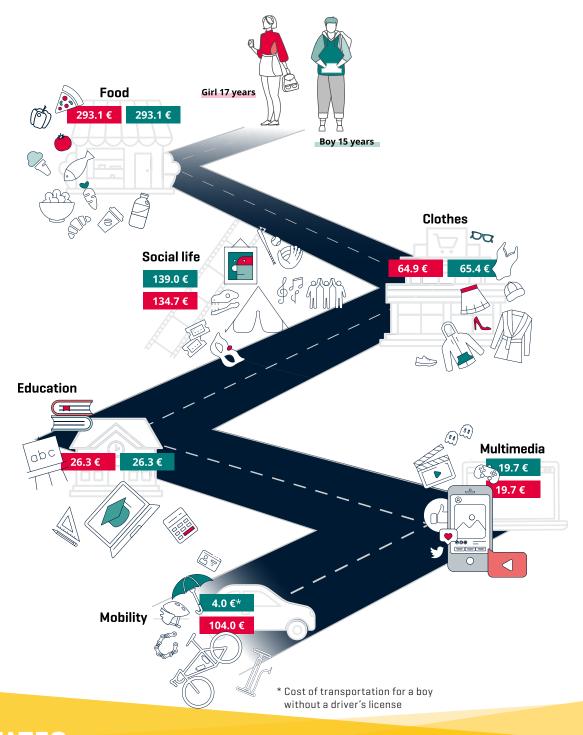
STATNEWS

Minimum needs of teenagers cost a little less than 700 euros per month

In order to satisfy their direct minimum needs, young adolescents need between 593 (example of a boy aged 15) and 698 EUR (a girl aged 17) per month in Luxembourg. These are the results of a so-called "minimum budget" that STATEC has developed for adolescents aged 15 to 18. With this minimum budget, young people can fulfill their different social roles in contemporary society.



STATEC

In the course of 2020-2021, STATEC has developed minimum budgets, or "reference" budgets for adolescents aged between 15 and 18. The aim is to identify all essential needs of individuals (in this case young people) and to price them on a monthly basis. The present publication is a follow-up of previous research on reference budgets for active adults and children aged 8-14 (Franziskus 2016) and households with young children (Franziskus & Pirenne 2020).

The minimum budget of teenagers is composed of 10 baskets and takes into account all products and services that are necessary to fulfill the essential needs of the young people. With this minimum budget, the adolescents should be able to fulfill all their social roles in society, for example going to school, meet friends, be mobile and stay connected. The research on this project has been undertaken in 2020 and 2021 and prices were collected between June and September 2021.

Given that the prices for the construction of the baskets in this publication were collected between June and September 2021, the results do not take into account the inflation observed over the last few months, particularly since the beginning of the war in Ukraine. From June 2021 to March 2022, the general price index increased by 5.6%. In March 2022, the direct cost of a boy aged 15 years is thus 626 EUR and that of a girl aged 17 years 737 EUR per month. Thus, the increase of the price index results in an increase of 33 EUR and 39 EUR respectively on their direct costs. With a progression of 3.7% during this period, the cost of the food basket increases by 11 EUR to 304 EUR per month. The cost of the clothing and the multimedia baskets progress less strongly (1.7% and 1.4% respectively). These baskets reach a total cost of 66 EUR and 20 EUR in March 2022. The reference budget for the couple with two teenagers increases by 264 EUR due to inflation and accounts for 4 961 EUR per month.

A more general update of all the reference budgets is being prepared and will be published soon. In the minimum budget, we distinguish between direct costs of teenagers and household costs. The direct costs cover all those aspects that are directly associated with the young person (food, clothes, education material, etc.). Household costs include those expenses that are shared among the members of a household such as housing or shared goods (car, kitchen equipment, etc.). Indeed, we assume in this work that the young people live in a household with their parent(s).

In comparison with younger children, the minimum budget of teenagers present some specificities that are linked to the growing independence that they take from their parents. On the one hand, an important immaterial need of adolescents is to live their adolescence in the safe environment of their family. On the other hand, it is a fundamental aspect of this age period that youngsters seek to find a growing autonomy in their life choices and in the ways in which they construct their everyday life. Concretely, this means that our reference budgets for teenagers take into account less structured activities than it was the case for younger children for example.

The results show that the food basket generates by far the highest cost with 293 EUR per month for both the boy and the girl. The basket of social life comes next with a direct monthly cost of 139 EUR for the boy aged 15 and of 135 EUR for the girl aged 17. This basket is dedicated to a vast array of social activities, including sports, hobbies, celebrations and eating out. The clothing basket accounts for 65 EUR per month for both the boy and the girl. The reference budget also comprises products and services that allow the teenagers to stay connected with their friends, listen to music and watch video material. This "multimedia" basket accounts for 20 EUR per month.

After presenting the specific costs for youngsters, we calculated the complete reference budget of a family with two parents and two adolescents (one boy aged 15 and one girl aged 17 years). This minimum budgets sums up to 4 697 EUR per month. This total reference budget takes into account the minimum needs of all individuals and of those goods and services that are shared by the household, such as housing equipment and housing costs. Overall, the housing costs account for the highest budget with 1 738 EUR (rent, electricity, heating, insurance).

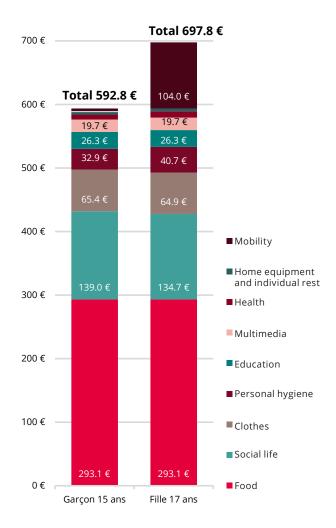
What is a "reference" budget?

The reference budget project is a research project that aims to develop minimum budgets for different types of household. With this monthly minimum budget, the targeted households should be able to live a decent life and be able to participate adequately in society. In this project, we investigate all aspects of everyday life. We first identify the minimum needs for specific persons and specific households, then we search for goods and services that satisfy the need and finally we present a monthly budget. We follow a European methodology that aims to construct comparable and transparent reference budgets.

In order to construct the minimum budgets, we rely on a variety of information sources, namely scientific evidence, expert knowledge as well as focus group discussions with selected members of the target audience.

Reference budgets can are used in several domains, such as debt counselling or policy advice and can also be used as a complementary poverty indicator. STATEC has started work on the reference budgets project in 2016 and has since then published a series of publications on the topic.

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