

Mercer Survey: Cape Town, Joburg ranked least expensive cities in Africa

Mercer has released the results of its 2019 Cost of Living Survey. According to the report, South Africa's Cape Town and Johannesburg both dropped from 170 to 180 and 177 to 185 respectively, therefore making these cities some of the least expensive in Africa.



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Mercer's 25th annual Cost of Living Survey finds that a number of factors, including currency fluctuations, cost of inflation for goods and services, and volatility in accommodation prices, contribute to the overall cost of expatriate packages for employees on international assignments. The survey includes over 500 cities throughout the world; this year's ranking includes 209 cities across five continents and measures the comparative cost of more than 200 items in each location, including housing, transportation, food, clothing, household goods, and entertainment.

Africa ranking

N'Djamena, Chad takes the lead as the highest-ranking city in Africa. Kinshasa, Democratic Republic of Congo (22) is in second place, rising 15 places. Libreville, Gabon (24) is the next African city on the list, followed by Lagos, Nigeria (25), which moved up 17 places. Despite dropping about 20 places, Luanda, Angola (26) still remains in fifth place.

However, cities like Banjul in Gambia (204) and Windhoek, Namibia (204) are among the bottom 10 cities on the ranking.

"Each African country has its own unique economy and this is why multinationals need not approach their expatriate packages for Africa with one single strategy. Let's look at it this way, while a city like N'Djamena in Chad has been listed as the 11th most expensive city in the world, whereas Mali comes in at the 124th position in terms of cost of living," said Yolanda Sedlmaier, principal leader - Africa mobility at Mercer.

Global ranking

In a rapidly changing world, mobility programmes have become a core component of multinational organisations' global talent strategy. Organisations realise that to thrive, they must embrace change, adapt to new technologies, and build emerging skills to attract, motivate, and enhance talent.

"In a skill-focused economy driven by digital disruption and the need for a globally connected workforce, deploying expatriate employees is an increasingly important aspect of a competitive business strategy for global companies," said Ilya Bonic, President of Mercer's career business.

"There are numerous personal and organisational advantages for sending employees overseas, including career development, global experience, new skillsets, and re-allocation of resources. By offering fair and competitive compensation packages, organisations can facilitate moves that drive business results."

Mercer's [2019 Cost of Living Survey](#) finds that eight out of the top ten of the world's most expensive cities for expatriates are Asian cities, resulting from high costs for expatriate consumer goods and a dynamic housing market.

Tokyo (2), Singapore (3) and Seoul (4) top the list, while the costliest city in the world for the second consecutive year, is Hong Kong (1). Other cities appearing in the top ten are Zurich (5), Shanghai (6), Ashgabat (7), Beijing (8), New York City (9), and Shenzhen (10).

The world's least expensive cities for expatriates are Tunis (209), Tashkent (208), and Karachi (207).

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