

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

The May 2024 Household Affordability Index, which tracks the prices of 44 basic foods 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 May 2024:** The average cost of the Household Food Basket is **R5 330,30**.
- **Month-on-month:** The average cost of the Household Food Basket **decreased** by **R6,01 (-0,1%)**, from R5 336,31 in April 2024 to R5 330,30 in May 2024.
- **Year-on-year:** The average cost of the Household Food Basket **increased** by **R258,70 (5,1%)**, from R5 071,59 in May 2023 to R5 330,30 in May 2024.

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

Inflation is the changes in the prices of goods and services over time. Food price inflation is the changes in the prices of a basket of food over time. Our data is beginning to show an easing in the annual rate of inflation on our PMBEJD food basket (5,1% year-on-year). Whilst the rate of inflation is coming down, it is important to note, that inflation on food is still 5,1% higher now in May 2024 than it was a year ago. Further, the Rand-value cost of the basket (this month at R5 330,30) is still very high in comparison with the low baseline wage of the National Minimum wage (this month at R4 633,44). It means that whilst the overall inflation is coming down, the majority of South Africans, earning low wages, still face a severe affordability crisis, meaning that they are unable to buy the proper nutritious food their families require.

In May 22 foods increased in price, and 22 foods decreased in price.

**Foods in the basket which increased in price in May 2024 by 5% or more**, include: tea (5%), fish (6%), and butternut (9%).

**Foods in the basket which increased in price in May 2024 by 2% or more**, include: maize meal (3%), white sugar (2%), salt (4%), maas (2%), chicken gizzards (3%), beef liver (2%), tomatoes (2%), cabbage (2%), *cremora* (4%), canned beans (3%), apples (2%), and peanut butter (2%).

**Foods in the basket which decreased in price in May 2024, by 5% or more**, include: green peppers (-12%), bananas (-7%), and oranges (-14%).

**Foods in the basket which decreased in price in May 2024, by 2% or more**, include: onions (-3%), soup (-2%), chicken feet (-2%), wors (-3%), beef tripe (-2%), margarine (-2%), apricot jam (-3%), and brown bread (-3%).

*See page 2 of May 2024, Household Affordability Index.*

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

Statistics South Africa's latest *Consumer Price Index* for April 2024<sup>i</sup> shows that **Headline inflation was 5,2%**, and for the **lowest expenditure quintiles 1-3 it is 6,1%, 5,6%, and 5,2%** respectively. **CPI Food inflation was 4,4%** (for CPI Food & NAB it was 4,7%, we use the figure excluding non-alcoholic beverages). STATS SA's *Producer Price Index* for March 2024<sup>ii</sup> shows **agriculture was 8,5%**.

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

*In May 2024, food baskets increased in Durban and Mtubatuba. Food baskets decreased in Joburg, Cape Town, Springbok and Pietermaritzburg.*

The Joburg basket **decreased** by R18,90 (-0,3%) month-on-month, and **increased** by R528,42 (10,4%) year-on-year, to **R5 593,29** in May 2024.

The Durban basket **increased** by R83,79 (1,6%) month-on-month, and **increased** by R300,20 (6,0%) year-on-year, to **R5 340,79** in May 2024.

The Cape Town basket **decreased** by R56,76 (-1,1%) month-on-month, and **increased** by R105,00 (2,1%) year-on-year, to **R5 129,99** in May 2024.

The Springbok basket **decreased** by R144,68 (-2,5%) month-on-month, and **increased** by R86,02 (1,6%) year-on-year, to **R5 577,48** in May 2024.

The Maritzburg basket **decreased** by R66,53 (-1,3%) month-on-month, and **increased** by R51,80 (1,0%) year-on-year, to **R4 993,78** in May 2024.

The Mtubatuba basket **increased** by R39,96 (0,8%) month-on-month, and **increased** by R86,35 (1,6%) year-on-year, to **R5 324,08** in May 2024.

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

### **Women and children**

In May 2024, the average cost to feed a child a basic nutritious diet was **R954,58**. Over the past month, the average cost to feed a child a basic nutritious diet **decreased** by **R4,80** or **-0,5%**. Year-on-year, the average cost to feed a child a basic nutritious diet **increased** by **R53,39** or **5,9%** *(See page 6 of May 2024, Household Affordability Index).*

In May 2024, the **Child Support Grant** of **R530** is **30%** below the **Food Poverty Line** of **R760**, and **45%** below the average **cost to feed a child a basic nutritious diet (R954,58)**.

### **Workers**

The National Minimum Wage is **R27,58** an hour and **R220,64** for an 8-hour day. In May 2024, with 21 working days, the maximum National Minimum Wage for a General Worker is **R4 633,44**. 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 4 people. Dispersed in a worker's family of 4 persons, the NMW, is R1 158,36 per person – this is below the upper-bound poverty line of R1 558 per person per month.**

The May 2024 average cost of a basic nutritional food basket for a family of four persons is **R3 745,15** *(See page 6 of May 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 **55,8%** of a worker's wage (R2 586,92/R4 633,44). Food is bought after monies for transport and electricity have been paid for or set aside (leaving **R2 046,52** – for food and everything else), and so in May 2024, PMBEJD calculates that workers' families will **underspend on food by a minimum of 45,4% (having R2 046,52 left over after transport and electricity, and with food costing R3 745,15)**. **In this scenario there is no possibility of a worker being able to afford enough nutritious food for her family. If the entire R2 046,52 all went to buy food, then for a family of 4 persons, we are looking at R511,63 per person per month. This is below the food poverty line of R760** *(See page 8 of May 2024, Household Affordability Index).*

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

The May 2024 *Household Domestic & Personal Hygiene Index* shows an **increase** of **R16,71 (1,7%)** month-on-month. Year-on-year the household domestic and personal hygiene products index **increased** by **R78,29 (8,3%)** bringing the total average cost of basic household domestic and personal hygiene products to **R1 023,63** in May 2024 *(See page 5 of May 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 April 2024**. Statistical release P0141. 22 May 2024. Statistics South Africa. Pretoria. P4, 7. See Link: <https://www.statssa.gov.za/publications/P0141/P0141April2024.pdf>

<sup>ii</sup> STATSSA (2024). **Producer Price Index March 2024**. Statistical release P0142.1. 25 April 2024. Statistics South Africa. Pretoria. P12. See Link: <https://www.statssa.gov.za/publications/P01421/P01421March2024.pdf>