

Key data from the December 2023 Household Affordability Index

The December 2023 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 December 2023:** The average cost of the Household Food Basket is **R5 238,20**.
- **Month-on-month:** The average cost of the Household Food Basket **decreased** by **R76,43 (-1,4%)**, from R5 314,63 in November 2023 to R5 238,20 in December 2023.
- **Year-on-year:** The average cost of the Household Food Basket **increased** by **R385,03 (7,9%)**, from R4 853,18 in December 2022 to R5 238,20 in December 2023.

The following foods increased in price in December 2023.

Foods which increased in price in December 2023, by **5% or more**, include: soup (6%), carrots (6%), bananas (7%), apples (5%), and oranges (23%).

Foods which increased in price in December 2023, by **2% or more**, include: salt (4%), frozen chicken portions (2%), tea (2%), beef (2%), fish (3%), spinach (2%), green pepper (4%), *cremora* (2%), and apricot jam (4%).

This month we saw **big price drops** in some vegetable prices: *potatoes and onions* (continuing from last month), and *tomatoes and butternut*.

- *Potatoes* are down 19% (-R25,07) with a 10kg bag costing R104,95.
- *Onions* are down 10% (-R10,34) with a 10kg bag costing R96,19.
- *Tomatoes* are down 12% (-R16,47) with a 6kg box costing R121,91.
- *Butternut* is down 17% (-R24,93) with a 10kg bag costing R123,54.

We further saw a significant decrease in the price of maize meal, down 6% (-R18,45) on 30kgs (3 by 10kg bags). In December 30 kgs of maize meal costs R281,65.

The price of rice came down this month by 2%, with a 10kg bag costing R165,01 – a marginal drop of -R2,53 but one which seems to confirm that the rice price is indeed starting to stabilise albeit on a high base.

Similarly cooking oil continues to come down off its highs of last year, dropping a further 4% in December, with its year-on-year price down by -13%. The average price of 5 litres of cooking oil is now R156,37.

The egg price also appears to be stabilising off a high base, with our data showing a 7% (-R13,31) drop in the price of 60 eggs (2 by 30 egg trays) between November and December, with 60 eggs in December now costing R178,52. However, the egg price is still considerably higher (55% or R63,19) than this time last year, when 60 eggs cost R115,33.

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 1-3, 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). *STATS SA's Producer Price Index* for November 2023ⁱⁱ shows **agriculture was 7,7%**.

Inflation on the food baskets per area tracked.

In December 2023, food baskets decreased in all areas tracked (Joburg, Durban, Cape Town, Springbok, Pietermaritzburg and Mtubatuba).

The Joburg basket **decreased** by R62,40 (-1,2%) month-on-month, and **increased** by R471,08 (9,7%) year-on-year, to **R5 348,09** in December 2023.

The Durban basket **decreased** by R56,49 (-1,1%) month-on-month, and **increased** by R297,22 (6,0%) year-on-year, to **R5 213,21** in December 2023.

The Cape Town basket **decreased** by R115,61 (-2,2%) month-on-month, and **increased** by R355,45 (7,4%) year-on-year, to **R5 132,78** in December 2023.

The Springbok basket **decreased** by R153,81 (-2,7%) month-on-month, and **increased** by R464,87 (9,1%) year-on-year, to **R5 597,73** in December 2023.

The Maritzburg basket **decreased** by R30,31 (-0,6%) month-on-month, and **increased** by R361,71 (7,7%) year-on-year, to **R5 035,02** in December 2023.

The Mtubatuba basket **decreased** by R76,40 (-1,4%) month-on-month, and **increased** by R202,18 (4,0%) year-on-year, to **R5 276,13** in December 2023.

(See pages 10-15 for area specific data, in the December 2023, Household Affordability Index).

Workers

The National Minimum Wage is **R25,42** an hour and **R203.36** for an 8-hour day. In December 2023, with a short 18-working days, the maximum National Minimum Wage for a General Worker is **R3 660,48**. 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 R915,12 per person – this is below the upper-bound poverty line of R1 558 per person per month.**

The December 2023 cost of a basic nutritional food basket for a family of four persons is **R3 687,12** *(See page 6 of December 2023, 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 **64,1%** of a worker's wage (R2 346,92/R3 660,48). Food is bought after monies for transport and electricity have been paid for or set aside (leaving only **R1 313,56** – for food and everything else), and so in December 2023, PMBEJD calculates that workers' families will **underspend on food by a minimum of 64,4% (having R1 313,56 left after transport and electricity, and with food costing R3 687,12). In this scenario there is no possibility of a worker being able to afford enough nutritious food for her family. If the entire R1 313,56 all went to buy food, then for a family of 4 persons, we are looking at R328,39 per person per month. This is below the food poverty line of R760** *(See page 8 of December 2023, Household Affordability Index).*

Women and children

In December 2023, the average cost to feed a child a basic nutritious diet was **R939,74**. Over the past month, the average cost to feed a child a basic nutritious diet **decreased** by **R7,25** or **-0,8%**. Year-on-year, the average cost to feed a child a basic nutritious diet **increased** by **R96,27** or **11,4%** *(See page 6 of December 2023, Household Affordability Index).*

In December 2023, 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 (R939,74)**.

Household domestic and personal hygiene products

The December 2023 *Household Domestic & Personal Hygiene Index* shows an **increase** of **R6,71 (0,7%)** month-on-month. Year-on-year the household domestic and personal hygiene products index **increased** by **R90,24 (9,9%)** bringing the total average cost of basic household domestic and personal hygiene products to **R999,59** in December 2023 *(See page 5 of December 2023, 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>