

Key data from the January 2024 Household Affordability Index

The January 2024 Household Affordability Index, which tracks food price data from 47 supermarkets and 32 butcheries, in Johannesburg (Soweto, Alexandra, Tembisa and Hillbrow), Durban (KwaMashu, Umlazi, Isipingo, Durban CBD, Hammarsdale and Pinetown), Cape Town (Khayelitsha, Gugulethu, Philippi, Langa, Delft and Dunoon), Pietermaritzburg, Mtubatuba (in Northern KwaZulu-Natal), and Springbok (in the Northern Cape), shows that:

- **In January 2024:** The average cost of the Household Food Basket is **R5 324,86**.
- **Month-on-month:** The average cost of the Household Food Basket **increased** by **R86,66 (1,7%)**, from R5 238,20 in December 2023 to R5 324,86 in January 2024.
- **Year-on-year:** The average cost of the Household Food Basket **increased** by **R407,44 (8,3%)**, from R4 917,42 in January 2023 to R5 324,86 in January 2024.

The following foods increased in price in January 2024.

Foods which increased in price in January 2024, by **5% or more**, include: rice (5%), white sugar (5%), potatoes (13%), curry powder (6%), stock cubes (5%), soup (7%), beef (5%), tomatoes (14%), carrots (7%), spinach (6%), and green pepper (6%).

Foods which increased in price in January 2024, by **2% or more**, include: maize meal (4%), sugar beans (4%), samp (2%), salt (2%), frozen chicken portions (2%), chicken feet (3%), cabbage (2%), tinned pilchards (2%), bananas (4%), apples (3%), margarine (4%), peanut butter (3%), and polony (3%).

(See page 2 of January 2024, Household Affordability Index).

Statistics South Africa's latest Consumer Price Index.

Statistics South Africa's latest *Consumer Price Index* for November 2023ⁱ shows that **Headline inflation was 5,5%**, and for the **lowest expenditure quintiles 1-4, it is 9,1%, 8,3%, and 7,1%** respectively. **CPI Food inflation was 9,0%** (for CPI Food & NAB it was 9,0%, we use the figure excluding non-alcoholic beverages). The December 2023 CPI's expected release date is the 24th of January 2024). STATS SA's *Producer Price Index* for November 2023ⁱⁱ shows **agriculture was 7,7%**. (The December 2023 PPI's expected release date is the 25th of January 2024).

Inflation on the food baskets per area tracked.

In January 2024, food baskets increased in all areas tracked (Joburg, Durban, Cape Town, Springbok, Pietermaritzburg and Mtubatuba).

The Joburg basket **increased** by R13,68 (0,3%) month-on-month, and **increased** by R488,49 (10,0%) year-on-year, to **R5 361,77** in January 2024.

The Durban basket **increased** by R149,17 (2,9%) month-on-month, and **increased** by R387,39 (7,8%) year-on-year, to **R5 362,38** in January 2024.

The Cape Town basket **increased** by R84,44 (1,6%) month-on-month, and **increased** by R268,75 (5,4%) year-on-year, to **R5 217,22** in January 2024.

The Springbok basket **increased** by R22,82 (0,4%) month-on-month, and **increased** by R843,42 (17,7%) year-on-year, to **R5 620,55** in January 2024.

The Maritzburg basket **increased** by R203,74 (4,0%) month-on-month, and **increased** by R387,79 (8,0%) year-on-year, to **R5 238,76** in January 2024.

The Mtubatuba basket **increased** by R191,36 (3,6%) month-on-month, and **increased** by R255,76 (4,9%) year-on-year, to **R5 467,49** in January 2024.

(See pages 10-15 for area specific data, in the January 2024, Household Affordability Index).

Workers

The National Minimum Wage is **R25,42** an hour and **R203.36** for an 8-hour day. In January 2024, with 22 working days, the maximum National Minimum Wage for a General Worker is **R4 473,92**. Workers work to support their families. The wage workers earn is not just to sustain themselves alone, it is used to support the entire family. For Black South African workers, one wage typically must support 3,9 people. **Dispersed in a worker's family of 4 persons, the NMW, is reduced to R1 118,48 per person – this is below the upper-bound poverty line of R1 558 per person per month.**

The January 2024 cost of a basic nutritional food basket for a family of four persons is **R3 741,46** (See page 6 of January 2024, Household Affordability Index).

On our calculations, using Pietermaritzburg-based figures for electricity and transport, and the average figure for a minimum nutritional basket of food for a family of four, puts electricity, and transport, taking up **59,6%** of a worker's wage (R2 666,92/R4 473,92). Food is bought after monies for transport and electricity have been paid for or set aside (leaving only **R1 807,00** – for food and everything else), and so in January 2024, PMBEJD calculates that workers' families will **underspend on food by a minimum of 51,7% (having R1 807,00 left after transport and electricity, and with food costing R3 741,46)**. **In this scenario there is no possibility of a worker being able to afford enough nutritious food for her family. If the entire R1 807,00 all went to buy food, then for a family of 4 persons, we are looking at R451,75 per person per month. This is below the food poverty line of R760** (See page 8 of January 2024, Household Affordability Index).

See PMBEJD's submission to the National Minimum Wage Commission on the Proposal for the 2024 NMW Adjustment, accessed here: https://pmbejd.org.za/wp-content/uploads/2024/01/PMBEJD-submission-to-The-NMW-Commission-on-the-2024-NMW-adjustment_08012024.pdf

Women and children

In January 2024, the average cost to feed a child a basic nutritious diet was **R953,75**. Over the past month, the average cost to feed a child a basic nutritious diet **increased** by **R14,02** or **1,5%**. Year-on-year, the average cost to feed a child a basic nutritious diet **increased** by **R100,72** or **11,8%** (See page 6 of January 2024, Household Affordability Index).

In January 2024, the **Child Support Grant** of **R510** is **33%** below the **Food Poverty Line** of **R760**, and **47%** below the average **cost to feed a child a basic nutritious diet (R953,75)**.

Women tell us that the Child Support Grant received in January is used to buy shoes, uniforms, and stationery for school children. In January the grocery shops are almost empty, but the school clothing shops are full of mothers. More and more women are part of stokvels who bulk buy the core staple foods in December, and so in January core staple food is still in the house. Food stokvels are one of the strategies women use to assist them to free up money to cover the festive season's higher grocery purchases and the extra-ordinary school expenses in January. The savings that go into the stokvels for this purpose arise not out of surplus money during the year, but by women cutting back on their own nutritional needs and other critical expenses. Not all women are able to save money into stokvels, and therefore the grant money all going to secure uniforms and shoes and stationery will mean that families will eat very poorly in January.

School expenses are a non-negotiable expense, children cannot go back to school with shoes and clothes that they have outgrown during the latter part of the year and the December holidays, nor without the stationery they need in the classroom. School expenses are a significant expense which parents must plan for and absorb as best they can to give their children the best possible start to the New School Year.

To give a brief sense of the cost of some basic uniform expenses, bought from low-cost school clothing shops, women have shared with us the following for a little girl attending primary school:

School shoes:	R130 – R149,99 (not a quality brand which go for around R320 to R350)
A pair of white socks:	R12,99 – R17,99
A school jersey:	R90 - R99,95
A white shirt:	R59,99
A school dress:	R120 – R240

We have previously suggested that, in the absence of a comprehensive programme to subsidise school shoes, uniforms and stationery, it would be useful for government to provide an additional grant allocation, something akin to a “back-2-school grant” in January to assist parents with getting their children ready for the New School Year. Scholar expenses are very expensive. Whilst an additional grant will not cover all scholar expenses, it will lessen the amounts of money parents have to borrow from loan sharks, and which they must pay back with exorbitant interest throughout the year, removing food off the plates of their children and putting enormous stress on women.

*Parents have come to the table. They are making enormous sacrifices for their children’s education, and that their children’s futures (and all our futures) will be better. **Government can meet them halfway.** The additional grant would be easy to administer, it being disbursed with the Child Support Grant in early January. This money expended by government will be an investment in education resulting in a smoother, more focussed start to the New School Year, for children, parents, teachers and governing bodies, whilst improving education outcomes. It is a small easily implemented intervention which may produce very big positive results. It is worth trying, we should try it in January 2025. We have the whole year to put it in place.*

Household domestic and personal hygiene products

The January 2024 Household Domestic & Personal Hygiene Index shows an **increase** of **R6,22 (0,6%)** month-on-month. Year-on-year the household domestic and personal hygiene products index **increased** by **R84,94 (9,2%)** bringing the total average cost of basic household domestic and personal hygiene products to **R1 005,81** in January 2024 (See page 5 of January 2024, Household Affordability Index).

The cost of basic hygiene products is high. These products compete in the household purse with food. These products are essential for good health and hygiene.

ⁱ STATSSA (2023). **Consumer Price Index November 2023**. Statistical release P0141. 13 December 2023. Statistics South Africa. Pretoria. P4, 7. See Link: <https://www.statssa.gov.za/publications/P0141/P0141November2023.pdf>

ⁱⁱ STATSSA (2023). **Producer Price Index November 2023**. Statistical release P0142.1. 14 December 2023. Statistics South Africa. Pretoria. P12. See Link: <https://www.statssa.gov.za/publications/P01421/P01421November2023.pdf>