



**Service of the Parliament of Montenegro  
Section for Research, Analysis, Library and Documentation**

Research paper:

**Tabular and graphical representation of the minimum expenditure  
basket and net earnings in Montenegro compared to countries in the  
region**

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*\*The contents of this document do not reflect the official views of the Parliament of Montenegro*

## Foreword

This paper provides the tabular and graphical representation of the value of minimum expenditure basket in Montenegro, and the total value of personal consumption in Montenegro and the region, as well as the tabular and graphical representation of earnings without taxes and contributions (net) in Montenegro, compared to countries in the region. Taking into account the changes and different approaches related to the methodology of calculation of the expenditure basket in some countries in the region, this research shows the only available information on the value of the minimum expenditure basket in Montenegro. For this reason, the value of expenditure baskets in other countries in the region is not presented in this document. However, the relevant statistical institutions in the region, and the Statistical Office of Montenegro – Monstat<sup>1</sup>, publish the results of the so-called Household Budget Survey, which is complied with international standards and recommendations of Eurostat and the UN, and as such providing comparability of data on the international level. This paper contains additional information about primary elements of personal consumption, collected on the basis of the survey that was conducted in Montenegro and in the region.

The main sources of information used throughout the paper were data published on the website of the Statistical Office of Montenegro - Monstat, and data published on the website of the statistical offices in the region.

This document provides an overview of data referring to the following:

- The value of minimum expenditure basket in Montenegro, for the period January 2010 – June 2012;
- The amount of average earnings without taxes and contributions (net) in Montenegro, for the period 2002-June 2012;
- The ratio of average net wage and the minimum expenditure basket in Montenegro, for the period January 2010 - June 2012;
- Total personal consumption in Montenegro and other countries in the region (according to the latest available data);
- Average net salary covering countries in the region for the current period.

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<sup>1</sup> [www.monstat.org](http://www.monstat.org)

## Summary

The data on the amount of the minimum expenditure basket in Montenegro was collected from the Monstat website (Monstat - Statistical Office of Montenegro), institution in charge of processing data on the minimum expenditure basket in Montenegro, from January 2010; hence, this study includes monthly data on the value of minimum expenditure basket in Montenegro, from January 2010 to June 2012.

The structure of the minimum expenditure basket in Montenegro and the methodology that was used for this purpose are explained on the Monstat's website. The provided information shows that the **minimum expenditure basket** for a four-member household is used to determine the money needed to purchase the minimum standard of calories<sup>2</sup>. Also, it further shows that the new methodology for calculating the minimum expenditure basket in Montenegro is based on the Household Budget Survey, which is done on a sample of 1,560 households and that includes all food items with a consumption recorded in surveyed households. The value of minimum expenditure basket consists of: expenditures for the minimum required food and non-alcoholic beverages (including 130 food items), expenditures for the minimum required non-food products and services and the value of imputed rents.<sup>3</sup>

While the research on the value of the expenditure basket in the countries in the region (Bosnia and Herzegovina, Croatia, Serbia and Macedonia) was being conducted, with the aim of making a more accurate comparison of this value with the value in Montenegro, it was shown that different methodological approaches were used, and that in some countries, statistical offices websites did not have any data available on the value of the minimum expenditure basket. Namely, statistical offices of these countries used the results of the Household Budget Survey, which represent the data on the available and used assets.

The survey is in compliance with international standards and recommendations of Eurostat and the UN, and it provides comparability of data at international level. The size and structure of the average monthly (in some countries annual) personal consumption and household income is calculated based on this survey. Taking this fact into account, the research included a review of the average monthly / annual personal consumption per household in Montenegro and other countries in the region, comprising the latest available data.

The complete document in Montenegrin language can be found at: <http://www.skupstina.me/images/dokumenti/biblioteka-i-istrazivanje/06%2012%20Istrazivanje%20Tabelarni%20i%20graficki%20prikazi%20minimalne%20potrosacke%20korpe%20i%20neto%20zarada.pdf>

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<sup>2</sup> The minimum amount of calories needed for energy recovery is determined by nutritionists. Then, the determined amount is multiplied by the prices for the current period, thus the value of minimum expenditure basket and non-alcoholic beverages is determined.

<sup>3</sup> <http://www.monstat.org/cg/page.php?id=31&pageid=31>