PACSA Monthly Food Price Barometer March 2015



MEDIA STATEMENT

Minimum wages must be living wages: workers support families.

The PACSA Minimum Food Basket in March 2015 for a family of four members increased from R2155.62 to R2170.04, a R14.42 or 0.67% month-on-month increase. This increase in the cost of a basket of food has to be considered against the increasing price trends in the International Commodity prices for staple foods and the CPI food month-on-month increases (up for the third month since January) and importantly against the backdrop of the urgent debate on minimum wages. In this statement we advance the view that a minimum wage must be set at a level of a living wage.

South Africa has a history of low wages supported by an artificially created system of cheap labour. This was the function that the Bantustans served during the colonial and apartheid periods and our labour market, consistent with our economy, has not been transformed since 1994. 21 years into our new dispensation we have not yet resolved the disconnect between a wage paid to an individual worker; and a living wage which would enable the individual worker to support her/his family.

The debate on minimum wages provides an opportunity to reshape our labour market and economy if we frame minimum wages as the connection between wages and household livelihoods. Hence we cannot just look at minimum wages the way we have always done before – that is of ensuring that an individual is paid a little bit more for her/his individual productivity value; what we need to do is consider minimum wages as living wages. That is the level of the wage which enables a worker to support her/his family. The two paragraphs below provide statistical data which show why we need to start thinking differently about minimum wages.

Too few workers are employed and the wage levels granted to these workers is too low to enable workers to support their families. STATSSA's latest Quarterly Labour Force Survey for the 4th quarter (2014) indicates that only 43% of the total working-age population between the ages of 15-64 years is employed (15 million out of 35 million people). STATSSA's mid-year population figures for 2014 shows that our entire population of 54 million people is supported by just 28% of people. Disaggregating these figures along racial lines, only one out of four (25%) Black South Africans are employed; compared to one out of 2.3 (42%) White South Africans. For Black South African households this means that one wage must support four people; for White South African households this means that one wage must support two people. Because of such low levels of labour absorption – the level of wages become important.

In 2013 the median wage was just R3033 and 50% of workers earned below this level. The average minimum wage set by the Employment Conditions Commission across sectoral determinations for 2014 was in the region of R2362.36 per month. This wage granted to a Black South African worker would have to support four people. Noting that food is not the only expense that this wage would have to meet, it is however instructive that PACSA's March 2015 figures for the cost of a basic but nutritious basket of food for a household of four was R2170.04. A wage of R2362 divided by 4 provides R590.50 per person per month. R590.50 is below STATSSA's 2015 newly rebased and reweighted upper bound poverty line of R779 a month. Today more than half the South African population (approx 27 million people) lives below this poverty line. At this level individuals are forced to compromise food to secure other essential items such as transport and electricity.

We need urgently to find ways for the idea of a living wage to enter our collective psyche. A useful starting point is to return to the original idea behind why workers go out and sell their labour, which is to enable families to live at a certain level of dignity. Embedded in this idea is how the wage can be used as an instrument to invest in our social base, joint humanity and our long-term collective future. In this discussion we cannot allow ourselves to be conned by the uninspired idea that the only determining factor in wage levels is an amorphous productivity value not yet unfettered from exploitation; nor that wages have no role in supporting anyone but the individual worker or building the social base. We need to urgently agree on the principle of a living wage, allow a social dialogue to work out the modalities of the 'how' and then regulate it rigorously.

The Pietermaritzburg Agency for Community Social Action [PACSA] Food Price Barometer tracks the price of a basket of 36 basic food items from six different retail stores servicing the lower-income market in Pietermaritzburg, KwaZulu-Natal. The barometer serves as an index for food price inflation and provides insight into the affordability of food and other essential household requirements for working class households in a context of low wages, social grants and high levels of unemployment. The Minimum Food Basket tracks the price of a basket of basic foods required for good quality but basic nutrition. The Minimum Food Basket report can be accessed at www.pacsa.org.za. For further information on the monthly food price barometers and food affordability research, contact Julie Smith on julie@pacsa.org.za or 033 342 0052.

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PACSA food

	March 2 nthly Food	Price Baro		Pietermaritzbu Community S	
y	January Price	February Price	March Price	Month-on-month change (R)	Month-on mont change (per foo group)
	♠ R 147.82	◆ R 150.82	R 158.99	R 8.17	

Food group	Foods tracked	Quantity tracked	Jar	nuary Price	Feb	ruary Price	٨	March Price	Month-on-month change (R)	Month-on month change (per food group)
	Maize meal	25kg	1	R 147.82	1	R 150.82	1	R 158.99	R 8.17	
	Rice	10kg	•	R 66.32	1	R 66.64	+	R 65.58	-R 1.07	
	Cake Flour	10kg	•	R 72.48	1	R 75.48	•	R 72.48	-R 3.00	
Starchy foods	White bread	8 loaves	•	R 83.09	-	R 82.97	•	R 83.39	R 0.41	R 3.65
	Brown bread	4 loaves	+	R 37.49	+	R 36.69	•	R 36.49	-R 0.20	
	Samp	5kg	•	R 27.66	1	R 28.32	+	R 27.66	-R 0.67	
	Pasta (Macaroni)	1kg	-	R 20.47	1	R 21.15		R 21.15	R 0.00	
Sugar	White sugar	10kg	1	R 99.65	1	R 102.14	1	R 102.97	R 0.83	R 0.83
Dry beans,	Sugar Beans	5kg	•	R 72.32	1	R 75.16	•	R 74.82	-R 0.33	R 0.42
canned beans	Canned beans	3 cans	+	R 23.45	\Leftrightarrow	R 23.45	1	R 24.20	R 0.75	K 0.42
Fat, oil	Cooking Oil	4L	1	R 62.80	+	R 61.14	1	R 62.81	R 1.67	R 3.00
101,011	Margarine	1kg	•	R 33.32	1	R 35.15	•	R 36.48	R 1.33	K 3.00
Milk, maas	Fresh Milk	2L	\Rightarrow	R 24.98	1	R 25.24	1	R 25.40	R 0.17	R 0.33
Milk, Maas	Maas	2L	•	R 26.74	+	R 26.74	1	R 26.91	R 0.17	K 0.55
	Eggs	30 eggs	1	R 38.15	1	R 38.48	1	R 38.65	R 0.17	
	Canned fish	4 cans	1	R 57.27	*	R 57.27	1	R 54.60	-R 2.67	
	Frozen chicken portions	6kg	-	R 140.95	1	R 146.45	+	R 143.93	-R 2.52	
Meat, eggs, fish	Chicken feet	4kg	-	R 65.28	1	R 71.95	+	R 69.28	-R 2.67	R 4.81
	Chicken necks	6kg	+	R 77.94	1	R 95.94	1	R 113.94	R 18.00	
	Beef	1kg	+	R 50.15	1	R 52.98	1	R 47.15	-R 5.83	
	Polony	2.5kg	•	R 34.22	1	R 34.65	1	R 34.98	R 0.33	
	Carrots	2kg	+	R 11.48	1	R 14.38	1	R 16.73	R 2.35	
	Spinach	4 bunches	*	R 16.23	\Rightarrow	R 16.23	\Leftrightarrow	R 16.23	R 0.00	
	Apples	1.5kg	+	R 15.58	1	R 15.74	+	R 13.57	-R 2.17	
Vegetables	Cabbage	2 heads	•	R 17.95	+	R 15.37	-	R 10.65	-R 4.72	R 2.08
	Onions	10kg	1	R 34.87	1	R 35.16	1	R 39.66	R 4.49	
	Tomatoes	3kg	1	R 32.50	+	R 29.80	1	R 34.33	R 4.53	
	Potatoes	10kg	+	R 33.33	1	R 36.90	+	R 34.49	-R 2.41	
	Salt	1kg	\Leftrightarrow	R 10.68	\Leftrightarrow	R 10.68	1	R 11.07	R 0.39	
	Yeast	4 X 7g pkts	-	R 12.12	1	R 12.65	1	R 12.82	R 0.17	
	Beef Stock	240g	1	R 14.48	+	R 13.48	1	R 13.82	R 0.33	
Missollera	Soup	600g	+	R 20.95	1	R 21.19	+	R 21.10	-R 0.08	D 0 47
Miscellaneous	Curry Powder	200g	1	R 19.32	+	R 19.32	+	R 19.15	-R 0.17	R 0.47
	Rooibos Tea Bags	200g	-	R 15.57	+	R 15.48	+	R 15.31	-R 0.17	
	Coffee	100g	(*)	R 15.99	+	R 15.74	+	R 15.40	-R 0.34	
	Cremora	1kg	+	R 34.65	1	R 36.31	1	R 36.65	R 0.34	
•	Cost of total	food basket	+	R 1 568.25	1	R 1 617.26	1	R 1 632.85	R 15.59	

Indicators and commodity prices from January 2015 to March 2015

indicators and commodify prices from January 2015 to March 201								
Indicators	Jan_2015	Feb_2015	Mar_2015					
Total PACSA food basket	R 1 568.25	R 1 617.26	R 1 632.85					
PACSA month-on-month change (R)	-R 15.42	R 49.01	R 15.59					
PACSA month-on-month change (%)	-1.0%	3.13%	0.96%					
CPI-Food & NAB month-on-month rates	0.9%	0.4%	0.8%					
CPI-Food & NAB year-on-year rates	6.5%	6.4%	5.8%					
CPI headline year-on-year rates	4.4%	3.9%	4.0%					
Commodities								
Oil price per barrel (\$)	\$49.28	\$53.00	\$59.73					
Petrol (Inland) per litre	R 11.02	R 10.09	R 11.05					
Diesel (Reef) per litre	R 10.28	R 9.26	R 10.00					
RSA White Maize per ton	R 1 974.00	R 2 410.00	R 2 658.00					
RSA Yellow Maize per ton	R 1 993.00	R 2 228.00	R 2 405.00					
RSA Wheat per ton	R 3 920.00	R 3 803.00	R 3 910.00					
RSA Soybeans per ton	R 5 670.00	R 5 300.00	R 4 960.00					
RSA Sunflower seed per ton	R 4 970.00	R 5 060.00	R 5 000.00					

Data for PACSA food basket sourced from:

Six different retail stores which service the lower-income market in Pietermaritzburg, KwaZulu-Natal. The 36 foods and the specific volumes are based on the foods that households having an average of 7 members each, said they buy (based on 2014 focus groups). The food basket is not nutritionally complete; it is a reflection of reality. Data is collected from the ${\bf 6}$ retail stores on the same day between the 21st and 24th of each month.

Data for indicators and commodities sourced from:

- 1. Statistics South Africa. Consumer Price Index.
- http://www.statssa.gov.za/publications/P0141/P0141March2015.pdf

2. Department of Energy. Fuel Price History 2015. http://www.energy.gov.za/files/esources/petroleum/April2015/Fuel-Price-

- 3. Department of Agriculture, Forestry and Fisheries. Weekly Price Watch 06 February 2015.
- http://www.daff.gov.za/daffweb3/Portals/0/Price%20Watch/PriceWatch%20 2015-03-06.pdf





Starchy Foods Ri Si Si Si Si Si Vegetables Si S	Maize meal Dats porridge Grown bread Rice Bamp Potatoes Dnion Gromato Carrot Epinach Cabbage	UNIT (KG/L/LOAVES) Kilogram Kilogram Loaves (700g) Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram	R 2 R R R R R R R R R R	AP WE 6.36 4.32 9.12 6.56 5.53 3.45 3.97 1.44	3.2 0.2 1.8 0.9 0.4 0.4 2.8	R R R	20.51 5.84 16.42 5.83	3.9 0.2 3.0 1.3	R R 2	4.80 5.84 7.37 8.75	5.7 0.4 3.6	R R	36.25 8.75 32.84	6.0 0.4 5.7	R	38.16 8.75
Starchy Foods Ris	Dats porridge Prown bread Rice Samp Potatoes Onion Comato Carrot Epipinach Cabage	Kilogram Loaves (700g) Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram	R 2 R R R R R R R R R R	4.32 9.12 6.56 5.53 3.45 3.97	0.2 1.8 0.9 0.4 0.4	R R R	5.84 16.42 5.83	0.2	R R 2	5.84 7.37	0.4 3.6	R R	8.75 32.84	0.4	R	8.75
Starchy Foods Ri Ri Pi Pi C Vegetables S C C C C C C C C C C C C C C C C C C	Brown bread Rice Samp Potatoes Onion Fomato Carrot Spinach Cabbage	Loaves (700g) Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram	R R R R R R	9.12 6.56 5.53 3.45 3.97	1.8 0.9 0.4 0.4	R R R	16.42	3.0	R 2	7.37	3.6	R	32.84			
Starchy Foods Ri Si Pi Pi O To C C Vegetables Sj C	Rice Samp Potatoes Dnion Tomato Carrot Spinach Cabbage	Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram	R R R R	6.56 5.53 3.45 3.97	0.9 0.4 0.4	R R	5.83							5.7	R	
Si Pro O Tr. Ci Vegetables Si Ci	Samp Potatoes Dnion Fomato Carrot Spinach Cabage	Kilogram Kilogram Kilogram Kilogram Kilogram Kilogram	R R R	5.53 3.45 3.97	0.4 0.4	R		1.3	R							52.00
Per	Potatoes Dnion Fomato Carrot Spinach Cabbage	Kilogram Kilogram Kilogram Kilogram	R R R	3.45 3.97	0.4				11	0./0	1.9	R	12.63	1.9	R	12.63
O Tr Ca Vegetables Si Ca	Onion Fomato Carrot Spinach Cabbage	Kilogram Kilogram Kilogram	R R	3.97			2.39	0.8		4.18	0.9		4.78	1.0		5.38
To Ca Vegetables Sp Ca	Fomato Carrot Spinach Cabbage	Kilogram Kilogram	R 1		2.8	R	1.27	0.7	R	2.55	0.7	R	2.55	0.7	R	2.55
Ca Vegetables Sp Ca	Carrot Spinach Cabbage	Kilogram		1 44	2.0	R	11.05	2.8	R 1	1.05	2.8	R	11.05	2.8	R	11.05
Vegetables Sp	Spinach Cabbage	. 0	0	1.44	1.4	R	15.72	1.4	R 1	5.72	1.4	R	15.72	1.4	R	15.72
Ca	Cabbage	Kilogram (500g bunch)	R	8.37	0.1	R	1.17	0.1	R	1.17	0.1	R	1.17	0.1	R	1.17
			R	4.06	0.5	R	1.97	0.5	R	1.97	0.5	R	1.97	0.5	R	1.97
G	roon nonner	Kilogram (1.5kg head)	R	5.33	2.3	R	12.51	2.3	R 1	2.51	2.3	R	12.51	2.3	R	12.51
	areen pepper	Kilogram	R 1	5.98	1.2	R	19.13	1.2	R 1	9.13	1.2	R	19.13	1.2	R	19.13
B ^a	Butternut	Kilogram	R	6.12	0.4	R	2.15	0.4	R	2.15	0.4	R	2.15	0.4	R	2.15
0	Orange	Kilogram	R 1	0.99	1.9	R	20.42	1.9	R 2	0.42	1.9	R	20.42	1.9	R	20.42
Fruit A	Apple	Kilogram	R	9.05	1.3	R	11.81	1.3	R 1	1.81	1.3	R	11.81	1.3	R	11.81
B:	Banana	Kilogram	R	9.98	2.7	R	26.60	2.7	R 2	6.60	2.7	R	26.60	2.7	R	26.60
Dry beans, split peas, Su	Sugar beans	Kilogram	R 1	4.96	0.7	R	9.97	0.7	R	9.97	0.7	R	9.97	2.0	R	29.90
lentils, soya Ba	Baked beans, tinned	Kilogram	R 1	9.67	0.6	R	11.07	0.5	R	8.85	0.5	R	8.85	1.4	R	26.56
Er	ggs	each (50g each)	R	1.29	24.0	R	30.92	24.0	R 3	0.92	24.0	R	30.92	24.0	R	30.92
Br	Beef, neck, stewing	Kilogram	R 4	7.15	0.4	R	18.90	0.4	R 1	8.90	0.4	R	18.90	0.4	R	18.90
Fish, chicken, lean meat, Pi	Pilchards, tinned	Kilogram	R 3	4.13	0.6	R	21.65	0.6	R 2	1.65	0.6	R	21.65	0.6	R	21.65
eggs CI	Chicken pieces	Kilogram	R 2	3.99	1.0	R	24.04	1.0	R 2	4.04	1.0	R	24.04	1.0	R	24.04
cr	Chicken livers	Kilogram	R 3	2.97	0.2	R	5.69	0.3	R 1	1.37	0.3	R	11.37	0.3	R	11.37
Lo	ow fat milk (fresh or UH	Litre	R 1	2.70	4.2	R	53.34	4.2	R 5	3.34	4.2	R	53.34	4.2	R	53.34
Milk, maas, yoghurt	Maas	Litre	R 1	3.45	7.8	R	104.94	7.8	R 10	4.94	7.8	R	104.94	7.8	R	104.94
M	Margarine, soft tub	Kilogram	R 3	6.48	0.2	R	6.57	0.2	R	8.76	0.3	R	10.95	0.3	R	12.04
0	Oil, sunflower	Litre	R 1	5.70	0.3	R	4.95	0.5	R	8.24	0.8	R	12.01	0.7	R	11.54
Fat. oil	Peanut butter	Kilogram	R 5	7.03	0.03	R	1.71	0.03	R	1.71	0.03	R	1.71	0.03	R	1.71
N	Mayonnaise	Kilogram	R 2	5.98	0.2		4.68	0.2		6.23	0.2		6.23	0.2	R	6.23
Sı	Sugar, white	Kilogram		0.30	0.3		2.59	0.8		8.53	0.8		8.53	0.8		8.53
Sugar	am	Kilogram		2.66	0.1		2.72	0.2		5.44	0.2		5.44	0.2		5.44
	rea .	each (250g = 100 bags)		0.15	60.0		9.19	60.0		9.19	60.0		9.19	60.0		9.19
	Salt	Kilogram		1.07	0.1		1.33	0.1	**	1.33	0.1	_	1.33	0.1		1.33
	Soup powder	Kilogram		5.17	0.1		3.17	0.1	.,	3.17	0.1		3.17	0.1		3.17
		0		0	TOTAL		492.19	0.1	**	2.58	0.1	R	562.86	0.1	R	622.79
	}			Dor n	son per day		16.41			7.75		R	18.76		R	20.76

^{*}Note that AP Weight means As Purchased Weight (dry weight) – the figure is rounded off.

Energy groups and monthly cost per group for March 2015

Energy group	KJ value	Age, gender and life stage groups	Monthly cost
Energy group 1	6 500	Girls/Boys 3 - 9 years	R492.19
Energy group 2	8 500	Girls/Boys 10 - 13 years Adult women 19 - 64 years Elderly women > 65 years	R532.58
Energy group 3	10 500	Girls 14 - 18 years Very active women 19 - 64 years Adult men 19 - 64 years Elderly men > 65 years	R562.86
Energy group 4	12 000	Boys 14 - 18 years Very active men 19 - 64 years Pregnant & lactating women	R622.79

Example of monthly cost for families with 7 and 5 members for March 2015

	Family of 7 members	Family of 5 members
Energy group 1 (6 500 kJ)	2	1
Energy group 2 (8 500 kJ)	2	2
Energy group 3 (10 500 kJ)	2	1
Energy group 4 (12 000 kJ)	1	1
Total family members	7*	5**
Total cost for family for month	R 3 798.06	R 2 743.01

Note that this table provides examples. It shows how the final costs are derived. By changing the energy groups and household numbers it is possible to calculate the basic minimum nutritional costs of the basket for any individual or family.

Please note that the full document on PACSA's Minimum Food Basket can be accessed off the PACSA website: www.pacsa.org.za.

^{*}Total monthly food costs for a family of 7 (3 adults and 4 children): 1 very active man, 1 very active woman, 1 elderly woman, 2 children under the age of 9, 1 girl child of 16 years and 1 boy child of 10 years) = R3 798.06.

^{**}Total monthly food costs for a family of 5 (3 adults and 2 children): 1 very active man, 1 very active woman, 1 elderly woman, 1 boy child aged between 10-13 years and 1 girl child aged between 3-9 years) = **R2 743.01**.

Notes and References

Total household income

We have selected 6 total household income scenarios:

Household A: R1350 = 1 old-age pension (National Treasury, 2014. Budget Speech: 13).

Household B: R2310 = 1 old age-pension (R1350) + 3 child support grants (3 x R320 = R960) (National Treasury, 2014. Budget Speech: 13).

Household C: R3200 was selected because 60% (98 680) of all Pietermaritzburg households earn between zero and R3200 a month (STATSSA, Census 2011). This total household income figure provides for 1 employed member receiving minimum wages (earning R1200 – R2000 a month, see URL

http://www.mywage.co.za/main/salary/minimum-wages) with the additional income found by unemployed members through alternative and insecure means.

Household D: R4660 is the average monthly consumption expenditure for Black South African Households (STATSSA, 2012).

Household E: R6000 is where we think the national minimum wage should be located.

PACSA food basket

This figure presents the monthly price of the PACSA food basket. PACSA tracks the prices of a basket of 36 basic foods from six different retail stores which service the lower-income market in Pietermaritzburg, KwaZulu-Natal. PACSA has been tracking the price of the basket since 2006. The food basket is based on the foods that households having an average of 7 members each, said they buy (based on 2014 focus groups). The food basket is not an indication of a nutritionally complete basket; it is a reflection of what people are buying. The basket serves as an index for food price inflation. Data is collected from the 6 retail stores on the same day between the 21st and 24th of each month.

PACSA Minimum Food Basket

Given that the PACSA food basket is not nutritionally complete; the PACSA Minimum Food Basket provides a nutritionally complete basket which can be amended to include a range of different energy requirements, ages and life stages. The minimum food basket has been designed by a registered Dietician. The minimum food basket provides valuable data on which we can start talking realistically about the PACSA Monthly Food Price Barometer

value of wages and social grants. The full report, for and methodologies on which the William food on basket is based is accessible off the PACSA website.

Burial insurance

This figure of R150 presents basic family burial insurance costs for a low-income household registered with insurance companies which serve the low-income market (2014). Burial insurance has been included as an essential and prioritised expense because interviews with households reveal that burial insurance is typically paid before any other expense and very seldom defaulted as a mechanism to ensure food is secured.

Electricity

The electricity cost is calculated on 350kWh per month. This is the average consumption for low-income households in Pietermaritzburg. We use the prepaid electricity tariff of R1.3301 per kWh because prepaid meters are installed in the homes of low-income households. The 2014/15 rand value is R465.54 per month (excluding transport and time costs of buying tokens). Households on prepaid meters in Pietermaritzburg are excluded from accessing free basic electricity.

Transport costs

The transport cost is calculated for a household living outside the CBD, given that apartheid geography has not changed and low-income Black African households still live outside the CBD and far from places of work. It is calculated on 1 kombi trip at R11 or R22 return (Pietermaritzburg kombi charges, July 2014). Three differentials across total household income are presented:

- R1350: 3 return trips to the CBD per month (3 x R22 = R66). This is calculated on trips to the CBD to purchase food, electricity tokens, and clinic visits/other.
- R2280: 6 return trips to the CBD per month (6 x R22 = R132). This is calculated on additional trips households indicated that they make 3 electricity token purchases a month; the extra allocated trips are similar to those above and provide greater albeit still very limited mobility and connection with society.
- R3200 R6000: 20 return trips to the CBD per month (20 x R22 = R440). This is calculated on an employed household member who works in town and takes one kombi trip return.



Transport for a 2nd kombi trip if the member requires more than one kombi stop is excluded, as is transport within the CBD. Transport for work seekers is excluded.

Note that transport costs excludes school transport fees, transport to seek work, transport to access municipal library, transport for church, recreation, cultural and family activities.

Water

The water expense is calculated on a fixed monthly charge for a non-metered household. This is a typical scenario for low-income households living in RDP housing in Pietermaritzburg. The 2014/15 charges on an unmetered water supply is R76.20 per month (includes VAT).

Domestic and household hygiene products

This figure presents the monthly price of personal and domestic hygiene products tracked through PACSA's barometer. This data and the products tracked were reweighted from October 2014. The new weights are based on conversations held with women, conducted from June-August 2014. Personal hygiene products tracked include: toilet paper [1ply x 20 rolls], bath soap [200g x 6], toothpaste [100ml x 3], sanitary pads [pack of 10 x 2], Vaseline [250ml x 2], face & body cream [big bottle x2], roll-on [normal x 4], spray deodorant [big sprays x2], shoe polish [100ml x1]. Domestic hygiene products tracked include: dishwashing liquid [750ml x1], washing powder [2kg x1], green bar soap [bars x4], toilet cleaner [750ml x 1], kitchen cleaner [750ml x1] and jik [750ml x1].

Other expenses ... continue deducting ...

The expenses listed exclude education costs (school fees, stationery, uniforms and shoes, books, lunch boxes, transport etc.); health care and medicine costs, communication costs (cell phone charges, newspapers), any shocks or emergency costs, social and cultural costs, home maintenance costs, savings etc. The graphic only includes those expenses listed.

Consumer Price Index (CPI and CPI-Food) vs. PACSA food price barometer

Figures are derived from STATSSA monthly statistical releases on the Consumer Price Index (see www.statssa.gov.za). We track the CPI-Food

component because it differs from the CPI. It is the CPI and not CPI-Food which is used to determine salary and social wage increases. Lowincome households spend most or all of their monies on food. The price inflation on food therefore is important. PACSA's food price index year-on-year is typically higher than CPI-Food because CPI-Food tracks greater varieties of foods (many which low-income households do not actually consume) and averages the data across diverse income ranges – in a country with extreme levels of inequality, national averages are not sufficient to capture the reality of food price inflation for low-income households. Moreover the PACSA food price index which tracks food prices from 6 retail stores which service the lower-income market in Pietermaritzburg better reflects both the foods low-income households actually buy but also from the retail stores low-income households buy from. The PACSA food price barometer therefore provides a more accurate indicator of food price inflation for low-income households.

Food price affordability

Supermarkets are the main source of food for the majority of Pietermaritzburg households. In a cash-based economy it is income and affordability of prices that determines access to goods and services. The main determinant for access to food for net buyers is sufficient money and affordability of food prices. Household income and the prices of food are therefore crucial in determining access to affordable and sufficient quantities of a diverse range of food for adequate nutrition. Food price inflation must remain low and income levels must increase.

About PACSA

The Pietermaritzburg Agency for Community Social Action (PACSA) is a faith-based social justice and development NGO that has been in operation since 1979. PACSA operates in the uMgungundlovu region of KwaZulu-Natal, South Africa and focusses on socio-economic rights, gender justice, youth development, livelihoods and HIV & Aids. Our work and our practice seek to enhance human dignity. We are convinced that those who carry the brunt of the problem must be a part of the solution — at the heart of PACSA's core strategy is the notion "nothing about us without us."