

# **Key Data from June 2024 Household Affordability Index**

26 June 2024 For immediate release

Economic justice through the lens of human dignity

## Key data from the June 2024 Household Affordability Index

The June 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 June 2024: The average cost of the Household Food Basket is R5 252,77.
- Month-on-month: The average cost of the Household Food Basket *decreased* by R77,53 (-1,5%), from R5 330,30 in May 2024 to R5 252,77 in June 2024.
- **Year-on-year**: The average cost of the Household Food Basket *increased* by **R196,32 (3,9%)**, from R5 056,45 in June 2023 to R5 252,77 in June 2024.

#### Food pricing trends in June 2024.

In June 14 foods increased in price, and 30 foods decreased in price.

Foods in the basket which *increased* in price in June 2024 by 5% or more, include: tea (5%).

**Foods in the basket which** *increased* **in price in June 2024 by 2% or more,** include: onions (3%), soup (2%), beef liver (2%), wors (4%), butternut (4%), margarine (2%), and polony (3%),

Foods in the basket which <u>decreased</u> in price in June 2024, by 5% or more, include: fish (-5%), tomatoes (-13%), carrots (-6%), spinach (-8%), bananas (-13%), apples (-6%), and oranges (-5%)

**Foods in the basket which** <u>decreased</u> in price in June 2024, by 2% or more, include: cake flour (-4%), samp (-2%), cooking oil (-3%), salt (-3%), potatoes (-3%), stock cubes (-3%), eggs (-3%), chicken gizzards (-2%), cabbage (-3%), canned beans (-2%), and white bread (-3%). See page 2 of June 2024, Household Affordability Index.

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

Statistics South Africa's latest *Consumer Price Index* for May 2024<sup>i</sup> shows that **Headline inflation was 5,2%**, and for the **lowest expenditure quintiles 1-3 it is 6,1%**, **5,5%**, and **5,2%** respectively. **CPI Food inflation was 4,3%** (for CPI Food & NAB it was 4,7%, we use the figure excluding non-alcoholic beverages). STATS SA's *Producer Price Index* for April 2024<sup>ii</sup> shows **agriculture was 10,9%**.

## Inflation on the food baskets per area tracked.

In June 2024, food baskets decreased in Joburg, Durban, Cape Town, Springbok and Mtubatuba. Food baskets increased in Pietermaritzburg. (See pages 10-15 for area specific data, in the June 2024, Household Affordability Index).

The Joburg basket *decreased* by R53,41 (-1,0%) month-on-month, and *increased* by R506,94 (10,1%) year-on-year, to **R5 539,88** in June 2024.

The Durban basket *decreased* by R212,96 (-4,0%) month-on-month, and *increased* by R51,89 (1,0%) year-on-year, to **R5 127,83** in June 2024.

The Cape Town basket *decreased* by R29,25 (-0,6%) month-on-month, and *increased* by R116,28 (2,3%) year-on-year, to **R5 100,74** in June 2024.

The Springbok basket *decreased* by R105,52 (-1,9%) month-on-month, and *increased* by R75,67 (1,4%) year-on-year, to **R5 471,96** in June 2024.

The Maritzburg basket *increased* by R94,11 (1,9%) month-on-month, and *increased* by R141,85 (2,9%) year-on-year, to **R5 087,89** in June 2024.

The Mtubatuba basket *decreased* by R90,67 (-1,7%) month-on-month, and *decreased* by R53,32 (-1,0%) year-on-year, to **R5 233,42** in June 2024.

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#### Women and children

In June 2024, the average cost to feed a child a basic nutritious diet was **R935,09.** Over the past month, the average cost to feed a child a basic nutritious diet *decreased* by **R19,49** or **-2,0%.** Year-on-year, the average cost to feed a child a basic nutritious diet *increased* by **R41,31** or **4,6%** (See page 6 of June 2024, Household Affordability Index).

In June 2024, the **Child Support Grant** of **R530** is **30%** below the **Food Poverty Line** of **R760**, and **43%** below the average **cost to feed a child a basic nutritious diet (R935,09).** 

#### Workers

The National Minimum Wage is **R27,58** an hour and **R220,64** for an 8-hour day. In June 2024, with 19 working days, the maximum National Minimum Wage for a General Worker is **R4 192,16**. 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 048,04 per person – this is below the upper-bound poverty line of R1 558 per person per month.

The June 2024 average cost of a basic nutritional food basket for a family of four persons is **R3 667,73** (See page 6 of June 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 **57,9%** of a worker's wage (R2 426,92/R4 192,16). Food is bought after monies for transport and electricity have been paid for or set aside (leaving R1 765,24 – for food and everything else), and so in June 2024, PMBEJD calculates that workers' families will underspend on food by a minimum of **51,9%** (having R1 765,24 left over after transport and electricity, and with food costing R3 667,73). In this scenario there is no possibility of a worker being able to afford enough nutritious food for her family. If the entire R1 765,24 all went to buy food, then for a family of 4 persons, we are looking at R441,31 per person per month. This is below the food poverty line of R760 (See page 8 of June 2024, Household Affordability Index).

### Household domestic and personal hygiene products

The June 2024 Household Domestic & Personal Hygiene Index shows an **increase** of **R6,04 (0,6%)** month-on-month. Year-on-year the household domestic and personal hygiene products index **increased** by **R74,70 (7,8%)** bringing the total average cost of basic household domestic and personal hygiene products to **R1 029,66** in June 2024 (See page 5 of June 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.

<sup>&</sup>lt;sup>i</sup> STATSSA (2024). **Consumer Price Index May 2024**. Statistical release P0141. 19 June 2024. Statistics South Africa. Pretoria. P4, 7. See Link: <a href="https://www.statssa.gov.za/publications/P0141/P0141May2024.pdf">https://www.statssa.gov.za/publications/P0141/P0141May2024.pdf</a>

<sup>&</sup>quot;STATSSA (2024). **Producer Price Index April 2024**. Statistical release P0142.1. 30 May 2024. Statistics South Africa. Pretoria. P12. See Link: <a href="https://www.statssa.gov.za/publications/P01421/P01421April2024.pdf">https://www.statssa.gov.za/publications/P01421/P01421April2024.pdf</a>