JCTR FOOD BASKET RECORDS HUGE INCREASE: PROPORTION OF HOUSEHOLD EXPENDITURE ON MEALIE MEAL RISES

The Jesuit Centre for Theological Reflection (JCTR) monthly Food Basket for a family of six in Lusaka has recorded a huge increase in its cost. The cost of the Food Basket for the month of August stands at K348,500. This is up by K15,980 from the July figure of K332,520.

According to JCTR Economic and Social Development Research Project Coordinator Muweme Muweme, "the increase is largely attributed to the rise in the cost of mealie meal during the month of August." The cost of mealie meal now averages K24, 100. This translates into K72, 300 for the three bags required to feed a family of six in Lusaka.

"The huge rise in the cost of the Food Basket means that the salary increments recently worked out by government will not be as effective as they would have been in countering high cost of living had the cost of the Food Basket remained stable," observes Muweme.

Muweme further says that "as an estimate only of the cost of food for a family of six in Lusaka, the huge rise in the cost of Food Basket means also that the proportion of household expenditure on food will also have to increase at the expense of health, education, housing, transport, etc."

According to Central Statistical Office publication, *Living Conditions in Zambia* (1998), *Preliminary Report*, food amounted to 59 per cent as a share of the national household expenditure. Already we see here (1998) that the food budget was very high -- indicative of high poverty levels. With the rise in the current cost of the Food Basket, the situation will even become worse.

JCTR hopes that the current rise in the price of mealie meal will be a temporal one. Further, that the measures government has put in place such as the importation of maize to fill the maize shortfall in national requirements and the banning of exports of maize will result in making the price of mealie meal affordable.

[For more information, contact Muweme Muweme, Economic and Social Development Research Project of the Jesuit Centre for Theological Reflection, P.O. BOX 37774, Lusaka, Zambia; tel: 260-1-290410; e-mail: <u>jctr@zamnet.zm</u>; internet: <u>www.jctr.org.zm</u>]