



Gweru Basic Needs Basket Report

July 2015

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| A. Essential Food Items: | Preferred Brand | Unit Available | Quantity | Average US\$ |
|------------------------------------|------------------------|----------------|----------|---------------|
| Mealie Meal (breakfast) | Red Seal (Roller meal) | 20kg | 2 | 24.10 |
| Cooking oil | D'lite | 2Ltrs | 2 | 6.91 |
| Beef | Economy | 1kg | 5 | 28.25 |
| Chicken | Mixed portions | 2kg | 2 | 13.61 |
| Beans | Sugar beans | 500g | 4 | 4.80 |
| Fish | Fresh | 1kg | 2 | 6.95 |
| Dried Fish (Matemba) | Kapenta | 1kg | 1 | 9.23 |
| Salt | Pro-brands | 2kg | 1 | 0.98 |
| Bread | Bakers Inn | 1loaf | 30 | 29.63 |
| Peanut Butter (Dovi) | Lyons | 375 ml | 3 | 4.35 |
| Drink | Mazoe Orange Crush | 2 litres | 2 | 5.78 |
| Rice | Red seal / Mariana | 2 kg | 2 | 3.68 |
| Eggs | Standard | 1 crates | 2 | 11.35 |
| Sugar | Hullet (brown) sugar | 2kg | 4 | 7.09 |
| Tea (leaves) | Stella | 250g | 2 | 3.78 |
| Milk | Steri/Fresh | 500ml | 14 | 13.97 |
| Margarine | Buttercup | 2kg | 1 | 10.98 |
| Onions | Onions | 1kg | 5 | 6.06 |
| Tomatoes | Tomatoes | 1kg | 10 | 9.96 |
| Vegetables (greens) | Rape | 1kg | 15 | 14.90 |
| Sub-total | | | | 221.13 |
| B. Essential Non-food items | | | | |
| Laundry Soap | Green bar | 1kg | 4 | 3.99 |
| Bathing Soap | Geisha tablets | 250g | 4 | 5.55 |

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| | | | | |
|---|-------------------------|----------|----|---------------|
| Washing Powder | Omo | 1kg | 2 | 6.38 |
| Toothpaste | Colgate | 100ml | 2 | 4.08 |
| Sanitary pads | Farai | 1 pack | 3 | 2.18 |
| Toilet paper | Softex | 4 rolls | 4 | 4.51 |
| Shoe Polish | Nugget | 50ml | 2 | 2.70 |
| Toilet Cleaner | Harpic | 750ml | 1 | 1.47 |
| Petroleum Jelly | Vaseline | 250ml | 2 | 1.17 |
| Lotion | Camphor | 500g | 1 | 0.65 |
| Sub-total | | | | 32.03 |
| C. Rates and other essential services | | | | |
| Water & Sanitation (medium cost - fixed) | Water | fixed | | |
| | Average usage/month | m3 | 40 | |
| | Sanitation (Sewage) | fixed | | 0.00 |
| Monthly rent (4 roomed house) | Basic accomodation | per room | 4 | 0.00 |
| Electricity | Fixed (Sept - Dec 2010) | | 1 | 200.00 |
| Sub-total | | | | 283.00 |
| Total for basic needs basket for Gweru | | | | 531.39 |

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Press Statement

Education, the plight of students and bleak prospects for the future

In the July Midterm Fiscal Policy Review by the Minister of Finance and Economic Development, 2015 Gross Domestic Product (GDP) growth rate was revised downwards from 3.2% to 1.5% indicating fewer resources to the fiscus. The downward revision of the growth rate means that the government is incapacitating to generate internal resources to fund the implementation of the government's economic strategy, Zimbabwe Agenda for Sustainable Social and Economic Transformation (ZimAsset). This situation is posing challenges to the implementation of poverty reduction programmes and the realization of the social and economic rights as enshrined in the new constitution of Zimbabwe. According to the United Nations' Human Development Index (HDI), education is one of the critical indicators in assessing the development of nations. This is based on the premise that economic growth alone is not enough but rather people and their capabilities are the ultimate determinants for development. This philosophy saw universal primary education being included as goal number two in the Millennium Development Goals (MDGs). In Zimbabwe, the new Constitution further supports the need to have access to education through Section 75 which states that:

"Every citizen and permanent resident of Zimbabwe has the right to:

- a) A basic State-funded education, including adult basic education; and*
- b) Further education in which the State, through reasonable legislative and other measures, must make progressively available and accessible".*

PRFT's Basic Needs Basket Surveys (BNB) survey

The Poverty Reduction Forum Trust (PRFT) undertook Basic Needs Basket surveys in July with the aim of establishing the current social and economic livelihoods indicators in 7 towns namely Masvingo, Gweru, Bulawayo, Shurugwi, Mutare, Harare and Bindura. The Basic Needs Basket (BNB) reports for July 2015 in Harare, Mutare, Bulawayo, Shurugwi, Gweru, Masvingo and Bindura stood at \$513.58, \$474.14, \$505.99, \$518.50, \$531.39, \$524.94 and \$517.19 respectively. The analysis of the Basic Needs Basket shows that more money would be required

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by families in order for them to meet school fees obligations as the above BNB figures exclude costs of other needs such as education and health. The BNB surveys revealed that the rate of loss of economic opportunities in the urban towns is further accelerating the inaccessibility of social services such as education. 75% of the households who participated in the survey reflected that they were more unable to pay school fees than the situation which prevailed same time last year. In the Bindura BNB survey, the average monthly household income for the 50 households who were surveyed stood at \$173. Given the low average household incomes, it is proving to be difficult for many households to allocate the scarce financial resources among the basic household needs. Of great concern to most parents are the bleak prospects that lie ahead for their children. From the survey, 15% of the respondents pointed out that some O- and A-level students as far back as 2013 have not received their results due to failure to clear the outstanding fees. Some students have failed to even sit for any exams due to failure to raise the examination fees. Those that have their certificates are struggling to pursue tertiary education because of failure to raise the required fees. Chipadze Secondary school, a council school in Bindura, has gone to the extent of engaging debt collectors in order to collect school fees. This of course is coming from the fact that it is unsustainable to run a school when many parents are defaulting on fee payments. The struggle for education can be further evidenced by the June 2015 results announcement by the Zimbabwe School Examination Council (ZIMSEC). According to the ZIMSEC statistics, 20.09% less students sat for the June 2015 O level Examinations. The decline was by 20 338 from 101 471 students who registered at the same time last year. This is indicative of the failure to secure adequate funds as well as the demoralization among both parents and students emanating from the seemingly absence of any economic benefit from acquiring an academic qualification.

These results clearly show the challenges faced by both the supply and demand side of education. The households are failing to assist the education sector in fundraising for service delivery because of lack of income. Moreover, the 17th of July Supreme Court ruling which gave employers the legal right at common law to lay off workers by giving them just three months' notice is expected to make the situation worse. This court ruling has resulted in massive job cuts across the nation. With estimations running into twenty of thousands job losses, these cuts could make it even more difficult for parents to meet their school fee obligations. While PRFT notes that the job losses may result in turn around strategies for companies through labour market adjustments, this economic strategy is a process whose effects might only be felt in medium to long term while in the short-term households are languishing in poverty.

Implications and Recommendations

- The current economic environment makes it even more difficult for parents to provide school fees for their children. The households' vulnerability is likely to worsen if the government proposal's to ban importation of second hand clothing is implemented. This would mean

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huge losses of livelihood opportunities. Therefore, it is important for government to focus on implementing industrialization measures in order to make room for unemployed labor to be absorbed hence increasing income opportunities. This will relieve ordinary people from plunging into abject poverty. The people who have lost jobs should be reabsorbed through employment creation. Without decent work, the family unit is fragmented and in most cases, there is failure to provide for the most basic needs which affects the field of education. In 1999 the International Labour Organisation (ILO) declared the Decent Work Agenda as a key policy and operational concept. This agenda is out of a realization that with sustainable decent work, it will feed into other sectors of society and therefore reducing poverty.

- The government should be more pro-active and realistic in solving the social and economic challenges that people are facing. While the PRFT notes the potential welfare benefits of supporting the domestic industry through import restrictions (e.g. the removal of second hand clothing from the Open General Import License (OGIL), it is important for the government to consider a whole package of the policies which needs to be implemented to rescue the economy from further industrialization. The removal of second hand clothing from the Open General Import License may not be adequate enough to result in a turnaround for the textile industry. The industry should be further assisted in order to bring in new technologies that will ensure lower prices in order to create demand from cash strapped consumers.
- The government has the constitutional obligation to meet the welfare needs of all its citizens, to that end; any policy pronouncement should demonstrate a desire and political willingness to put people's welfare first.
- Today's children and youth are the custodians of the country's sovereignty and education is the vehicle through which they are equipped to effectively fulfill that role. Government has therefore to make a deliberate effort to make education accessible and affordable by all children. Education is a fundamental right.

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