

MEDIA STATEMENT

31 March 2020 To all media for immediate release Food prices and Covid-19

Economic justice through the lens of human dignity

Food prices and public health messages in a time of Covid-19.

In this media statement we cover the following:

- 1. Initial price spikes in the household food basket in early March 2020 before DTI regulations, and thereafter what appears to be compliance.
- 2. Observations on important foods that have been left out of the DTI Disaster Management Regulations and which should be included.
- 3. Observations on shifts in purchasing patterns from the supermarket floor.
- 4. That along with washing hands and physical distancing, a core health message must be to eat proper nutritious food.

1. Price spikes and apparent supermarket compliance with DTI Regulations

On the 2nd of March 2020 we collected the monthly PMBEJD food price data. The cost of the household food basket was R3 221,00 (and had increased by 3,6% or R112,23 year-on-year). With the unfolding Covid-19 outbreak, just over two weeks later on the 19th March we collected food prices again and the cost of the household basket had spiked by 3,1% (R99,35) to R3 320,35. A week later on the 26th of March we collected food prices again and prices had increased but very slightly by 0,2% (R7,91) to R3 328,26 [see summary in Table 1 below and full data for price movements in March 2020, attached].

Although, the overall increase on the food prices in the household food basket from the 2nd of March 2020 to the 26th of March 2020 had increased quite a lot by R107,26 (3,3%); the data appears to show that price spikes have been arrested by the introduction of the *Department of Trade and Industry Regulations for Consumer and Customer Protection for the period of the Covid-19 outbreak under National Disaster* (Gazetted 19 March 2020).ⁱ Our data shows a similar pattern for household domestic and personal hygiene products. Our sense is that supermarkets in Pietermaritzburg are complying and will act in good faith but we should still be vigilant.

Table 1: The cost of the PMBEJD Household Food Basket year-on-year, and in intervals during March2020.

2nd Mar 2019	2nd Mar 2020	19th Mar 2020	26th Mar 2020	2 Mar 2019 vs 2 Mar 2020	2 Mar 2020 vs 19 Mar 2020	19 Mar 2020 vs 26 Mar 2020	2 Mar 2019 vs 26 Mar 2020	2 Mar 2019 vs 26 Mar 2020
R3 108,77	R3 221,00	R3 320,35	R3 328,26	R112,23	R99,35	R7,91	R219,49	7%
Total household food basket				Change in Rands				Change in %

An average increase of 7% on the Household Food Index from March 2019 up to the end of March 2020 is significant. It is unclear at this stage whether this will come down in the coming weeks. For now, this is a heavy increase on the monthly food basket of households living on low incomes. It is especially worrying in the face of a pandemic, in a context where many South Africans have compromised immune systems and where millions of households will see a decrease in their monthly income. [See the full March 2020 Household Affordability Index at www.pmbejd.org.za].

PMBEJD tracks food prices in supermarkets that target the low-income market in Pietermaritzburg. We will continue keeping an eye on these stores during the Covid-19 pandemic and will track prices more frequently.

2. Important foods omitted from DTI Regulations

The following observations may be useful for additions to the DTI Regulations: The DTI Regulations do not include bread, sugar beans, samp and eggs. These 4 foods should really be included in the regulations.

Bread is a staple food in most homes, although we do not how the lock-down may affect distribution. Our data shows that both White and Brown Bread increased by 10% in the days before the Regulations were gazetted and have not come down since. Increases were seen across 4/5 supermarkets. White Bread increased from R9,93 to R10,95 and Brown Bread increased from R8,97 to R9,85. We do not know if there is a justifiable reason for the increases.

Sugar beans (and other legumes e.g. split-peas and lentils) are a core staple food in most households and an important plant-protein. Sugar beans increased by 3% during March 2020. Sugar beans are important for a nutritional diet, especially as meat consumption is being reduced (see below).

Eggs are an important protein and especially during this time, as women tell us they are buying more eggs instead of meat. This is because more money is being spent on securing the core staple starches, so less money is available to buy protein (and meat) – so more eggs are being bought as a substitute of meat and eggs are becoming an increasingly important source of animal protein. And because women are concerned that longer waiting times for transport will spoil meat, as well as concerns for refrigeration (eggs do not need to be put in the fridge – women are not convinced that Eskom will keep the lights on). Eggs decreased in price by 9% during March 2020. This decrease will be very important to support increased consumption of eggs.

Samp, along with maize meal is a core staple starch in most households. Samp increased by 7% during March 2020.

Soap is not specifically mentioned in the Regulations. It might be necessary to specifically name it. We would suggest the inclusion of "Green Bar Soap."

3. Observations from the supermarket floor and waiting lines

The following observations may be useful in general: Women are buying more core staple foods e.g. maize meal, rice and sugar beans. Women are buying more eggs (and as a substitute for meat). Women are buying more tinned foods (pilchards and baked beans) – just in case.

More soap is being bought to wash hands more often. More jik is being bought – as a sanitiser to clean surfaces.

Note that women are not spending more money; they are shifting their spending purchase patterns. So, they are buying more core staples and less meats, vegetables, dairy products. In general, it means that diets are less diverse and less nutritious. In the face of a pandemic where immunity is generally low, a proper nutritious diet supports the body to resist disease. The shifts in purchasing patterns selected by women in the face of no extra money to spend and fears of difficulties in accessing supermarkets, and future losses of income, may therefore not help in supporting immunity for the next few weeks.

Women are also telling us that they are limiting the numbers of shops that they buy food from. Typically, women in Pietermaritzburg may shop in 4 to 5 supermarkets and 1 to 2 butcheries as a strategy to find cheaper prices. The restrictions on entry and long waiting periods coupled with a fear of contracting Covid-19 has resulted in women shopping in fewer shops or just one supermarket and one butchery. This means that the household food basket will be more expensive – and therefore because women do not have extra money to spend, less foods will be bought.

4. An important public health message: eat proper nutritious food.

We are concerned that a core protection measure is missing from the public health message on Covid-19. Along with washing hands and physical distancing, it is important that South Africans are also advised to eat proper nutritious food. The first line of defence against disease is our bodies. Eating proper nutritious food is critical to support health and build a strong immune system to resist disease.

We need to eat a variety of good quality whole foods, grown as close to the table as possible, and must not eat too much sugar, salt and fat. So, with the starches of maize meal, rice, bread and potatoes, we must also eat a variety of vegetables (especially dark coloured e.g. spinach, butternut, carrots) and fruit; dry beans, split-peas and lentils; eggs and dairy (amasi, milk, yoghurt); chicken livers and lean meats and fish.

Just the data from our recent observations suggests that this is a very hard ask. Notwithstanding that our experience and work over the past several years shows that most South Africans cannot afford proper nutritious food – our bodies are not healthy and our immune systems are weak. This makes us terribly vulnerable to disease. We have been saying this for years. It is hard to see how this pandemic will not catch us out. We are in an emergency situation; it is critical that households who require additional nutritional food support receive it via direct cash transfers and/or food parcels. These types of interventions will become increasingly urgent in the weeks that follow. It would be useful to be proactive.

¹ Department of Trade and Industry (2020). Competition Act (89/1998): Consumer and Customer Protection and National Disaster Management Regulations and Directions. [DTI Regulations]. Regulation Gazette No. 11057, Vol 657. No. 43116. 19 March 2020. Page 9 and 10. See link: <u>https://www.gov.za/sites/default/files/gcis_document/202003/4311619-3dti.pdf</u>