



**BASIC NEEDS BASKET WORKSHOP:  
REPORT 8-9 DECEMBER 2016**

THE REEF HOTEL, JOHANNESBURG



# INDEX

---

---

**3** \_\_\_\_\_ Background

## **DISCUSSIONS DAY ONE: 8 DECEMBER 2016**

---

**7** \_\_\_\_\_ **INTRODUCTION OF BASIC NEEDS BASKET PROJECT:**  
\_\_\_\_\_ Goals and Objectives

**10** \_\_\_\_\_ Data Tool Training  
\_\_\_\_\_ What was achieved?

## **DISCUSSIONS DAY TWO: 9 DECEMBER 2016**

---

**11** \_\_\_\_\_ Fine Tuning the Tool  
\_\_\_\_\_ Emerging Issues from the Workshop  
\_\_\_\_\_ Way forward

**12** \_\_\_\_\_ Recommendations  
\_\_\_\_\_ Summary of the Workshop  
\_\_\_\_\_ Annexure

## BACKGROUND

It is widely known that South Africa has one of the world's highest inequality rates, which has contributed to widespread food insecurity and persistent poverty. The Basic Needs Basket Project grew out of a need to contextualise how poverty, an unstable economy, inflation and increasing food and basic necessities costs affect lower income households and their ability to lead a decent standard of living.

In highlighting the need to address the unacceptable poverty that has become a reality for the majority, the Basic Needs Basket Project has endeavoured to broaden the dialogue on poverty, hunger and what is required for a dignified, decent, affordable and healthy lifestyle for all. To gain further insight into the scope of a decent standard of living, the Studies in Poverty and Inequality Institute (SPII) in partnership with the Association of Community-based Advice Offices of South Africa (ACAOSA) with support from the Church of Sweden, the Basic Needs Basket project was re-launched in 2014 to monitor, across the 9 provinces of South Africa in both rural and urban areas, frequently purchased items (food and non-food essential items) by lower income households on a monthly basis to ascertain people's everyday basic needs.



Church of Sweden 



## THE BASIC NEEDS BASKET PROJECT

---

Determining the cost and requirements of a basic needs basket has not been an easy task. The fact that South Africa is characterised by high inequality means that socioeconomic class stratifications present a host of ideas of what is considered a “basic need”, for many lower income households, barely surviving has been normalised to such a deep extent that living from hand to mouth is the order of the day. It is for this reason that a Basic Needs Basket Project has been identified as a necessary tool in the advocating for a decent standard of living for all. Through the data that is collected by volunteers of ACAOSA the project, has thus far revealed that even the most basic items are unaffordable for lower income households and the poor working class, affecting the most vulnerable communities in South Africa who find themselves continuously trapped in the vicious poverty cycle.

---

During the Basic Needs Basket Project’s **#No2Poverty** Campaign initiated during Anti-Poverty week (16-22 October 2016), several alarming factors relating to the state of food insecurity in South Africa came to the fore. To begin with the measurement of poverty in South Africa is very minimalist as it does not truly reflect the harsh intensity of the issue, and the rippling effects of food insecurity on the country’s most destitute population (most of which rely on social security assistance from the state – a progressive measure that is barely enough for people to survive on). The three lines to measure poverty in the country established by Statistics South Africa, the Food Poverty Line of R400 per capita (this measures people’s affordability to only purchase food items within their household budget) the Lower Bound Poverty Line of R544 per capita (measuring only people’s affordability to purchase either food or non-food items) and the Upper Bound Poverty Line of R753 per capita (measuring people’s affordability to purchase both food and non-food items). It is evident that the measurement of poverty in South Africa is not reflective of people’s needs. Consequently, the data that is collected for the purposes of analysis through the Basic Needs Basket Project demonstrates that the monetary values attributed to measuring poverty and the population’s purchasing power and affordability are unreasonably low compared to the minimum household requirements and basic needs.

To illustrate this contradiction through the lived realities of the poor, an average household of four was estimated to spend R151, 48 a month on mealie meal alone (a staple food for the majority of households in South Africa, especially in the rural settings) in the first quarter of 2016 by the Basic Needs Basket findings and bread cost an additional R305. In addition to this the Pietermaritzburg Association for Community Social Action (PACSA) estimated that a minimal monthly nutritional food basket would cost R 4 313.70, and a basic food basket, enough for sustenance would cost R 1 892.31<sup>1</sup>. Not only does the monthly cost of food go way beyond the poverty measure lines, but often, nutrition is unaffordable for low income households, a direct result of which becomes families settling for the bare minimum. This does not even begin to address the cost of other basics.

To add insult to injury, food prices are constantly increasing. The El Nino weather system that has been sweeping through Southern Africa since 2015, has led to one of the worst droughts that South Africa has felt in years. Staple foods, such as bread, flour, mealie meal, maize have increased in costs because of low production. The drought has also meant that many lower income households who rely on producing some of their own food items to reduce food purchasing costs have found themselves in a tight pinch.

One of the overall objectives of the Basic Needs Basket Project is to develop a basket of needs that is representative of the majority of South Africans basic needs, and to analyse and use the information generated from the project to advocate for the State to take the necessary measures to ensure that everyone has the means to access their basic needs. Measurements which this can be achieved is through the implementation of a fair wage system, a meaningful national minimum wage, comprehensive social protection such as a basic income grant and inflation indexed social grant increases coupled with the progressive realisation and enjoyment of people's socioeconomic rights to ensure that the social safety net is ring-fenced in a progressive way that will enable South Africa's most destitute populations to afford a decent standard of living as encapsulated in the International Covenant on Economic, Social and Cultural Rights (ICESCR) – which South Africa has ratified on 12 January 2015.

From a quantitative approach, the Basic Needs Basket aims to produce a basket of needs that determines how much food and non-food items cost for an average household in both rural and urban South Africa. The qualitative approach of the Basic Needs Basket project aims to understand the lived realities of the poor in relation to the constant threat of food insecurity.

Within this context, the Basic Needs Basket Project workshop held at the Reef Hotel from 8–9 December provided the opportunity to find out first hand from community members how contributing factors such as droughts, global economic shifts, fragmented job opportunities and inflation affect people at a household level, and what it really means for them to afford a decent standard of living.



*The average monthly spend on mealie meal for a family of 4.*

## OVERALL OBJECTIVES OF THE WORKSHOP

First and foremost the overall objective of the Basic Needs Basket workshop was to develop a strategy to advance the agenda of the project alongside increasing participant involvement in developing the tool, getting feedback from the communities they operate in as well as their own households on the general state of food security, access to basic food and non-food items, the effects on the spending power of households and the broader meaning of a decent standard of living for all. A background questionnaire (attached in the annexure) was provided to the participants prior to the workshop to initiate a dialogue on issues affecting communities across the country pertaining to food insecurity, implications of the drought and the normalised state of poverty and inequality in South Africa. This exercise provided the participants with insight on the subject matter to be addressed at the workshop.

<sup>1</sup> [www.pacsa.org.za/images/food\\_barometer/May\\_2016\\_PACSA\\_monthly\\_food\\_price\\_barometer.pdf](http://www.pacsa.org.za/images/food_barometer/May_2016_PACSA_monthly_food_price_barometer.pdf)

## SPECIFICALLY, THE WORKSHOP AIMED TO:

- 1** Train the ACAOSA volunteers who are collecting the price data across the country on the objectives of the BNB project, and in consultation with participants develop a roadmap for conducting the project research and facilitating the setting up of focus groups in 2017;
- 2** Develop a new data collection tool that reflects the basic needs of communities in which ACAOSA volunteers work in;
- 3** Strategies around how best the BNB project can access information from the households in communities which the ACAOSA volunteers work in to advance the research of the project in analysing the spending patterns of households, and the impact of price inflation on their respective spending power.

## SPECIFIC OBJECTIVES

- 1** Share experiences on food and non-food price inflation realities;
- 2** Develop a new data collection tool that reflects the basic needs of communities in which ACAOSA volunteers work in;
- 3** Understanding the BNB project and its underpinning goals and objectives;
- 4** Understand the role of selected representatives, and develop strategies for community driven advocacy.

## DELIVERABLES:

- 1** A comprehensive data collection tool reflective of the determined needs of communities across the nine provinces of South Africa;
- 2** Improved capacity on the use of the data collection tool;
- 3** Improved capacity and understanding of the objectives of the Basic Needs Basket Project, and the roles and responsibilities of ACAOSA volunteers and line managers;
- 4** Agreed upon timelines for data submission as well as testimonials collected from community members on their experiences on price inflation and the impact it has had on the affordability of their basic needs and/or spending power.

# DISCUSSIONS DAY ONE: 8 DECEMBER 2016

## INTRODUCTION OF BASIC NEEDS BASKET PROJECT: GOALS AND OBJECTIVES

### SUMMARY OF THE DISCUSSIONS

The discussions held at the workshop were focused on an inclusive dialogue with the participants and the ways in which the project can progress further with their inputs. The central theme of the discussions also placed an emphasis on the concept of a decent standard of living for all, and how the project can be used to express this ideal to communities as an advocacy tool.

During the discussion the importance of making the data speak and come to reflect lived realities was raised specifically around how we continue to shape this basket in light of the broader notion of a decent standard of living. The Basic Needs Basket Project is a complementary initiative alongside SPII's advocacy efforts for a meaningful national minimum wage, comprehensive social protection and other interventions required to lift out of poverty the millions of South Africans trapped in the vicious poverty cycle and

structural and racialized inequalities. The aligning of the Basic Needs Basket Project research to all concerns that affect the poor working class and those living in poverty is critical for a multidimensional approach to addressing poverty and inequality.

During the opening of the workshop, the acknowledgement of the relationship between ACAOSA and SPII was made. It is through this partnership that the Basic Needs Basket Project has been able to link with community based organisations that have provided the fieldworkers who gather the data within their communities with the relevant qualitative information. This relationship has emphasised SPII's endeavour to reach out to those who are affected by poverty and inequality at a grass roots level.

### PROJECT REFLECTIONS

The project reflection presented by Matshidiso Motsoeneng, a researcher at SPII provided a more comprehensive overview the rationale behind the project's establishment and the current objectives of the project. This provided the fieldworkers an insight with the importance of their jobs as data collectors and the role they play in the greater advocacy of the Basic Needs Basket Project towards a decent standard of living for all.

*In terms of the South African socioeconomic environment, the project reflection addressed the following:*

GOVERNMENT ACCOUNTABILITY AND RESPONSIBILITY	THE POOR AS CONSUMERS
The government has a constitutional obligation to improve the lives of all South Africans, to uphold the inherent dignity that all citizens have and to provide interventions that will reduce and eradicate widespread poverty through comprehensive social protection.	The majority of the poor work, and spend almost a third of their wages on food and transport. Human development often takes a back seat to immediate needs. The increasing prices of food, inflation and petrol increases have a direct effect on those living in poverty.
The question around the room became what is government doing to aid development in South Africa? And what role can civil society play in accelerating the development process?	Concerns raised during this segment included the high costs of communications, the digital revolution has meant that access to information and communication technologies is one of the requirements of being a functional part of society and continues to witness price hikes that are increasingly becoming unaffordable for the poor and unemployed. The seemingly unregulated costs of communication by service providers has continued to marginalise the poor pushing them further away from equal and active socioeconomic participation. Not only is inequality increasing in South Africa, but so is the digital divide.
The state has a duty to respect, protect, promote and fulfil people's rights and it is part of SPII's mandate to highlight state accountability and its responsibility to the South African people.	

*Shared sentiments included the need to investigate how to increase socioeconomic participation through interventions such as a basic income grant, and the investigation into monopolies in the private sector that provide much needed services such as communication and electricity.*

## PARTICIPANT EXPECTATIONS

Following the project reflections participants were asked to express their expectations both for the workshop and the project moving forward.

## RESPONSES FROM THE PARTICIPANTS INCLUDE:

The need for the Basic Needs Project to be linked backed to the communities the data is collected from through analysing at household level the findings of the collected data which should be reflected in disseminating information from the Basic Needs Basket Project to rural communities who have limited access to information. The limitation that has been expressed to this extent is the fact that information or research generated by the project should be disseminated in a language that is understood by the community.

Often the experiences of rural and urban households differ, and as such there was the request that the issues around food insecurity, poverty and inequality in rural households be further addressed through field visits by the Basic Needs Basket volunteers to understand the everyday compounded complexities and the difficulties faced by rural households, in particular female headed households.

Civic education was also proposed as an addition to the Basic Needs Basket Project, providing communities with information that will help them make informed decisions, as well as in amplifying and mobilising the voices needed to influence decision makers.

Advocacy was a central expectation from the participants, in order to address poverty and inequality across the country. For example, there needs to be a space in the agenda for the project to escalate arising issues witnessed throughout the activities of the project to the level of the state such as the Department of Social Development, the National Economic Development and Labour Council (NEDLAC) and the office of the presidency. Equally important is the need to sensitize key stakeholders on the

findings of the Basic Needs Basket Project. Advocacy must be used to influence policies such as social grant increases that are inflation indexed, including interventions such as food and education subsidy programmes for the poor and social grant recipients.

Community members are desperate for accountability and action, they expressed the need for the data and Basic Needs Basket reports to form part of a body of tools that must be used for fair wage negotiations, halt food prices increases and direct national debates around sustainable development and the realisation and attainment of a decent standard of living for all.

## A DECENT STANDARD OF LIVING

At the core of the Basic Needs Basket Project, is the aim to understand and move towards a decent standard of living for all as enshrined by the ICESCR and reinforced by the Constitution of the Republic of South Africa. In this endeavour, the workshop sought to explore reflections from participants to ascertain the perceptions of communities and ACAOSA volunteers on what a decent standard of living should entail in South Africa.

**The participants were asked to give a personal understanding of the following:**

- **What is a decent life? What do households need to live this life?**
- **What should go into a basic needs basket?**
- **What would be required in order for people not to feel the impact of poverty? Is this a standard which is attainable for all people?**

During the initial discussions engaging with the idea of a decent standard of living seemed to be a foreign concept to the participants at first. The acceptance of living in poverty has become so normalised in South Africa that shifting away from the notion of just surviving is not easily comprehensible to most.

Participants and SPII staff



THROUGH ENCOURAGEMENT TO THINK BEYOND JUST THE BREADLINE, PARTICIPANTS HIGHLIGHTED THE FOLLOWING AS SOME OF THE REQUIREMENTS FOR A DECENT LIFE:

## A DECENT STANDARD OF LIVING?

1

The ability to have the means to not only provide all the required household needs but to have the means that also allow one to live past survival and live a comfortable and fulfilled life. To not live hand to mouth, and have food that lasts the household throughout the whole month without the fear of having to cut down portions.

2

Poverty in South Africa has largely been inherited, and continues to be passed from one generation to the next and so many of the participants echoed that in order to live a decent life, a dignified life, one must not be shackled by generational burdens of poverty. The main challenge being affording children equal access to education within an economic environment that allows for their parents to have access to employment opportunities that will enable them to send off their children to tertiary education. Therefore a decent life means the opportunity to take charge of one's own development.

3

Detrimental to a decent life is accessibility. Access to transport, housing, economic growth and participation, to adequate and quality healthcare, and equitable redistribution of resources such as sharing of land, and inflation indexed social security programmes.

**The Basic Needs Basket Workshop was a very reflective exercise, after unpacking the notion of a decent standard of living, participants were asked to share their experiences, thoughts and observations on what has prevented the general realisation of a decent standard of living for all.**

## OBSTACLES TO THE REALISATION AND ATTAINMENT OF A DECENT STANDARD OF LIVING FOR ALL:

### Food insecurity

The constant threat of food insecurity is persistent in many lower income households. Participants cited contributing factors to this issue such as politics in the agriculture sector, the low wages that farm workers are faced with as well as the drastic impact that the drought brought on by the El Nino weather system has had on the ability for households to produce their own crops in the face of increased food prices.

The drought has directly led to an increase in staple food prices, intensifying the threat of food insecurity even further. As a result many more households have had to rely on their social grants to sustain their households; these grants are a far cry from being sufficient placing emphasis even more the need for a more comprehensive social protection system for lower income households.

### The South African economy

The threat of food insecurity highlights the many shortcomings of our economy. The unemployment crisis means that fewer and fewer people have are able to meet their basic needs. Many have turned to the informal economy as a response to stagnated economic growth and job opportunities. Even though the informal economy has provided an avenue to make a living for lower income households, it is a saturated market, with little opportunity

to make even enough just to get by.

Observations from participants included the issue of a free economy, and its disadvantages for the poor. There is little recourse available for consumers to complain about, or seek redress on the impacts increasing food prices have on them. Participants from rural communities commented that food is more expensive in their local stores, shop owners are not regulated whatsoever in how high they set the food prices. Often they have to travel to the nearest town to buy cheaper food and other basic necessities which not only is an inconvenience but also adds cumulated transport costs to their basic need requirements.

### Social Protection

A decent standard of living is one whereby the general wellbeing of citizens is a priority to the state. Participants felt that one of the challenges hindering the realisation of a decent life for all is that government is not doing enough for the poor and that the current measures in place are simply not substantive in poverty and inequality reduction. Some suggestions included subsidising household food gardens for the poor, inflation indexed social grant increases, pro-poor policies to reduce inequality, local government needs to be restricted to focus on community level issues and strict monitoring of local government expenditure.

## DATA TOOL TRAINING

Following the discussions from the previous sessions, the agenda then focused on developing a Basic needs basket that would be representative of a variety of households, and co-formulated with the participants themselves from the observations and experiences. Most participants expressed the need to see the BNB project extend further and using a basket that includes a more comprehensive list of essential items co-formulated with researchers from SPII and the data collectors.

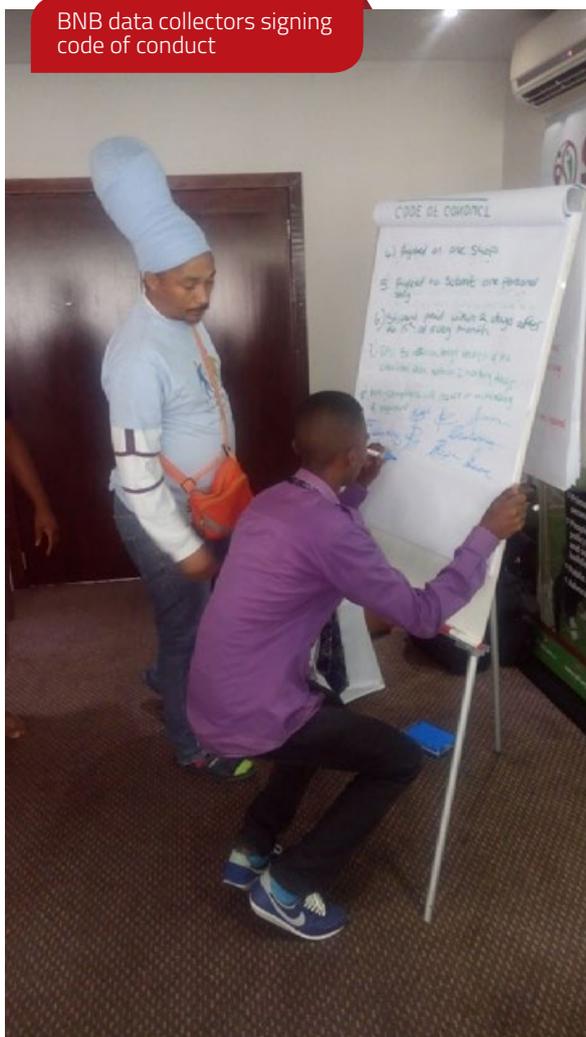
The addition of more items in the basket of needs is a reflection of the desire for the Basic Needs Basket to be tool that represents a decent standard of living. In addition to more items in the basket, the Basic Needs Project intends to provide a qualitative perspective of the implications of food insecurity and the lived realities of the poor.

## WHAT WAS ACHIEVED?

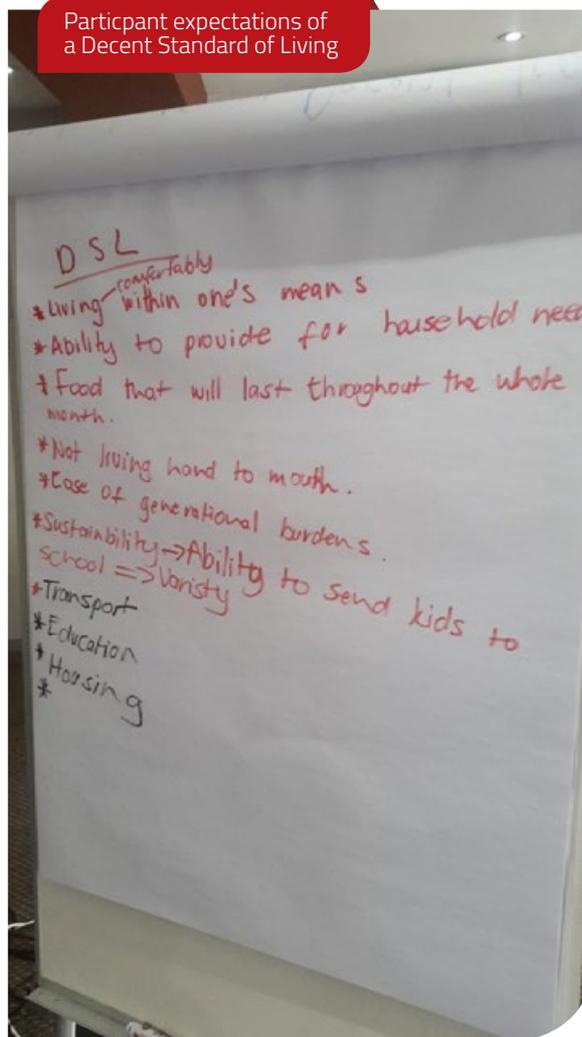
The participants were divided into different groups, who all listed items that should constitute a basic basket of needs. With these items outlined the participants were then brought together the following day to design a final list of items representing a holistic basket of items.

Through this exercise the participants were afforded the opportunity to design the data collection tool that they will be using and to understand the critical role in which they play in the project outcomes. The new capturing tool is hoped to also function as a tool to structure household budgets, and interrogate further the cost of living.

BNB data collectors signing code of conduct



Participant expectations of a Decent Standard of Living



# DISCUSSIONS DAY TWO: 9 DECEMBER 2016

## FINE TUNING THE TOOL

As mentioned previously, one of the main objectives of the workshop was to develop a comprehensive data collection tool as well as training the participants on the importance of this tool and the application of it. The previous day's sessions firmly laid the ground work for the data collection tool (the listing of the items) the focus was then on fine tuning this tool and presenting a list that represented important and common items from all groups.

The groups were brought together once more and all of the lists were thoroughly discussed and a final list of items was decided upon. (The new capturing tool will be attached in annexure)

## EMERGING ISSUES FROM THE WORKSHOP

Part of the agenda of the programme was to reflect on the discussions held and address any issues related to the new tool as well as the project itself. Participants had been given a questionnaire prior to arriving at the workshop, which included a set of questions aimed at better understanding of the project from the data collector's perspective and their communities.

### ***These issues included:***

A number of the data collectors expressed the need for the data collection area to be extended as they often have to travel far to collect the data in designated shops, which means additional transport costs for them.

Advice office administration was another issue cited, participants reported delays between data submission and receiving the data at SPII often lies in the processes of some of the advice offices, as well as issues such as fax machines not working, paper and ink shortages or network issues to send emails. Because advice offices are often under resourced, this is an issue the Basic Needs Basket project needs to be cognisant of, as well the development of contingency plans to ensure timeously data submission.

The previous template also contained some brands and items that were not available at some provinces; part of the training was to ensure that such matters are brought forward as soon as possible. For instance part of the training of the new tool was to include items and brands that are available across the 9 provinces.

The outcome of bringing some of these issues to light is to ensure that the Basic Needs Basket project is continuously monitoring and evaluating its processes to ensure that the project stays on the reflective path throughout and develop as it progresses.

## WAY FORWARD

In order to better facilitate the processes of the Basic Needs Basket Project, a new code of conduct was co-authored with the participants in order to ensure the success of the project. This new code of conduct was signed at the workshop by all the participants and SPII staff present at the workshop. This was a great stride in developing participatory protocols with data collectors and research staff. In the vision for approaching research and advocacy from all angles, in particular amplifying grassroots and community members' voices, this step marked a historic moment in the manner in which the Studies In Poverty and Inequality Institute tackles the socioeconomic ills that plague South Africa.

## RECOMMENDATIONS:

### ADVOCACY

- Quarterly reports must be sent to all advice offices and shared with communities in which data collectors are based, this will assist information dissemination and civic education.
- The introduction of a household qualitative case study to ascertain household budgetary challenges and the impacts of food insecurity.
- Align the Basic Needs Basket with other national campaigns that relate to welfare and social security
- Advocacy through pushing the findings of the Basic Needs Basket project on various media platforms, forums and relevant debates.

### INTERNAL COMMUNICATION

- A Whatsapp group will be established to foster communication between data collectors and SPII
- Regular engagement with ACAOSA to align both organisation's objectives and projects.

### GENERAL

- Data collector's fee

*The data collectors expressed concerns regarding the stipend received for the data collection. At this present stage there is limited funding to increase the stipends, but it is a concern that would be looked into should funds become available.*

## THE WORKSHOP

**The most alarming effect of widespread poverty and inequality is that destitution has become normalised for most.**

The general standard of living is very low; sacrifices to other aspects of life, such as quality healthcare and education have to be made to combat food insecurity. Living in destitution has also fostered an environment where human growth and advancement is extremely difficult. Poverty drives high school dropout rates. The need to make an income to acquire basic needs leads to education being an additional burden that many lower income households cannot afford. Adding to this is the aimlessness that befalls upon the youth because of non-school attendance. The youth are increasingly participating in transactional sex, increasingly exposed to HIV/AIDs infections, high rates of teenage pregnancies, increased drug/substance abuse. Participation in crime

and gangs are just some of the social ills that are driven by poverty in many of the communities the participants reside in.

Rural communities suffer even more from limited access to resources. They have to travel far to access basic needs and electricity outages are a constant as well as water shortages. It is clear that within the communities who experience poverty, factors such as geographic location impact the severity of it too. The intensity of rural poverty continues to drive rural-urban migration. This migration has lured many into cities with the hopes of a better life and increased opportunities to provide for those who have been left back home. Instead the reality has been different, many have ended up displaced, jobless, and those who are waiting back home deserted with nothing but destitution, adding strain to the largely unplanned city densification.

Within this context, the question that was expressed by the majority of the participants was the actions in which we take to address these matters. What can be done armed with the Basic Needs Basket Research and the burning nature of these issues?

This question feeds into the larger mission objectives of SPII, the question of how the research collected is used for advocacy and how the research affects change for those on the ground.

At SPII we hope to provide sound evidence of the call for a better life for all, a decent life that should be the norm, not the exception. Through highlighting these issues and opening up dialogues and platforms for engagements, SPII hopes to pave the way for opportunities to reduce poverty and inequality.

### ANNEXURE 1

Concept Note



### ANNEXURE 2

BNB Evaluation Sheet



### ANNEXURE 3

BNB Questionnaire



### ANNEXURE 4

New Template Draft



Please note the new template will be effective starting in the Q2 report.  
Services and Lump Sum Goods will only be monitored annually in a separate template.