

LIVING STANDARDS IN RUSSIA IN NOVEMBER 2014

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The household real disposable money income declined in November 2014 compared to that in the previous month and November 2013. The rise in wages of public sector employees in January–October 2014 was frozen. The level of inequality remained unchanged within the nine months of 2014 compared to that in the period of January to September 2013.

Household income. According to the preliminary data provided by the Federal State Statistics Service (Rosstat), the household nominal per capita money income in November 2014 declined by 1.1% to Rb 28582 compared to that in October. The household nominal per capita money income increased 4.4% compared to that in November 2013.

The household real disposable money income¹ in November 2014 decreased 2.7% compared to that in October 2014 and 4.7% compared to that in November 2013, whereas in November 2013 the household real disposable money income increased 4.4% over the level of October 2013 and 2.2% relative to the corresponding period of the preceding year.

Monthly average accrued wages per worker amounted to Rb 33088 in November 2014, an increase of 2% compared to that in October 2014 and 9.6% compared to that in November 2013.

Real accrued wages slightly changed in November 2014, increasing 0.7% compared to that in October 2014 and 0.5% compared to that in November 2013.

The rise in wages of public sector employees in Q3 2014 was frozen:

- monthly average accrued wages in the health-care sector and the public service sector reached 91% of the same in the manufacturing sector (in stood at 93% in the period of January–July of 2014),
- in the education sector: 86% and 89% respectively.

In the period between January and September of 2014, the relationship of wages of certain categories of public sector employees, whose data are published by statistics agencies, and the average wages in a constituent territory of the Russian Federation was as follows:

- in the education sector: from 78.2% for teaching staff employed at institutions of supple-

¹ Income, net of mandatory payment and contributions, and adjusted for the consumer price index.

Table 1

DYNAMICS OF REAL DISPOSABLE MONEY INCOME, %

	As a percentage of the value in the corresponding period last year	As a percentage of the previous period value
2013		
January	100.4	49.4
February	106.6	133.0
March	109.6	102.8
1 st quarter	105.9	76.5
April	109.0	107.0
May	100.2	86.7
June	102.1	115.1
2 nd quarter	103.8	113.3
1 st half of the year	104.8	
July	104.5	95.1
August	104.2	102.1
September	100.8	96.2
3 rd quarter	103.2	99.5
October	105.5	104.8
November	102.2	104.0
December	103.4	140.8
4 th quarter	103.6	120.2
Year	104.0	
2014		
January	98.9	47.3
February	98.9	132.9
March	92.7	96.4
1 st quarter	96.6	71.3
April	100.3	115.8
May	106.0	91.6
June	96.5	104.8
2 nd quarter	100.7	118.1
1 st half of the year	98.8	
July	102.4	100.9
August	103.8	103.5
September	100.1	92.7
3 rd quarter	102.1	100.9
October	101.9	106.7
November	95.3	97.3

Source: the data provided by the Rosstat.

Table 2

DYNAMICS OF MONTHLY AVERAGE ACCRUED WAGES PER WORKER, %

	Nominal		Real	
	As a percentage of the value in the corresponding period last year	As a percentage of the previous period value	As a percentage of the value in the corresponding period last year	As a percentage of the previous period value
2013				
January	112.9	73.4	105.4	72.7
February	110.8	99.6	103.3	99.0
March	112.5	107.9	105.1	107.5
1 st quarter	111.9	90.4	104.5	88.7
April	116.4	104.7	108.5	104.2
May	112.4	99.0	104.7	98.4
June	112.6	104.3	105.3	103.9
2 nd quarter	113.8	110.6	106.2	109.0
1 st half of the year	112.9		105.4	
July	113.3	97.6	106.4	96.8
August	113.7	96.9	106.8	96.8
September	112.8	100.4	106.3	100.2
3 rd quarter	113.2	97.8	106.4	96.4
October	112.0	102.5	105.4	101.9
November	110.9	101.4	104.1	100.8
December	109.3	130.9	102.7	130.2
4 th quarter	110.6	113.2	103.9	111.7
Year	111.9		104.8	
2014				
January	111.6	74.7	105.2	74.3
February	111.1	99.1	104.6	98.4
March	111.0	108.0	103.8	106.9
1 st quarter	111.1	90.3	104.4	88.6
April	110.8	104.7	103.2	103.8
May	109.9	98.0	102.1	97.1
June	110.1	104.7	102.1	104.1
2 nd quarter	110.2	109.7	102.4	107.1
1 st half of the year	110.6		103.4	
July	109.0	96.4	101.4	95.9
August	106.3	94.6	98.8	94.4
September	109.7	103.8	101.5	103.1
3 rd quarter	108.3	96.3	100.6	94.8
October	108.9	101.7	100.6	100.9
November	109.6	102.0	100.5	100.7

Source: the data provided by the Rosstat.

mentary education of children¹ (up 1.5 p.p. compared to the first half of the current year) to 93.3% for teaching staff at preschool educational institutions (PSEI)² (making up for the decline of this indicator in the 2nd half of 2014), 97.2% for teaching staff at general educational institutions (107.7% in the first 1st half of 2014) and 135.6% for teaching staff at higher voca-

tional education institutions (144.2% in the 1st half of the year);

- in the healthcare sector: from 49.3% for paramedical personnel (54.2% in the 1st half of the year) to 142.5% for medical doctors and college-educated staff providing medical services at medical institutions (143.3% in the 1st half of the year).

The Russian President's Executive Order of May 7, 2012, № 597 *On Measures to Implement State Social Policy* for 2012 established that in 2012 average wages of the teaching staff employed at general educational

1 The ratio of average wages paid to teaching staff at a constituent territory of the Russian Federation.

2 The ratio of average wages paid in the general education sector at a constituent territory of the Russian Federation.

institutions was to increase up to the average wages in a respective region. This target value was nearly achieved in practice in Q1 2014 (wages of this category of employees accounted for 99.1% of the average wages at a constituent territory of the Russian Federation) and was 107.7% higher than the average wages in a respective region in the 1st half of the year. However, the situation worsened in the 3rd quarter, and within the nine months of 2014 the average wages of teaching staff at general educational institutions fell to 97.2% of the average wages in a respective region.

The same Executive Order provided for increasing the average wages of teaching staff at preschool educational institutions to the level of average wages in the general education sector in a respective region in 2013. The target was nearly reached by the end of 2013: the average wages of teaching staff at preschool educational institutions in 2013 accounted for 94.9% of the average wages in the general education sector in a respective region, however the situation began to worsen in the first half of 2014: the level of average wages of teaching staff at preschool educational institutions dropped to 90.4% of the average wages in the general education sector in a respective region, however, the situation stabilized in the 3rd quarter and

within the nine months of 2014 the average wages of teaching staff at preschool educational institutions almost caught up with the level of 2013, reaching 93.3%.

The average amount of granted retirement benefits amounted to Rb 10911 in October 2014, remaining almost unchanged compared to the preceding month. It increased 8.5% compared to the corresponding period last of 2013.

The actual amount of retirement benefits contracted by 0.7% in October 2014 compared to September 2014, just 0.2% higher than the value observed in October 2013.

Socio-economic differentiation. According to the preliminary data, household income inequality remained almost unchanged within the nine months of 2014 compared to the that in the period of January–September of 2013:

- Gini coefficient: 0.414 as compared to 0.415 in the corresponding period of the preceding year;
- R/P 10% ratio remained at 15.8.

In the period between January and September 2014, the share of the richest 10% to the poorest 10% in the total volume of household money income remained unchanged compared to the corresponding period of the preceding year, 30.5% and 1.9% respectively. ●