

Reference Budgets Network
Developing a common methodology for cross-
nationally comparable reference budgets in Europe
Concluding seminar

Developing reference budgets – lessons learned
 from Improve and the European pilot project

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1. The recent history of reference budgets in Finland

1912: Vera Hjelt constructs a reference budget that allowed people to “live without starvation or actual physical deprivation, but not much more”

1999: Aatola & Viinisalo compiled a normative basket that aimed to illustrate how much money is needed for a decent and minimum standard living in Finland

2011: Based on the work of Aatola & Viinisalo, National Consumer Research Centre (Lehtinen et al 2011) constructed a reference budget for year 2010.

2014: Update of the 2010 budget for year 2013

2015: First cross-nationally comparable budget created in the Improve project

2015: Pilot project for developing a common methodology for reference budgets in Europe (forthcoming)



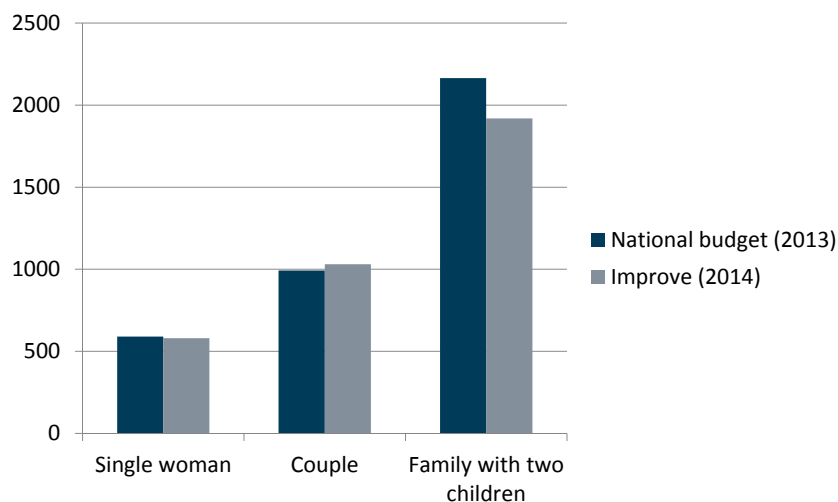
2. From national to cross-national budgets

- For Improve, we used as a base the Finnish budget (2010) created by the National Consumer Research Centre (NCRC)
 - Level of the budget was similar to the one Improve was aiming at (social participation vs. adequate social participation)
 - Some differences in methodology
- Adapted to the common methodology
 - Co-operation with Anna-Riitta Lehtinen from NCRC

3. Developing cross-national reference budgets in a context in which previous budgets exist

- Easier to start when previous budgets exist
 - Despite the existing budget, a time-consuming process
 - The "old" budgets may act as a benchmark
- If the budgets are aimed to present the same standard of living, and yet produce radically different results, it might be problematic policywise
 - On the other hand, if the budgets produce similar results, it increases the reliability of the reference budget indicator

4. Comparing the budgets (without housing costs)



5. Comparable budgets – things to take into account

- National habits and customs
 - Very important
 - Some items might be obvious in the national context
- The issue of cross-national comparability
 - Attention has to be paid that the needs are satisfied at the same level
 - Especially important when starting from a common list (as in Improve)
- Guidelines, recommendations and expert opinion
 - For some baskets guidelines and recommendations were not found
 - Unwilling experts

Thank you for your attention!