

Expat Insider 2018 Reveals: Russia's Economic Climate and Poor Career Prospects Leave Expats Out in the Cold

Digitalization gives hope for the future, but a poor economy and an uninviting job market may have led to expats being less happy.

- Russia ranks a low 54th out of 68 countries in the Expat Insider 2018 survey. The top 10 destinations for expats are Bahrain, Taiwan, Ecuador, Mexico, Singapore, Portugal, Costa Rica, Spain, Colombia, and
- Almost a third of expats in Russia (31%) have an annual household income of less than 12,000 USD, which is ten percentage points more than in 2017 (21%) and a much larger share than the global average in 2018 (11%).
- Expat parents are happy with their children's education in Russia: two-thirds (67%) rate the available options positively, and 33 percent could not be any happier with this factor.
- Only 18 percent of Russian expats think that they will return home at some point, compared to 43 percent of expats globally.

Munich, 6 September 2018 — Expats in Russia are satisfied with the level of digitalization and the education system in the country. However, while the Russian economy has improved in the eyes of expats since last year, it is still far below the global average and does not seem to help expats financially. Meanwhile, Russians who have moved abroad often report improved incomes, and many of them do not plan to come back, as the Expat Insider 2018 survey reveals. With more than 18,000 respondents living and working abroad, it is one of the most extensive expat studies, conducted annually by InterNations, the largest expat community worldwide. Apart from offering an in-depth analysis of life abroad, the survey ranks 68 countries by a variety of factors such as quality of life, working abroad, and settling in. While Russia ranks a low 54th place, this year's top 10 destinations for expats are Bahrain, Taiwan, Ecuador, Mexico, Singapore, Portugal, Costa Rica, Spain, Colombia, and Czechia.



Click on the map for a video and more information about the Expat Insider 2018 survey



Poor State of the Economy and Low Career Prospects

Despite an impressive increase of satisfaction with Russia's state of the economy, expats are still not fully happy with this factor: just two in five (40%) rate the state of the economy positively, which is 17 percentage points more than in 2017 (23%), but still 24 percentage points less than the global average in 2018 (64%). One expat from Latvia points out that the "unstable economy" is one of the worst aspects of life in Russia.

While the economy has at least somewhat improved in the eyes of expats, this does not seem be reflected in their finances. In 2017, 57 percent of respondents said that their disposable household income was more than enough to cover everything they needed in their daily life, while less than half

the expats (49%) agree in 2018. In fact, the share of expats that report a gross yearly household income of less than 12,000 USD has increased by ten percent within one year (21% in 2017 to 31% in 2018). Only in Egypt (39%) and Serbia (42%) is the share of expats in the lowest income bracket even higher.

Expats are also less satisfied with their career prospects in Russia: while in 2017, 22 percent rated their career prospects negatively (vs. 26% globally), one-third (33%) is unhappy with that factor in 2018 (vs. 25% globally). Just about half the expats (51%) are happy with their job security in Russia (vs. 59% globally), and 57 percent state to be generally satisfied with their jobs (vs. 65% globally).

LIFE IN RUSSIA			
	2018*		2017**
Overall Rank	54	▼ 4	50
Quality of Life	48	▼ 3	45
Ease of Settling In	58	▼ 4	54
Working Abroad	57		57
Family Life out of 50 countries	23	A 2	25
Personal Finance	42	▼ 20	22
Cost of Living	29	4 4	33
	°out of 68 countries		""out of 65 countries
67% generally satisfied			

Fast-Paced Digitalization and Quality Education

Overall, Russia does not excel in terms of quality of life (48th out of 68): less than three in ten expats (27%) are happy with the weather (vs. 61% globally), just about two in five (43%) are satisfied with the quality of the environment (vs. 69% globally), and only 68 percent rate the travel opportunities positively (vs. 82% globally), for example. Maybe this has contributed to the fact that just 68 percent are happy with their life in general, which is eight percentage points below the global average (76%).

However, Russia comes in 25th out of 68 countries in the new Digital Life subcategory: close to nine in ten expats (89%) are happy with the access to high-speed internet at home (vs. 75% globally), and 59 percent even give it the best possible rating (vs. 41% globally). Staying connected on the go seems to be simple, too, as over nine in ten (92%) find it easy to get a local phone number (vs. 86% globally), and 67 percent even find it very easy (58%). Lastly, 87 percent of expats say it is no problem to pay without cash, which is nine percentage points more than the global average (78%). Only the unrestricted access to online services such as social media causes dissatisfaction: less than two-thirds of expats in Russia (65%) rate this factor favorably, which is 15 percentage points less than the global average (80%).

Along with digitalization, respondents in Russia are pleased with the education system. "Being a father, the quality of education is important for me," an expat from Colombia states, "and the level of education



is good in Russia". Seven in ten expat parents (70%) are satisfied with the quality of education, and 67 percent are happy with the available options in general. One-third (33%) could even not be any happier with the latter, compared to 23 percent globally. More than half the expat parents in Russia (51%) send their kids to a local state school, which is 15 percentage points more than the global average (36%).

Russians Move Abroad Young and Never Look Back

With an average age of just 36.1 years, Russian expats are more than eight years younger than the global average (44.2 years). One quarter (25%) moved abroad for work-related reasons (vs. 31% globally), which is the most common reason for Russians. Nine percent were either sent by their employer (vs. 10% globally) or found a job on their own (vs. 12% globally), while five percent were recruited by a local company (vs. 7% globally), and two percent planned to start their own business abroad (vs. 2% globally). "I have excellent job perspectives," a Russian living in Germany states.

Russians also seem to benefit financially from making the move: more than three in five Russians working abroad (64%) believe that they earn more abroad than they would in a similar job at home, which is eleven percentage points higher than the global average (53%). Maybe that is one of the reasons why most Russians do not plan to return home: just 13 percent of Russians find it very likely that they will return home in the future, compared to 31 percent of expats worldwide. Close to one-fifth (18%) has even acquired citizenship in their new country of residence, which is five percentage points more than the global average (13%).

Top 3 Countries for Expats Are Great for Working Abroad and Easy to Settle In

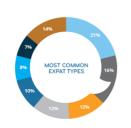
2017's surprise winner **Bahrain** defends its first place, thanks to excellent results for working abroad and ease of settling in (1st for both). Seven in ten expats in Bahrain (70%) are happy with their career prospects (vs. 55% globally), and 81 percent find it easy to settle down in this country (vs. 59% globally). "I do not feel like an expat in Bahrain," says an Indian respondent. "I feel at home here". More than three-quarters of the expats living in runner-up **Taiwan** (76%) are satisfied with their job security (vs. 59% globally), with the destination ranking first in the world for this factor. Taiwan also offers the world's highest quality of life, and 77 percent of expats feel at home there (vs. 64% globally). Coming in third place, **Ecuador** is one the biggest winners of the *Expat Insider 2018* survey, moving up 22 ranks since 2017 (25th out of 65). While less than half the expats in Ecuador (46%) were satisfied with their career prospects in 2017, 69 percent are happy now. Moreover, 76 percent find it easy to settle down in this Latin American country (vs. 59% globally).

Bottom 3 Countries for Expats Rank Low for Quality of Life

India (66th), Saudi Arabia (67th), and Kuwait (68th) do not only rank at the bottom of the overall league table, but they are also among the worst destinations in terms quality of life. Expats in **India** are dealing with the world's lowest quality of the environment: more than four in five (82%) are unhappy with this factor (vs. 19% globally). Over two in five (41%) even give it the worst possible rating, which is more than ten times the global average (4%). "I do not like the quality of the air, all the trash, and the pollution," an expat from the USA says. "It is very dirty all over the country". Around half the expats in **Kuwait** (52%) and **Saudi Arabia** (47%) are also unhappy with this factor. Moreover, the two Gulf States rank last and second to last for the ease of settling in. About half the expats in Kuwait (47%) and Saudi Arabia (51%) find it hard to get used to the local culture, compared to 21 percent globally.



Read More about Expat Insider and the InterNations Community



The 7 Most Common Expat Types and Why They Move Abroad

Although every expat journey is unique, there are similarities when it comes to their motivation for moving and their lifestyle abroad. Based on the insights of more than 18,000 expats, InterNations presents the first comprehensive expat typology with the 7 most common expat types that roam the world.

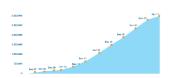
Country-specific versions are available in different languages in the download section at the end of the press release.



InterNations Country and City Guides

In more than 200 destination guides InterNations offers valuable tips and information about expats' destinations, including helpful advice from other members.

If you would like to access the complete guides, please get in touch via press@internations.org.



InterNations Surpasses 3 Million Members

In April 2018 the world's largest expat community reached 3 million members, which equals a growth of 20 percent within the last twelve months. InterNations also expanded its international range to 420 cities around the world with 30 new communities.



Ten Moments That Made InterNations

Growing from a start-up to a global network has been an incredible journey. Here are the stand-out moments that got us to a decade of connecting global minds.

About the InterNations *Expat Insider 2018* Survey

For its annual <u>Expat Insider survey</u>, InterNations asked more than 18,000 expatriates representing 178 nationalities and living in 187 countries or territories to provide information on various aspects of expat life, as well as their gender, age, and nationality. Participants were asked to rate up to 48 different aspects of life abroad on a scale of one to seven. The rating process emphasized the respondents' personal satisfaction with these aspects and considered both emotional topics as well as more factual aspects with equal weight. The respondents' ratings of the individual factors were then bundled in various combinations for a total of 17 subcategories, and their mean values were used to draw up six topical indices: Quality of Life, Ease of Settling In, Working Abroad, Family Life, Personal Finance, and Cost of Living Index. Except for the latter, all indices were further averaged in order to rank 68 expatriate destinations around the world. In 2018, the top 10 are Bahrain, Taiwan, Ecuador, Mexico, Singapore, Portugal, Costa Rica, Spain, Colombia, and Czechia.

For a country to be featured in the indices and consequently in the overall ranking, a sample size of at least 75 survey participants per country was necessary. The only exception to this is the Family Life Index, where a sample size of at least 40 respondents raising children abroad was required. In 2018, 68 and 50 countries respectively met these requirements. However, in most countries the sample size exceeded 100 participants.



About InterNations

With 3.2 million members in 420 cities around the world, InterNations (www.internations.org) is the largest global community and information site for people who live and work abroad. InterNations offers global and local networking both online and face-to-face. At around 6,000 official events and activities per month, expatriates have the opportunity to meet other global minds. Online services include country and city guides created by a team of professional writers, guest contributions about life abroad, and discussion forums to help members with topics such as the local job or housing search. InterNations membership is by approval only to ensure we remain a community of trust.

The InterNations app is available for Android and iOS and can be downloaded for free on <u>Google Play</u> and the <u>App Store</u>.

Find more information about InterNations on our <u>press pages</u>, <u>company website</u>, <u>Facebook</u>, <u>LinkedIn</u>, <u>Twitter</u>, or in our <u>Expat Magazine</u>.

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