

GENERAL OVERVIEW OF SOCIO-ECONOMIC SITUATION IN ST. PETERSBURG



January-February 2021 № 169



-
1. **CITY MANAGEMENT:** Staff changes at the City Government committees

 2. **EMPLOYMENT:** Labor market situation stabilizing

 3. **PERSONAL INCOMES AND EXPENDITURES:** Inflation rate in St. Petersburg is slightly below the national average

 4. **INDUSTRY:** The North-Western Regional Center of the Almaz-Antey Concern has been established

 5. **FINANCE:** Information on the execution of the consolidated budget

 6. **MUNICIPAL AFFAIRS:** Three stations of St. Petersburg Metro will be closed for major repairs in 2021

 7. **REAL ESTATE:** The indicator of the Ministry of Construction for housing commissioning has been fulfilled — 3.3 mln sq. m. of housing commissioned in the City

 8. **INVESTMENT PROJECTS:** Hyundai is building a plant for making internal combustion engines
-

Founder: IC SER Leontief Centre

Editor in chief:

Nina Oding

Editors:

Olga Varlamova

Denis Kadochnikov

© IC SER Leontief Centre, 2021. When quoting from this publication, reference to “A General Overview of Socio-Economic Situation in St. Petersburg” is required.

In compiling this review, the report data of St. Petersburg Statistic Committee for 2007-2021 on the Socio-Economic Situation in St. Petersburg and the Leningrad Oblast was used.

1. CITY MANAGEMENT

APPOINTMENTS

Changes have taken place in the composition of the Government of St. Petersburg

On January 15, 2021, a member of the city government, V. Kirillov, was dismissed from the post of vice-governor in connection with the transition to another job. During his work in the city Government since the end of 2014, V. Kirillov oversaw the issues of culture, safety and ecology. On January 21, 2021, he was appointed Director of the State Museum of the History of St. Petersburg. On January 21, three new vice-governors were included in the Government of St. Petersburg: M. Piotrovsky, S. Dregval and S. Kazarin. On January 20, their candidacies were approved by the deputies of the Legislative Assembly. In the city Government, M. Piotrovsky oversees the issues of culture, physical culture and sports. Prior to his new appointment, since September 2020, he worked as the first Deputy Chairman of the Committee on Culture. S. Dregval is responsible for energy and tariffs. Since November 2020, he has worked in Smolny as an adviser to the Governor. Previously, he worked in JSC "Interregional Distribution Grid Company of the Urals". In the area of responsibility of S. Kazarin are the areas of informatization and communication, the development of horticulture and horticulture. Previously, S. Kazarin headed the Committee on Informatization and Communication. The duties of the chairman of this Committee were assigned to the First Deputy Chairman of the Committee on Informatization and Communications V. Tumarev. Vice-Governor N. Bondarenko is responsible for the issues of nature management, environmental protection and environmental safety, which were previously supervised by V. Kirillov, in the city Government.

A new head has been appointed to the St. Petersburg Education Committee

Since February 17, 2021, N. Putilovskaya has been appointed to the post of the chairwoman of the Education Committee. She previously served on the Committee as a Vice-Chair. The position of the head of the city's Education Committee has been vacant since July 24, 2020, after it was abandoned by Zh. Vorobyova.

At an expanded meeting of the board of the Main Department of the Ministry of Internal Affairs of Russia for St. Petersburg and the Leningrad Region, the results of work in 2020 were summed up.

The board meeting was held on January 27, 2021 via videoconference. Noted was a decrease in the crime rate. In 2020, figures for many types of crimes were reduced in St. Petersburg. For example, the number of car thefts decreased

by 42%, the number of home thefts - by 31%. It is planned to allocate 5.5 billion rubles from the city budget in 2021 for the implementation of the state program "Ensuring Law and Order and Security in St. Petersburg".

A meeting of the Coordination Council for the Development of the Transport System of St. Petersburg and the Leningrad Region was held

The meeting was held on February 9, 2021, under the chairmanship of Deputy Prime Minister of Russia Mikhail Khusnullin. The meeting was also attended by the Minister of Transport of Russia V. Savelyev, the Governors of St. Petersburg and the Leningrad Region A. Beglov and A. Drozdenko, the General Director and Chairman of the Management Board of JSC "Russian Railways" O. Belozarov, and the heads of the relevant authorities. The meeting participants reviewed the draft Comprehensive Plan for the Development of the transport System of the St. Petersburg Agglomeration until 2024. The project includes 415 measures for the development of transport infrastructure. Among the first tasks are the expansion of the metro network, the construction of a high-speed Latitudinal Highway and the Moscow – St. Petersburg high-speed railway.

A meeting of the Commission for the Prevention and Elimination of Emergency Situations and Ensuring Fire Safety in St. Petersburg was held

The meeting was held on February 11, 2021, under the chairmanship of Governor A. Beglov. During the meeting, it was noted that despite the difficult working conditions associated with the pandemic, there were no emergencies in the city. In 2020, fire and rescue units extinguished more than 7.5 thousand fires, attended more than 3 thousand road accidents, and provided assistance to more than 1.2 thousand victims. As a result of the measures taken, the lives of 1898 people were saved.

A meeting of the extended board of the Department of the Federal Tax Service of Russia for St. Petersburg was held

On February 26, 2021, under the chairmanship of the head of the Department of the Federal Tax Service of Russia (FTS) for St. Petersburg, A. Gnedykh, a meeting was held at which the results of the work of the city's tax authorities in 2020 were summed up and the main tasks for 2021 were determined. In 2020, St. Petersburg taxpayers transferred 2.94 trillion rubles to the Russian budget system, which is 13% more than in 2019. The federal budget received 966 billion rubles. (31% more than in 2019), the budget

of St. Petersburg – 580 billion rubles. (by 1.5% more), compulsory social insurance fund – 548 billion rubles (1.2% more). Own tax and non-tax revenues of the budget of St. Petersburg amounted to 616 billion rubles. Despite the objective difficulties, the collection of taxes to the city budget exceeded the planned value by 26.5 billion rubles.

LEGISLATION

The procedure for the use of common minerals, underground water and the construction of underground structures for own needs has been established

This procedure is determined by the provisions of the Law of St. Petersburg of January 20, 2021 No. 20-5 "On the Procedure for the Use by the Owners of Land Plots Located on the Territory of St. Petersburg, of Common Minerals and Underground Waters, for their Own Needs, as well as the Construction of Underground Structures and on Amendments to the Law of St. Petersburg "On Administrative Violations in St. Petersburg". According to the provisions of the Law, the use of common minerals must be carried out without the use of explosive devices. The use of underground water should not exceed 100 cubic meters per day and affect aquifers that are sources of centralized water supply. The construction of underground structures should not go deeper than 5 meters.

Amendments were made to the legislative acts of St. Petersburg on environmental protection

Amendments and additions were made on the basis of the Law of St. Petersburg No. 30-9 of January 27, 2021 "On Amendments to the Law of St. Petersburg "Environmental Code of St. Petersburg", the Law of St. Petersburg "On Green Spaces in St. Petersburg" and on the invalidation of Certain Laws of St. Petersburg and their Individual Provisions". The Environmental Code (Law of St. Petersburg No. 455-88 of June 29, 2016) is supplemented by the section "State environmental monitoring (State environmental monitoring) on the territory of St. Petersburg". The Law of St. Petersburg of June 23, 2010 No. 396-88 "On Green spaces in St. Petersburg" is supplemented with provisions on monitoring the state of green spaces. It refers to the organization and implementation of systematic monitoring of the state of green areas, assessment and forecast of changes in their state as a result of the impact of natural and anthropogenic factors.

In St. Petersburg, certain restrictive measures to counteract the spread of COVID-19 infection are being relaxed and canceled

Initially, the restrictive measures were established on the basis of the decree of the Government of St. Petersburg No. 167 of March 30, 2020. In August and September 2020, as the epidemiological situation improved, decisions were

made to ease the previously established restrictions. However, due to the increase in the number of cases of COVID-19, at the end of October 2020, some of the restrictions were restored. The strengthening of restrictive measures continued in November-December 2020. Due to the gradual reduction in the incidence rate, in January and February 2021 on the basis of the relevant resolutions of the Government of St. Petersburg, a number of restrictive measures were relaxed or canceled. Since January 16, the occupancy rate of theater auditoriums has been increased from 25% to 50%. Since January 30, the level of occupancy of auditoriums at concerts, circus performances, cinemas and sports events has been increased to 50%. Since February 12, food courts and food places have been opened with the condition of compliance with security measures and maintenance of no more than 50% of the tables. Visitors have access to leisure and entertainment facilities. The occupancy rate of cinemas, circuses, concert and theater halls has been increased to 75%. Up to 75% of the maximum number of spectators, but not more than 25 thousand people, are allowed to attend sports events.

The parameters of the state procurement for the professional development of public civil servants of St. Petersburg have been approved

The State procurement for 2021 is approved by the Law of St. Petersburg No. 57-12 of February 10, 2021. In 2021, at least 4993 state civil servants of St. Petersburg should be covered by professional retraining, advanced training and other professional development activities. No more than 25.4 million rubles should be allocated to finance the state procurement in this area. Compared to last year, the parameters of the state procurement have increased by more than a third.

MEETINGS, COOPERATION

The Governors of St. Petersburg and the Murmansk Region discussed joint actions in the Arctic region

On January 18, 2021, the Governors of St. Petersburg and the Murmansk Region, A. Beglov and A. Chibis, met. The focus of the discussion was on the implementation of state policy in the Arctic region. St. Petersburg and the Murmansk Region cooperate in the fields of shipbuilding, personnel training, and scientific research. During the meeting, the sides discussed the possibilities of expanding scientific, technical, trade and economic cooperation, including the spheres of culture and tourism.

The Governor of St. Petersburg held a meeting with the head of the Federal Agency for Fisheries

The meeting was held on February 4, 2021. A. Beglov and I. Shestakov discussed the

issues of modernization of the fishing fleet and the development of the fishing complex. Rosrybolovstvo and fishing companies are major customers of the shipbuilding industry in St. Petersburg. In recent years, 5 fishing vessels have been built and launched in the city. In the coming years, the city's ship-building enterprises will build another 20 vessels of the fishing fleet. The meeting also touched upon the development of the fish-farming potential of St. Petersburg. There are 43 fishing enterprises and 111 fish processing plants in the city. The industry employs about 2.5 thousand people. Of great importance for the Russian fisheries industry is the work of the specialized scientific, design and educational organizations of St. Petersburg.

St. Petersburg develops cooperation with the Arkhangelsk Region

On February 4, 2021, the Governor of St. Petersburg A. Beglov held a meeting with the Governor of the Arkhangelsk Region A. Tsybulsky. During the conversation, the sides discussed ways to strengthen and expand bilateral relations. The issues of expanding cooperation in the fields of shipbuilding, domestic tourism, development of the Arctic, supply of agricultural products, pharmaceutical and medical industries were in the focus of attention.

St. Petersburg develops cooperation with PJSC Rosseti

On February 5, 2021, the Governor of St. Petersburg, A. Beglov, held a meeting with the Acting General Director of PJSC Rosseti, A. Ryumin. During the conversation, the issues of the work of the distribution electric grid complex of the city were considered. Over the past three years, the company has invested more than 95 billion rubles in the development of the energy system of St. Petersburg and the surrounding areas of the Leningrad Region. The next step is the modernization of the Petrogradsky District's energy sector and the introduction of an intelligent system for accounting for electricity consumption. It is planned to install 44 thousand "smart" electricity meters in the city.

The Governor of St. Petersburg met with the Minister of Education of Russia

The meeting between A. Beglov and S. Kravtsov took place on February 9, 2021, during a visit to school No. 707 in the Nevsky district. The school was opened on September 1, 2020. It is located in the area of mass housing development, equipped with a media center, workshops, a library and information center, a logo room, two gyms and swimming pools. The school is designed for 1650 students, but in fact 744 students are enrolled. The vacant seats will be filled with children from the families of future new settlers. The governor told the minister about plans for the construction of new educational institutions. In

2021 it is planned to build 25 kindergartens and 11 schools in the city. The city authorities hope for the support of the Ministry of Education of Russia in the implementation of the state program for the development of education. Schools are planned to be built by receiving subsidies from the federal budget.

St. Petersburg develops cooperation with PJSC Rostelecom

On February 10, 2021, the Governor of St. Petersburg A. Beglov held a working meeting with the Vice-President-Director of the interregional branch "North-West" of PJSC Rostelecom A. Loginov. The meeting was dedicated to the implementation of joint projects in the field of digitalization of the work of city services and the prospects for further cooperation. In St. Petersburg, 47 thousand video cameras were installed, including 18.7 thousand cameras of PJSC Rostelecom. The introduction of "smart" technologies for the operation of urban lighting, street traffic and vehicle parking systems was mentioned as the most promising areas of cooperation.

St. Petersburg and Finland strengthen ties

On February 15, 2021, the Governor of St. Petersburg, A. Beglov, held a meeting in Smolny with the Minister of Foreign Affairs of the Republic of Finland, P. Haavisto. During the meeting, the sides discussed promising areas for the development of cross-border and inter-regional cooperation. Special attention was paid to cooperation in the Arctic and projects in the field of small and medium-sized businesses. During the conversation, it was noted that St. Petersburg participates in 64 projects out of 71 projects between Russia and Finland. St. Petersburg is ready to participate in the international program "Northern Periphery and the Arctic". There are 400 companies from Finland operating in the Northern capital of Russia. The parties expressed hope for the rapid opening of the borders and the restoration of the scale of international tourism.

A meeting with members of the Presidium of the Council of Rectors of Universities of St. Petersburg and the Leningrad Region was held at the Office of the Presidential Representative in the Northwestern Federal District

On February 16, 2021, the meeting was held by the Plenipotentiary Representative of the President of Russia in the Northwestern Federal District, A. Gutsan. The meeting was attended by the Governor of St. Petersburg A. Beglov. At the meeting, the results of the work of the higher school in the conditions of distance learning were considered. 316 thousand students receive higher professional education at 44 state and 28 non-state universities of the city. The participants of the meeting discussed the possibility of returning to

the traditional full-time form of the educational process.

St. Petersburg strengthens cooperation with Kamchatka

On February 18, 2021, the Northern Wharf hosted a meeting of the Governors of St. Petersburg and the Kamchatka Territory, A. Beglov and V. Solodov. The meeting was timed to coincide with the laying of the trawler "Kapitan Korotich", which will be part of the flotilla of Kamchatka fishermen. The meeting discussed the development of economic cooperation. It is planned to sign an agreement on cooperation between the regions in the near future.

2. EMPLOYMENT

In December 2020, 1510 thousand people worked at large and medium-sized enterprises (table 1). In the structure of the employed, 94.9% were full-time employees, 2.2% were part – time employees, and 2.9% of the total number of employees were hired under civil contracts.

Compared to the previous month, the number of full-time employees decreased by 0.6%, the number of part-time employees increased by 4.2%, and the number of employees hired under contracts - by 4.84%

In January-December 2020, the number of employees at these enterprises increased by 1.7% compared to the same period in 2019. The number of full-time employees increased by 2.0% over the same period. The number of part-time employees fell by 1.6%, while the number of employees working under contracts decreased by 5.5%.

In December 2020, the largest number of jobs was in education, transport and communications, manufacturing, healthcare, wholesale and retail trade, while the smallest number was in agriculture and forestry, hotels and restaurants, and other services (table 2). 49.6% of all employees at large and medium-sized enterprises of the city worked in the public sector of the economy.

In October-December 2020, the number of economically active population (EAN) was 3114.9 thousand people, of which 3003.5 thousand were employed and 111.5 thousand were unemployed. Persons outside the labor force accounted for 1465.8 thousand people. During the period under review, the employment rate was 65.6% (the share of the number of employed in the total population aged 15 to 72 years), the level of economic activity - 68% (the share of the number of economically active population in the total population aged 15 to 72 years) (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

TABLE 1. Changes in total employment at large and medium enterprises of St. Petersburg

	December 2020		January-December 2020 in % to January-December 2019
	'000 people	In % to November 2020	
Filled jobs total, including:	1510,1	100,0	101,7
Registered permanent employees	1433,8	99,8	102,0
External by-workers	33,2	101,1	98,4
Contracted labour	43,1	106,0	94,5

TABLE 2. Employment at enterprises and organizations of St. Petersburg by the type of economic activity in December 2020 (without small enterprises)

Industry	Total employment	
	'000 people	% of the total
Total, including:	1510,1	100,0
Manufacturing	204,7	13,6
Production and distribution of electric power, gas and water	45,0	3,0
Agriculture and forestry	5,1	0,3
Construction	49,7	3,3
Transportation and telecommunications	215,2	14,3
Finance and insurance	54,2	3,6
Real estate transactions, leasing and services	37,2	2,5
Wholesale and retail trade, repair of motor vehicles and home appliances	173,6	11,5
Hotels and restaurants	25,4	1,7
Public administration, security and social care	92,2	6,2
Education	222,8	14,8
Healthcare and social services	171,4	11,4
Culture, sports, entertainment	48,6	3,2
Science and technology	120,1	8,0
Administrative services	38,0	2,5
Other services	6,0	0,5

According to Petrostat, the number of employees scheduled for discharging in the fourth quarter of 2020 in organizations of St. Petersburg (without small businesses) amounted to 2184 people or 0.15% of the total number of employees of organizations of St. Petersburg (without small businesses) in November 2020. At the same time, the number of required employees for vacant jobs at the end of the third quarter of 2020 at organizations of St. Petersburg (without small businesses) was 77.4 thousand people.

In January 2021, the need of St. Petersburg enterprises for employees amounted to 35.4 thousand people (Table 3). The pressure in the labor market (the number of unemployed citizens registered with the Employment Service, per vacancy) at the end of January 2021 was 2.52 people/vacancy (at the end of January 2020-0.75 people/vacancy).

At the end of January 2021, the need for employees declared by employers to the Employment Service amounted to 35442 vacancies, of which 57.9% were in working professions (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In January 2021, the largest number of vacancies was declared by organizations related to the following economic activities: manufacturing - 17.5%; wholesale and retail trade, repair of motor vehicles and motorcycles-10.8%; transportation and storage-10.8%; education-9.4%; activities in the field of health and social services – 8.4%; public administration and military security - 6.6%; construction-6.2%; administrative and related services-6.1%; activities of hotels and public catering - 5.3%; professional, scientific and technical activities-3.4% real estate operations - 2.9% (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In January 2021, as in the same period in 2020, doctors, engineers, programmers, manag-

ers, security guards, nurses, and translators remain the most popular among employees who are among the top ten specialists in short supply. In 2021, the shortage of programmers, engineers and medical specialists decreased. There was a shortage of architects, foremen, and chemists.

Among the specialists of working professions in January 2021, compared to the same period of the previous year, installers and masons are still in short supply. There was a shortage of qualified ship-building workers - ship pipeliners, assemblers of metal vessels ' hulls, choppers and fitters-ship installers, as well as electric welders of various specializations, tile-makers and painters.

In December 2020, 102.5 thousand people were registered with the Employment Service of St. Petersburg (table 4). In December 2020, 95.6% of those registered with the Employment Service were officially recognized as unemployed.

By the end of January 2021, 89.2 thousand non-employed citizens were registered in state institutions of the employment service. 81.5 thousand people were registered as unemployed, including 34.6 thousand people who received unemployment benefits.

In January 2021, the Employment Service received 19,653 applications from citizens for the provision of public services, including 5,508 applications for vocational guidance, and 4,192 applications for informing about the situation on the labor market.

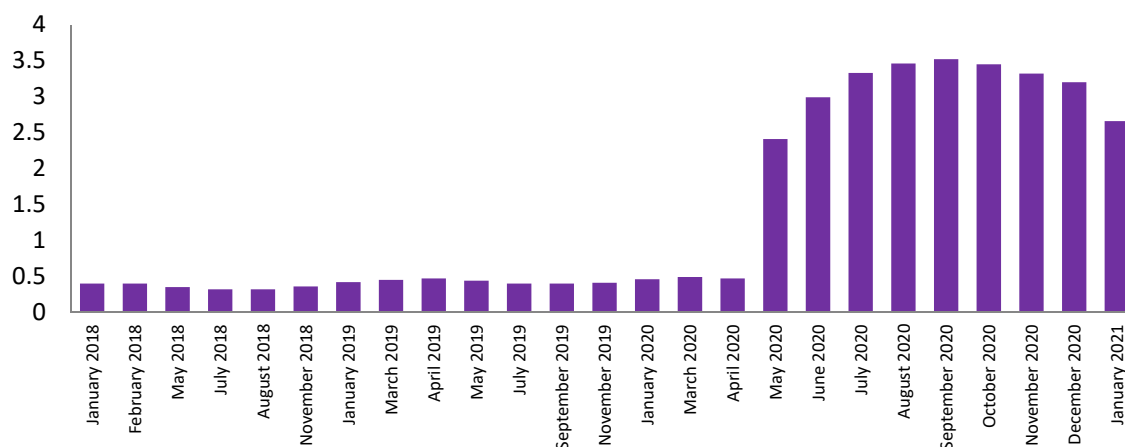
The number of registered unemployed citizens at the end of January 2021 was 81,536, including women – 62.6%; young people aged 16-29-19.7%; citizens of pre-retirement age-10.0%; disabled people-2.8% (at the end of January 2020, the number of unemployed was 13,904). (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

TABLE 3. St. Petersburg enterprises' demand for workforce, January 2020 – January 2021

Month	Demand for workforce reported to the Employment service, thous. people	Number of unemployed people per 1 vacancy		
		persons	In % to the previous month	In % to the same month of the previous year
January 2020	30,3	0,7	100	116,7
February	31,1	0,8	114,3	133,3
March	30,8	0,8	100	133,3
April	31,8	2,2	280	3,7 times
May	32,9	2,8	127,3	5,6 times
June	34,0	3,1	110,7	6,2 times
July	33,2	3,5	112,9	7 times
August	32,3	3,6	102,9	7,2 times
September	32,8	3,5	97,2	5,8 times
October	37,4	3,0	85,7	5 times
November	38,9	2,8	93,3	4,7 times
December	37,8	2,7	96,4	3,9 times
January 2021	35,4	2,5	92,6	3,6 times

TABLE 4. Change in the number of officially registered unemployed people in St. Petersburg, 2020, January 2021

Month	Number of unemployed people registered at the Employment Service	Those with the status of an unemployed person		
		'000 people	% to previous month	% to the same month of the previous year
January 2020	22,6	13,9	100,3	109,6
February	24,0	14,6	104,7	105,8
March	24,2	15,1	103,8	111,1
April	70,0	32,5	2,1 times	2,3 times
May	93,3	73,9	2,3 times	5,5 times
June	106,4	91,8	124,2	7,4 times
July	114,7	102,1	111,3	8,3 times
August	115,7	106,1	103,8	8,9 times
September	114,6	107,8	101,6	9,1 times
October	111,1	105,8	98,2	8,6 times
November	108,1	101,8	96,2	8,1 times
December	102,5	98	96,2	7,1 times
January 2021	89,2	81,5	83,2	5,9 times

PICTURE 1. The level of registered unemployment in St. Petersburg, % of the economically active population

The number of registered unemployed citizens at the end of January 2021 was 81,536, including women – 62.6%; young people aged 16-29-19.7%; citizens of pre-retirement age-10.0%; disabled people-2.8% (at the end of January 2020, the number of unemployed was 13,904). (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In January 2021, 5.0 thousand people received the status of unemployed (by 2.8 thousand people or 2.3 times more than in January 2020). The size of employment of unemployed people in January 2021 was 3.1 thousand people or 5.7 times more than in the same period in 2020, and amounted to 3.8 thousand people.

According to Rosstat, in October-December 2020, the unemployment rate (according to the methodology of the International Labor Organization) was 3.6% of the economically active population (EAN). St. Petersburg had one of the lowest unemployment rates among the subjects of the Russian Federation (in the North-Western Federal District – 5.5%, Moscow – 3.6%, the Russian Federation – 6.1%).

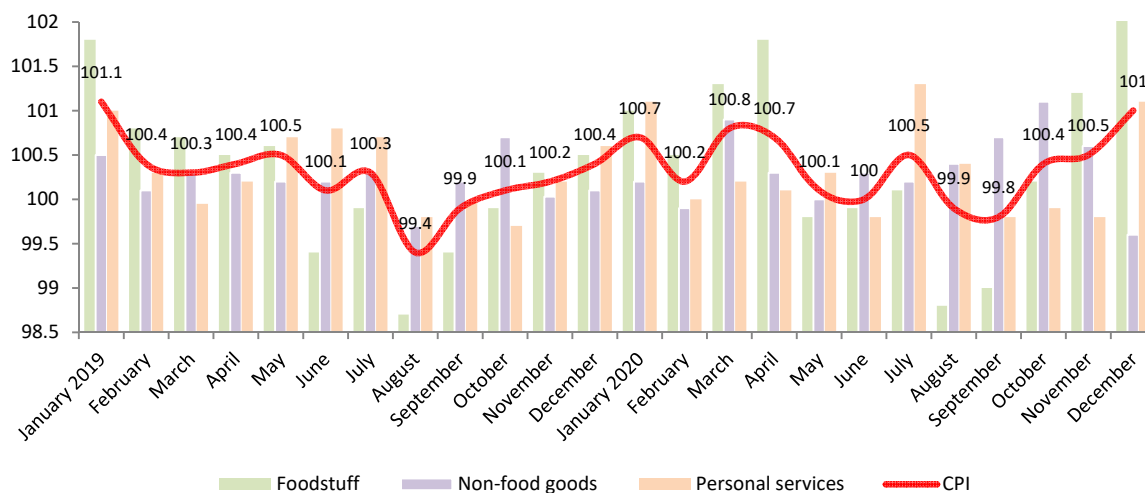
The level of registered unemployment (the ratio of the number of registered unemployed to the number of the labor force on average for 2019) at the end of January 2021 was 2.66% (at the end of January 2020, this indicator was 0.46%) (www.rspb.ru) (figure 1). This is the lowest indicator among the regions of the North-Western Federal District.

3. PERSONAL INCOMES AND EXPENDITURES

PRICES

In January-December 2020, prices in the consumer sector of the economy of St. Petersburg increased by 4.7%. In the same period of 2019, the growth was 3.0%.

Consumer price growth in January-December 2020 in St. Petersburg was 0.2% lower than the national average. In December 2020, consumer prices increased by 1% (figure 2).

PICTURE 2. Consumer price index dynamics in 2019, 2020, % to the previous month

In January-December 2020, tariffs for paid services to the population increased by 3.7%. For comparison - in the corresponding period of 2019 — 3.9%.

The increase in prices for paid services in St. Petersburg in January-December 2020 was 0.1% higher than the national average. Prices for paid services increased by 1.1% in December 2020.

In January-December 2020, prices for food and non-food products increased by 6.4% and 4.0%, respectively. The increase in prices for food and non-food products in January-December 2020 was below the national average.

In December 2020, prices for food products increased by 2.4%, while prices for non-food products decreased by 0.4%.

In 2020, prices grew for fruits and vegetables (22.9%), cereals and legumes (14.3%), oils and fats (5.8%), cheese (5.2%), confectionery (5.1%), meat products (5%), fish (4.2%), bread and bakery products (3.9%), meat and poultry (3.8%), milk and dairy products (3.2%), and alcoholic beverages (1.0%).

In 2020 among fruits and vegetables, price of oranges rose by 39.4%, potatoes — by 32.9%, tomatoes 29.0%, apples — 28.9%, carrots — by 19.65%, pears — by 18.85%, and beets — 15.5%.

Sugar became 1.6 times more expensive, canned meat - by 15.5%, pasta made from wheat flour - by 14.0%, oatmeal and barley - by 13.9%, eggs - by 12.7, canned natural vegetables - by 10.3%, and black tea - by 7.2%.

Among non-food products in 2020, in St. Petersburg, prices grew for construction materials (13.2%), detergents and cleaning products (11.5%), furniture (8.9%), tobacco products (7.2%), electronics (7.0%), hosiery (6.3%), medications (5.8%), kitchenware (5.6%), paper and office products (3.3%), and fancy goods (2.6%).

Prices fell for fabrics (5.6%), footwear and textile (1.9%), cosmetic products (1.0%), and clothing (0.1%).

In December 2020 and January 2021, the charges for electricity, for the maintenance and repair of housing, for cold and hot water supply, drainage, for gas, and contributions for major repairs remained unchanged.

In 2020, the payment for major repairs became higher by 84.4%, compulsory car insurance services - by 15.4%, the cost of services of holiday homes, boarding houses - by 11.9%, the cost of travel in urban passenger transport - by 8.9%, housing and communal services provided to the population — by 6.0%, while the cost of air travel decreased by 27.7%.

In 2020, gasoline prices increased by 2.4%, while diesel prices increased by 1.6%. In January 2021, prices for gasoline rose by 0.9%, and for diesel fuel by 0.4%.

PERSONAL INCOMES AND EXPENDITURES

Real accrued wages, calculated taking into account the consumer price index, in December 2020 amounted to 139.5% compared to the level of November 2020 and 100.9% compared to the level of December 2019 (picture 3).

The average monthly nominal salary accrued in St. Petersburg in December 2020 was 92240 rubles. The average nominal salary of Russian citizens in December 2020 was 24.9% less than in St. Petersburg and amounted to 69278 rubles.

Salary arrears as of February 1, 2021 amounted to 106 million rubles. The amount of debt amounted to 166.7% compared to the level of September 1, 2020. Construction sector accounted for 61.7% of the total debt, while manufacturing accounted for 38.3%.

DIFFERENTIATION OF SALARIES IN ST. PETERSBURG

In December 2020, the level of intersectoral wage differentiation increased compared to October 2020 (picture 4). Thus, the gap between

the highest salary (mining) and the lowest (hotels) was 11.6 times compared to 6.9 times in October and 7.2 times in August.

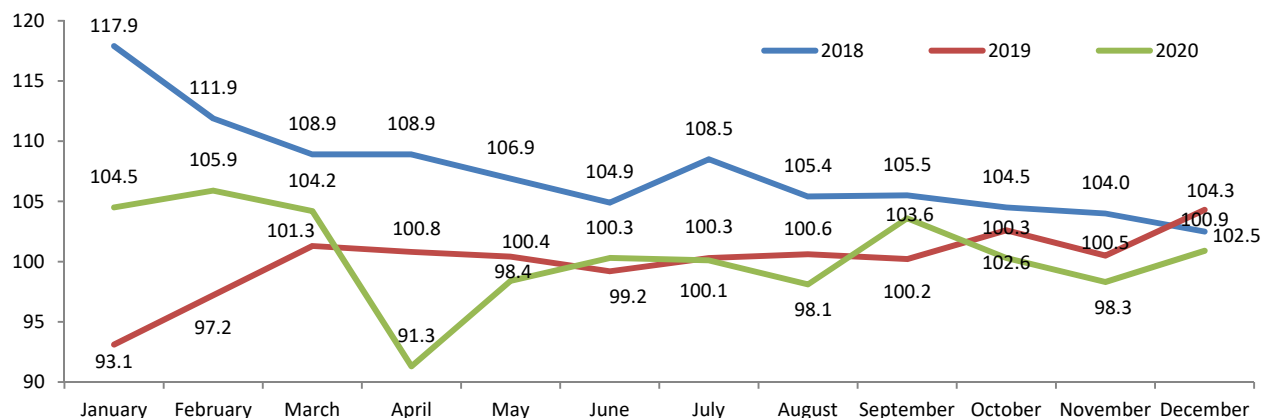
The highest salary in December 2020 was in the mining industry (the salary of employees in this industry was 4.2 times higher than the average salary in St. Petersburg).

In December 2020, significantly exceeded the average salary in St. Petersburg wages for those engaged in financial activities (by 64.7%), in

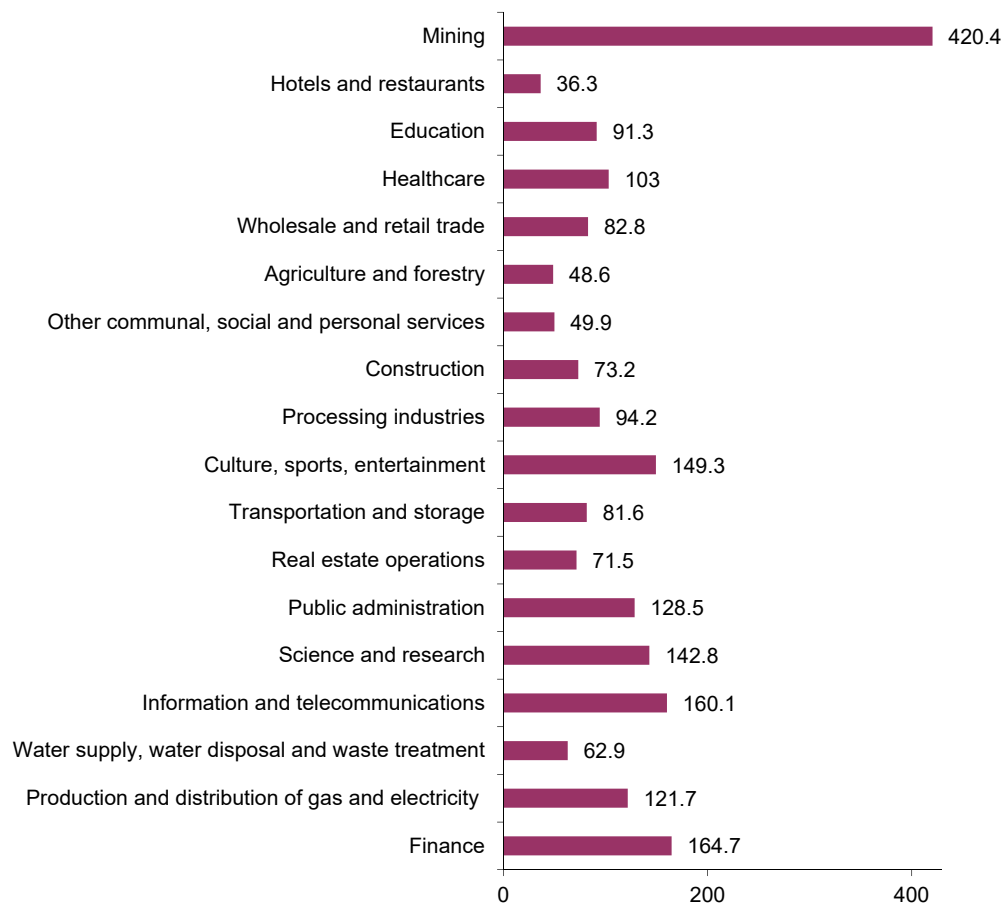
the field of information and communication (by 60.1%), in culture, sports, leisure and entertainment (by 49.3%), and in scientific and technical activities (by 42.8%).

The lowest wages were paid to those employed in hotels and restaurants (36.3% of the average salary), provision of other public, social and personal services (49.9% of the average salary) and agriculture (48.6% of the average salary).

PICTURE 3. The dynamics of real wages in St. Petersburg, 2018, 2019, 2020, %



PICTURE 4. Inter-industry differentiation of average salary in December 2020 in St. Petersburg, % of the average salary (the average salary = 100%)



4. INDUSTRY

The industrial production index in St. Petersburg in January-December 2020 compared to the corresponding period in 2019 was 98.2%, in January 2021 compared to January 2020-104.0%.

In February 2021, the creation of the North-West Regional Center (NWRC) of the Almaz-Antey Concern was completed in St. Petersburg. Six St. Petersburg enterprises of the concern ("Obukhov Plant", "Plant of Radio-technical Equipment", "Design Bureau of Special Engineering", "Research Institute of Radio Equipment", "Russian Institute of Radio Navigation and Time" and "Navigator Plant") are united in a single innovation cluster. The volume of investments in the creation of the NWRC amounted to 54 billion rubles, including 25 billion rubles for technical re-equipment. Not only did the enterprises move to new locations and the workshops were equipped with new equipment, but production chains and logistics were also built. The vacant land plots and production facilities in the historical part of the city were sold at auctions. More than 12 billion rubles were received, which allowed the NWRC to completely close its loan obligations (www.rg.ru 18.02.2021).

Kolpinsky Pipe Plant has completed a two-year investment program for equipment modernization, the company's website reports. Due to the increased overall dimensions and heavy weight of the hydrostatic machine, it was decided to build a separate building for it, where the factory laboratory was also moved. The new hydro-testing workshop and factory laboratory were opened at the end of 2020. (<https://ktz-pipe.ru/> 18.02.2021).

In St. Petersburg, the second stage of the production complex "Electronmash" was launched, designed for the production of digital transformer substations and equipment for "green energy":

wind and solar power plants. The company plans to produce up to 200 units of digital integrated transformer substations per year. JSC "Electronmash" is an industrial enterprise offering system solutions in the field of power supply and production automation (<https://gazeta.spb.ru/> 05.02.2021).

5. FINANCE

In January–November 2020, the organizations' net financial result (profit minus loss) amounted to 732.2 billion rubles, which is 21.4% less than in the corresponding period of 2019.

In January-November 2020, the number of unprofitable organizations increased by 194 units, or 26.4%, compared to the same period in 2019, and the amount of loss increased by 31.2 times.

According to the operational data of the Federal Tax Service of the Russian Federation for St. Petersburg in January-November 2020, the budget system received taxes, fees and other mandatory payments in the amount of 1338.1 billion rubles, which in nominal terms is 16.4% more than in January-November 2019.

CITY BUDGET

Information on the implementation of the consolidated budget is presented in table 5.

STATE DEBT

Information on the structure of public debt as of March 1, 2021 is presented in tables 6 and 7.

TABLE 5. Consolidated budget execution as of March 1, 2021 (mln rubles)

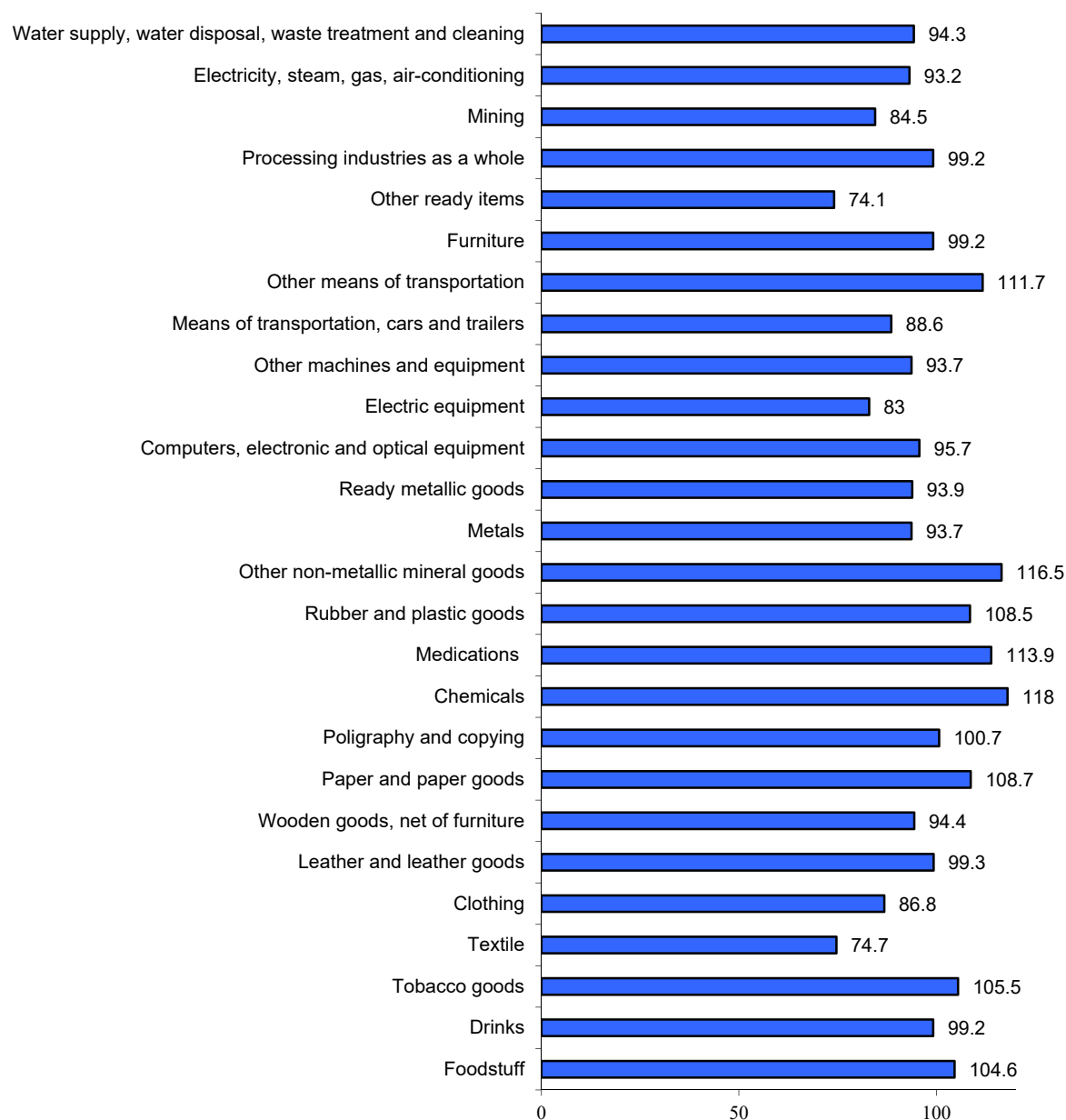
	Revenues	Expenditures	Surplus + / Deficit -
<i>January-October</i>	539	519	20
<i>January-November</i>	593	578	15

Source: Petrostat

TABLE 6. St. Petersburg's state debt structure on March 1, 2021

	Mln rubles
State domestic debt of St. Petersburg, including:	85 006,1
Bonds	85 006,1
State external debt of St. Petersburg	0,0
Total	85 006,1

Source: City Committee of Finance

PICTURE 5. Industrial production dynamics in St. Petersburg by industry, January-December 2020 in % to January-December 2019**TABLE 7. Debt service expenditures of the budget of St. Petersburg, as of March 1, 2020 (mln rubles)**

Item	Plan for 2021	Fact on 01.03.2021
Domestic debt service costs	8710,4,0	0,0
Total	8710,4,0	0,0

Source: City Committee of Finance

6. MUNICIPAL AFFAIRS

BEAUTIFICATION, RESTORATION, CAPITAL REPAIRS

Three stations of the St. Petersburg Metro will be closed for major repairs in 2021. From the first to the fourth quarter of 2021, the work with a total cost of 385 million rubles will be carried out at the Mayakovskaya station, and from the fourth quarter of 2021 to the third quarter of 2022 - at the Moskovskaya – 2 station. In addition, a large-scale reconstruction of the Chernyshevskaya station is planned for 2021-2022, including the complete replacement of escalators and incline structures, which will last 20 months (based on TASS materials).

The Directorate of Transport Construction of St. Petersburg has terminated the contract with Vozrozhdenie for capital repairs of the Shlisselburg Highway with a total cost of 1.06 billion rubles. The total cost of the work performed is estimated at 560 million rubles. The contract is terminated by agreement of the parties (based on the materials of "Kommersant").

The winner of the competition for the repair of the Intendant's warehouses is LLC "PSK Stroymonolit", with which a contract with a total value of 431 million rubles will be signed. In the building, it is planned to restore the interior decoration, restore the interiors, repair the water supply, ventilation and electrical supply systems, as well as equip the building with the necessary technical equipment. The planned completion date is the end of 2023 (according to TASS materials).

In 2021, the budget of St. Petersburg does not include funds for subsidizing the capital repairs of apartment buildings. An alternative source of funding may be an increase in the contributions of homeowners to the Capital Repair Fund. At the same time, the short-term capital repair plan includes more than 2 thousand objects, the total cost of work on which will amount to 13.4 billion rubles (according to the materials of "Kommersant").

The restoration of the Nabokovs' house on Bolshaya Morskaya Street, which houses the writer's museum and the children's Art School, will be completed in September 2021. The work at a cost of 183 million rubles has been carried out in stages in the mansion since 2014. In 2021, it is planned to complete the restoration of the front rooms of the house including wooden wall panels, plaster walls and ceilings, restoration of historical parquet and other lost elements. During the work in the building, fragments of historical decoration were found, including artificial marble, gilding, fragments of modeling and marble panels (based on TASS materials).

TRANSPORTATION, ENERGY, WATER SUPPLY

In January 2021, transport organizations of St. Petersburg transported 1853 thousand tons of cargo and 31.6 million passengers (31.5% less than in the same period in 2020). At the same time, cargo turnover amounted to 853 million ton-km, and passenger turnover – 183.6 million passenger-km (34.3% less than in January 2020). The number of road accidents was 339, which is 33.1% less than in the same period in 2019. According to the results of 2020, 392.8 million passengers were transported in St. Petersburg, this figure decreased by 31.5% compared to 2019 (according to Petrostat).

Passenger traffic at Pulkovo Airport in 2020 amounted to 10.94 million passengers and decreased by more than 44% compared to 2019. The main reason for the significant reduction in passenger traffic was the restrictive measures on domestic and foreign flights, including a complete ban on flights abroad in the spring and summer of 2020. In January 2021, the negative trend continued. According to the data of the operator of Pulkovo Airport, passenger traffic amounted to 900 thousand people, including 638 thousand passengers on domestic flights. Total passenger traffic compared to January 2020 decreased by 32.2%, the number of passengers on international flights - by 35.7% (according to the materials of NCSG and Interfax).

The Committee for the Development of Transport Infrastructure will allocate 1.45 billion rubles in 2021-2023 for the construction of new public transport stops, including 120 stops in the Vyborgsky, Kalininsky, Kolinsky, Pushkinsky, Moskovsky, Primorsky, Kurortny and Nevsky districts of St. Petersburg by the end of 2022. The implementation of these measures is part of the transport reform, which is aimed at optimizing the route network and switching private transport companies to a social tariff (based on the materials of "Kommersant").

MAJOR CITY PROJECTS

Large-scale restoration work is planned to be carried out in 2021-2023 at the Peter and Paul Fortress and at the Oreshek Fortress. As part of the restoration of the Peter and Paul Fortress, it is planned to repair the emergency sections of the granite facade and the casemates of the Catherine Curtain, as well as expand the entrance area of the Ioannovsky Ravelin. The total cost of the work will be about 1 billion rubles. The restoration of the fortress of Oreshek, the plan of which is currently being developed in the Committee on Culture, is planned to be completed by the celebration of the 700th anniversary of the fortress in 2023 (according to RBC materials).

7. REAL ESTATE

CONSTRUCTION

According to the Construction Committee, in January 2021, 451721 square meters of housing were put into operation in the city, that is, 17 houses with 9160 apartments. Most of them are located in the Primorsky district — 6 houses for 2761 apartments with an area of 108445 sq. m., 2 houses for 1713 apartments were completed in the Moscow district and 2 more houses for 1239 apartments in the Krasnoselsky district.

In February 2021, 174444 square meters of housing were put into operation, i.e. 124 houses with 3469 apartments, including individual construction. Most of all put into operation in the Vyborg district — 25 houses per 2001 apartment with an area of 92010 sq. m.

In January, 20 objects of general civil service, including the business complex "Sea Residence" in Vasileostrovsky district, the industrial park "PNK Shushary 3" in Pushinsky district, the administrative building in Krasnogvardeysky district and two sections of the Southern Highway were put into operation.

In February, 24 objects of general civil purpose were put into operation. These include: a multifunctional center in the Moskovsky District, a multi-level ground garage with attached premises in the Pushkinsky district, the reconstruction of a heating boiler house in the Nevsky District, and the construction of two sections of the Southern Highway in the Pushkinsky District.

In the last month of 2020, 1156810 square meters of housing were put into operation in St. Petersburg. This is 310 houses with 25814 apartments. Almost half of the housing was built by three developers: Setl Group (709 thousand square meters of housing in nine residential complexes). LSR Group commissioned 538 thousand square meters in 12 new buildings, Etalon - 324 thousand "squares" in 12 objects.

In total, 3301 million square meters of housing were put into operation in 2020, including individual construction. Thus, the planned standard indicator for housing commissioning, approved for our region by the Ministry of Construction in the framework of the National Project "Housing and Urban Environment" and the federal project "Housing", has been fulfilled.

Initially, this figure was 5.5 million square meters of housing per year, but under an agreement with the ministry, it was changed to 3.2 million square meters per year, which corresponds to the long-term socio-economic forecast and planning documents of the Strategy 2035.

CO-INVESTORS

On February 10, the Construction Committee held a meeting on the commissioning of "prob-

lematic" facilities in the territory of St. Petersburg. The first object considered at the meeting was the residential complex "Panoramas of the Bay" - an apartment building with built-in premises at the address: Dvinskaya st., 8, bldg. 3. According to the developer, it is planned to complete the work at the end of February, the total construction readiness of the object is 95%.

Another problematic object is the residential complex "Znanie" in the village of Shushary (Novgorodsky Ave., uch. 12, building 33.1). The construction of the monolithic frame of the building is being completed, ventilation and elevator blocks are being installed, and 80% of the windows have been installed. According to the developer's assurances, the site has all the necessary materials for the timely completion of the current work. At the same time, there was a backlog from the approved schedule for the implementation of the CMP. The planned date of commissioning of the facility is the 2nd quarter of 2021.

The third object is by "Dalpiterstroy", an apartment building, is only 20% ready. Currently, work is underway on the construction of a monolithic frame of the building. The planned period for putting the object into operation is the 1st quarter of 2022.

The objects of CJSC "ISG "Norman", which was declared bankrupt in April 2020, were considered. The completion of the construction of the company's facilities is entrusted to LLC "RTI", on the basis of the cooperation agreement between the developer and the city of November 17 last year. Completion is carried out in three stages, the developer plans to put the object into operation in the 3rd quarter of 2021.

At the object of the residential complex "Three Oranges" (Stage 2), all tender procedures have been completed, contracts with subcontractors have been concluded. Plastering of the facade is being carried out (the work is completed by 30%), so is the installation of a ventilated facade (readiness-20%). The developer plans to put the facility into operation in the 3rd quarter of 2021.

A report was also heard on multi-apartment residential buildings with a built-in children's preschool institution of the residential complex "Variant" (Pushkin, Lensovetovsky, 1). They are planned to be put into operation in July 2021. At the moment, the construction readiness of the object is 50 %. The issue of the residential complex "Svetlana", which received permission for exploitation from 31.12.2020, was considered. Within the framework of the contractor's activities for the transfer of apartments to shareholders, the Construction Committee and the City Prosecutor's Office monitor the elimination of problems on the object.

The working meeting with the participation of Deputy Chairman of the Committee on Construction E. Baranovsky was attended by co-investors of 3 buildings of the residential complex

"Lomonosov", as well as the general director of the developer LLC "Petrostroy". According to the developer, the construction of the second building will continue, and, according to the agreement reached with the new contractor, in two weeks there will be mostly completed work on the power supply of the building. The construction readiness of the complex is more than 90%. One of the buildings on the initiative of the Construction Committee was recognized as a problem object.

TERRITORIAL DEVELOPMENT, REGULATION

As reported by <http://nsp.ru>, according to a report by the international consulting company Knight Frank, which developed the City Wellbeing Index, St. Petersburg ranked 58th among the 100 leading urban agglomerations in terms of quality of life. The index combines four main indicators: health, safety, air quality, environmental and market sustainability. The first place for 2020 went to the capital of Finland – Helsinki. Moscow over the past year moved from 37th place to 55th. Another rating – City Trifecta, which combined indicators of innovative development of cities and living standards, gave St. Petersburg the 72nd position, and Munich took the first place. High ratings of the level of well-being and innovation helped Munich to achieve leadership, although it is only in sixth place in terms of quality of life. The assessment of innovative development, according to Knight Frank, involves assigning a class based on a combination of four factors: the level of infrastructure (for example, the number of research organizations is estimated), funding (primarily medical developments), project implementation and their quality (the level of academic research, the international reputation of universities, etc.).

In February, Smolny presented a new version of the Scheme for the Development of the Metro. The planned dates for the introduction of long-awaited stations have shifted (<http://nsp.ru>). According to the current scheme, future stations openings are divided into five time periods: planned for commissioning in 2020-2022, in 2023-2025, 2026-2027, 2028-2030 and after 2030. In the new schedule, the first two periods are replaced by 2022-2024 and 2025. The opening of the stations "Yugo-Zapadnaya" and "Putilovskaya" (transfer to "Kirovsky Zavod") was postponed to 2022-2024.

According to the current scheme, the stations "Kudrovo", "Turistskaya", "Shuvalovsky Prospekt" ("Planernaya") were to open in 2023-2025. In the new scheme, "Turistskaya" is re-named "Bogatyrskaya", and "Shuvalovsky Prospekt" ("Planernaya") - into "Shuvalovsky Prospekt" and "Kamenka". The deadline for commissioning is 2025, however, the segment from "Komendantsky Prospekt" to the interchange is to open only in 2028-2030.

In 2025, the opening of "Vasileostrovskaya-2" is also planned. The deadline for entering the segment of the new line from "Putilovskaya" to

"Obvodny Canal" remains the same – 2026-2027. But the section from "South-West" to "Sosnovaya Polyana" (including "Brestskaya", "Doblety Street" and "Peterhof Highway») "moved out" from 2026-2027 to 2028-2030. In the same period, we should expect the launch of "Kudrovo", "Harbor" and "Sea Facade". Recall that "Kudrovo" residents were promised earlier in 2025. All other stations are assigned to the period "after 2030". At the same time, earlier "Alexandrino" and "Marshal Zhukov's Prospect" were promised to open before 2027, and the first segment of the Ring Line (from "Bolshoy Prospekt-2" to "Lesnaya-2") - in 2028-2030. Currently under construction are the stations "Yugo-Zapadnaya" and "Puti-Lovskaya" of the new Krasnoselsko-Kalininskaya line and the segment between "Sennaya" and "Gorny Institut".

According to restate.ru Glavgosexpertiza of Russia issued a positive decision on the construction of the first part of the ITMO University campus based on the ITMO Highpark Research, Education and Innovation Center in the satellite city of Yuzhny.

The first stage of construction will be implemented in two stages. First, the main academic building, four dormitories for 618 people and a road network will be built. At the second stage - three more dormitories for 463 students will be built.

The main academic building of ITMO Highpark with a total area of 30 thousand square meters is an ensemble of nine buildings. It is united by a common roof in the form of a giant disk, on which sports areas will be placed, and a running track will be built along the contour. In addition to the usual teaching and learning classrooms on the university campus, the main building will include many coworking spaces for project and individual work, a factory-laboratory for rapid prototyping of scientific developments, a digital library, a food court, bookshops and souvenir shops, as well as parking for carsharing and kick-sharing. A notable feature of the building will be the atrium - transformer, which easily turns into a congress hall for 2000 people.

Gazprom Invest has held a tender for the construction and commissioning of an airport in Levashovo, 12 km from Lakhta Center. By the end of 2024, the airport will be put into operation. The cost is 40.8 billion rubles. Until recently, the airport was used for military purposes, since 2015 in the status of joint basing and use by Gazprom Avia.

8. INVESTMENT PROJECTS

According to Petrostat, the total volume of investments by organizations (excluding small business entities) in January–December 2020 amounted to 16066.1 billion rubles, including long-term financial investments for 2986.8 billion rubles, or 18.6%, short-term - 13079.3 billion rubles or 81.4%.

The Finnish concern EKE Group has started the implementation of the San Gally Park project in the center of St. Petersburg

The project involves the construction of three 9–storey business centers of class A on the territory of the former Franz San Galli iron foundry. The total area of the new facilities will exceed 61 thousand square meters. It is also planned to build a four-star hotel with 298 rooms and reconstruct three historical buildings for modern use. The total volume of investments by the company is estimated at 120 million Euros.

A new art space has opened in the building of the former V. Slutskaya factory

During working hours, the art space will function as a creative co-working space, and during the remaining hours, exhibitions, concerts, lectures and master classes are planned. The project is proposed to be monetized through the sale of resident cards. In other words, any artist or art worker can purchase a resident card and exhibit their work in the space, earning money by selling tickets. In total, it is planned to sell about 50 such cards. The volume of investments amounted to 2.5 million rubles.

A new creative space called "Vavilov Loft" is being opened on Vasilievsky Island

This project of BS Art Development Group will occupy the building of the Institute of Optics named after S. I. Vavilov, built according to the project of Lenproekt architect S. Evdokimov in 1946-1952 in the style of Stalinist neoclassicism. The space consists of several buildings connected by passageways and recreation areas. According to the plans, bars and restaurants with summer terraces will be located in the courtyards with green areas. In a special area on the second floor there are showrooms, workshops, co-working spaces and offices for creative projects. The loft will also house recording and DJ studios, artists' workshops, and architectural bureaus. The volume of investments in the development of the site amounted to about 110 million rubles.

Kharlamov Hockey Academy has opened in the Frunzensky district of St. Petersburg

The academy building houses a sports and training center with a multi-purpose hall and an indoor ice arena. Its capacity is 120 people during mass skating and 50-during training for hockey players.

It is assumed that the investor (LLC "FTC") will transfer part of the premises in the building to the city, to host the Center for Physical Culture, Sports and Health of the Frunzensky district. According to the Investment Committee of St. Petersburg, the total investment in the project amounted to about 700 million rubles.

Cosmetics and clothing store "Time of Change" has launched the project "Time of Change Home" in "New Holland"

The company plans to sell dishes, decorative items, household chemicals and home clothing. The project will present an eco-friendly and safe range. According to experts, investments in such a project can amount to 1-2 million rubles.

Hyundai is building a plant for the production of internal combustion engines

At the moment, Hyundai Via Rus LLC has already completed the construction of the production building, and the delivery of production equipment is now expected. According to the Committee on Industrial Policy, the total investment will amount to 16 billion rubles.

On the basis of the Almazov NMIC, it is planned to build a Scientific and Educational Complex

The future complex is a whole city block, which will consist of several functional parts: a research center with scientific laboratories; an administrative and public part with a library, an assembly hall, a museum, a patent department and a sports complex. The buildings of dormitories for 620 students face the Park; the middle part of the structure from Kolomyazhsky Prospekt to the block of dormitories is occupied by an Educational and Production Zone with classrooms of various capacities, laboratories, simulation classes, co-working rooms and an IT technology center.

In the south of St. Petersburg, it is planned to build a hotel under the Holiday Inn Express brand

The hotel complex "Airport City St. Petersburg" will include 150 rooms of the "three stars" category, as well as a shopping and business center and a parking. The hotel will be operated by the InterContinental Hotels Group, a brand of Holiday Inn Express.

The new hotel will be part of the multi-functional complex "Airport City", the beneficiary of which is the Austrian company Warimpex Finanz. The Government of St. Petersburg has allocated LLC "Fomalhaut" a plot of 15 thousand square meters on Startovaya Street in the Moscow district on investment terms. The volume of investments in the project is 1.1 billion rubles.

The PSK Group of companies invests in the creation of a network of apart-hotels under a single brand Avenir

The new network will include Putilov Avenir with 336 rooms and Kirovsky Avenir with 473 rooms (Kirovsky District), as well as Moskovsky Avenir with 320 rooms in the Moscow district. Completion of construction and commissioning of new facilities is scheduled for 2021-2022. Apart-hotels Avenir are being built with the involvement

of project financing from Sberbank. The total investment volume is 4 billion rubles.

In the center of St. Petersburg there will be a warehouse for storing personal belongings.

Individual storage warehouses on Pirogovskaya Embankment under the Prostor brand will start working by the end of February. Investments in the purchase of the building and its repair amounted to 360 million rubles. This warehouse is the second object of the Prostor company. The first warehouse with an area of 1.8 thousand boxes has been operating in the Primorsky district since the fall of 2019.

In September 2021, it is planned to open a warehouse on the Moscow Highway. If launched, it will be the largest warehouse of this format in the city — its usable area will be 7.5 thousand square meters, with a capacity of 3 thousand boxes. In total, this year the company plans to invest at least 700 million rubles in existing and new facilities.



GENERAL OVERVIEW OF SOCIO-ECONOMIC SITUATION IN ST. PETERSBURG

This analytical overview is a publication of the International Centre for Social and Economic Research "Leontief centre" and is issued 6 times per year in Russian and English since 1992.

Each issue (20-25 pages) contains, in concentrated form, statistics and information (incl. unpublished) describing the situation in the industry, urban infrastructure, the budget sphere, the progress of privatization and investment projects in St. Petersburg, as well as the standard of living and employment.

The review provides a unique opportunity for investors, entrepreneurs, scholars, public figures to regularly and quickly obtain information about the development of the city.

All editions of the overview are posted on the website <http://www.obzor.leontief.ru/>