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INDEPENDENT NEWS FROM RUSSIA

Salaries in Moscow Rise to $1,200 Per Month as Wage Growth Slows

By The Moscow Times

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Salaries had risen at double the rate of inflation over the previous three years in Moscow.

The average Muscovite is pulling in slightly more than 50,000 ($1,200) a month this year, as wages in all sectors increase but fall behind the double-digit pay rises of recent years, a Moscow city official said Tuesday.

Workers in municipal services, construction, social services and small business will earn 50,000 rubles or more on average in 2014, news agency TASS quoted Maxim Reshetnikov, head of Moscow's economic policy department, as saying.

Wage growth in all sectors of the city's economy will exceed inflation, he added. Inflation has spiked this year due to the devaluation of the ruble and Russia's ban on an array of Western food imports. Officials now say it is likely to strike 7.5 to 8 percent for the year.

But the news isn't all good for workers in Moscow — one of the world's most expensive cities,

where a decent cup of coffee costs a good 200 rubles ($5). Salaries had risen at double the rate of inflation over the previous three years, but now "the growth rate of wages is slowing," Reshetnikov said.

In 2013, Deputy Mayor for Social Development Leonid Pechatnikov said that Moscow's average monthly salary far exceeded what most workers were paid, m24.ru reported.

The high average instead represented the large gap between management and employee salaries in Russia, which is among the highest in the world, according to international consulting company Hay Group.

Moscow salaries are significantly higher than the average salary across Russia, which was about 32,000 rubles ($780) per month in August of this year, business daily Vedomosti reported, citing data from state statistics service Rosstat.

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