

Press Release

12<sup>th</sup> June, 2015

## WAGES AND THE COST OF LIVING

The issue of wages has been debated upon numerous times. This is mainly because the cost of living and monthly wages do not correspond with each other. This calls for salary reviews by both public and private sector employers. In doing this, social and economic variables should be considered that affect the employer as well as the employee.

The cost of living for the month of May 2015 as calculated by **JCTR's Basic Needs Basket (BNB)** for an average family of five in Ndola, Luanshya, Kitwe and Mansa and Solwezi, indicates that the cost of living has fluctuated. Some towns have experienced an increase and others have experienced a decrease in the cost of living. These variations could have an adverse effect on the living conditions of people leaving in these areas especially in cases where salaries are unable to meet these increased costs.

The BNB for Kitwe for May stood at **K2, 773.53** showing an increase of **K282.29**. This increase in the cost of living is attributed to the availability of certain commodities (Kapenta and Dry fish) that were unavailable in the previous month in markets visited. The BNB for Mansa in May stood at **K2, 485.16**, indicating an increase of **K12.75** while that of Solwezi was calculated at **K3, 232.96** in May, showing a minimal increase of **K1.20**.

In terms of BNBs showing reductions, the BNB for Ndola this May stood at **K3, 494.79** showing a reduction of **K110.23**. The reduction is attributed to the cost of *Dry Fish* by **K104.28**, *Kapenta* by **K14.28** and *Beans* by **K3.34**. While the Luanshya BNB in May was calculated at **K2, 607.74** showing a reduction of **K23.50**.

Despite recording a reduction in the cost of living, residents of Ndola and Luanshya still have difficulties in affording basic needs, as in most instances, monthly incomes do not correspond to the cost of living. It should be noted that wages that allow employees meet their basic needs not only acts as a motivator for improved performance at work but gives the employee the chance to provide for their family. Thus improving the welfare (access to education, health and other social amenities) of more than just one community member and giving dignity to their lives.

Keeping in mind the cost of living and the need for basic commodities, JCTR appeals to the government to strengthen its laws on wages, especially the minimum wage. We also urge private sector employers and employees to reach a fair consensus on wages. Further as a way of mitigating costs at household level, household should look for ways to diversify their incomes and minimize expenditures e.g. through setting up vegetable gardens. Employers and employees also need to work together to set up ways in which they could be more productive as this will raise revenues and allow for higher wages to employees.

For more information contact: Tendai Posiana, Assistant Media and Information Officer,  
The Jesuit Centre for Theological Reflection (JCTR) Kitwe Office, 62 Casablanca, Koumboka Drive, Parklands-Kitwe.  
Cell: +260 961 586309 And /or: The Social and Economic Development Programme  
The Jesuit Centre for Theological Reflection, P.O. Box 37774, 10101 Lusaka, Zambia  
Tel: 260-211-290-410 Fax: 260-211-290-759 E-mail: [basicjctr@jesuits.org.zm](mailto:basicjctr@jesuits.org.zm) Website: [www.jctr.org.zm](http://www.jctr.org.zm)  
Twitter: @JCTRorg; Facebook: Jesuit Centre for Theological Reflection  
Location: 3813 Martin Mwamba Road, Olympia Park, Lusaka