. drams and 4.9% correspondingly). Main part of these expenses in Yerevan the families having 4 and more children under 16 – 7.0%.

Only in 2002 the transference of tobacco per one peson is following (1 packet contains 20 cigarettes)

<u>Import</u>	<u>26.3 packets</u>
<u>Export</u>	<u>2.5 packets</u>
<u>Production</u>	<u>43.8 packets</u>
<u>Total resource</u>	<u>67.6 packets</u>

There are no serious problems in the aspect of alcohol drinks using in the republic. According to the summarized results of 2001 of households survey expenses spirits obtaining made up 0.86% of consumers total expenses (in 1999 – 1.1%).

Characteristic indicators of vodka and cognac (by the measure of “40% spirit” per one person) are following

<u>Import</u>	<u>0.2 litres</u>
<u>Export</u>	<u>1.9 litres</u>
<u>Production</u>	<u>5.2 litres</u>

Because of the lack of exact official information about drug-users it is difficult to give any estimations. However, according to the published information by the police of the RA in 2002 about “Drugs illegal making, acquisition, using, transporting, supplying or realizing” the number of crimes in the republic

connected with the abovementioned made up 131 cases per 100 thsd. people (the growth comparatively with 2001 made up 2.2%).

Certain opinion about sexual perversions could be made coming from abovementioned analysis about diseases communicated by the sexual way.

2. Description of Health System of the RA

A social situation in the republic in last decade was characterized by the abrupt raisings and fallings. It caused by the number of objective and subjective circumstances. In particular the earthquake, following it regional political events, disappearing of social-economical multifunctional horizontal and vertical relations as a result of the Soviet Union downfall, continueing till now hard blockade, fall of social-economic system in the result of long-term economical crisis, transition to free-thinking relations, imperfection of legislation (more exactly the absence of one) were reach soil for health system disorganization. A number of central multiprofile hospitals, polyclinics, a number of rural ambulancies got out of order and stopped their activity. Primary medical care as a primary link of population diseases lost its advantage. Strong polarization of population, large-scale impoverishment made wide strata of population insolvent. In addition to this fast distribution of requiring payment medical services promoted the deprivation that numerous mass of population is not only the possibility of elementary medical services use but also of obtaining primary necessity. Even more, a market of medicines became practically uncontrollable and was overwhelmed with out of date and bad quality medicines. Folk medicine, herbal remedies treatment and selftreatment got developed.

With assistance of World Health Organizatoion the number of social organizations (in particular “MSF” and etc.) some medical institutions were reestablished, some new ones were organized, humanitarian aid became widespread. Enlivening of economical life in the republic beginning from second half of 90s gave a possibility to expand medical aid to insolvent population in the frames of public orders, invest legally fixed system of flexible discounts in the health system.

Thus, in health system of Armenia, which on the one hand is characterized by its volume and availability, on the other hand has a lot of circumstances which brought to certain complications. Namely

- the presence of acting in the country permanent medical institutions are baselessly superlarge units in the small in numbers urban residences, professional distribution inside of them;
- for non-official, “accepted under certain conditions” payments made to medical personnel and for necessary medicaments and medical supplies obtaining in conditions of free of charge medical service (also permanent medical service);
- additional expenses of population for getting necessary medical service, e. g. transport expenses connected with examination and/or permanent medical points reach, for staying by necessity in medical institutions; during the certain period;
- non-modern equipment and low quality of medical service of medical institutions in conditions of medical service’s quality’s non-effective control require more than one visits, additional expenses connected with non-received treatment complement and other factors became serious causes for bringing to additional complications on the way of social-economic upcoming changes;

In the life of country in the period of free-thinking economy’s forming, beginning with 90s, the following problems were added to the abovementioned ones in the being reformed health system:

- problems connected with process of administrative centralization of health system conditioned by the process of reforms;
- problems of legislation’s improvement connected with the field;
- problems conditioned by the privatization of health institutions (mainly medical);
- problems of medical personnel policy;
- problems connected with medicines’ market;
- problems of health system’s functional management’s and medical service’s quality control’s mechanism’s improvement in new situations;
- problems of state sponsored medical services ‘ “formal character”, reality of occuring everywhere requiring payment medical service (payments, sizes of which in many times exceed actual incomes of population), medical services availability in conditions of populations mass impoverishment and etc.

A fundamental principle of health system's development (which includes also the solvation of all abovementioned problems) is the preservation of internationally approved basic means of health system (of health's as human being's constitutionally fixed right and the norms coming from it). It is expressed in the fact that population health hasn't been considered yet as a constitutional right of human being and state-sponsoring is not sufficient. Population, it seems, had lost perception of healthy way of life as the main factor of health protection. A system of morbidity's prevention also acts quite effectively.

The system of different kinds of aids' distribution's managing (material and technical as well) also has a need of serious regulation.

The most important problems of reforms is the one of system's informational bases running improvement, the one of given information's reliability and drive increase, the one of summarized information's availability (public availability) ensurance and the one of administrative (on marzes' level) reference register's improvement as well.

There are also some serious progresses but they seem to be unnoticed against the background of existing problems.

Health System Information

Information about health system and its activity is aggregated according to administrative astatus regulated by the RA law "About State Statistics". Information is allotted by health system objects – independently of departmental subordination and form of property (organization-legal form). Statistical information is aggregated by about 37 administrative statistical forms which are approved by the RA Statistcal State Council (SSCRA) and registered. Among them 1 is monthly (about infectious diseases), 1 is quarterly (results of investigations about AIDS/HIV), 1 is half-yearly (professional poisonongs and professional diseases), the remained ones are annual reports. Final treatment of information is realized by the Ministry of Health of the RA, which composes summarized reports and publishes reference year-book. Choice of indicators was made according to WHO, other international structures and statistical demands. Aggregation of information by the use of health system's marzes' structures and allotment to the international center of Ministry of Health of the RA is realized via electronical network. Drive and integrity of giving information ensures annual programs of statistical works approved by SSCRA.

Indicators characterizing the activity of health system (specific, e.g. for one person) are calculated by the joint methodology coordinated with SSCRA.

A system of diseases' encoding is based on the 10th variant of International Classificator of Diseases (ICD).

Taking into account that there are cases of diseases', deaths', abortions' and etc. not being registered, conditioned by any reasons, their exposure is realized by the use of separate sample surveys (e.g. households, health system, separate strata of population and etc). Meanwhile limitations of financial assistance don't give a possibility to their periodical realization and it is sometimes difficult to consider the reliability of information as a sufficient one.

In 90s in health system some new indicators were included which was conditioned by the expansion of some diseases, by the interests of information's consumers, and by research reasons as well. In particular the danger of AIDS/HIV, broadening of health recovery processes, expansion of diseases conditioned by negative changes in environment (local ones yet) and appropriate sanitaryepidemiological measures' expansion and etc. In the nearest future work will be done to input indicators which will characterize, in particular, diseases conditioned by stresses, global environmental changes (e.g. radiation disease, allergic diseases) and etc.

System of Medical Service

Health system of the republic includes health (medical, preventive, recovering and other) objects belonging to the Ministry of Health of the RA, to the other departmental, state and local authorities, to juridical and physical persons.

It's an out-patients' clinical/polyclinical system aimed to the early revealing prevention of population diseases and to polyclinical/out-patients' clinical check-up's realization of population having certain diseases. 99% of out-patients' clinical-polyclinical institutions working in the republic at the beginning of 2002 (459 units) falls on the Ministry of Health of the RA.

The number of ambulant-polyclinical institutions in 1993-2000 decreased annually in average by 2.2% and in 2002 comparatively with 2001 – by 8.2%. In 2002 in the republic there are in average 14 out-patients' clinical-polyclinical institutions per 100 000 population

Out-patients' clinical -polyclinical institutions per 100 000 population

	<u>01.01.1991</u>	<u>01.01.2002</u>
Out-patients' clinical -polyclinical institutions	14.6	14.2
from them working in hospitals' system	3.9	2.2
Separated out-patients' clinical -polyclinical institutions	7.9	10.2
from them polyclinics	1.0	2.4
out-patients' clinics	6.1	7.1
children's polyclinics	0.3	0.5
women's consultations	-	0.0
of other type	-	0.1

In state of 2002 beginning maximal number of out-patients' clinics -polyclinics per 100 000 population is in the Syunik's marz – 22.1; minimum is in Shirak – 14.8 and Yerevan – 6.5.

Important characteristic of out-patients' clinical -polyclinical institutions is also their systematic (intended capacity) that is project ability of patients' receiving during the shift. Only in 2001 those institutions could serve about 10 mln. patients. Patients made up 6.67 mln. or 66.7% of possibilities was used.

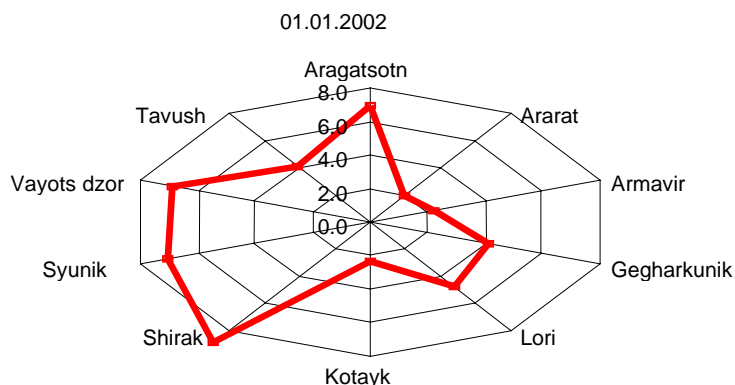
Intended capacities of out-patients' clinical -polyclinical institutions and annual visits per one person

	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Total capacity	45655	46834	46596	45767	46163	45561	44569	43366	42890	39347	38506
Annual visits, thous	7.8	5.5	5.0	4.8	4.6	3.2	2.4	2.3	2.1	1.8	1.9

In rural residences out-patients' clinics are fundamental institutions of primary medical service (sometimes of complete medical service as well) (as a rule hospitals are in the urban residences). At the beginning of 2002 more than 98% (224) of 228 out-patients' clinics working in the republic, are in the rural residences. Maximal quantity per 100 000 rural residents is fixed in Syunik – 30.9; minimal – in Shirak – 11.9.

For the more obvious presentation of distribution picture it is necessary to mention that not in all the rural residences there are out-patients' clinics and it somehow assists to the reduction of availability. In comparatively worse situation is Shirak (on 9 rural residences there is 1 out-patients' clinic), Syunik, Aragatsotn, Vayots Dzor (7) and in comparatively good condition is Ararat, Armavir and Kotayk (2)

Average quantity of rural residences served by one out-patients' clinic, by marzes



Average in the republic – 3.9

Activity of out-patients' clinical -polyclinical Institutions

Absolute maximal values of main indicators characterizing an activity of out-patients' clinical - polyclinical institutions (visits of populations, home –visits of doctors and etc.) were fixed in 1986 (indicators of following table were 10502, 9400, 847, 10.4 correspondingly)

Activity of out-patients' clinical -polyclinical institutions of the system of the Ministry of Health of the RA, 1999-2001

	1990	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Number of visits, per 1000 population	7945.9	5529.4	5042.3	4827.3	4627.9	3233.1	2380.2	2313.6	2052	2074.2	1944.9
from them – out-patients' clinics' hours	7003.8	4975.1	4608	4356.8	4206.5	2848.2	2075.8	1985.4	1768.5	1794.0	1677.8
Number of doctors' home-visits, per 1000 population	688.4	422.0	337.3	372.2	322.2	289.3	210.1	220.7	193.9	192.6	176.6
Number of average annual visits of one person to the out-patients' clinical - polyclinical institutions	7.8	5.5	5.0	4.8	4.6	3.2	2.4	2.3	2.1	1.8	1.9

*- Calculations are made taking as a base summarized data of 2001 census, and the else is data of population's current statistics.

Decrease of visits more likely not the result of population's health condition's improvement but of the one of less availability. The latter is the result of not only abject poverty of wide strata of population but of the lack of physical availability came from not effective distribution of health institutions. And poverty is a serious cause of increase of vulnerability towards diseases. If we take into account that especially the remote rural population had to make several visits for the complete diagnosis (time sequence of professional examinations, time period necessary for sample results' receiving and etc), then in the extreme cases visits' being' more possible will complete the situation.

Maximal levels of actual check-ups of children liable to profilactic check-up was fixed in 1986 – more than 97%. By the number of objective and subjective reasons this indicator at the beginning of 90s reduced up to 92% and keeping on to reduce, made up 58.5% (1998). A situation has changed to the better in recent years.

Directions of out-patients' clinical' and polyclinical system's development

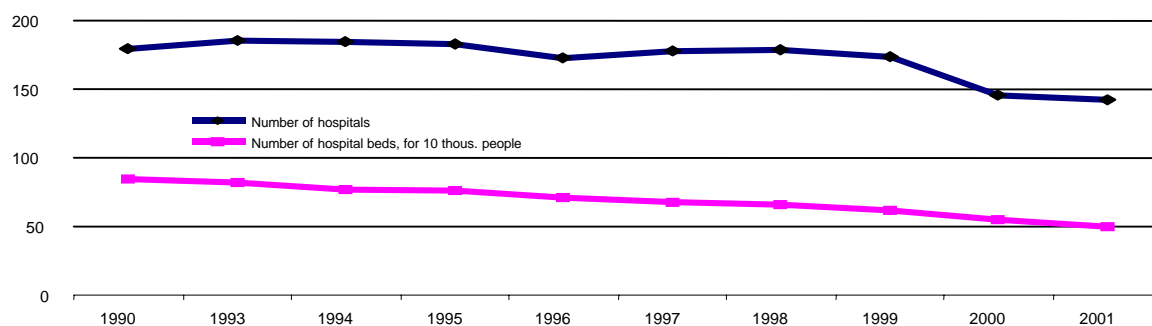
Development of out-patients' clinical and polyclinical system as a direction of diseases' early revealment and prevention, and health protection, includes:

- make it available. Make according institutions come up to population (in particular with the use of shifted diagnostic means), define low tariffs for examinations and diagnosis, or make them free of charge if possible, that is strengthen integral public financing in this field. Availability of permanent points of according services in all the residences as a strategic problem;
- keep on improvement of out-patients' clinical and polyclinical system. In short-term period move away discrepancies between out-patients' clinical, out-patients' clinical-polyclinical and hospital services, especially in regional section, visually deepening in the result of system's decentralization process;
- improve the quality of diseases' prevention and their diagnosis;
- input the system of permanent daily medical service;
- input the standards according to international norms;
- input personnel's flexible policy . Very important is a problem of preparation of qualitative personnel appropriated to new demands (training);
- input of the system of family medicine. This innovation suggests the preparation of appropriate medical personnel (doctors, nurses, appropriate serving personnel), creation of family doctors' offices in communities;
- ensuring of population's medical knowledge and education. It includes reaization of population's medical education with assistance of mass-media, social organizations, publication and distribution of appropriate easy-understandable and available booklets and etc.

Hospitals' System's Description

Permanent medical treatment of population was realized in hospitals and hospital complexes, maximal quantity of which – 228 –was fixed in the second half of 70s. Overwhelming part of them (99.1%) was in the system of the Ministry of Health.

Number of hospital institutions and hospital beds



Taking into consideration that hospitals of the republic except some are as a rule multiprofiled, so for having more integral impression about permanent medical service it's necessary to consider the number of beds in hospitals with profile significance.

One of important indicators of helath system is also the provision of health institutions with medical personnel.

Hospitals' Activity

The number of taking permanent treatment in hospitals significantly reduces. In 2001 permanent medical treatment of population was realized in 142 hospitals by the Ministry of Health of the RA. From working in the republic 460 out-patients' clinical-polyclinical institutions 456 or 99.1% are subordinate to the latter as well. Medical institutions and their potential are centralized mainly in the largest cities of the republic (mainly in Yerevan – 65.3% of doctors, 31.0% of permanent medical institutions, 55.3% of hospital beds, 10.2% of out-patients' clinical and polyclinical institutions), which causes serious problems in medical services' availability's ensuring for the population of remote residences.

In 2001 with a purpose of permanent medical treatment 186.3 thous. people entered hospitals; their quantity made up 58 per 1000 population. 16.3% of entered hospitals (30.3 thsd.) are 0-14 years old children. Average annual occupation of one hospital bed made up 136 beds/day, and average duration of one patient's treatment – 11.7 beds/ day.

Comparatively high indicators of people entered hospitals in Yerevan is the result of the fact that hospitals' saturation here is more actual, quality of medical service is higher, acquisition of necessary medical supplies is easier. By this reason a part of patients from the residences not far from Yerevan prefers to be treated in Yerevan.

During 2001 183.5 thsd. people (98.3%) were discharged from hospitals, 3.2 thsd. people (1.7%) died. 72198 operations were performed, 14.1% of which fell to 0-14 years old children and made up 10224.

Directions of Hospitals' System Development

Hospitals' system development is aimed to the raising of system's availability, improvement of medical services' quality. It includes

- raising of system's optimal productiveness;
- revision of the number of hospitals and hospital beds – ensuring raising of medical services' and treatment's quality;
- realization of medical services maximal approaching to population;
- input of system of medical institutions or their branches realizing general profilactic medical treatment using the structure of free of charge medical services guaranteed by the State. Hospitals not included in the system of free of charge medical service will have possibility to conduct state orders in narrow-professional field and also develop medical aid requiring payments;
- stimulation of specialized medical institutions' and services' development;
- input of international health standards;
- input of health insurance;
- improvement of medical personnel's preparation and reparation process (requalification as well) and etc.

Agenda of health system's optimization (was approved by the decision of the Government of the RA number 80 of February the 5th, 2001) suggests using the savings made from the number of medical constructions' setting free, their preservation and maintenance expenses and cut down rates mainly of making health regional system more actual, recovering and protecting of needy population's health. Only in 2001 in the RA marzes 104 medical institutions were liquidated, 1882 rates and 3982 beds were cut down, lightly loaded divisions got united.

First-aid

The aim of this service is assignment, by calls, of twenty-four-hour's immediate medical aid to the population on the spots or, if necessary, transportation of a patient to hospital.

First-aid in the republic is realized by the use of special created stations (ambulancies), quantitative changes of which in recent years had only technical (mainly transportal) reasons. They work in all the cities of the republic, in the centers of marzes and former administrative regions – as a rule in the residences where there are hospital institutions.

Dental Service

Dental service in the republic is realized by more than thirty separated dental polyclinics and numerous non-public and private dental services, where we have the lack of information about the number of employees. There is also lack of exact information about the patient. All these services require payment. If in the case of other diseases a part of patients is sometimes satisfied with advice of people which are not doctors then in this case apply to doctors is out of question.

Medical Insurance

This new in Armenia approach to medical services' rendering pursues mainly the aim of creating possibility of health system's development, medical service's improvement for out-of-budget means. With 2000's voluntary medical insurance in 2001 compulsory medical insurance's input is suggested (raising it up to 90% enrollment in 2006) which will give possibility to increase significantly public allotations for primary medical assistance. That is insurance (voluntary and compulsory as well) will be mainly directed to hospitals and budget allotations – to primary medical assistance which corresponds to international experience and to essence of insurance and budget.

Sanitary Antiepidemiological Service

This system provides sanitary check-up, sanitary hygienic and antiepidemiological measures' development and realization. The service provides prevention of environment from polluting emissions, current and preventive public check-up, preservation and conducting of population's activities, mode of life, education, recovering conditions and sanitary-hygienic norms and standards of separate organizations and persons.

Complex sanitaryepidemiological measures of this service are directed to prevention of acute intestinal diseases' spreading (including water outbreaks). Analysis of sanitary-technical condition of the republic's water supply system and water outbreaks of registered acute intestinal infectious diseases shows that it has technical causes, which bring to the secondary pollution of potable water. That is water of potable water storages reaches the consumer in polluted, containing microbes condition (in particular because of mixing of potable and sewerage water in the result of water supply system's damages). According to the data of the republic's sanitary service, if in 1996 52% of water supply system didn't satisfy the demands of sanitary norms, then in 2001 this indicator reached 60.4%. Not satisfaction of potable water to the microbes-contents' norms' requirements in the same period increased from 13.4% up to 14.9%. Condition of rural residences' water supply system is in comparatively bad state, and abovementioned indicators for it were exceeded in average by 5% in 2001. As a result in 1992-2001 more than ten cases of group outbreaks of infectious diseases were fixed in the republic.

Serious work was done in the direction of food poisonings' prevention which were the result of bad quality food's import at the beginning of 90s. In the result of joint work with the RA Customs-house it was

prevented. Separate cases registered in 2000s (botulism and toadstools' poisonings) were mainly the result of sanitary norms' breaking during food conservation in house conditions.

Forming on state level interdepartmental counteraction in the field of AIDS/HIV epidemy's prevention became a base of national strategy in the field. Process of information's receiving in this field was somehow improved. In 2001 5 people with AIDS were registered in the republic and 33 HIV -bearers.

Activity of Pharmacies and Market of Medicines

The law of the RA "About Medicines" (20.09.2000) and future included acts and other adjacent laws gave a possibility to regulate a market of medicines in the republic which in the result of non-organized activity at the 90s was overwhelmed with out of date, not allowed for use medicaments and medical supplies. Acceptance by the RA Government prescriptions' one-format forms, joint rules of writing out the prescriptions and medicines, , gave a possibility to make check-up of those processes more exact, and many private business undertakers and licenced doctors in the result had to write out a number of medicines against mental diseases being in their disposal.

Acceptance of normative document (2002) regulating process of medicines and medical supplies' import and/or their export regulated import and export of all kinds of medicines, namely against mental diseases, radioactive ones, drugs' containing and liable to special stock-taking. In the list of medicines intended to turnover, were included the ones having less purchasing attraction, but very necessary serums and vaccines – preventing their out-of customs import to the country.

Taking into account that population is more inclined to use of herbal remedies (they are cheaper, easier to get) "herbal remedies trade" was regulated and licenced as well, and it should be realized only in places mentioned in the licence, strictly keeping the norms of their preservation (of herbal remedies used as raw materials as well) and breaking of those norms will bring to objectionable results. "Witch-doctors, druggists and pharmacologists" passed a special professional specialization as well.

With a purpose of false and non-registered medicine's sale in the pharmacies' organizations realizing wholesale trade should mention the number of sold medicine's seria in the invoices allotted to pharmacy.

A strategy includes following processes

- input international experience of holding and regulation of medicines' prices;
- ensure constant monitoring of medicines' prices;
- ensure public check-up of medicines' quality;
- ensure input of optimal system of medicaments' treatment;
- expand the number of pharmacies working on humanitarian bases, with a purpose of population's most vulnerable strata's provision with medicines, establish pharmacies on discount's base for children and veterans, provide rational regional distribution of special and small in number medicines;
- input centralized system of technical maintenance of special medical technologies, provide their certification and etc.

Medical Expenses

Public expenditures on health comparatively with GDP didn't exceed the level of 1.5%. In 2001 from the RA State Budget to Health System of the RA 15745.6 mln. drams was allotted, 8893.9 mln. drams of which – to hospitals, 3010.7 mln. drams – to out-patients' clinical and polyclinical institutions, 750.7 mln. drams – to hygienic and sanitaryepidemiologic service, the else – to rendering other medical services to population and to realization of other health programs.

Actual expenses of population on health in several times exceed receipts shown by the medical institutions. Summarized results of 200 patients' questioning who got a permanent treatment in September 1996 show that average expenses of one patient made up 234 USD.

A structure of permanent medical treatment expenses (according to the results of 200 patients' questioning in 1996)

Directions of expenses	Structure of expenses, %	Sum of expenses, USD
Acquisition of medicines	32.7	76
Payments to doctors in charge of the case	32.7	76
Payments to other medical personnel	11.5	28
Official payments	5.3	14
Expenses on transport, food and etc.	17.8	40
Total	100.0	234

According to the summarized results of medical services' and pharmacies' (711) and households' (1887) survey conducted by the NSSRA in 2002:

- According to the results obtained by conducting the survey and estimated relatively with the main combination total incomes received from organizations of medical sphere and organizations realizing retail trade of medical supplies, made up 20651,6 mln. drams in 2001, and expenses – 20469.4 mln. drams. By the estimated result of first quarter of 2002 incomes and expenses of organizations made up 5707.0 mln. drams and 5475.6 mln. drams correspondingly
- According to the results received by the survey and estimated relatively with the main combination, total expenses made by population for current treatment of chronic diseases during the first quarter of 2002, made up 8813.2 mln. drams, from them expenses made for medicines' acquisition – 6221.5 mln. drams (or 70.6% of total), expenses on current treatment of chronic diseases – 2591.7 mln. drams (or 29.4% of total)
- According to the results received by the survey and estimated relatively with the main combination, expenses on medical services made by the RA population (except payments in forms of natural products) by the results of first quarter of 2002 made up 23276.2 mln. drams, from them expenses on medicines' acquisition – 13509.0 mln. drams (or 58.0% of total), expenses on treatment – 9767,2 mln. drams (or 42.0% of total).

Comparison of the results of the surveys of expenses on health made by households and health system's organizations and private business undertakers, brought to following conclusions.

Thus, volumes of medical services consumption shown by households, 6.65 times more than the volumes of the same services assignment by health system organizations and private business undertakers. At the same time according to households survey, indicator of the number of health personnel also exceeds according indicator of organizations' and private business undertakers' survey – this in 1.49 times.

Difference between the volumes of medicaments' acquisition and their sale made up 10.00 times. In the case, when indicator of the number of employees in the field of medical supplies' retail trade, by the results of households' survey was 1.77 times more than indicator estimated according to the survey of organizations and private business undertakers.

Correlating received coefficients about the abovementioned indicators and the number of employees, it is possible also to get such a coefficient which will neutralize the factor of employees' number difference, in consequence of which we have, that:

- ◆ Volumes of medical services consumption shown by households 4.48 times exceed the volumes of rendered to population for its means services, shown by organizations and private business undertakers working in health system
- ◆ Volume of pharmacological supplies' acquisition by households in 5.65 times exceed the number of sale shown by organizations and private business undertakers, running retail trade of pharmacological supplies.