**Abstract**

**RS-130**

Title: "Monitoring the socio-economic conditions of households in Russia, 1994-2022"

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1. **Goal of research** is 1)to create a panel database “Russia Longitudinal Monitoring Survey of Higher School of Economics (RLMS-HSE)” for 1994–2022 and 2) to analyze the socio-economic conditions of households in Russia between 1994 and 2022.
2. **Methodology:** quantitative analysis of the series of nationally representative household-based surveys “Russia Longitudinal Monitoring Survey of Higher School of Economics (RLMS-HSE)” conducted between 1994 and 2022. The repeated observations of the same economic units (individuals and households) made annually on the basis of uniform survey methodology ensure the panel nature of the RLMS-HSE data.
3. **Empirical base of research:** panel database “­­­Russia Longitudinal Monitoring Survey of Higher School of Economics (RLMS-HSE)”, which includes 31 rounds of surveys conducted between 1994 and 2021**.**
4. **Results of research:**

In 2022, the annual inflation was 11.9%, reaching a peak over the past several years. Average real household income fell by 8.4%. This can be considered a moderate decrease when compared to the first year of the COVID-19 pandemic when real household income dropped by 30.4%.

Income from wages, salaries and government transfer payments retained their dominant position in the structure of household income. Gross work-related household income decreased by 0.5% in 2022. While wages and salaries rose in state-owned enterprises and mixed public-private ownership companies by 0.6 and 19.3% respectively, an average employee of a private firm earned 3.7% less than in 2021.

Household income from government transfer payments declined by 13.6% in 2022, returning to the level where it stood in 2020. Household income received from domestic production and informal employment dropped considerably with income in cash being two times lower and income in-kind being 1.5 times lower compared to 2021. Household income from private transfer payments (assistance received from relatives and charitable donations) after a slight increase in 2021 contracted by 9.7% in 2022.

After a brief decline from 47% in 2020 to 46.6% in 2021, the share of earnings in the total gross household monthly income went up and reached 48.8%. In contrast, the share of government transfer payments decreased from 42.2 to 41.5%; the share of cash and in-kind income from domestic production and informal employment went down from 4.3 to 3% and from 2 to 1.7% respectively. The share of private transfer payments remained stable at 4.4%.

In 2022, as in the year before, an average household in the top 20 percent of income distribution earned monthly 2.3 times more than an average household in the bottoms 20 percent.

After a sharp 30 percent decline in 2020 and a modest 3.9 percent recovery growth in 2021, household expenditures decreased by 0.6%. In 2022, an average household spent 0.1% less on food and 0.9% more on durables. As a result, the share of food in household expenditures amounted to 41.1%.

The spending gap between the top and bottom 20 percent of households went up from 5 times in 2021 to 5.3 in 2022. The spending gap widened since well-off families began to spend more to uphold their living standards while poorer families had to cut their expenses.

The unemployment rate remained stable and stood at 3.1% in 2022. However, while the male unemployment rate decreased from 2.7 to 2.6%, the female unemployment rate rose from 3.4 to 3.6%. Long-term unemployment continued to decline with short-tem unemployment becoming more prevalent.

Labor force participation rate fell from 81.5% in 2021 to 80% in 2022. Both male and female retirees were less likely to work in 2022 compared to previous years. The share of wage earners went down from 22.2 to 20.9% among elderly men and from 25.4 to 24.2% among elderly women.

Men continued to outperform women when it comes to participation in the paid labor force and average earnings. In 2022, the share of wage earners accounted for 79.7% among men and 71.3% among women. The gender pay gap narrowed as women earned 73.2% of men’s income in 2021 and 76.8% in 2022.

The share of workers who had wage arrears went up from 0.6% in 2021 to 0.7% in 2022, although remaining at an all-time low. An average amount of money due in back pay decreased 1.5 times compared to 2021. Women continued to experience fewer payment delays and have a smaller portion of their earnings in back pay.

The share of those who failed to receive their monthly pension rose from 1.5% in 2018 to 9.3% in 2022 among male retirees and from 1.4 to 7.8% among female retirees. In 2022, an average monthly pension increased 1.3% for retired men and 0.4% for retired women.

The share of households struggling to pay rent and/or utility bills went up from 4.4% in 2021 to 4.8% in 2022. At the same time the total household debt dropped by 10% and an average utility payment decreased by 2.7%.

While 2021 saw an improvement in life satisfaction for the first time since the COVID-19 pandemic began, 2022 was characterized by more contradictory developments in popular attitudes. The share of those satisfied with life in general rose from 50.6% in 2021 to 51.9% in 2022; the share of those unsatisfied, on the contrary, fell from 21.9 to 20.7%. The share of those who were content with the financial circumstances of their families also went up from 22.4 to 23.7%, while the share of those feeling discontent declined from 55.2 to 50.1%.

The share of those who noticed an improvement in their financial situation decreased from 16.1% in 2021 to 15% in 2022. The share of those who reported negative changes remained stable and hover around 24.5%. The share of respondents who believed that the living standards of their families would improve next year plateaued for three years and stood at 15.9% in 2022. The share of those expecting the fall in living standards rose from 14.2% in 2021 to 16.1% in 2022 and the share of those expecting no changes at all declined from 50.6 to 46.1%.

The share of those who felt anxious about losing their jobs increased slightly from 58% in 2021 to 58.3% in 2022. In contrast, the share of those who believed their positions to be fairly secure fell from 26.7 to 25.6%. Nevertheless, more respondents were optimistic about their chances to find a new job had they lost the current one. The share of those who assessed their chances as good or fairly good went up from 37.4 to 39.1%.

Respondents who quit a job in 2022 cited declining health (14.9%), low pay, layoffs and company closures (11.6% each), retirement (10.9%), poor working conditions (8.3%) and family circumstances (7.9%) as the main reasons why they quit.

To find a new job, respondents turned to their friends (80.6%) and family (66.2%), searched the Internet for job openings (66.2%), contacted employers directly (43.9%), sift through ads in traditional media (36.3%) and on social networks (31.5%). State and private employment agencies remained the least popular ways to find a new job (only 25.3% and 14.2% respondents would apply for their services).

In 2022, there was another increase in job satisfaction. The share of workers who felt satisfied with their job in general rose from 72.4 to 75.1%. The share of those satisfied with career opportunities increased from 57.1 to 59.5%. The level of satisfaction with working conditions and wages also rose from 71.3 to 74.9% and from 38.3 to 44.1% respectively.

1. **Level of implementation, recommendations on implementation or outcomes of the implementation of the results**

The database “Russia Longitudinal Monitoring Survey of HSE” (RLMS-HSE) for 1994–2022 with full technical documentation is publicly available at http://www.hse.ru/rlms. Open access to the RLMS-HSE database and its documentation ensures research integrity and reproducibility.