

# Govt urges role players not to raise food prices

By [Vivian Warby](#)

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All role players in the food industry should work together with government to ensure that food prices do not continue to skyrocket.

“We wish to appeal to all role players in the industry from producers to retailers to work with government in ensuring that we do not make food, especially basic foodstuffs such as bread, milk and maize-meal totally out of reach to the millions of our people,” said Health Minister Manto Tshabalala-Msimang.

Speaking at a Social Cluster briefing on Monday, 5 May, she said it was hoped that by appealing to the conscience of role players, it would lessen their chances increasing food prices.

If absolutely all other strategies fail, government would look at regulation and legislation to keep basic food prices under control, the minister said.

Reports have shown that the global food crisis - high food prices and crisis of food availability - had reached emergency proportions and was pushing millions of people across the world deeper into poverty.

The minister said, as had happened in the health sector when it came to capping the prices on medicines, government had first sought other routes.

## Conscience vs. profit

One of them had been to appeal to the conscience of the people of the country which had a positive impact, she said.

“[Role players] need to say ‘I am not going to increase prices because of my conscience. I know I can afford to sell it at this price and still make a profit, I don't need to sell it for more.’”

There were elaborate programmes and measures to be considered before Cabinet can be approached with new regulations and legislations, she said.

She said that, in the light of the poverty and hunger that still confronted millions of South Africans, as the Social Cluster and as government, “We are concerned and worried by the escalating food prices currently affecting the world, including South Africa.

“This development, in our view, makes food unaffordable and it defeats our goal of food security and improving nutritional status of our population,” the minister said.

“In the short term the government was looking at household food security and in the long term it was looking at production.”

## **'Zero rating'**

The Director-General of Health, Thami Mseleku, said in the preliminary report from the Inter Ministerial Committee (IMC) on food prices, possible ways to deal with the crisis had been agreed upon.

“Now we are zooming into these ways, such as zero rating and whether other foodstuffs should be zero rated, and seeing what the implications would be. These were issues that will be looked at over the next week.”

Poverty, hunger and malnutrition continued to be one of the biggest challenges facing the country, said Tshabalala-Msimang.

The Household Food Production Programme was one of government's strategies to improve food security among the vulnerable communities.

To date, she said, 15,765 food production packages had been distributed. “We are also working hard in deepening our interventions around the establishment of school food gardens. To date, 6 390 vegetable gardens have been established.”

In the past the department ventured out with food parcels to poor households but that was riddled with challenges, said the acting DG of social development Vusi Madonsela.

He said Government was keen to move away from delivering food parcels to affected households, as this scheme was “riddled with a number of challenges” that had resulted in distribution delays.

## **Food vouchers and cash transfers**

“We are looking at other options at the moment with fewer problems, such as food vouchers which can be distributed to people more speedily and with fewer hassles.

“We're also looking at cash transfers to people in social assistance programmers and then vouchers to those who fall out of it.

“In the end, we'll probably end up with a combination of cash transfers plus food vouchers.”

## **Farmer support programme**

Tshabalala-Msimang said with regard to the farmer-support programme, a total of 903 clients have received MAFISA (Farmer Support Programme) loans and a total of R8.5 million has been disbursed in the first quarter of 2008 (Jan-March).

Currently, the Land Bank and Umvimba (through all their branches) are involved in retailing MAFISA.

Addressing a Post-Cabinet briefing last week Government spokesperson Themba Maseko said the Inter Ministerial Committee (IMC) on food prices had tabled the progress report on the interventions that are under consideration.

The IMC consists of Ministers of Education, Public Works, Treasury, Social Development, Health, Minerals and Energy, Trade and Industry and The Presidency.

The proposed interventions dealt with short, medium and long-term measures to alleviate the impact of the rising food prices

on the poor, and to ensure household and national food security.

The interventions under consideration included broadening and strengthening the coverage of social safety-net measures; enhancing the implementation of an Integrated Food Security and Nutrition Programme and fast-tracking of the implementation of the land and agrarian reform programme to promote agricultural production and investment.

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## ABOUT VIVIAN WARBY

Vivian Warby is a senior freelance journalist for Bizcommunity.com in Cape Town. She can be contacted on [wordwarrior@mweb.co.za](mailto:wordwarrior@mweb.co.za).

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