Assessment of labor incentive policy in the agro-industrial complex

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Abstract. The article discusses certain areas of implementation of the national objective "Decent, effective work and successful entrepreneurship" in the agro-industrial complex. In the context of a decrease in the share of people employed in agriculture, ensuring food security in the country and the level of competitiveness of the industry in the world market is possible only by increasing labor efficiency. Decent work, the main criterion of which is the level of labor incentives, having a positive effect on the degree of labor motivation, ensures its efficiency. The author's structural model of the labor stimulation policy in the agro-industrial complex and a system of indicators that allow assessing its effectiveness are proposed. An analysis of some of these indicators for 2015-2019 is carried out and the implementation of its labor incentive policy is assessed. This allowed the authors to propose a set of interrelated recommendations for the implementation of the national objective of ensuring decent work.

Achievement for the period up to 2030 of the national goal "Decent, effective work and successful entrepreneurship", defined in the corresponding Decree of the President of the Russian Federation will simultaneously provide a solution to many other major socio-economic problems of the country [1]. In turn, it is decent work that, having a positive effect on the degree of personnel labor motivation, ensures its efficiency.

This problem is of particular importance in the agro-industrial complex, since ensuring the country's food security and the level of competitiveness of the industry in the world market, in conditions when the share of people employed in agriculture is steadily declining in favor of other sectors of economic activity (for 2001-2019, from 12.0% up to 5.8%), and the share of the population receiving pensions is increasing (from 18.3% to 23.3%), possibly only by increasing labor efficiency (table 1).

Table 1. Dynamics of selected decent work indicators in the Russian Federation.

| List of indicators recommended by the International Organization on assessing decent work indicators | Labor by branches of economic activity, %: | Years | 2019 in % to 2001 |
|---|---|---|---|
| Employment by branches of economic activity, %: | share of employed in agriculture | 12.0 | 7.7 | 6.7 | 5.8 | -6.2 p.p. |
| | share of employed in industry | 29.4 | 27.8 | 27.3 | 26.8 | -2.6 p.p. |
| | share of employed in services | 58.5 | 64.5 | 66.0 | 67.4 | +8.9 p.p. |
| Share of wages in GDP, % | 43.0 | 49.7 | 47.8 | 46.7 | -3.7 p.p. |
| Share of population receiving pensions, % | 18.3 | 20.4 | 22.4 | 23.3 | +5.0 p.p. |

*compiled on the basis of [2].
The priority in the concept of decent work belongs to the decent wage standard. This approach is quite justified, including today’s perspective:

- firstly, the level of incentives for agricultural labor determines its motivation;
- secondly, in the structure of monetary incomes of the population of the Russian Federation by sources of income, the share of wages of hired workers dominates, which tends to increase - for 2015-2019 from 52.8% to 57.9%, and in the second quarter of 2020 - already 65.3% (table 2).

In this regard, one cannot fail to note the fact that practically no attention is paid to the issues of stimulating the labor of workers, which ensure the development of the agro-industrial complex, in the Strategy for the development of the agro-industrial and fishery complexes of the Russian Federation for the period up to 2030. It defines, as one of the priorities, only the goal – “Increasing the level of the ratio of disposable resources of rural and urban households”. The only indicator reflecting its efficiency is “achievement of the ratio of the average monthly disposable resources of rural and urban households: by 2024 - 79%; until 2030 - 90%” [3].

Monitoring of the main indicators of labor incentives in the agro-industrial complex of the Russian Federation shows, in particular, that the ratio of the level of disposable resources of households in rural areas to all households varies from year to year and there is even a decrease from 72.1% to 70.2% for the period 2015-2019.

Table 2. Monitoring of the main indicators of labor incentives in the agro-industrial complex of the Russian Federation*.

| Indicators                                                                                   | 2015      | 2016      | 2017      | 2018      | 2019      | 2019 in%  | 2019 in% to 2015 |
|---------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------|
| The share of wages of employees in the structure of monetary incomes of the population of the Russian Federation by sources of income, % | 52.8      | 54.0      | 55.1      | 57.4      | 57.9      | +5.1p.p.   |                 |
| Gross monthly salary, rub.:                                                                 |           |           |           |           |           |           |                 |
| employees of all organizations, rub.:                                                       | 21626     | 24106     | 25671     | 28699     | 31728     | 146.7     |                 |
| disposable resources on average per household member per month, rub.:                       | 34030     | 36709     | 39167     | 43724     | 47867     | 140.7     |                 |
| Disposable resources on average per household member per month, rub.:                       | 63.5      | 65.7      | 67.1      | 66.5      | 66.3      | +2.8 p.p. |                 |
| rural households                                                                           | 16640     | 16971     | 18309     | 19188     | 20356     | 122.3     |                 |
| all households                                                                             | 23085     | 24210     | 24926     | 26918     | 28995     | 125.6     |                 |
| The ratio of the level of disposable resources of households in rural areas to all households, % | 72.1      | 70.1      | 73.4      | 71.3      | 70.2      | -1.9 p.p. |                 |

*compiled on the basis of [3-6].

Against the background, the well-known postulate that highly professional personnel potential ensures high labor efficiency is more relevant than ever in the modern world. When forming and developing human resources, it should be taken into account that “an effective system for improving human resources is not only high production results, but also complete social security of a person and a high quality of life” [7]. Therefore, it is the actual indicators of decent work that determine the
quantitative and qualitative parameters of the formation of human resources at any level, and first of all, in the organizations of the agro-industrial complex.

Remuneration is one of the sore points of the modern Russian economy. This problem should be considered equally from social, economic and political aspects. One of such complex criteria for its assessment is the share of wages in the country's GDP, which is growing. Despite the fact that this indicator varies greatly across countries, two groups can be distinguished: in most countries it is below 50%, and in countries with a developed market economy - more than 50%. Analyzing the dynamics of this indicator for 2001-2019 from 43.0% to 46.7%, one should agree with the opinion that “the share of labor remuneration in GDP achieved in Russia in general corresponds to the norms accepted in the world and its further growth can hardly be considered expedient. Therefore, the main efforts should be aimed at ensuring sustainable GDP growth, which will lead to an increase in the absolute size of the wage fund (even with a constant share)” [8].

Unfortunately, it should be noted that in recent years there has been a stable tendency to limit the conduct of fundamental scientific research on the problem of improving labor incentive policies in the agro-industrial complex. This is largely due to the following conditions:

- specific features of its implementation in the agro-industrial complex;
- requirement of scientists to have equal proficiency in both economic and technological professional competencies;
- limited information and statistical base;
- limited scientific publications.

All this together led to a decrease in scientific interest in the study of various aspects of the problem of improving the policy of stimulating labor in the agro-industrial complex. It is these circumstances that explain the complexity of improving its theoretical and methodological aspects, taking into account modern trends in socio-economic development.

The authors consider this definition of the remuneration policy to be quite reasonable as “a set of scientifically grounded principles, provisions and a system of indicators, methodological and regulatory support of the processes of formation, practical implementation and assessment of the effectiveness of the mechanism of remuneration of workers at one or another level of management, as for the current period, and in the near future” [9].

It is believed that the structural model of the labor incentive policy in the agro-industrial complex can be presented in the version indicated in table 3.

**Table 3. Proposed structural model of labor incentive policy in the agro-industrial complex**

| Components                  | Indicators                                                                 |
|-----------------------------|---------------------------------------------------------------------------|
| Theoretical and methodological | Concept, content, structure.                                              |
|                             | Formation principles, tasks.                                               |
|                             | Formation and implementation methods.                                     |
|                             | Methodological provisions for the formation of the composition of the     |
|                             | remuneration mechanism at the sectoral level and organizations of the     |
|                             | agro-industrial complex.                                                  |
|                             | The content and fundamental features of wage systems.                     |
| Regulations                 | Federal Laws. Resolutions of the Government of the Russian Federation.   |
|                             | and the Ministry of Agriculture of the Russian Federation.               |
|                             | General agreement between the all-Russian associations of trade unions.  |
|                             | the all-Russian associations of employers and the Government of the     |
|                             | Russian Federation.                                                      |
|                             | Industry agreement on the agro-industrial complex of the Russian Federation.|
|                             | Local documents.                                                          |
| Information support         | Systems of indicators and indicators of formation and implementation.    |
|                             | Labor standards.                                                          |
|                             | Statistical data.                                                         |
Within the framework of the proposed model, the policy of stimulating labor in the agro-industrial complex should be clearly delineated at two levels: sectoral and organization of the agro-industrial complex. Naturally, at the level of the organization, it should be concretized within the proposed sectoral structure, taking into account its production, economic and social characteristics.

It is necessary to assess the effectiveness of the labor stimulation policy, in turn, according to the main indicators laid down as a guide - achievements for a particular period of time, depending on the level of management. Unfortunately, at the sectoral level, it can be carried out on a rather limited list of indicators, due to the limited reporting and statistical data, which are largely commercial in nature.

What are the main indicators that allow assessing the labor incentive policy in the agro-industrial complex? It is believed that such a system of indicators should include an assessment of:

1. the level of average monthly wages by categories of employees;
2. the ratio of the growth rates of wages and labor productivity indicators;
3. structure of the payroll;
4. wages and salaries;
5. the share of wages in the structure of costs, including the cost price;
6. share of wages in sales proceeds;
7. the ratio of the main indicators with the average for the region, industry and the average for the economy of the region or country, etc.

At the level of a business entity, such an assessment can be quite complex, depending on the specific purpose of the assessment. A systematic approach is more acceptable here.

Despite the fact that such an indicator for assessing the labor incentive policy - how the average monthly salary of personnel does not reflect its real level, today it remains the main one. In the light of the findings and observations detailed above, a small monitoring of the main indicators of the labor incentive policy in the agro-industrial complex was carried out (table 2).

Undoubtedly, the implementation in the country of the State Program for the Development of Agriculture and Regulation of the Markets of Agricultural Products, Raw Materials and Foods had a positive effect on the growth of the average monthly wages of agricultural workers. So, in particular, for the studied 2015-2019 it increased at a higher rate than the average for all organizations of the country’s economy - 146.7% and 140.7%, respectively. However, even with this positive trend:

1. the increase in the ratio of the level of the average monthly accrued wages of agricultural workers to the average monthly nominal accrued wages of employees of all organizations is insignificant, on the contrary, in recent years it has decreased from 67.1% in 2017 to 66.3% in 2019;
2. the indicator established in the Sectoral Agreement on the agro-industrial complex of the Russian Federation for 2018-2020 has not been reached as “the main goal of the policy in the field of wages in organizations is to increase the real incomes of workers through increased efficiency and production volumes and to bring the level of nominal wages in agriculture to 90 percent of the level of the average wage in the country” [10].
The conducted scientific research suggests that the implementation of the national goal of ensuring decent work in the country is a rather difficult task in the medium term, for the solution of which it will be necessary to change many positions and provisions, including:

- improving the content of the Industry Agreement on the agro-industrial complex in the direction of the formation of a scientifically grounded policy of labor incentives;
- activation of scientific activity of sectoral research and educational institutions in the areas of fundamental research of new topical problems;
- changes in the content and structure of the main target indicators of the State Program for the Development of Agriculture and Regulation of the Markets for Agricultural Products, Raw Materials and Food;
- improving the mechanism of state support for agricultural producers, taking into account the provided level of incentives for their personnel there;
- improving the methodology for evaluating investment projects and new development programs for the agro-industrial complex and its individual branches.

The implementation of the proposed recommendations will gradually ensure, according to the main criteria, decent work in the agro-industrial complex, thereby increasing the prestige of agricultural labor, strengthening the branch personnel and contributing to the successful development of rural areas.

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