

S.P. 28/17



ST. HELENA

GOVERNMENT OF ST HELENA

ST HELENA MINIMUM WAGE

REPORT OF THE EMPLOYMENT RIGHTS COMMITTEE,
19 APRIL 2017

Laid Upon the Table, 12th May 2017

St Helena Minimum Wage

Report of the Employment Rights Committee

19 April 2017

Section 8 of the Employment Rights Ordinance requires the Employment Rights Committee (“the Committee”) to make recommendations to the Governor in Council with respect to

- a) the hourly rate to be prescribed under section 11(1);
- b) the Pay Reference Period for which the hourly rate shall apply;
- c) the method to be used for determining the hourly rate at which a person is to be regarded as remunerated;
- d) any exclusions or modifications that should be made for specified classes of persons under section 11(2).
- e) any classes of persons to which any exclusions or modifications under section 11(2) should apply.

Decision Points

- i. The Committee adopted the view that the Minimum Wage should be increased in 2017.
- ii. The Committee recommends that the Minimum Wage should be increased with effect from 1 October 2017 to:
 - a. £2.95 per hour for all employees having attained the age of 18 years;
 - b. £2.00 per hour for all young people having attained the age of 16 and 17 years.
- iii. The Committee recommends that remuneration from commission, bonuses and tips should not be used to make up the Minimum Wage.

Membership of the Employment Rights Committee

- Honourable Brian Isaac (Chairman)
- Miss Nicole Shamier
- Miss Nicola Essex
- Miss Giselle Richards
- Miss Rosemary Mittens

Minimum Wage

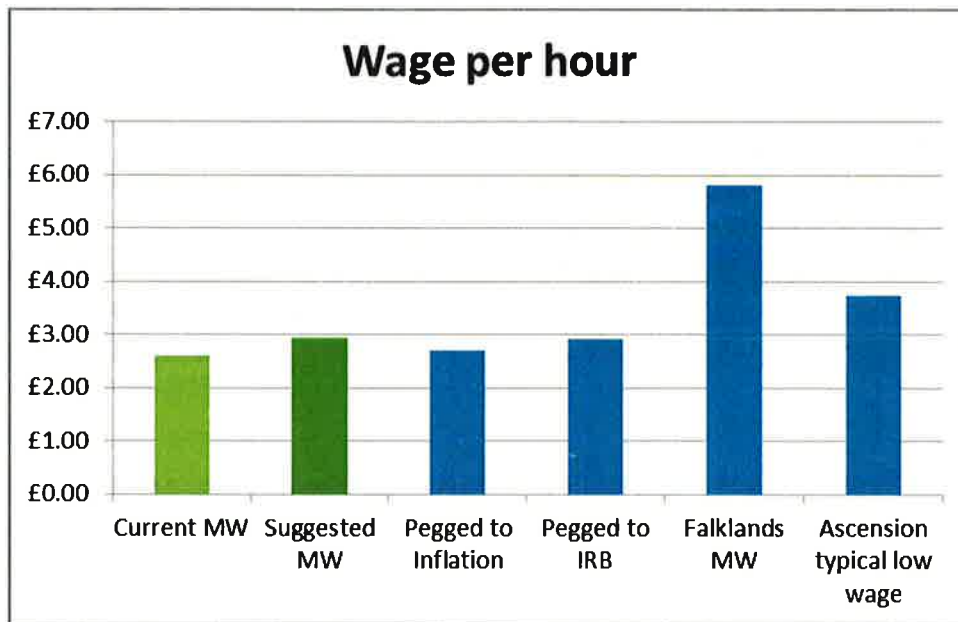
The Hourly Rate of the Minimum Wage

1. The Minimum Wage has not increased from £2.60 (over 18s) and £1.65 (ages 16-17) in over two years. The Committee recommends that the Minimum Wage should be increased.
2. There are a number of upward pressures on the Minimum Wage. Since the Minimum Wage was set at £2.60, prices have inflated by 4.43% and Income Related Benefits increased by 12.2%; if benefits increase more than wages, it is providing an incentive not to work. St Helena is losing workers to Falklands and Ascension; Falklands has a minimum wage of £5.81 and although they do not currently have a minimum wage a typical wage for low skilled worker in Ascension is £3.75. These are 123% and 44% higher than the existing wage in St Helena.

Table 1: Benchmark increases

	Current MW	Suggested MW	Inflation since 2015	IRB increase since 2015	Falklands MW	Ascension typical low wage
Benchmark increase		13.46%	4.43%	12.20%	123%	44%
Equivalent MW	£2.60	£2.95	£2.72	£2.92	£5.81	£3.75

Figure 1: Benchmark increases



3. Lifting the current Minimum Wage rate of £2.60 (brought in on 1 April 2015) to £2.95 would represent a 13% increase, or an annualised increase of 9.3%. By 1 October 2017, the Minimum Wage will have been in force for 53 months (having been introduced on 1 June 2013), and will have increased by 28.3% since the Minimum Wage started.

Consultation Undertaken

Section 9 of the Employment Rights Ordinance requires the Employment Rights Committee to consult-

- a) Such organisations representative of employers as they think fit;
 - b) Such organisations representative of employees as they think fit; and
 - c) If they think fit, any other body or person.
4. A consultation with business and employee representatives was undertaken from 20 March to 18 April 2017. A drop in session was held on 30 March 2017, and despite newspapers featuring the time, date and location, only Cruyff Buckley attended alongside Committee Members. Thereafter, Committee Members attended and received feedback from the Chamber of Commerce on 4 April 2017, where over 20 business representatives were present. There was one submission of feedback from a business representative by email. The recommendation was also discussed with SHGs Head of HR.
 5. Those who took part in the consultation agreed that the Minimum Wage should go up by at least inflation, and said that in the future they would prefer it to go up annually (and gradually) rather than wait for two years and goes up by a large increase. They understood the need to increase the Minimum Wage now in order to address both inflation over the last two years and the reducing gap between the Income Related Benefit (IRB) payments and the Minimum Wage.
 6. A Minimum Wage of £3.00 was proposed during the consultation. Although the majority accepted this amount, the timing of introduction was challenged since budgets for this year had already been set by businesses and it would take time to make the changes required to pay scales. Furthermore, because there is no new money coming into the economy any increase in wages would likely be paid for by increases in prices. However, there was a balance as increasing the Minimum Wage gradually rather than putting in one large increase on 1 April 2018 was preferred.

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7. It was also made clear by many respondents that a change in Minimum Wage would have a domino effect as wages slightly above the Minimum Wage would also need to increase to maintain the gap between pay scales. This domino effect would also affect SHG as grade A1 pays the equivalent to £2.87 per hour and A2 pays the equivalent of £2.94 per hour. If these increased, as would A3 and A4 pay scales to maintain differentials.
8. Based on these points, the Committee decided to recommend an increase to £2.95 from October 2017 (allowing enough time for businesses to review pay scales) and then meet in January 2018 to set in motion the process to increase the Minimum Wage to slightly above £3.00 from 1 April 2018. This strikes a balance between increasing the Minimum Wage over and above inflation, maintaining the gap between IRB payments and the Minimum Wage, providing a more gradual increase of labour prices and improving the standard of living on St Helena.
9. A member of the Chamber of Commerce suggested that there is a loophole in the current legislation which would allow a company to pay a lower basic wage and top up to the Minimum Wage with commission, tips or bonuses. It was agreed by the Committee, that although it is unlikely that many employers are doing this, we would recommend a change in the ordinance to close this loophole, before it becomes a widespread problem.
10. A member of the Chamber of Commerce suggested that 16 and 17 year olds should be paid the same Minimum Wage amount as those aged 18 and above. The Committee discussed this and whilst agreed that if someone aged 16 or 17 was able to achieve the same outputs as an 18 year old, it would be logical for them to be paid the same. However, many school leavers need a lot of support to achieve results at the beginning of their careers and a lower wage is an incentive for companies to choose a school leaver and train them up rather than someone aged greater than 18 years old with more life experience. Additionally, some seasonal jobs such as supermarket bag packing (ideal for students) may not be viable if the wage paid had to be considerably higher. As a result, the Committee recommends that the differential between 16-17 year olds and 18 year olds is maintained and the Minimum Wage for 16 and 17 year olds should increase by 35p per hour (the same increase as the Minimum Wage for over 18s); the decision to pay a 16-18 year old higher than the Minimum Wage is at the discretion of the employer.

Living Wage

11. Many countries are beginning to bring in a 'Living Wage' standard. This standard reflects a wage reflecting the cost to enjoy a decent quality of life, over and above the Minimum Income Standard. It does not have to be obligatory for firms to pay at least a Living Wage (unlike the Minimum Wage), it is only a guide for responsible employers to measure their pay rates against.
12. The Living Wage is calculated¹ as follows:

Minimum Income Standard (MIS) budget = Cost of food + clothing + rent + utilities + basic housing maintenance + household goods and services (including telephone line) + personal goods and services + transportation cost (bus)

Living wage = Minimum Income Standard budget + transportation cost (car) + Alcohol/Tobacco + Leisure + Child Care + Internet + Television package + Mobile Phone package + House Insurance + Health Care + Gifts (+ income tax paid)

Consultation Undertaken

¹ <http://livingwage.mit.edu/resources/Living-Wage-User-Guide-and-Technical-Notes-2015.pdf>

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13. The Committee consulted on whether adopting a 'Living Wage' standard in St Helena would be a useful way for businesses to benchmark against.
14. Although it was made clear that the Living Wage includes a number of luxuries and that if someone earns less than the Living Wage then it does not mean that they are in poverty, employers thought that the Living Wage might cause confusion in the public. One Chamber of Commerce member said that more information is not necessarily better. Some members of the community are likely to be upset to find that the Living Wage is much higher than the Minimum Wage.
15. One member of the Chamber of Commerce suggested that the Minimum Income Standard should include childcare. However, IRB does increase when children live in the household so this is already accounted for.
16. One member of the Chamber of Commerce said that they would prefer a single Living Wage amount rather than a table of differing wages depending upon household situation (as outlined in Annex B of this paper). Another member of the Chamber of Commerce said that if SHG was going to publish a single Living Wage rather than a table based upon household situation, the Living Wage chosen should represent needs for those renting privately because it then represents the needs of the youngest generations.
17. The Committee has taken on board the views from the public consultation and have decided not to explicitly publish a Living Wage amount at this time. However, the Committee believes that the information is useful, and therefore recommend that average price information for 'luxuries' is included within statistics bulletins in the future alongside RPI information.

Summary

Recommendation:

18. From 1 October 2017, the hourly Minimum Wage should be set at:
 - a) £2.95 per hour for all employees having attained the age of 18 years;
 - b) £2.00 per hour for all young people having attained the age of 16 and 17 years.
19. The regulations should make clear that remuneration from commission, bonuses or tips cannot be used to make up the Minimum Wage.
20. The Pay Reference Period, Determination of Hourly Rate, and Exclusions and Modifications as set out in the Employment Rights Ordinance should remain.

Nicole Shamier

Government Economist and Member of the Employment Rights Committee

19 April 2017

Annex A – Minimum Wage Impact Analysis

Section 9 of the Employment Rights Ordinance requires the Employment Rights Committee to -

- a) Have regard to the effect on the economy of St. Helena as a whole and on competitiveness: and
- b) Take in account any additional factors specified by the Governor in Council in a request under section 8 or otherwise.

On deciding a rate change, a range of economic and social evidence was considered, including:

- a. The relationship with retail price inflation;
- b. The relationship with the Income Related Benefit (IRB);
- c. Trends in average income from employment;
- d. Competing with overseas;
- e. The impact on employers;
- f. The relationship with unemployment.

Price inflation

21. The recommended option would meet the objective of increasing the Minimum Wage in real terms.
22. Between Q2 2015 and the end of 2016 (the latest date we have RPI data for at the time of going to consultation), overall prices on St Helena rose by **4.43%**².
 - Raising the Minimum Wage in line with prices would mean setting a new level of **£2.72** (a 4.43% nominal increase, but 0% in real terms). However, this calculation does not include inflation expected between Q1 2017 and Q2 2018, after which the Minimum Wage is likely to be increased again. Therefore the £2.72 is under representative of the inflation expected during the term.
 - Current forecasts (as of Q4 2016) suggest that the RPI in Q3 2018 would be 124.8. This would represent a 5.22% nominal increase compared to Q2 2015. Raising the Minimum Wage in line with expected inflation up to Q3 2018 would mean setting a new level of **£2.74**.
 - The proposed rate of £2.95 represents a 13.5% increase in nominal terms or 8.4% in real terms.

Comparison with IRB

23. The recommended option would meet the objective of increasing the incentive to work.
24. One of the main purposes of a Minimum Wage is to ensure there is an incentive to work, expanding the labour supply and helping avoid people becoming trapped on benefits. So maintaining a gap between the Minimum Wage and IRB payment amount is important. IRB is currently £61.60 which is equivalent to £1.76 per hour for a 35 hour week.
25. The table below demonstrates that IRB has increased by 27.9% since the introduction of the Minimum Wage in June 2013 and 12.2% since April 2015. This compares with the increase in Minimum Wage of 13% since June 2013 and 0% since July 2015.

Table 2: Change in Income-Related Benefits

	IRB	Equivalent p/h	Increase compared to June 2013	Increase compared to April 2015

² In Q2 2015, the RPI was 118.6, whilst in Q4 2016, the RPI was 123.9.

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	IRB	Equivalent p/h	Increase compared to June 2013	Increase compared to April 2015
Jun-13	£48.16	£1.38	-	-
Oct-13	£51.64	£1.48	7.23%	-
Apr-15	£54.90	£1.57	14.00%	-
Apr-16	£59.60	£1.70	23.75%	8.56%
Apr-17	£61.60	£1.76	27.91%	12.20%

26. In order to maintain the incentive to work and to stop the benefits trap increasing, the Minimum Wage would need to increase to over **£2.92** per hour. Increasing to less than £2.92 would mean that benefits for those not working have risen more than the rate of pay for those on the Minimum Wage.
27. The recommended increase of Minimum Wage to £2.95 in October 2017 would mean that the former gap between IRB payments and the Minimum Wage is maintained.

Trends in Overall Income from Employment

28. Data on mean incomes from 2016-17 is neither currently complete nor audited; there are currently 277 entries in the database compared to the 1951 entries for 2015-16. Therefore it is not possible to make a comparison with how the Minimum Wage increases compare to mean incomes between 2015-16 and 2016-17 at this time.
29. Based on 2014-15 income data, the data which is most complete at the current time, there are likely to be around 120 people who will benefit from an increase in Minimum Wage. A study by Manning and Smith in 2015, suggested that an increase in the Minimum Wage is also likely to increase wages in the bottom 5th percentile by 2.9%, bottom 10th percentile by 1.6%, and bottom 20th percentile by 0.7% of the rate of Minimum Wage change. Should this be the case, the bottom 20th percentile of earners could see some increase in income; this is equivalent to around 1500 St Helenians based on 2014-15 data.

Competing with Overseas

30. Ascension and Falklands draw St Helenian workers away because of their comparably high wages and free accommodation packages. This leakage of talent is a problem because it makes it difficult for local businesses to find good recruits, and it means less PAYE tax is being paid which increases the burden on other tax payers.
31. In the Falklands, oil and gas exploration, a strong fishing sector (350,000 tonnes catch), meat and wool sales provide the Island's income which fuels good wages. From the 1st January 2017 the Minimum Wage increased to **£5.81** per hour and the Living Wage to £7.26 per hour.
32. In Ascension, income is generated largely through the US military service. There is no Minimum Wage or Living Wage. However, information provided by Ascension Island Government show salaries from £7,321 which represent non-skilled positions. This is the equivalent of **£3.75** per hour based on a normal 37.5 hour week on Ascension. Note, however, that included in AIG relocation packages are an annual food allowance (£2,969 or £5,936 based on single or accompanied status), free accommodation, shipping allowance, free return travel to residence, free medical and primary care and 30 days paid holiday leave.
33. The recommended increase of Minimum Wage to £2.95 does not significantly address the issue of workers leaving for Ascension and Falklands to work. However the significantly large increase in salaries required to address the competition issue would not be affordable for businesses on St Helena at this time. The plan for St

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Helena to become more competitive as a place to work compared to the Falklands and Ascension will need to be addressed over a longer time horizon, and will be contingent on more new money coming into St Helena through increased exports including tourism.

Impact on Employers

34. A rise in the Minimum Wage will have a short-term negative impact on business profits and government spending.
35. The increase is estimated to cost SHG around £10,000 who it is assumed will increase wages for pay grades A1-A4.
36. It is uncertain how much that the increase in Minimum Wage will cost businesses because the statistics that SHG have on incomes are not accompanied by statistics on related number of hours worked. Not many businesses that we spoke say that they pay less than £3.00 at present. However, any increase in salaries lead to increases in spending and it is likely that this additional income will be expended by local people buying more goods and services. We would expect businesses to be rewarded through higher revenues.
37. By scheduling the rise in Minimum Wage to the autumn, negative impacts on profit are likely to be offset by an increase in demand as a result of a frequent air service due to begin in 2017.
38. Overall, labour productivity in St Helena is low – to a great extent this is because low salaries encourage businesses to use more labour, rather than invest in plant and machinery. Increasing the Minimum Wage quickly, while causing short-term difficulties, will have a positive effect in the long-term by providing a strong incentive for efficiencies and capital investment.
39. Suppressing the Minimum Wage to support one or more struggling sectors is unlikely to be effective. Most employers already pay significantly more than the current Minimum Wage and it is this, combined with the extremely low levels of unemployment, which is causing labour shortages in low-paying sectors. These sectors may be able to recruit more easily as airport/BFI construction is completed, but this is likely to be short-lived as the growing tourism and construction sectors expand their demand for skilled labour.
40. There is a balance to be struck between keeping costs low for businesses, ensuring there is enough labour available for businesses to recruit from, and ensuring that the standard of living continues to improve as per the 'Altogether Wealthier' goal under the 10 Year Plan. By recommending a gradual increase in the Minimum Wage, a balance is provided between these competing issues.

Minimum Wage, Inflation and Unemployment

41. Prior to introduction in 2013, the Government Economist of the time produced a report on the potential economic impact of the Minimum Wage. He outlined three key concerns: the impact on inflation, the likelihood of unemployment and the impact on businesses. Overall, he felt that a Minimum Wage of £2.00 would be most supportive of economic growth, but accepted that it would heighten the risk of a poverty trap so suggested a rate of £2.20. With the Social Policy Adviser of the time arguing for £2.50, the result was a compromise at the rate of £2.30.
42. The Committee in 2015 reviewed the 2013 analysis and reflected on actual experience. In particular:
 - a. While it was estimated that a Minimum wage of £2.30 could cause inflation to increase by between 1.5% and 4.6%, it actually continued decreasing for a further three quarters before slowly increasing. The main reason was the depreciation of the South African Rand, which counteracted high inflation in South Africa.

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- b. St Helena continued to experience extremely low levels of unemployment. The Government Economist's view was that, with the right financial and careers support in place, having a small amount of short-term/cyclical unemployment can be beneficial to economic growth as it alleviates recruitment difficulties for expanding businesses and reduces wage pressures, which have been significant in recent years.
 - c. In 2012/13, aggregate business profits grew by 14.8%, before growing by 16.4% in 2013/14. Where the 2013 economic analysis indicated that profits would be reduced by between £200,000 and £350,000, they actually increased by £475,000. Of course, profits may have been even higher in the absence of a Minimum Wage but, at the very least, a good balance appears to have been struck between the need for strong businesses and the needs of low-wage employees.
 - d. Overall, the Committee felt that the economic impact of the Minimum Wage was not as negative as feared, and was modest compared to the wage growth experienced by employers who have been competing in a buoyant labour market with significant recruitment difficulties.
43. The increase in the Minimum Wage in July 2015 from £2.30 to £2.60 also did not accelerate inflation in the three periods after the increase. The rate of inflation slowed from 2.2% in Q2 2015 down to 0.7% in Q1 2016. Equally, the unemployment rate did not significantly increase during this period. Therefore, the current economist believes that the conclusions provided by the 2015 Committee still apply,

Annex B: Living Wage Data

44. The Government Economist undertook a high level analysis in March 2017 to estimate what the Living Wage could be on St Helena. This was used in preparation for the consultation on the Living Wage. Since then it has been recommended that a Living Wage should not be put forward at this time. Therefore this Annex is for information only.
45. The Living Wage is based upon the Minimum Income Standard food basket, electricity and water usage, plus RPI information on average mortgage price, internet price, TV package price and travel price information, as provided by the Statistics Office for 2016.
46. The Living Wage required depends on whether a person rents, has a mortgage, is mortgage free or pays government Landlord Housing. For example:
- If someone lives alone, without children and rents from a private landlord, a Living Wage is **£8.22 per hour** after tax. The per annum wage (taking in account of tax) would be £14,964.
 - If someone lives with a partner in a mortgaged house and shares child care costs and the price of food for one child, a Living Wage is **£5.34 per hour** and the per annum wage (taking in account of tax) would be £9,719.

A range of examples are summarised in the tables below.

Table 3: Hourly Living Wage by housing type and household size

<i>Adults-Children living in household</i>	1-0	2-0	3-0	1-1	2-1	3-1	1-2	2-2	3-2	2-3
Rent	£8.22	£5.13	£4.09	£10.95	£6.76	£5.36	£13.68	£8.40	£6.64	£10.03
Mortgage	£5.38	£3.73	£3.29	£8.11	£5.34	£4.42	£10.84	£6.98	£5.69	£8.61
Mortgage Free	£4.07	£3.21	£2.94	£6.80	£4.69	£3.98	£9.53	£6.32	£5.25	£7.96
Government Landlord Housing	£4.57	£3.48	£3.12	£7.46	£5.02	£4.20	£10.19	£6.65	£5.47	£8.29

Table 4: Living Wage per annum by housing type and household size

<i>Adults-Children living in household</i>	1-0	2-0	3-0	1-1	2-1	3-1	1-2	2-2	3-2	2-3
Rent	£14,964	£9,330	£7,452	£19,934	£12,306	£9,764	£24,904	£15,283	£12,076	£18,259
Mortgage	£9,789	£6,795	£5,989	£14,759	£9,719	£8,039	£19,729	£12,695	£10,350	£15,671
Mortgage Free	£7,404	£5,849	£5,359	£12,374	£8,526	£7,244	£17,344	£11,503	£9,556	£14,479
Government Landlord Housing	£8,311	£6,329	£5,679	£13,584	£9,131	£7,647	£18,554	£12,108	£9,959	£15,084

47. The most variable cost (and in the case of renters, the largest) is rent, followed by food and drink, and then vacation costs.
48. Although the Living Wage includes luxury items such as a car, vacations, leisure, mobile phones and alcohol/tobacco spending, inevitably, these will be the first costs which would be cut back if a worker receives wages less than those identified above. Receiving wages less than the Living Wage does not mean someone is in poverty, it instead means that the luxuries they consume are limited.

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49. The approach used elsewhere to rationalise the living wages for a range of situations into one figure, has been to calculate the weighted average. For example in Table 1 of the Resolution Foundation report³ which considers a range of situations (e.g. single and living alone, single with child, married with children etc.) provides an average based on the proportion of people in society who are single and living alone, single with child etc.
50. The census provided information on the proportion of St Helenians who owned their homes outright (63%), who paid a mortgage (9%), who rented in private (16%) or in Government Landlord Housing accommodation (12%). The census also provided information on household sizes. This information was used to provide a weighted average of £7,931 per annum, equivalent to £4.36 per hour. However, it is noted that 63% of people own their home outright and over 50% of people in St Helena live either alone or with one other adult, so the results are skewed towards these statistics. The variance can be quite large between the overall weighted average of £4.36 and those who rent. For example, the weighted average hourly Living Wage for renters is £6.30, for those with a mortgage is £4.61, for those with no mortgage is £3.86 and for those in Government Landlord Housing accommodation, £4.20.
51. As a result of the consultation it has not been recommended at this time to publish the results above to avoid causing confusion about their meaning. However, it is recommended that the statistics used to make up the living wage, as presented below, are published within statistical bulletins.

Table 5: Living Wage Inputs

Type	Amount	Time	Also included in MIS?	Assumptions
Food and Non Alcoholic Beverages	£27.75	per week	yes	MIS (2016) rate used £27.75 per week
Clothing	£3.21	per week	yes	MIS (2016) rate used £3.21 per week
Housing Cost: Rent	£500.00	per month	Yes (altered)	£500 per month rent, £157.70 per month mortgage (based on RPI stats 2016), £20 per week 3 bedroom house or £15 per week bachelor flat for GLH (based on MIS, 2016, stats).
Housing Cost: Water	£32.71	per quarter	yes	MIS (2016) rate used: £32.71 per quarter
Housing Cost: Sewerage	£12.50	per quarter	yes	MIS (2016) rate used: £12.50 per quarter
Housing Cost: Electricity	£104.05	per quarter	yes	MIS (2016) rate used: £104.05 per quarter
Housing Cost: Basic Maintenance	£2.29	per week	yes	MIS (2016) rate used: £2.29 per week
Household goods and services (including telephone rental)	£10.83	per week	yes	MIS (2016) rate used: £10.83 per week
Personal Goods and Services e.g. toiletries, hairdressers	£1.53	per week	Yes (altered)	MIS (2016) rate used: £1.53 per week

³ <http://www.resolutionfoundation.org/app/uploads/2016/10/Living-wage-calculations.pdf>

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Transport: Bus	£28.00	per month	no	MIS rate of £3.00 per week only used for MIS calculation. Higher rate used for Living Wage to cover a longer distance. Rate used assumes transport from Longwood area equivalent to Jamestown 5 days a week. Assumed 1 bus seat per adult.
Transport: Car	£687.30	per year	no	Car insurance is £284.90 for Mk 6 Escort, Engine Capacity - 1600cc, Value - £5,000, Insurance Type - Fully Comprehensive, Drivers Age - 25+, + 10% Service Charge. Plus £30 fuel per month. Plus Vehicle Licence £42.40 per year. Assumed 1 car per household.
Alcohol and Tobacco	£11.00	per week	no	Equivalent to a bottle of wine per week. £11
Leisure: Monthly Family Outing	£15.00	per month	no	Trip to a modest restaurant each month. Assumed £15 per person.
Leisure: Savings for a family vacation every 2 years	£935.00	per year	no	Assuming trip to UK every 2 years and RMS £535 each way plus return flight to UK from South Africa £800. Prices may change when air service begins.
Leisure: Recreation (sports clubs/gym)	£15.00	per month	no	Gym at £5 a month, plus membership/fee to another sports club £10 a month. Likely to vary depending on preferences of person.
Leisure: Reading and entertainment supplies	£10.00	per month	no	Newspapers or DVD etc. Assumed £10 a month but likely to vary across months and vary depending on preferences of person.
Child Care	£130.00	per month	no	1 Child Full Day Care at Kids R Us £130 monthly cost.
Internet	£45.10	per month	no	Sure Silver package £41 per month + 10% service tax
Television package	£36.30	per month	no	Monthly subscription of £33 + 10% service tax
Mobile Phone package	£20.00	per month	no	Sure Package 2 includes connection fee, 100 minutes of local calls and 100 local text plus 500MB data. Assumed 1 mobile per adult.
House Insurance	£55.00	per year	no	£50 per annum +10% service charge. Not including car insurance. Cost per household.
Health Care	£10.40	per year	no	Assuming 2 prescription £2.10 each, full dental examination £3.65 and dental consultation £2.55. Cost per adult (child healthcare is free).

