

### **Key data from the February 2024 Household Affordability Index**

The February 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 February 2024:** The average cost of the Household Food Basket is **R5 277,30**.
- **Month-on-month:** The average cost of the Household Food Basket **decreased** by **R47,56 (-0,9%)**, from R5 324,86 in January 2024 to R5 277,30 in February 2024.
- **Year-on-year:** The average cost of the Household Food Basket **increased** by **R348,96 (7,1%)**, from R4 928,34 in February 2023 to R5 277,30 in February 2024.

### **Food pricing trends in February 2024.**

February price data shows a small decrease in the total cost of the average household food basket. This is relatively consistent with historical data, where February prices are lower than January's, and March prices come in higher than February's. From October 2023 we had started to see a slight downward trend in food prices, with January 2024 presenting a blip, albeit consistent with past trends. Food price fluctuations are unpredictable and we do not yet know whether the downward trajectory we saw from October 2023 will continue into the new year, or if prices are set to rise in the coming months, consistently with previous years. It is our assessment however, that food inflation may be more subdued this year (compared to the past two years), whilst still remaining high.

In this regard, for women trying to secure food for their families, it is not necessarily the price fluctuations on individual foods that presents a problem; but rather the total cost of the household basket relative to income levels – and here the total cost of the household basket relative to income levels is still too high. It presents families with an household affordability crisis because the household purse has to cover a myriad of different expenses, food being just one of these expenses, and importantly the expense which is most likely within a woman's control – food purchasing – tends to be compromised in an attempt to hold the family together by securing other critical expenses for household functioning. Women sacrifice nutrition – primarily their own, and to a lesser degree, and with excruciating pain, also their children's, as they play an impossible game to make ends meet. Unless the Rand-value cost of the household food basket comes down substantially, or if income levels rise significantly – women will struggle to feed their families at a minimal level of nutrition this year.

Whilst February saw most of the 44 foods in the basket decreasing month-on-month, with 29 decreasing, 1 showing no change, and 14 increasing. We would caution that this does not yet signal lower prices in the future. *The decreases are still coming off a high base and we are yet to see significant drops in prices which would ease the affordability crisis in the trolley. Women are still under enormous pressure to ensure that basic foods are on their family plates and that small amounts of nutritious food are available for their children. Women tell us that it hasn't been a good start to the year for them – food prices and other critical goods and services are still very high relative to income levels, and women have had to take on higher levels of debt to try and close some gaps, whose servicing will put even greater pressure on the little monies that come into the home going forward. 2024 is therefore likely – still – to be another difficult year for families.*

**Foods in the basket which increased by 2% or more** in February 2024 include: sugar beans (4%), beef liver (2%), wors (2%), carrots (2%), spinach (11%), cremora (2%), and oranges (77%). Note that orange price data in our basket is not reliable currently as oranges are still coming into season.

**Foods in the basket which decreased in price in February 2024, by 5% or more**, include: potatoes (-5%), stock cubes (-7%), soup (-5%), eggs (-8%), chicken feet (-6%), chicken livers (-7%), beef (-5%), tomatoes (-9%), butternut (-12%), green pepper (-20%), bananas (-14%), and apples (-9%).

**Foods in the basket which decreased in price in February 2024, by 2% or more**, include: maize meal (-2%), rice (-2%), cooking oil (-2%), salt (-3%), frozen chicken portions (-2%), curry powder (-2%), tea (-2%), inyama yangaphakathi (-3%), fish (-3%), cabbage (-3%), polony (-3%), and brown bread (-2%).  
(See page 2 of February 2024, Household Affordability Index).

### **Statistics South Africa's latest Consumer Price Index.**

Statistics South Africa's latest *Consumer Price Index* for December 2023<sup>i</sup> shows that **Headline inflation was 5,1%**, and for the **lowest expenditure quintiles 1-3 it is 8,4%, 7,7%, and 6,8%** respectively. **CPI Food inflation was 8,5%** (for CPI Food & NAB it was 8,5%, we use the figure excluding non-alcoholic beverages). The January 2024 CPI's expected release date is the 21st of February 2024). STATS SA's *Producer Price Index* for December 2023<sup>ii</sup> shows **agriculture was 6,3%**. (The January 2024 PPI's expected release date is the 29th of February 2024).

### **Inflation on the food baskets per area tracked.**

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

The Joburg basket **decreased** by R4,24 (-0,1%) month-on-month, and **increased** by R434,12 (8,8%) year-on-year, to **R5 357,53** in February 2024.

The Durban basket **decreased** by R99,43 (-1,9%) month-on-month, and **increased** by R294,35 (5,9%) year-on-year, to **R5 262,95** in February 2024.

The Cape Town basket **decreased** by R106,17 (-2,0%) month-on-month, and **increased** by R168,60 (3,4%) year-on-year, to **R5 111,05** in February 2024.

The Springbok basket **decreased** by R46,66 (-0,8%) month-on-month, and **increased** by R518,28 (10,3%) year-on-year, to **R5 573,89** in February 2024.

The Maritzburg basket **decreased** by R114,73 (-2,2%) month-on-month, and **increased** by R372,28 (7,8%) year-on-year, to **R5 124,04** in February 2024.

The Mtubatuba basket **decreased** by R79,27 (-1,4%) month-on-month, and **increased** by R253,04 (4,9%) year-on-year, to **R5 388,22** in February 2024.

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

### **Workers**

The National Minimum Wage is **R25,42** an hour and **R203.36** for an 8-hour day. In February 2024, with 21 working days, the maximum National Minimum Wage for a General Worker is **R4 270,56**. 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 067,64 per person – this is below the upper-bound poverty line of R1 558 per person per month.**

The February 2024 cost of a basic nutritional food basket for a family of four persons is **R3 680,83** *(See page 6 of February 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 **60,6%** of a worker's wage (R2 586,92/R4 270,56). Food is bought after monies for transport and electricity have been paid for or set aside (leaving only **R1 683,64** – for food and everything else), and so in February 2024, PMBEJD calculates that workers' families will **underspend on food by a minimum of 54,3% (having R1 683,64 left after transport and electricity, and with food costing R3 680,83). In this scenario there is no possibility of a worker being able to afford enough nutritious food for her family. If the entire R1 683,64 all went to buy food, then for a family of 4 persons, we are looking at R420,91 per person per month. This is below the food poverty line of R760** *(See page 8 of February 2024, Household Affordability Index).*

### **Women and children**

In February 2024, the average cost to feed a child a basic nutritious diet was **R938,25**. Over the past month, the average cost to feed a child a basic nutritious diet **decreased** by **R15,51** or **-1,6%**. Year-on-year, the average cost to feed a child a basic nutritious diet **increased** by **R74,19** or **8,6%** (See page 6 of February 2024, Household Affordability Index).

In February 2024, the **Child Support Grant** of **R510** is **33%** below the **Food Poverty Line** of **R760**, and **46%** below the average **cost to feed a child a basic nutritious diet (R938,25)**.

### **Household domestic and personal hygiene products**

The February 2024 *Household Domestic & Personal Hygiene Index* shows an **increase** of **R16,90 (1,7%)** month-on-month. Year-on-year the household domestic and personal hygiene products index **increased** by **R96,19 (10,4%)** bringing the total average cost of basic household domestic and personal hygiene products to **R1 022,71** in February 2024 (See page 5 of February 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.*

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<sup>i</sup> STATSSA (2024). **Consumer Price Index December 2023**. Statistical release P0141. 24 January 2024. Statistics South Africa. Pretoria. P4, 7. See Link: <https://www.statssa.gov.za/publications/P0141/P0141December2023.pdf>

<sup>ii</sup> STATSSA (2024). **Producer Price Index December 2023**. Statistical release P0142.1. 25 January 2024. Statistics South Africa. Pretoria. P12. See Link: <https://www.statssa.gov.za/publications/P01421/P01421December2023.pdf>