

## HARARE BASIC NEEDS BASKET July 2013

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## HARARE BASIC NEEDS BASKET

The cost of the BNB for Harare has slightly dropped by approximately 1.94%, from \$534.90 in May 2013 to \$524.51 in July 2013. The drop was mainly attributed to a decline in the average prices of farm produce (including tomatoes, onions and greens) owing to their improved supply on the market. During the month, prices of other commodities remained stable. No changes were recorded in the cost of electricity and water bills. The table below presents a detailed July 2013 BNB for Harare.

Harare July 2013 BNB<sup>1</sup>

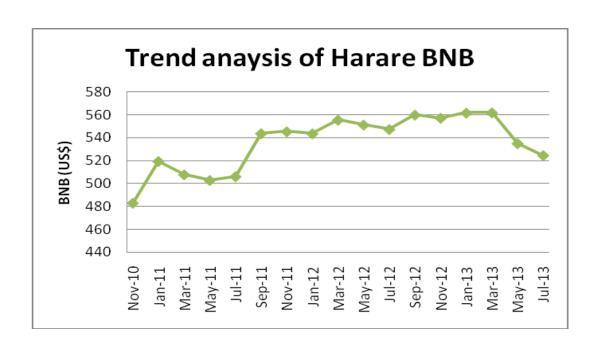
Item	Preferred brand	Unit available	Quantity	Harare Average (US\$)
A. Essential Food Items:				
Mealie Meal	Red Seal (Roller meal)	20kg	2	25.17
Cooking oil	D'lite	2Ltrs	2	8.71
Beef	Mixed	1kg	5	25.81
Chicken	Suncrest cuts	2kg	1	7.98
Beans	Sugar beans	500g	4	9.52
Fish	Fresh	1kg	2	7.70
Kapenta	Dried	1kg	1	9.17
Salt	Pro-brands	2kg	1	0.91
Bread	Bakers Inn	1loaf	30	30.00
Eggs	Standard	1 crate	2	11.58
Sugar	Gold star (white)	2kg	4	9.11
Tea (leaves)	Stella	250g	4	8.48
Milk	Steri	500ml	12	10.23
Margarine	Buttercup	2kg	1	11.63
Onions		1kg	10	14.76
Tomatoes		1kg	10	9.86
Vegetables (greens)	Rape	1kg	22.5	21.04
Sub-total				220.65
B. Essential Non-food items				
Washing soap	Green bar	1kg	5	6.90
Bathing soap	Geisha tablets	250g	5	5.03
Toothpaste	Colgate	100ml	2	2.39
Toilet paper	Softex	4 rolls/pack	6	6.73
Jelly	Vaseline	250g	2	4.32
Sub-total Sub-total				25.36
C. Rates and other services				
Water & Sanitation (medium cost -				
fixed)	Water	fixed		5.00
	Average usage/month	m3	40	12.00
	Sanitation (Sewage)	fixed		11.50
Monthly rent (4 roomed house)	Basic Accommodation	per room	4	200.00
Electricity	Average usage/month			50.00 <sup>2</sup>

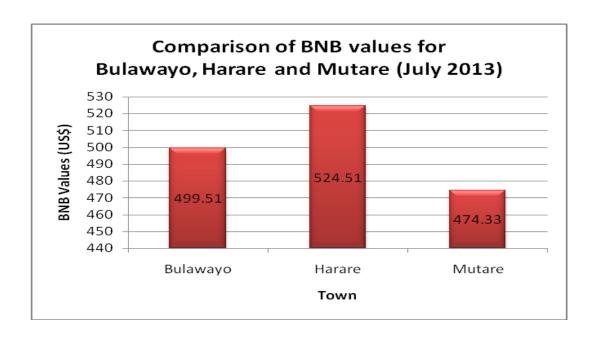
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<sup>&</sup>lt;sup>1</sup> The following are the shops and markets where PRFT collected data on prices of basic commodities for the July 2013 BNB: City Center (TM Robson Manyika, Prime Meats); Epworth (Domboramwari shopping centre); Hatcliffe (Hatcliffe shopping centres); Mbare (OK Mbare and Mbare musika market stalls); Mabvuku (Mabvuku Shopping Centre); Waterfalls (Zindoga shopping centre); Mabelreign (OK and Spar); Newlands (TM); Helensvale (Helensvale Spar). The survey was conducted on the 26<sup>nd</sup> and 29<sup>th</sup> July 2013.

<sup>&</sup>lt;sup>2</sup> Electricity charges were estimated using averages that families are now paying following the installation of pre-paid meters in most homes.

Sub-total	278.50		
Total BNB for Harare			524.51
D. Other Costs			
Telephone/Communication		1\$/day	\$30/month
Transport (public)		\$0.50/trip	\$30/month
School Fees:			
Tertiary	University Public		\$420 - \$550/Semester
	Technical/Colleges (Polytechnic)	National certificate level	\$175 - \$200/term
		National Diploma level	\$225/term
	Secondary		\$80/term
	Primary		\$40/term
	Creche		\$30/term
School Uniforms	Girls		\$69 (complete uniform)
	Boys		\$50 (complete uniform)
Health care	CIMAS Basicare Package	2 adults @ \$67 each and 3 children @ \$40 each	\$40/month
Fuel & Lighting	Paraffin (Pump price)		\$1.20/Litre
	Diesel (Pump price)		\$1.35/Litre
	Petrol (Pump price)		\$1.18/Litre
	Matches		\$.70/pack of 10
	Candles		\$1.85/pack of 6





## Social Services revival, a key step towards eradication of urban poverty in Zimbabwe

According to the recent Zimbabwe 2012 country report on the progress towards attainment of Millennium Development Goals (MDGs), Zimbabwe still lags behind in terms of eradication of poverty. The current level of poverty in Zimbabwe has its roots in the cumulative effects of the protracted economic decline that the country experienced prior to the formation of the Government of National Unity (GNU) in 2009. Although some progress has been achieved in terms of economic recovery after the formation of GNU, eradicating poverty has remained a mammoth challenge for the government. Urban poverty has been worsened by lack of access to affordable education and health care. The social services sector has not received enough support especially in terms of ensuring social protection to vulnerable residents. Due to high levels of unemployment in urban areas with most families earning their income from flea markets and street vending, the majorities are facing challenges and find it difficult to pay the exorbitant school fees and health care bills as the dollar is increasingly becoming scarce.

To access health care services, families on average pay \$20 as consultation fees and this amount excludes cost of buying drugs. Since most families are not on medical aid, payment on health care is done through out of pocket. On the other side, a family with school going children needs to folk school fees which is on average \$50 for crèche, \$45 primary and \$80 for secondary pupils per term. Poverty Reduction Forum Trust (PRFT) considers that such amounts are unaffordable especially to the poor families with low levels of income. An analysis of the households under the PRFT sentinel surveys in Bulawayo and Mutare has revealed that the average household monthly incomes for July 2013 were approximately

US\$373.33 and US\$336, respectively. Comparing these average incomes with a minimum amount required for a decent life (Cost of Basic Needs Basket) in the respective cities, there is no doubt that the majority of families are already in food poverty. The PRFT's Basic Needs Basket (BNB) survey for July has shown that the cost of Basic Needs Basket for an average family of five to live a descent and dignified lifestyle in Harare was \$524.51 while the cost of the basket for same sized families in Bulawayo and Mutare is about \$499.51 and \$474.33, respectively. High school fees and out of pocket spending on health care impose a burden on poor families who are struggling to afford a monthly Basic Needs Basket.

The Millennium Development Goals (MDGs) have identified improvement in access to social services such education and health care as means to alleviate poverty. Investing in education especially primary level and health care positively influence income poverty through human capital development. Due to failure to cope with high bills in education and health care, most families are incurring huge debts. Huge debts have an effect of worsening poverty situation as families are left with no option but to sell their assets to pay the bills.

Due to urban poverty which is an emerging reality, PRFT continues to unmask urban poverty and recommend pro poor policies that aim to cushion the vulnerable families from unaffordable education and health care services. PRFT strongly advocates for social services revival in the process of fighting urban poverty. At policy level, the government should consider policies aiming at increasing social protection to the vulnerable groups in our society that include the aged, orphans and vulnerable children as well as people with disabilities. Implementing National Health Insurance (NHI) policy and increasing resources channelled to the Basic Education Assistance Module (BEAM) are some of the policy measures that can be pursued in this regard.