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DISCIPLINARY LIABILITY IN CONNECTION WITH THE EMPLOYEE'S GUILTY ACTIONS

This research provides a detailed comparative analysis of the number of labor disputes and the evolution of Kazakhstan's labor discipline legislation. Key observations include the correlation between stringent disciplinary norms and reduced unemployment, the influence of judicial practices on labor discipline, and the necessity of balancing strict discipline with fair treatment to prevent legal disputes. The findings offer valuable insights for optimizing labor policies to support sustainable labor market development in Kazakhstan. These insights align with the goals of SDG 8, which promotes sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

The purpose of this paper is not only to analyze the current state of the labor market in Kazakhstan but also to propose recommendations for optimizing labor policy, taking into account both current challenges and potential opportunities for sustainable development of the labor market in the country. Based on a wide range of data, including statistical indicators range of unemployment levels, legislative changes, and analysis of judicial practice, we aim to identify correlations and cause-and-effect relationships between labor discipline and market indicators.

Key words: employee, employer, labor, labor law, employment contract, termination of employment contract, labor relations, labor disputes, dismissal, at the initiative of the employer.

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Жұмыскердің кінәлі әрекеттеріне байланысты тәртіптік жауапкершілік

Бұл зерттеуде еңбек дауларының саны мен Қазақстандағы еңбек тәртібі туралы заңнаманың эволюциясына жан-жақты салыстырмалы талдау жасалды. Негізгі нәтижелер қатал тәртіптік нормалар мен жұмыссыздық деңгейінің төмендеуі арасындағы байланысқа, сот практикасының еңбек тәртібіне тигізетін әсеріне, сондай-ақ сот дауларының алдын алу үшін қатаң тәртіп пен әділ көзқарасты үйлестіру қажеттілігіне қатысты болды. Осы мәліметтер Қазақстанның еңбек нарығының тұрақты дамуын қолдау үшін еңбек саясатын оңтайландыруға қатысты құнды ақпарат ұсынады. Бұл тұжырымдар тұрақты, инклюзивті және тұрақты экономикалық өсуді, толық және өнімді жұмыспен қамтуды және барлық адамдар үшін лайықты жұмысқа қол жеткізуді қамтамасыз ететін SDG 8 мақсаттарына сәйкес келеді.

Зерттеудің мақсаты Қазақстандағы еңбек нарығының қазіргі жағдайын ғана емес, сонымен қатар ағымдағы мәселелер мен еңбек нарығының тұрақты дамуы үшін әлеуетті мүмкіндіктерді де ескере отырып, еңбек саясатын оңтайландыру жөнінде ұсыныстар жасау болып табылады. Жұмыссыздық статистикасын, заңнамалық өзгерістерді және сот тәжірибесін талдау арқылы біз еңбек тәртібі мен нарық көрсеткіштері арасындағы корреляция мен себеп-салдар байланыстарын анықтауға тырысамыз.

Түйін сөздер: жұмыскер, жұмыс беруші, еңбек, еңбек құқығы, еңбек шарты, еңбек шартын бұзу, еңбек қатынастары, еңбек даулары, жұмыстан босату, жұмыс берушінің бастамасы бойынша.

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Дисциплинарная ответственность в связи с виновными действиями работника

В этом исследовании представлен подробный сравнительный анализ количества трудовых споров и эволюции Казахстанского законодательства о трудовой дисциплине. Ключевые наблюдения включают взаимосвязь между строгими дисциплинарными нормами и снижением безработицы, влияние судебной практики на трудовую дисциплину и необходимость сочетания строгой дисциплины и справедливого отношения для предотвращения судебных споров. Полученные результаты дают ценную информацию для оптимизации трудовой политики в целях поддержки устойчивого развития рынка труда в Казахстане. Эти выводы согласуются с целями ЦУР 8, которые способствуют устойчивому, инклюзивному и устойчиво развивающемуся экономическому росту, полной и производительной занятости и достойной работе для всех.

Целью данной статьи является не только анализ текущего состояния рынка труда в Казахстане, но и предложение рекомендаций по оптимизации трудовой политики с учетом как текущих вызовов, так и потенциальных возможностей для устойчивого развития рынка труда в стране. Основываясь на широком спектре данных, включая статические показатели уровня безработицы, изменения законодательства и анализ судебной практики, мы стремимся выявить корреляции и причинно-следственные связи между трудовой дисциплиной и рыночными показателями.

Ключевые слова: работник, работодатель, труд, трудовое право, трудовой договор, расторжение трудового договора, трудовые отношения, трудовые споры, увольнение, по инициативе работодателя.

Introduction

Kazakhstan, as a country with a transitional economy and actively developing socio-economic structures, presents a unique interest in the study of labor market mechanisms. In this manuscript, we examine how changes in labor legislation, particularly the strengthening of disciplinary measures and the threat of dismissal, affect the behavior of workers and employers, as well as the overall economic situation in the country.

This study investigates the role of unemployment as a mechanism of labor discipline in Kazakhstan. It analyzes the relationships between the official unemployment rate and the labor legislation reforms regulating labor discipline that have occurred since Kazakhstan gained independence. The manuscript outlines developmental stages of labor legislation concerning labor discipline.

Labor discipline expresses the imperativeness in regulating labor relations. Imperativeness implies the establishment of subordination between the subjects to whom the legal norm is addressed. In labor law, these are norms about the disciplinary responsibility of employees to the employer. The application of types of disciplinary responsibility depends on the subjective discretion of the employer.

In labor legal relationships, all parties start with equal legal standing. However, conflicts inevitably

arise, and when a violation occurs, the employee falls under the authority of the employer, who is empowered to enforce disciplinary measures. Historically, labor law developed to safeguard workers from severe exploitation by employers. Consequently, when enforcing disciplinary actions, it is crucial to maintain a fair balance between the employee's misconduct and the penalties imposed by the employer, while adhering to established procedures for accountability.

Employee discipline is intended to enhance labor and production discipline, thereby boosting the efficiency of the work process (Putra et al., 2021; Arif et al., 2019; Prayogi et al., 2019). Standard microeconomic theory of the labor market suggests that unemployment acts as a mechanism of labor discipline in developed countries (Lindbeck, 1993; Shapiro & Stiglitz, 1984). What does this mechanism look like in Kazakhstan? This paper attempts to answer this question by constructing a theoretical pattern that characterizes the level of unemployment and the state of legal regulation of production discipline at workplaces. The independent variables in this study are the level of regulation of production discipline at workplaces. The independent variables in this study are the level of regulation of disciplinary responsibility of employees and the country's unemployment rates. Changes in Kazakhstan's labor legislation have significantly influenced the

dynamics of the labor market and the level of unemployment in the period after the country gained independence. However, measures of disciplinary responsibility, including the risk of dismissal, while important, are just one of many factors affecting this market.

Labor discipline is regulated by several methods of legal regulation, i.e., techniques and ways of the state's influence on legal subjects and the nature of social relations. This set of techniques and methods combines persuasion and coercion, which are manifested in such ways of establishing the nature of legal relations as the equality of the subjects of the legal, relationship, or the relationship of authority-subordination, as well as methods of influence on legal subjects – in the form of permission and stimulation, prohibition and prescription. In the system of techniques, prohibition, prescription, permission, stimulation acts as full-fledged ways of regulating the behavior of employees. However, in the Labor Code of the Republic of Kazakhstan of November 23, 2015, №414-V (LC RK), prohibitions and prescriptions are given significantly more attention, including the procedure for bringing to disciplinary responsibility. In Kazakhstan's labor relations practice, coercive measures, bolstered by the threat of disciplinary action, are predominantly employed. Considering the essential elements of labor discipline, we explore various academic questions: the role of labor discipline in securing employment, the interdisciplinary issues related to employee disciplinary responsibility, and the interactions between labor discipline, employee terminations, and appeals to labor courts.

Materials and methods

The research is based on a comprehensive analysis of statistical data, legislative acts, and judicial practices in Kazakhstan. Data sources include official statistics on unemployment and labor disputes, an analysis of changes in the Labor Code of Kazakhstan, and a review of judicial decisions related to disciplinary sanctions and dismissals. To achieve the objectives set forth in this article, the research is grounded in a comprehensive analysis of statistical data, legislative acts, and judicial practices in Kazakhstan. This approach facilitates the identification of relationships between unemployment levels and changes in labor legislation that regulate disciplinary responsibility in the labor market. Data for the study were sourced from several channels: Official statistics, which include data on unemployment and

labor disputes provided by the National Statistical Bureau and the Supreme Court of the Republic of Kazakhstan.

Literature review

Our analysis extends beyond merely assessing unemployment in the labor market and its relationship with labor discipline. We conducted an analysis of the content of labor discipline legislation, both more and less stringent, through its historical development and examined levels of unemployment. In particular, they investigated: Daekin (2010), (Pedaci, 2010), (Putra et al., 2021), (Lindbeck, 1993), (Ljungqvist, 2002), (Leigh, 1985; Askildsen et al., 2005), (Cappelli & Chauvin, 1991), (Khamzin et al., 2019), (Shapiro, C., & Stiglitz, J.E. 1984), (Khamzina & Buribayev, 2020). The existing literature affirms that labor discipline and the threat of dismissal serve as critical mechanisms for regulating the labor market. In Kazakhstan, reforms aimed at tightening disciplinary measures have significantly influenced the reduction of unemployment levels and enhanced overall labor productivity. However, it is crucial to acknowledge that the impact of these measures does not occur in isolation but rather within the context of a comprehensive set of policies and economic conditions, necessitating a critical analysis of causal relationships in the development and implementation of labor legislation.

Result and discussion

Examining the role of unemployment as a tool for worker discipline is a novel approach for Kazakhstani social science, given in varying degree of employment guarantees offered by Kazakhstani legislation on the protection of workers' rights. Taking into account the level of unemployment and the content of Kazakhstani labor legislation on labor discipline (a liberal or strict approach to legal regulation during different periods of legislative development), we explore the relationship between changes in legislation on disciplinary offenses and the level of unemployment (at the national level).

Shapiro and Stiglitz (1984) demonstrate that unemployment can serve as a "mechanism for labor discipline" within the framework of moral hazard. The threat of unemployment diminishes the likelihood of employees shirking their responsibilities in regions with high employment levels, where finding a new job after dismissal would be challenging. Conversely, in tight labor markets, the risk of shirk-

ing behavior increases due to the ease of finding alternative employment.

Empirical evidence linking unemployment levels to various factors influencing employee behavior is limited due to the complexity of monitoring such behavior. Research by Cappelli and Chauvin (1991) revealed an inverse relationship between local unemployment rates and the frequency of disciplinary actions across different plants of a major American corporation. Other studies have explored the connection between regional unemployment rates and individual absenteeism, treating absenteeism as a breach of labor discipline. Workers in areas with high unemployment are likely to minimize absences to avoid increasing their risk of job loss (Leigh, 1985; Askildsen et al., 2005).

There are conclusions from the analysis of the general equilibrium of firing costs on employment outcomes. Firing costs borne by the employer tend to increase employment (Ljungqvist, 2002). Higher wage premiums are associated with lower levels of work shirking, as measured by disciplinary dismissals. Labor discipline in workplaces is better where labor market conditions increase the costs associated with job searching and make it difficult to find alternative employment (Cappelli & Chauvin, 1991).

Pacitti's (2011) results show that unemployment disciplines both the unemployed and current workers. The impact of unemployment on labor discipline and on the prohibition of counterproductive behavior of workers is assessed as positive.

Studies (Pedaci, 2010; Kimball, 1994, 1989) discuss that disciplinary responsibility is an important element in maintaining order and efficiency in workplaces. However, it cannot be considered the sole factor affecting the labor market, as other aspects, including economic policy, education, and technology, also play a significant role. The labor market functions as a result of the interaction of many factors, including legislation, economic conditions, the education level of the workforce, and technological changes, where no single element, including disciplinary responsibility, acts in isolation.

Kazakhstani labor legislation has undergone several stages of reform in terms of changing approaches to labor discipline regulation. The first stage: the post-Soviet period of 1991-1999 is characterized by a liberal approach to the regulation of labor discipline. The second stage: 2000-2006 is characterized by an even further weakening of legal regulation of labor relations, with limited state involvement in the regulation of labor discipline. During the period of 2007-2015, the first Labor Code of

the Republic of Kazakhstan was in effect, establishing clear rules for disciplinary responsibility, and increasing by two and a half times the number of disciplinary offenses for which employee dismissal is permissible. The period from 2016 to the present is characterized by an increasing level of legal regulation in this area.

The main socio-economic indicators of the Republic of Kazakhstan regarding the unemployment level have been available since 1994 (Bureau of National Statistics, 2023). In the period of 1994-1999, the average unemployment rate was 11.9 percent. In the period of 2000-2006, it averaged 9.4 percent with a significant variation by year, namely 12.8 percent in 2000 and 7.8 percent in 2006. In the period of 2007-2015, the average registered unemployment rate was 5.8 percent. In the period of 2016-2023, the average unemployment rate was 4.9 percent.

Thus, we find a correlation between the content of the liberal labor legislation regarding labor discipline in the period of 1991-2006 and the high level of registered unemployment. A strong connection has been established between the tightening of disciplinary responsibility, as provided for by labor legislation from 2007 to the present, and the reduction in the level of registered unemployment.

That is, the strengthening of disciplinary responsibility, increasing the employer's authority when bringing to responsibility, has positively influenced the level of unemployment in the country in the context of Kazakhstan's developing market, with its indicators decreasing.

Our data confirm the hypothesis about the influence of strict labor discipline legislation on increased productivity and the formation of a fear of dismissal. Strict discipline in the workplace and the threat of dismissal motivate employees to be more productive. This, in turn, can strengthen the company's financial position and reduce the need for layoffs, potentially lowering the unemployment rate. When employees fear losing their jobs, they may be less inclined to seek new opportunities or demand higher wages. This can lead to reduced employee turnover and, consequently, a lower unemployment rate.

However, it should be noted that on the other hand, excessively strict discipline and constant threat of dismissal can create a toxic work environment. This may increase employee turnover, intensify stress among workers, and worsen overall productivity, which in the long run could increase the unemployment rate. When the threat of dismissal is significant, employees may be less inclined to take risks by transitioning to new jobs, reducing work-

force mobility and potentially leading to an inefficient allocation of labor resources. In countries with strong legal protection against unfair dismissal, including Kazakhstan, the threat of job loss may be less significant, which could contribute to a higher unemployment rate, as it may be more difficult for companies to terminate in effective employees.

The influence of various aspects of legal regulation on unemployment rates and labor market dynamics is multifaceted. Previous studies have shown that there is no consistent link between overall labor legislation and unemployment levels in developed countries. However, specific elements of labor regulation might contribute to lower unemployment rates. For instance, regulations concerning working hours can lead to reduced unemployment through better work distribution and enhanced labor productivity. Similarly, laws related to workers' representation may improve employee motivation and morale, potentially leading to better labor market outcomes. Evidence suggests that labor laws can enhance firm-level efficiency and positively impact macroeconomic indicators (Daekin et al., 2014a; Daekin et al., 2014b).

Moreover, there is considerable evidence regarding the effects of stringent employment termination laws on economic performance. Research indicates that laws governing the ease of dismissing employees can affect firm-level innovation. For example, in the United States, more flexible dismissal laws—those that simplify contract termination procedures—are associated with increased innovation, as measured by patents and inventions (Acharya et al., 2013). Scientific studies (Levi et al., 2013; Davies & Collins, 2002; Mačernytė-Panomariovienė et al., 2022) typically find that the unification and strict regulation of labor relations provide greater protection for workers' rights and stability in labor relations. This can contribute to a reduction in unemployment levels and its stabilization.

Worldwide, there is growing recognition of the need for labor regulations to protect workers from unfair or arbitrary treatment and to enable effective negotiations between employers and employees. Labor legislation is not simply a matter of external mandates from governments or international agreements but is deeply connected to how labor markets operate and the developmental paths of countries. A major shift in recent decades has been the rise of non-standard employment forms, including part-time, temporary, and seasonal work. As we can observe, while the number of cases of these forms of employment has increased, countries are also enact-

ing laws to protect workers in non-standard employment, particularly by introducing requirements for equal treatment of part-time workers with full-time workers, as well as for permanent employees and temporary agency workers. This is a global trend, although it is most pronounced in Europe (Adams et al., 2015, July; Adams et al., 2019).

During the financial and economic crisis of 2008-2010, numerous EU member states—especially those that had not revised their employment protection laws before the crisis, unlike Germany—eased or reduced regulations related to both individual and collective dismissals. These adjustments were frequently paired with changes in working time arrangements, alterations to laws concerning atypical employment, decentralization of collective bargaining systems, reforms in unemployment insurance, and restructuring of public services. Additionally, atypical employment rules were reformed in countries like Poland, Portugal, Romania, Slovakia, and Spain. Germany had initiated similar reforms earlier (the so-called Hartz reforms from 2003 to 2005) with significant consequences for increased employment instability and impoverishment of the working population (Dorre & Schmalz, 2013). Other negative changes in legislation included reforms of probationary periods (e.g., in Portugal and Romania). Furthermore, special rules were established for small enterprises (e.g., in England and Spain), which, in general, exempted them from the scope of employment protection laws. Additionally, public services underwent structural reforms as part of the European Commission's austerity program. Collectively, these reforms, along with changes in dismissal and collective dismissal rules, significantly eroded the protective role of labor legislation (Showmann, 2014).

Despite the aims of recent reforms, they have not succeeded in reducing labor market rigidities or promoting economic recovery. Instead, these reforms have led to adverse effects, such as increased instability and growing poverty among workers (Clauwaert & Schomann, 2012; Laulom, 2013; Cazes et al., 2012). Evidence indicates that relaxing regulations on individual and collective dismissals, along with changes to atypical employment, unemployment benefits, and public sector restructuring, has resulted in more layoffs, higher youth unemployment, worsening working conditions, lower wages, and reduced protections from collective bargaining. According to Ramaux (2012), this situation reflects an "intellectual delay," where continued neoliberal reforms exacerbate existing economic and labor

market issues. Barnard (2013) further contends that the deregulation drive, particularly by right-leaning governments, represents a significant issue with national labor law, as seen in the United Kingdom, Portugal, and Hungary. This pursuit of deregulation, often framed as a quest for freedom, frequently prioritizes employer interests over worker protections, thereby undermining the core principles of labor law (Schomann, 2014).

The above conclusions of scientific research were developed based on the assessment of the previous global economic crisis that occurred fifteen years ago. The findings reveal that factors such as adherence to a particular legal system of labor law, normative traditions of employment regulation, or established practices of worker social protection are not the primary determinants in handling adverse economic conditions. Instead, the effectiveness of legal regulatory measures is the key factor (Khamzina & Buribayev, 2020). At the same time, labor law liberalization during crises leads to negative social consequences in the labor market, such as an increase in unemployment.

Studies like “The Impact of Labor Legislation Liberalization on the Quality of Work Life (as exemplified by Russia and Kazakhstan) (Golovina, 2021) and others (Ismoilov, 2020, 2021; Djankov & Ramalho, 2009) indicate that labor law liberalization often results in increased labor market flexibility. However, it can also contribute to employment instability and the growth of temporary or informal employment, potentially leading to increased unemployment.

Thus, it is evident that over the 32 years of Kazakhstan’s independence, labor law liberalization has been linked to an increase in the unemployment rate. Conversely, efforts such as codification, standardization, and the enforcement of stringent labor regulations have been associated with a notable reduction in unemployment and its stabilization. Therefore, enhancing disciplinary measures should not be viewed as a standalone factor affecting the labor market; rather, its impact is mediated through various mechanisms. While labor discipline and the prevention of counterproductive workplace behavior are significant, they are not the only factors influencing the labor market.

A key aspect of our analysis involves examining the interplay between labor discipline, terminations, and the cases filed in labor courts. This study analyzes how these factors interact and highlights significant patterns and trends based on the data. Understanding the relationship between labor dis-

cipline, terminations, and legal actions related to labor issues is essential for the functioning of the labor market. Insights into these connections can be highly beneficial for employers, employees, and lawmakers.

According to the Labor Code of the Republic of Kazakhstan, when disputes arise between an employee and an employer regarding the application of disciplinary measures, the employee has the right to sequentially seek resolution through a specially established body for individual labor disputes – the conciliation commission, and the court.

The Constitution of Kazakhstan guarantees the right to judicial protection, including in the field of Social – labor relations. Challenging disciplinary measures is one of the common types of legal disputes, as well as demands considered by conciliation commissions.

The study was conducted based on the analysis of data collected from various sources, including statistical data, labor inspection reports, and judicial statistics. The analysis covers data from the 10 years and includes both quantitative analysis.

For this section of the study, we utilized data from the Committee on Legal Statistics and Special Records of the General Prosecutor’s Office, covering a nine-year period from 2015 to 2023. This data pertains to the handling of claims related to social-labor disputes by first-instance courts. Nevertheless, the statistical report format (Form 2 Report on the Consideration of Civil Cases by First Instance Courts) does not provide a separate breakdown for details specifically pertaining to appeals against disciplinary actions. Consequently, we had to rely on the available data as our primary source. In this context, a labor dispute refers to any case brought before the appropriate judicial authority during the reporting period that involves disagreements between an employee and an employer, including former employees, concerning the application of labor laws in Kazakhstan, the execution or alteration of agreements, labor or collective agreements, and employer actions.

Using Form № 2, “Report on the Consideration of Civil Cases by First Instance Courts,” we can effectively track the procedural progress of labor disputes within each reporting period. This form enables the classification and analysis of labor disputes reviewed by first-instance courts, including various types such as: reinstatement of dismissed employees, including wage payments; disputes related to wage and other payments; and challenges to orders imposing disciplinary measures for corruption of-

fenses. However, it is apparent that the classification in Form № 2 has limitations. Specifically, disputes regarding reinstatement at work are grouped under the broader category of reinstatement of dismissed employees, which also includes wage payments. Similarly, disputes over wage payments and other financial claims encompass those involving reinstatement of dismissed employees and associated wage payments. The criterion of Form № 2 “the number of disputes challenging orders imposing disciplinary measures for corruption offenses” is not very informative, as the corresponding number of applications

is negligible relative to the total number of labor disputes and has little significance for conducting analytical reviews (except, perhaps, satisfying the specific interest in determining the number of challenged court orders imposing disciplinary measures for corruption offenses). Furthermore, the inclusion of this criterion in Form № 2, without separately specifying the criterion of disputes “challenging orders imposing disciplinary measures,” i.e., in the absence of coverage by statistics of a significant group of labor disputes, obscures the analytical potential of judicial statistics.

Table 1 – Information on the consideration of labor disputes by first- instance courts (includes data from the “Labor Disputes” and “Disputes over compensation for injury or death of a citizen in connection with the performance of labor duties” columns of statistical Form №2 “Report on the Consideration of Civil Cases by First Instance Courts”; Khamzina et al., 2020; Khamzin et al., 2019).

Calendar period, year	Number of applications regarding labor disputes received during the reporting period	Including			On compensation for damage to the health or death of a citizen in connection with the performance of work duties	Total number of applications regarding labor disputes received by the courts during the reporting period (columns 2+6)
		About payment wages	On reinstatement of dismissed employees, including payment of wages	Other labor requirements, including on challenging disciplinary sanctions		
1	2	3	4	5	2	3
2012	8822	3497	2450	2875	8822	3497
2013	9492	3712	2477	3303	9492	3712
2014	10033	4293	2322	3418	10033	4293
2015	10120	4429	2007	3684	10120	4429
2016	8498	4108	1131	3259	8498	4108
2017	8445	4683	1167	2595	8445	4683
2018	8047	4191	1048	2808	8047	4191
2019	7855	3344	1048	3463	7855	3344
2020	7388	3075	1072	3241	7388	3075
2021	7918	3503	1015	3400	7918	3503
2022	7370	3324	918	3128	7370	3324
2023	6407	2252	890	3265	6407	2252

The statistical Form №2 used by the courts of Kazakhstan is not very informative in terms

Of determining information about the consideration of various types of labor disputes. In our view, Form No. 2 needs to be supplemented with criteria for lawsuits related to job transfers, changes in working conditions, as well as information about lawsuits related to job transfers, changes in working conditions, as well as information about lawsuits related to the fulfillment of employment

contracts. The statistical form should accurately reflect the distribution and frequency of various individual labor disputes in practice. To achieve this, the most effective categorization of the “Labor Disputes” criterion in Form №2 would include: reinstatement of terminated employees, disputes over disciplinary actions, job transfers and changes in working conditions, enforcement of employment contract terms, and issues related to employee liability.

However, the available data allowed us to conduct a comparative analysis of the number of disputes and the dynamics of the content of Kazakhstan's labor discipline legislation, which shows the following results.

Firstly, strengthening the legal regulation of labor discipline, introducing detailed regulation of disciplinary measures, did not lead to a reduction in court cases.

Secondly, in the long term, strict regulation of the application of disciplinary penalties leads to an increase in the number of cases related to unfair dismissal and appeals against disciplinary penalties.

Thirdly, in the context of Kazakhstan's conditions and practices, there is no strict correlation between the severity of disciplinary measures and the frequency of appeals to the court.

Fourth. Most often, appeals to the court to challenge the application of disciplinary penalties and for reinstatement at work are related to the non-compliance with the procedures for applying disciplinary penalties, including termination initiated by the employer.

Fifth. Our research has shown that court decisions on appeals against disciplinary penalties often influence subsequent personnel management practices in companies, affecting how employers address labor discipline issues. In other words, judicial practice and its corresponding reviews become benchmarks for the application of labor legislation in enterprises and institutions.

Our study highlights the importance of compliance with labor legislation and fair treatment of employees to prevent legal disputes. To reduce legal disputes, it is necessary to strike a balance between the severity of disciplinary measures and the protection of worker's rights. The research findings can be used to develop more effective human resource management strategies and improve labor legislation.

Kazakhstan's labor legislation governing disciplinary responsibility has undergone several stages of reform since the country gained independence. These legislative changes reflect significant shifts in the state's approach to disciplinary responsibility and mirror the country's socio-political and economic development.

The first stage, from 1991 to 1999, was marked by the dismantling of the planned socialist economy and the transition to a market economy. During this period, the country's economy experienced stagnation. One of the priorities of state policy was the necessity to establish the institution of private prop-

erty as a fundamental element of market relations. The state adopted privatization of state property as a tool to achieve this goal, which was the only existing form of property involved in economic activities at that time. Consequently, there was a significant change in the structure of labor relations: instead of essentially having a single employer represented by the state, new property owners emerged who simultaneously became employers. Wage labor lost its mandatory characteristic of collective organization, professional unions began to rapidly lose their previously held positions, and the regime of legality in labor relations was not fully ensured. During this period, labor discipline was regulated by the Labor Code of the Kazakh SSR (established by the Law of the Kazakh SSR dated July 21, 1972. Repealed by the Law of the Republic of Kazakhstan dated December 10, 1999, №494), which was characterized by relative leniency towards labor discipline and disciplinary offenses by workers, as well as formalism in enforcing discipline rules. Paradoxically, this state of legislation contributed to the liberalization of wage labor and the involvement of a significant number of citizens in labor relations under new ownership.

The second stage, from 2000 to 2006, is characterized by macroeconomic and political stabilization and economic growth. During this period, the Law of the Republic of Kazakhstan of December 10, 1999, №493 "On Labor" was in effect, which was the most liberal basic labor law in the entire legal history of Kazakhstan. The new conditions for the formation of new property owners and new labor relations required the creation of maximally comfortable conditions for employers, including in terms of freedom to terminate employment contracts and impose disciplinary responsibility on employees. The main purpose of the "On Labor" Law was to consolidate the transition from socialist labor legislation, adopted within the framework of strict state regulation of the economy and the presence of virtually one employer- the state, to new labor legislation that would adequately respond to the requests of actively forming market relations. In the era of the very first steps towards a market economy, capital accumulation, and the privatization process of state property, another law would have hindered the construction of a capitalist structure of the country's economy.

The third stage, covering the years 2007 to 2015, is defined by the introduction of the Republic of Kazakhstan's first Labor Code, enacted on May 15, 2007, №251-III, alongside a period of extensive economic and political stabilization. This stage in-

volved a significant challenge in crafting the Labor Code: it sought to create a legal structure that allowed for self-regulation of labor relations with limited state interference, while still preserving the robust legal protections and workers' rights that had been provided by the state.

The 2007 Labor Code of Kazakhstan marked a significant step forward in regulating labor relations within the country. It introduced several innovations, establishing a framework for social partnership institutions, outlining principles and procedures for collective bargaining, and introducing novel approaches to wage regulation and standardization. The Code also sought to provide robust guarantees and compensations for workers, aiming to achieve a balance of interests between employees, employers, and the state. This codified law, considered transitional at the time of its adoption, aimed to support the country's economic development during a period of significant transition. It was seen as a crucial instrument for ensuring social stability and providing workers with a high level of social protection.

As Kazakhstan advanced through its economic and social transformation, the shortcomings of the 2007 Code became more evident. Starting in 2016, the country entered its fourth phase of development, characterized by the introduction of broad social, political, and economic reforms designed to promote economic growth and modernization. This period demanded a more flexible and dynamic approach to labor relations, one that would encourage both large and small enterprises to thrive, create new jobs, and drive innovation. The 2007 Code, with its focus on large enterprises in traditional industries, was perceived as a barrier to these goals. The inflexibility of the 2007 Code was seen as hindering the development of a modern, agile labor market. The rise of new and diverse forms of labor, including gig work, freelance platforms, and online businesses, required a new framework that could accommodate this evolving landscape. To address these challenges, Kazakhstan adopted a new Labor Code in 2016. The revised legislation sought to establish a more flexible and responsive regulatory framework, highlighting the significance of collective bargaining while ensuring that the state continues to uphold workers' rights and social protections. The new Code sought to promote a more dynamic labor market, facilitating the creation of new jobs and fostering innovation, while ensuring that workers continued to enjoy a high level of social security. The new Labor Code introduces significant changes to employment practices. It places a strong emphasis

on collective bargaining, enabling both employees and employers to engage more actively in negotiating employment terms, fostering a more collaborative and participatory environment. The Code also provides greater flexibility in employment arrangements, accommodating various types of contracts, such as part-time, temporary, and flexible work, in response to the evolving nature of work. Additionally, it enhances protections for workers, ensuring their rights to a safe and healthy work environment, fair wages, and non-discrimination. Moreover, the Code updates labor regulations to address contemporary employment realities, including remote work and digital platforms.

The new Labor Code represents a significant shift in Kazakhstan's approach to labor relations, moving towards a more dynamic and flexible model that better supports the country's economic development goals while upholding the fundamental rights and protections of workers. This transition is a key element of Kazakhstan's ongoing efforts to create a more modern and competitive economy. The institute of labor discipline became more regulated, the requirements for its compliance increased, and the power of the employer, which includes the dismissal of employees who have committed disciplinary offenses, got expanded. The new strict legislation on labor discipline and corresponding practice, reflecting a management style with high commitment, had a limited impact on the number of labor disputes over unfair dismissals and the application of disciplinary sanctions.

Conclusion

Our research shows that strengthening disciplinary responsibility and expanding the powers of employers in Kazakhstan have had a significant impact on reducing unemployment in the country. This is due to the fact that the strictest adherence to labor discipline and the real threat of dismissal significantly increase labor productivity. In conditions of strict discipline in the workplace, employees strive for higher efficiency, which contributes to strengthening the economic position of enterprises and reduces the need for staff cuts. Furthermore, the fear of losing a job makes workers less active in seeking new opportunities and demanding wage increases, leading to lower staff turnover and, consequently, a low level of unemployment. These findings confirm the hypothesis that strict discipline and pressure on workers can have a positive impact on the overall state of the labor market.

Our research, based on a 32-year examination of Kazakhstan's socio-economic and legal evolution, indicates that the liberalization of labor laws has been associated with a rise in unemployment. In contrast to this, processes of codification, unification, and strict regulation of labor relations were consistently associated with a noticeable decrease and stabilization of the unemployment rate. Thus, the strengthening of disciplinary responsibility influences the labor market not in isolation, but as part of a comprehensive set of measures. In this scenario, rigorous labor discipline and systems designed to deter unproductive behavior at work are essential, but they are merely one of numerous elements that influence the broader dynamics of the labor market.

Our study facilitated a thorough comparative analysis of labor disputes and the development of Kazakhstan's labor discipline legislation, leading to

several notable findings. Despite stricter legal regulations and more detailed procedures for applying disciplinary measures, there was no reduction in the volume of legal claims. Over time, stringent disciplinary norms have resulted in an increase in legal cases challenging unfair dismissals and disciplinary actions.

In Kazakhstan, there is no direct link between the severity of disciplinary measures and the frequency of court appeals. Most court cases involve procedural violations related to the imposition of disciplinary sanctions, particularly dismissals initiated by employers. The review of judicial practices concerning disciplinary actions indicates that court rulings frequently shape how companies manage personnel and address labor discipline. Judicial decisions thus set a standard for legal application within organizations.

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