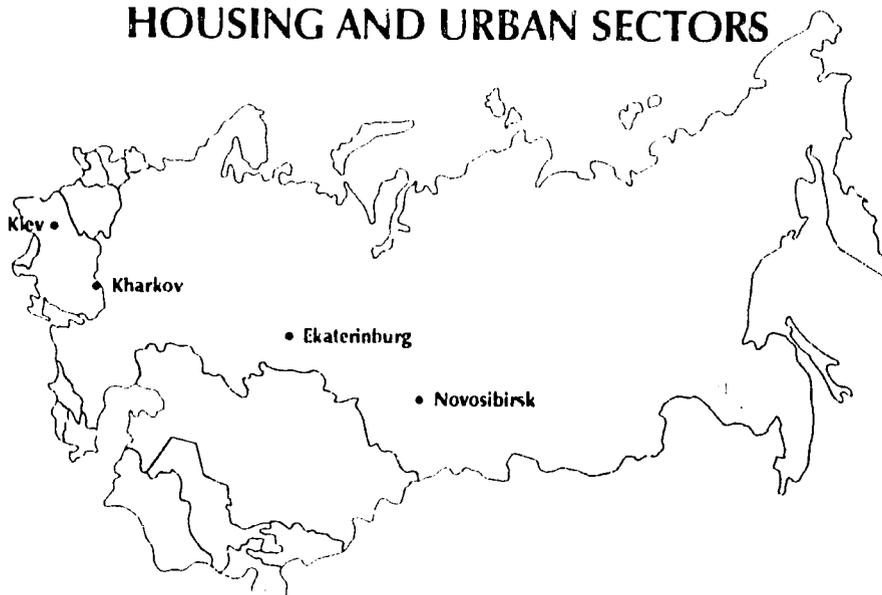


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STRUCTURAL REFORM OF THE NIS

HOUSING AND URBAN SECTORS



Working Paper Series

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FINAL REPORT

THE HOUSING AND COMMUNAL SERVICES ECONOMY IN NOVOSIBIRSK: THE SYSTEM OF OWNERSHIP AND MANAGEMENT, AND LABOR ORGANIZATION AND WAGES

Working Paper No. 7

**Prepared for
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EXECUTIVE SUMMARY

The Demonstration Project and Current Survey

A demonstration project employing new forms of municipal housing stock management and maintenance has been operating since April 1, 1993 in the city of Novosibirsk, Russia, pursuant to the Agreement on Technical Assistance between the United States Agency for International Development and the Novosibirsk Mayor's Office.

The Demonstration Project is designed to show that a private property management company, whose services are procured through a competitive bidding process, is able to achieve appreciably higher management and maintenance service efficiency under the same external conditions, under which public sector maintenance organizations operate. External conditions maintained constant include municipal budget subsidy levels, initial material and technical base, and personnel qualifications. The Demonstration Project focuses on the system of housing ownership and maintenance, work organization and wages. It proposes to implement changes in this structure to improve the quality of services.

The present study was intended to develop an accurate picture of the condition and organization of the housing maintenance sector in Russia before the Demonstration Project's implementation. This report gives an account of the types of housing ownership existing in Novosibirsk and the particular varieties of housing maintenance organization pertaining to each. It describes wage levels and structures in the bottom level Housing Maintenance Units (HMU), and the strategies commonly used to increase take-home pay over the levels established on the national level. Finally, the hierarchical structure and job categories of the HMU are examined in detail, together with a discussion of job-contingent housing as an incentive in the housing maintenance sector.¹

Each type of housing ownership is characterized by a specific housing maintenance structure:

- The **local government** controls 45 percent of the housing in Novosibirsk. The City's housing and communal services system has three levels. The Housing and Communal Services Committee attached to the Mayor's Office coordinates the work of 10 District Housing Trusts, which incorporate Housing Maintenance Units as the bottom level.
- Similar maintenance organizations pertaining to **enterprise housing** are part of the Housing and Communal Boards (HCB) of industrial enterprises and other institutions that control the housing. Enterprise housing accounts for 35 percent of housing in Novosibirsk. The HCBs maintain not only the enterprise's housing, but also its hotels, children's facilities, hostels, community centers, etc. The working conditions, financial and

¹For a detailed account of the companion resident survey of the buildings included in the Demonstration Project, see Working Paper No. 6, *Management and Maintenance of the Municipal Housing Stock in Novosibirsk: Present Condition and Public Opinion*.

manpower resources, materials base, and work organization in the HCB are similar to those throughout the rest of the enterprise. If the enterprise is better off, the housing and communal workers' wages are better and they are better supplied with materials.

Novosibirsk's enterprises are either financed from their own operations or by direct government subsidies. Self-financed enterprises are represented in this study by the housing maintenance units of two large Novosibirsk industrial plants: a successful Defence Ministry chemical concentrate plant; and *Sibselmash*, a plant that formerly produced military and agricultural equipment, but is now struggling. Government-financed enterprises are represented by the housing maintenance units of the Siberian Branch of the Russian Academy of Agricultural Sciences (SB RAAS).

- **Cooperative housing** consists of high-rise apartment buildings with all basic amenities, each building occupied by one cooperative. A cooperative has its own maintenance unit funded by the residents and headed by a chairperson. The maintenance unit keeps the entrances and adjoining yard clean, and maintains the utility service lines within the building. This work is generally done either by members of the cooperative (pensioners and moonlighting workers with applicable occupations) or by outside workers who also combine the job in the cooperative with their primary job elsewhere. This category of housing is represented in the survey by the "Cosmos" Housing Construction Cooperative in the Leninski district. Cooperatives control 8 percent of housing in Novosibirsk.
- **Individually occupied (private) housing** generally has no plumbing or heating facilities. They are not provided with maintenance services, and the city administration assists these owners only in providing subsidized fuel. All other upkeep of the houses and adjoining yards is the occupant's responsibility. Eleven percent of Novosibirsk's housing is individually occupied.

HMU Job Categories

The lowest level units of the housing maintenance system are called Housing Maintenance Units (HMU). They are composed of teams of 50 to 70 people responsible for maintaining compactly located groups of 10 to 60 buildings, depending on the number of floors, condition, etc. They serve between 60,000 and 150,000 square meters of living space. Their office is generally located in an apartment or the basement of one of the buildings.

The survey team's analysis shows that each of the four job categories within the housing management organization has a distinct work organization style, wage structure and advancement cone. The four job categories distinguished in this study are:

- **Management Personnel.** The HMU director supervises the work and deals with higher-level organizations, as well as with residents and their repair requests. The chief engineer is responsible for organizing repair work, and materials and parts supply. From 2 to 4 foremen supervise the work of yard-cleaners, garbage attendants, entrance cleaners, and elevator operators. The bookkeeper supervises rent collection and does the payroll for the HMU members according to prescribed rules. The cashier handles the wages.
- **Current Repair Personnel.** The current repair personnel are responsible for preventive maintenance and repair work on in-house heat, water and sewerage lines, and electrical

wiring, as well as other current repairs such as painting and washing in the entrances, minor roof, door and window repairs, etc. This group includes plumbers, electricians, gas and electric welders, plasterer/painters, roofers, carpenters, and lathe operators.

- **Operating Personnel.** Cleanliness and order in the entrances and elevators, yards, and garbage disposal are the responsibility of cleaners, elevator operators, and garbage chute attendants. They are assisted by carters, drivers, watchmen, etc.
- **Resident Relations Personnel.** Some HMU staff interact directly with the residents, collecting documents for residence permits, issuing residence certificates as required by various government bodies, taking repair requests, receiving people, organizing children's and teenagers' groups (especially before 1992), and creating materials promoting community life. Resident relations personnel include the passport clerk, secretary, dispatcher, educator/organizer, and painter.

Local Government Housing Maintenance

Wages. Housing maintenance, like other national economic sectors, was regulated by the government before the reform. Wages are still regulated in accordance with:

- A standard fee/skill manual that defines qualification standards for all occupational groups;
- Wage rate standards by sector fixed according to work load and level of effort, established at the Ministry of Housing and Communal Services;
- Salaries for positions, developed by the State Committee for Labor and Social Affairs.

For HMUs these regulations take the form of **staff rosters** and **job manuals**, which are established on the national level. The staff roster lists all levels in the job hierarchy according to categories, qualification requirements (such as class and rank), number of employees, salaries, bonuses as a percentage of salary, and the total wage fund for each job position. Job manuals describe line hierarchy, working hours, qualification requirements and job duties.

The fixed staff rosters determine the size of the HMU's wage fund, and cannot be increased at the HMU level. Prior to the 1960s the number of employees and their job functions could not be changed, either. Since the reforms of the 1960s wage management in the HMUs has become less restricted. The number of workers included in the wage fund could be decreased, and job loads and wages for the remaining employees could be increased accordingly. A team system, in which earnings are distributed among members, was also permitted.

Reducing the number of employees relative to the number specified in the staff roster freed the extra wages to be used as a source of quarterly or monthly bonuses paid to the remaining employees. Analysis of the records of funds actually paid to the employees in November, 1992, revealed a series of supplementary benefits:

- Monthly and quarterly bonuses
- One-time contractual benefits
- Quality bonuses

- Compensation for replacing a temporarily absent coworker
- Multiple compensation for combining positions within the HMU
- Overtime compensation
- Benefits for supervising a team
- On-duty benefits
- Compensation for work during holidays, days off, and nights
- Compensation for an increased work load
- Meal allowances

The number and variety of bonuses has created the opportunity for wage manipulation at the HMU level. This has led to increasing disparity between actual practice and staff roster standards. However, the system of bonuses has not led to better housing management service.

Staffing Levels. The following table shows actual staffing levels compared with staff roster levels in HMU-26, the housing maintenance unit taken over by the Demonstration Project, and the relative size of the different job categories. Only 48 percent of the number of employees on which the work load and wages were based in the staff roster are actually working. The proportion is higher under the categories of Resident Relations and Management: 100 and 67 percent, respectively, and lower for current repair and operating staff: 31 and 38 percent, respectively.

Actual vs. Staff Roster Staffing

Job Category	Staffing		Ratio (percent)
	Staff Roster Level	Level according to Paysheet	
TOTAL	163.5	78	48
1. Management Personnel	9	6	67
2. Current Repair Personnel	38.5	12	31
3. Operating Personnel	113	43	38
4. Resident Relations Personnel	3	3	100
5. Temporary Workers	-	14	-

In 1991 the USSR State Labor Committee (*Goskomtrud*) issued Act No. 66/3 on wages in housing and communal services. The minimum wage rate (for a junior attendant) was fixed at 120 rubles per month (net of regional differential²). All other wage levels were set in

²15 percent of the base rate, to compensate for the severe climate in Siberia.

proportion to the junior attendant rate. Wages for those employed in housing and communal services have already been revised nine times since 1991.

According to the paysheets, average wages in the housing maintenance units in November, 1992, were 7,944 to 8,692 rubles. The difference in average wages among HMUs is negligible, varying by as little as 9 percent. Within the HMU, however, the difference among job categories reaches 40 to 50 percent. The average difference between actual and staff roster wages is 200 percent.

HMU wages in Novosibirsk are divided into a fixed portion (the base wage listed in the staff roster plus the regional index) and a variable portion (the bonuses and benefits listed above). This wage structure allows the HMU to increase the wage spread among different personnel categories in relation to the staff roster. The staff roster fixes the spread from the minimum to the maximum pay at roughly 4 times (395 percent); in reality it reaches 5½ times (545 percent).

In spite of the fact that the HMUs evaluated maintain housing stock of differing size and quality and have different working conditions and staff rosters, they pay their employees at a similar wage level and retain the wage level proportions among job categories established in the 1991 *Goskomtrud* decree. Resident relations personnel show the smallest difference between average actual and staff roster wages, receiving about 150 percent of the level established in the staff roster. Current repair and operating personnel show the greatest difference, at 2 or 3 times the staff roster level. These positions are staffed at a lower level and receive higher wages than the staff roster dictates.

Enterprise-Owned Housing Maintenance

The survey examined three HMUs that maintain enterprise-owned housing: a successful Chemical Concentrate plant; the *Sibselmash* plant, which formerly produced military and agricultural equipment; and the Siberian Branch of the Russian Academy of Agricultural Sciences (SB RAAS).

While average wages among local government housing HMUs tend to be equal, in spite of great variety in working conditions, average wages in HMUs controlled by enterprises tend to vary. Average wages in enterprise-controlled HMUs vary not by 9 percent, as is the case for local government housing, but by 285 percent, or nearly three times. Wages in the maintenance units are related to wages in the enterprise itself. If an enterprise is prospering, the employees in its housing maintenance division also enjoy high wages.

Although the wage structure in enterprise-controlled HMUs differs from that in local government housing HMUs, the two types are similar in certain ways:

- Fewer employees than the staff roster calls for: 63 percent at *Sibselmash*, 54 percent at SB RAAS, and 95 percent at the chemical concentrate plant (see Appendix J).
- The actual minimum to maximum wage ratio exceeds staff roster standards by 1.6 times (estimated from Appendix M data).

Job-Contingency

A very effective work incentive in the housing maintenance sector is a specific type of housing allocation called job-contingency. Unlike most other sectors, where housing is provided usually after a term of service of 7 to 15 years, a unit can be provided to a housing maintenance worker much sooner, after one or two years of service. While in other branches the allocated housing is at its occupier's disposal, the housing and communal services employee obtains his dwelling on a leasehold basis for a term of 10 years, during which time it remains job-contingent. Interviews with HMU employees have shown that the main incentive for taking a job in housing and communal services is the possibility of obtaining a unit in less time than is possible elsewhere.

Conclusions and Recommendations

The amount of effort and ingenuity devoted to increasing take-home pay suggests that wages can serve as an important incentive for increasing productivity. However, greater opportunity for increasing wages has not led to better housing management service. The relationship between wage levels and productivity in the housing maintenance sector is not clearly understood and requires further investigation.

Although workers currently cite job-contingent housing as their chief employment incentive, this is due primarily to the extremely limited availability of housing. Current wages are not commensurate with the cost of housing on the open market. The importance of housing as an incentive will decline if wage levels in the HMUs increase to a "realistic" level and alternative housing solutions become available in the market. HMU wage levels then will become a more important factor in influencing productivity on the job. Competent candidates will be readily available to replace unproductive employees.

In addition, an analysis of the relationship between staffing levels and productivity should be conducted to establish whether the staff roster norms are applicable to current conditions. The current 50 to 60 percent staffing level is coupled with low employee productivity and significant "moonlighting" activity. The current low level of service may well be improved by an equal or even lower number of more productive employees, rather than by increasing staffing to the roster level. In any case, staffing efforts should concentrate on increasing the productivity of front line workers, who provide the HMU's primary service, rather than on expanding the currently relatively well-staffed management/support structure.

The Housing and Communal Services Economy in Novosibirsk: The System of Ownership and Management, and Labor Organization and Wages

1 The Structure of the City Housing and Communal Services System

1.1 Types of Housing Ownership in Novosibirsk

Immediately following 1917, Novosibirsk's housing stock, like that of most other large Russian cities, consisted of private one- or two-family dwellings without basic amenities and nationalized, masonry, multi-family apartment buildings controlled by the local Soviets. With the advent of industrialization, enterprises began constructing housing for their work force. Investment in this type of housing, known as enterprise-owned housing, was an investment in industry. Until 1957 it was the most common type of housing ownership. It accounted for over half the City's housing, compared to little more than a third in individual control and about 10 percent controlled by the local government.

With the growth of the service sector in the 1960s, the City's employment structure changed: the proportion of the population employed in services increased. This development called for innovative ways of providing housing. Khrushchev's 1960s housing reform addressed this challenge:

- Government resources began to be allocated not only to industrial ministries, but also directly to local governments.
- Local soviets were given sole authority over housing construction and maintenance on their territory. Dwellings formerly controlled by enterprises began to be transferred to the local government. Special housing construction, maintenance and apartment allocation divisions were set up within the city administration. Apartments were allocated according to waiting lists and space allowances.
- Local government stock began to grow not only through new construction of its own, but also through obligatory contributions from new housing built by enterprises, as well as housing built by construction firms.
- Cooperative construction using citizens' resources and government loans was allowed and supported by the government.

The housing ownership structure changed as a result of 1960s reform policy. At present in Novosibirsk, local government and enterprise ownership are the most widespread, at 46 and 35 percent of the total, respectively. Cooperative and individually occupied housing account for 8 and 11 percent, respectively.

1.2 Types of Housing Maintenance Organizations

Each type of housing ownership is characterized by a particular type of housing maintenance structure. These structures are described in Sections 1.2.1 through 1.2.4.

1.2.1 Individually Occupied Housing

Individually occupied (private) housing generally has no plumbing or heating facilities. Maintenance services are not provided by the city administration. The city assists the occupants only in providing subsidized fuel. All other upkeep of individually occupied houses and their adjoining yards is the occupant's responsibility.

1.2.2 Cooperative Housing Maintenance

Cooperative housing consists of high-rise apartment buildings with all basic amenities, each controlled by one cooperative. A cooperative has its own maintenance unit funded by the residents and headed by a chairperson. This maintenance unit keeps the entrances and adjoining yards clean, and maintains the utility service lines within the building. This work is generally done either by members of the cooperative (pensioners and moonlighting workers with applicable occupations) or by outside workers who combine the job in the cooperative with their primary job elsewhere. For example, specialists from the local government or enterprise housing maintenance sector often work for the housing construction cooperatives as plumbers or electricians.

Such maintenance units have 5-7 workers and are quartered in the cooperative building (usually in the basement). They keep records and are accountable to the board of the cooperative members.

1.2.3 Enterprise-Owned Housing Maintenance

Maintenance organizations pertaining to **enterprise housing** are part of the Housing and Communal Boards (HCB) of industrial enterprises and other institutions that control the housing. They maintain not only the enterprise's housing, but also its hotels, children's facilities, hostels, community centers, etc. HCBs are part of the enterprise's hierarchy. Their work conditions, financial and manpower resources, material base and work organization are similar to those throughout the rest of the enterprise. If the enterprise is better off, the housing and communal workers' wages are higher and they are better supplied with materials.

Maintenance units have a similar position in different enterprises:

- They are one of the lowest-paid groups at the enterprise. If the enterprise uses a 4-category wage system, for example, they belong to the fourth, or lowest, category.
- The maintenance unit is not fully independent. For example, the plant's energy facility personnel maintain housing utility lines together with those of the plant.
- The housing maintenance units often include family members of enterprise employees or those who transfer to it from the enterprise for easier working conditions. Some of the workers view their job in the unit as a step from which to move upward into the enterprise itself.
- They share most of the privileges enjoyed by other enterprise personnel: food and consumer goods, enterprise transportation, free or reduced-charge access to enterprise consumer facilities, etc.

Enterprise housing maintenance units also have features similar to those of local government housing maintenance units, which are described in the next section:

- Both receive subsidies from a higher level budget (committee or enterprise).
- Rules, directives, and operating conditions are established on the basis of standards issued by the Ministry of Housing and Communal Services and authorized by higher level management (enterprise management or the City Housing and Communal Services Committee);
- They adhere strictly to government rent controls, without discretion to raise rents, whatever actual housing maintenance costs may be.

1.2.4 Local Government Housing Maintenance

During the perestroika period the local housing stock in Russian cities was termed "council housing", by analogy with the West. A more appropriate term is **local government housing**, since the Russian version demonstrates important differences. Enterprise housing is a variety of local government housing.

The chief differences between Russian local government housing and Western council housing are the different amounts of housing each controls and the differing authority the city administration in Russia and local councils in the West exercise over this housing.

- In Russia, local government housing is the most widespread type of housing. It accommodates over half the total city population, whereas in the West, with few exceptions, council housing's share is relatively small.
- In Russia the maintenance of the local stock is regulated by a unified national policy. City administrations in Russia (except for the governments of Moscow and St. Petersburg) cannot change the rent and work levels, construction standards, or heat charges on their own initiative. For this reason, while municipal stock in the West varies in size and management model, in Russia the model is the same everywhere, as it was instituted in the late 1930s.

In Novosibirsk the local government housing maintenance system was established in 1937. At that time, the Novosibirsk Housing Board served 185,000 square meters of total dwelling space and was staffed with 542 workers. It included the Building Repair Office, *Gorzhilsnab* as the materials supplier, and the Budget Planning Division. Three District Housing Boards were subordinated to it, which, in turn, had 49 Building Offices under them.

Up to the early 1960s this system remained unchanged and served only a small part of the city housing stock. Individually occupied houses and enterprise-owned apartment buildings were the most common.

After Khrushchev's housing reform, which vastly increased the scale of residential construction in Russian cities, Novosibirsk's housing management system grew in importance. By 1989 the Novosibirsk Industrial-Housing Repair Board administered 9,146,000 square meters of total dwelling space (50 times the pre-war level) and had 11,108 employees. Its functions diversified. Along with the Repair Building Office, it administered

the City Technical Inventory Office, the Technical Supervision Office for Capital Construction, and the Scientific Management Laboratory. Industrial-Housing Repair Trusts were set up in all 10 districts of the city. These trusts took on the functions of the former *Gorzhilsnab* and District Housing Boards. Unlike Housing Maintenance Units (HMUs), responsible for maintaining dwellings and in-house service lines, the trusts are charged with tasks more of a network character, i.e., maintaining district-wide heat and sewerage mains, road cleaning and repair, water supply, and emergency services.

Today the City's housing and communal services system has three levels. The Housing and Communal Services Committee attached to the Mayor's Office coordinates the work of 10 District Housing Trusts, which incorporate HMUs on the bottom level.

In 1992 a four-level system was created in the largest district of the city, the Leninski district. A Housing Board level was inserted between the trusts and the HMUs. Another important development in this district was the legalization of some trust divisions as separate legal entities with separate assets. The trust is one of the principal founders of these divisions, shares in their profits, and directs some of its special work to them. The district administration supported this reorganization, which strengthened the trust's independence from the City and permitted it to create additional sources for financing the district housing maintenance sector. This measure was an attempt to mitigate tensions between district and municipal levels, between trusts and HMUs, and between residents and all levels of the maintenance system.

1.3 Research Methods Used in the Present Study

As described in the previous section, this study distinguishes the following types of housing ownership in the housing management sector in Novosibirsk:

- 1) Local government;
- 2) Enterprises, with varieties depending on whether the enterprise is government-financed (major research institutions) or has its own income (industrial enterprises);
- 3) Housing-construction cooperatives (HCC).
- 4) Privatized apartments, which continue to be serviced by the sector that served their former ownership, and individual (owner-occupied) housing that is not included in the city housing service system.

In addition to the type of ownership a housing management organization falls under, differing quality standards for housing and levels of amenities have an effect on the quality of maintenance. Four quality classes are distinguished:

- Low quality pre- and post-war housing (wooden walls, stove heating, barrack layout);
- Medium quality housing, called *Khrushchovkas*, built in the 1960s (five-story concrete panel walk-ups without a garbage chute);
- *Improved design apartment* buildings, built in the 1970s-1980s (nine-story concrete panel apartments with elevator and garbage chute);
- High quality housing (for elite allocation) built at various times.

The distribution of the four quality classes among the housing maintenance organizations included in the study is included in Figures 1 through 3.

The survey evaluated housing management organizations under the first three types of ownership, including all their hierarchical levels and components. The housing maintenance units evaluated were chosen as a representative sample of all types of housing in Novosibirsk:

- All 3 hierarchical levels of local government housing management were analyzed:
 - At the city level, the Housing and Communal Services Committee;
 - At the district level, the Housing Trust of the Zheleznodorózhny district, which is typical of the city and mirrors the Leninski district housing management organization with its reorganized structure;
 - On the bottom tier of the hierarchy, selected housing maintenance units in the Zheleznodorózhny and Leninski districts (see Figure 1).
- Self-financed enterprises are represented by the housing maintenance units of large Novosibirsk industrial plants, a Defence Ministry chemical concentrate plant, and the *Sibselmash* plant, which formerly produced military and agricultural equipment. Government-financed enterprises are represented by the housing maintenance units of the Siberian Branch of the Russian Academy of Agricultural Sciences (SB RAAS) (see Figure 3).
- Housing-construction cooperatives are represented by the "Cosmos" Housing Construction Cooperative in the Leninski district (see Figure 4).

Data were collected on the operations of 7 lower-level and 6 mid-level housing maintenance bodies in the three categories, including the Housing Maintenance Units, Housing Boards, the Industrial-Housing Repair Trust (Industrial-Housing Repair Company), the Housing and Communal Services Committee, the Housing and Communal Services Board (Housing and Communal Services Division), and the operating unit of the Housing Construction Cooperative. Interviews were held with housing maintenance system personnel, and paysheet data on 812 employees for November 1992 were analyzed. The field survey was carried out between December 1992 and March 1993.

Data were collected on the following areas:

1. *General Information*

- 1.1 External technical contact
- 1.2 Internal organization
- 1.3 The staff roster
- 1.4 Sex- and age-specific, and qualification/educational employee characteristics
- 1.5 Job-contingent housing
- 1.6 Procurement of necessary input materials

2. *Statistics Relating to Maintenance Services*

- 2.1 Balance of income and expenditures
- 2.2 Actual maintenance cost per square meter

- 2.3 The composition of the housing stock served
- 2.4 Personnel movements
- 2.5 Wages according to paysheet
- 2.6 Privileges and social services enjoyed by housing and construction service employees of various categories

3. *Questionnaires for Managers on Various Levels*

- 3.1 HMU Plumber Team Leader's Questionnaire
- 3.2 HMU Foreman's Questionnaire
- 3.3 HMU Director's Questionnaire

The collected data were analyzed as follows:

- Paysheets were analyzed according to a method developed specifically for the survey (see Section 2.3);
- Semi-structured interviews were conducted with foremen, front-line employees and maintenance service directors, concerning:
 - the job manual and work duties,
 - on-the-side earnings,
 - the amount of time needed to perform particular assignments,
 - contacts with higher-level bodies;
- The internal organization of the housing maintenance unit was investigated, including its staff roster and wage rates;
- Information was collected on employees' access to job-contingent housing, how it was acquired, and its role in work organization;
- Income and expenditure balance sheets of a housing maintenance unit, a trust, and a committee were analyzed;
- Data was compiled describing the condition of the housing stock;
- The legal status of the housing maintenance service was evaluated.¹

2 Wages in Bottom Level Housing Maintenance System Organizations

2.1 Housing Maintenance Units (HMU)

HMUs, the bottom level units of the housing maintenance system, are comprised of teams of 50 to 70 people. The HMUs are charged with maintaining compactly located groups of 10 to 60 buildings, depending on the number of floors, condition, etc. They serve between 60,000 and 150,000 square meters of living space. Their office is generally located in an apartment or in the basement of one of the buildings.

This survey distinguishes four job classifications within the HMU. Each has a distinct work organization style, wage structure and advancement cone. The four job classifications

¹The data were processed on SUPERCALC-5 software in collaboration with I.I. Bessonov, a leading specialist at the Novosibirsk Laboratory of the Institute of Economics and Complex Communication.

Figure 1. Housing Maintenance Structure: Local Government Housing

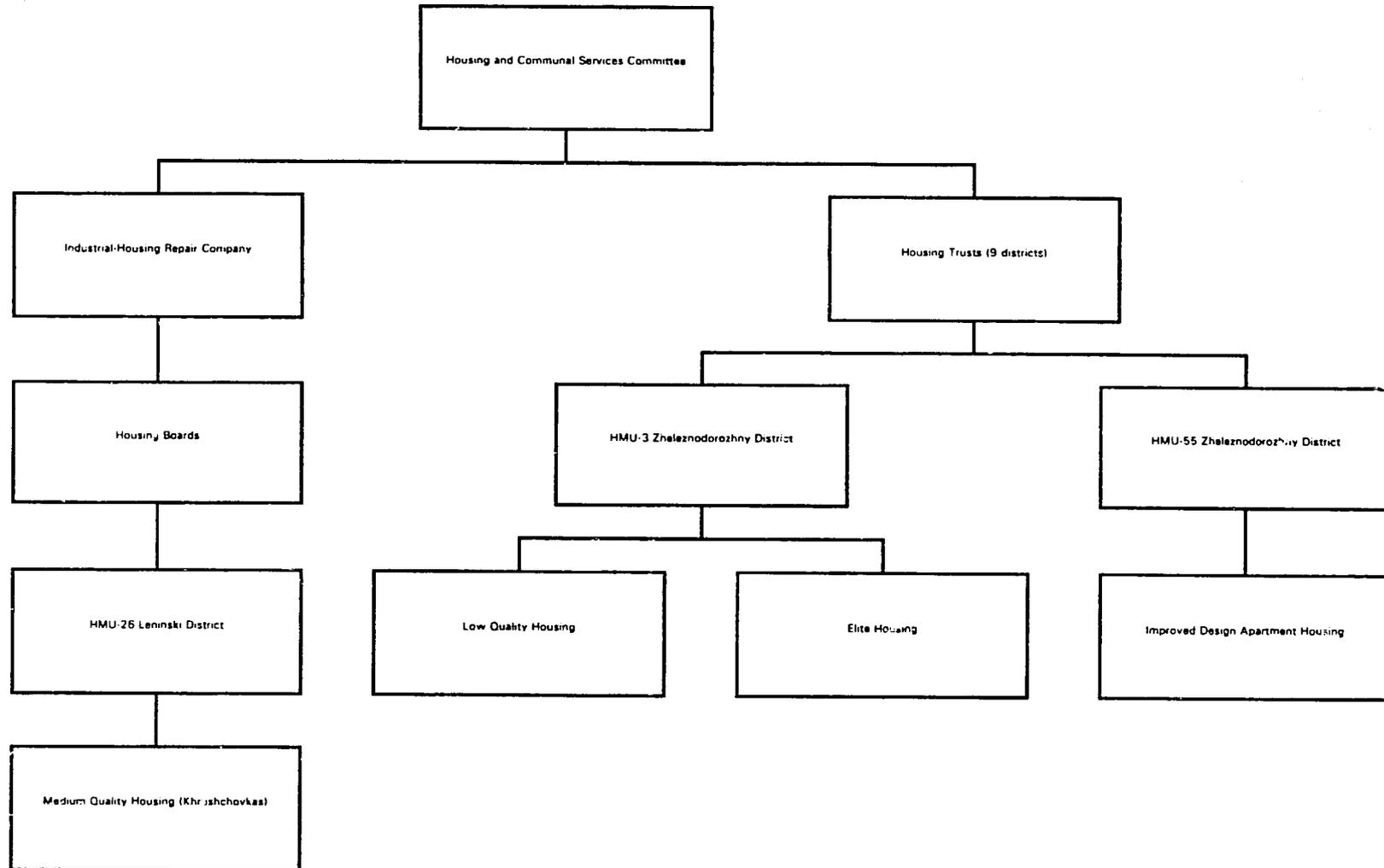
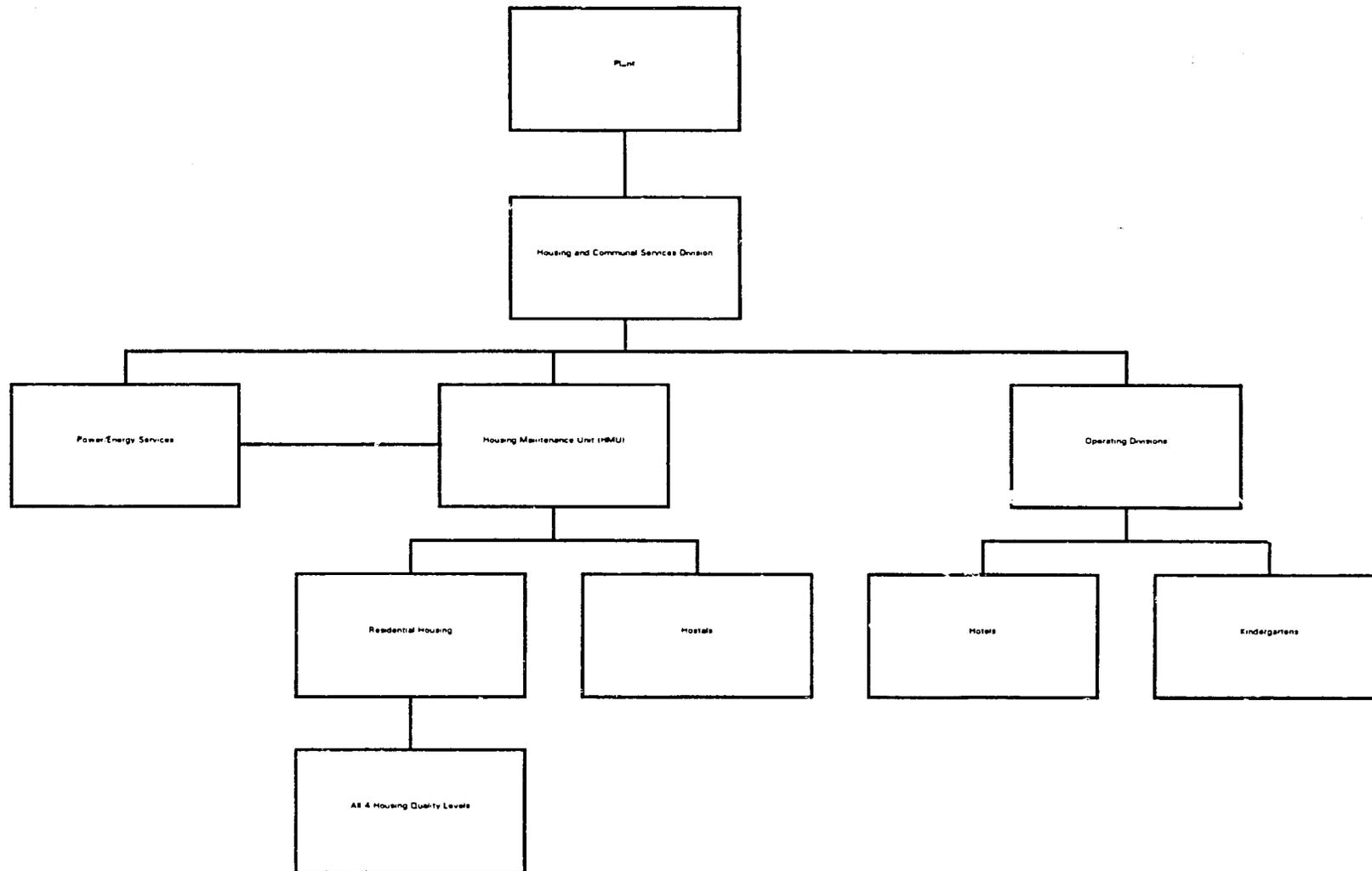


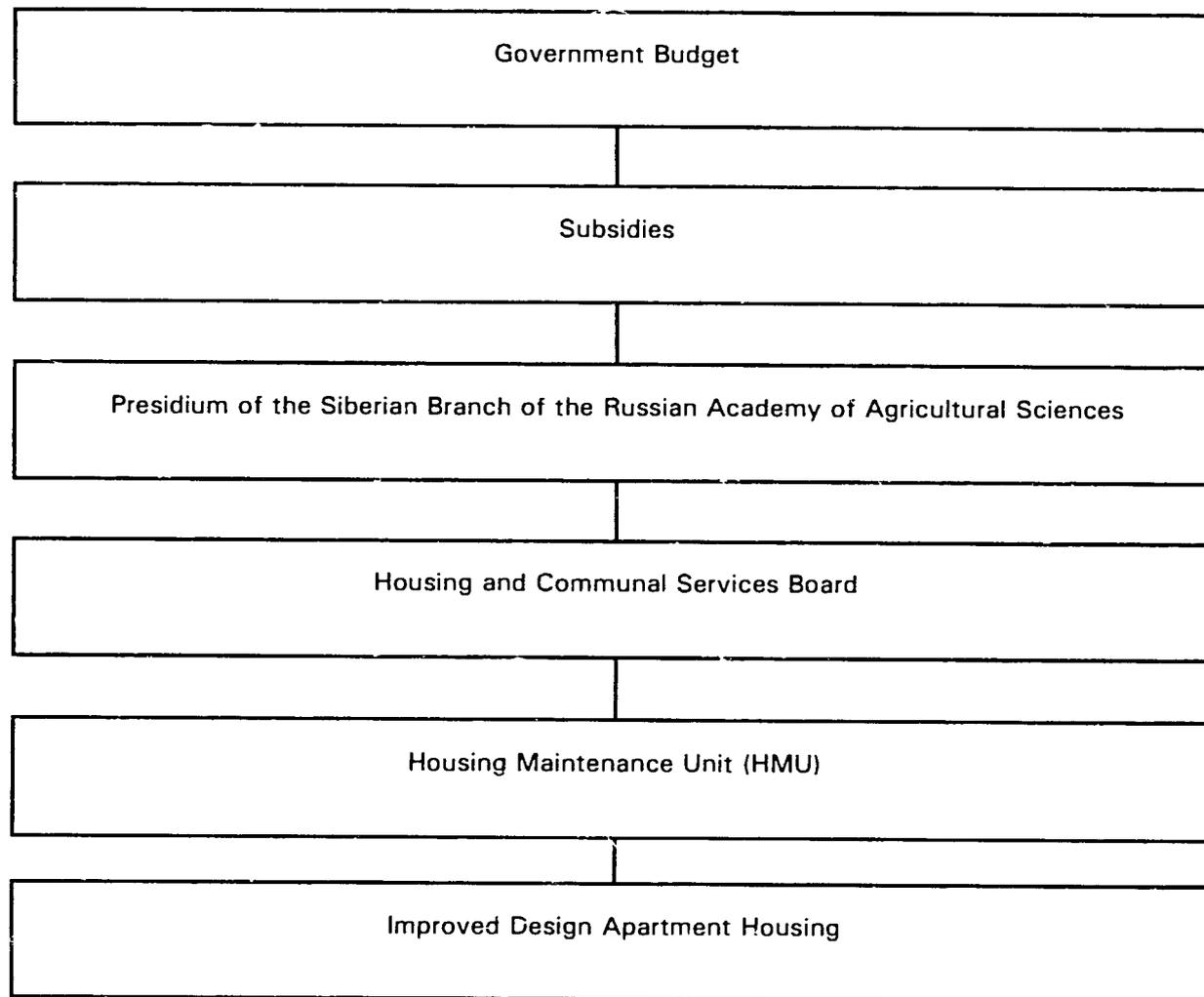
Figure 2. Housing Maintenance Structure: Self-financed Enterprises



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Figure 3. Housing Maintenance Structure: Government-financed Organization

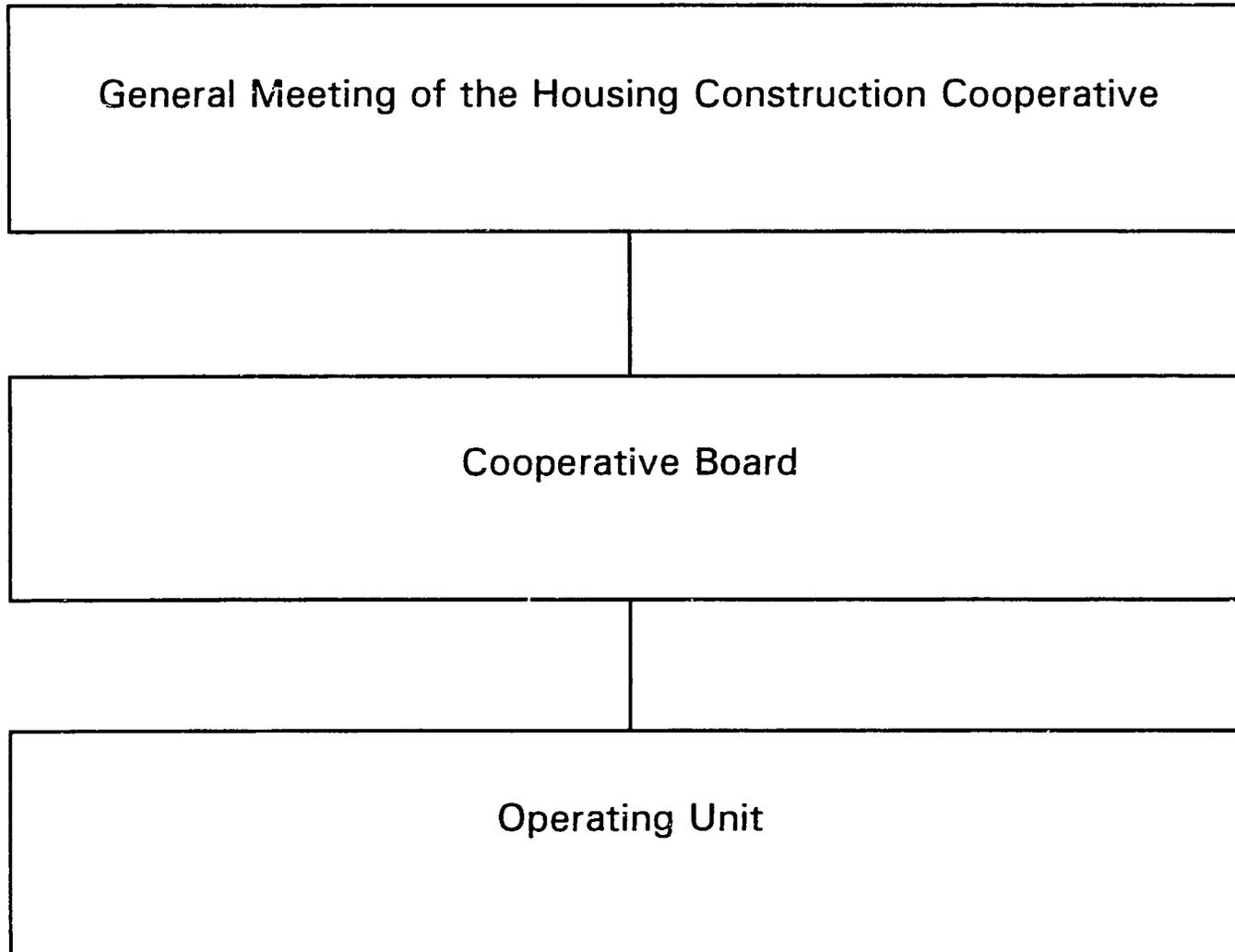
(Siberian Branch of the Russian Academy of Agricultural Sciences)



6.2

Figure 4. Housing Maintenance Structure: Housing Construction Cooperatives

("Cosmos" Housing Construction Cooperative)



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are summarized in Sections 2.1.1 through 2.1.4 below, and are discussed in more detail in Section 3.

2.1.1 Management Personnel

The HMU director supervises work and deals with higher-level organizations, as well as with residents and their repair requests. The chief engineer assists the director and is responsible for organizing repair work and materials and parts supply. The director has 2 to 4 foremen supervising the work of yard-cleaners, garbage attendants, entrance cleaners, and elevator operators. The foreman helps diagnose resident problems and assigns the appropriate personnel to resolve them. The bookkeeper supervises rent collection and does the payroll for the HMU employees according to prescribed rules. The cashier handles the payment of wages.

2.1.2 Current Repair Personnel

The current repair personnel perform the front-line tasks of the housing maintenance units, including utility line upkeep within the buildings and apartments. They are responsible for preventive maintenance and repair work on in-house heat, water and sewerage lines, and electrical wiring, as well as other current repairs such as the painting and washing of entranceways, and minor roof, door and window repairs. This group includes plumbers, electricians, gas and electric welders, plasterer/painters, roofers, carpenters, and lathe operators.

2.1.3 Operating Personnel

Cleanliness and order in the entrances and elevators, yards, and garbage disposal are the responsibility of the operating personnel: cleaners, elevator operators, and chute attendants. They are assisted by carters, drivers, watchmen, etc.

2.1.4 Resident Relations Personnel

Some HMU staff interact directly with the residents, collecting documents for residence permits, issuing residence certificates as required by various government bodies, taking repair requests, receiving people, organizing children's and teenagers' groups (especially before 1992), and creating materials promoting community life. These resident relations personnel include the passport clerk, secretary, dispatcher, educator/organizer, and painter.

2.1.5 Traditional Work Group Classifications

The four staff groups for Novosibirsk's HMUs do not completely coincide with the generally accepted official classification, which consists of three groups: management/clerical personnel, current repair personnel, and junior attendants. These latter titles carry over from the time when housing maintenance services were part of the enterprise hierarchy. Management/clerical personnel were administrators, the current repair group performed repairs, and the junior attendants occupied the bottom rung in the plant hierarchy. This last group was responsible for functions of relatively minor importance for the operation of the plant, such as cleaning, sweeping, washing, etc. However, these functions are of major

importance for a housing maintenance unit. For this reason it is more appropriate to term them operating personnel.

It is also more appropriate to divide the management/clerical classification into management personnel and resident relations personnel. For example, the passport clerk, who was traditionally grouped with the management/clerical group, acts only as a mediator between residents and law enforcement bodies, and has no management responsibilities. The same applies to the dispatcher, who collects resident repair requests, but does not decide in what order they are to be fulfilled.

2.2 Government Wage Control and Wage Redistribution Strategies

Housing maintenance, like other national economic sectors, was strictly regulated by government prior to the initiation of reforms. Wages are still regulated in accordance with:

- A standard fee/skill manual that defines qualifications standards for all occupational groups;
- Wage rate standards by sector fixed according to work load and level of effort, established at the Ministry of Housing and Communal Services;
- Salaries for positions, developed by the State Committee for Labor and Social Affairs.

At the local level, government standards and rates are adjusted to the specific features of the housing stock, but the basic parameters (salaries and work levels) cannot be changed.

For HMUs these regulations take the form of **staff rosters** and **job manuals**, which are drafted and issued on a higher administrative level. (Samples are presented in Appendices D and E respectively.) The staff roster lists all levels in the job hierarchy according to categories, qualification requirements (such, as class and rank), number of employees, salaries, bonuses as a percentage of salary, and the total wage fund for each job position. Job manuals describe line hierarchy, working hours, qualification requirements, and job duties.

The fixed staff roster determines the size of the wage fund, and the size established in it cannot be increased at the HMU level. Prior to the 1960s the number of employees and their job functions could not be changed, either. Since the reforms of the 1960s wage management in the HMUs has become less restricted. The number of workers within the wage fund could be decreased, and job loads and wages for the remaining employees could be increased accordingly. A team system, in which earnings are distributed among members, was also permitted.

Reducing the number of employees relative to the number specified in the staff roster freed the extra wages to be used as a source of quarterly or monthly bonuses paid to the remaining employees.

Analysis of the paysheets revealed the following fringe benefits:

- Monthly and quarterly bonuses
- One-time contractual benefits

- Quality bonuses
- Compensation for replacing a temporarily absent coworker
- Compensation for combining positions within the HMU
- Overtime compensation
- Benefits for supervising a team
- On-duty benefits
- Compensation for work during holidays, days off, and nights
- Compensation for an increased work load
- Meal allowances

The number of bonuses has created the opportunity for wage manipulation at the HMU level. This has led to increasing disparity between actual practice and staff roster standards. However, this system of bonuses has not led to better housing management service.

2.3 Wages in Local Government Housing Maintenance

To analyze actual wages, a comparison was made of paysheets for the same month from each of the surveyed HMUs. These paysheets reflect all wages paid in the month in question. Some payments due for that month, but paid later, were also taken into consideration. One-third of the quarterly bonus was included as the portion of that bonus that applied to the month under evaluation. Benefits, such as holidays, medical, and dependent benefits, were omitted from the analysis. Part-time employee earnings were not taken into account in estimating average, minimum, and maximum wages. Both regular and temporary (short-term) employees were considered.

2.4 Current versus Staff Roster Staffing Levels

The sample of surveyed HMUs included HMU-26 of the Leninski district. HMU-26 was subsequently used as the base for the Demonstration Project. In the Demonstration Project, part of the housing stock managed by HMU-26 was transferred to a private property management company. Most of the HMU's workers were hired by the private company on contract. HMU-26 is used for purposes of illustration in this report. Aggregate data and data on other surveyed HMUs are presented in the appendices.

Table 1 shows actual staffing levels compared with staff roster levels, and the relative size of the different job categories. Only 48 percent of the number of employees on which the work load and wage levels were based in the staff roster are currently working. The proportion is higher under the categories of Resident Relations and Management: 100 and 67 percent, respectively; and lower for current repair and operating personnel: 31 and 38 percent, respectively.

Table 1
Actual vs. Staff Roster Staffing
(HMU-26, Leninski District Industrial-Housing Repair Company 4, November 1, 1992)

Job Category	Staffing		Ratio (percent)
	Staff Roster Level	Paysheet Level	
TOTAL	163.5	78	48
1. Management Personnel	9	6	67
2. Current Repair Personnel	38.5	12	31
3. Operating Personnel	113	43	38
4. Resident Relations Personnel	3	3	100
5. Temporary Workers	-	14	-

The situation is similar in other HMUs. The relationship of the actual staffing level to the staff roster level is 48 to 56 percent (see Table 2). The figure for management personnel in the other two HMUs evaluated is 75 to 100 percent (see Appendix F), for resident relations personnel it is 60 to 80 percent, while for current repair and operating personnel it is only 41 to 48 percent.

Table 2
Actual vs. Staff Roster Staffing
Local Government Housing, November 1, 1992

Housing Maintenance Unit	Floorspace Housing Served (000s of m ²)	Staffing		Ratio (percent)
		Staff Roster Level	Paysheet Level	
Average for 3 HMUs	97	121	62	52
1. HMU-3	63	97	54	56
2. HMU-26	152	163.5	78	48
3. HMU-55	76	101	55	54

2.5 Actual Wages versus Staff Roster Levels

Staff roster wage levels were established, as mentioned above, at the national level, as were basic wage levels and job classifications. The proportions among job categories have remained practically unchanged.

Since the early 1990s wholesale reform of the Soviet system has been attempted, including liberalization of prices and the elimination of wages restrictions. The result has been steady price increases. In an attempt to keep wages in the government-financed sector in line with

the rising price of consumer goods, the government has had to increase wages repeatedly. Wages for those employed in housing and communal services have already been increased 9 times since 1991 (see Appendix N).

In 1991 the USSR State Labor Committee (*Goskomtrud*) issued Act No. 66/3 on wages in housing and communal services. The minimum wage rate (for a junior attendant) was fixed at 120 rubles (net of regional differential²). All other wage levels were set in proportion to the minimum wage:

- Director 3.08 to 3.42 times the minimum wage
- Specialist 2.00 to 2.33 times the minimum wage
- Division Chief 2.00 to 2.33 times the minimum wage
- Specialists in divisions:
 - HMU Director 1.83 to 2.00 times the minimum wage
 - First category 1.50 to 1.83 times the minimum wage
 - Housing Board Director 2.50 to 2.80 times the minimum wage
 - Second category 1.33 to 1.67 times the minimum wage
 - Clerk 1.00 to 1.25 times the minimum wage

According to the paysheets, average wages in the housing maintenance units in November, 1992, were 7,944 to 8,692 rubles. Table 3 shows that the difference in average wages among HMUs is negligible, varying by as little as 9 percent. Within the HMU, however, the difference among job categories reaches 40 to 50 percent (see Appendix G). The average difference between actual and staff roster wages is 200 percent, varying from 178 to 216 percent in different HMUs.

Table 3
Ratio of Paysheet vs. Staff Roster Average Wages
(for employees who worked the full month)
Local Government Housing, November 1, 1992

Housing Maintenance Unit	Average wage		Ratio (percent)
	Staff Roster Level (in rubles)	Paysheet Level (in rubles)	
Average for 3 HMUs	4,120	8,259	200
1. HMU-3	4,584	8,141	178
2. HMU-26	3,677	7,944	216
3. HMU-55	4,099	8,692	212

²Established at 15 percent of the base rate, to compensate for the severe climate in Siberia.

In spite of the fact that the evaluated HMUs maintain housing stock of differing size and quality, and have different working conditions and staff rosters, they pay their employees at a similar wage level and retain the proportions among job categories established in the *Goskomtrud* act.

The difference between actual and staff roster wage levels varies by job category. Resident relations personnel show the smallest difference between average actual and staff roster wages, receiving about 150 percent of the level established in the staff roster. The greatest difference occurs for current repair and operating personnel, at 2 or 3 times the staff roster level. These positions are staffed with fewer employees and thus receive higher wages than the staff roster dictates.

Different HMUs use different work incentive strategies. For example, in HMU-3, which maintains housing stock of the elite (sector A), the resident relations personnel not only have the highest average wages compared to other HMUs, but also the highest wages within the HMU (with the sole exception of management personnel). Their average monthly pay was 7,748 rubles, whereas current repair and operating personnel received less than 7,000 rubles (see Appendix G).

Although the staff roster wage level for current repair and operating personnel is the lowest, HMU-26 manages to pay them close to the maximum for all HMUs (see Appendix G).

HMU-55 is marked by a special strategy for temporary workers. There are fewer of them, but they are paid almost double the level of other HMUs (see Appendix G).

2.5.1 Wage Structure

There are two chief divisions in the composition of wages paid in the housing maintenance sector:

- One part is fixed in the staff roster, and accounts for an average of 58 percent of the total wage (see Table 4 and Appendix H). It includes:
 - the base wage level, and
 - the regional index (15 percent of the base rate to compensate for the severe climate in Siberia).

Table 4
Wage Structure Including Fringe Benefits
(for employees who worked the full month)
Local Government Housing, November 1, 1992

Housing Maintenance Unit	Total per person (percent)	Of which (percent)				
		Fixed wage	Monthly bonus	Fringe benefits	Meal benefit	Quarterly bonus
Average for 3 HMUs	100	58	13	5	21	4
1. HMU-3	100	48	18	8	20	7
2. HMU-26	100	70	8	1	21	0
3. HMU-55	100	51	14	7	22	6

- The variable part includes:
 - A monthly bonus, the amount of which is set in the staff roster, but which actually depends on a decision made at a higher level of management. Since the workers view this bonus as part of their fixed income, managers can hold it back for disciplinary purposes. Monthly bonuses account for 13 percent of the total monthly wage, on average.
 - Fringe benefits are usually determined by the HMU itself in accordance with general wage restrictions. They include benefits for heavier work loads, combining positions, team leader duties, etc. The “distribution” of desirable job assignments is at the core of these benefits. For example, areas and building entrances assigned to cleaners can be more or less difficult to care for. If a certain cleaner has a “less difficult” area, he or she can expand to another or several other “less difficult” areas. These desirable assignments are usually distributed to the regular workers on the staff to increase their wages for the same number of working hours. “More difficult” areas are generally given to temporary workers, who are often in the process of changing jobs because of inadequate pay. If such positions remain unfilled, the areas are cleaned by the whole team on a set day. These benefits account for 5 percent on average.
 - A quarterly bonus paid once every three months is determined at a higher management level. The source of this bonus is “savings” in the wage fund due to vacancies in the staff roster, as described above. It accounts for 6-7 percent monthly.
 - Meal allowances are estimated at 100 rubles per work day. They are drawn from savings on all remaining HMU expenditures. Most of these savings are in the area of materials costs. The city administration permits meal allowances for workers in the housing maintenance sector. HMU personnel, therefore, are directly motivated to reduce material costs, which sometimes leads to deterioration of the maintenance service provided. Meal benefits are paid only to staff members, not to temporary or secondary job holders. The specific amount is established at a higher management level based on the savings. The share of meal benefits in total wages is 21 percent.

This wage structure allows the HMU to increase the wage spread among different personnel categories in relation to the staff roster. Table 5 shows that the spread from minimum to maximum pay by staff roster is roughly 4 times (395 percent), while the difference in actual wages paid is 5½ times (545 percent; see Appendix I).

Table 5
Wage Spread by Paysheet vs. Staff Roster
(for employees who worked the full month)
Local Government Housing, November 1, 1992

Housing Maintenance Unit	Staff Roster Wages			Paysheet Wages		
	Minimum (in rubles)	Maximum (in rubles)	Max to min ratio (percent)	Minimum (in rubles)	Maximum (in rubles)	Max to min ratio (percent)
Average for 3 HMUs	3,115	12,296	395	3,903	21,267	545
1. HMU-3	3,816	12,226	320	3,453	19,824	574
2. HMU-26	2,530	12,437	492	3,232	22,414	694
3. HMU-55	2,998	12,226	408	5,024	21,562	429

2.6 Maintenance of Enterprise-Owned Housing

The present study includes three HMUs serving enterprise-owned housing. Two of them are connected to self-financed industrial plants, while a third serves housing controlled by a government-financed enterprise.

- The first is a successful chemical concentrate plant. It is a modern industry enterprise converted from government to private ownership. It is prospering even under transition conditions, because of large government and outside orders. Its housing consists mainly of recently built, five-story walk-ups and nine-story high-rise buildings in good condition.
- Another HMU serves housing controlled by the *Sibselmash* plant, which formerly produced military and agricultural equipment. It started operation during World War II, and by the 1960s controlled and maintained nearly all the housing stock in the Leninski district. At present *Sibselmash* products are not in demand. The plant cannot be privatized because its productive capacity has been reserved by the federal government, to which it is subordinated for an indeterminate period of time. Part of *Sibselmash's* housing was transferred to the local government in the 1960s-1980s. The rest of its housing consists mainly of buildings dating from the 1940s-1960s, including several buildings for elite personnel. This housing generally needs major repairs.
- The third HMU serves housing controlled by the Siberian Branch of the Russian Academy of Agricultural Sciences (SB RAAS). This institution was formerly in a privileged position, having received a major portion of government contracts for Siberian agrarian science. Under perestroika investments in science have decreased significantly, as is the case in all other government-financed sectors. The number of employees and the scope of research have also decreased. Its housing stock consists of modern five- and nine-story

buildings in a compact area. Many of them consist of improved design apartments built in the 1970s-1980s.

While average wages among local government housing HMUs tend to be equal, in spite of great variety in working conditions, average wages in HMUs controlled by enterprises tend to vary. Table 6 illustrates that average wages in enterprise controlled HMUs vary not by 9 percent, as is the case for local government housing, but by 285 percent, or nearly three times. Wages in the maintenance units are related to wages in the enterprise itself. If an enterprise is prospering, the employees in its housing maintenance division also enjoy high wages. The *Sibselmash* plant HMU is in the worst financial condition of all the HMUs evaluated. This translates into relatively low wage levels for its maintenance unit.

Table 6
Average Wages by Paysheet vs. Staff Roster
(for employees who worked the full month)
Enterprise-Owned Housing

Housing Maintenance Unit	Average Wage		Ratio (percent)
	Staff Roster level (in rubles)	Paysheet level (in rubles)	
Average	3,681	6,404	174
1. <i>Sibselmash</i> HMU	2,068	3,694	179
2. Chemical Concentrate Plant HMU	6,380	10,549	165
3. SB RAAS HMU	2,595	4,969	191

Although the wage structure in enterprise-owned HMUs differs from that in local government housing HMUs, the 2 types of HMUs are similar in certain ways:

- They employ fewer employees than the staff roster calls for: 63 percent at *Sibselmash*, 54 percent at SB RAAS, and 95 percent at the chemical concentrate plant (see Appendix J).
- The actual maximum to minimum ratio of wages exceeds staff roster standards by 1.6 times (estimated from Appendix M data).

2.7 Wage Structure Patterns in Bottom Level Housing Maintenance Organizations

The wage structure of housing maintenance organizations gives insight into the causes of the continual labor shortage and grievances against inadequate wages in the housing maintenance sector.

On average, all HMUs are staffed at 60 percent of staff roster levels (see Table 7). Vacancies allow part of the wage fund to be redistributed, almost doubling (190 percent) wages to the staff. At the same time, these low staffing levels suggest that further reduction in the number of employees would exceed their physical ability to cope with the minimum work they now perform. In spite of HMU managers' complaints concerning the manpower shortage, no HMU job advertisements were noted for plumbers, yard, or entrance cleaners.

Moreover, interviews with HMU staff revealed an unwillingness to increase, for example, the size of the team of plumbers, although each member said he received the wages of three workers.

Table 7
Wage Trends in Housing Maintenance

Housing Maintenance Unit	Actual vs. Staff Roster		Share of fixed part in total wages (percent)	Actual vs. Staff Roster Wage Spread
	Staffing (percent)	Wages (percent)		
HMU-3 (local government housing)	56	178	48	1.79
HMU-26 (local government housing)	48	216	70	1.41
HMU-55 (local government housing)	54	212	51	1.05
Average for local government housing	52	200	58	1.38
<i>Sibselmash</i> HMU (enterprise housing)	54	179	48	3.15
Chemical Concentrate Plant HMU (enterprise housing)	95	165	64	1.83
RAAS HMU (enterprise housing)	53	191	72	3.26
Average for enterprise housing	63	174	62	1.58
Average for all HMUs	60	190	60	1.58

Wage fund redistribution makes it possible not only to increase the average staff pay level, but also to introduce more differentiation among the wage levels. The controllable (variable) portion of the wage is approximately 40 percent of total wages. Management can further increase certain employees' wages by redistributing this portion. This can increase the actual wage spread over the limits set in the staff roster by more than half (see Table 7).

The division of wages into fixed and variable parts produces the illusion on paper of a lower wage level. When asked about their wage level, housing maintenance employees of all ranks indicated without exception only the fixed part of their wages. In actuality, their pay according to the paysheet was almost double the staff roster level. This practice is motivated by the subsidized nature of housing maintenance, where complaints about the manpower shortage allegedly caused by low wages are used to secure increased subsidies to housing maintenance in general, and to wages in particular. This established practice can be traced to conditions dating from the 1970s: plans were still imposed from above, but the part of the wage fund and budget that was not spent in the course of normal HMU operations was allowed to stay at the lower levels and be spent at the HMU's discretion.

2.8 Wages in the Housing Construction Cooperatives

The organization of housing maintenance services in the "Cosmos" Housing Construction Cooperative is typical of other city Housing Construction Cooperatives. The size of the maintenance staff is decided at the general meeting on the basis of the building's condition. The "Cosmos" maintenance unit, for example, is staffed by a chairperson, a book-keeper, a cashier, a building organizer (acting as a foreman), a yard-cleaner, and an entrance-cleaner. These positions are filled by the cooperative members. The plumber and electrician are hired part-time from the housing maintenance unit located not far from this building. Table 8 shows wage rates and daily working hours in the "Cosmos" maintenance unit:

Table 8
Wage Levels and Work Loads in Housing Construction Cooperatives

Position	Rubles/Month	Daily Working Hours
Chairperson	1,500	2
Bookkeeper	1,800	3
Plumber	1,500	1
Electrician	500	0.5
Yard Cleaner	1,500	2
Entrance Cleaner	1,500	5 hours once a week
Cashier	500	1
Building Organizer	500	1

The building-occupants are careful in using plumbing and electrical equipment, because plumber's and electrician's services are paid out of pocket. In emergencies the cooperative avails itself of Novosibirsk's maintenance trust.

3 Work Organization, Job Descriptions, and Incentives in Different HMU Personnel Categories

This section describes in detail each of the positions in the four job categories. Section 3.5 describes the job-contingency work incentive in the housing maintenance sector.

3.1 Management Personnel

The HMU director has three main functions:

- Manage operations within the HMU
- Maintain contact with superiors
- Deal with resident requests and issue the necessary certificates.

The director supervises:

- The bookkeeping subunit
- The passport clerk, who simultaneously works under law enforcement bodies
- The chief engineer (who acts as the director's substitute, when required)
- The foremen.

HMU directors are most often women who have been promoted to the post from a foreman's position. They have no formal training in housing maintenance, since the only housing and communal services vocational school in the City supplies personnel only to higher level housing management.

The **HMU chief engineer** supervises the current repair personnel and dispenses the necessary spare parts. At the end of the month he also allocates bonuses and benefits to the plumbers and electricians according to their performance. He "distributes" both job assignments and wages. Currently, however, given the decreased supply of materials and parts needed for maintaining the service lines, the engineer is increasingly responsible for materials procurement. HMU engineers usually have specialized, sometimes professional, training.

Foremen (usually two or three) organize and supervise the work of yard-cleaners and garbage chute attendants. In addition, foremen inspect the apartments and, in accordance with resident requests, make decisions on necessary repair work.

The **bookkeeper** and **cashier** keep accounts, do the payroll, distribute wages, and calculate and collect rent payments.

Management employees enjoy the highest monthly bonus level: 75 percent. The final decision on the size of their bonus and on whether it will be paid at all is made at a higher administrative level. The variable portion of their pay averages 51 percent on average, which is the highest share among all job categories. The staffing level is also highest in this category, at about 88 percent of the staff roster level.

But even if management personnel is staffed at 100 percent (as is the case in three out of the six HMUs evaluated), average actual wages are still 164 percent of staff roster levels. The difference is due to quarterly bonuses drawn from the wage fund savings for the whole HMU. In spite of the HMU's poor performance and increasing resident dissatisfaction, the management personnel receive regular additional rewards from the saved part of the wage fund. These savings, in turn, result from understaffing front-line current repair and operating personnel. Under such a pay system, the HMU management has an interest in understaffing, because this is the source of their quarterly bonuses. The natural result is poor maintenance: too few employees are retained to adequately complete the necessary work.

3.2 Current Repair Personnel

All HMU directors surveyed placed current repair personnel as next in importance to management personnel. They named plumbers and electricians as the most skilled group of employees. They are responsible for the utility lines, which are considered the most complicated equipment of the housing and communal services sector.

Fewer plasterers, carpenters, roofers, painters, and joiners are represented in this group than formerly, especially in local government housing maintenance. These tasks are occasionally performed by workers from outside the HMU.

HMU current repair personnel include teams consisting of plumbers, a gas welder, and several (2 to 4) electricians. A team of plumbers and an electrician serves an area with a specified number of apartments. While the staff roster states that one plumber serves 200 apartments, a team of 5 employees may undertake not 1,000 but many more (1,500-3,000) apartments, in order to be paid the wages originally intended for a greater number of employees. Table 9 shows that, at 44 percent staffing, wages actually paid are 247 percent of the staff roster level. In other HMUs this figure varies from 135 to 310 percent.

Often these wages do not relate to the amount of work carried out. Wage fund savings for this category of personnel are not fully paid to them, but rather are distributed among management. The HMU directors understand that a work load originally intended for 19 employees is beyond the power of 7 employees. However, the current pay system does not allow one worker to be paid as much as three others. Various strategies must be employed, such as fringe benefits for night duties, combining positions at the same job, and payment by team, in order to achieve payments of even 2.5 times the staff roster wage. In addition, employees usually are not paid more than their directors in the Russian wage system. For example, if an HMU director is paid 20,000 rubles, this is the upper limit for any HMU worker.

The working conditions and responsibilities of this category of employee are, of course, the most complicated. They work with technically more sophisticated equipment and plumbing systems that are in bad condition. But these personnel resist hiring new workers, because this would threaten their earning level.

Another reason why the current repair personnel do not wish to increase the level of staffing is to avoid competition for "on-the-side" work. This work is done both during and outside working hours for direct cash payment from the residents. These jobs take the form of work beyond the range of HMU services related to preventive maintenance or emergency repair. It usually includes replacement of plumbing equipment, installation of sinks, changing the position of pipes, installation of electric cookers, etc. More potential providers of these services would imply rivalry for this extra income, which is equal to a plumber's monthly pay, one and a half times a gas welder's, and 30 to 50 percent of an electrician's. Prices charged for "on-the-side" work generally depend on a family's perceived financial status and the worker's own preferences (some want cash, others a bottle of vodka).

Table 9
Wage Trends for Different Job Categories

Housing Maintenance Unit	Actual vs. Staff Roster		Fixed Wage Share of Total Wage (percent)	Actual vs. Staff Roster Wage Spread
	Staffing (percent)	Wage (percent)		
Management Personnel				
RAAS HMU	100	209	37	1.45
<i>Sibselmash</i> HMU	86	119	78	0.93
Chemical Concentrate Plant HMU	100	164	60	1.14
Average value for enterprise-owned housing	95	164	58	1.18
HMU-3	100	128	36	0.94
HMU-26	67	180	48	0.53
HMU-55	75	185	35	0.95
Average value for local government housing	81	164	40	0.81
Average value for Management Personnel	88	164	49	0.99
Current Repair Personnel				
RAAS HMU	38	228	86	3.05
<i>Sibselmash</i> HMU	31	288	40	2.89
Chemical Concentrate Plant HMU	78	297	51	1.59
Average value for enterprise-owned housing	49	271	59	2.51
HMU-3	45	135	47	1.03
HMU-26	31	310	79	1.10
HMU-55	43	221	39	0.58
Average value for local government housing	40	222	55	0.90
Average value for Current Repair Personnel	44	247	57	1.70
Operating Personnel				
RAAS HMU	57	171	76	4.64
<i>Sibselmash</i> HMU	87	127	53	3.35
Chemical Concentrate Plant HMU	81	158	65	1.21
Average value for enterprise-owned housing	75	152	65	3.07
HMU-3	41	171	50	2.93

Housing Maintenance Unit	Actual vs. Staff Roster		Fixed Wage Share of Total Wage (percent)	Actual vs. Staff Roster Wage Spread
	Staffing (percent)	Wage (percent)		
HMU-26	38	267	68	4.31
HMU-55	48	258	62	2.22
Average value for local government housing	42	232	60	3.15
Average value for Operating Personnel	59	192	62	3.11
Resident Relations Personnel				
RAAS HMU	40	139	46	1.89
<i>Sibselmash</i> HMU	67	140	78	0.75
Chemical Concentrate Plant HMU	100	181	59	1.12
Average value for enterprise-owned housing	82	153	61	1.25
HMU-3	80	160	43	0.94
HMU-26	100	153	48	1.11
HMU-55	60	154	34	0.87
Average value for local government housing	80	156	42	0.98
Average value for Resident Relations Personnel	81	155	51	1.11

3.3 Operating Personnel

Operating personnel work levels are usually set in terms of units of area served (for yard cleaners and garbage men), or number of residents (for chute attendants), or number of elevators maintained (for elevator operators). They can increase their wages by increasing their work levels. This category is staffed at 59 percent on average. Employees are paid 1.9 times higher than staff roster levels.

Operating personnel are not organized in teams. Each worker is individually responsible for a work area. They only have contact with the foreman, who records the quantity and quality of their work. This is one reason why this category shows the highest wage spread of all: three times the staff roster level. Work levels are uniform and wages similar for elevator operators and garbage chute attendants. Yard-cleaners and garbage men, however, are distinguished by the greatest wage differences. This group includes the minimum and maximum wage among all surveyed HMUs. In HMU-3, one worker simultaneously held the positions of yard-cleaner, entrance-cleaner, and washer, giving her a monthly salary exceeding the HMU director's.

Operating personnel are mainly women, although one-third of yard cleaners are men. The work is manual: yard-cleaners sweep with brooms and remove snow with shovels, cleaners wash using buckets and floor cloths, garbage chute attendants take garbage out of the chute to dumpsters in wheel-barrows. The workers are not generally busy all day long, and the cleaners, for example, do their job only twice a week. For this reason, under established standards of attendance, those who fill only one position can work elsewhere if they desire.

Two groups of employees are distinguished in this category.

- Staff provided with job-contingent housing (see section 3.5) generally combine several functions and “soft” work loads, for example, a cleaner and garbage attendant, or an elevator operator and entrance cleaner.
- The more numerous group of this employment category includes poor performers, temporary workers, or multiple job holders. This group is marked by a high turnover. They are usually given more difficult areas, such as housing that has no regular staff and must be attended by whole teams on specially appointed days. (This day is Wednesday, for example, in the Zheleznodorózhny district.) This kind of housing is a perennial problem, because even when new employees are added to the task, they cannot cope with the effects of long-standing neglect. Redistribution of the wage fund is at the root of this situation.

3.4 Resident Relations Personnel

One or two decades ago the resident relations personnel constituted a large group within the HMU. These employees—children's organizers, trainers, and painters—promoted community life and activities in the housing development. The situation has not changed much in enterprise-controlled housing, because the residents belong to the same work force and organize their own social activities. In local government housing, on the other hand, this

category is currently represented only by the passport clerk, who is responsible to law enforcement bodies for keeping residents' records, and by dispatchers in charge of resident repair requests. The remaining position of clerk was liquidated and the wages divided among the foremen. Possibilities for extra earnings are limited.

Resident relations personnel, like other groups, is not staffed at roster levels, although it is staffed at a higher level than operating personnel (81 percent). Their actual wages exceed the roster level, but by only one and a half times, and fixed wages account for only 51 percent of the total. Since the authorized bonus level is not high, all fringe benefits are concentrated in the basic quarterly bonus, derived from HMU wage fund savings. But the additional payments follow the wage scale prescribed in the staff roster, as is the case for management personnel.

If the stock served by the HMU includes elite housing (like HMU-3, for example) the resident relations personnel may have additional privileges to encourage them to be more considerate of the "best" residents' requests. This is done, for example, by promoting the dispatcher to the higher-paid position of plumbing dispatcher (because most requests are for plumbing services). Such a promotion is authorized at a higher management level, by the city's housing trust in this case.

3.5 Job-Contingent Housing

A very effective work incentive in the housing maintenance sector is a specific type of housing allocation called job-contingency. Unlike most other sectors, where housing is provided after a certain term of service (7-15 years), an apartment can be obtained by a housing maintenance worker much more quickly, after only one or two years of service. While in other branches the allocated housing is at its occupier's disposal, the housing and communal services employee obtains his dwelling on a leasehold basis for a term of 10 years, during which time it remains job-contingent. If he wants to leave the HMU, he must vacate the apartment. After 10 years the dwelling becomes non-contingent.

The short waiting period often compensates for the inferior quality of the dwelling. Job-contingent apartments are usually located on the first floor (especially if the occupier is an ordinary worker), or is shared with one or more other families.

New HMUs created to serve new buildings are given a certain number of apartments to be used for job-contingency. Existing HMUs replenish their job-contingent housing by taking over apartments in the buildings they maintain, when residents move out or die. Since the HMU controls the apartment registration procedure, it sometimes withholds registration from the relatives of the former resident.

When a new worker is hired in an HMU, he can get a unit relatively quickly, but it is usually of inferior quality: a communal instead of separate apartment, or an apartment with fewer rooms than the employee is entitled to. Appropriate job-contingent accommodation then becomes an important job incentive. This system sometimes works against the HMU's interests, when it becomes practically impossible to force a poor performer who lives in a

job-contingent apartment to leave. Although the employee is legally required to vacate the apartment if he leaves the job prematurely, this regulation is rarely enforced, especially if the family includes small children or elderly people. Interviews with HMU employees revealed that their main incentive for taking a job in housing and communal services is the possibility of obtaining housing in less time than is possible elsewhere. This situation implies that reforms to the HMU should be envisioned in the context of broader social and economic reforms.

4 Conclusions and Recommendations

While the work organization and wage system in the housing sector was established to ensure:

- consistent maintenance quality through standardized staffing and wages, and
- increased productivity and better quality through financial incentives gained from redistributing the surplus wage fund,

the current situation is characterized by:

- steady deterioration of the maintenance service over the last two decades, as evidenced in the rise in resident complaints about poor service and deterioration of the housing stock, and
- staffing at 50 to 60 percent of the level envisioned in the staff roster.

Understaffing is in the entire staff's interest, because it effectively doubles their wages. The employees nevertheless cite this disparity as grounds for further wage increases.

The amount of effort and ingenuity devoted to increasing take-home pay suggests that wages can serve as an important incentive for increasing productivity. However, increased opportunities for increasing wages have not led to better housing management service. The relationship between wage levels and productivity in the Russian housing maintenance sector is not clearly understood and requires further investigation.

Although workers currently cite job-contingent housing as their chief employment incentive, this is due primarily to the extremely limited availability of housing. Current wages are not commensurate with the cost of housing on the open market. The importance of housing as an incentive will decline if wage levels in the HMUs increase to a "realistic" level and alternative housing solutions become available in the market. HMU wage levels then will become a more important factor in influencing productivity on the job. Competent candidates will be readily available to replace unproductive employees.

In addition, an analysis of the relationship between staffing levels and productivity should be conducted to establish whether the staff roster norms are applicable to current conditions. The current 50 to 60 percent staffing level is coupled with low employee productivity and significant "moonlighting" activity. The current low level of service may well be improved by an equal or even lower number of more productive employees, rather than by staffing at the roster level. In any case, staffing efforts should concentrate on increasing the productivity

of front line workers, who provide the HMU's primary service, rather than on expanding the currently relatively well-staffed management/support structure.

Appendix A

Plumber Team Foreman's Questionnaire

PLUMBER TEAM FOREMAN'S QUESTIONNAIRE

1. Composition:

occupation _____, persons _____
 occupation _____, persons _____
 occupation _____, persons _____

2. Normal rates of services set for different worker categories

Occupation	Job rate per worker	Base pay, ruble/month	Average number of job rates per worker	Maximum number of job rates per worker

3. Multiple jobs held within the HMU (number of persons)

	Plumbers	Gas welders	Electricians
Plumbers	XXXXXXXXXX		
Gas welders		XXXXXXXXXXXXXX	
Electricians			XXXXXXXXXXXXXXXXXX

4. Description of team members with regard to their job commitment and earnings

- inactive workers (incompliant, drinking, low-skilled, poor earners) _____ persons, % _____
- fair _____ persons, % _____
- active workers (compliant, reliable, highly skilled, good earners) _____ persons, % _____

THE FOLLOWING QUESTIONS PERTAIN TO ACTIVE WORKERS

5. Job assignments during working hours:

Occupation _____

Kind of assignment	Time required, hours	
	daily	weekly

"On the side" work

Occupation _____

Kind of assignment	Time required, hours	
	daily	weekly

"On the side" work

Occupation _____

Kind of assignment	Time required, hours	
	daily	weekly

"On the side" work

6. Secondary jobs and secondary earnings according to pay records: tours of duty, replacing absent coworkers etc.

Assignments	Number of persons	Frequency per month	Secondary earnings, rubles/month

7. Additional on-the-job payments (meals etc.):

Occupation _____
 For what specifically _____ rubles/month

Occupation _____
 For what specifically _____ rubles/month

8. Job-associated unrecorded earnings:

(a) Kind of assignments and their pattern. Specific services and their number per month:

- paid services: parts replacement _____ %
 - paid services: stationary equipment replacement _____ %
 - _____ %
- Total 100 %

(b) Time spent on "on the side" work

- during working hours _____ hrs/day
- after working hours _____ hrs/day
- on weekends _____ hrs/day

(c) Compensation for "on the side" work (actual)

hourly _____ rubles
 monthly _____ rubles

(d) Fees charged for various "on the side" jobs

Example: 1,500 rubles for replacement of a w.c. bowl includes 500-800 rubles for the bowl (from the manufacturer), 300 rubles for delivery, 400-700 rubles for installation

10. Why are these specific services not officially sanctioned?

- prices would be too high (overhead, taxes...)
 - people would resist high prices for these services
 - the HMU staff is not sufficiently qualified
-

11. Secondary earnings outside one's area of expertise:

- moonlighting (as a watchman etc.) _____ rubles per month
- seasonal odd jobs _____ rubles per month x number of months

12. Attitude toward one's earnings:

- in comparison to wages in other enterprises _____
- what are the current total possible earnings on this job (including regular wages and "on the side" income) _____
- what amount would be sufficient without taking work on the side?
rubles per month _____
rubles per hour _____

13. Would you agree to move to a job that paid this amount in a company with strict regulations and accurately defined job descriptions (benefits for good performance and penalties for bad performance)?

- yes (why?) _____
- no (why?) _____
- uncertain

14. What features of your job here do you feel are attractive, compared with a job at a factory, cooperative etc.

Appendix B

Foreman's Questionnaire

FOREMAN'S QUESTIONNAIRE

1. Maintenance of the housing stock:

- number of sectors, _____ units
- area of the sectors services - square meters
 min _____ max _____
- composition of teams serving one sector:

	minimum persons	maximum persons
yard cleaners		
garbage chute attendant		
stair cleaners		
plumbers		
electricians		
carpenters		

2. Normal rates of service

Occupation	Rate of services		Base pay, rubles/month	Average number of rates per worker in HMU	Maximum number of rates per worker in HMU
	winter	summer			
yard cleaner					
garbage chute attendant					
stairs cleaner					

3. Multiple jobs held within the HMU (number of persons)

	yard cleaner	chute man	stair cleaner
yard cleaner	XXXXXXXXXXXXXX		
garbage chute attendant		XXXXXXXXXX	
stair cleaner			XXXXXXXXXXXXXXXXXX

4. Work assignments:

Yard cleaner

Actual assignments	Time required, hours				Priority scores (1 the highest)	Attending circumstances (together with a family member; in the evening, on days off)
	daily		weekly			
	winter	summer	winter	summer		

Stair cleaner

Actual assignments	Time required, hours				Priority scores (1 the highest)	Attending circumstances (together with a family member; in the evening, on days off)
	daily		weekly			
	winter	summer	winter	summer		

Garbage chute attendant

Actual assignments	Time required, h				Priority scores (1 the highest)	Attending circumstances (together with a family member; in the evening, on days off)
	daily		weekly			
	winter	summer	winter	summer		

5. Specific composition of different occupations

20/21

6. Additional earnings on the primary job (higher rates, multiple jobs held, etc.)

Occupation	Assignment	Number of persons	Additional earnings, rubles/month
yard cleaners			
garbage chute attendant			
stair cleaners			

Foreman's Description of His/Her Work

7. The description of working hours. Are they regular or irregular?

8. What compensation is set for overtime work?

Is compensation given for emergency work done during free time?
What is it?

9. How do you feel about your pay level (compared to, for example, wages in industry)? What level do you think is appropriate?

10. The attractiveness of your job.

If you compare your job to a similar one with the same pay, what are the advantages of being a foreman in an HMU?

Appendix C

HMU Director's Questionnaire

HMU DIRECTOR'S QUESTIONNAIRE

1. Main tasks

What are the HMU's main functions (with emphasis on the functions associated with the maintenance of the housing stock, recording, resident relations, etc.) Please evaluate in percent the share of each function in total HMU activity.

	%	
	%	
	%	
	%	

2. The level of maintenance service.

What are the HMU's current responsibilities toward the residents of their housing stock?

What should be done?	What is actually done?

3. What are other services the tenants call the HMU for?

4. What are the main functions of the HMU director and what is their share (%) of his/her total duties? What is the director responsible for, what do his/her duties include?

	%	
	%	
	%	
	%	

5. What problems is the director faced with?

5. What are your assignments during a week (including overtime work):

Kinds of assignments	Frequency	Duration

7. Wage level:

Base pay, rubles /month _____

Bonuses, rubles/month _____

Other, rubles/month _____

8. What determines the level of the HMU director's pay? The efficiency of the HMU in general?

9. Do you think your wages adequately reflect your performance?

10. Do you use any opportunities to increase your personal income (occasional benefits, combining positions, paid services, etc.)? If yes, indicate the size of this kind of income as a monthly average. _____ rubles.

11. The advantages of your present job.

Imagine you are offered another full-time job. What wages, in your opinion, would be compatible with your present job? _____ rubles/month.

Questions about different categories of HMU workers

12. Please rate the HMU workers according to their importance in providing normal maintenance of the housing stock. Begin with the workers who are absolutely necessary.

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

13. Evaluating performance and rewards (for different categories of employees). What criteria do you use? What do you think is the most important criterion in evaluating work performed by different personnel categories?

- Foremen _____
- Office workers _____
- Technicians (plumbers, electricians) _____
- Attendants (cleaners) _____
- Others _____

14. Does the existing work organization and pay system allow skilled and unskilled workers to be differentiated, and allow the latter to be let go?

15. How much are different categories of workers loaded with HMU assignments at present?

- Foremen by _____%
- Office workers by _____%
- Technicians (plumbers, electricians) by _____%
- Attendants (cleaners) by _____%
- Others (who?) by _____%

16. Do current HMU worker earnings adequately reflect the amount of work performed by them?

	Earnings are higher	Adequate	Work amount is higher
Foremen			
Office workers			
Technicians (plumb. electricians)			
Attendants (cleaners)			
Others			

17. How could the normal operation and adequate performance of the HMU be ensured

18. Possibilities for transforming the HMU into a revenue producing organization.

(a) What is the scale of profit activity (paid services) at the HMU?

(b) What are the major problems to be faced in transforming the HMU into a revenue producing organization?

(c) What would be the state of the market for material and technical resources required for the HMU's operation?

(d) What are the prospects for economic interrelationships with the residents?

(e) What are the prospects for economic relations with partners in the chain of supply of technical services?

Appendix D

Sample Staff Roster for HMU-26 Novosibirsk, November 1, 1992

SAMPLE STAFF ROSTER FOR HMU-26
NOVOSIBIRSK, NOVEMBER 1, 1992

Category	Standard number, persons	Kind of pay	Base pay rubles/month	Monthly pay fund
Unit director	1	time-work	6,180	6,180
Current repair engineer	2	--//--	4,860	9,720
Unit foreman	2	--//--	4,300	8,600
Book-keeper-operator	4	--//--	3,300	13,200
Passport clerk	1	--//--	2,600	2,600
Yard cleaner(team leader)	4	--//--	2,660	10,640
Yard cleaner	62.5	--//--	2,660	166,250
Stairway cleaner	36	--//--	2,100	75,600
Chute cleaner	5.5	--//--	2,360	12,980
Panel operator (elevator operator)	5	--//--	2,016	10,080
Plumber, 2nd class	2	piece-work	2,200	4,400
Plumber, 3rd class	4	--//--	2,436	9,744
Plumber, 4th class	17	--//--	2,726	46,342
Plumber, 5th class	2	--//--	3,100	6,200
Electrician, 2nd class	3.5	--//--	2,200	7,700
Electrician, 3rd class	5.5	--//--	2,426	13,343
Electric and gas welder, 3th class	1	--//--	2,724	2,724
Electric and gas welder, 4th class	1	--//--	3,061	3,061
Carpenter-roofer, 2nd class	1	--//--	2,386	2,386
Painter, 2nd class	0.5	--//--	2,386	1,193
Dispatcher-operator	2	time-work	2,200	4,400
TOTAL	162.5			417,343

Appendix E

Sample Job Manual for the HMU-26 Director

'AGREED'
IC Chairman
Record No.1
of October 1, 1991
R.S. Kargopolova
(signature)

'APPROVED'
HB-1 Director
of the Leninski
District
L.A. Kachalova
(signature)

JOB MANUAL

1. General

- 1.1. The HMU director ensures that the housing stock for which he or she is responsible is maintained in good technical condition according to existing regulations and standards; that plumbing and other residential building equipment operates satisfactorily and without interruption, in observance of sanitation and fire codes; supervises the unit's operations and budget, coordinates the work of the engineering service and foremen; and recruits, places and uses labor effectively, providing employees with safe and hospitable working conditions.
- 1.2. The HMU director is guided in his or her activity by the decisions and standards of technical building maintenance, construction norms and regulations, as well as by decisions and instructions issued from higher authorities.
- 1.3. The HMU director is appointed to and relieved of his or her post by the decision of the housing board director.

2. Qualification Requirements

The HMU director post can be filled by a person with a technical college education independent of work experience, or with high vocational school education and not less than 3-years work experience in housing and communal services.

Special Requirements

- Be clear and a concise when giving instructions or explanations, and tactful and delicate in resident relations;
- Have organizational ability;

- Be able to teach and instruct, and be sociable.

Duties

1. Ensure that tenants and lessees duly fulfill their obligations stipulated in the housing rental and uninhabited accommodation contracts.
2. Consider resident requests and complaints without delay and take appropriate action.
3. Ensure that pavements and streets included in the service area are clean.
4. Exercise control over the opening of buildings that have undergone scheduled current and capital repairs.
5. Ensure that necessary materials, equipment, devices and tools for workshops are provided in a timely manner.
6. Ensure technically correct maintenance of the engineering equipment and other basic assets and their scheduled repairs.
7. Attend working and government committees concerned with commissioning new building projects. Ensure that the tenants duly move into the apartments. Take measures to keep the utility lines in uninhabited apartments in good condition.
8. Introduce new forms of work organization.
9. Promote cooperation and responsibility in the team.
10. Raise team morale.
11. Inform the housing board about all vacated dwellings and uninhabited premises in the HMU buildings not later than 24 hours after vacation, and not allow these premises to be moved into without proper authorization.
12. Conclude housing rental contracts and renewals, issue passports, review unit maintenance, and take part in these inspections.
13. Ensure proper external decoration and maintenance of the buildings (facades, street lamps, street signs), and organize the residents for communal work to improve the grounds, and planting trees and gardens.
14. hold regular office hours for meeting with resident, and issue certificates to residents of the buildings served, when legally appropriate.
15. Hold classes in civil-defence.

Rights

1. Demand that the tenants carry out current repairs on all in-house rooms and common areas at their own expense.
2. Participate in a committee on the distribution of monthly bonuses according to performance.
3. Make tenants and lessees cover repair costs if damage is caused through their fault.
4. Call general meetings or sessions of the resident building committee.
5. On the direction of the housing board director, evict or relocate tenants from units in need of emergency repairs.

Responsibility

The HMU director is to be held responsible, penally and financially, for the non-fulfillment of the duties outlined in this manual.

Documentation

1. Resident reception register.
2. Minute-book of meetings with employees.
3. Annual plan of tasks to be completed by the HMU.

Appendix F

Local Government HMU Staffing Levels: Current vs. Staff Roster Levels

HMU-55 Current vs. Staff Roster Staffing Levels, November 1, 1992

Job Category	Staffing		Ratio (percent)
	Staff Roster	Paysheet	
Total, including	101	54	53
1. Management Personnel	8	6	75
2. Current Repair Personnel	23	10	43
3. Operating Personnel	65	31	48
4. Resident Relations Personnel	5	3	60
5. Temporary Workers	0	4	0

HMU-3 Current vs. Staff Roster Staffing Levels, November 1, 1992

Job Category	Staffing		Ratio (percent)
	Staff Roster	Paysheet	
Total, including	97	54	56
1. Management Personnel	8	8	100
2. Current Repair Personnel	20	9	45
3. Operating Personnel	64	26	41
4. Resident Relations Personnel	5	4	80
5. Temporary Workers	0	7	0

Appendix G

Local Government HMU Wage Levels: Current vs. Staff Roster Levels

HMU-26 Employees working the full month, November 1, 1992

Job Category	Average Wage		Wage Ratio (percent)
	Staff Roster (in rubles)	Paysheet (in rubles)	
Total, including	3,677	7,944	216
1. Management Personnel	6,323	11,411	180
2. Current Repair Personnel	3,009	9,341	310
3. Operating Personnel	3,522	9,414	267
4. Resident Relations Personnel	3,853	5,904	153
5. Temporary Workers	0	3,353	0

HMU-3 Employees working the full month, November 1, 1992

Job Category	Average Wage		Wage Ratio (percent)
	Staff Roster (in rubles)	Paysheet (in rubles)	
Total, including	4,584	8,141	178
1. Management Personnel	8,377	10,697	128
2. Current Repair Personnel	4,851	6,564	135
3. Operating Personnel	4,007	6,867	171
4. Resident Relations Personnel	4,828	7,748	160
5. Temporary Workers	0	3,374	0

HMU-55
Employees working the full month, November 1, 1992

Job Category	Average Wage		Wage Ratio (percent)
	Staff Roster (in rubles)	Paysheet (in rubles)	
Total, including	4,099	8,692	212
1. Management Personnel	8,377	15,521	185
2. Current Repair Personnel	4,737	10,455	221
3. Operating Personnel	3,292	8,496	258
4. Resident Relations Personnel	4,806	7,400	154
5. Temporary Workers	0	6,332	0

Appendix H

Local Government Wage Structure and Benefits: Employees who worked the full month

HMU-26

Employees working the full month, November 1, 1992

Job Category	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Total, including	100	70	8	1	21	0
1. Management Personnel	100	48	28	7	18	0
2. Current Repair Personnel	100	79	0	0	21	0
3. Operating Personnel	100	68	7	1	23	0
4. Resident Relations Personnel	100	48	17	1	34	0
5. Temporary Workers	100	97	2	1	0	0

HMU-55

Employees working the full month, November 1, 1992

Job Category	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Total, including	100	51	14	7	22	6
1. Management Personnel	100	35	34	10	13	9
2. Current Repair Personnel	100	39	18	15	19	8
3. Operating Personnel	100	62	6	3	25	4
4. Resident Relations Personnel	100	34	21	11	22	12
5. Temporary Workers	100	55	13	1	32	0

HMU-3
Employees working the full month, November 1, 1992

Job Category	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Total, including	100	48	18	8	20	7
1. Management Personnel	100	36	30	11	14	8
2. Current Repair Personnel	100	47	16	7	24	5
3. Operating Personnel	100	50	15	6	23	6
4. Resident Relations Personnel	100	43	20	1	26	11
5. Temporary Workers	100	86	0	14	0	0

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Appendix I

Local Government Wage Spread: Current vs. Staff Roster Levels

HMU-26

Employees working the full month, November 1, 1992

Job Category	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
Total, including	2,530	12,437	492	3,232	22,414	694
1. Management Personnel	6,641	12,437	187	10,553	11,771	112
2. Current Repair Personnel	2,530	3,841	152	4,654	11,131	239
3. Operating Personnel	2,666	4,205	158	3,232	22,414	694
4. Resident Relations Personnel	3,163	5,233	165	5,162	7,232	140

HMU-3
Employees working the full month, November 1, 1992

Job Category	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
Total, including	3,816	12,226	320	3,453	19,824	574
1. Management Personnel	5,404	12,226	226	10,028	19,824	198
2. Current Repair Personnel	4,244	6,327	149	6,816	15,232	223
3. Operating Personnel	3,816	4,838	127	3,453	16,290	472
4. Resident Relations Personnel	4,039	5,404	134	6,886	8,180	119

HMU-55
Employees working the full month, November 1, 1992

Job Category	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
Total, including	2,998	12,226	408	5,024	21,562	429
1. Management Personnel	5,404	12,226	226	10,786	21,562	200
2. Current Repair Personnel	4,040	6,328	157	9,235	11,650	126
3. Operating Personnel	2,998	4,285	143	5,024	17,973	358
4. Resident Relations Personnel	3,985	5,404	136	7,042	7,759	110

Appendix J

Enterprise-Owned Housing Staff Levels: Current vs. Staff Roster Levels

Employees working the full month, November 1, 1992

Job Category	Staffing		Ratio (percent)
	Staff Roster	Paysheet	
Average	199	125	63
1. Sibselmash HMU	237	127	54
2. Chemical Concentrate Plant HMU	138	131	95
3. SB RAAS HMU	221	118	53

Chemical Concentrate Plant HMU Current vs. Staff Roster Staffing Levels, November 1, 1992

Job Category	Staffing		Ratio (percent)
	Staff Roster	Paysheet	
Total, including	138	131	95
1. Management Personnel	13	13	100
2. Current Repair Personnel	36	28	78
3. Operating Personnel	84	68	81
4. Resident Relations Personnel	5	15	0
5. Temporary Workers	0	15	0

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Sibselmash HMU
Current vs. Staff Roster Staffing Levels, November 1, 1992

Job Category	Staffing		Ratio (percent)
	Staff Roster	Paysheet	
Total, including	237	127	54
1. Management Personnel	7	6	86
2. Current Repair Personnel	156	49	31
3. Operating Personnel	71	62	87
4. Resident Relations Personnel	3	2	67
5. Temporary Workers	0	8	0

SB RAAS HMU
Current vs. Staff Roster Staffing Levels, November 1, 1992

Job Category	Staffing		Ratio (percent)
	Staff Roster	Paysheet	
Total, including	221	118	53
1. Management Personnel	8	8	100
2. Current Repair Personnel	66	25	38
3. Operating Personnel	142	81	57
4. Resident Relations Personnel	5	2	40
5. Temporary Workers	0	2	0

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Appendix K

Enterprise-Owned Housing Wage Levels: Current vs. Staff Roster Levels for employees who worked the full month

Chemical Concentrate Plant HMU
Current vs. Staff Roster Average Wage Levels for Employees Working the Full Month
as of November 1, 1992

Job Category	Average Wage		Wage Ratio (percent)
	Staff Roster (in rubles)	Paysheet (in rubles)	
Total, including	6,380	10,549	165
1. Management Personnel	10,903	17,912	164
2. Current Repair Personnel	4,416	13,134	297
3. Operating Personnel	6,538	10,298	158
4. Resident Relations Personnel	6,105	11,030	181
5. Temporary Workers	0	4,690	0

Sibselmash HMU
Current vs. Staff Roster Average Wage Levels for Employees Working the Full Month
as of November 1, 1992

Job Category	Average Wage		Wage Ratio (percent)
	Staff Roster (in rubles)	Paysheet (in rubles)	
Total, including	2,068	3,694	179
1. Management Personnel	2,631	3,121	119
2. Current Repair Personnel	2,193	6,316	288
3. Operating Personnel	1,743	2,207	127
4. Resident Relations Personnel	1,955	2,731	140
5. Temporary Workers	0	2,207	0

SB RAAS HMU
Current vs. Staff Roster Average Wage Levels for Employees Working the Full Month
as of November 1, 1992

Job Category	Average Wage		Wage Ratio (percent)
	Staff Roster (in rubles)	Paysheet (in rubles)	
Total, including	2,595	4,969	191
1. Management Personnel	6,192	12,946	209
2. Current Repair Personnel	3,482	7,949	288
3. Operating Personnel	1,969	3,362	171
4. Resident Relations Personnel	4,814	6,712	139
5. Temporary Workers	0	2,240	0

Appendix L

Enterprise-Owned Housing Wage Structure and Benefits

**Enterprise-Owned Housing
Current vs. Staff Roster Wage Structure and Benefits
for Employees Working the Full Month, November 1, 1992**

Housing Maintenance Unit	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Average	100	62	14	12	4	8
1. Sibselmash HMU	100	48	23	24	5	0
2. Chemical Concentrate Plant HMU	100	61	14	6	5	14
3. SB RAAS HMU	100	72	8	19	1	0

**Chemical Concentrate Plant HMU
Current vs. Staff Roster Wage Structure and Benefits
for Employees Working the Full Month, November 1, 1992**

Job Category	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Total, including	100	61	14	6	5	14
1. Management Personnel	100	60	18	3	3	14
2. Current Repair Personnel	100	51	22	11	4	14
3. Operating Personnel	100	65	9	5	5	6
4. Resident Relations Personnel	100	59	15	7	5	11
5. Temporary Workers	100	76	14	0	11	0

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Sibselmash HMU
Current vs. Staff Roster Wage Structure and Benefits
for Employees Working the Full Month, November 1, 1992

Job Category	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Total, including	100	48	23	24	4	0
1. Management Personnel	100	78	0	16	6	0
2. Current Repair Personnel	100	40	28	28	3	0
3. Operating Personnel	100	53	18	20	8	0
4. Resident Relations Personnel	100	78	0	15	7	0
5. Temporary Workers	100	76	17	7	0	0

SB RAAS HMU
Current vs. Staff Roster Wage Structure and Benefits
for Employees Working the Full Month, November 1, 1992

Job Category	Total rubles/person (percent)	of which				
		fixed wage	monthly bonus	fringe benefits	meal benefit	quarterly bonus
Total, including	100	72	8	19	1	0
1. Management Personnel	100	37	13	49	0	0
2. Current Repair Personnel	100	86	1	10	2	0
3. Operating Personnel	100	76	9	13	1	0
4. Resident Relations Personnel	100	46	16	37	0	0
5. Temporary Workers	100	46	16	37	0	0

Appendix M

Enterprise-Owned Housing Wage Spread: Current vs. Staff Roster Levels

All Enterprise Housing
Current vs. Staff Roster Wage Spread
for Employees Working the Full Month, November 1, 1992

Housing Maintenance Unit	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
Average	1,143	16,422	1,437	1,205	27,402	2,274
1. Sibselmash HMU	1,143	4,161	364	1,205	13,815	1,146
2. Chemical Concentrate Plant HMU	3,558	16,422	462	7,146	27,402	383
3. SB RAAS HMU	1,898	9,660	509	1,638	27,190	1,660

**Chemical Concentrate Plant HMU
Current vs. Staff Roster Wage Spread
for Employees Working the Full Month, November 1, 1992**

Job Category	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
Total, including	3,558	16,422	462	7,146	27,402	383
1. Management Personnel	6,451	16,422	255	10,606	27,402	258
2. Current Repair Personnel	3,923	8,073	206	7,146	16,915	237
3. Operating Personnel	5,961	7,452	125	8,522	13,103	154
4. Resident Relations Personnel	3,558	7,624	214	8,498	12,731	150

**Sibselmash HMU
Current vs. Staff Roster Wage Spread
for Employees Working the Full Month, November 1, 1992**

Job Category	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
Total, including	1,143	4,161	364	1,205	13,815	1,146
1. Management Personnel	1,981	4,161	210	2,402	5,068	211
2. Current Repair Personnel	1,442	3,140	218	3,212	13,815	430
3. Operating Personnel	1,143	1,841	161	1,205	5,123	425
4. Resident Relations Personnel	1,751	2,209	126	2,731	2,731	100

SB RAAS HMU
Current vs. Staff Roster Wage Spread
for Employees Working the Full Month, November 1, 1992

Job Category	Wages in Staff Roster			Wages in Paysheet		
	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)	minimum (in rubles)	maximum (in rubles)	max to min ratio (percent)
al, including	1,898	9,660	509	1,638	27,190	1,660
Management Personnel	4,025	9,660	240	8,265	27,190	329
Current Repair Personnel	3,351	4,461	133	3,842	17,455	454
Operating Personnel	1,898	4,347	229	1,638	9,629	588
Resident Relations Personnel	2,576	6,038	234	3,673	9,285	253

Appendix N

Subsequent Revisions to the 1991 *Goskomtrud* Act on Wages in Housing and Communal Services

In 1991 the USSR State Labor Committee (*Goskomtrud*) issued Act No. 66/3 on wages in housing and communal services. The minimum wage rate (for a junior attendant) was fixed at 120 rubles (net of regional differential¹). All other wage levels were set in proportion to the minimum wage:

- Director 3.08 to 3.42 times the minimum wage
- Specialist 2.00 to 2.33 times the minimum wage
- Division Chief 2.00 to 2.33 times the minimum wage
- Specialists in divisions:
 - HMU Director 1.83 to 2.00 times the minimum wage
 - First category 1.50 to 1.83 times the minimum wage
 - Housing Board Director 2.50 to 2.80 times the minimum wage
 - Second category 1.33 to 1.67 times the minimum wage
 - Clerk 1.00 to 1.25 times the minimum wage

On the 25th of April, 1991, Act No. 105 was issued to be in effect from May 1, 1991. New wage rates were to be based on a minimum wage (junior attendant's) of 180 rubles per month.

Act No.15 of May 20, 1991 (based on Decree No. 489 of the Council of Ministers of the USSR) raised wages by 40 percent.

A Presidential Edict raised the minimum wage as of January 1, 1992, by another 90 percent.

After June 1, 1992, when the new level of the minimum wages was set at 900 rubles instead of 342 rubles, the other wage levels were also revised.

After September 1, 1992, wage rates were raised by another 50 percent, to 1,350 rubles.

Another revision of wages rates went into effect December 1, 1992, after the minimum level was raised to 1,800 rubles per month.

After February 1993, the wage scales were again changed, based on a minimum of 3,750 rubles.

¹Established at 15 percent of the base rate, to compensate for the severe climate in Siberia.