

GENERAL OVERVIEW OF SOCIO-ECONOMIC SITUATION IN ST. PETERSBURG



March-April 2021 № 170



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1. CITY MANAGEMENT

APPOINTMENTS

Changes in the Government of St. Petersburg

On March 1, 2021, Ye. Yelin was dismissed from the position of Vice-Governor of St. Petersburg, and resigned from the city Government. Coordination and control over the activities of the Committee of Property Relations were transferred to the Vice-Governor E. Batanov. Vice-Governor M. Sokolov became responsible for the work of the Committee on Economic Policy and Strategic Planning and the Committee on Industrial Policy, Innovation and Trade. Since March 10, 2021, the supervision over the work of the Committee of Property Relations has passed to the Vice-Governor-the head of the Administration of the Governor of St. Petersburg A. Pikalev. Since March 18, 2021, Vice-Governor E. Batanov has taken over the supervision of the activities of the Committee on Economic Policy and Strategic Planning. Other members of the City Government also saw changes in the areas of activity under their supervision.

A new chairman has been appointed to the Committee on Informatization and Communications of St. Petersburg

In accordance with the order signed by the Governor of St. Petersburg, from March 2, 2021, Yu. Smirnova was appointed to the position of Chairman of the Committee on Informatization and Communications. Previously, the activities of this Committee were led by S. Kazarin. He left the post due to his appointment as vice-governor on January 21, 2021, and his inclusion in the Government of St. Petersburg. The new head of the information department of the city - Yu. Smirnova in 2003 graduated with honors from the Bauman Moscow State Technical University. In the period 2006-2014, she worked in the IT industry, and in 2014-2021-in the Administration of the President of Russia. Smirnova should implement the transition of the work of the city executive bodies of state power to digital management principles.

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 April 15, 2021. The meeting was chaired by the Governor of St. Petersburg A. Beglov. Decisions were made to increase the workload of children's institutions from 50% to 75% of the design capacity and to send children to other Russian regions for recreation and recreation. The St. Petersburg register of recreation and recreation organizations for children and young people includes 128 institutions: 14 out-of-town recreation camps and 114 day-stay camps. In addition, 16 mobile kindergartens under

the jurisdiction of the district administrations, as well as 34 recreation organizations located on the territory of the Leningrad Region, are ready to accept children from St. Petersburg. When examining these institutions for the readiness to receive children, increased attention will be paid to meeting the requirements of fire safety and sanitary standards due to the epidemic situation. In 2021, it is planned to organize recreation and health care for 111 thousand children of St. Petersburg residents at the expense of budget funding.

A meeting of the Industrial Council of St. Petersburg was held

The meeting, which was held on April 16, 2021 in Smolny, was attended by the Governor of St. Petersburg A. Beglov and the Minister of Industry and Trade of Russia D. Manturov. The meeting participants reviewed the draft Concept of Industrial Policy of St. Petersburg until 2025. The draft Concept was the result of joint work of the Committee for Industrial Policy, Innovation and Trade of St. Petersburg, the Ministry of Industry and Trade of Russia (Ministry of Industry and Trade of Russia) and the Union of Industrialists and Entrepreneurs of St. Petersburg. Among the main priorities: human capital, investment in processing industries and increasing the productivity of labor. The industry should be developed according to the program-industry principle with the use of measures to support priority industries. As a result of the review, the Concept of the Industrial Policy of St. Petersburg until 2025 was approved.

LEGISLATION

Changes have been made to the housing legislation of St. Petersburg

In order to stimulate the process of re-settling communal apartments and increase the efficiency of using the funds allocated from the budget of St. Petersburg to citizens who are registered in such housing for the purpose of re-settling communal apartments and improving their housing conditions, as well as for the more efficient use of residential premises of the state housing fund, the Law of St. Petersburg No. 70-17 of March 4, 2021 was adopted. The amendments also affected the provisions of the Law of St. Petersburg of April 5, 2006. No. 169-27 "On the procedure and conditions for the sale of residential premises of the State Housing Stock of St. Petersburg", the Law of St. Petersburg of October 17, 2007 No. 513-101 " On the target program of St. Petersburg "Settlement of communal apartments in St. Petersburg" and a number of other laws.

Changes have been made to the Social Code of St. Petersburg

Amendments and additions to the Social Code (Law of St. Petersburg No. 728-132 of November 9, 2011) were made based on three city

laws adopted at the end of March 2021. Based on the Law of St. Petersburg No. 118-23 of March 23, 2021, social support is provided for the installation of an internal gas supply system for housing stock objects. This measure of social support is provided only to certain categories of citizens who have a place of residence in St. Petersburg. The list of categories is given in the Law. All the above-mentioned laws entered into force on April 1, 2021.

In St. Petersburg, the value of the subsistence minimum for 2021 is set.

Based on the resolution of the Government of St. Petersburg of March 24, 2021 No. 143, the average cost of living per inhabitant is determined in the amount of 11910. 4 rubles (in the 3rd quarter of 2020-11684. 5 rubles), for the working age population-13073. 8 (12826. 3 rubles), for pensioners – 10280. 3 rubles (9478 rubles), for children – 11607. 5 rubles. (11391. 1 rubles).

Amendments were made to the Law of St. Petersburg on Municipal Service

In accordance with the Law of St. Petersburg No. 135-31 of March 26, 2021, amendments were made to the Law of St. Petersburg "On the Regulation of Certain Issues of Municipal Service in St. Petersburg". The provisions of the Law establish that a municipal employee who fills a position of the municipal service included in the relevant list is obliged to provide information about his/her expenses, as well as about the expenses of his/her spouse and minor children, in the same order and form as established for state civil servants of St. Petersburg.

The Charter of St. Petersburg has been amended

The amendments were made in accordance with the Law of St. Petersburg No. 145-32 of April 12, 2021. According to the amendments, the subjects of joint jurisdiction of the federal center and St. Petersburg were adjusted. The Charter includes a provision that the State authorities and local self-government bodies are part of a single system of public authority in the country and interact in order to effectively solve problems in the interests of the population. Now the state authorities of St. Petersburg can participate in the formation of local self-government bodies, appoint and dismiss local self-government officials in accordance with the procedure and cases established by federal legislation.

A decision was made to abolish the Charter Court of St. Petersburg

In accordance with the Law of St. Petersburg of April 12, 2021 No. 149-34, the Charter Court of St. Petersburg is abolished from July 1, 2021. After its abolition, cases on compliance of laws, regulatory legal acts of state authorities and local self-government bodies with the Charter of St. Petersburg will be conducted in accordance with federal legislation.

In St. Petersburg, professional medical examinations have been resumed

The resumption of these activities was carried out based on the Resolution No. 225 of the Government of St. Petersburg of April 22, 2021. Medical examinations were resumed only for certain groups of the adult population in medical organizations involved in the implementation of the Territorial Program of Free Medical Care in 2020-2022.

A special fire protection regime has been introduced in St. Petersburg

In accordance with the decree of the Government of St. Petersburg No. 244 of April 23, 2021, a special fire protection regime was established throughout the city. It is valid from April 26 to July 12, 2021. The law provides for a ban on the lighting of fires, burning garbage and dry vegetation, and visiting forest park areas and urban forests by citizens. The relevance of establishing such bans is determined by the fact that in addition to the zone of continuous development, St. Petersburg includes extensive suburban areas, where, in addition to settlements, forests and agricultural land are located.

The Law of St. Petersburg on Urban Development has been amended

The amendments were made based on the Law of St. Petersburg No. 169-41 of April 26, 2021. The changes relate to the formation of territorial divisions of the Commission for Land Use and Development of St. Petersburg. The new version defines that the Commission on Land Use and Development consists of the main and territorial divisions, which are created in order to ensure the individual functions and powers of the Commission on the territory of the districts. In addition, the composition of the Commission, its powers and the scope of its activities have been determined.

MEETINGS, COOPERATION

St. Petersburg develops cooperation with the Republic of Korea

On March 2, 2021, the Governor of St. Petersburg, A. Beglov, held a meeting with the Consul General of the Republic of Korea in St. Petersburg, Kwon Dong Seok. The focus was on the implementation of the project for the construction of a plant for the production of Hyundai motor engines. Last year marked the 30th anniversary of the establishment of diplomatic relations between Russia and the Republic of Korea. In Korea, the production of the Russian vaccine "Sputnik V" has been launched. Among the priority areas of cooperation were the following: shipbuilding, health protection, innovative technologies, environmental protection, Arctic development.

Various options for the development of St. Petersburg transport hub are considered

On March 10, 2021, a meeting on transport issues related to the development of St. Petersburg and the Leningrad Region was held under the chairmanship of Deputy Chairman of the Rus-

sian Government Mikhail Khusnullin. The meeting was attended by the Governors of St. Petersburg and the Leningrad Region A. Beglov and A. Drozdenko, representatives of the relevant federal ministries and JSC "Russian Railways". Options for the development of the St. Petersburg transport hub were presented by the Vice-Governor of St. Petersburg M. Sokolov. A comprehensive version was chosen as the basis. It provides for the simultaneous coordinated development of the street and road network, metro and ground public transport of the two regions, as well as railway communication. The meeting also discussed the construction of the Vitebsk interchange of the Latitudinal Expressway, the new interchange of the Ring Road with the Kronshtadt Highway and the development of railway passenger transportation.

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

The meeting was held on March 18, 2021. A. Beglov and S. Kravtsov discussed the issues of development in the field of education in St. Petersburg. The Governor informed the Minister that 33 thousand teachers work in St. Petersburg. The city successfully solves the issues of building buildings for new educational institutions. In 2019, 9 schools were opened in the city, in 2020 – 10, this year it is planned to put into operation 11 schools.

St. Petersburg develops cooperation with PJSC Gazprom

On March 19, 2021, the Governor of St. Petersburg A. Beglov held a working meeting with the Chairman of the Management Board of Gazprom A. Miller. The issues of expanding cooperation were discussed at the meeting. The focus of the discussion was on the implementation of the program for the development of gas supply and gasification of St. Petersburg, the expansion of the gas engine fuel market and the improvement of urban areas. In December 2020, a program for the development of gas supply and gasification of the city for a new five-year period (2021-2025) was signed.

The Governor of St. Petersburg has met with the Minister of Digital Development, Communications and Mass Media of Russia

The meeting of A. Beglov and M. Shadaev was held on April 1, 2021. The meeting discussed the implementation of the national project "Digital Economy" in St. Petersburg. In order to implement the project, St. Petersburg signed a number of agreements with federal ministries on the implementation of regional projects: "Digital Public Administration", "Information Infrastructure", "Information Security", "Digital Technologies", "Personnel for the Digital Economy". To finance these projects in 2021-2023 St. Petersburg should receive two subsidies from the federal budget.

The annual congress of the Council of Municipal Formations of St. Petersburg was held

The congress was held on April 16, 2021 in the cultural and leisure center "Moskovsky". The participants of the congress summed up the results of the activities of local self-government bodies in 2020 and defined the tasks for 2021. The Chairman of the Council of Municipalities of St. Petersburg, V. Belikov, made a report on the results of the work and current tasks.

The V International Labor Forum was held in St. Petersburg

The Forum was held on April 19-23, 2021 in a mixed format. The Forum was attended by the Governor of St. Petersburg A. Beglov. The forum was held in the year of the 30th anniversary of the State Employment Service. The participants focused on the issues of personnel management, labor protection in the conditions of restrictions associated with the pandemic, and studying the best practices of labor market regulation.

St. Petersburg strengthens cooperation with VTB Bank

Issues related to the development of cooperation between the city and VTB were discussed on April 20, 2021, during a meeting between the Governor A. Beglov and the President and Chairman of the VTB Bank Board A. Kostin. The issues of cooperation in the implementation of transport projects were in the focus of attention. The parties discussed the construction projects of the WHSD interchange with Vitebsk Avenue, taking into account the prospective connection to the Latitudinal Highway, new metro stations and the development of the Pulkovo airport.

The XVIII German Week was held in St. Petersburg

The events of the German Week were held from 22 to 29 April 2021. The German Week was included in the schedule of the Year of Germany in Russia, which takes place from September 2020 under the aegis of the President of the Federal Republic of Germany, F. W. Steinmeier. The German Week was full of various cultural, legal, scientific, educational and business events. Within the framework of the Week, the following events were held: a Technology forum and a Science Day with a fair of German universities. Several events were devoted to the study and development of the Arctic.

The V Congress of the St. Petersburg Chamber of Commerce and Industry was held

The event was held on April 28, 2021. It was attended by the Governor of St. Petersburg A. Beglov, the President of St. Petersburg Chamber of Commerce and Industry Yu Burchakov, Vice-President of the Russian Chamber of Commerce and Industry M. Fateev. St. Petersburg Chamber of Commerce and Industry unites about 4.5 thousand enterprises-from small businesses to large corporations operating in all sectors of the economy. On November 11, 2021, the St. Petersburg Chamber of Commerce and Industry will celebrate its 100th anniversary.

2. EMPLOYMENT

In February 2021, 1530.9 thousand people worked at **large and medium-sized enterprises** (table 1). In the structure of employees, 95.4% were full – time employees, 1.4% were part-time employees, and 3.2% of the total number of employees were under temporary contracts.

Compared to the previous month, the number of full-time employees decreased by 0.6%, the number of part-time employees increased by 1.5%, and the number of employees hired under contracts - by 9.8%.

In January-February 2021 the number of people employed at these enterprises increased by 3.6% compared to the same period in 2020, the number of full-time employees during the same period increased by 3.6%.

In February 2021, the largest number of jobs was in education, transport and communication, manufacturing, healthcare, wholesale and retail trade, and the lowest in agriculture and forestry, hotels and restaurants, other types of services (table 2). 48.3% of all employees at large and medium-sized enterprises of the city worked in the public sector of the economy.

In December 2020 - February 2021, the number of economically active population (EAN) was 3109.7 thousand people, including 3017.4 thousand employed and 92.4 thousand unemployed. Persons outside the labor force accounted for 1463.4 thousand people. During the period under review, the employment rate was 65.9% (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/>).

According to Petrostat, the number of employees scheduled for release in the first quarter of 2021 in organizations of St. Petersburg (without small businesses) amounted to 2057 people or 0.14% of the total number of employees of organizations of the city (without small businesses) in December 2020. At the same time, the number of required employees for vacant jobs at the end of the fourth quarter of 2020 in organizations in St. Petersburg (without small business entities) amounted to 82.3 thousand people.

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

	February 2021		January-February 2021 in % to January-February 2020
	'000 people	In % to January 2021	
Filled jobs total, including:	1530,9	100,3	103,6
Registered permanent employees	1460,3	100,0	103,6
External by-workers	32,6	101,5	101,9
Contracted labour	38,0	109,8	105,1

TABLE 2. Employment at enterprises and organizations of St. Petersburg by the type of economic activity in February 2021 (without small enterprises)

Industry	Total employment	
	'000 people	% of the total
Total, including:	1530,9	100,0
Manufacturing	215,3	14,1
Production and distribution of electric power, gas and water	44,7	2,9
Agriculture and forestry	4,8	0,3
Construction	52,0	3,4
Transportation and telecommunications	218,7	14,3
Finance and insurance	54,6	3,6
Real estate transactions, leasing and services	37,2	2,4
Wholesale and retail trade, repair of motor vehicles and home appliances	182,2	11,9
Hotels and restaurants	25,5	1,7
Public administration, security and social care	93,1	6,1
Education	220,0	14,4
Healthcare and social services	172,0	11,2
Culture, sports, entertainment	48,5	3,1
Science and technology	117,9	7,7
Administrative services	37,6	2,5
Other services	6,8	0,4

In March 2021, the need of St. Petersburg enterprises for employees amounted to 40.4 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 March 2021 was 1.45 people./ vacancy (at the end of March 2020-0.79 people./ vacancy).

In January-March 2021, the Employment Service received 70821 applications from citizens for the provision of public services, including 18758 applications for vocational guidance, and 14472 applications for informing about the situation on the labor market. As of the end of March 2021, the need for employees declared by employers to the Employment Service amounted to 40444 vacancies, of which 55.7% were in working professions (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In March of this year, as in the same period of 2020, doctors, engineers, programmers, managers, security guards, and police officers remain the most popular among the employees who fell into the top ten of the shortage of specialists. In 2021, the shortage of doctors, managers, programmers increased, and the shortage of security guards, engineers, and police officers decreased. There was a shortage of architects, translators and electricians of the site. Among the specialists of working professions in March 2021, compared to the same period in 2020, bricklayers and car drivers are still in short supply. There is a shortage of qualified shipbuilding workers - ship pipeliners, metal ship hull assemblers, choppers and fitters, as well as electric welders on automatic and semi-automatic machines, plasterers, electrical installers of various specializations (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In March 2021, 58.7 thousand people were registered in the Employment Service of St. Petersburg (table 4). In March 2021, 85.0% of those registered with the Employment Service were officially recognized as unemployed.

By the end of March 2021, 61.8 thousand non-employed citizens were registered at the Employment service (at the end of March 2020 – 29,297 people). 81.5 thousand people were registered as unemployed, including 34.6 thousand people who received unemployment benefits.

The number of registered unemployed citizens at the end of March 2021 amounted to 49863 people, including women-63.0%; young people aged 16-29 - 15.2%; citizens of pre-retirement age-13.6%; disabled people-4.2% (at the end of March 2020, the number of unemployed was 15,110 people) (<http://ktzn.gov.spb.ru/analiticheskaya-informaciya/>).

In March 2021, 6.8 thousand people received the status of unemployed (by 3.1 thousand people or 1.9 times more than in March 2020). The size of job-placement of unemployed people in March 2021 was 3.6 thousand people or 5.0 times more than in the same period in 2020, and amounted to 4.5 thousand people.

According to Rosstat, in December 2020-February 2021, the unemployment rate (according to the methodology of the International Labor Organization) was 3.0% 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 – 5.8%, Moscow – 3.2%, the Russian Federation – 4.9%).

TABLE 3. St. Petersburg enterprises' demand for workforce, January 2020 – March 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
February	38,3	2,3	92,0	2,9 times
March	40,4	1,5	65,2	1,9 times

TABLE 4. Change in the number of officially registered unemployed people in St. Petersburg, 2020, January-March 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
February	87,3	79,3	97,3	5,4 times
March	58,7	49,9	62,9	3,3 times

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 March 2021 was 1.61% (at the end of March 2020, this indicator was 0.49%) (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-March 2021, **prices in the consumer sector of the economy of St. Petersburg increased by 2.3%**. In the same period of 2020, the rate of growth was 1.7%.

Consumer price growth in January-March 2021 in St. Petersburg was 0.2% higher than the national average. Consumer prices increased by 0.7% in March 2021 (figure 2).

In January-March 2021, in St. Petersburg, tariffs for paid services to the population increased by 2.4%. For comparison, their growth in January-March 2020 was 1.3%.

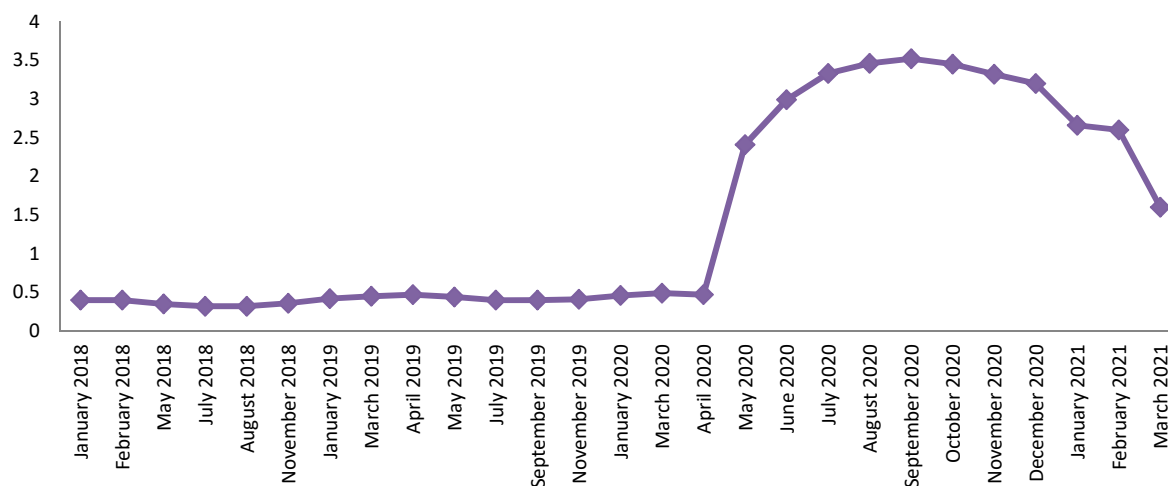
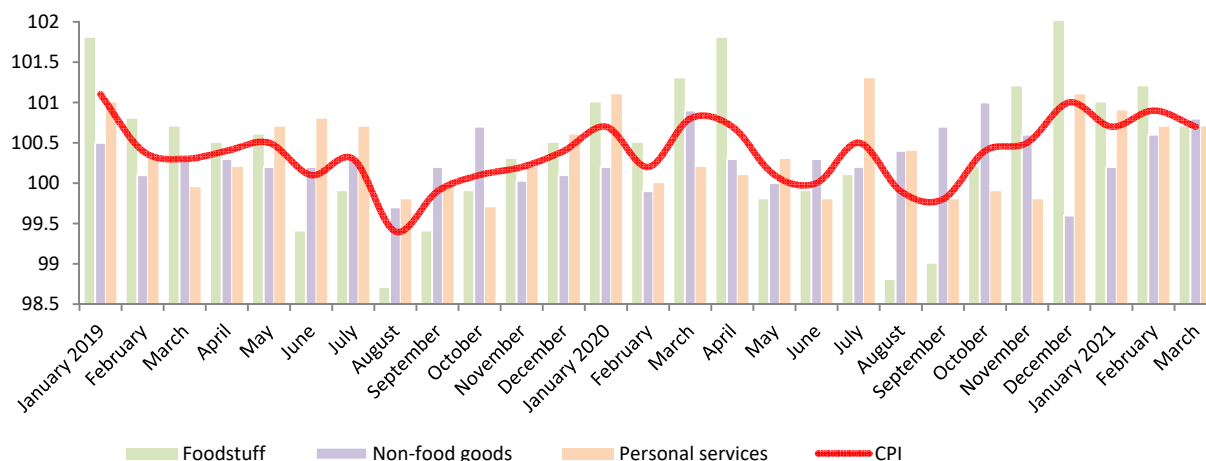
FIGURE 1. The level of registered unemployment in St. Petersburg, % of the economically active population

FIGURE 2. Consumer price index dynamics in January 2019 – March 2021, % to the previous month

The increase in prices for paid services in St. Petersburg in January-March 2021 was 1.2% higher than the national average. Prices for paid services increased by 0.7% in March 2021.

In January-March 2021, prices for food and non-food products increased by 2.9% and 1.6%, respectively. The growth of prices for food products in St. Petersburg, in January-March 2021, was below the average Russian level by 0.2%, for non-food products-below the average Russian level by 0.2%.

Prices for food products in March 2021 in St. Petersburg increased by 0.7%, for non-food products decreased by 0.8%. Fruits and vegetables fell in price by 3% during this period.

In March 2021, instant coffee became more expensive by 6.1%, eggs, beef liver - by 5.8, lamb (except boneless meat) - by 5.4, ketchup, chicken legs - by 5.2, dumplings, manti, ravioli-by 4.3, salmon roe - by 3.5, minced meat - by 3.4, salted butter-by 1.5, sugar - by 1.0%. The decrease in prices was noted for salt, natural coffee beans and ground coffee-by 3.2%. Tomatoes' price fell by 6.9%, bananas-by 5.0, while carrots rose by 18.4, potatoes - by 16.4, onions-by 11.5, white cabbage-by 9.3%.

Among non-food products, in March 2021, St. Petersburg recorded an increase in prices for tableware (by 3.5%), construction materials (by 2.9%), hosiery (by 1.5%), furniture (by 1.3%), clothing (by 1.1%), tobacco products (by 1.0%), knitwear (by 0.9%), haberdashery (by 0.7%), perfumes and cosmetics, fabrics (by 0.4%), shoes (0.3%), medicines (by 0.1%).

Electrical goods fell (by 1.0%), detergents and cleaning products (by 0.9%), paper-and-white goods and stationery (by 0.4%).

In March 2021, subscriptions to online video services became more expensive by 9.9%, hotel

stays-by 8.8, treatment in a sanatorium-by 6.5, travel on long - distance trains - by 4.2, the subscription fee for a package of cellular services-by 1.7, while the fee for using consumer credit decreased by 9.1%

In January-March 2021, gasoline prices increased by 2.5%, while diesel fuel prices increased by 1.2%. In March 2021, prices for gasoline rose by 0.9%, and for diesel fuel by 0.4%.

In March 2021, the payments for electricity, for the maintenance and repair of housing, operating expenses, for cold and hot water supply, water disposal, for gas, and contributions for major repairs remained unchanged.

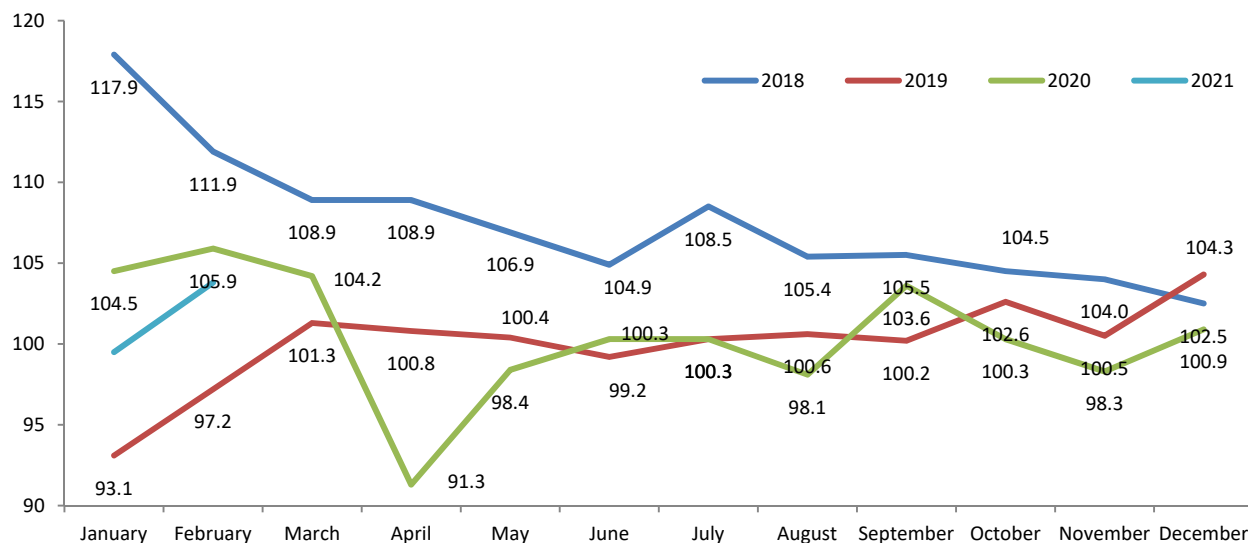
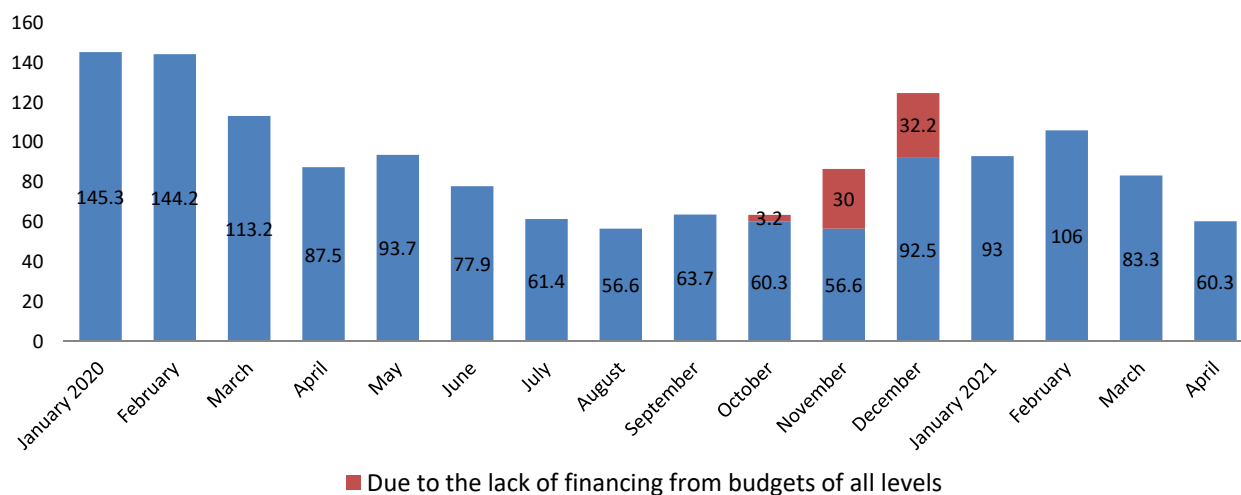
PERSONAL INCOMES AND EXPENDITURES

Real accrued wages, calculated taking into account the consumer price index, in February 2021 amounted to 106.7% compared to January 2021 and 103.8% compared to February 2020 (Figure 3).

The average monthly nominal salary accrued in St. Petersburg in March 2021 was 71681 rubles. The average nominal salary of Russian citizens in February 2021 was 28.5% less than in St. Petersburg and amounted to 51229 rubles.

According to the data of the organizations of the observed types of economic activity (without small business entities), which provided information on wage arrears as of April 1, 2021, the total debt amounted to 60.3 million rubles. Construction accounted for 79.1% of the total debt, while manufacturing accounted for 20.9%.

The amount of debt amounted to 72.4% by the level of March 1, 2021, and 68.9% by April 1, 2020. Of the total amount of the arrears, 48.1 million rubles was due for 2019 and later.

FIGURE 3. The dynamics of real wages in St. Petersburg, January 2018 – February 2021, %**FIGURE 4. Dynamics of salary arrears in St. Petersburg, January 2020 - April 2021 (on the first day of each month), mln rubles**

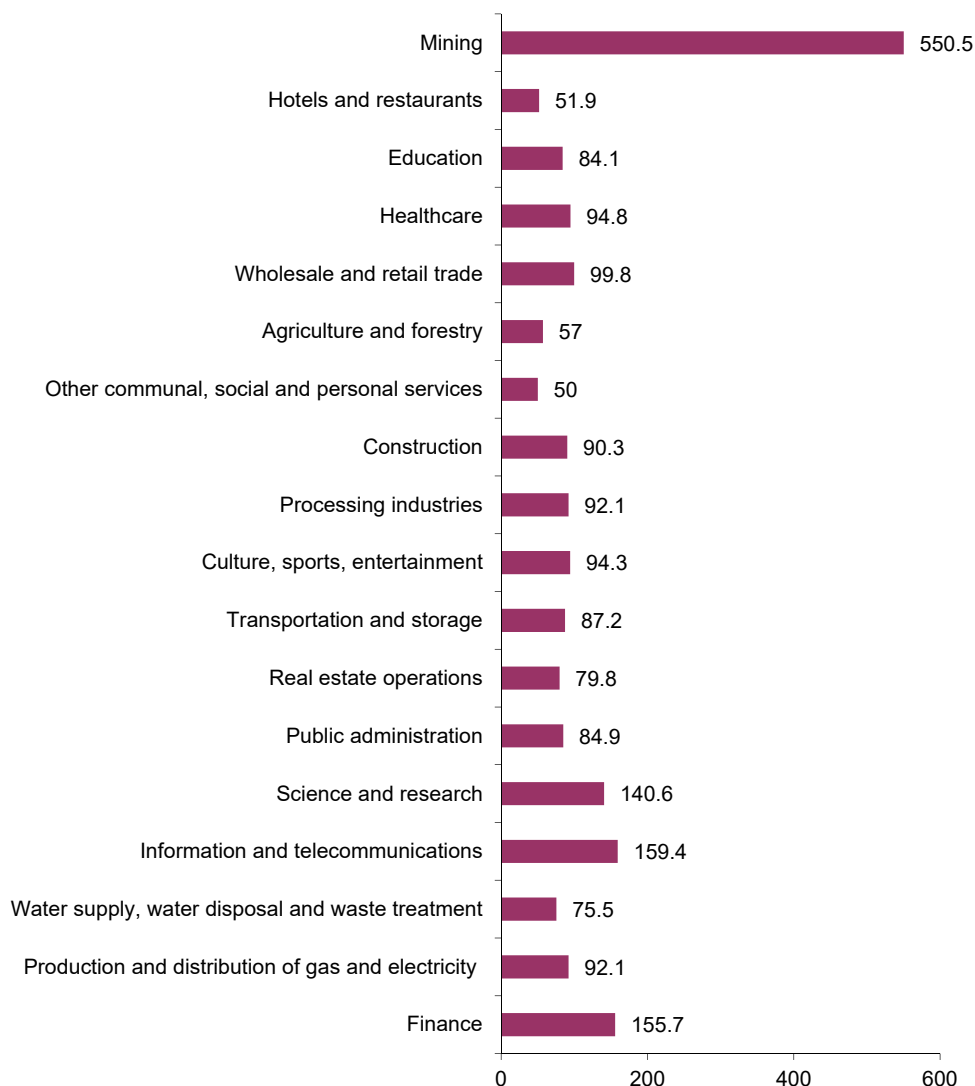
DIFFERENTIATION OF SALARIES IN ST. PETERSBURG

In March 2021, the level of interindustry wage differentiation decreased compared to December 2020 (Figure 5). Thus, the gap between the highest salary (mining) and the lowest (social services) was 11.1 times compared to 11.6 times in December 2020, 6.9 times in October and 7.2 times in August.

The highest salary in March 2021 was in mining industry (the salary of employees in this

industry was 5.5 times higher than the average salary in St. Petersburg).

In March 2021, the average salary in St. Petersburg was significantly higher than that of those engaged in information and communication activities (by 59.4%), financial activities (by 55.7%), and scientific and technical activities (by 40.6%). The lowest wages were paid to those employed at hotels and restaurants (51.9% of the average salary), agriculture (57% of the average salary) and the provision of other public, social and personal services (50.0% of the average salary).

FIGURE 5. Inter-industry differentiation of average salary in February 2021 in St. Petersburg, % of the average salary (the average salary = 100%)

4. INDUSTRY

The industrial production index in St. Petersburg in January-March 2021 compared to January-March 2020 was 104.6%.

Severstal has significantly expanded the geography of export sales of large-diameter pipes. One of the new destinations was South America. Large-diameter pipes manufactured at the Izhorsky Pipe Plant, located at the production site in the Kolpinsky district of St. Petersburg, are now supplied to Peru. For the production of pipes, Severstal uses its own rolled metal, which is produced by the mill 5000 of the company's sheet rolling shop, located on the industrial site in the Kolpinsky district of St. Petersburg (www.severstal.com 16.03.2021).

The Leningrad Metal Plant has manufactured and completed the shipment of an 86-ton

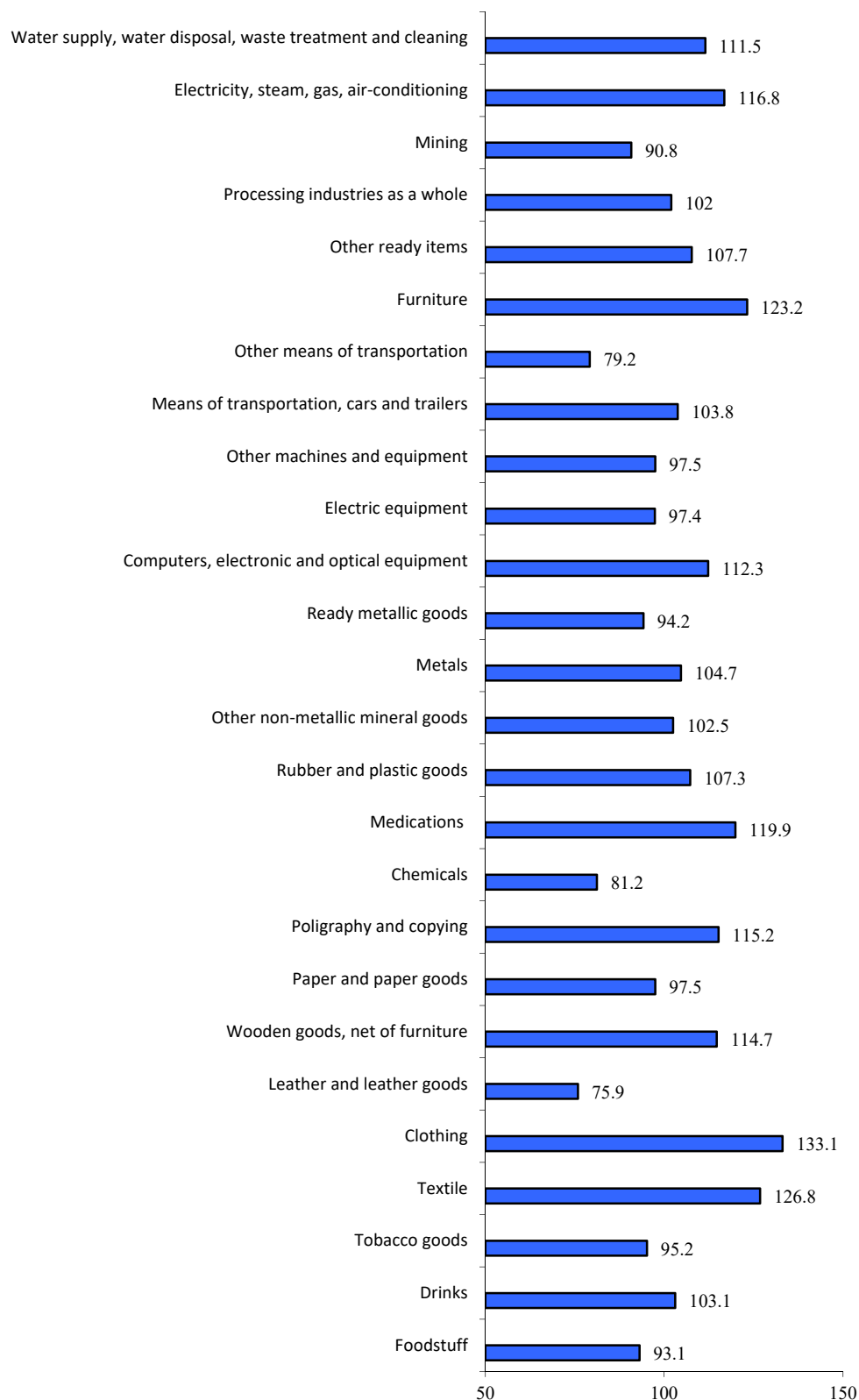
hydraulic turbine wheel intended for hydroelectric unit No. 4 of the Ust-Srednekanskaya HPP under construction in the Magadan Region. Currently, the construction of a hydro turbine is being completed at the LMZ and the loading of generator equipment manufactured by the Electrosila plant to the port is continuing. The equipment was manufactured in accordance with the contract between Power Machines and JSC Ust-Srednekanskaya HPP named after A. F. Dyakov dated 2019. The obligations of Power Machines include the manufacture and supply to the Ust-Srednekanskaya HPP of a hydro turbine with an automatic control system, a hydro generator complete with an excitation system, and auxiliary equipment. In addition, Power Machines specialists will provide installation supervision services (power-m.ru 01.04.2021).

The Sveza Plant in St. Petersburg has launched the production of a large-format plywood measuring 5x11 feet (1525x3355 mm). The ap-

pearance of the new product is due to the demand of customers in the transport and construction segments, as well as the high additional cost of such plywood. In total, about 150 million rubles were invested in the investment project related to

the launch of the new facility. A partial upgrade of production facilities was required (www.sveza.ru 17.03.2021).

FIGURE 6. Industrial production dynamics in St. Petersburg by industry, January-March 2021 in % to January-March 2020



5. FINANCE

In January–February 2021, the net financial result (profit minus loss) of St. Petersburg organizations amounted to 109.8 billion rubles, which is 1.8 times more than in the corresponding period of 2020.

In January-February 2021, the number of profitable organizations decreased by 59 units or 5.7% compared to the same period in 2020, and the amount of loss decreased by 31.6 %.

According to the operational data of the Federal Tax Service of the Russian Federation for St. Petersburg in January-February 2021, the

budget system received taxes, fees and other mandatory payments in the amount of 178.71 billion rubles, which in nominal terms is 4.5% more than in January-February 2020.

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 April 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</i>	34	30	3
<i>January-February</i>	79	84	-5

Source: Petrostat

TABLE 6. St. Petersburg's state debt structure on April 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

TABLE 7. Debt service expenditures of the budget of St. Petersburg, as of April 1, 2021 (mln rubles)

Item	Plan for 2021	Fact on 01.04.2021
Domestic debt service costs	8 710,4	0,0
Total	8 710,4	0,0

Source: City Committee of Finance

6. MUNICIPAL AFFAIRS

BEAUTIFICATION, RESTORATION, CAPITAL REPAIRS

After many years of restoration, in April 2021, the Yelagin Palace, the 200th anniversary of which will be celebrated in 2022, was reopened to the public. 280 million rubles were allocated from the city budget for major repairs in 2016-2020. As part of the completed works, the stucco decoration

and monumental paintings were restored, the walls and the entrance of the palace with a marble staircase were restored, and the power supply was repaired. Restoration work was also carried out in the state rooms: the Chamber of Jungferen, the Bedchamber, and the Crimson Drawing Room. (Based on the materials of "Business Petersburg").

On April 30, 2021, on Engels Avenue (the section from Prosveshcheniya Avenue to Lunacharsky Avenue), tramway repairs were completed and tram traffic has resumed. The length of the repaired section was more than 2 km, the total cost of repair work exceeded 136 million rubles,

and the work was completed ahead of schedule. (Based on the materials of the ASN portal)

Several major restoration projects are underway in St. Petersburg. Thus, by the end of 2021, the State Hermitage Museum plans to complete the restoration of the facades of the St. Petersburg Stock Exchange and begin restoration work inside the building. The restoration of the Exchange has been ongoing since 2014. In New Holland, the restoration of the 17th building has begun, in connection with which access to the South Bridge will be closed. (Based on the materials of «Kommersant»).

At the end of April, an online voting for the selection of urban areas for improvement within the framework of the federal project "Creating a comfortable Urban Environment" began in St. Petersburg. A total of 22 territories that will be landscaped in the period from 2022 to 2030, depending on the final position of specific objects in the rating according to the results of voting, are presented for the choice of residents of the city. 2.5 billion rubles will be allocated from the city budget for the implementation of the project. Among the objects that are proposed for improvement, were Fedorovsky Square in the Frunzensky district, the Dalnaya Rogatka Park in the Pushkin district and the Youth Square in the Primorsky District. (Based on RBC materials).

TRANSPORTATION, ENERGY, WATER SUPPLY

In January-March 2021 transport organizations of St. Petersburg moved 5312,3 thousand tons of cargo and 108,6 million passengers (20.1% lower than the same period 2020). The freight turnover amounted to 2913,4 million ton-km and passenger traffic of 630.4 million pass-km (21.7% below the level of January 2020).

The number of road accidents amounted to 1077, which is below the level of the similar period of 2020 by 25.6%. At the same time, the number of road accidents involving children under 16 years of age was 94 in January-March 2021, which is 12.1% lower than in 2020. (According to Petrostat)

Passenger traffic at Pulkovo Airport in January-March 2021 amounted to 2.8 million passengers, which is 18% lower than in the same period in 2020. Pulkovo Airport served more than 2.6 million passengers on domestic routes, and 180 thousand people on international routes. A positive trend is the increase in passenger traffic on regional flights by 19% to 1.9 million passengers. The most popular regional destinations were Sochi, Astrakhan, Kaliningrad, Novosibirsk and Volgograd. For the first three months of 2021 international flights to Yerevan, Minsk, Paris, Amsterdam, Warsaw and Helsinki have been resumed. (Based on the materials of VVSS LLC)

By March 2021, the State Unitary Enterprise Vodokanal of St. Petersburg reduced its debt by 98%, which as of January 1, 2019 amounted to

more than 19 billion rubles, including loans in the amount of about 9 billion rubles, debt to suppliers and contractors in the total amount of 3.1 billion rubles, and factoring obligations in the amount of 7.8 billion rubles. The reduction in liabilities is related to the elimination of inefficient operating costs and the inventory of expenditure liabilities without significantly reducing capital expenditures. The current financial condition of the company is assessed as stable. (Based on the materials of «Kommersant»)

The Ladozhskaya Metro station, which was first opened in 1985, will be closed for major repairs in 2022. The project of the repair is currently under state examination. Leaks were detected at the station and the requirements for safe operation were violated. (Based on the materials of «Kommersant»).

MAJOR CITY PROJECTS

The Stables Department Building is planned to be transferred to investors for restoration work and adaptation to modern use within the framework of the "Monument rent for 1 ruble" program (cultural heritage objects in need of large-scale restoration can be transferred to investors at the rate of 1 ruble per 1 square meter for up to 49 years). Interest in the implementation of the project was expressed by "Kievskaya Ploshchad" company, which applied to the Committee for State Control, Use and Protection of Historical and Cultural Monuments in March. (Based on RBC materials).



7. REAL ESTATE

CONSTRUCTION

In 2020, 3,301 million square meters of housing were commissioned in St. Petersburg, including individual construction. The planned figures 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 met.

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 – the Strategy 2035.

In 2020, the construction of 61 social facilities was completed in St. Petersburg. Of these, 35 facilities were built at the expense of the budget, including nine kindergartens for a total of 1565 places and four schools- a total of 2784 places.

In total, 3300 new places in kindergartens and almost 7000 at schools appeared in St. Petersburg in 2020. However, this is not enough —

the shortage of social facilities is measured in tens of thousands of places.

CO-INVESTORS

The Government has changed the rules of work for the Fund for the Protection of the Rights of Housing Co-Investors. Prime Minister Mikhail Mishustin has signed the Resolution No. 575. The document supplements and partly changes the procedure for making decisions on federal assistance to affected co-investors.

On the one hand, there was a further specification of the Fund's activities. But on the other hand, according to experts of nsp.ru, the Fund for the Protection of the Rights of Co-Investors has more reasons to refuse to participate in the fate of problematic objects. To qualify for federal assistance, a long-term construction must meet a number of conditions: the developer must be in bankruptcy proceedings; the readiness of the object – at least 50%; the house and plot are not under arrest; there are current technical specifications for connecting to the networks; there is a positive conclusion of an expert; and the region has signed a co-financing agreement with the Fund. Federal co-financing for a specific long-term construction can be opened only if all the conditions specified in the resolution are met. Of particular note is the barrier in the form of the requirement of 50% readiness. As the nsp.ru wrote, the new order cuts off from federal money such objects as the residential complex "Izhora City", the residential complex "Alpine Village", the second stage of the residential complex "Chernichnaya Polyana" in St. Petersburg. The Fund for the Protection of the Rights of Co-Investors assumes strict obligations on the terms of completion of objects or compensation payments to shareholders. But for some problematic new buildings, the subjects of the Russian Federation have assumed obligations to restore the rights of citizens, so the deadlines may shift.

According to the general director of the Fund for the Protection of the Rights of Co-Investors K. Timofeev, according to the "road maps" of the subjects of the Russian Federation, in the fourth quarter of 2020, more than a hundred objects faced problems, and in the first quarter of 2021, more than 120 residential complexes planned for commissioning were not commissioned. At the same time, problematic objects continue to appear. According to Timofeev, this process will continue for another two to two and a half years. During this time, up to 25000 additional defrauded co-investors may appear (nsp.ru).

In the Leningrad region, according to the regional state construction supervision, there are 203 problematic residential facilities. Nearly 18500 people are defrauded co-investors. According to the Governor of the region Alexander Drozdenko, 123 of the 203 objects will be completed together with the federal Fund.

TERRITORIAL DEVELOPMENT, REGULATION

A new list of green spaces is adopted in the third reading by St. Petersburg deputies and was submitted to the Governor (nsp.ru).

In the course of extensive discussions on the list of green spaces the deputies of the Legislature have refused to give the green status to a section in Malinovka Park, to expand the Park of the 300th anniversary, to include in the list the plot in front of the hotel "Okhtinskaya". The final text with the list of green territories is available on the website of the Legislative Assembly of St. Petersburg.

According to bsn.ru with a reference to RIA Novosti, "Rosreestr has prepared a draft law that makes extracts from the Unified State Register of Real Estate free of charge. If this law is adopted, at the first stage it is planned to cancel the fee for extracts from register for property owners, then the agency intends to make the service free for everyone.

An extract from the register is a universal document with information about the real estate object and its owners. The document contains information from the federal information system, the relevance of the data is controlled by Rosreestr. This is the only document confirming the ownership of real-estate in Russia. Such a certificate is required when buying and selling real estate, obtaining a mortgage, and receiving housing subsidies. Now this service is paid, the cost of the certificate depends on its form (paper or electronic) and the number of real estate objects (nsp.ru).



8. INVESTMENT PROJECTS

The chain of bakeries "Tsekh 85" is launching a new sales format

During 2021, at least 100 vending machines with food and drinks from the Tsekh 85 bakery should appear in St. Petersburg, and they are planned to be installed in business centers and coworking areas.

To date, Shop 85 retail vehicles have already been installed in the Clockwork Time coworking on Kurlandskaya Street and in the Indi space on Kamennooostrovsky Prospekt. In one slot machine, there are about twenty positions — food and drinks. The average sum for a single purchase is 200 rubles. It takes about 120 thousand rubles to install one such device.

A new production of servers and smartphones has opened in St. Petersburg

Marvel-Distribution, a major distributor of computer equipment, has launched its own production cluster of network equipment and data storage systems in St. Petersburg in an alliance with technological partners from among the world's largest manufacturers.

The site has already started production of F+ Tech enterprise-level equipment: several lines of servers, network equipment and data storage systems under the F+ data brand, printing equipment under the F+ imaging brand, smartphones and tablets for the corporate sector under the F+ pro brand.

In the first stages of the project, a large-scale assembly will be carried out, the degree of which depends on the specific agreements and conditions of the technology partners. For example, cooperation with Hitachi Vantara, one of the leading manufacturers of data storage systems (DSS), involves the implementation of a full assembly cycle, which is used in its European plants. The release of printers and MFPs under agreements with Lexmark will be significantly localized. The release of individual model ranges of server equipment was launched in cooperation with Lenovo. Another technological partner of the project is Hewlett Packard Enterprise.

Marvel intends to work with its own software developers to bring Russian-made hardware and software systems to the market. St. Petersburg assembly, as promised in the company, will allow to accelerate the execution of orders, in comparison with deliveries from China, as raw materials and components are already in the warehouses of Marvel, and as the project develops, the number of finished items will increase. The current capacity already allows you to launch up to 5 thousand enterprise devices per year, such as servers and storage systems.

By the end of 2021, it is planned to launch the second stage of the project, which will be equipped with a conveyor. This will allow us to triple the volume of our products, according to the company. The company does not disclose any investments in the project.

«Sevkabel Port» Cultural and Business Center has announced a large-scale renovation project of the industrial embankments of Vasilyevsky Island.

The concept involves the integration of on-shore development projects from the berths of the Baltic Plant to (inclusive) the Sea Passenger Terminal and the Sea Glory Square into a single business, cultural and tourist destination "Harbor 2.0".

According to the press service of "Sevkabel Port", on the territory of 15 hectares, it is proposed to create a single pedestrian and recreational zone along the coastline, with a length of 1.25 km. The project involves the reconstruction of about 125 thousand square meters of historical industrial buildings and the construction of at least 10 thousand square meters of new space for business, cultural, event, shopping, hotel and educational projects.

The concept of the project "Harbor 2.0", also suggests the appearance of a 4-star hotel with 339

rooms and a media center in the building of the Sea Passenger Terminal. The territory of the Sea Glory Square around the hotel is planned to be landscaped, landscaped and placed on it shopping and leisure areas.

The investment in the Sevkabel Port project is estimated at 10 billion rubles.

IPG.Estate consulting company, in partnership with the Turkish developer Renaissance Development, is investing in the creation of a new network of flexible office spaces under the CASE brand

The first co-working space of the network, with an area of 1200 square meters for 220 seats, will open in the Renaissance Hall business center on Vladimirsky Prospekt. The construction work has already begun, and the opening is scheduled for August 2021. The creators of the network explain the exit to a non-profile area for themselves by the market prospects of a new type of office.

The project will be implemented through the joint investment of Renaissance Development and IPG.Estate. The company does not disclose the amount of investment in the project.

Gosstroy nadzor of St. Petersburg has issued a permit for the construction of a new ice arena in the Moskovsky district.

Earlier, the project documentation of the facility received a positive conclusion of the Main State Expertise. The new SKA Arena building will be seven-storeyed, divided into 14 sectors with a maximum height of 53.7 m. The new ice palace is designed to accommodate 21.5 thousand people at hockey events and up to 23 thousand people at concerts and entertainment shows. The construction is expected to be completed by the 2023 Ice Hockey World Championship.

The project is being implemented within the framework of a signed concession agreement between the Government of St. Petersburg and SKA Arena LLC. The agreement stipulates that the company will operate the ice arena for 49 years.

It is estimated that the construction of the arena will cost 37 billion rubles, of which 10 billion rubles will be allocated by the city budget. The remaining costs, under the terms of the concession, remain with the construction investor.



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/>