

Finance Ministry Proposes \$4Bln Pay Raise For State Officials

By [The Moscow Times](#)

July 08, 2013

The  **Moscow Times**

Despite an expected 1 trillion ruble (\$30 billion) budget shortfall this year, The Finance Ministry has written pay raise for government employees costing 135 billion rubles into a 2014–2016 budget policy paper, approved by the cabinet last week.

By 2018 civil service salaries will increase by 2.6 times and exceed the average national salary by 70 percent, First Deputy Finance Minister Tatyana Nesterenko said.

The proposed salary increase follows through on one of President Vladimir Putin's 2012 post-election decrees to bring the pay of state officials up to the market level, Vedomosti reported.

In 2012, employees of central federal departments and agencies were paid on average 72,100 rubles per month, while their colleagues in regional offices received on average 27,900 rubles per month, according to the State Statistics Service.

The overall average salary in Moscow was 60,200 rubles per month in 2012, while average monthly salary nationwide was 27,300 rubles.

The extra budget money will raise salary expenditure by 50 percent at federal agencies, and by 14 percent in the regions.

However, the increase will not affect employees working for the presidential administration and the main government apparatus. Nesterenko said. These officials had their pay pegged to military salaries last year, giving the average Kremlin official an average 166,100 rubles per month, and the average cabinet official 162,900 rubles per month.

Whether the money should boost monthly base salaries or bonuses is still undecided, but the pay rises will be used to increase the motivation and effectiveness of state employees, a spokesman of the Labor Ministry said.

If the resources are put into base salaries, which currently constitute on average 18 percent of total remuneration, officials will also see their pensions rise, the spokesman said.

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