SUBSISTENCE MINIMUM CALCULATION METHODOLOGY
FOR WORKING AGE MALE

Subsistence minimum is defined on the basis of a food basket. The minimum food basket represents a basket of defined quantities of food products and contains the amount of food that is physiologically required (proteins, fats and carbohydrates) for a working age male to lead a normal life and have the ability to work.

The National Statistics Office of Georgia (Geostat) calculates the subsistence minimum indicators based on the minimum food basket defined and established in accordance with the decree No 111/N, dated 2003 May 8, of the Minister of Labour, Health and Social Affairs of Georgia ''On Approving Norms for Physiological Requirements of Food Substance and Energy and Determining Composition of Minimum Food Basket for Calculation of Subsistence Minimum" (see Table 1).

Initially the cost of each component of the minimum food basket is calculated by means of food prices collected in five cities of Georgia (Tbilisi, Kutaisi, Batumi, Gori and Telavi) by the Price Statistics Department of the Geostat. Average price of each product of the food basket is calculated for each city. An average price for the country is calculated at the next stage by means of population-weighted average prices for the five cities.

The average intermediate monthly cost of the food basket is calculated for a working age male at the next stage. It represents the total monthly cost of the products contained in the food basket. Daily food norms for a working age male are given in Table 1. Monthly cost of a food basket product is obtained by multiplying a product's monthly norm by its average price. The sum of the costs for all food basket products represents a monthly intermediate cost of minimal food basket.

TABLE 1. RECOMMENDED COMPOSITION OF MINIMUM FOOD BASKET FOR WORKING AGE MALE

№	NAME OF PRODUCT	DAILY CON-SUMPTION	PROTEINS, GRAM		FATS, GRAM		CARBOHY-DRATES	ENERGY, CCAL.
			ANIMAL	VEG.	ANIMAL	VEG.		
1	Wheat bread	250		20.5		3.2	117.2	579.6
2	Wheat flour	70		7.3		0.8	47.8	227.6
3	Maize flour, etc	40		3.2		0.6	26.4	123.8
4	French beans	20		4.2		0.3	10.5	61.5
5	Rice	10		0.7		0.07	10.2	44.2
6	Cereals (semolina, buck-wheat, etc.)	10		1.0		2.3	6.4	50.3
7	Macaroni products	15		1.5		0.2	10.3	49.0
8	Beef and veal	40	6.2		4.5			65.3
9	Pork	10	1.2		3.1			32.7
10	Poultry (Gallus domesticus)	20	2.0		2.1			26.9
11	Fish - raw, frozen	40	3.3		0.2			15.0
12	Sausage	10	1.3		2.6			28.6
13	Milk	150	4.2		4.9		6.9	88.5
14	Sour milk	25	0.6		0.7		0.9	12.3
15	Cottage cheese	15	2.3		1.3		0.6	23.3
16	Cheese	20	4.4		5.0			63.2
17	Curd	5	0.4		0.5		0.1	6.5

№	NAME OF PRODUCT	DAILY CON-SUMPTION	PROTEINS, GRAM		FATS, GRAM		CARBOHY-DRATES	ENERGY, CCAL.
			ANIMAL	VEG.	ANIMAL	VEG.		
18	Eggs (0.5 egg per day)	24	5.5		5.0			67.0
19	Animal fat (butter, boiled butter)	12			9.1			81.9
20	Margarine	7			3.8	1.7		49.5
21	Veg. oil	10				9.9		89.1
22	Seed fruit	50		0.3		0.3	3.9	19.5
23	Stone fruit	50		0.4		0.2	3.8	18.6
24	Subtropical fruit, Persimmon	50		0.5			3.5	16.0
25	Water melon, melon, pumpkin	50		0.1			3.2	13.2
26	Walnut, hazelnut, sunflower	15		2.9		8.9	1.3	96.9
27	Tomato	50		0.4			1.4	7.2
28	Onion	25		0.4			2.4	11.2
29	Garlic	7		0.4			1.4	7.2
30	Eggplant	10		0.1			0.5	2.4
31	Cabbage	40		0.4			1.0	5.6
32	Beet	15		0.1			0.8	3.6
33	Carrot	15		0.1			1.0	4.4
34	Potato	150		2.0		0.35	17.3	80.4
35	Sugar	50					49.9	199.6

№	NAME OF PRODUCT	DAILY CON-SUMPTION	PROTEINS, GRAM		FATS, GRAM		CARBOHY-DRATES	ENERGY, CCAL.
			ANIMAL	VEG.	ANIMAL	VEG.		
36	Jams and jellies	5					2.1	8.4
37	Confectionery	5	0.07	0.25	0.3	0.3	3.5	20.7
38	Wine, local	20						0.0
39	Salt							0.0
40	Tea	2						0.0
	Total		31.5	46.8	43.1	29.1	334.3	2,300.0
			78.3		72.2			

Monthly intermediate cost of the food basket is multiplied by the price bargaining coefficient, calculated on the basis of comparison of prices collected by the Price Statistics Department and obtained from the Households Income and Expenditure Survey (HIES). The coefficient currently stands at 0.865. After these adjustments, the final cost of the minimum food basket for a working age male is obtained in a given month.

The cost of the minimum food basket is divided by 0.7 to calculate the subsistence minimum (the share of food products in the subsistence minimum cost equals 70%, thus, the cost of non-food products accounts for 30% of the subsistence minimum cost). The obtained amount represents the final value of the subsistence minimum for a working age male in a given month.