



# Bare Necessities to life

HOW MUCH DOES IT REALLY COST TO SUBSIST ON ST HELENA?

September 1, 2018

## Introduction

The Equality and Human Rights Commission continues to be contacted by people who struggle to meet their living costs. The majority of those affected are the vulnerable: the unemployed, pensioners and low income earners with young families are a few. The causal factors are; the cost of imported goods, the world's most expensive electricity and comparatively low local wages. Since the RMS was decommissioned and another ship chartered to bring in our goods and general cargo, prices have reportedly "gone through the roof".

The review of the household income policy and minimum income standard has made no change to those struggling to buy the bare essentials to live.

In evidence in a recent court case the then SHG statistician gave evidence that the cost of living on St Helena is 25% higher than that in the UK and the wages are approximately one third.<sup>1</sup>

The introduction of air access and Brexit looming indicate more changes for St Helena. Whilst it was hoped that air access would boost the economy and improve the quality of life for everyone, this has not happened so far. It is very likely that the effects of Brexit will have an impact on our living on St Helena. The gap appears to be widening between the better off members of our society and the poorer, more vulnerable.

Most of those that contact the EHRC do so because they have reached the point where they cannot afford to buy basic food and hygiene items needed to survive and maintain ones' dignity. The Charity Making Ends meet is often contacted by EHRC to assist those in dire need. Other charities e.g. The Disabled Persons society have been contacted for assistance. It is a reality that people are struggling to pay their debt due to extremely low income. This is a situation that affects the dignity and worth of those living with poverty and debt on Island.

The EHRC have once again attempted to answer the question how much does it really cost to provide the very basic food and hygiene requirements on St Helena.

We acknowledge the input into the report by Prince Andrew School work experience students Chloe Midwinter and Nicole Paulsen.

## Methodology

The EHRC will be the first to admit that none of us are trained or qualified statisticians, however we are all human beings, who live alone or in family units and eat, wash and function like everyone else. So we used our 100 plus years' experience of living and shopping on St Helena.

1. We reviewed our list of all the basic items we would need to feed ourselves and our families and keep clean.
2. We did not include preferences of food (for example while some prefer red tea or green tea we only included black tea on the list as, although having a choice is nice – you only need one). See appendix 1

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<sup>1</sup>Supreme Court of St Helena 21<sup>st</sup> February 2017

3. We collected prices for the cheapest option on all items listed at appendix 1 from retail outlets, Solomon's, Thorpe's and Rose & Crown. These three retailers have shops in the country areas. We took an average of their prices at 1<sup>st</sup> September 2018.
4. A calculation was then made of the amount of each item on the list that would be used in one week by:
  - a. A single person
  - b. A family of 4
  - c. A family of 6
  - d. An unemployed or retired couple
  - e. A couple with a baby
  - f. A single person with a baby
5. We then included an estimate of the cost of electricity and water based on information from Connect.
6. We added in Government Landlord Housing rent as this is the cheapest, for those people in their own housing this would not be an unreasonable figure to cover very basic maintenance.
7. Public transport costs for one trip to town for shopping were included but no allowance was included for home to duty transport or the cost of running a car.

Only the basic living items were included in calculating the living costs. Many items such as, medication, special dietary food, replacement household items and clothing were not included but could be determined as essential to live a comfortable life. (See appendix 2). We also excluded items which are important to health (cabbage and broccoli for example) but are just too expensive on anyone's budget.

These calculations do not include any child minding costs, internet, telephone, alcohol, tobacco, TV service or other entertainment.

## Results

During the period (June –August 2018) we were working on this project, the chartered ship had arrived on about 3 occasions with food and other supplies. It was noted by various customers that each time food items were placed on shop shelves the prices had increased. In addition, certain food items were running short between shipments.

The table below shows an average of how much it costs to subsist on St Helena (column 1). Column 2 shows the current maximum Income Related Benefit (IRB) and Column 3 shows the maximum Basic Island Pension (BIP) available.

	Cost per week August 2017 £	Cost per week August 2018 £	SHG MIS 2018 (without rent)	BIP <sup>(note 2)</sup>
Single person	89.70	93.54	67.86	70.20
Family of 4	262.03	275.81	162.03	
Family of 6	290.74	310.34	209.53	
Retired/unemployed couple	123.10	118.93	107.75	
Couple with baby	178.89	165.34	134.89	
Single person with baby	145.25	134.60	95.00	

Note 1 - In addition to the IRB claimants receive 100% payment of rent for Government Landlord House, up to £33.36 per week for private renting or 100% of the interest on the loan paid for the property they are living in.

Note 2 - The maximum Basic Island Pension after 30 qualifying years is £70.20 per week, many do not qualify if they have spent time overseas, or time unemployed; 25 qualifying years is 75% of the full value of the pension and 20 qualifying years is 50% of the full value of the pension. Less than 20 years does not qualify for Basic Island pension. All persons who are in receipt of Basic Island Pension will receive free prescriptions.

## Comments

It is clear from these figures that anyone without savings or help from family and friends who has to live for a protracted period of time on a BIP or IRB is going to be unable to make ends meet. As stated above nothing has been included in here for clothes so any additional purchase like school shoes, replacement kettle or medical bill is going to cause more problems for those already suffering real hardship.

Since the RMS was decommissioned and the MV Helena contracted to bring in supplies there has been noticeable increase in all imports. In a press release it was confirmed that the increases in freight and bunkering are beyond the control of St Helena Government and there is no subsidy for the MV Helena. A quote from the press release on 14 August 2018 says *“The public should also note that whereas previously the RMS **freight** service was subsidised, the MV Helena service is a purely commercial enterprise and receives no subsidy.”*

It is hard to understand how we can achieve the goals in the 10-year plan of St Helena being

- Altogether Safer
- Altogether Healthier
- Altogether Better for Children and Young People
- Altogether Wealthier

when our most vulnerable cannot afford to maintain their homes and equipment, pay for prescriptions and medical tests or feed their children.

## Appendix 1. List of products included where applicable

Apples	Fresh local Potatoes
Baby food	Fresh Tomatoes
Baby Lotion	Fresh Tuna Fish
Baby Milk Powder	Hand Cream
Baby Soap	Handy Andy/Jif
Baked Beans	Lettuce - each
Bananas	Margarine - 500g
Beef	Milk
Bin Liners	Nappies 6-12 mths (14 per pack)
Black Pepper	Onion (imported)
Black Tea bags	Orange
Bottle Parsley/herbs	Pear
Bread	Plain White flour
Carrots	Pumpkin
Cereal - Corn Flakes	Rent
Cheese	Salt
Chicken	Shortcake Biscuits
Chicken legs	Soap
Cooking Oil -	Soap Powder
Curry Powder -	Toilet Rolls
Deodorant - female	Toothpaste
Deodorant - male	Transport
Dish Washing Liquid - Persil	Water - .97p per unit
Eggs (6 only)	White Rice
Electricity 30p per unit	White Sugar

## Appendix 2: Items not affordable and not included

Alcohol	Meal out/takeaway lunch
Baby Shampoo	Medication
Beetroot pickle	Oxo's
Broccoli	Pasta
Buns (fruit)	Peppers
Cabbage	Raisins or dried fruit
Cake	Replacement items, eg. Kettle, Saucepan
Clothing	Shampoo
Crisps	Special dietary requirements
Custard	Sweet treats/chocolate
Entertainment	Taxi fares
Family outings	Telephone
Fresh Green beans	Television or DVDs
Garlic	Tobacco
Ginger	Tomato sauce
Ham	Vehicle costs
Hospital Expenses including scans and laboratory tests	
Ice cream	
Internet	
Insurance of any kind	
Jelly	
Juice	
Marmite/Peanut butter etc.	