

## Beneath the noise

9 July 2019

Every year Stats SA conducts a General Household Survey (the Survey) to measure the state of social development in the country. The data provides a useful perspective on what is going on in South Africa – a welcome break from the tedium of echo chambers with their repetitive comment and instant analysis.

### Population growth

In the first Survey, conducted in 2002, the South African population was 45,92 million people. In 2018 it came to 57,46 million. That is growth of 25% over 17 years.

Population growth for 2018, including immigrants, is estimated to be 1,55% per annum. (That is slightly lower than the 1,61% we have been working on.) Stats SA still assumes net migration of one immigrant every 2,5 minutes, 24/7.

For five years now, economic growth has lagged population growth. The result is that per capita incomes are now 1,5% lower than in 2015. It may not seem like a lot, but that -1,5% translates into businesses struggling, jobs being lost, increased unemployment, lower earnings, and fewer opportunities. The decline also means per capita incomes are now the same as in 2012 – this decline has cost us seven years. No wonder people across the economy are feeling the pressure.

In President Ramaphosa's recent State of the Nation Address (SONA), he pointed out that economic growth in South Africa has lagged population growth and set the goal that 'our economy will grow at a much faster rate than our population'. As far as I can remember it is the first time a South African head of state has linked population growth and economic growth. This is a healthy expression of common sense.

### Household growth

The 25% population growth must be compared with 48% growth in households to 16,7 million over the same period. I will write that again: household growth was almost double population growth. That is an enormous indicator of advancing modernity and rising living standards: smaller families and fewer people per household. In fact, 25% of South African households currently consists of ONE person only and 62% of three people or less.

The downside of this positive development is that it generates enormous pressure for basic services like housing, water and sanitation. One must run to stand still. This is part of the reason why even well-functioning municipalities struggle to keep up with service delivery.

### Water

- The Survey notes that the provision of water has slowed down notably since 2014. (The honourable Nomvula Mokonyane served as Minister of Water and Sanitation.) The status of water provision is:
- 46% of households now have water in the dwelling and a further 28% have piped water on site;
- 12% are still dependent on a public tap, with the remaining 14% using a variety of sources like 'the neighbours' tap, boreholes, water tankers and water vendors'; and
- 92% of households rate the water 'safe to drink'.

The trend is that the percentage of communal taps and piped water on-site as sources of water are constant, while water in the dwelling is increasing. This is no doubt an improvement in living standards, but it also means a higher demand for water – it's much easier to open the tap than walk outside or even down the street. Again, running to stand still.

### Sanitation

The provision of improved sanitation has stagnated at 83%, with the last 20% being hardest to achieve. According to

the Survey, 'A range of reasons, including rapid household growth and urbanisation, as well as a preference for flush toilets have all contributed to the slow progress'. Soberly, the Survey warns that 'the relative scarcity of water and regular water interruptions experienced in many parts of the country will increasingly lead to the use of alternative sources of sanitation'.

## Energy

The percentage of households connected to the electricity grid increased from 76,7% in 2002 to 84,7% in 2018. Correspondingly, the use of wood decreased (from 20,0% to 7,7%) as did paraffin (from 16,1% to 3,6%). Households' satisfaction with electricity services declined marginally from 67,5% to 65,7% between 2010 and 2018.

Cost is an issue as illustrated by the fact that households with electricity still use other sources of energy too for cooking, heating and lighting – opting for the cheapest alternative. This makes the president's commitment in SONA that 'South Africa will pursue the cheapest sources of energy' highly relevant and important.

## Food, hunger and agriculture

An astonishing 11,3% of South Africans experienced hunger in 2018. That is 6,5 million people. It is a substantial improvement on the 29,3% reported in 2002, but still. No wonder the president has made 'no person in South Africa shall go hungry' a specific goal in SONA.

Only 14,8% of South African households are involved in 'agricultural production', of which 90% run backyard gardens and 10% cultivate farmland. For 75% of households their involvement was to secure an additional source of food. These backyard gardens are important for food supply. For 6,3% their agricultural involvement was to generate a second income, and for only 2,7% it was their primary income. It's clearly more about food than money. Surprisingly, 7% of agricultural production was merely recreational. (In the Western Cape that number rose to a whopping 41%.)

## Education

The younger children are when money is spent on their education, the better the returns. Early childhood development (ECD) services have expanded but are still limited to only 38% of the 0-4-year-old cohort. They attend day-care centres, creches, playgroups, nursery schools, and pre-primary schools. For those who stay at home with their parents or guardians, stimulation may be lacking as almost half of parents and guardians do not read books with the children and 43% have never drawn or coloured in with them.

In the recent re-organisation of government, President Ramaphosa announced that ECD services have been shifted from the Department of Social Development to the Department of Basic Education– an overdue change long advocated by ECD practitioners. He also set the goal that 'Our schools will have better educational outcomes and every 10-year-old will be able to read for meaning'.

South Africa has near universal education at age 15 (97,4%). However, by age 18 that has dropped off to three quarters (74,5%). The main reasons for the drop-outs were money (24,2%), poor academic performance (22,9%), family commitments (7,9%), and a feeling that education was 'useless' (7,5%).

Despite that, education is spreading. By 2018, people 20 years old and older with at least a grade 12 qualification had increased from 30,5% to 45,2%. In 2002, individuals aged 20 years and older who did not have any education came to 11,4%. By 2018 that figure had shrunk to 4,5%.

At the other end of the age spectrum, age 60 years old and older, a very high 57,8% of South Africans did not at least complete a grade 7 qualification. However, this figure dropped to only 4,4% for those aged 20-39 years of age. Younger people are clearly more educated than their parents.

## So what?

- What you measure, you can manage; that is the value of the household survey.
- South Africa has made substantial progress with the basics of a modern society like water, electricity, universal education, and so on.
- That progress, however, has petered out since about 2014. Blame the second Zuma administration, blame state capture, blame a chaotic government... the fact is, the upward trajectory has flattened.
- There are two keys to return to our earlier trajectory: achieving economic growth higher than population growth and building a capable state.

- These priorities have been set by the president. Now to monitor progress.