**Abstract**

**RS-89**

Title: " The monitoring of socio-economic behavior and population health in Russia".

Head of the Project: P.M. Kozyreva, Ya.M. Roshchina

Department/Institute**:** Center for Longitudinal Studies, Institute for Social Policy

1. **Goal of research** is to analyze the socio-economic behavior of households and population health in Russia in 1994–2018.
2. **Methodology:** quantitative analysis of the data obtained from the series of nationally representative household-based surveys "­­­Russia Longitudinal Monitoring Survey of HSE" (RLMS-HSE). The panel nature of the data is ensured by the repeated observations that were made annually from 1994 to 2018 based on a uniform survey methodology of the same economic units (individuals and households). Probabilistic, stratified, multistage territorial sampling is representative at the national level.
3. **Empirical base of research:** "­­­Russia Longitudinal Monitoring Survey of HSE" (RLMS-HSE) database, which combines the data of 27 rounds of the survey collected from 1994 to 2018.
4. **Results of research:**

In 2018, the recovery of real household income slowed down. While an average income grew 11.1% in 2016 and 10.6% in 2017, it rose 7.7% in 2018. Work-related household income went up by 11.8% in 2017, but only 8.6% in 2018. In 2018, income from formal employment increased by 11.6% in state-owned enterprises, by 5.5% in privately-owned firms and by 16.6% in public-private companies. Household income from government transfer payments remained stable, amounting to 6.3% in 2017 and 6.4% in 2018.

Household income from domestic production and informal employment fluctuated. After rising 29.1% in 2017, income in cash dropped by 4.1% in 2018. On the contrary, the 2017 dip of 4.7% in income in kind was followed by a considerable growth of 33.8%. Income from private transfers (assistance received from the relatives and charitable donations) increased by 7.7% in 2017 and only 2.4% in 2018.

For the last two years, the household reliance on government transfer payments decreased slightly. While the share of household income derived from government transfers went up from 35.4 to 42% between 2011 and 2016, it fell to 40.8% in 2017–2018. In contrast, wages accounted for 51.1% of household income in 2011, but only 45% in 2017. In 2018, there was a slight uptick, so wages made up 46.5% of household income.

While household income rose across the board in 2017, in 2018 the income growth concentrated in the low-income groups (first and second income quintile) and in the upper-middle class (fourth income quintile). In 2018, wealthy families in the fifth income quintile earned 2.7 times more than low-income families did, which was a 0.2-percent decrease compared to 2017.

In 2018, there was a 3.6-percent decrease in household expenditures as food expenditures stagnated and non-food spending slowed down by 3.2% in 2017 and another 5.5% in 2018. As a result, a long-term trend towards a spending pattern with a significantly greater proportion of non-food expenditures was disrupted the second time since 2014.

The spending gap between the wealthy and the poor continued to narrow. While well-off families spent 5.1 times more than low-income households in 2017, their expenditures were 4.7 times higher than the spending of the poor in 2018.

In 2018, there was an ambiguous development in the number of consumer durables possessed by households. Compared to 2017, the proportion of households with a «No-Frost» refrigerator rose from 62.9 to 65.0%, while the share of households with the latest version of a washing-machine increased from 83.9 to 85.3%. In the meantime, the proportion of families with personal computers and laptops went down from 69.4 to 68.7%; households with at least one car or a truck — from 45.1 to 44.6%; households with summerhouses — from 23.6 to 22.9%.

In 2018, the unemployment rate declined from 3.5 to 3.3% in population in general, with unemployment going down from 3.4 to 3.2% among men and from 3.7 to 3.3% among women. The workforce participation rate also decreased by 0.9 percentage points and stood at 81.0% of the adult population. Even though the numbers of employed retirees fell, women were more likely to stay in the workforce than men (24% female retirees worked, compared to 19.7% of male retirees).

Men continued to outperform women in the labor market. In 2018, the proportion of wage-earners amounted to 79.3% among men and 71.8% among women of the working age. Although private and public-private companies, which had been the main culprits in maintaining the gender gap, started to hire as many women as men, female employees continued to earn 73.7% of male income in all types of enterprises. Even though it was an improvement compared to 70.8% in 2017, it was less than 74.4% in 2016.

In 2018, the number of workers who had wage arrears declined to the all-time low at 1.2%. However, the annual increase in the waiting period and an average amount of money due in back pay accelerated. Wage arrears climbed up by 9.6% in 2016–2017 and by 19.6% in 2018.

Between 2016 and 2018, the share of households struggling to pay rent or utility bills went down from 7.8 to 6.2%. An average amount of money due rose by 11.1% but still failed to hit the mark of 2016.

In 2018, a positive trend in reported life satisfaction was interrupted. While between 2016 and 2017, the proportion of those generally satisfied with their life increased from 48.1 to 51.1%, it dropped in 2018, accounting for 49.6% of respondents. On the contrary, the share of unsatisfied respondents went up from 24.2 to 24.7%.

The proportion of respondents who felt discontented with the financial circumstances of their families increased from 57.1% in 2017 to 57.9% in 2018, while the share of those satisfied went down from 23.2 to 20.9%. In 2018, the proportion of respondents who said that there were no significant changes in their living standards reached startling 59.2%. This came as a result of contracting shares of those who noticed either positive or negative changes. The proportion of respondents reporting declining living standards went down from 24.8 to 23.9%, while the proportion of those noticing some improvement fell from 19.2 to 16.9%.

The respondents generally believed that the outlook for their family living standards was bleak. In 2018, the proportion of those who expected no future improvement in living standards rose from 47.0 to 49.5%. The share of optimists (those who believed in positive change) decreased from 21.5 to 19.6%, while the share of pessimists (those who expected their living standards to fall) went up from 12.9 to 13.3%.

Despite all of that, respondents were slightly less anxious about losing their job. The share of those worried dropped from 63.3% in 2017 to 61.9% in 2018. However, the proportion of those who never gave it thought also decreased from 23.7 to 23.3%. The share of respondents who were optimistic about their chances to find a new job remained stable at 38.6%, while the proportion of those doubting their employment prospects fell from 44.4 to 42.4%.

In 2018, respondents were more content with their job than a year before. The proportion of those satisfied grew from 67.4 to 69.2%, while the share of those who express discontent decreased from 9.8 to 8.8%. The respondents were much more satisfied with their working conditions than wage.

Despite the economic hardship of the last decade, people viewed their health more positively than they used to in the 1990s. Between 1994 and 2018, the share of people who assessed their health as good or very good increased from 25.4 to 33.1%; the share of people who assessed their health as bad or very bad, on the contrary, decreased from 18.8 to 15.3%; the share of those who perceived their health as neither good, nor bad also fell from 55.5 to 51.1%. The improvement in self-assessed health was largely related to the positive influence of the family.

Between 1994 and 2017, the self-assessed health of retirees improved, with an average score of self-assessed health going up from 2.52 to 2.75, although there was a slight drop in 2018 as an average score stood at 2,72. In 2018, 57.9% of retirees viewed their health as neither good, nor bad, while only 9.5% considered their health good or very good, and 32% thought of it as bad or very bad. People who continued to work felt more positively about their health, compared to those who left the workforce. Despite having relatives and friends, many retirees felt lonely. Financial struggles, meager job opportunities, economic uncertainty and bleak financial prospects also contributed to the low health self-assessment.

The level of self-assessed health was consistently low among people with disabilities during the period under consideration. After hitting its all-time high at 65.1% in 2008, the proportion of those who assessed their health as bad or very bad decreased to 59.1% in 2018. For many years, people with disabilities reported anxiety and uncertainty about the future, while the general improvement in well-being was strongly linked to available job opportunities.

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), 1994–2018, with documentation in Russian and English, is publicly available at http://www.hse.ru/rlms. Between 2014 and 2018, users registered 8500 verified accounts, which allowed them to download the database.

In 2014–2018, there were more than 1300 scholarly works based on RLMS-HSE and published in Russian, English and other languages. This includes articles that can be found in citation databases, such as Web of Science, Scopus, and the Russian index of scientific citation. The full list of publications is available at https://www.hse.ru/rlms/publ.