



**PIETERMARITZBURG**  
ECONOMIC JUSTICE & DIGNITY

Economic justice through the lens of human dignity



# HOUSEHOLD AFFORDABILITY INDEX

**JUNE 2020**

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In cooperation with the Heinrich Böll Foundation Southern Africa.

 **HEINRICH BÖLL STIFTUNG**  
**SOUTHERN AFRICA**

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### **About the Household Affordability Index**

The Household Affordability Index has been designed in conversation with women living on low incomes in Pietermaritzburg. Its purpose is to provide a lens into the affordability crisis facing households living on low incomes by looking at wage and social grant levels and the costs of goods and services reasonably expected to be covered by this low income. It further provides a measure of inflation as experienced by households living on low incomes.

The research conversations, data collection and analysis are located in Pietermaritzburg however the Household Affordability Index may provide a reasonable sense of the affordability crisis and inflationary pressures for working class households across South Africa.

We release the Household Affordability Index monthly. We welcome its use and distribution and hope that it may be of value in the struggle for economic justice. We are open to feedback on how we might make the Household Affordability Index more accessible and useful. Please contact us should you wish to have a conversation, for media enquiries and for further data, information, and analysis.

### **About the Pietermaritzburg Economic Justice & Dignity Group**

The Pietermaritzburg Economic Justice & Dignity Group is a Civil Society initiative founded in July 2018. This initiative focusses on issues of economic justice, the low-wage regime and on the increasing household affordability and food price crisis, with its attendant nutritional deficiencies, health and developmental consequences, and the lack of imaginative policy and systemic responses to deal with this crisis.

The Pietermaritzburg Economic Justice & Dignity Group envisions and work towards *a society of solidarity, based on a politics of love and universality, and an economy which provides justice, equity, and dignity for all.*

# 1. JUNE 2020 Summary Data Reference Sheet

## Summary of Pietermaritzburg Economic Justice & Dignity Household Affordability Index Data

National Minimum Wage in June 2020		
General workers at R20,76/hr		<b>R3 487,68</b>
2 core expenses	% of wage	Rands
Transport to work (2 taxi RTN)	33,7%	R1 176,00
Prepaid electricity (350kWh)	17,2%	598,52
Total: transport + electricity	<b>50,9%</b>	<b>R1 774,52</b>
Money remaining to secure all other expenses		<b>R1 713,16</b>

Cost of Household Food Basket in June 2020		
Cost of Household Food Basket (7 members)		<b>R3 486,23</b>
Month-on-month change	0,4%	R15,31
Year-on-year change	13,7%	R420,94

Cost of VAT on Household Food Basket in June 2020		
% VAT on the Household Food Basket		7,0%
<b>Total VAT</b> on the Household Food Basket		<b>R244,49</b>
In June 2020, VAT equivalent to price of 34kg maize meal.		
Households typically consume 35kg maize meal/month.		

Cost of core foods in Household Food Basket: <i>these foods are bought first &amp; essential to households</i>		
Core foods	June 2020 cost	Jun 2019 vs. Jun 2020 (%)
Maize meal (25kg + 10kg)	R 253,98	14%
Rice (10kg)	R 112,19	43%
Cake Flour (10kg)	R 78,99	17%
White sugar (10kg)	R 150,99	6%
Sugar beans (5kg)	R 99,79	18%
Samp (5kg)	R 34,24	9%
Cooking oil (5L)	R 102,59	30%
Salt (1kg)	R 15,59	5%
Potatoes (10kg)	R 43,62	-14%
Onions (10kg)	R 88,55	66%
Frozen chicken pieces (10kg)	R 337,89	2%
Curry powder (200g)	R 28,59	-1%
Stock cubes (24 cubes x2)	R 36,78	8%
Soup (400g x2)	R 29,18	7%
Tea (250g)	R 22,99	-17%
<b>Subtotal of core foods</b>	<b>R 1 435,96</b>	<b>12,8%</b>

<b>Cost of Household Domestic and Personal Hygiene Products Basket in June 2020</b>	<b>R677,19</b>
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Cost of feeding a family a basic nutritious diet per month	
Household size with 4 members	R2 603,10
Household size with 5 members	R3 287,97
Household size with 7 members	<b>R4 551,25</b>
In June 2020, families with 7 members <b>underspent</b> on basic nutritious food by <b>23%</b> (-R1 065,02).	

Average cost of feeding a child a basic nutritious diet per month in June 2020		
Average cost of feeding child		<b>R662,79</b>
Month-on-month change	-2,3%	-R15,52
Year-on-year change	7,5%	R46,21
In June 2020, the Child Support Grant is <b>22%</b> below the food poverty line & <b>34%</b> below the average cost to secure a basic nutritious diet for a child.		

## Summary of Statistics South Africa's Economic and Social Data

All South Africans	
Population size	58,8 million
Unemployment rate	29,1%
Expanded unemployment rate	<b>38,7%</b>
Numbers of people unemployed	10,4 million
Numbers of people employed	16,4 million
Number of people one wage supports	<b>3,6 people</b>
The median wage	R3 500,00
Median wage dispersed through a family	<b>R977,80</b>

Black South Africans	
Population size	47,4 million
Unemployment rate	32,4%
Expanded unemployment rate	<b>43,0%</b>
Numbers of people unemployed	9,3 million
Numbers of people employed	12,4 million
Number of people one wage supports	<b>3,8 people</b>
The median wage	R3 200,00
Median wage dispersed through a family	<b>R834,01</b>

White South Africans	
Population size	4,7 million
Unemployment rate	7,6%
Expanded unemployment rate	<b>9,8%</b>
Numbers of people unemployed	202 000
Numbers of people employed	1,9 million
Number of people one wage supports	<b>2,5 people</b>
The median wage	R12 000,00
Median wage dispersed through a family	<b>R4 779,87</b>

The maximum value of the National Minimum Wage [NMW]: general workers	R20,76/hour
Level of NMW at 10% exemption	R18,68/hour
The value of the Child Support Grant [CSG]	R440,00
The value of the Old-age Grant [OAG]	R2 110,00
The number of children receiving a CSG	12,78 million
The number of pensioners receiving an OAG	3,67 million
The upper bound poverty line [UBPL]	R1 227,00
The food poverty line [FPL]	R561,00

% of people living below the UBPL (30,4m)	55,5%
% of people living below the FPL (13,8m)	25,2%
% of Black South Africans living below the UBPL (±29,9m)	64,2%
Stunting levels in <i>boy children under 5 years</i>	30%
Stunting levels in <i>girl children under 5 years</i>	25%

Estimated overall HIV prevalence rate among population (7,97m)	13,5%
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*Any errors in data entry or calculations are our own. See reference page 13 for Statistics South Africa data references.*

*All efforts are made to source the latest available data.*

## 2. JUNE 2020 Household Food Index

Foods tracked	Quantity tracked	Index 2019/20			change in Rands		change in %	
		Jun_2019	May_2020	Jun_2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020
Maize meal	25kg + 10kg	R 223,52	R 246,97	R 253,98	R 7,01	R 30,46	3%	14%
Rice	10kg	R 78,59	R 109,99	R 112,19	R 2,20	R 33,60	2%	43%
Cake Flour	10kg	R 67,59	R 75,99	R 78,99	R 3,00	R 11,40	4%	17%
White sugar	10kg	R 142,19	R 153,59	R 150,99	-R 2,60	R 8,80	-2%	6%
Sugar beans	5kg	R 84,79	R 99,79	R 99,79	R 0,00	R 15,00	0%	18%
Samp	5kg	R 31,39	R 34,24	R 34,24	R 0,00	R 2,85	0%	9%
Cooking oil	5L	R 79,19	R 100,99	R 102,59	R 1,60	R 23,40	2%	30%
Salt	1kg	R 14,79	R 15,79	R 15,59	-R 0,20	R 0,80	-1%	5%
Potatoes	10kg	R 50,56	R 52,39	R 43,62	-R 8,77	-R 6,95	-17%	-14%
Onions	10kg	R 53,27	R 87,41	R 88,55	R 1,14	R 35,28	1%	66%
Frozen chicken portions	10kg	R 329,99	R 332,35	R 337,89	R 5,54	R 7,90	2%	2%
Curry powder	200g	R 28,79	R 29,19	R 28,59	-R 0,60	-R 0,20	-2%	-1%
Stock cubes	24 cubes x2	R 33,98	R 37,98	R 36,78	-R 1,20	R 2,80	-3%	8%
Soup	400g x2	R 27,18	R 29,18	R 29,18	R 0,00	R 2,00	0%	7%
Tea	250g	R 27,59	R 23,39	R 22,99	-R 0,40	-R 4,60	-2%	-17%
Maas	4L	R 40,39	R 41,99	R 43,19	R 1,20	R 2,80	3%	7%
Eggs	60 eggs	R 86,99	R 87,59	R 92,19	R 4,60	R 5,20	5%	6%
Chicken feet	5kg	R 127,24	R 192,23	R 198,59	R 6,36	R 71,35	3%	56%
Gizzards	2kg	R 62,48	R 69,44	R 66,58	-R 2,86	R 4,10	-4%	7%
Beef	2kg	R 126,98	R 147,44	R 149,94	R 2,50	R 22,96	2%	18%
Wors	2kg	R 82,24	R 115,92	R 126,94	R 11,02	R 44,70	10%	54%
Inyama yangaphakathi	2kg	R 61,98	R 72,60	R 73,49	R 0,89	R 11,51	1%	19%
Tomatoes	6kg	R 68,79	R 65,98	R 53,98	-R 12,00	-R 14,81	-18%	-22%
Carrots	5kg	R 22,49	R 28,99	R 31,99	R 3,00	R 9,50	10%	42%
Butternut	10kg	R 50,27	R 46,27	R 43,13	-R 3,14	-R 7,14	-7%	-14%
Spinach	8 bunches	R 59,92	R 71,92	R 79,92	R 8,00	R 20,00	11%	33%
Cabbage	2 heads	R 24,99	R 32,99	R 32,48	-R 0,51	R 7,49	-2%	30%
Cremora	800g	R 31,19	R 34,19	R 33,19	-R 1,00	R 2,00	-3%	6%
Tinned pilchards	400g x6	R 90,17	R 106,74	R 104,34	-R 2,40	R 14,17	-2%	16%
Canned beans	410g x6	R 63,17	R 67,16	R 68,36	R 1,20	R 5,19	2%	8%
Bananas	4kg	R 48,76	R 55,16	R 43,09	-R 12,07	-R 5,67	-22%	-12%
Apples	1.5kg	R 15,39	R 19,99	R 17,19	-R 2,80	R 1,80	-14%	12%
Margarine	1kg x2	R 64,58	R 67,18	R 72,78	R 5,60	R 8,20	8%	13%
Peanut butter	400g x2	R 47,98	R 59,58	R 56,78	-R 2,80	R 8,80	-5%	18%
Polony	2.5kg	R 63,89	R 58,79	R 60,39	R 1,60	-R 3,50	3%	-5%
Apricot jam	900g x2	R 51,18	R 56,78	R 57,98	R 1,20	R 6,80	2%	13%
White bread	25 loaves	R 259,85	R 286,40	R 287,40	R 1,00	R 27,55	0%	11%
Brown bread	25 loaves	R 240,95	R 256,35	R 256,35	R 0,00	R 15,40	0%	6%
<b>Total household food basket</b>		<b>R 3 065,28</b>	<b>R 3 470,92</b>	<b>R 3 486,23</b>	<b>R 15,31</b>	<b>R 420,94</b>	<b>0,4%</b>	<b>13,7%</b>

**Month-on-month:** The cost of the household food basket *increased* by R15,31 (0,4%) to R3 486,23 in June 2020.

**Year-on-year:** The cost of the household food basket *increased* by R420,94 (13,7%) from R3 065,28 in June 2019 to R3 486,23 in June 2020.

The household food basket has been designed together with women living on low incomes in Pietermaritzburg. It includes the foods and the volumes of these foods which women living in a household with seven members (the average low-income household size in Pietermaritzburg) tell us they typically try and secure each month. Food prices are sourced from supermarkets (5) and butcheries (4) that target the low-income market and which women identified as those they shop at. Food selection at the supermarket shelves mirrors how women themselves make decisions at the supermarket shelves *viz.* that the foods are chosen on relative affordability and reasonable quality. The date for data collection is between the 1st and 4th day of each month. There are 38 foods in the household food basket.

The household food index is designed with women living on low incomes to provide a sense of what the food baskets of low-income households cost in Pietermaritzburg and is specifically designed to measure food price inflation as experienced by households living on low incomes. Although located in Pietermaritzburg, the household food index may provide a picture into food price inflation as experienced by households living on low incomes in South Africa.

### 3. JUNE 2020 Household Food Index: zero-rated vs. VAT

Foods tracked	Quantity tracked	Index 2019/20			change in Rands		change in %	
		Jun_2019	May_2020	Jun_2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020
<b>Zero-rated foods</b>								
Maize meal	25kg + 10kg	R223,52	R 246,97	R 253,98	R 7,01	R 30,46	3%	14%
Rice	10kg	R78,59	R 109,99	R 112,19	R 2,20	R 33,60	2%	43%
Samp	5kg	R31,39	R 34,24	R 34,24	R 0,00	R 2,85	0%	9%
Sugar beans	5kg	R84,79	R 99,79	R 99,79	R 0,00	R 15,00	0%	18%
Cooking oil	5L	R79,19	R 100,99	R 102,59	R 1,60	R 23,40	2%	30%
Maas	4L	R40,39	R 41,99	R 43,19	R 1,20	R 2,80	3%	7%
Eggs	60 eggs	R86,99	R 87,59	R 92,19	R 4,60	R 5,20	5%	6%
Potatoes	10kg	R50,56	R 52,39	R 43,62	-R 8,77	-R 6,95	-17%	-14%
Onions	10kg	R53,27	R 87,41	R 88,55	R 1,14	R 35,28	1%	66%
Tomatoes	6kg	R68,79	R 65,98	R 53,98	-R 12,00	-R 14,81	-18%	-22%
Carrots	5kg	R22,49	R 28,99	R 31,99	R 3,00	R 9,50	10%	42%
Butternut	10kg	R50,27	R 46,27	R 43,13	-R 3,14	-R 7,14	-7%	-14%
Spinach	8 bunches	R59,92	R 71,92	R 79,92	R 8,00	R 20,00	11%	33%
Cabbage	2 heads	R24,99	R 32,99	R 32,48	-R 0,51	R 7,49	-2%	30%
Tinned pilchards	400g x6	R90,17	R 106,74	R 104,34	-R 2,40	R 14,17	-2%	16%
Bananas	4kg	R48,76	R 55,16	R 43,09	-R 12,07	-R 5,67	-22%	-12%
Apples	1.5kg	R15,39	R 19,99	R 17,19	-R 2,80	R 1,80	-14%	12%
Brown bread	25 loaves	R240,95	R 256,35	R 256,35	R 0,00	R 15,40	0%	6%
Cake Four*	10kg	R67,59	R 75,99	R 78,99	R 3,00	R 11,40	4%	17%
<b>Subtotal of zero-rated foods</b>		<b>R1 418,02</b>	<b>R 1 621,75</b>	<b>R 1 611,80</b>	<b>-R 9,95</b>	<b>R 193,79</b>	<b>-0,6%</b>	<b>13,7%</b>
<b>VATable foods</b>								
White sugar	10kg	R142,19	R 153,59	R 150,99	-R 2,60	R 8,80	-2%	6%
Frozen chicken portions	10kg	R329,99	R 332,35	R 337,89	R 5,54	R 7,90	2%	2%
Chicken feet	5kg	R127,24	R 192,23	R 198,59	R 6,36	R 71,35	3%	56%
Gizzards	2kg	R62,48	R 69,44	R 66,58	-R 2,86	R 4,10	-4%	7%
Beef	2kg	R126,98	R 147,44	R 149,94	R 2,50	R 22,96	2%	18%
Wors	2kg	R82,24	R 115,92	R 126,94	R 11,02	R 44,70	10%	54%
Inyama yangaphakathi	2kg	R61,98	R 72,60	R 73,49	R 0,89	R 11,51	1%	19%
Salt	1kg	R14,79	R 15,79	R 15,59	-R 0,20	R 0,80	-1%	5%
Stock cubes	24 cubes x2	R33,98	R 37,98	R 36,78	-R 1,20	R 2,80	-3%	8%
Soup	400g x2	R27,18	R 29,18	R 29,18	R 0,00	R 2,00	0%	7%
Curry powder	200g	R28,79	R 29,19	R 28,59	-R 0,60	-R 0,20	-2%	-1%
Tea	250g	R27,59	R 23,39	R 22,99	-R 0,40	-R 4,60	-2%	-17%
Cremora	800g	R31,19	R 34,19	R 33,19	-R 1,00	R 2,00	-3%	6%
Canned beans	410g x6	R63,17	R 67,16	R 68,36	R 1,20	R 5,19	2%	8%
Margarine	1kg x2	R64,58	R 67,18	R 72,78	R 5,60	R 8,20	8%	13%
Peanut butter	400g x2	R47,98	R 59,58	R 56,78	-R 2,80	R 8,80	-5%	18%
Polony	2.5kg	R63,89	R 58,79	R 60,39	R 1,60	-R 3,50	3%	-5%
Apricot jam	900g x2	R51,18	R 56,78	R 57,98	R 1,20	R 6,80	2%	13%
White bread	25 loaves	R259,85	R 286,40	R 287,40	R 1,00	R 27,55	0%	11%
<b>Subtotal of VATable foods</b>		<b>R1 647,27</b>	<b>R 1 849,17</b>	<b>R 1 874,42</b>	<b>R 25,26</b>	<b>R 227,15</b>	<b>1,4%</b>	<b>13,8%</b>
Vatable foods (excl. VAT)		R1 432,41	R1 607,97	R1 629,93	R 21,96	R197,52	1,4%	13,8%
<b>VAT total</b>		<b>R214,86</b>	<b>R241,20</b>	<b>R244,49</b>	<b>R3,29</b>	<b>R29,63</b>	<b>1,4%</b>	<b>13,8%</b>
<b>Total household food basket</b>		<b>R3 065,28</b>	<b>R3 470,92</b>	<b>R3 486,23</b>	<b>R15,31</b>	<b>R420,94</b>	<b>0,4%</b>	<b>13,7%</b>

**Month-on-month:** The **zero-rated foods** in the household food basket **decreased** by R9,95 (-0,6%) to R1 611,80 in June 2020.

**Year-on-year:** The **zero-rated foods** in the household food basket **increased** by R193,79 (13,7%) from R1 418,02 in June 2019 to R1 611,80 in June 2020.

**Month-on-month:** The **foods subject to VAT** in the household food basket **increased** by R25,26 (1,4%) to R1 874,42 in June 2020.

**Year-on-year:** The **foods subject to VAT** in the household food basket **increased** by R227,15 (13,8%) from R1 647,27 in June 2019 to R1 874,42 in June 2020.

**19/38** foods in the total household food basket are subject to VAT. Foods subject to VAT make up **54%** of the total cost of the household food basket. VAT on the total household food basket came to **R244,49 in June 2020**. This means **7%** of the household food basket is made up of VAT.

#### 4. JUNE 2020 Household Domestic & Personal Hygiene Index

Products tracked	Quantity tracked	Index 2019/20			change in Rands		change in %	
		Jun_2019	May_2020	Jun_2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020
Green bar soap	8 bars	R 44,78	R 53,58	R 54,78	R 1,20	R 10,00	2%	22%
Washing powder	3kg	R 56,39	R 60,99	R 60,19	-R 0,80	R 3,80	-1%	7%
Dishwashing liquid	750ml	R 24,39	R 26,59	R 24,99	-R 1,60	R 0,60	-6%	2%
Handy Andy	750ml	R 20,39	R 22,19	R 22,99	R 0,80	R 2,60	4%	13%
Jik	750ml	R 21,59	R 23,79	R 22,24	-R 1,55	R 0,65	-7%	3%
Jeyes Fluid	500ml	R 36,19	R 35,59	R 35,59	R 0,00	-R 0,60	0%	-2%
Toilet paper	24 rolls	R 88,39	R 96,99	R 101,39	R 4,40	R 13,00	5%	15%
Bath soap	500g x 2	R 26,78	R 27,98	R 28,38	R 0,40	R 1,60	1%	6%
Toothpaste	100ml x3	R 34,17	R 43,77	R 41,97	-R 1,80	R 7,80	-4%	23%
Vaseline	500g	R 24,99	R 31,74	R 29,59	-R 2,15	R 4,60	-7%	18%
Cream	big bottle x2	R 35,58	R 36,48	R 31,98	-R 4,50	-R 3,60	-12%	-10%
Roll-on deodorant	x4	R 61,97	R 66,36	R 66,77	R 0,41	R 4,80	1%	8%
Spray-on deodorant	big spray x 3	R 72,97	R 73,77	R 70,77	-R 3,00	-R 2,20	-4%	-3%
Sanitary pads*	2 big packs	R 64,47	R 68,37	R 61,17	-R 7,20	-R 3,30	-11%	-5%
Shoe Polish	100ml	R 24,79	R 25,19	R 24,39	-R 0,80	-R 0,40	-3%	-2%
<b>Total household domestic and hygiene products</b>		<b>R 637,84</b>	<b>R 693,38</b>	<b>R 677,19</b>	<b>-R 16,19</b>	<b>R 39,35</b>	<b>-2,3%</b>	<b>6,2%</b>

**Month-on-month:** The cost of the household domestic and personal hygiene products basket *decreased* by R16,19 (-2,3%) to R677,19 in June 2020.

**Year-on-year:** The cost of the household domestic and personal hygiene products basket *increased* by R39,35 (6,2%) from R637,84 in June 2019 to R677,19 in June 2020.

Domestic and personal hygiene products are critical expenses for safe hygiene and overall health and well being. The money needed to secure domestic and personal hygiene products are sourced from within the food budget. These products compete with the food budget.

## 5. JUNE 2020 Basic Nutritional Food Index: families

By number of family members	Index 2019/20			change in Rands		change in %	
	Jun_2019	May_2020	Jun_2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020
Four (4)	R2 422,78	R2 664,98	R2 603,10	-R 61,88	R 180,32	-2,3%	7,4%
Five (5)	R3 060,58	R3 366,14	R3 287,97	-R 78,17	R 227,39	-2,3%	7,4%
Seven (7)	R4 237,46	R4 660,65	R4 551,25	-R 109,40	R 313,79	-2,3%	7,4%

**Month-on-month:** The cost of a **basic nutritional food basket for a family of 7 members decreased** by R109,40 (-2,3%) to R4 551,25 in June 2020.

**Year-on-year:** The cost of a **basic nutritional food basket for a family of 7 members increased** by R313,79 (7,4%) from R4 237,46 in June 2019 to R4 551,25 in June 2020.

In **June 2020** the difference in cost between the foods which families living on low incomes try and buy each month (the household food basket) and the foods which families would like to buy and should buy to meet basic nutrition (a basic nutritional food basket) was **R3 486,23 vs. R4 551,25** (-R1 065,02).

It means that in **June 2020**, families with seven members underspent on basic nutritional food by **23%** (R1 065,02).

## 6. JUNE 2020 Basic Nutritional Food Index: children

By age of child	Index 2019/20			change in Rands		change in %	
	Jun_2019	May_2020	Jun_2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020
Small child aged 3-9 years	R550,78	R604,73	R588,79	-R 15,94	R 38,01	-2,6%	6,9%
Small child aged 10-13 years	R594,29	R652,94	R636,83	-R 16,11	R 42,54	-2,5%	7,2%
Girl child aged 14-18 years	R626,10	R689,79	R674,50	-R 15,29	R 48,40	-2,2%	7,7%
Boy child aged 14-18 years	R695,13	R765,74	R751,02	-R 14,72	R 55,89	-1,9%	8,0%
<b>Average for all children</b>	<b>R616,58</b>	<b>R678,30</b>	<b>R662,79</b>	<b>-R 15,52</b>	<b>R 46,21</b>	<b>-2,3%</b>	<b>7,5%</b>

**Month-on-month:** The **average cost to feed a child a basic nutritious diet decreased** by R15,52 (-2,3%) to R662,79 in June 2020.

**Year-on-year:** The **average cost to feed a child a basic nutritious diet increased** by R46,21 (7,5%) from R616,58 in June 2019 to R662,79 in June 2020.

As children grow older, their nutritional requirements increase. It means that the cost of feeding a child increases in price as a child grows older and is also different for teenage girls and boys.

The Child Support Grant is **R440**. Government only provided the top-up of R300 for May, in June the CSG went back to R440. From June, mothers/caregivers receive **R500** to split amongst her family.

The food poverty line calculated by Statistics South Africa is **R561** per capita per month (latest April 2019).

In **June 2020** the average cost to feed a child a basic nutritious diet per month cost **R662,79**

The Child Support Grant of R440 is set below the food poverty line of R561, and further below the average cost of R662,79 to secure a basic nutritious diet for a child in June 2020.

In **June 2020**, the Child Support Grant is **22% below** the food poverty line and **34% below** the average cost to secure a basic nutritious diet for a child.

## 7. JUNE 2020 Basic Nutritional Food Index: adults

By sex, activity level & lifestage	Index 2019/20			change in Rands		change in %	
	Jun_2019	May_2020	Jun_2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020	May 2020 vs. Jun 2020	Jun 2019 vs. Jun 2020
Adult women and Elderly women >65 yrs	R594,29	R652,94	R636,83	-R 16,11	R 42,54	-2,5%	7,2%
Very active women, Adult men and Elderly men >65 yrs	R626,10	R689,79	R674,50	-R 15,29	R 48,40	-2,2%	7,7%
Very active men and Pregnant & lactating women	R695,13	R765,74	R751,02	-R 14,72	R 55,89	-1,9%	8,0%

## 8. JUNE 2020 Household Affordability Scenarios

Number of working days in June 2020 = 21 days

Affordability, in its simplest form, is relative to income levels and the cost of goods and services (expenses). Workers work to support their families. Workers, reasonably expect to cover the costs of goods and services needed for dignity and household functionality off their wages. In most Black South African households, only one family member works. This one wage must support, a reductive average of **3,8 persons in June 2020**. The baseline wages remunerated to most Black South African workers are very low. Divided by 4 persons, the wage becomes a poverty wage. The National Minimum Wage, coming into effect on 1st January 2019, set at R20 an hour for general workers, R18 for farmworkers and R15 for domestic workers is not enough to change the low-wage regime for millions of workers.

The Minister of Employment and Labour gazetted a **3,8%** annual increase on the National Minimum Wage for all worker wage categories for the 2020 term. The increase is to take effect on 1 March 2020. For a General Worker, the NMW will increase by **76 cents** per hour to **R20,76**. The NMW for Farm and Forestry Workers will increase by **68 cents** per hour to **R18,68**. The NMW for Domestic Workers will increase by **57 cents** per hour to **R15,57**.

Where exemptions are granted, the R20,76 an hour for general workers will be reduced to R18,68 an hour; the R18,68 for farmworkers will be reduced to R16,81 an hour; and the R15,57 for domestic workers will be reduced to R14,00 an hour.

The tables below provide various income scenarios for households with persons receiving a social grant and/or for workers remunerated at various wage and National Minimum Wage levels for different categories of workers, as well as for different number of days and hours worked. Because of our largely unchanged apartheid geography, the costs of transport to get to work and back home eats away at the value of the low wage, leaving very little money to secure food and other critical expenses. Prepaid electricity costs also, are a major household expense. Both services have increased markedly, with Pietermaritzburg electricity costs increasing by 13,07% in July 2019 and water by 9,6% in July 2019. Taxi fares increased by ±7,7% in August 2019. By subtracting transport to work and electricity costs, we are then able to see the money remaining to secure other essential goods and services costs [highlighted in tables as *money remaining to secure all other expenses*].

Households do not prioritise paying for food first out of the goods and services which households need to secure. However we include food costs in the calculations because all other critical expenses, some of which households deem non-negotiable like debt servicing, scholar transport and education and burial insurances, and other important expenses like those of household domestic and personal hygiene products all compete viciously for the money remaining in the household purse. The last row in the tables highlights the *minimum surplus/shortfall on food costs*: **it is this figure which shows the extent of the shortfall in wages because in most of the scenarios shown in the tables below, workers and their families do not earn enough money to secure enough nutritious food to eat, let alone all the other critical expenses which we have excluded from our calculations**. The percentages shown as *minimum food shortfall* mean that households will be spending far less on food because other expenses must also be paid out of this remaining money. If households are not able to secure even food out of the money remaining than it is a stark indication of the deficiencies in low baseline wages and grants.

*The data in the tables are derived from the latest available Pietermaritzburg-based costs for expenses, relevant as at June 2020.*



## 9. JUNE 2020 National Minimum Wage Scenarios

### General Workers (all, excluding NMW defined workers)

Both scenario tables below calculate transport to work on 2 taxi fare, return (R14x4). The electricity charge is based on Msunduzi Municipality's prepaid tariffs (R1,71005 per kWh). The first table provides scenarios for the NMW at R20,76 an hour and the second table provides scenarios for the NMW at the 10% exemption rate at R18,68 an hour.

#### General Workers: at NMW

**R20,76 an hour**

Income	Wage scenario 1	Wage scenario 2	Wage scenario 3
Number of days worked	21	15	15
Number of hours worked	8	8	5
Remuneration rate	R20,76	R20,76	R20,76
<b>Wage income</b>	<b>R3 487,68</b>	<b>R2 491,20</b>	<b>R1 557,00</b>

	Wage scenario 1		Wage scenario 2		Wage scenario 3	
<b>Wage income</b>	<b>R3 487,68</b>		<b>R2 491,20</b>		<b>R1 557,00</b>	
<b>Household expenses</b>		<b>% of wage</b>		<b>% of wage</b>		<b>% of wage</b>
Transport to work (2 taxi, return)	R1 176,00	33,7%	R840,00	33,7%	R840,00	53,9%
Prepaid electricity (350kWh)	R598,52	17,2%	R598,52	24,0%	R598,52	38,4%
<b>Total for transport + electricity</b>	<b>R1 774,52</b>	<b>50,9%</b>	<b>R1 438,52</b>	<b>57,7%</b>	<b>R1 438,52</b>	<b>92,4%</b>
<i>Money remaining to secure all other expenses</i>	<b>R1 713,16</b>		<b>R1 052,68</b>		<b>R1 118,48</b>	
Subtract: food (4 persons)	R2 603,10		R2 603,10		R2 603,10	
<b>Minimum surplus/shortfall on food costs</b>	<b>-R889,94</b>	<b>-34,2%</b>	<b>-R1 550,42</b>	<b>-59,6%</b>	<b>-R2 484,62</b>	<b>-95,4%</b>

#### General Workers: at NMW exemption rate of 10%

**R18,68 an hour**

Income	Wage scenario 1	Wage scenario 2	Wage scenario 3
Number of days worked	21	15	15
Number of hours worked	8	8	5
Remuneration rate	R18,68	R18,68	R18,68
<b>Wage income</b>	<b>R3 138,24</b>	<b>R2 241,60</b>	<b>R1 401,00</b>

	Wage scenario 1		Wage scenario 2		Wage scenario 3	
<b>Wage income</b>	<b>R3 138,24</b>		<b>R2 241,60</b>		<b>R1 401,00</b>	
<b>Household expenses</b>		<b>% of wage</b>		<b>% of wage</b>		<b>% of wage</b>
Transport to work (2 taxis, return)	R1 176,00	37,5%	R840,00	37,5%	R840,00	60,0%
Prepaid electricity (350kWh)	R598,52	19,1%	R598,52	26,7%	R598,52	42,7%
<b>Total for transport + electricity</b>	<b>R1 774,52</b>	<b>56,5%</b>	<b>R1 438,52</b>	<b>64,2%</b>	<b>R1 438,52</b>	<b>102,7%</b>
<i>Money remaining to secure all other expenses</i>	<b>R1 363,72</b>		<b>R803,08</b>		<b>-R37,52</b>	
Subtract: food (4 persons)	R2 603,10		R2 603,10		R2 603,10	
<b>Minimum surplus/shortfall on food costs</b>	<b>-R1 239,38</b>	<b>-47,6%</b>	<b>-R1 800,02</b>	<b>-69,1%</b>	<b>-R2 640,62</b>	<b>-101,4%</b>

## NMW deficit for General Workers on rate of R20.76 an hour in June 2020.

Workers work to support their families. Workers reasonably expect that their wages will cover the real costs of several core basic goods and services. To be productive in the workplace, workers need to secure basic goods and services for their families. These goods and services need to be paid for out of the wages earned by the worker.

The graph below shows the deficit in the value of the NMW year-on-year in relation to the cost of three core goods and services (transport to work and back, electricity and food) out of a myriad of expenses which workers need to secure each month.

	June 2019	June 2020	Year-on-year	
			change in ZAR	change in %
Number of working days per month	19	21		
Hourly rate	R20,00	R20,76	R0,76	3,8%
<b>Wage income</b>	<b>R3 040,00</b>	<b>R3 487,68</b>	<b>R447,68</b>	<b>15%</b>
<b>Household expenses</b>				
Transport to work (2 taxi, return)	R988,00	R1 176,00	R188,00	19,0%
Prepaid electricity (350kWh)	R529,34	R598,52	R69,18	13,1%
Basic nutritional food basket (4 persons)	R2 422,78	R2 603,10	R180,32	7,4%
<b>Total</b>	<b>R3 940,12</b>	<b>R4 377,62</b>	<b>R437,50</b>	<b>11,1%</b>
<b>Deficit of NMW (Rands)</b>	<b>-R900,12</b>	<b>-R889,94</b>	<b>R10,18</b>	<b>-1,1%</b>
<b>Deficit of NMW (%)</b>	<b>-22,84%</b>	<b>-20,3%</b>		<b>2,5%</b>
<b>Deficit on food (%)</b>		<b>-34,2%</b>		

**Year-on-year:** The cost of the **3 core expenses critical for worker productivity** (transport, electricity and food) **increased** by **11,1% (R437,50)** from R3 940,12 in June 2019 to R4 377,62 in June 2020.

Combined transport and electricity took up **50,9%** (R1 774,52) of the NMW in June 2020. Transport and electricity payments cannot typically be deferred or part-paid. They are non-negotiable expenses.

Of the 3 core expenses, food is typically prioritised last because it is the only expense workers have some level of control over. In June 2020 a worker paid at the NMW's family will **underspend on food** by **34,2%** if the shortfall is not made up via additional income or credit.

The **deficit in the NMW** required to cover *just* the 3 core expenses critical for worker productivity was **20,3%** in June 2020. In June 2020, workers were short R889,94 to pay for transport, electricity and food. Because of the deficit in the NMW, workers have to cutback further on food and go into deeper levels of debt to cover expense shortfalls.

## The required rate of increase on the NMW to address the deficit in the NMW for June 2020.

	Current rate June 2020	Required rate June 2020	For required rate	
			change in ZAR	change in %
Hourly rate of NMW (on an 8 hour, 21 day month)	Rate/hr R20,76	Rate/hr R26,06	R5,30	25,5%

In **June 2020** the **NMW rate per hour** would have had to **increase by 25,5% (R5,30) per hour to R26,06** *just* to allow a worker to cover her/his expenses of transport to get to work and back, prepaid electricity and food.

Workers have a myriad of other expenses that need to be paid for; not just these 3 core expenses. The NMW will have to increase significantly beyond **R26,06** an hour for a worker paid on the NMW to support her/his family at a basic level of dignity.

## Domestic workers

Both scenario tables below calculate transport to work on 2 taxi fares, return (R14x4). The electricity charge is based on Msunduzi Municipality's prepaid tariffs (R1,71005 per kWh). The first table provides scenarios for the NMW at R15,57 an hour and the second table provides scenarios for the NMW at the 10% exemption rate at R14 an hour.

### Domestic workers: at NMW

**R15,57 an hour**

Income	Wage scenario 1	Wage scenario 2	Wage scenario 3
Number of days worked	21	15	15
Number of hours worked	8	8	5
Remuneration rate	R15,57	R15,57	R15,57
Wage income	<b>R2 615,76</b>	<b>R1 868,40</b>	<b>R1 167,75</b>

	Wage scenario 1	Wage scenario 2	Wage scenario 3
<b>Wage income</b>	<b>R2 615,76</b>	<b>R1 868,40</b>	<b>R1 167,75</b>
<b>Household expenses</b>	<b>% of wage</b>	<b>% of wage</b>	<b>% of wage</b>
Transport to work (2 taxi, return)	R1 176,00 45,0%	R840,00 45,0%	R840,00 71,9%
Prepaid electricity (350kWh)	R598,52 22,9%	R598,52 32,0%	R598,52 51,3%
Total for transport + electricity	R1 774,52 67,8%	R1 438,52 77,0%	R1 438,52 123,2%
Money remaining to secure all other expenses	<b>R841,24</b>	<b>R429,88</b>	<b>-R270,77</b>
Subtract: food (4 persons)	R2 603,10	R2 603,10	R2 603,10
<b>Minimum surplus/shortfall on food costs</b>	<b>-R1 761,86 -67,7%</b>	<b>-R2 173,22 -83,5%</b>	<b>-R2 873,87 -110,4%</b>

### Domestic workers: at NMW exemption rate of 10%

**R14 an hour**

Income	Wage scenario 1	Wage scenario 2	Wage scenario 3
Number of days worked	21	15	15
Number of hours worked	8	8	5
Remuneration rate	R14,00	R14,00	R14,00
Wage income	<b>R2 352,00</b>	<b>R1 680,00</b>	<b>R1 050,00</b>

	Wage scenario 1	Wage scenario 2	Wage scenario 3
<b>Wage income</b>	<b>R2 352,00</b>	<b>R1 680,00</b>	<b>R1 050,00</b>
<b>Household expenses</b>	<b>% of wage</b>	<b>% of wage</b>	<b>% of wage</b>
Transport to work (2 taxis, return)	R1 176,00 50,0%	R840,00 50,0%	R840,00 80,0%
Prepaid electricity (350kWh)	R598,52 25,4%	R598,52 35,6%	R598,52 57,0%
Total for transport + electricity	R1 774,52 75,4%	R1 438,52 85,6%	R1 438,52 137,0%
Money remaining to secure all other expenses	<b>R577,48</b>	<b>R241,48</b>	<b>-R388,52</b>
Subtract: food (4 persons)	R2 603,10	R2 603,10	R2 603,10
<b>Minimum surplus/shortfall on food costs</b>	<b>-R2 025,62 -77,8%</b>	<b>-R2 361,62 -90,7%</b>	<b>-R2 991,62 -114,9%</b>

## NMW deficit for Domestic Workers on rate of R15,57 an hour in June 2020.

Domestic Workers have the same expenses, live in the same cash-based economy and pay the same amount for goods and services as General Workers. Domestic Workers do not get a special 'Domestic Worker Rate' for taxi fares, prepaid electricity tokens, and food. The National Minimum Wage rate for Domestic Workers is 75% of the rate for General Workers, a Rand-value of R15,75 per hour. Domestic Workers typically do not work the full working-day month.

The graph below shows the deficit in the value of the NMW year-on-year in relation to the cost of three core goods and services (transport to work and back, electricity and food) out of a myriad of expenses which Domestic Workers need to secure each month.

	June 2019	June 2020	Year-on-year	
			change in ZAR	change in %
Number of working days per month	19	21		
Hourly rate	R15,00	R15,57	R0,57	3,8%
<b>Wage income</b>	<b>R2 280,00</b>	<b>R2 615,76</b>	<b>R335,76</b>	<b>15%</b>
<b>Household expenses</b>				
Transport to work (2 taxi, return)	R988,00	R1 176,00	R188,00	19,0%
Prepaid electricity (350kWh)	R529,34	R598,52	R69,18	13,1%
Basic nutritional food basket (4 persons)	R2 422,78	R2 603,10	R180,32	7,4%
<b>Total</b>	<b>R3 940,12</b>	<b>R4 377,62</b>	<b>R437,50</b>	<b>11,1%</b>
<b>Deficit/shortfall of NMW (Rands)</b>	<b>-R1 660,12</b>	<b>-R1 761,86</b>	<b>-R101,74</b>	<b>6,1%</b>
<b>Deficit/shortfall of NMW (%)</b>	<b>-42,13%</b>	<b>-40,25%</b>		<b>1,9%</b>
<b>Deficit on food (%)</b>		<b>-67,7%</b>		

Year-on-year: The cost of the 3 core expenses critical for worker productivity (transport, electricity and food) increased by 11,1% (R437,50) from R3 940,12 in June 2019 to R4 377,62 in June 2020.

Combined transport and electricity took up **67,8%** (R1 774,52) of the Domestic Worker NMW in June 2020. Transport and electricity payments cannot typically be deferred or part-paid. They are non-negotiable expenses.

Of the 3 core expenses, food is typically prioritised last because it is the only expense workers have some level of control over. In June 2020 a worker paid at the NMW's family will **underspend on food** by **67,7%** if the shortfall is not made up via additional income or credit.

The **deficit in the NMW** required to cover just the 3 core expenses critical for worker productivity was **40,25%** in June 2020. In June 2020, Domestic Workers were short R1 761,86 to pay for transport, electricity and food. Because of the deficit in the NMW, workers have to cutback further on food and go into deeper levels of debt to cover expense shortfalls.

## The required rate of increase on the NMW to address the deficit in the NMW for June 2020.

	Current rate June 2020	Required rate June 2020	Required rate	
			change in ZAR	change in %
Hourly rate of NMW (on an 8 hour, 21 day month)	Rate/hr	Rate/hr		
	<b>R15,57</b>	<b>R26,06</b>	<b>R10,49</b>	<b>67,4%</b>

In June 2020 the **NMW rate per hour** would have had to **increase by 67,4% (R10,49) per hour to R26,06** just to allow a Domestic Worker to cover her expenses of transport to get to work and back, prepaid electricity and food.

Workers have a myriad of other expenses that need to be paid for, not just these 3 core expenses. The NMW will have to increase significantly beyond **R26,06** an hour for a worker paid on the NMW to support her/his family at a basic level of dignity.

*Equalising the Domestic Worker NMW rate with that of General Workers is urgent.*

## 10. JUNE 2020 Social Grant Scenarios

### Pensioners and mothers caring for children

The first scenario includes a household receiving an old-age grant (R2 110) and two child support grants (R440x2) + 1xR500 to mother/caregiver; and the second scenario includes a household receiving only an old-age grant. Under expenses we have included burial insurance and transport costs to town to collect grant monies, shop and access public health care services.

	Wage scenario 1		Wage scenario 2	
	1 OAG + 2 CSGs		1 OAG	
<b>Wage income</b>	<b>R3 490,00</b>		<b>R2 110,00</b>	
<b>Household expenses</b>		<b>% of wage</b>		<b>% of wage</b>
Burial insurance	R275,00	7,9%	R275,00	13,0%
Transport other	R154,00	4,4%	R154,00	7,3%
Prepaid electricity (350kWh)	R598,52	17,1%	R598,52	28,4%
Total for insurance + transport + electricity	<b>R1 027,52</b>	<b>29,4%</b>	<b>R1 027,52</b>	<b>48,7%</b>
<i>Money remaining to secure all other expenses</i>	<b>R2 462,48</b>		<b>R1 082,48</b>	
Subtract: food costs (4 persons)	R2 603,10		R2 603,10	
<b>Minimum surplus/shortfall on food costs</b>	<b>-R140,62</b>	<b>-5,4%</b>	<b>-R1 520,62</b>	<b>-58,4%</b>

## 11. Other Low-wage Scenarios

For households with a worker who is paid at the median wage for Black South Africans, or a higher rate than the NMW, or for households with more than one worker, or for households with multiple income streams

	Wage scenario 1		Wage scenario 2		Wage scenario 3	
<b>Wage income</b>	<b>R3 200,00</b>		<b>R3 500,00</b>		<b>R4 500,00</b>	
<b>Household expenses</b>		<b>% of wage</b>		<b>% of wage</b>		<b>% of wage</b>
Transport to work (2 taxi, return)	R1 176,00	36,8%	R1 176,00	33,6%	R1 176,00	26,1%
Prepaid electricity (350kWh)	R598,52	18,7%	R598,52	17,1%	R598,52	13,3%
Total for transport + electricity	<b>R1 774,52</b>	<b>55,5%</b>	<b>R1 774,52</b>	<b>50,7%</b>	<b>R1 774,52</b>	<b>39,4%</b>
<i>Money remaining to secure all other expenses</i>	<b>R1 425,48</b>		<b>R1 725,48</b>		<b>R2 725,48</b>	
Subtract: food (4 persons)	R2 603,10		R2 603,10		R2 603,10	
<b>Minimum surplus/shortfall on food costs</b>	<b>-R1 177,62</b>	<b>-45,2%</b>	<b>-R877,62</b>	<b>-33,7%</b>	<b>R122,38</b>	<b>4,7%</b>

	Wage scenario 4		Wage scenario 5		Wage scenario 6	
<b>Wage income</b>	<b>R6 000,00</b>		<b>R8 000,00</b>		<b>R12 500,00</b>	
<b>Household expenses</b>		<b>% of wage</b>		<b>% of wage</b>		<b>% of wage</b>
Transport to work (2 taxi, return)	R1 176,00	19,6%	R1 176,00	14,7%	R1 176,00	9,4%
Prepaid electricity (350kWh)	R598,52	10,0%	R598,52	7,5%	R598,52	4,8%
Total for transport + electricity	<b>R1 774,52</b>	<b>29,6%</b>	<b>R1 774,52</b>	<b>22,2%</b>	<b>R1 774,52</b>	<b>14,2%</b>
<i>Money remaining to secure all other expenses</i>	<b>R4 225,48</b>		<b>R6 225,48</b>		<b>R10 725,48</b>	
Subtract: food (4 persons)	R2 603,10		R2 603,10		R2 603,10	
<b>Minimum surplus/shortfall on food costs</b>	<b>R1 622,38</b>	<b>62,3%</b>	<b>R3 622,38</b>	<b>139,2%</b>	<b>R8 122,38</b>	<b>312,0%</b>

## 12. JUNE 2020 Expenses for Households Living on Low incomes

The scenarios in the previous pages used a few limited expenses (transport, electricity and food) to show the deficiencies in low baseline wages and social grants. In the NMW and Social Grant scenarios most households could not secure food whilst also securing the typically non-negotiable expenses of transport and electricity. However, the affordability crisis facing households is worse than reflected in the NMW and Social Grant scenarios because households require a myriad of other goods and services to live at a dignified level. It means that if there is a shortfall on food costs, then for sure the money available to be spent on food will be much lower than reflected in the scenario tables as all other expenses have to compete with the remaining money after transport to work and prepaid electricity tokens have been paid, and only some of this money will be allocated to secure food.

Women living on low incomes have told us that expenses are relative to the needs and dreams of individual families, viz. families have different priorities on how they spend their money. However, women agreed that there are a number of expenses which are typically common to most families living on low incomes. Here women identified and prioritised what they said were typical non-negotiable expenses, these include: transport (to work, for scholar transport to school, to go to town to shop, and to access public health care services), electricity (to cook food, keep the lights on, keep warm and for security), education for children (so children can have a brighter future than their parents experienced), burial insurance (so that at least in death there can be a semblance of dignity) and the repayment of debt because households cannot get through the month on the level of income coming into the home and so servicing debt is critical to secure credit going forward. After these expenses, there are a myriad of other essential expenses which households must cover, not least of all food and domestic and personal hygiene products.

Below we provide several Pietermaritzburg-based costs of a range of goods and services expenses which households on low incomes may typically be expected to cover. The cost data is not complete and excludes many potential expenses. Its purpose is however to provide a sense of what some important household expenses cost in Pietermaritzburg for households living on low incomes and further provides insight into what level of income households living on low incomes may require to live at a basic level of dignity.

The table below provides a picture of what a more extensive expense list may look like and cost for a family of four (4) members living on a low income in Pietermaritzburg for **June 2020**.

Several typical household expenses	For	Cost
Burial insurance	Family	R275,00
Transport to work (2 taxi, return)	1 Adult	R1 176,00
Transport to shops and to access public health services	Family	R154,00
Transport to school (omalume)	1 Child	R600,00
Prepaid electricity (350kWh)	Family	R598,52
Debt servicing on food (minimum)	Family	R300,00
School fees (reasonable quality primary school)	1 Child	R1 000,00
Water (flat rate, unmetered households)	Family	R131,58
Food	Family	R2 603,10
Domestic and personal hygiene products	Family	R677,19
Airtime	Family	R300,00
'Savings' into stokvels/mholiswano, stamps etc.	Family	R200,00
<b>Total for typical expenses</b>		<b>R8 015,39</b>

The tally of the cost of some typical monthly household expenses which households living on low incomes reasonably expect to cover is **R8 015,39 in June 2020**. It is clear that on low wages and low grants, these expense costs are well beyond the affordability capacity of most households living on low incomes. Households cut back on food (one of the few expenses we have some level of control over) and take on debt to cover expense shortfalls.

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