

Russian Families Spend 80% of Income on Essentials

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Families in Russia are spending between 70-80 percent of their household income on essentials, according to a report cited by the RBC newspaper.

According to a Center for Economic and Political Reform report, the average Russian family consisting of two working parents and one child spends between 53-143 percent of their income on food, medicine, housing, and transport.

Basic expenses for families with two children and one breadwinner may double household income. The only exception is in Moscow, where basic spending amounts to 29-77 percent.

Titled "How Does the Russian Family Survive," the report was prepared using prices for essential goods in 17 different localities.

After determining the regional price of food, transport and other expenses, experts compared the data with the region's average wages, measured by the Federal Service of State Statistics

(Rosstat).

The report found that basic goods actually cost more in rural areas than in Moscow. A family in Moscow may spend 50 percent less of their household income compared to the same family in Biysk in the Altai region.

Many Russians are turning to consumer credit to purchase items such as clothing and household appliances, the report found. Some turn to subsistence farming.

According to the report's authors, raising two or more children in Russia is a "daunting task" without the help of relatives. The report blames the high cost of living for Russia's demographic problems.

"Citizens are forced to abandon the model in which one spouse brings up the children, and the second is making money," the report says.

Pensioners, who may spend between 69 and 113 percent of their fixed income on essential goods, are worse off. This time Moscow was not an exception — essential spending there takes up 80 percent of an individual's pension.

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