

# STATISTICAL RELEASE

# LP20

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**Household Budget Survey**

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## Poverty in the Republic of Serbia, 2008–2010.

In the Republic of Serbia 9.2% of population were considered poor (living below the absolute poverty line) in 2010 because their consumption per consumption unit was on average under the poverty line, which amounted to 8544 dinars a month per consumption unit.

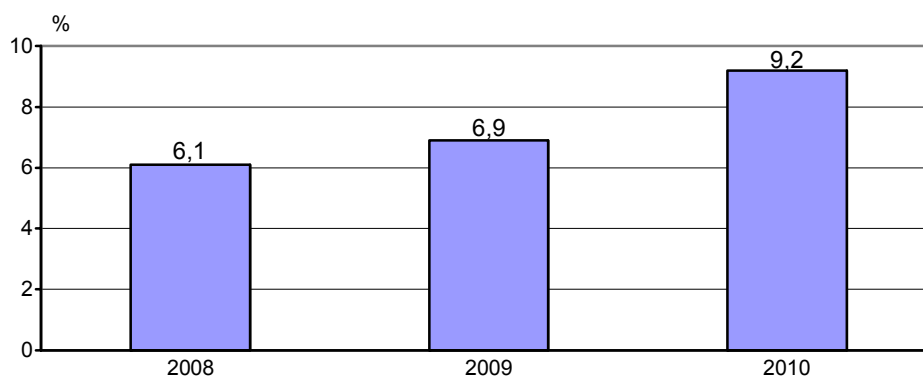
The number of poor persons in 2010, compared to 2009, increased from 6.9% to 9.2%, while it grew by 0.8 percentage points from 2008 to 2009.

Population living in non-urban areas, multiple member households (especially those having several children, unemployed and non-active members), households which head has a lower educational attainment, etc. are more struck by poverty.

### 1. Percentage of poor persons and absolute poverty line in the Republic of Serbia, 2008–2010

	2008	2009	2010
Absolute poverty line per consumption unit, monthly, in RSD	7401	8022	8544
Percentage of poor persons	6,1	6,9	9,2

**Poor persons in the Republic of Serbia, 2008–2010**  
Absolute poverty line



## 2. Poverty profile in the Republic of Serbia, 2008–2010.

	%		
	2008	2009	2010
<b>Absolute poverty line per consumption unit, monthly, in RSD</b>	7401	8022	8544
<b>Percentage of poor persons</b>	6,1	6,9	9,2
<b>By type of settlements</b>			
Urban area	5,0	4,9	5,7
Non-urban area	7,5	9,6	13,6
<b>By territory</b>			
City of Belgrade	2,9	3,8	5,3
Vojvodina	6,8	4,9	6,8
Central Serbia	7,0	9,3	12,0
<b>By type of households</b>			
One member	6,6	5,7	5,6
Two members	5,5	5,6	5,9
Three members	5,1	5,0	7,0
Four members	4,7	4,7	7,1
Five members	5,2	5,7	11,7
Six members and more	10,0	14,2	16,4
<b>By age</b>			
Children up to 13	7,3	9,8	13,7
Children from 14 to 18	6,9	8,4	9,1
Adults from 19 to 24	5,9	7,5	11,5
Adults from 25 to 45	5,0	6,4	8,9
Adults from 46 to 64	5,4	5,3	8,0
The elderly of 65 and more	7,5	7,5	7,9
<b>Children/adults</b>			
Children	7,1	9,3	12,2
Adults	5,8	6,4	8,5
<b>By educational attainment of head of household</b>			
No primary school	9,0	14,8	14,2
Primary school	10,5	9,2	12,7
Secondary school	4,8	3,0	4,8
High school	2,7	1,8	2,4
Higher school	1,9	0,6	0,8

## Methodological notes

Poverty in the Republic of Serbia has been measured since 2006 on the basis of data from the Household Budget Survey, which has been carried out since 2003 according to international standards and Eurostat, ILO and UN recommendations, thus being comparable on international level.

The Statistical Office of the Republic of Serbia produces indicators of poverty based on the Decision of the Program of Official Statistics over the period 2011-2015 ("Official Journal of RS", No 23/11).

Poverty in the Republic of Serbia is analyzed on the basis of household consumption, which is a more reliable measure of population well-being, and because of its stability, coverage and harmonization over a longer period of time contrary to household income, which may undergo medium-term fluctuations.

*Household consumption* is defined as the sum of expenses for food and other current expenses which includes purchased products, own production and gifts. The main components based on the COICOP classification are: 1) consumption of food and non-alcoholic beverages, 2) consumption of alcoholic beverages and tobacco, 3) expenses for clothing and footwear, 4) expenses housing, water, electricity, gas and other fuels, 5) expenses for furnishings and routine household maintenance, 6) expenses for health, 7) expenses for transport, 8) expenses for communications, 9) expenses for recreation and culture, 10) expenses for education, 11) expenses for restaurants and hotels and 12) expenses for other miscellaneous goods and services.

The analysis does not include the imputation of the value of services by using durable consumer goods neither the imputation of rental for housing owners due to the lack of data in the Household Budget Survey necessary for their calculation.

The consumption, defined as such, is deflated by regional indices of food prices obtained from the Household Budget Survey. Thus, the consumption of a household would be greater not as a result of higher prices but of larger quantities or better quality products.

As data on consumption are collected on household level in order to determine people well-being, the total household consumption is assigned to each member of the household according to the OECD equivalence scale (consumption units), the head of household getting weight 1, each adult member (aged 14 and over) weight 0.7, and children (aged under 14) weight 0.5.

*Absolute poverty line* is meant to determine the minimum level of standard of living and is based on the fixed consumption basket deemed to be necessary to meet basic needs for a certain amount and composition of calories, which is augmented by the amount of other expenses, such as clothing, hygiene, heating, lighting, etc.

The absolute value of poverty line (defined in 2006) is calculated by means of a corresponding annual consumer price index.

*Poverty profile* is meant to illustrate who is poor in the Republic of Serbia according to different characteristics, such as household place of residence (location and region), status on labor market of the head of household and demographic structure of the household (age, gender, household size and number of children).

Since 1999, the Statistical Office of the Republic of Serbia doesn't dispose of certain data for AP Kosovo and Metohia, so they are not contained in the data coverage for the Republic of Serbia (total).

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