PENSIONER LIVING STANDARDS IN THE RUSSIAN FEDERATION

PRACTICAL LESSONS IN PENSION REFORM: SHARING THE EXPERIENCES OF TRANSITION AND OECD COUNTRIES
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The views expressed are those of the author and do not commit either the Organisation or the national authorities concerned.
SUMMARY

This paper analyses aspects and dimensions of the living standards of different categories of pensioners in the Russian Federation and considers the causes and factors underlying these differences. It also describes social policy measures aimed at improving pensioner living standards. The elderly constitute some 21 per cent of the total population and their share is expected to rise further. Two thirds are women (four fifth in the age group 85 and over), and single old women are really the specific social problem in the Russian Federation. Among the total of 38 million pensioners, around 6 million persons are involved in income-generating employment, and around 2 million received social pensions. One of the main characteristics of the pension system in Russia is that there are various types of privileged pensions and special pensions.

During the 1990s, three shocks caused levels of real pensions to decline substantially: price liberalisation in 1992 and the two financial crises in October 1994 and August 1998. Throughout all the years of reform, the minimum old age pension was lower than the amount of the average subsistence minimum of a pensioner. At the same time, the average pension was kept above the subsistence minimum amount of a pensioner for almost all the years of the transition period and the ratio of the average pension to the average wage shows on the whole a positive trend. The deterioration in the pension indicators was caused by non-payment and delays in payment of wages, accompanied by contribution payment evasion and contribution collection arrears. This in turn lead to pension arrears. However, due to economic growth since the second half of 1999, the indicators of the living standards of pensioners seem to be more favourable since then. The paper analyses officially established indicators for poverty (incomes below the subsistence minimum amount) and extreme poverty (less than half the subsistence minimum amount) and finds that pensioners, on the whole, have a lower than average poverty risk in the Russian Federation. Working pensioners, in particular, had the most favourable indicators. At the same time, categories of pensioners such as handicapped pensioners, recipients of survivor’s pension, recipients of social pension, and recipients of the minimum old age pension, particularly the very elderly as well as those residing separately and without relatives are in the worst position.
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Introduction

1. The objective of this paper is to analyse the different aspects and dimensions of the living standards of different categories of pensioners in the Russian Federation and to consider the causes and factors underlying these differences. The problems of the Russian pension system are not given specific attention, although these issues are eventually covered by the paper.

2. Given this main objective of the report, we will concentrate on the following issues:

   - The current ageing situation in the Russian Federation and some characteristics of the system of pension security;
   - The legislative basis for defining pensioner living standards;
   - The dynamics of some key indicators of pensioner living standards and of the pension system during transition (starting from 1992);
   - Causes and factors influencing pensioner living standards and the differences in living standards of different categories of pensioners;
   - A comparative analysis of the living standards of different groups of pensioners with the living standards of other groups in the population, using the uniform criteria of the subsistence minimum amount for different socio-demographic groups in the population;
   - Social policy measures and instruments aimed at improving pensioner living standards.

3. The information in the paper is based on official statistics of the State Committee on Statistics of the Russian Federation and on reports prepared by the Ministry of Labour and Social Development of the Russian Federation; legislative acts, official documents, and laws of the Russian Federation; information from international organisations dealing with pensioner living standards and pension security studies; some findings of research on pensioner living standards and the pension system carried out by leading Russian scientific institutions; findings of author’s own researches (see References). Certain data, facts, and opinions presented in the report are not final and may be further updated.
The current ageing situation and some characteristics of the pension system

4. The age structure of the Russian population is characterised by the gradual growth in the share of persons above working age, which is a typical feature of the worldwide population ageing process (including most transition and OECD countries). Under Russian laws, the officially fixed, regular retirement age is 60 for men and 55 for women, which is quite low by international standards. Accordingly, women over 55 years and men past 60 years are often considered “elderly” people.

5. Just over 30 million elderly people (above working age) resided in the Russian Federation in 2000, constituting 20.7 per cent in the total population. The share of senior citizens in the country’s population is expected to rise further in the long term. The age structure of Russia’s population is visibly tilted toward females, particularly in the oldest age groups. Men account for 34.5 per cent of the country’s citizens aged 60 and over, and women are 65.4 per cent. The disproportion between the male and female shares of the Russian population grows with age. The percentage of women rises to 77.8 per cent in the age group 85 years or older.

6. Senior citizens constitute one of the largest socio-demographic population groups in the country, and they often experience problems such as poor health, limited financial resources, and loneliness. Single old women are really the specific social problem. Many women of advanced age live alone for various reasons (spouse’s death, divorce or separation). Even though a policy aimed at safeguarding the wellbeing of senior citizens has been followed in the past decade, elderly women remain among the population groups least provided for.

7. Retirement has a drastic effect on an elderly person’s living conditions and lifestyle, and affects the nature, forms and level of that person’s activity in many areas. The number of pensioners registered at the end of 2000 in offices of social protection of the population amounted to 38.4 million persons, compared to 35.3 million people in 1992 (Table I).

8. The distinctive feature of the Russian pension system that significantly affects pensioner living standards is that because of the absence of strict retirement conditions a substantial share of pensioners are involved in income-generating employment. In 2000 6.1 million pensioners were working pensioners (simultaneously receiving pensions and employment income). In general, the number and the percentage of working pensioners within the total number of pensioners has tended to reduce (from 8.0 million persons or 21.9 per cent in 1994 to 6.1 million persons or 15.9 per cent in 2000, respectively). These indicators peaked in 1996 (8.9 million persons or 23.5 per cent of pensioners), with the employment rate of pensioners subsequently going down.

9. In 2000, among a total of 38.4 million pensioners 36.4 million were receiving labour related pensions and 2.0 million received social pensions. Among recipients of labour related pensions 28.8 million persons had old age pensions (of whom 8.5 million persons received so-called privileged and special pensions), 4.8 million received invalidity pensions, 2.1 million received survivors’ pensions, and 0.7 million received long service pensions.

10. One of the main characteristics of the pension system in Russia is that there are various types of privileged pensions and special pensions, some of which allow earlier retirement – at an age as early as 45 years. For example, such categories include persons working in dangerous or hazardous conditions, those working in the extreme north, mothers bearing five and more children, etc., who have the right by law to retire earlier than the officially fixed, regular retirement age. In reality, significant proportions of such employees retire 5 to 7 years earlier than the standard age.
The indicator most significantly influencing pension provision has been the sharp deterioration in the demographic support ratio for the current pension scheme. The number of those employed in the economy per pensioner dropped from 2.02 in 1992 to 1.66 in 1998, and then slightly increased (1.68 in 2000), due to the economic recovery accompanied by employment growth (Table I).

Most of the decrease in this ratio was caused by two factors. The first was the sharp contraction of employment following the economic restructuring due to Russia’s involvement in the global economy and the transition of the country to a market-oriented economic model. The second factor was the gradual increase in the number of pension recipients.

The legislative framework influencing pensioner living standards

In Russia there are both national and local strategies to assist the different categories of pensioners and older people in general, in meeting their needs and providing them with a decent standard of living. The legislative framework providing for improvements in pensioner living standards already exists and is continuously being improved. The guarantee of social security and state pension provision is fixed in the constitution (article 39).

The legal norms concerning the living standards of Russian pensioners and touching upon the interests of elderly people are contained in a number of state laws, presidential decrees, and governmental acts that are in force at the national level. In this respect there are also rules and regulations in force at regional and municipal levels respectively.

The main federal laws containing statutory regulations defining the living standards of pensioners in Russia are the following:

- The Pension legislation consisting in turn of a number of federal laws;
- The Civil Code of the Russian Federation;
- The Family Code of the Russian Federation;
- The Housing Code of the Russian Federation;
- The Labour Code of the Russian Federation, etc.

The dynamics of some key indicators of pensioner living standards and social security during transition

The following social problems were the most painful in Russia during the period 1992 to 1999:

- the increase in the differentiation in living standards of different groups in the population;
- the decline in the real value of wages, pensions, and other types of money incomes due to inflation;
- the poverty of a significant share of the population;
- growing regional disparities in living standards; and
17. Trends in some of the key indicators of pensioner living standards and pension security in Russia in the period 1992 - 2000 are given in Table I. Analysis of the data provided in Table 1 brings us to the conclusion that extremely sharp changes in social and economic life inevitably resulted in a clear decline in population living standards. This is shown first of all in a drop in practically all types of incomes in real terms - wages, pensions, allowances, stipends, etc. during the years of transition.

18. The fall in living standards was initially brought about by price liberalisation (from 01.01.1992) and by the emergence of the new economic and social model in the country. The liberalisation of prices cut nearly by half the real value of the average income of the population, so that in 1992 it was equal to only 52.5 per cent of the 1991 level. The average wage in real terms in 1992 was 67 per cent of that in 1991. The same holds true for the real value of social security benefits. The real gross monthly pension in 1992 was 52 per cent of that in 1991, the real old age minimum pension only 44 per cent. Later, in 1993-1994 the real value of these incomes went up.

19. The second fall was mainly caused by the financial crisis of October 1994 (the so-called “blue Tuesday”). Real wages and real pensions decreased significantly in 1995, although once again the situation slightly improved in 1995-96. And finally, the third decline in living standards was in 1999 as a consequence of the financial crisis of August 1998. This was much more severe than the financial crisis of October 1994. The well being of the most of population was badly affected by the crisis of August 1998, which was accompanied by a sharp increase in inflation. As a result, the real value of pensions and wages, etc. dropped very sharply. The 1998 crisis reduced the real value of wages by 22 per cent and the real value of the average pension by 39.4 per cent as compared with the year 1998.

20. Table I also shows trends in the ratio of four income indicators - per capita money incomes, average wages in the economy, the average pension, and the minimum old age pension - to the average official federal level of the minimum subsistence amount for the respective socio-demographic population groups. The crises caused a significant deterioration in these four ratios. In 1998 the average wage of an employee was only 152 per cent of the subsistence minimum for the able-bodied population. In this year also, the average pension was 70 per cent of the subsistence minimum for a pensioner. These are the lowest ratios during the transition period.

21. Throughout all the years of reform, the minimum old age pension was lower than the amount of the average subsistence minimum of a pensioner. In 1992 the minimal old age pension was 83 per cent of the subsistence minimum of a pensioner. In 1995, after the financial crisis of October 1994, the amount went down to 48 per cent.

22. The worst ratio between the minimal old age pension (including compensation) and the subsistence minimum of a pensioner was in 1999, after the crisis of August 1998, when the amount of the minimal old age pension went down to 45 per cent of the subsistence minimum of a pensioner. Meanwhile, according to the Order of the President of the Russian Federation “On Measures to Support Material Provision of the Pensioners”, dated June 14, 1997, No 573, the amount of the minimal pension with compensation can not be less than 80 per cent of the subsistence minimum for a pensioner.

23. At the same time, there was another side to the problem, namely that the pension indicators between 1992 and 1999 fell slightly less sharply than wages indicators. The ratio of the average pension to the subsistence minimum amount of a pensioner did not deteriorate as fast as either the ratio of average per capita money incomes to the subsistence minimum amount for the whole population, or the ratio of the average wage to the subsistence minimum amount for the able-bodied population. The only exception was
perhaps 1999. In any case, the average pension was kept above the subsistence minimum amount of a pensioner for almost all the years of the transition period, despite the difficult political and economic circumstances related to the transition.

24. The ratio of the average pension to the average wage shows on the whole a positive trend as well. The ratio of the minimum gross monthly old age pension to the average monthly minimum wage looks the most favourable. It increased from 157.1 per cent in 1992 to 396.8 per cent in 2000. This has to be considered to some extent as a social policy success for pension security.

25. When analysing pensioner living standards in Russia, the following problems the country faced mainly in 1996 and in 1998 should not be forgotten. The first problem was that the falling number of employees contributing insurance payments to the Pension Fund of Russia aggravated the problem of pension security. The second problem was that non-payment or delays in payment of wages in the economy also caused non-payment and delays in payment of social security contributions, as well as evasion of payment of these contributions. This was clearly the major reason for the contribution gap. Roughly half of Russia’s enterprises experienced financial difficulties in this time.

26. The year 1996 was the first year during transition when the level of social security contribution collections went down due to the growing wage arrears of enterprises. Wages were being paid partly in-kind. Barter transactions, as means of payment between enterprises, became a widespread phenomenon in the economy. In many regions, neither all wages nor all pensions were paid in time.

27. So, the deterioration in the pension indicators was caused by non-payment and delays in payment of wages, accompanied by contribution payment evasion and contribution collection arrears. This in turn lead to pension arrears. 1996 and 1998 were the peak years of pension arrears (Table I).

28. Considering trends in key indicators of pensioner living standards during transition one should pay special attention to the period since 2000. Due to the fact that Russia has been experiencing economic growth since the second half of 1999, the indicators of the living standards of population also began to grow.

29. The average real income of the population in 2000 was 109.3 per cent of that in 1999. The average wage in real terms in 2000 was 121 per cent of the 1999 level. The real gross monthly pension in 2000 was 128 per cent of that in 1999. Wage arrears dropped from 77.0 billion roubles in 1999 to 43.7 billion roubles in 2000 and to 31.7 billion roubles in 2001.

30. As for the data available for 2001, we can also give the following figures. In the period 2000 to 2001 real incomes went up 5.9 per cent, real wages increased 19.8 per cent, and the real average pension increased 21.4 per cent. In 2001 as compared with 2000 the total number of unemployed (according to the ILO methodology) fell by 14.9 per cent and the number of registered unemployed decreased by 1.9 per cent. There were no pension arrears in 1999–2001 at all.

31. The development of the above mentioned indicators seems to be favourable in 2000-2001, giving some grounds for optimism about future improvements in pensioner living standards.

Causes and factors influencing pensioner living standards and defining differences in living standards of different categories of pensioners

32. The following causes and factors can be used to define a typology of pensioners by standards of living in Russia:
1. The amount of pension received compared with the pensioner’s subsistence minimum.

2. Non-payment or delays in payment of pensions (as noted earlier this was the case only for 1996 and 1998).

3. Whether the cost of living of a pensioner significantly differs by regions of the country. The pensioner’s subsistence minimum varies by regions, according to regional costs of living. However, all types of pensions are provided at the same amounts throughout the country. The same amount of pension may be the equivalent of, say, 75 per cent of the pensioner’s subsistence amount in one region, but at the same time this same amount may be the equivalent of 120 per cent of the pensioner’s subsistence amount in another region.

4. The level of “richness” of the region in which a pensioner resides. In Russia donor (rich) regions (regions with a positive annual balance between incomes and expenditures) often provide pensioners who have low level of pension with a supplementary pension. Recipient (poor) regions can not do this because of their financial constrains. In most of the donor regions there are regional programs of supplementary pensions paid for at the expense of regional budgets.

5. Pensioner status from the point of view of income–generating employment. In this context, as mentioned above, among Russian pensioners it is possible to distinguish working pensioners (simultaneously having pension and employment income) and non-working pensioners (for whom the pension constitutes the sole source of income). Among working pensioners, special attention can be paid to “young pensioners”, among whom there are many who work for the first 5 years after retirement. These are 55-59 year aged women and 60-64 year aged men. According to the data available, nearly 50 per cent of male “young pensioners” and nearly 40 per cent of female “young pensioners” have a job and thus have an employment income. At the same time, it should be mentioned that the working places usually occupied by pensioners are not the most attractive or high-paid compared to those occupied by younger (middle-aged) employees. Nevertheless, for various reasons pensioners are often interested to have a job (even a comparatively low–paid one) and a salary. Thus, it follows that the pensioner’s wage is positively linked to the household’s wealth.

6. Resources of a pensioner’s household including some types of ownership (e.g. room in an apartment, a garage, etc.) that can be rented to another person.

7. Ownership of a piece of the land together with the agricultural production can provide a pensioner with some sorts of food (e.g. fruits, vegetables, potatoes, etc.).

8. The state of health, the level of physical and social activity, the age and gender of a pensioner. These indicators may determine under otherwise equal conditions whether there is an opportunity for a pensioner to be employed and thus to have an employment income.

33. Family status and co-residence conditions are among the most significant factors affecting pensioner living standards, and are key indicators of an elderly person’s actual situation. From this point of view it is possible to distinguish:

   – pensioners who reside separately;
- pensioners who live under the same roof with their adult and working children and correspondingly with their children’s children (these families are usually called extended families or multi-generation families);
- married pensioner couples;
- lonely elderly pensioners, including single pensioners of senior age, disabled pensioners without relatives and living separately, etc.

34. Single pensioners of older ages who live alone - the overwhelming majority of whom are women – are a group particularly likely to be classified as vulnerable and with lower wellbeing. Their need determined, first of all, by their demographic characteristics (age, health, and incapacity) and by their low level of pensions. For the poor lonely pensioners of senior age, the pension constitutes the sole source of income.

**Pensioner living standards: comparisons with the pensioner subsistence minimum and living standards of other population groups**

35. In order to analyse the actual living standards of pensioners, it is not enough to study the level and the trends in nominal and real pensions, or to simply identify the factors influencing the living standards of different categories of pensioners. It is also necessary to compare the living standards of pensioners with the living standards of other groups in the population, using some kind of uniform criteria for this comparative analysis.

36. As the uniform criteria for Russia it is proposed to take the subsistence minimum amount calculated for different socio-demographic groups in the population. Differences in living standards between different categories of pensioners and other population groups can be found by comparing the incomes of the relevant population groups with its subsistence minimum and by measuring the gap between these two indicators. The detailed data on the share of different groups of population and households with per capita money incomes below the subsistence minimum amount in 2000 are given in Table 2.

37. The data based on the criteria of comparing per capita money incomes with the subsistence minimum amount by different households and population groups show the following results. Such categories of the population as families with children, families with unemployment benefits recipients, and temporarily non-working persons found themselves in the most difficult position in 2000, compared with most pension recipients. The greater the number of children in a family, the greater the share of such families with per capita money incomes below the subsistence minimum. Depending on family type and size, from 79 per cent up to 93 per cent of the surveyed families with 3 or more children had per capita money incomes below the subsistence minimum, with from 51 per cent to 72 per cent being below half the subsistence minimum. The same indicators for families with unemployment benefit recipients amounted to 73 per cent and 39 per cent respectively.

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1 The data on the number and the percentage of the population with money incomes below the subsistence minimum are applied as officially established poverty indicators in Russia, and hence households with average per capita money incomes below the subsistence minimum are considered to be in poverty. The subsistence minimum amount per capita is calculated nationwide for both the overall population and for the major socio-demographic population groups (for a man and a woman of able-bodied age, for a pensioner, and for children of different ages).
38. Even for families with 1 or 2 children the situation was worse than that of most pensioners. More than 50 per cent of all households with 1 or 2 children had per capita money incomes below the subsistence minimum, and more than 20 per cent of these households had per capita money incomes less than half the subsistence minimum.

39. In contrast, these indicators for the families of non-working pensioners were 32 per cent and 7 per cent, respectively, and for old-age pensioners 38 per cent and 10 per cent respectively. Working pensioners, due to their supplementary employment income, had the most favourable indicators – 25 per cent and 6 per cent respectively. So, referring to the situation of those with per capita money incomes less than half the subsistence minimum (the indicator of the extreme poverty), one can see that this indicator again is more favourable for the majority of pension recipients.

40. At the same time, there is a clear gap between the living standards of different categories of pensioners. This appears in the unequal shares of these categories of pensioners having per capita money incomes below the subsistence minimum and those below half of the subsistence minimum. Groups such as handicapped pensioners, recipients of survivor’s pension, and recipients of the social pension are in the worst position. For example, for handicapped pensioners poverty is almost 1.5 times higher, while extreme poverty is more than twice as frequent as for old-age pensioners in general.

41. This analysis brings us to an important conclusion. The share of poor pensioners is significantly less than for the total population surveyed, and that of the other groups surveyed, including those employed. The poverty risk for the most pensioners is lower than the average for Russia. Handicapped pensioners, recipients of survivor’s pension, and recipients of social pension especially those residing separately and without relatives are an exception with respect to this conclusion.

42. Therefore, the pension system continued to work in the difficult conditions of the transition economy and managed to keep millions of elderly and disabled persons at least out of severe poverty. Without these transfers through the pension system, even if these transfers were paid with delays, pensioners would have formed the core group of the poor. Thus, a major part of the pension system has had the effect of at least preventing severe poverty. This is a fact that is often overlooked by those who focus their criticisms on the Russian social protection system.

**Social policy measures and instruments to improve pensioner living standards**

43. The main social policy measures and tools directed to improving pensioner living standards are briefly listed below.

- Pension reform
  
  - Raising pensions and increasing their purchasing power are among the top priorities of social security policy.

- Federal Targeted Program “The Older Generation”
  
  - This program approved by the Russian Government has been underway since 1997. It contains measures to be carried out in priority areas in the interest of elderly people. The program measures are financed from the Federal budget and off-budget sources. The program is designed to:
- Expand the network and improve the performance of institutions and agencies providing elderly people with vital socially oriented services;

- Develop new social services taking into consideration the scale and rates of population ageing, and create the conditions for introducing economically viable models and balancing the standards of social services with society’s needs;

- Promote elderly people’s social adaptation and strengthen social relationships, and simultaneously expand senior citizens’ socio–cultural contacts;

- Sustain elderly people’s physical activity by rehabilitation and health improvement measures;

- Promote elderly people’s social integration with assistance from social services institutions and NGO’s, and by continued, third-age education;

- Stimulate co-ordination between Federal executive agencies and their counterparts in regions of the country to combine efforts to deal with the older generation’s urgent life support problems; and

- Conduct research projects on priority aspects of social security for senior citizens.

- The adjustment of pensions in line with inflation

  - Since the beginning of the transition period, the Russian Government has attempted to preserve to some extent the real value of pensions. All these successive adjustment to the pension were intended to maintain the amount of the average pension at a level higher than the amount of the subsistence minimum of a pensioner, and to prevent an over-severe decline in the average pension in real terms. The adjustment of pensions is carried out simultaneously in two ways. The first is through the indexation of pensions, and the second way is by providing low-income pensioners with compensatory payments or by increasing its amount. Compensation amounts are not considered as part of the pension. As a rule, pensions are indexed and compensatory payments are increased 2 to 4 times a year depending on the rate of inflation. In 2000, the adjustment of pensions was conducted three times.

Providing low-income families with social aid²

44. According to the Federal Laws “On Subsistence Minimum in the Russian Federation” dated 1997 and “On State Social Aid” dated 1999 a family or a citizen living alone and with per capita incomes below the officially fixed subsistence minimum has a right to obtain social aid. Some categories of elderly people and pensioners are covered by this social aid.

45. The procedure for involvement in this program is applied in such a way so as not to exclude low-income elderly people and single pensioners residing alone with per capita incomes below the subsistence minimum. As specified in the Federal Law “On State Social Aid”, social aid can be obtained both in money and in kind (heating fuel, foodstuffs, clothing, footwear, etc.).

² In my opinion, this provision is like a social allowance (or a poverty allowance) in some Western countries.
− The state program of protecting low-income families by providing them with means-tested housing allowances

− *Subsidies in payment for housing and communal services* that are directed to the most economically weak groups of population including some categories of pensioners

− Providing some categories of elderly and handicapped persons with free medicines and subsidies in payment for medicines (medicine discounts)

− Discounts for payment for telephone bills, for services in some social institutions, free city transportation, free meals in social dining rooms, etc. are provided to some categories of pensioners

**Some conclusions**

46. Currently, the problem of pensioner living standards is not as severe as it was at the beginning of the reform process. By various estimates, the well being of most older citizens has gradually improved for at least the last two to three years, particularly in comparison with the well being of a significant part of the employed population.

47. On the one hand, this has been the result of such positive tendencies as increases in the level of pensions, and the preserving or even expanding of different types of social allowances and subsidies for groups of pensioners, etc. On the other hand, this result is based on such negative facts as the existence of relatively high unemployment rates, particularly for youth, and extremely low wages for some groups of employees.

48. In addition, a relatively high share of pensioners continues to work, and hence in addition to pensions has another source of income - employment income. This gives working pensioners explicit advantages compared to those employees having poor labour skills and occupying low-paid position, as well as not having different kinds of advantages and subsidies.

49. At the same time, categories of pensioners such as handicapped pensioners, recipients of survivor’s pension, recipients of social pension, and recipients of the minimum old age pension, particularly the very elderly as well as those residing separately and without relatives are in the worst position. These categories of pensioners have to be given special attention in developing further social policy measures.

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### Table 1: Trends in Key Indicators of Pensioner Living Standards and Pension Security in Russia for the period 1992-2000

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<tbody>
<tr>
<td>Number of pensioners registered in offices of social protection of population</td>
<td>35.3</td>
<td>36.1</td>
<td>36.6</td>
<td>37.1</td>
<td>37.8</td>
<td>38.2</td>
<td>38.4</td>
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<td>(at the end of year), million persons</td>
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<tr>
<td>Number of those employed in economy, per pensioner (at the end of year)</td>
<td>2.02</td>
<td>1.94</td>
<td>1.84</td>
<td>1.80</td>
<td>1.76</td>
<td>1.70</td>
<td>1.66</td>
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<td>1.68</td>
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<td>Number of working pensioners, million persons</td>
<td>8.0</td>
<td>8.4</td>
<td>8.9</td>
<td>8.7</td>
<td>7.2</td>
<td>7.1</td>
<td>6.1</td>
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<tr>
<td>Ratio of working pensioners to number of pensioners registered in offices of social protection of population, %</td>
<td>21.9</td>
<td>22.6</td>
<td>23.5</td>
<td>22.8</td>
<td>18.8</td>
<td>18.5</td>
<td>15.9</td>
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<tr>
<td>Consumer price index, % to the previous year (December, as % of December of the year before)</td>
<td>2608.8</td>
<td>939.9</td>
<td>315.1</td>
<td>231.3</td>
<td>111.0</td>
<td>184.4</td>
<td>136.5</td>
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<td>Average monthly per capita money incomes, thousands roubles, since 1998 - roubles</td>
<td>4.0</td>
<td>45.2</td>
<td>206.3</td>
<td>515.4</td>
<td>769.2</td>
<td>940.8</td>
<td>1007.8</td>
<td>1629.6</td>
<td>2192.9</td>
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<td>Real disposable money incomes, % to the previous year</td>
<td>52.5</td>
<td>116.4</td>
<td>112.9</td>
<td>84.9</td>
<td>100.5</td>
<td>105.7</td>
<td>83.8</td>
<td>86.2</td>
<td>109.3</td>
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<tr>
<td>Average monthly payroll wage of an employee, thousands roubles, since 1998 - roubles</td>
<td>6.0</td>
<td>58.7</td>
<td>220.4</td>
<td>472.4</td>
<td>790.2</td>
<td>950.2</td>
<td>1051.5</td>
<td>1522.6</td>
<td>2223.4</td>
</tr>
<tr>
<td>Real average monthly payroll wage of an employee, % to the previous year</td>
<td>67</td>
<td>100.4</td>
<td>92</td>
<td>72</td>
<td>106</td>
<td>105</td>
<td>87</td>
<td>78</td>
<td>121</td>
</tr>
<tr>
<td>Average gross monthly pension (considering compensation payments), thousands roubles, since 1998 - roubles</td>
<td>1.6</td>
<td>19.9</td>
<td>78.5</td>
<td>188.1</td>
<td>302.2</td>
<td>328.1</td>
<td>399.0</td>
<td>449.0</td>
<td>694.3</td>
</tr>
<tr>
<td>Real gross monthly pension, % to the previous year</td>
<td>52</td>
<td>131</td>
<td>97</td>
<td>81</td>
<td>108.7</td>
<td>94.6</td>
<td>95.2</td>
<td>60.6</td>
<td>128.0</td>
</tr>
<tr>
<td>Average monthly minimum wage, thousands roubles, since 1998 - roubles</td>
<td>0.7</td>
<td>6.1</td>
<td>17.6</td>
<td>42.5</td>
<td>72.7</td>
<td>83.5</td>
<td>83.5</td>
<td>83.5</td>
<td>107.8</td>
</tr>
<tr>
<td>Real average monthly minimum wage, % to the previous year</td>
<td>41.5</td>
<td>93.3</td>
<td>70.9</td>
<td>81.4</td>
<td>115.8</td>
<td>100.0</td>
<td>78.3</td>
<td>53.9</td>
<td>no data</td>
</tr>
<tr>
<td>Minimum gross monthly old age pension (considering compensation payments), thousands roubles, since 1998 – roubles</td>
<td>1.1</td>
<td>11.3</td>
<td>40.7</td>
<td>89.6</td>
<td>190.4</td>
<td>222.0</td>
<td>234.2</td>
<td>290.3</td>
<td>427.8</td>
</tr>
<tr>
<td>Real gross monthly old age minimum pension, % to the previous year</td>
<td>44.0</td>
<td>105.5</td>
<td>88.1</td>
<td>74.1</td>
<td>143.7</td>
<td>101.6</td>
<td>82.6</td>
<td>no data</td>
<td>no data</td>
</tr>
<tr>
<td>Ratio of average gross monthly pension to average monthly payroll wage, %</td>
<td>26.7</td>
<td>33.9</td>
<td>35.6</td>
<td>38.8</td>
<td>38.2</td>
<td>34.5</td>
<td>37.9</td>
<td>29.5</td>
<td>31.2</td>
</tr>
<tr>
<td>Ratio of minimum gross monthly old age pension to average monthly minimum wage, %</td>
<td>157.1</td>
<td>185.2</td>
<td>231.0</td>
<td>210.8</td>
<td>261.9</td>
<td>265.9</td>
<td>280.5</td>
<td>347.7</td>
<td>396.8</td>
</tr>
<tr>
<td>Ratio to the subsistence minimum (for the respective socio - demographic population group), %</td>
<td>210</td>
<td>220</td>
<td>238</td>
<td>195</td>
<td>207</td>
<td>227</td>
<td>203</td>
<td>177</td>
<td>no data</td>
</tr>
<tr>
<td>Average monthly per capita money incomes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Average monthly payroll wages of an employee</td>
<td>281</td>
<td>254</td>
<td>226</td>
<td>159</td>
<td>190</td>
<td>206</td>
<td>189</td>
<td>152</td>
<td>no data</td>
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<tr>
<td>Average gross monthly pension</td>
<td>119</td>
<td>138</td>
<td>129</td>
<td>101</td>
<td>116</td>
<td>113</td>
<td>115</td>
<td>70</td>
<td>no data</td>
</tr>
<tr>
<td>Minimum gross monthly old age pension</td>
<td>83</td>
<td>79</td>
<td>67</td>
<td>48</td>
<td>73</td>
<td>77</td>
<td>67</td>
<td>45</td>
<td>no data</td>
</tr>
<tr>
<td>Wage arrears, trillion roubles, since 1998 - milliard (billion) roubles</td>
<td>-0.03</td>
<td>0.8</td>
<td>4.2</td>
<td>20.8</td>
<td>48.6</td>
<td>52.6</td>
<td>77.0</td>
<td>43.7</td>
<td>no data</td>
</tr>
<tr>
<td>Pension arrears, trillion roubles, since 1998 - milliard (billion) roubles</td>
<td>-</td>
<td>-</td>
<td>0.7</td>
<td>15.7</td>
<td>26.3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Sources: “Social Situation and the Living Standard of the Population in Russia” for the corresponding years. The Statistical Yearbook. Goskomstat (State Committee on Statistics) of Russia; “Socio-Economic Situation in Russia” for the corresponding years. Monthly Statistical Digest. Goskomstat of Russia.
Table 2: Share of Households and Population with Per Capita Money Incomes below the Subsistence Minimum Amount in 2000, as % of the total number surveyed

<table>
<thead>
<tr>
<th>Social and demographic types of households and population groups</th>
<th>Below the subsistence minimum</th>
<th>Twice or more below the subsistence minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>All households surveyed</td>
<td>42.2</td>
<td>13.4</td>
</tr>
<tr>
<td>Two parent families</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spouses without children</td>
<td>28.6</td>
<td>6.2</td>
</tr>
<tr>
<td>Spouses with 1-2 children</td>
<td>51.8</td>
<td>20.1</td>
</tr>
<tr>
<td>Spouses with 3 children and more</td>
<td>79.2</td>
<td>50.7</td>
</tr>
<tr>
<td>Single parent families</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single parent families with 1-2 children</td>
<td>55.9</td>
<td>21.6</td>
</tr>
<tr>
<td>Single parent families with 3 children and more</td>
<td>93.6</td>
<td>71.8</td>
</tr>
<tr>
<td>Households with unemployment benefits recipients</td>
<td>72.6</td>
<td>38.9</td>
</tr>
<tr>
<td>Households of non-working pensioners</td>
<td>31.7</td>
<td>6.7</td>
</tr>
<tr>
<td>All population surveyed</td>
<td>49.3</td>
<td>18.7</td>
</tr>
<tr>
<td>Hired workers</td>
<td>44.4</td>
<td>15.3</td>
</tr>
<tr>
<td>Entrepreneurs</td>
<td>29.2</td>
<td>12.3</td>
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<tr>
<td>Temporarily non-working</td>
<td>65.4</td>
<td>33.9</td>
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<tr>
<td>Non-working pensioners</td>
<td>43.0</td>
<td>12.6</td>
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<tr>
<td>Working pensioners</td>
<td>24.9</td>
<td>6.0</td>
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<tr>
<td>Old-age pensioners</td>
<td>37.9</td>
<td>10.0</td>
</tr>
<tr>
<td>Handicapped pensioners</td>
<td>55.6</td>
<td>22.2</td>
</tr>
<tr>
<td>Recipients of survivor’s pension</td>
<td>62.0</td>
<td>26.1</td>
</tr>
<tr>
<td>Recipients of social pension</td>
<td>64.2</td>
<td>27.4</td>
</tr>
<tr>
<td>Recipients of unemployment benefits</td>
<td>74.6</td>
<td>41.6</td>
</tr>
</tbody>
</table>

Source: Population Budget Surveys Data. Goskomstat (State Committee on Statistics) of Russia.