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**INCREASING MEALIE MEAL PRICES SADDENS JCTR**

Mealie meal which is a dominant portion on diets consumed routinely in Zambia ideally ought to be readily available and inexpensive. In the last month, the price of breakfast mealie meal has fluctuated from ZMW68.00 to over ZMW82.00 per 25kg bag in some parts of the country. This is very saddening and alarming especially for a country whose staple food is maize and it has a population where over 60% of the entire population are living in absolute poverty and depend heavily on maize for their diet. It has further been reported that the price of mealie meal still remains high despite the various interventions by the government. The free falling Kwacha has also contributed due to high importation of components needed by millers. This negatively effects on people’s livelihoods as it inadvertently pushes up the cost of production on goods and services.

In view of the rising cost of living, the government is optimistic that the prices of the commodity will reduce significantly once the maize is offloaded to the millers. The cost of living has gone up and this is partly due to the fact that drivers of inflation which include basic food items and non food items have continued rising. This can be confirmed by the recent report from the Central Statistics Office which reported that inflation has risen by 0.1% bringing it to 7.7% for the month of March. This simply means that the average prices of goods and services have increased by 7.7% as is seen from the rising Basic Needs Basket. It is sad to note that in some cases some traders have even opted to discontinue selling the commodity saying the consumers are not buying at the high prices. The traders justify the high prices are due to the fact that the millers have also not reduced their prices. Therefore it remains unclear as to whether the projected bumper harvest for this year will also be realised owing to the fact that some areas have had little or no rainfall.

The cost of living for the month of March 2014 as measured by the *JCTR’s Basic Needs Basket* for an average family of five living in Lusaka stood at **K 3,687.72.** This shows an increase of **K71.44** compared to the month of February 2014 when the basic needs basket stood at **K3, 616.28**. The increase in the basic needs basket is mainly due to the rise in the cost of Mealie meal. Overall, there has been a minimal decrease of **K1.22** in the price of Beef from **K30.58** to **K29.36** per Kilogramme while on the other hand onion has become scarce hence the price going up from **K6.12** to **K8.78** per Kilogramme in February and March, respectively.

The government must therefore intervene in this rising cost of mealie meal bearing in mind that Maize is an economic product that must respond to market forces. Further, the JCTR urges the government to ensure that the prices of mealie meal do not increase any further as it will adversely affect the majority of Zambians who depend on this staple food. The government should also ensure the economic environment is stable and that the value of the Kwacha is strengthened because millers have their own operating costs which include labour, transport, electricity and the ordinary business fixed and variable costs that are ultimately transferred to the final consumer.

**For more information, contact the Social and Economic Development Programme of**

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