NDP Success likely to be judged by 3 yardsticks: Employment creation, Poverty reduction, and Economic growth.

These three yardsticks are intertwined.
The **money metric poverty** headcounts, provide a complementary overview of the current poverty landscape.
Approximately 13.8 million South Africans were living below the FPL in 2015, down from a peak of 16.7 million in 2009.
Poverty headcounts in 2015

In 2015, more than a quarter of the population were living below the food poverty line.

- **Upper-Bound Poverty Line**
  - Poor: 55.5%
  - Non Poor: 45.5%

- **Lower-Bound Poverty Line**
  - Poor: 40.0%
  - Non Poor: 60.0%

- **Food Poverty Line**
  - Poor: 25.2%
  - Non Poor: 74.8%
The poorest three provinces in the country have consistently been Limpopo, Eastern Cape & KwaZulu-Natal.

Gauteng & Western Cape remain the two provinces with the lowest poverty headcounts at 13.6% & 12.8% respectively.

Source: Poverty Trends Report
South Africa has an urbanising, youthful population. This presents an opportunity to boost economic growth, increase employment and reduce poverty.

(NDP: pg30)
Age structure based on CS 2016

Source: Community Survey 2016
The life circumstances of first demographic wave have not achieved full potential. High Unemployment/Poor Educational outcomes.

Need to invest in second demographic wave to achieve outcomes not seen in their parents generation.

Source: Community Survey 2016
The labour market Q2:2017

37.2 million
(up by 157 000 q-q)
people of working age in
South Africa
(15 – 64 year olds)

22.3 million
(down by 150 000 q-q)
Labour force

14.9 million
(up by 306 000 q-q)
Not economically active*

*Of which 2.4 million
were discouraged work
seekers
(up by 83 000 q-q)

16.1 million
(down by 113 000 q-q)
Employed

6.2 million
(down by 37 000 q-q)
Unemployed

NDP target 2030
Employment: 24 million

ILO hierarchy – Employed first then
unemployed and the remainder is NEA
(including discouraged job-seekers).
3 mutually exclusive groups. Cannot be in two
groups at the same time
Unemployment Rate by Population Group

- **Black African** 31.3%
- **Coloured** 23.6%
- **Indian/Asian** 13.3%
- **White** 5.7%

Significant variation in Unemployment by Population Group

Source QLFS Q2:2017
Labour market dashboard

Number of employed

- Number of employed people decreased from 16.2 million in Q1:2017 to 16.1 million in Q2:2017

Absorption rate

- Absorption rate was 43.3% in Q2:2017 and has not recovered to level of 45.8% in 2008

Labour force participation rate

- Labour force participation rate of 59.9% recorded in Q2:2017 after the highest LFPR of 60.5% in Q1:2017.

Source: QLFS, Q2:2017
EC saw the largest increase in unemployment between Q1 and Q2 2017 and has joint highest unemployment rate with the FS.
Provincial contribution to the national economy - 2015 -

Source: GDP Q4 2016
The population group with the highest level of inequality are black Africans.

Both whites and Indian/Asians saw their Gini coefficients increase, with the white population rising to 0.51 and Indian/Asians returning to their 2006 level of 0.56.
White-headed households (R350 937) spent five times more than black African-headed households (R67 828) and three times more than the national average.

Indians/Asian headed households (R195 336) spent almost three times more than black headed households.

Black African households (R67 828) spent the least among the population groups.
Significant strides have been made by Government towards poverty and inequality reduction.
Government interventions towards poverty and inequality reduction

243 of South Africa’s 278 municipalities had an indigent policy in 2016. Indigent (poor) households are entitled to the following:

- 6 000 litres of free water per household per month
- 50kWh of free electricity per household per month
- Subsidised sewerage and sanitation services
- Subsidised solid waste management services

About 3.6 million households are registered as indigent households of which:

- 62.8% receive free electricity
- 67.8% receive free piped water
- 57.6% receive free sanitation services
- 57.6% receive free refuse removal services

To date more than 17 million social grants are issued on monthly basis to people who qualify the means test.

About 4.3 million RDP houses and subsidies have been delivered since 1994.

About 76.2% of pupils in South Africa are benefiting from school feeding schemes.

More than 20 000 schools are declared as no fee schools.

Sources:
- NFCM
- SASSA and Department of Human Settlements
- Department of Basic Education

The South Africa I know, the home I understand.
Grants represent a significant source of income, in a number of provinces.

Source: GHS 2016
In 2001 wide dispersion of Poverty with Msinga having a poverty Headcount of around 60%.

Between 2001 and 2011 poverty generally declines for all municipalities.

However between 2011 and 2016 poverty trends diverge between municipalities.

Source: Census 2001/2016/CS 2016
Education and Unemployment continue to drive Multidimensional Poverty
Multidimensional Poverty Drivers

- **UNEMPLOYMENT**
  - 2001: 33
  - 2011: 40
  - 2016: 52

- **YEARS OF SCHOOLING**
  - 2001: 10
  - 2011: 10
  - 2016: 10

- **SANITATION**
  - 2001: 11
  - 2011: 14
  - 2016: 16

- **ASSETS**
  - 2001: 7
  - 2011: 7
  - 2016: 7

- **ENERGY FOR HEATING**
  - 2001: 3
  - 2011: 5
  - 2016: 6

- **WATER**
  - 2001: 6
  - 2011: 6
  - 2016: 6

- **ENERGY FOR COOKING**
  - 2001: 7
  - 2011: 7
  - 2016: 7

- **ENERGY FOR LIGHTING**
  - 2001: 5
  - 2011: 5
  - 2016: 5

- **TYPE OF DWELLING**
  - 2001: 5
  - 2011: 5
  - 2016: 5

- **SCHOOL ATTENDANCE**
  - 2001: 4
  - 2011: 2
  - 2016: 1

- **CHILD MORTALITY**
  - 2001: 1
  - 2011: 1
  - 2016: 1

---

POVERTY DRIVERS

CS 2016

STATS SA
STATISTICS SOUTH AFRICA

NDP
THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND
The major contributor to the poverty situation of the youth in South Africa is educational attainment.
No Income by Level of Education and age

Source: Census 2011
significant progress is possible and is within our reach as we gain better handle on planning through the planning tools.

Minister in the Presidency: Planning, Monitoring and Evaluation,
Mr Jeffrey Thamsanqa Radebe
to plan we need 5 capabilities in our data systems, namely descriptive, diagnostic, predictive, prescriptive and adaptive capability.
Levels of data interrogation and intelligence visibility

• **Description of phenomena** – recognition of features of phenomena and highlighting their presence

• **Analysis of phenomena** – understanding relationships in the manifestation of phenomena

• **Diagnosis of phenomena** – paying attention to specifics emanating from analysis

• **Prediction** – knowing and understanding temporal and spatial conduct of phenomena

• **Prescription** – applying discriminant rules and practices to address and change spatio-temporal conduct of phenomena

• **Adaptation** to adjust and manage consequences of intervention
We need 5 capabilities in our data systems, namely descriptive, diagnostic, predictive, prescriptive and adaptive capability.