

**DEMOGRAPHIC AND STATISTICAL OVERVIEW**

**1994-2004**

**by**

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## **PREFACE**

This report was commissioned by the Department of Social Development as part of the Social Clusters ten-year review process. It is the aim of this study to identify and explain the impact of government policies and programmes, in order to draw lessons that could assist in the development of new objectives for the next decade. Key issues that it addresses are the degree to which government has addressed the legacies of apartheid and the extent to which the quality of life of all South Africans has improved in the first decade of freedom.

As background information to the ten-year review, this report focuses on various demographic and statistical aspects, including population growth and distribution, life expectancies, HIV/AIDS, dependency and sex ratios, the situation of children, income and inequality, unemployment and human development. Data were collected pertaining to the period 1994 to 2001 for all these issues, and some projections were made for the said issues up to 2004. From the obtained data it was possible to determine where progress was made during the period under review, and where areas of concern still prevail.

This project was conducted by a research team of the Bureau of Market Research (BMR) of the University of South Africa (Unisa) in conjunction with officials from the Department of Social Development. Official statistics were used as far as possible, although in some instances BMR, United Nations and World Bank data had to be used in addition to official statistics.

The BMR would like to thank the Department of Social Development for the opportunity to be involved in this very exciting project and hopes that the information provided in this document will be of value to government in determining the efficacy of current policies and programmes.

Prof Carel Van Aardt  
Research Director

## **DEMOGRAPHIC AND STATISTICAL OVERVIEW**

### **1. INTRODUCTION**

The population-related challenges that the newly elected government faced in 1994 included inter alia:

- a rapidly growing population, placing a strain on resources and the provision of services
- nearly 50 % of the populace living below the minimum subsistence level
- an exceptionally low labour absorption capacity of the formal sector of the economy
- more than 40 % of the economically active population not having a formal job
- a grossly unequal distribution of wealth / income in South Africa together with the legacies of apartheid, which would not easily be eradicated, especially in the short- to medium term
- very high levels of functional illiteracy and, in general, a low educational level of the populace
- massive housing and electricity provision backlogs
- inadequate health care provision, especially with regard to the rural areas, and especially in the light of the HIV/AIDS epidemic

- high levels of social instability as reflected by violence and crime
- the rural wastelands resulting directly and indirectly from apartheid policies
- low levels of capital and labour productivity and high labour unit costs hampering South Africa's ability to become globally competitive
- the low level of infrastructural, industrial and economic development
- low economic growth rates and per capita incomes
- the broad spectrum of inequalities between various population groups
- low levels of entrepreneurship and high levels of poverty in the informal sector

## 2. **DEMOGRAPHIC PROFILE**

During the past century, South Africa's population grew rapidly, from 5 million in 1902 to about 44 million in 2001. At present, population growth is declining due to rapidly declining fertility rates and the HIV/AIDS epidemic. Where it was expected, in the late eighties, that the South African population would reach the 80 million mark by the year 2020, a population outcome of less than 50 million is now expected for 2020.

Although the population growth rate is currently far lower than expected earlier, it is important to remember that nearly half the population is already living below the minimum subsistence level, leaving government and civil society with an arduous task to ensure adequate water supply, food production, jobs, schools, housing, et cetera for people being added to the population through births and immigration.

In 1996, South Africa's total population was 40 376 000. By 2001, the country's population stood at 44 328 000. Table 1 illustrates South Africa's population between

1994 and 2001. During the period 1996 to 2001, South Africa's population grew at an average rate of 1,52 per annum.

**TABLE 1(a)**

**MID-YEAR POPULATION ESTIMATES BY PROVINCE AND GENDER TAKING INTO ACCOUNT ADDITIONAL DEATHS DUE TO HIV/AIDS, 1996-2001 (THOUSANDS)**

<b>Province</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Eastern Cape						
Male	2 890	2 957	3 027	3 098	3 160	3 245
Female	3 376	3 444	3 514	3 586	3 651	3 733
Total	6 265	6 402	6 541	6 684	6 811	6 978
Free State						
Male	1 293	1 311	1 330	1 348	1 358	1 386
Female	1 330	1 349	1 369	1 402	1 402	1 431
Total	2 623	2 661	2 699	2 761	2 761	2 817
Gauteng						
Male	3 735	3 794	3 854	3 915	3 949	4 040
Female	3 579	3 646	3 715	3 784	3 832	3 927
Total	7 314	7 440	7 568	7 699	7 781	7 967
KZN						
Male	3 933	3 997	4 061	4 127	4 154	4 261
Female	4 447	4 518	4 589	4 661	4 704	4 810
Total	8 380	8 514	8 650	8 788	8 858	9 070
Mpumalanga						
Male	1 354	1 383	1 412	1 442	1 460	1 503
Female	1 430	1 461	1 491	1 523	1 545	1 587
Total	2 785	2 843	2 903	2 965	3 005	3 091
Northern Cape						
Male	412	415	419	422	425	430
Female	426	431	436	440	444	450
Total	838	846	854	863	869	880
Limpopo						
Male	2 233	2 308	2 385	2 465	2 542	2 633
Female	2 657	2 729	2 803	2 880	2 954	3 039
Total	4 889	5 036	5 188	5 344	5 496	5 671
North West						
Male	1 643	1 668	1 693	1 718	1 734	1 770
Female	1 698	1 724	1 751	1 778	1 799	1 834
Total	3 341	3 392	3 444	3 497	3 533	3 604
Western Cape						
Male	1 928	1 956	1 984	2 012	2 037	2 070
Female	2 013	2 045	2 078	2 111	2 142	2 179
Total	3 940	4 000	4 061	4 123	4 179	4 250
<b>South Africa</b>						
<b>Male</b>	<b>19 421</b>	<b>19 788</b>	<b>20 164</b>	<b>20 547</b>	<b>20 819</b>	<b>21 338</b>
<b>Female</b>	<b>20 956</b>	<b>21 347</b>	<b>21 746</b>	<b>22 153</b>	<b>22 472</b>	<b>22 991</b>
<b>Total</b>	<b>40 376</b>	<b>41 135</b>	<b>41 910</b>	<b>42 700</b>	<b>43 291</b>	<b>44 328</b>

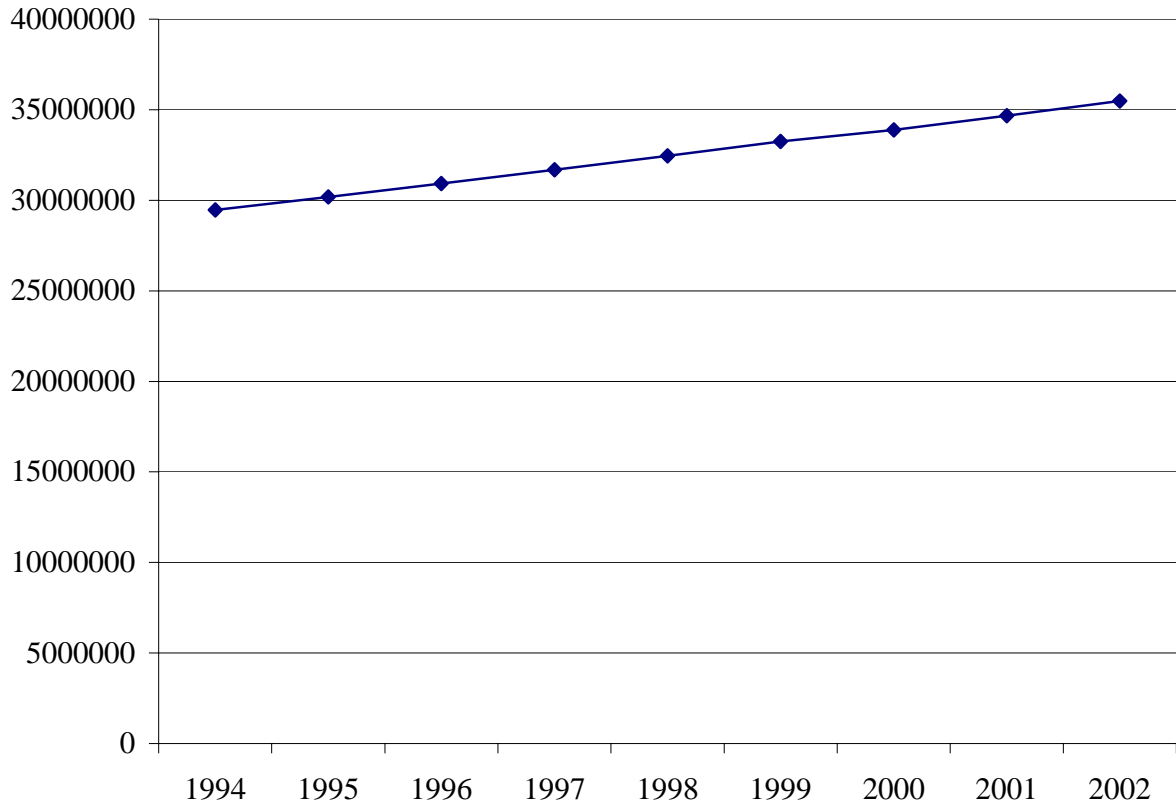
**TABLE 1 (B)****MID-YEAR ESTIMATES BY POPULATION GROUP, 1994 – 2002**

<b>Year</b>	<b>South Africa</b>	<b>Africans</b>	<b>Coloureds</b>	<b>Asians</b>	<b>Whites</b>	<b>Other</b>
1994	38 630 500	29 463 700	3 447 000	1 008 100	4 349 100	362 600
1995	39 477 200	30 184 400	3 513 600	1 024 400	4 386 600	368 200
1996	40 583 574	31 127 631	3 600 446	1 045 596	4 434 697	375 204
1997	41 226 800	31 676 600	3 650 700	1 057 900	4 462 200	379 400
1998	42 130 600	32 449 200	3 721 000	1 074 900	4 500 400	385 100
1999	43 054 306	33 239 879	3 792 631	1 092 254	4 538 727	390 815
2000	43 685 699	33 879 852	3 796 858	1 092 522	4 521 664	394 803
2001	44 560 644	34 668 864	3 869 035	1 109 122	4 533 091	380 532
2002	45 454 211	35 474 192	3 918 048	1 121 815	4 555 289	384 867

The population growth dynamics of the different provinces are evident from table 1(a) above. Women appear to be in the majority in all provinces except Gauteng. A logical explanation for this could be migratory effects whereby more men than women flock to Gauteng in search of better employment opportunities. .

As regards the African population, it is evident from figure 1 that where the African population increased by about 3,5 million over the period 1994 to 2000, the expected growth during the period 2000 and beyond will only be about 2 million.

**FIGURE 1**  
**GROWTH OF THE AFRICAN POPULATION**

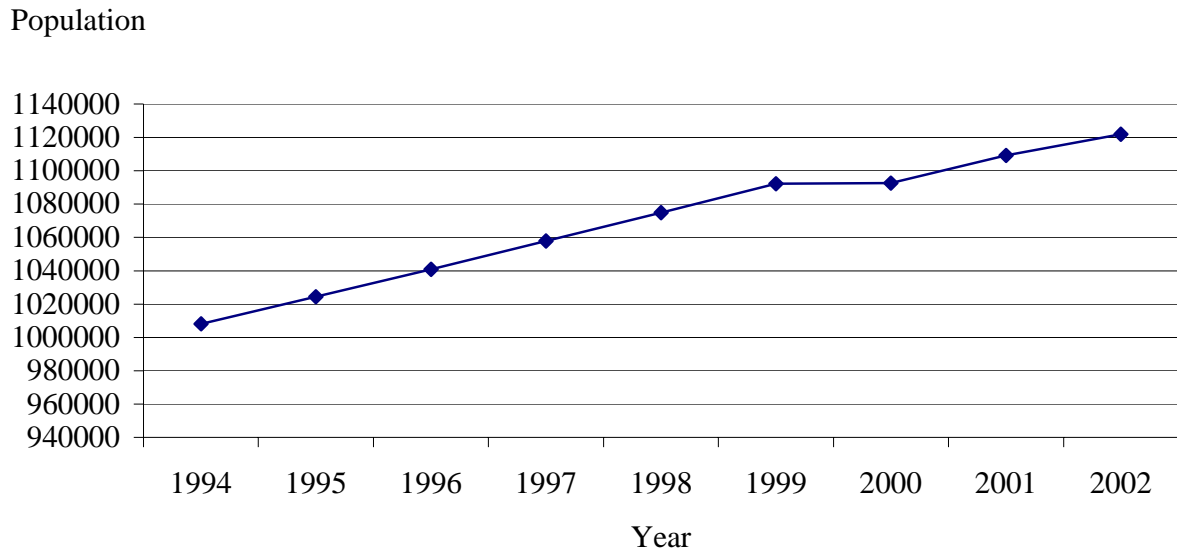


Source: Stats SA

In the case of the Asian population, very limited population growth occurred during the period 1994 to 2002, namely from 1 030 033 in 1994 to about 1 123 600 by 2002 (figure 2). As the fertility rates of the Asian population are already very low and still declining, it is not expected that there will be significant growth of the Asian population during the next decade. Instead, it is expected that the population growth rate will continue to decline and will approach zero by 2010.



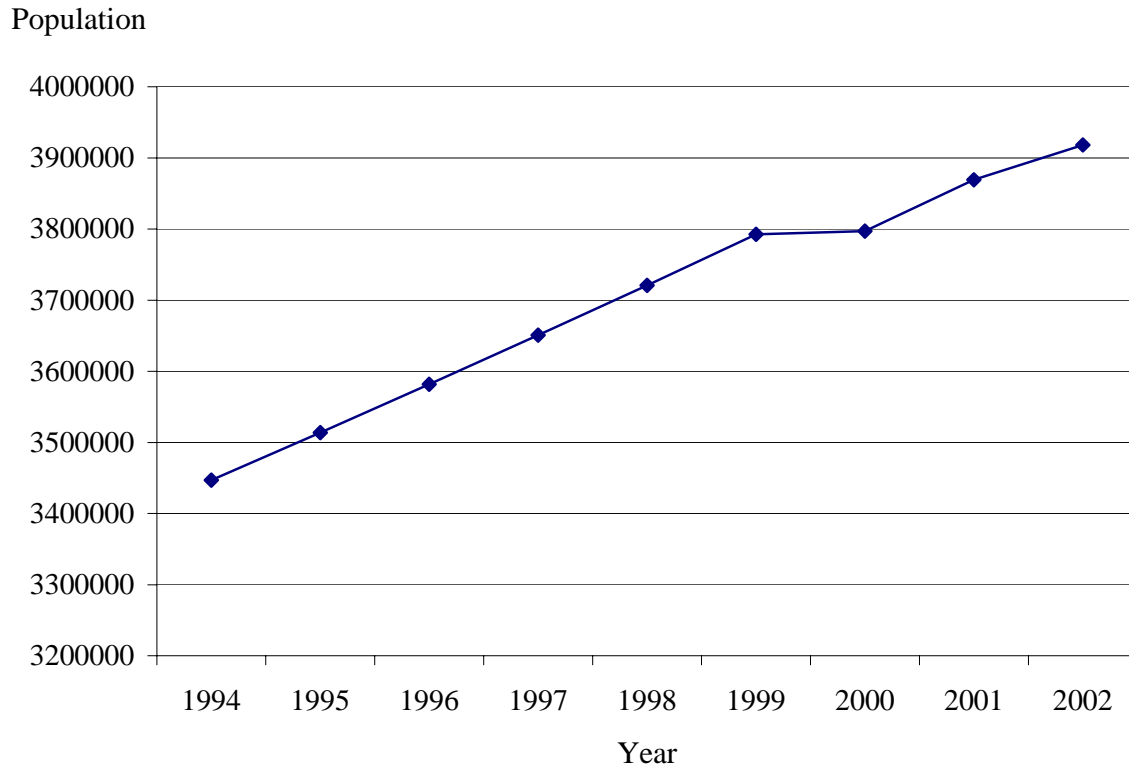
**FIGURE 2**  
**GROWTH OF THE ASIAN POPULATION**



Source: Stats SA

The coloured population, like the African population has shown high levels of population growth during the period 1994 to 2002, except for 2000 (see table 1 and figure 3). As the fertility rate of the coloured population dropped with AIDS-related mortalities in 2000, there is a sharp decrease in population growth. Where the coloured population increased by nearly 400 000 during the period 1994 to 2000, the expected population growth for the period 2000 to 2004 is only expected to be about 200 000. It is also expected that the growth rates of the coloured population will keep on decreasing and will approach zero by about 2015.

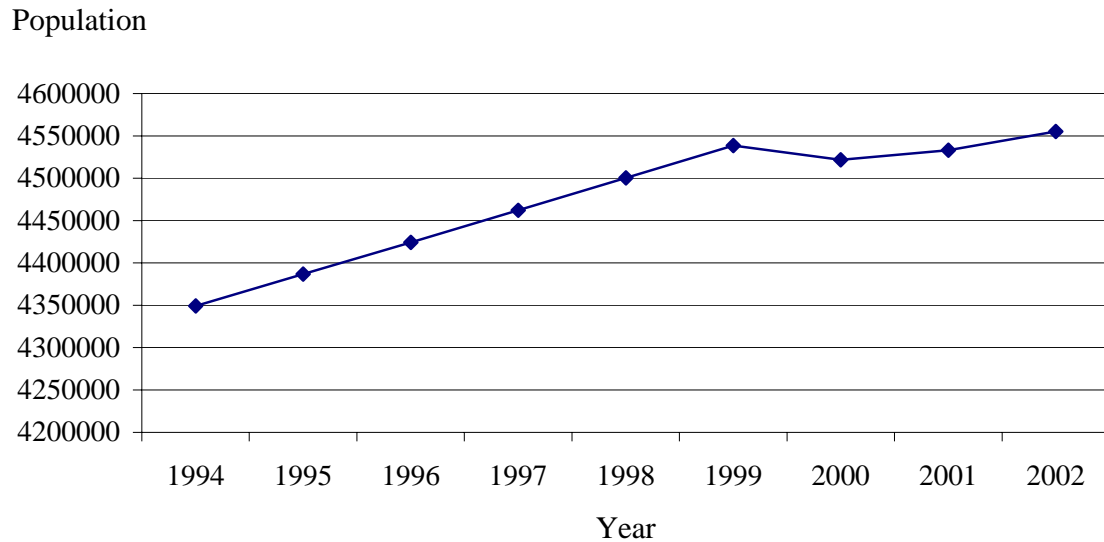
**FIGURE 3**  
**GROWTH OF THE COLOURED POPULATION**



Source: Stats SA

In the case of the white population, very limited population growth occurred during the period 1994 to 2002, namely from 4 350 000 in 1994 to about 4 550 000 by 2002 (see table 1 and figure 4). As fertility rates of the white population are already very low and still declining, significant growth in the white population is not anticipated in the future. Instead, the growth rate of the white population will probably keep on declining and will, in all likelihood, approach zero by 2005.

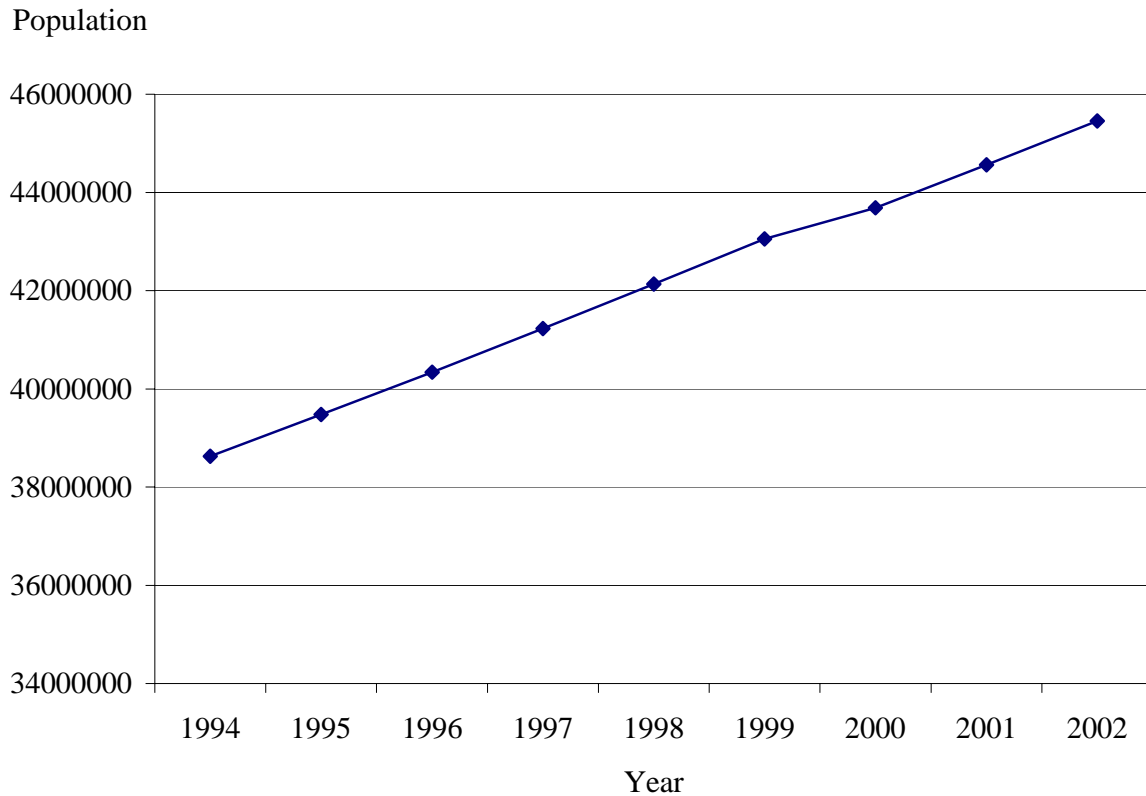
**FIGURE 4**  
**GROWTH OF THE WHITE POPULATION**



Source: Stats SA

Finally, as regards the growth of the South African population as a whole, it can be seen from table 1 and figure 5 below that the South African population as a whole showed fast population growth for the period 1994 to 2000 - the population grew by about 3,7 million people during this period - while the population will only grow by about 2,3 million during the period 2000 to 2004. This tapering in population growth can largely be attributed to lower fertility levels due to urbanisation and higher levels of sustained contraceptive use, the impact of HIV/AIDS on fertility and mortality, and lower fertility preferences.

**FIGURE 5**  
**GROWTH OF THE TOTAL POPULATION**



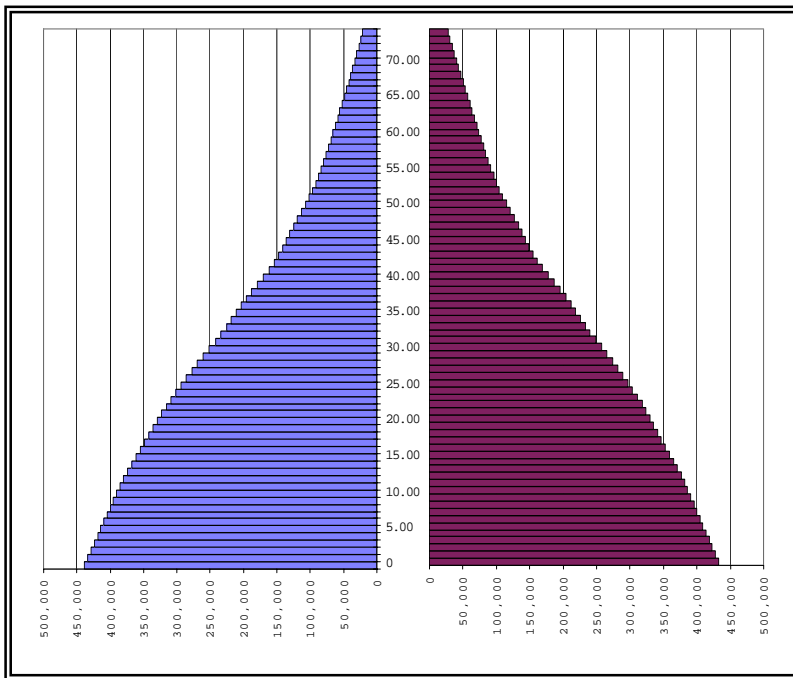
Source: Stats SA

The changing structure of the African population is shown in figure 6 below. It is evident from this figure that lower levels of fertility with respect to the African population are already impacting on the number of children in the 0 to 19 cohorts, while population aging is also evident. The impact of HIV/AIDS up to 2004 will still be fairly limited as regards population outcomes. Bureau of Market Research (BMR) figures are used in figures 6 to 10 because of the unavailability of a detailed official cohort-component population projection that also pertains to 2004.

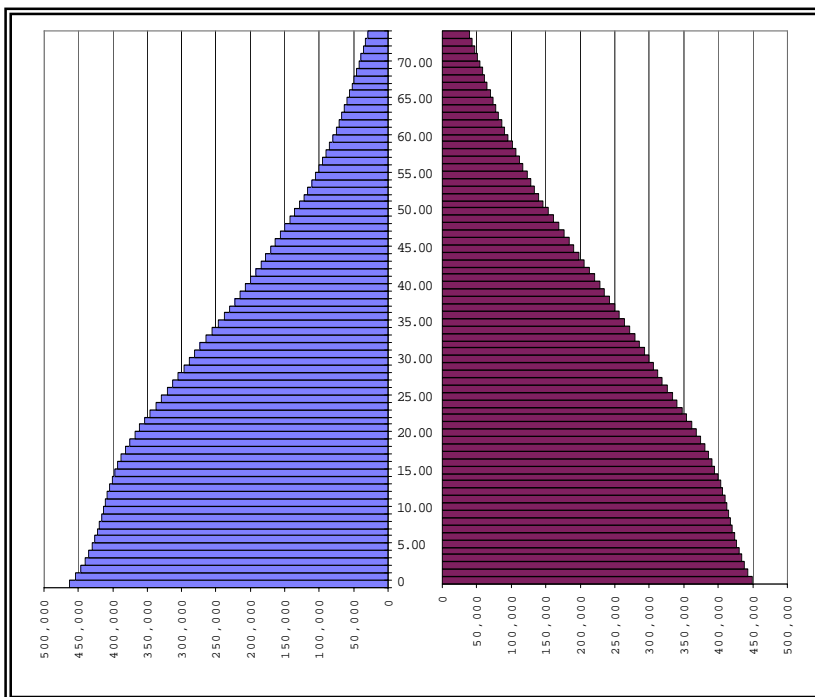
**FIGURE 6**

**CHANGING STRUCTURE OF THE AFRICAN POPULATION  
(BMR)**

African Population 1996



African Population 2004

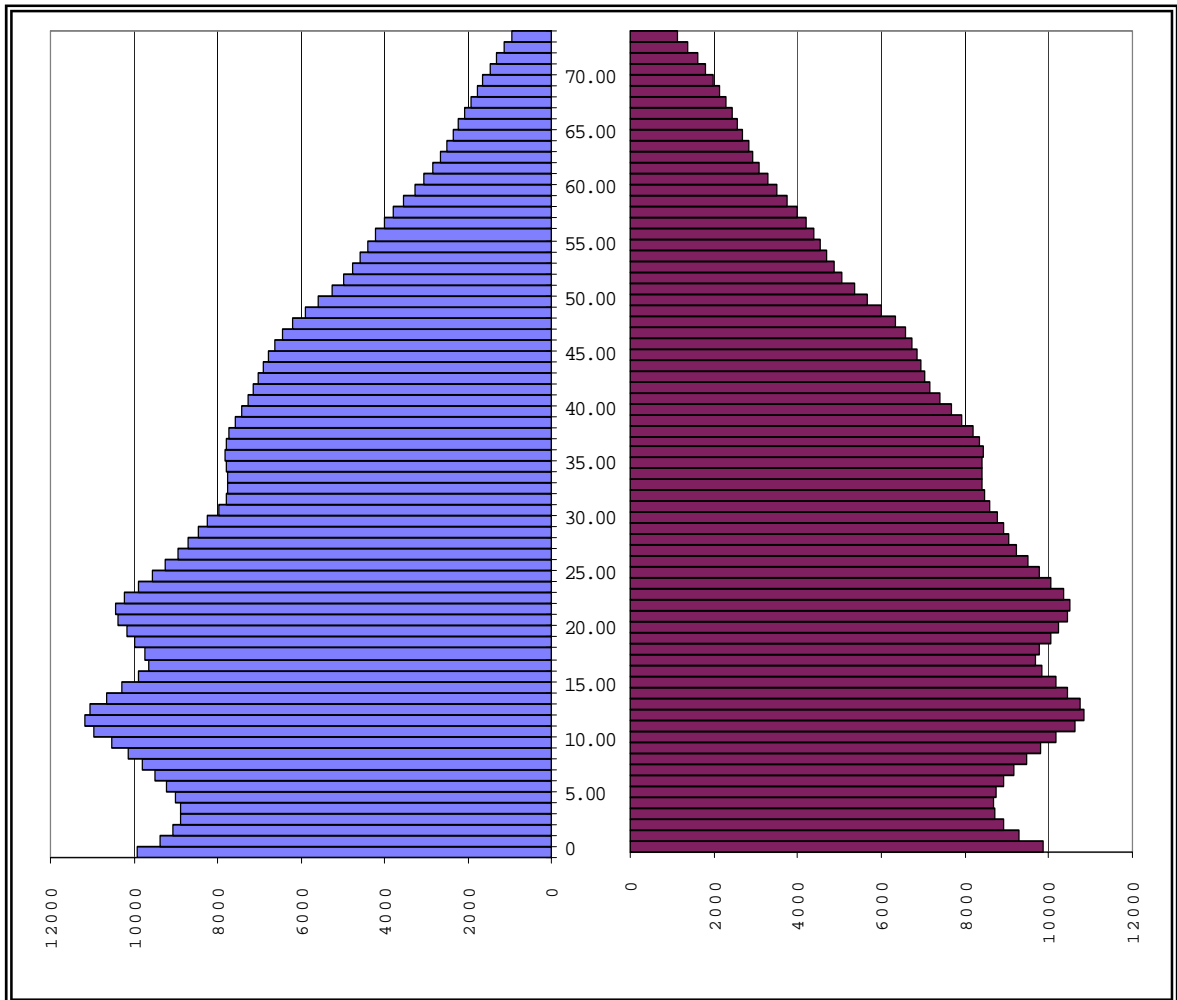


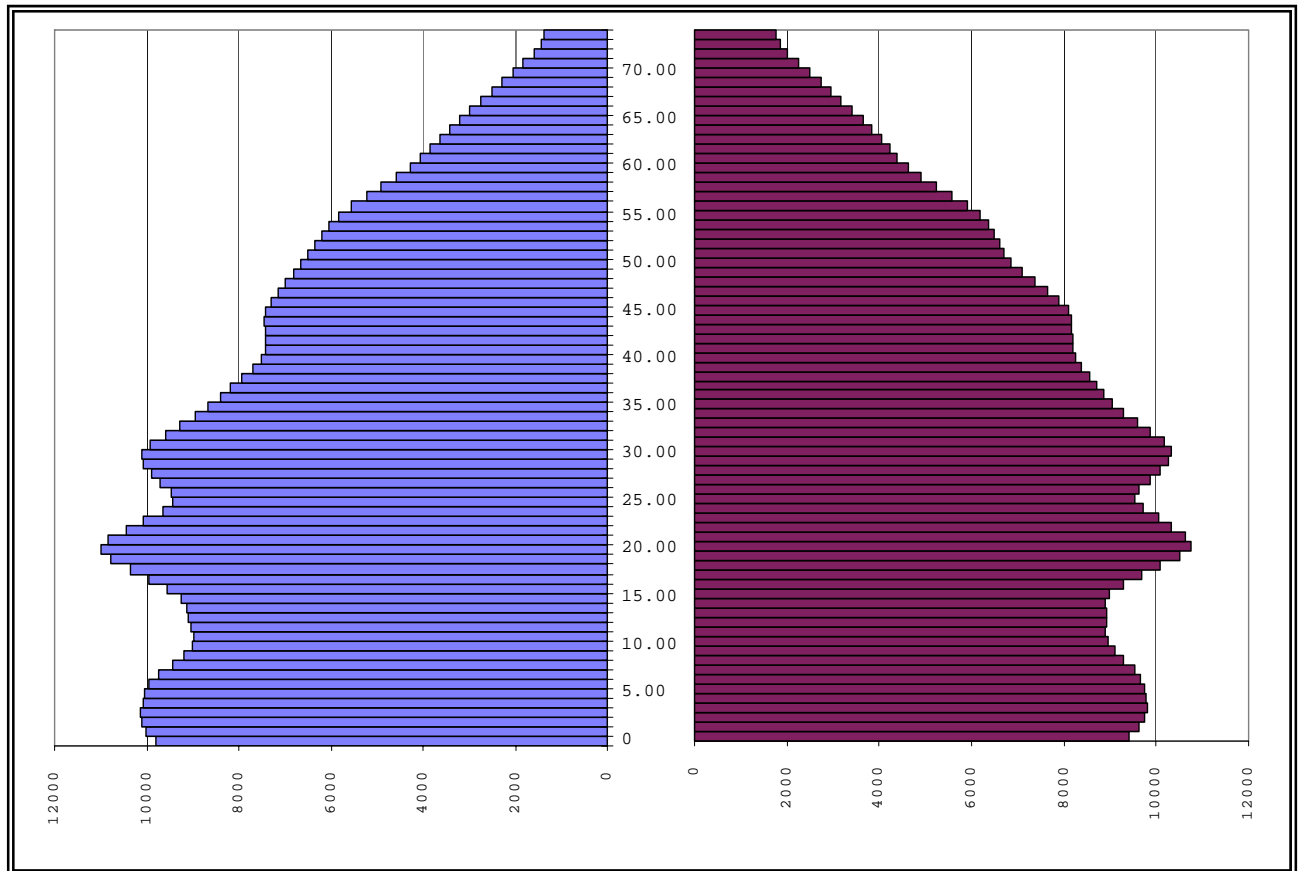
Source: BMR

In the case of the Asian population, population aging is immediately evident from figure 7. Furthermore, the higher level of survival of children to adulthood can be seen and the impact of low levels of fertility on the size of the 0 to 19 age cohorts is also evident. Because of the relatively low levels of HIV/AIDS among members of the Asian population group, it can be expected that HIV/AIDS will not have a significant impact on the size and structure of the economically active part of the Asian population during the next decade.

**FIGURE 7**  
**CHANGING STRUCTURE OF THE ASIAN POPULATION**

Asian Population 1996



Asian Population 2004

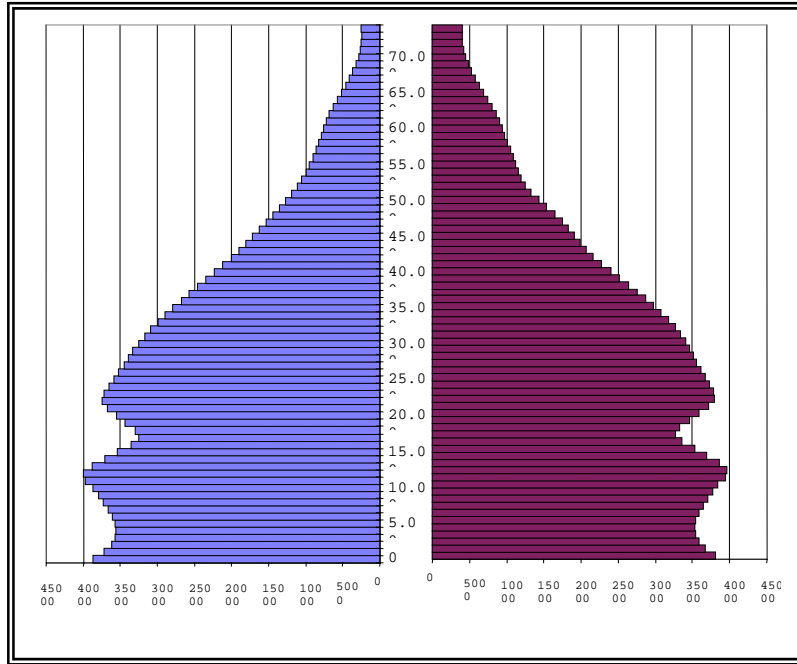
Source: BMR

It appears from figure 8 that some dramatic changes can be expected with respect to the coloured population by 2004. The percentage contribution of the 0 to 19 age cohorts is expected to decline significantly, higher levels of youth survival will lead to a significant growth of coloured people in their economically active ages and a significant level of population aging will occur.

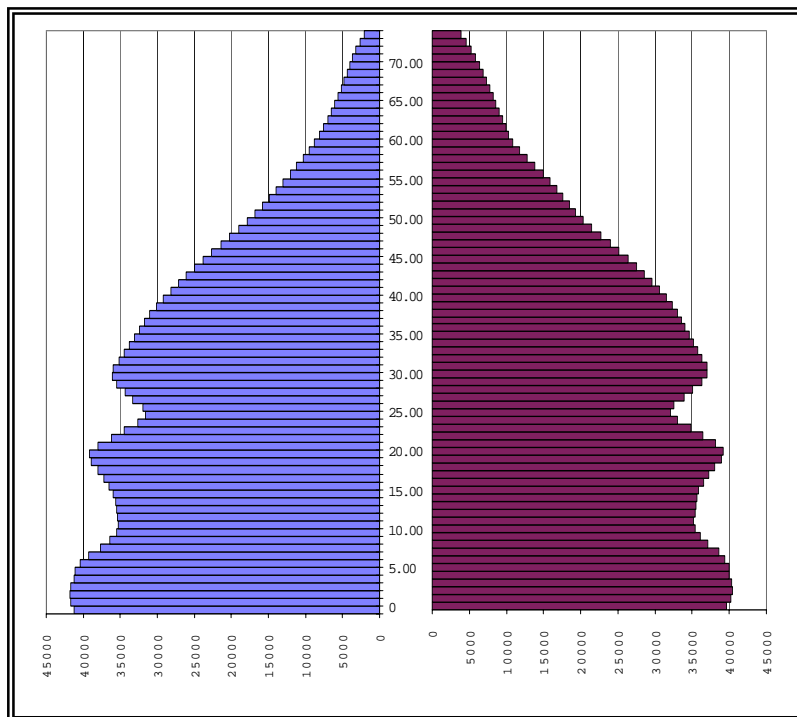
FIGURE 8

CHANGING STRUCTURE OF THE COLOURED POPULATION

Coloured Population 1996



Coloured Population 2004



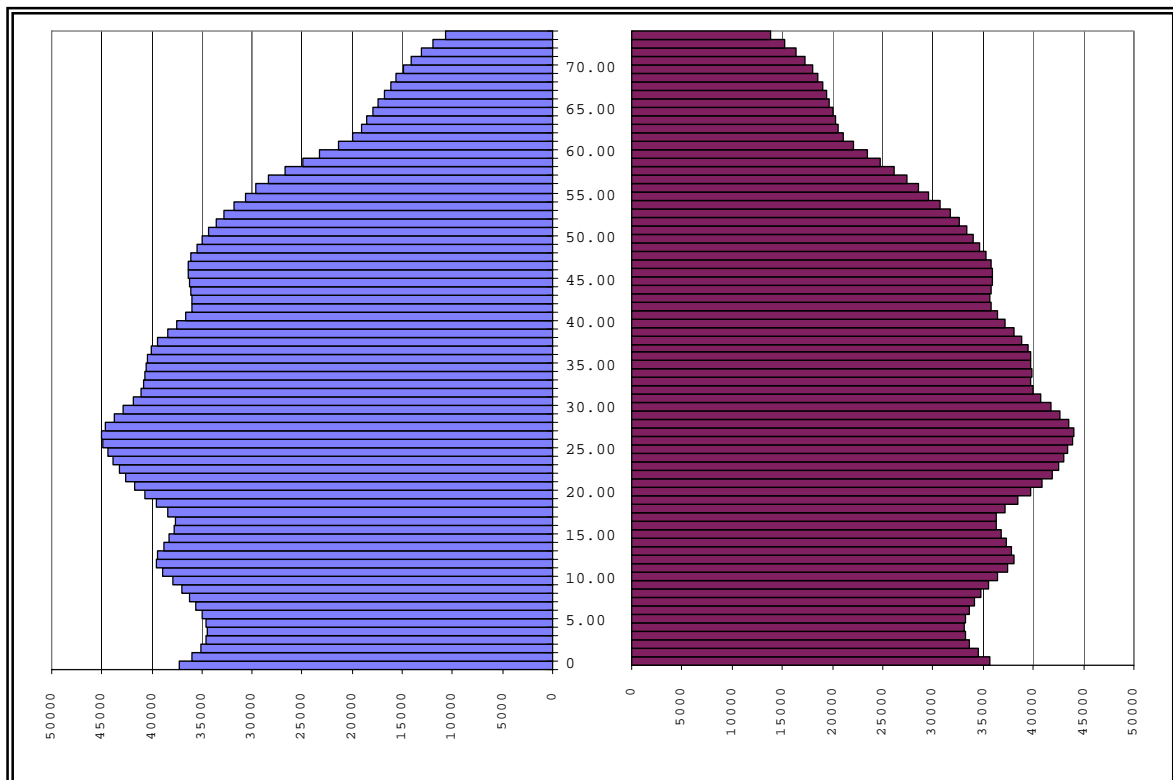


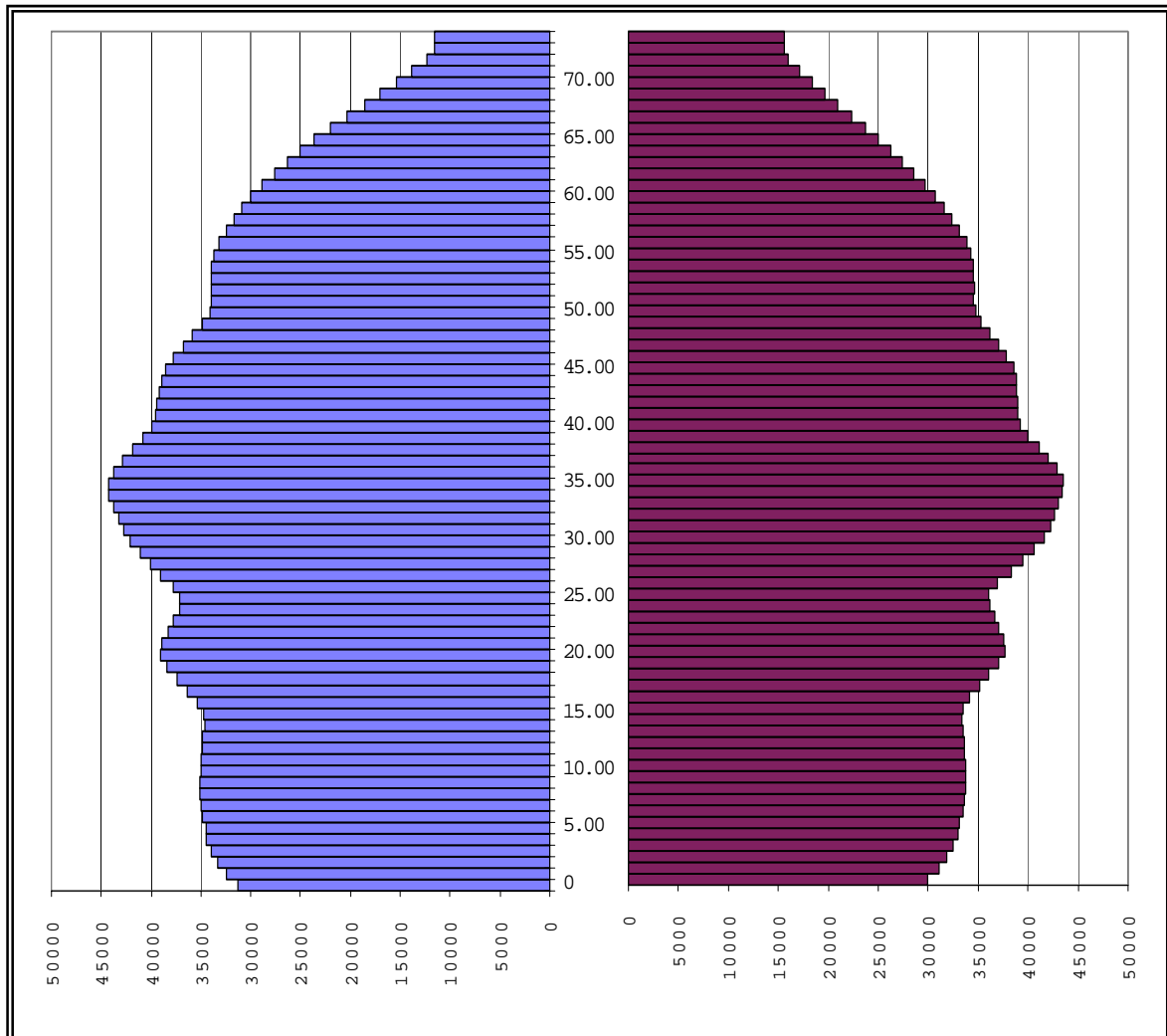
As can be seen from figure 9, it is not expected that the population distribution of the white population will change significantly over the period 1996 to 2004. The most important features of population change over this period will be a shrinking number of children, higher levels of survival of children to adulthood and increasing levels of population aging.

**FIGURE 9**

**CHANGING STRUCTURE OF THE WHITE POPULATION (BMR)**

White Population 1996



White Population 2004

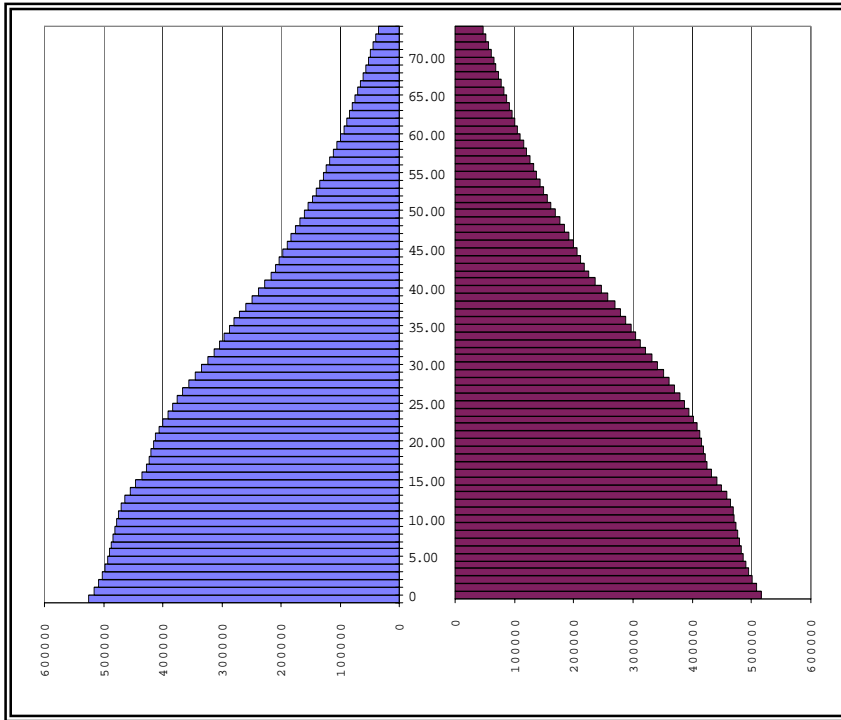
Source: BMR

The population distribution for the total population for 1996 and 2004 is shown in figure 10 below. It appears from this figure that the number of people in the 0 to 19 cohorts as a percentage of the population will decline while the percentage contribution by the 60 and older age cohorts is going to increase. It can also be expected that during the period 2002 to 2010 the impact of HIV/AIDS on the population structure of the economically active population will become more severe as the annual number of AIDS-related deaths among adults increases from about 250 000 by 2001 to about 700 000 by 2008.

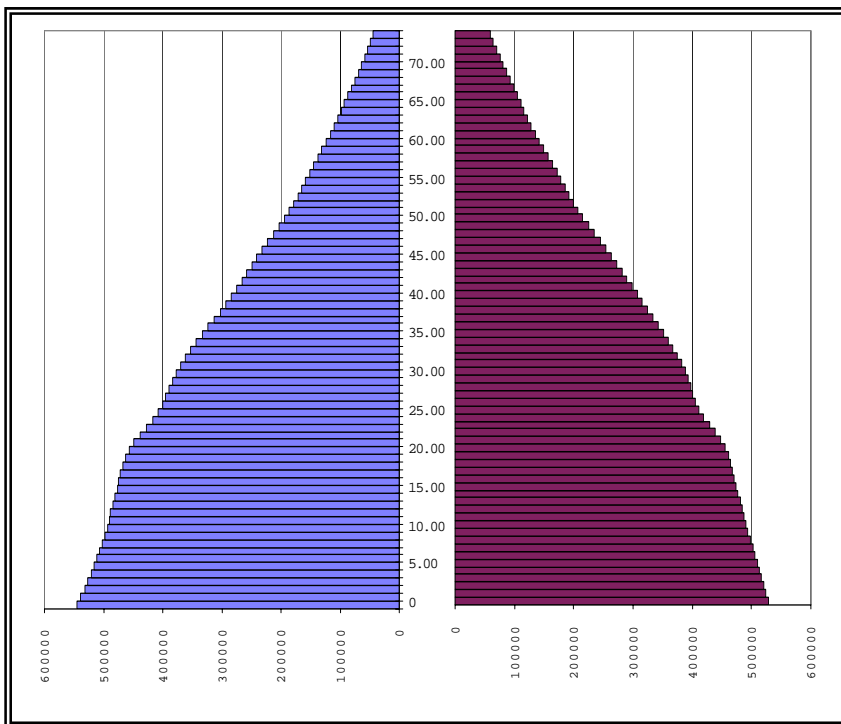
**FIGURE 10**

**CHANGING STRUCTURE OF THE TOTAL POPULATION**

Total Population 1996



Total Population 2004



South African population is anticipated to grow to only about 48 to 52 million by 2020 instead of about 70 to 80 million as estimated earlier on, largely due to the impact of HIV/AIDS and rapidly decreasing fertility rates (including an expected sizable fertility reduction among HIV-positive women). Other expected population trends that will have an impact on the size and structure of the population are emigration (and here especially whites), rapid population ageing, the impact of urbanisation on fertility and the number of immigrants to South Africa.

HIV/AIDS will affect population trends and dynamics such as size, growth and age structure. Life expectancy at birth will decline. Available information indicates that the average life expectancy at birth in South Africa has already declined from 63 in 1996 to about 55 in 1999. It is expected to decline even further.

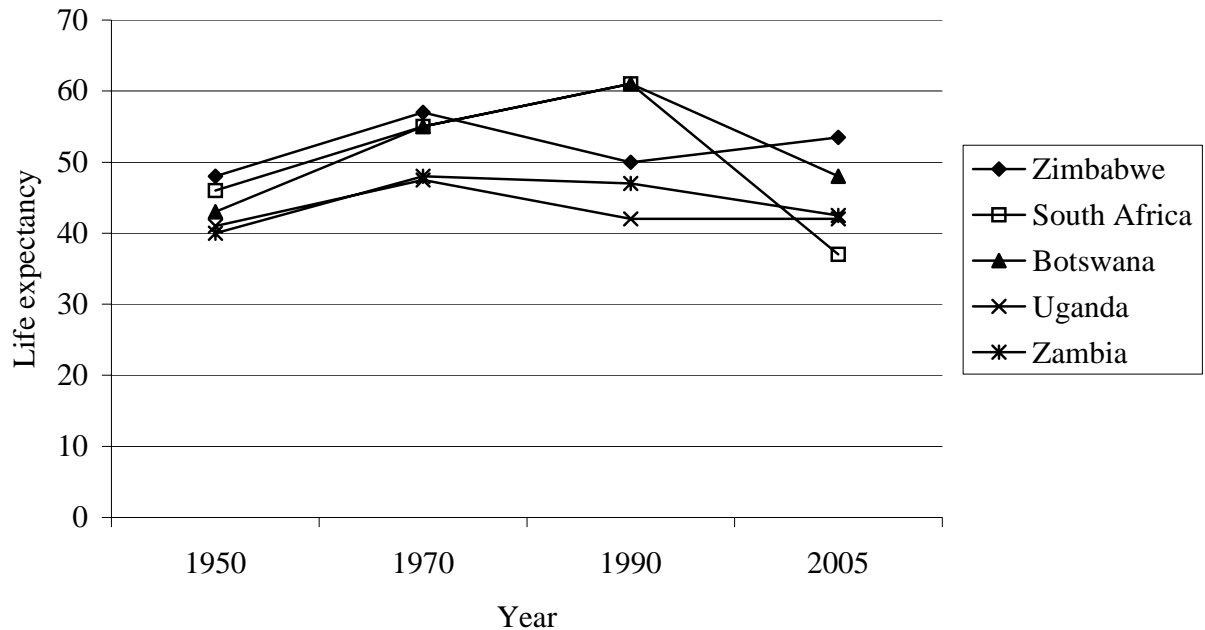
### 3. **LIFE EXPECTANCY**

Life expectancy is particularly sensitive to AIDS because deaths occurring among adults, young children and infants result in a large number of lives lost. Before the AIDS epidemic, South Africa had been enjoying a drop in mortality with a consequent increase in life expectancy. AIDS has eroded this progress.

Figure 11 shows that the average life expectancy at birth, of a cross-section of those born in selected African countries during the past 100 years, will fall to 35 to 40 years in South Africa by the year 2005, to about 40 to 45 in Zambia and Zimbabwe, and to between 45 and 50 in Botswana and Uganda.

FIGURE 11

## LIFE EXPECTANCIES IN SOME AFRICAN COUNTRIES



Source: United Nations

These crude average life expectancies shown in figure 11 do, however, often hide significant variance among subgroups. Three distinct groups are evident:

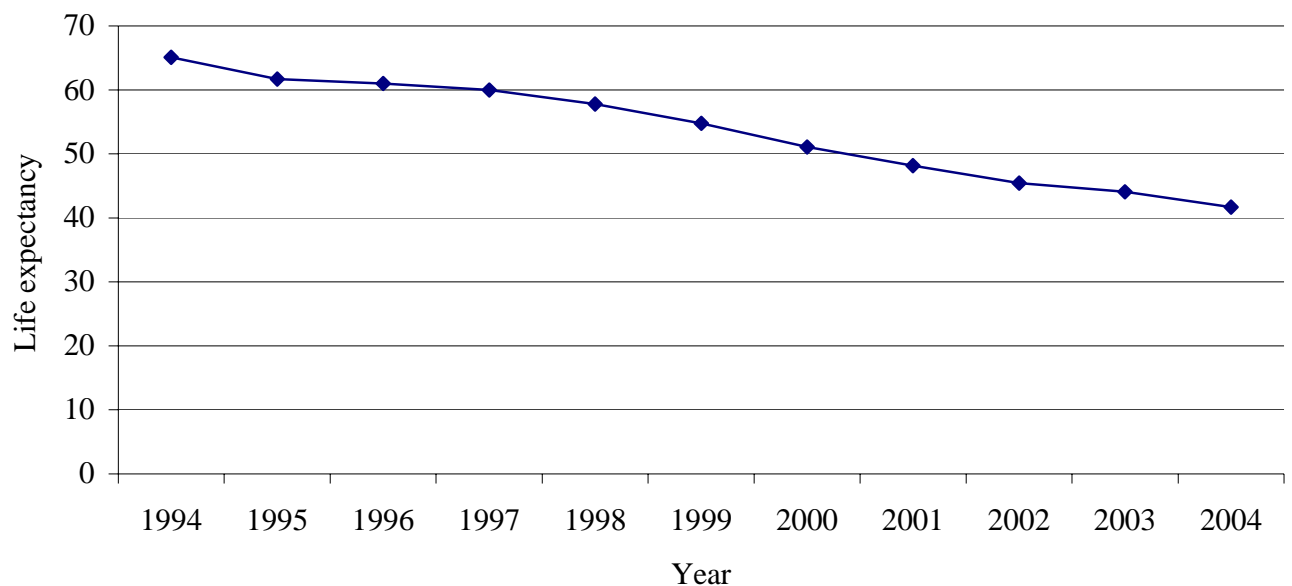
- Those born with the virus can expect to live for an average of 2,5 years.
- The life expectancy of those born free of the virus but who contract it during their youth or early adulthood is about 25 years.
- The life expectancy of those free of the virus and who live such that they are at low risk of contracting the virus, will be in the high sixties. In fact, there will be a substantial increase in the number of people in the age category 65 years and older during coming years. It is projected that 4,8 % of the total population will be older

- than 65 years by the year 2011. This constitutes almost 2,3 million people. This figure will increase to 5,3 % by 2016.

It is certain that the measurable demographic impacts of AIDS will last for the next century. In the case of South Africa it is expected that HIV/AIDS will have a significant impact on life expectancy at birth, and here especially during the period 2000 to 2010, as a large number of people who are HIV positive move out of the silent/latent phase of the disease into full-blown AIDS and the terminal phase of the disease where the number of AIDS-related mortalities increases dramatically (see figure 12).

**FIGURE 12**

**LIFE EXPECTANCY AT BIRTH IN SOUTH AFRICA, 1994 TO 2004**



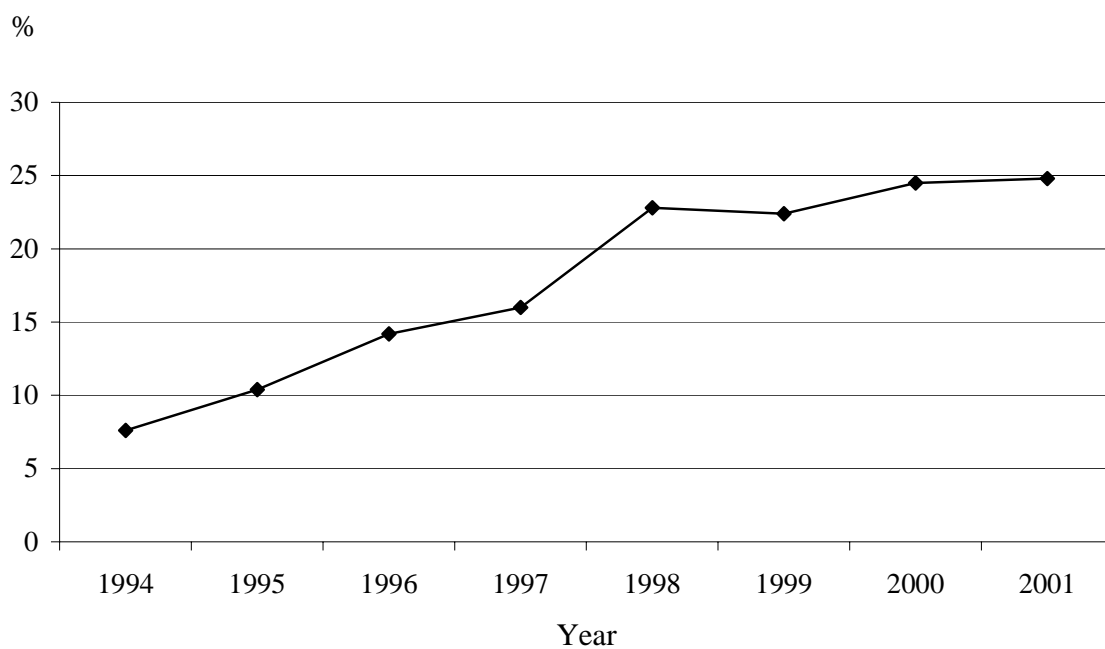
**4. HIV/AIDS PREVALENCE**

Women, especially of reproductive age (15-49), are most vulnerable to the HIV/AIDS pandemic due to social and economic status, and because of physiological reasons. It is therefore likely that the proportion of women in the total population will decline.

. Figure 13 and table 2 illustrate the HIV prevalence rates recorded at antenatal clinics surveyed during the period 1990 to 2001.

**FIGURE 13**

**NATIONAL HIV PREVALENCE TRENDS AMONG ANTENATAL CLINIC ATTENDEES IN SOUTH AFRICA, 1994 TO 2001**



Source: Department of Health

**TABLE 2**

**NATIONAL HIV PREVALENCE TRENDS AMONG ANTENATAL CLINIC ATTENDEES IN SOUTH AFRICA, 1994 TO 2001**

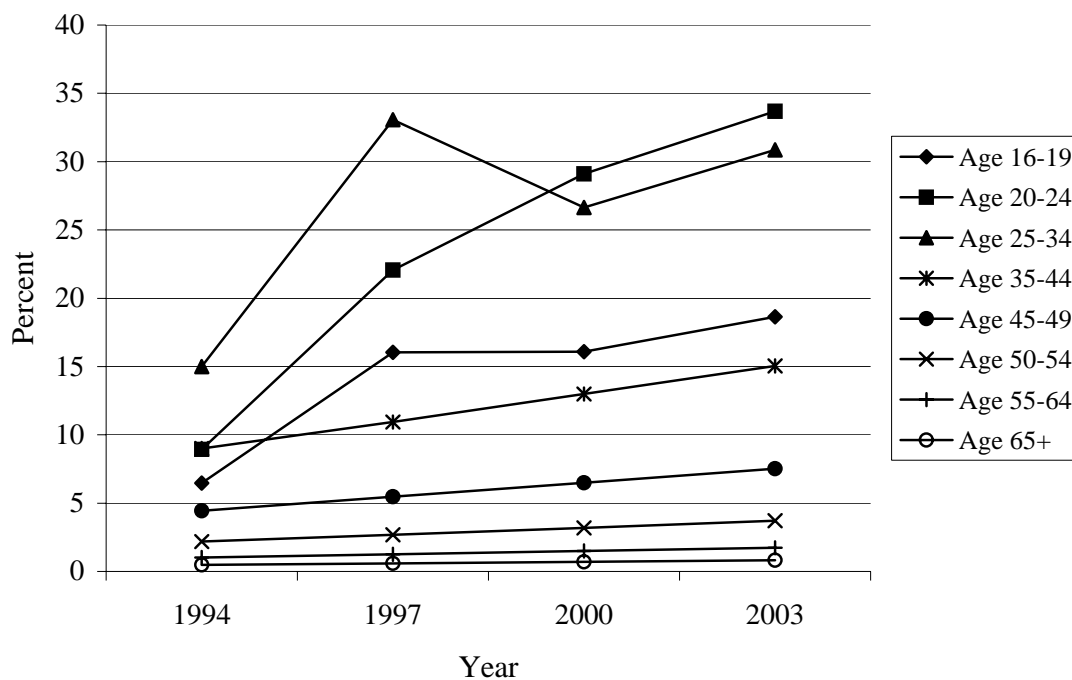
1994	1995	1996	1997	1998	1999	2000	2001
7,6 %	10,4 %	14,2 %	16,0 %	22,8 %	22,4 %	24,5 %	24,8 %

It is expected that adult HIV prevalence rates will still increase significantly in South Africa and will most probably peak somewhere near 30 %.

It is not just important to focus on the number of people who are HIV positive, but also to investigate some of the dynamics with respect to HIV/AIDS, for example which age groups and provinces are most affected. It appears from figure 14 that the highest HIV prevalence rates are found in the 20 to 24 and 25 to 34 year age cohorts. It is also expected that the HIV prevalence rates in the said cohorts will increase dramatically over the period 1994 to 2004, as is evident from table 3 and figure 15. Although the other age cohorts show lower HIV prevalence rates than the 20 to 34 year age cohorts, the HIV prevalence rates in these cohorts are still generally above 10 % and rising.

**FIGURE 14**

**PERCENTAGE HIV PREVALENCE IN VARIOUS AGE GROUPS**





The HIV prevalence rates of the different provinces as measured at the antenatal clinic sites are shown in table 3 and figure 15, together with forecasts regarding future HIV prevalence rates up to 2004. It is clear from the said table and figure that the highest HIV prevalence levels are being experienced in KwaZulu-Natal, Mpumalanga, Gauteng and North West, while the lowest prevalence rates are found in the Western Cape, Northern Cape and Limpopo.

**TABLE 3**

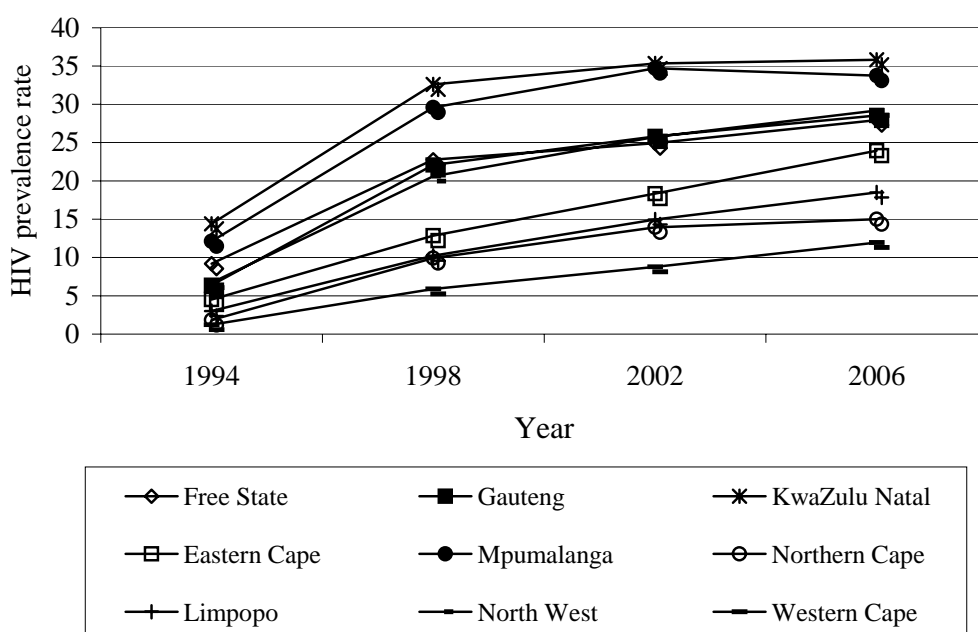
**HIV PREVALENCE RATES OF THE VARIOUS PROVINCES, 1994 TO 2004  
(ANTENATAL CLINIC SURVEY RESULTS)**

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
FS	9,2	11,0	18,0	20,25	22,75	23,38	23,9	24,39	24,9	25,41	25,92
GP	6,4	8,3	16,0	17,51	22,09	23,27	24,2	25,1	25,81	26,49	27,18
KZN	14,4	18,2	20,0	26,63	32,61	34,86	35,09	35,2	35,33	35,44	35,57
EC	4,5	6,0	8,0	10,38	12,84	14,25	15,6	16,93	18,34	19,74	21,15
MP	21,1	18,3	16,0	22,62	29,59	31,14	32,35	33,53	34,73	35,93	35,25
NC	1,83	5,3	7,0	8,88	9,91	10,91	11,92	12,93	13,94	14,94	15,94
NP	3,0	4,9	7,0	8,61	10,24	11,91	12,95	13,96	14,96	15,96	16,97
NW	6,7	8,3	9,0	14,62	20,61	22,16	23,37	24,55	25,74	26,93	27,7
WC	1,2	1,7	3,0	4,41	5,9	6,63	7,31	7,98	8,77	9,57	10,38

Source: Department of Health

**FIGURE 15**

**HIV PREVALENCE RATES OF THE VARIOUS PROVINCES, 1994 TO 2004**

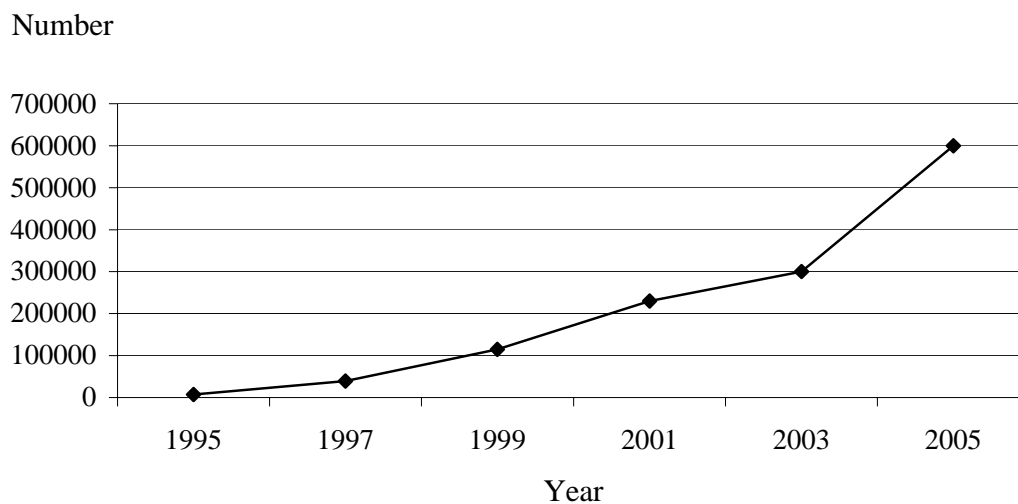


Source: Department of Health and BMR

HIV/AIDS is not only impacting on the people who are HIV positive and who progress through the HIV/AIDS lifecycle, but also on their families and the children they leave behind when they die. It is clear from figure 16 that there has been a rapid growth in the number of children orphaned due to AIDS during the period 1995 to 2001, and this figure is set to grow even faster during the next few years. Where there were only about 100 000 children orphaned due to AIDS in 1999, it is conservatively estimated that the number will grow to about 600 000 by 2005.

**FIGURE 16**

**THE NUMBER OF CHILDREN ORPHANED BY AIDS IN SOUTH AFRICA, 1995 TO 2005 (BMR)**



Source: BMR

It is expected that HIV prevalence will continue to increase and will probably reach saturation level some time between 2010 and 2015. Projections indicate that cumulative AIDS deaths by 2009 will be more than 6 million. This number includes mostly economically active people (between 15 and 65 years of age). As the result of this, it is expected that HIV/AIDS will impact on dependency ratios in South Africa. The projected age structure shows that the proportion of the population in

dependent age groups will increase considerably in relation to the potential economically active proportion of the population. This, in turn, means that the dependency rate will increase substantially during the coming years, and that there will be proportionally fewer people to care for children and elderly people.

## 5. **DEPENDENCY**

The dependency ratio is an indicator of the potential dependency burden of children and the elderly on those who are of economically productive age in a population. It is computed as follows:

$$\text{Dependency ratio} = \frac{\text{population of a certain age}}{\text{population aged 15 to 64}} \times 100$$

This is a composite ratio comprising the aged and youth dependency burden on the population of working ages. Separate dependency ratios for children and the aged are obtained through the following formulae:

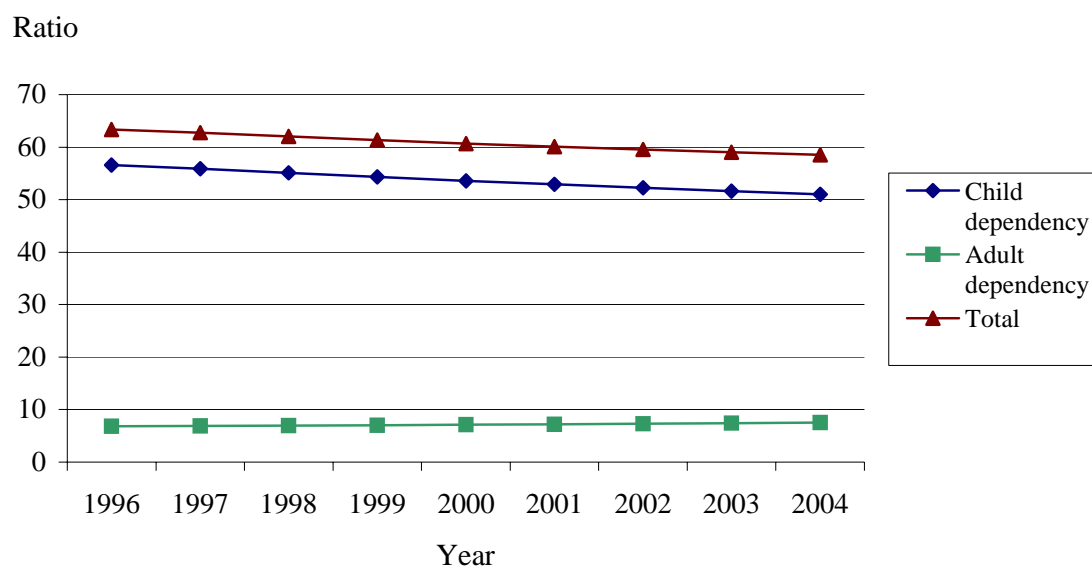
$$\text{Child dependency ratio} = \frac{\text{population under 15 years old}}{\text{population aged 15 to 64}} \times 100$$

$$\text{Adult dependency ratio} = \frac{\text{population 65 years and over}}{\text{population aged 15 to 64}} \times 100$$

Figure 17 and table 4 indicate that the country had a total dependency ratio of 64 in 1996. This was made up of a child dependency ratio of 56 and an adult dependency ratio of 8 people per 100 working age people. This means that every 100 persons in the economically active years (15 to 64) were expected to directly or indirectly care for 64 people, 56 of whom were children under 15 years and 8 of whom were older persons. This dependency burden is comparable with that of other developing countries. It should be noted that BMR data was used because of the unavailability of official dependency projections for 2004.

FIGURE 17

## DEPENDENCY RATIOS IN SOUTH AFRICA, 1996 TO 2004



Source: BMR

TABLE 4

## DEPENDENCY RATIOS, 1996-2004

Year	Child dependency	Adult dependency	Total
1996	56,56	6,80	63,37
1997	55,88	6,88	62,76
1998	55,10	6,94	62,04
1999	54,33	7,09	61,34
2000	53,60	7,20	60,69
2001	52,90	7,29	60,10
2002	52,25	7,40	59,54
2003	51,63	7,52	59,04
2004	51,03	7,52	58,56

Source: BMR

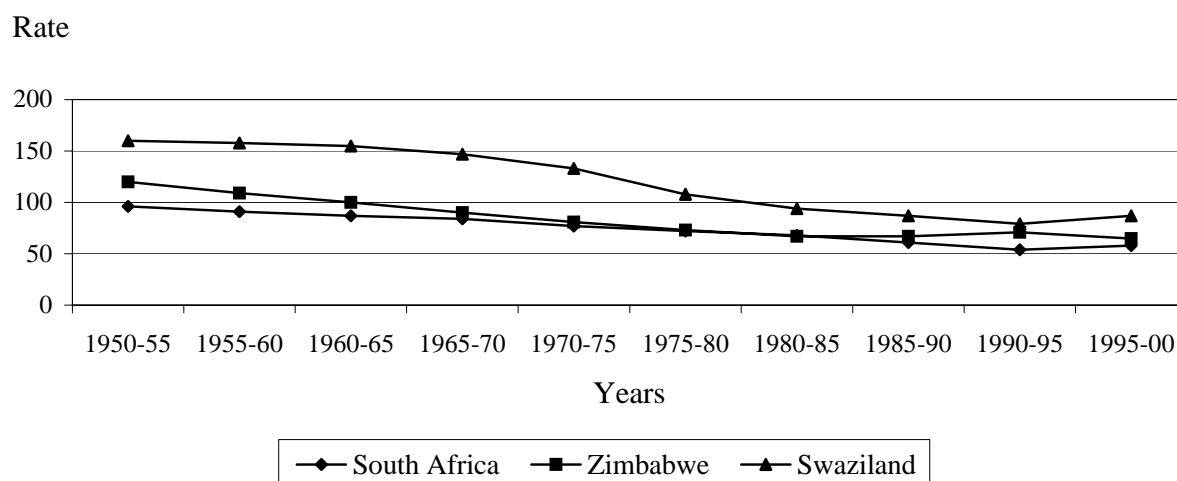
There are marked differences in dependency ratios between provinces with ratios ranging from a high 94 to a low 42. Child dependency ratios range from a high 84 to a low 36, while adult dependency ratios vary between 11 and 6. Gauteng and the Western Cape have low dependency ratios. In Limpopo and the Eastern Cape the economically active group carries the heaviest burden of dependent groups. In Limpopo, for example, there are 94 dependants, 84 of whom are children and the remainder adults, for every 100 persons in the economically active group. For the Eastern Cape, the total dependency ratio is 83 while the child and adult dependency ratios are 72 and 11 respectively.

## 6. CHILDREN

It can be seen from figure 18 that during the period 1950 to 1995 South Africa showed sustained decreases in infant mortality rates. Such a decline in infant mortality rates is broadly comparable to the decreases in infant mortality rates that were experienced in other Southern African countries, including Swaziland and Zimbabwe.

**FIGURE 18**

### **INFANT MORTALITY IN SELECTED SOUTHERN AFRICAN COUNTRIES, 1950 TO 1995**

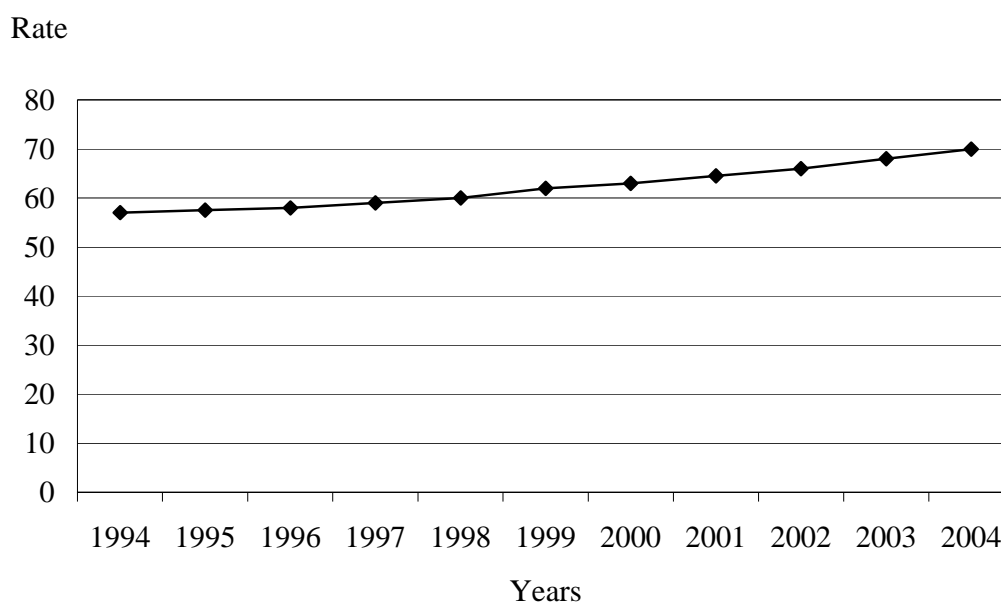


Source: Stats SA

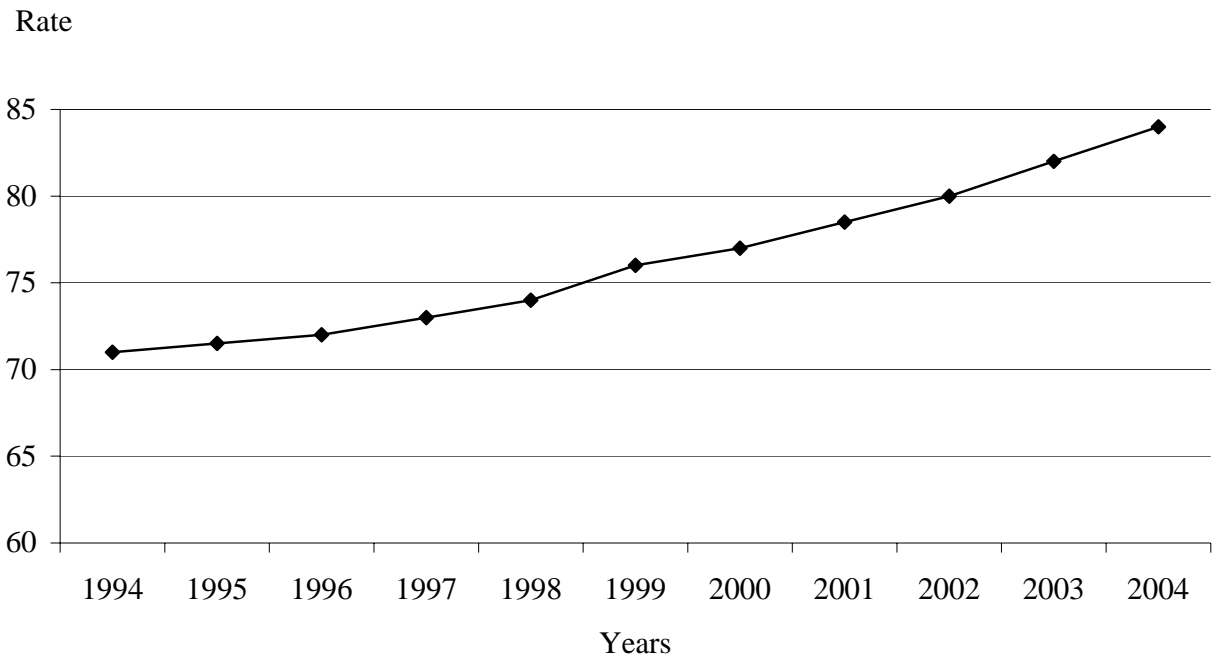
Infant and under-five mortality rates have increased since 1995 as a consequence of the HIV/AIDS epidemic, and are expected to continue increasing due to HIV/AIDS. It appears from figure 19 that the infant mortality rate of South Africa increased from about 57 per 1 000 in 1998 to about 65 in 2001, and is conservatively estimated to reach about 70 by 2004. In the case of under-five mortality, it should be noted that the under-five mortality rate declined from about 91 per 1 000 in 1980 to about 71 in 1994. It appears from figure 20 that after 1994 it increased from 71 per 1 000 to about 76 per 1 000 in 1999 and is expected to increase to nearly 85 per 1 000 in 2004. This increase in under-five mortality from 1994 onwards can be attributed chiefly to an increasing number of AIDS-related mortalities among under-fives.

**FIGURE 19**

**INFANT MORTALITY IN SOUTH AFRICA, 1994 TO 2004**



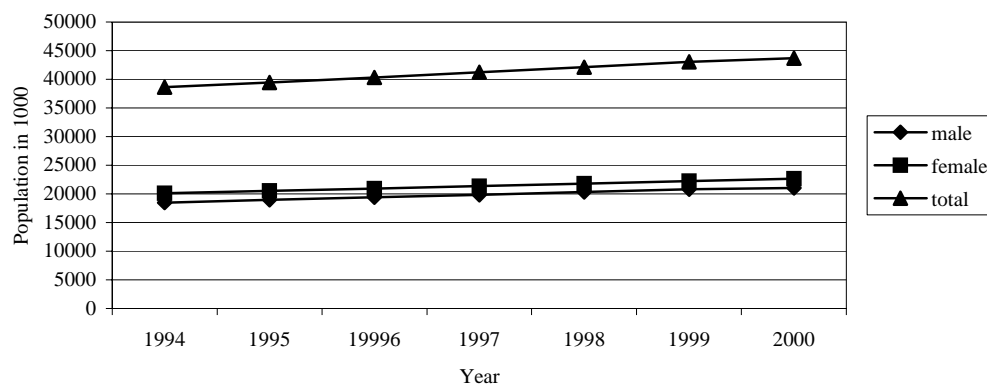
Source: Stats SA, World Bank and BMR

**FIGURE 20****UNDER-FIVE MORTALITY IN SOUTH AFRICA, 1994 TO 2004**

Source: Stats SA, World Bank and BMR

**7. SEX RATIO**

Figure 21 reflects the number of females to males in South Africa. In 1994 the female to male ratio was 52,1 to 47,9. This changed to 51,9 to 48,1 in 2000. It is clear that the gap between males and females in South Africa is closing in the short term due to the impact of HIV/AIDS on women.

**FIGURE 21****SEX RATIOS IN SOUTH AFRICA, 1994 TO 2000**

Source: Stats SA

#### 8. DISTRIBUTION OF THE POPULATION BY URBAN/NONURBAN AREA

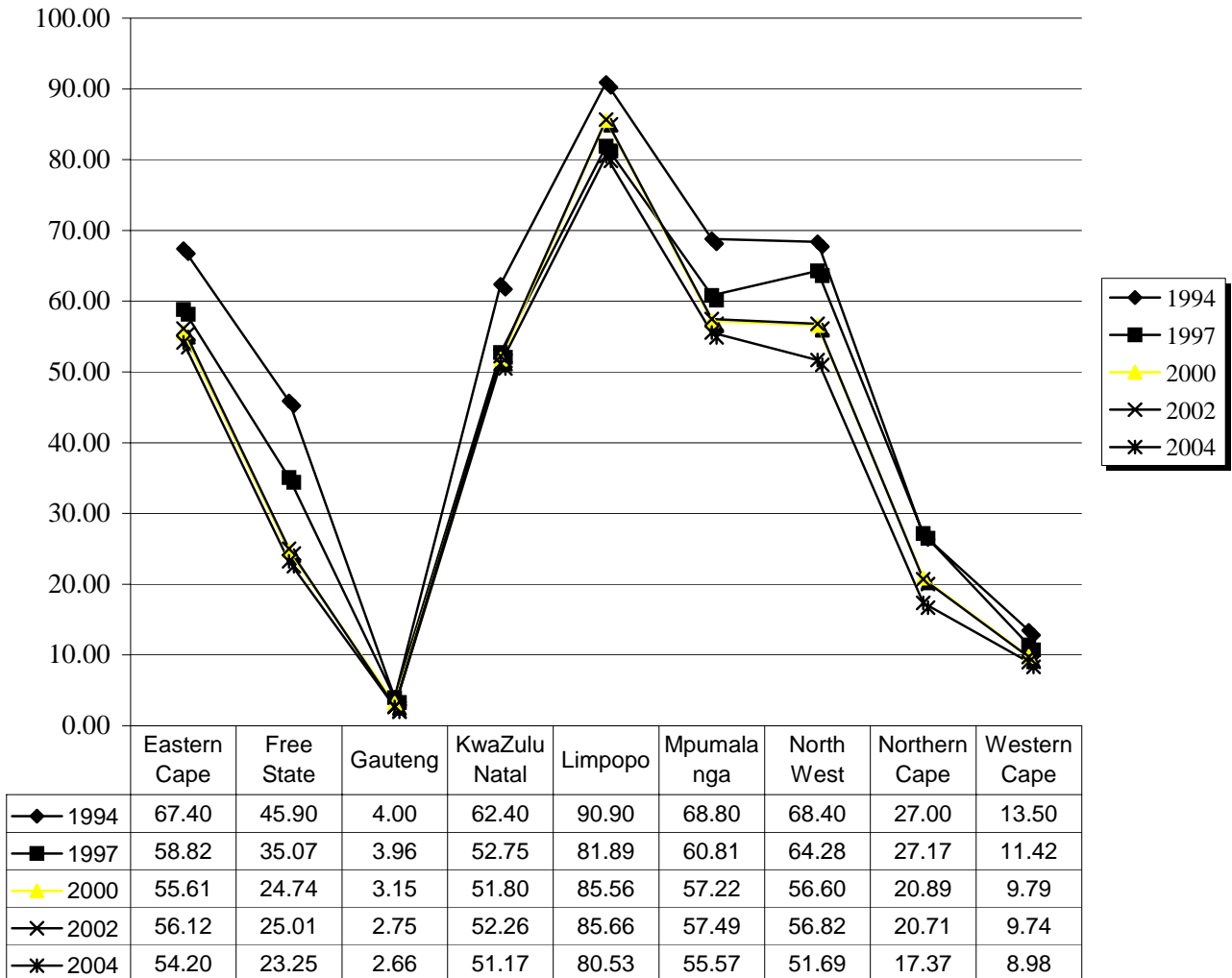
Figure 22 shows the distribution of the South African population by urban and nonurban area and province. The figure shows that in Census '96 just more than half (53,8%) the total population was counted in urban areas. The remainder (46,2%) was counted in nonurban areas. This national picture can be disaggregated further into the urban and nonurban population distribution in the nine provinces.

It also appears from figure 22 that the highest levels of urbanisation over the period 1994 to 2001 occurred in the Northern Cape, North West, the Free State and the Eastern Cape. The provinces that are currently most urbanised are the Western Cape, the Northern Cape and Gauteng, while the least urbanised provinces are North West, Limpopo, Mpumalanga and the Eastern Cape.



FIGURE 22

**PERCENTAGE DISTRIBUTION OF NONURBAN POPULATION BY PROVINCE  
(BMR)**



It also appears from figure 22 that five of the nine provinces are predominantly nonurban. These are the Eastern Cape, Mpumalanga, KwaZulu-Natal, Limpopo and North West. The others, the Free State, Gauteng, Northern Cape and Western Cape, are predominantly urban. Among the predominantly nonurban provinces, Limpopo has the largest proportion of people counted in nonurban areas (88,9%). Among the urbanised provinces, the table shows that Gauteng has the highest proportion of people living in urban areas (97,1%).

## 9. UNEMPLOYMENT

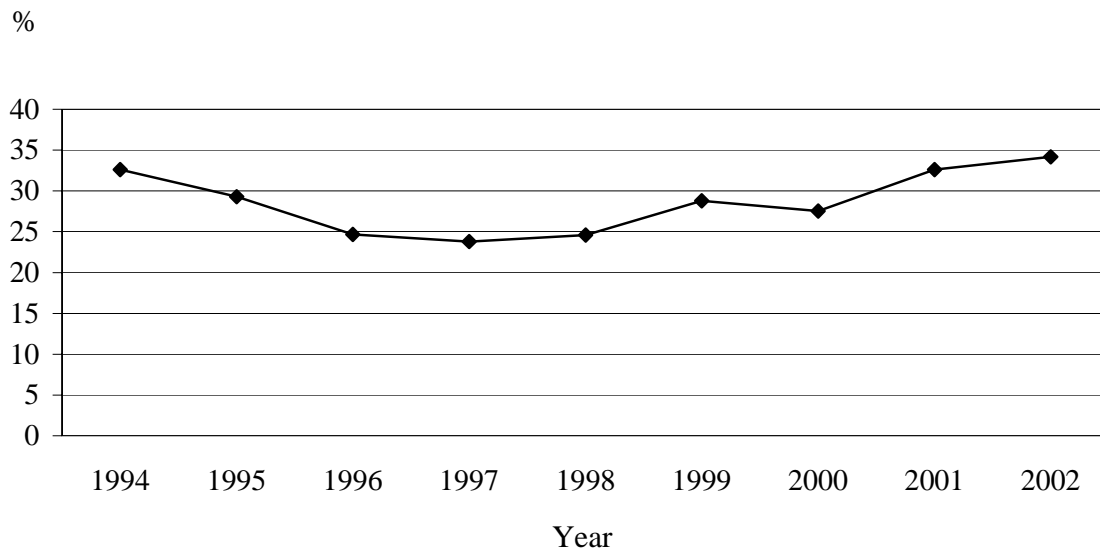
Official unemployment figures show that unemployment increased from 2,2 million people (19,3 %) in 1996 to 4,2 million (26,4 %) by 2001. The expanded definition of unemployment increases the figure from 4,6 million (33 %) in 1996 to 6,96 million (37 %) by 2001. Unemployment rates for South Africa are shown in table 5 and figure 23.

**TABLE 5**  
**UNEMPLOYMENT IN SOUTH AFRICA, 1994-2002**

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002
Unemployment rate	32,6	29,3	24,7	23,8	24,6	23,3	27,5	29,5	34,2

Source: Stats SA

**FIGURE 23**  
**UNEMPLOYMENT IN SOUTH AFRICA**

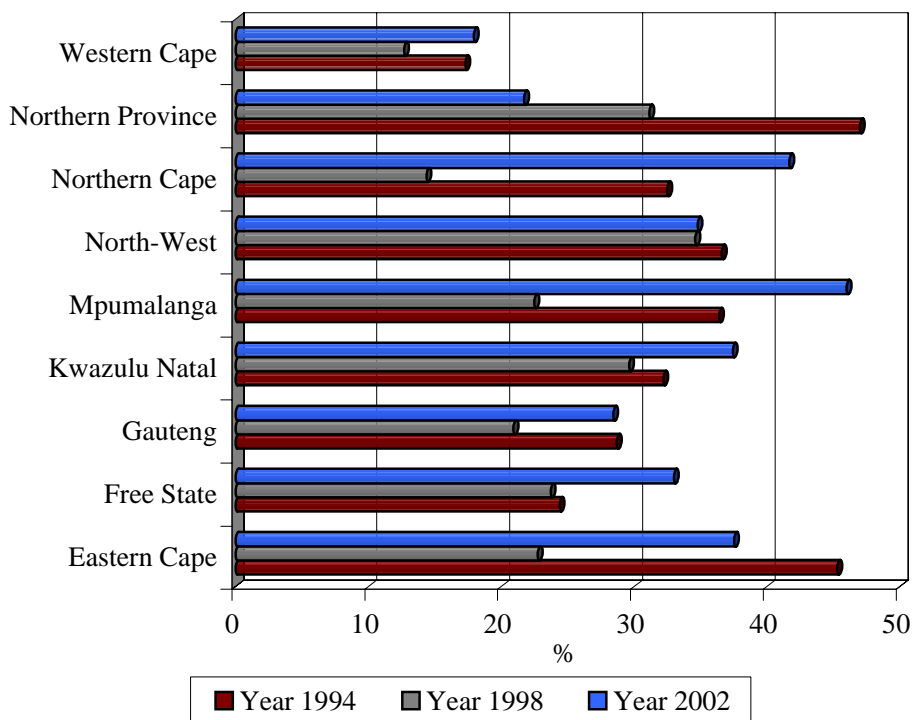


Source: Stats SA

It is clear from table 5 and figure 23 that unemployment levels have risen over the period 1996 to 2002. Apparently accompanying this, at least until recently, has been a steady loss in formal sector jobs. It seems that at best, formal sector employment is now roughly static, with gains in those industries where employment is growing being counterbalanced by losses in those where it is shrinking.

In the absence of significant formal sector employment growth, the burden of absorbing the country's expanding labour force falls on the informal sector. It is difficult to construct a coherent time series for informal sector employment. The survey instruments used to capture the desired information changed in the middle of the period with which we are concerned (the 1999 October Household Survey [OHS] gave way to the February 2000 Labour Force Survey (LFS)). As far as can be determined, when unpaid subsistence agricultural producers are removed from the picture, employment in the informal sector remained roughly constant at about 1,8 to 1,9 million from October 1999 to September 2000.

It appears from figure 24 that there are marked differences between the unemployment rates experienced in the different provinces. For example, during 2002 unemployment rates in excess of 30 % were experienced in North West, Mpumalanga, KwaZulu-Natal, the Free State and the Eastern Cape, while some provinces, such as the Western Cape and Gauteng, experienced far lower unemployment rates. It is also important to note that unemployment increased sharply in some provinces (the Northern Cape, Mpumalanga and the Free State) during the period 1994 to 2002, while there was some improvement or stagnation in other provinces (Limpopo, North West and Gauteng).

**FIGURE 24****UNEMPLOYMENT BY PROVINCE IN SOUTH AFRICA, 1994-2002 (Stats SA)****10. INEQUALITY**

Inequality refers to the unequal benefits or opportunities for individuals or groups within a society. Inequality applies both to economic and social aspects, and to conditions of opportunity and outcome. Social class, gender, ethnicity and locality generally influence inequality. Reducing inequality includes:

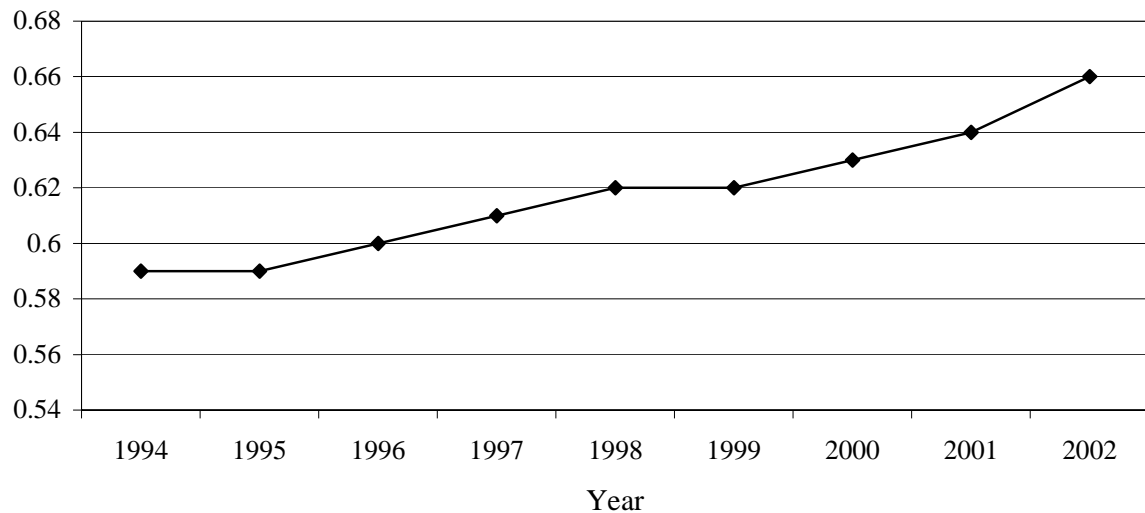
- increasing the relative share in benefits and opportunities of the least well-off
- improving relative mobility of the poor through reducing barriers to advancement in social and economic life, through promoting participation of disadvantaged groups, and eliminating the disproportionate advantages of the rich in terms of education, access, political power, et cetera.

Measured by the Gini coefficient, inequality in South Africa is ranked as the fifth highest in the world. Inequality between races is a striking feature of South Africa. In 1996, 61 % of Africans lived in poverty, compared with only 1 % of whites. Flowing from this there is also a stark race differential in terms of who accesses private services (catering for the better off) and who accesses public services (catering mainly for the poor). Figure 25 illustrates levels of inequality. This figure clearly shows that income is increasingly being unequally divided, and here especially because of growing levels of unequal income distribution within the various population groups and not so much because of income differences between the different population groups. BMR data was used for purposes of this figure because of the unavailability of official Gini coefficient data for the whole period covered by this graph.

**FIGURE 25**

**GINI COEFFICIENT: SOUTH AFRICA, 1994-2004 (BMR)**

Coefficient



Source: BMR

The following is a summary of increasing poverty levels in South Africa: In 1995, Statistics SA reported that 32 % of African households (a minority of which are pensioner households) were “workerless” (contained no employed people).

By 1999, that percentage had risen above 38. Translated into numbers of households, the data suggest that whereas there were about 1,9 million workerless African households in 1995, that number had risen to 3,1 million by 1999. Only a few of these were “true” pensioner households, ie households in which the pensioner did not have to share a pension with other household members.

Of approximately 210 000 African households in which there was no working age person present (many of them so-called “skip generation” households), about 182 000 of them spent, on average, less than R800 per month.

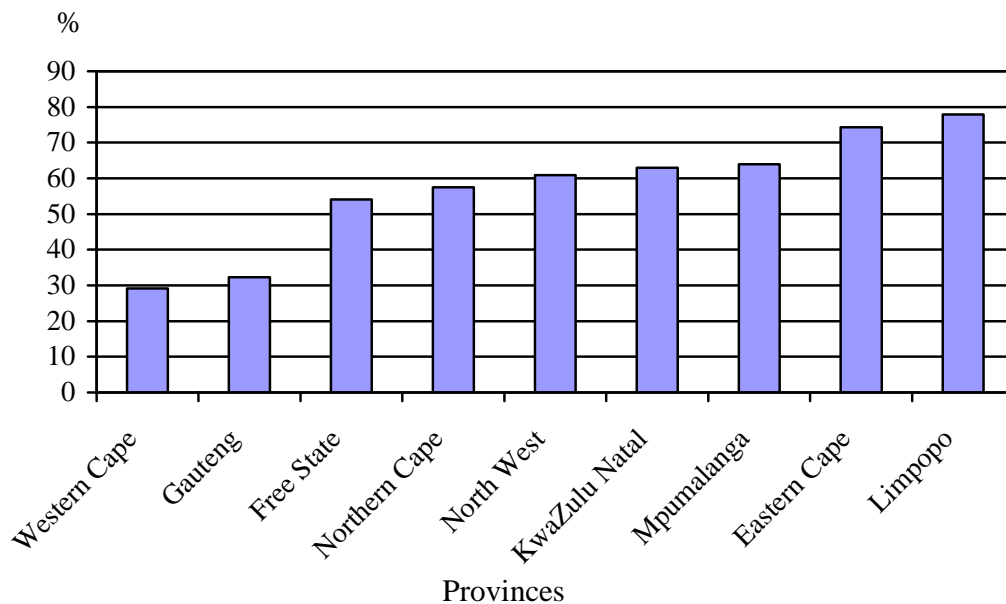
If a single set of statistics can disclose the extent of poverty in South Africa, it may be this - of the approximately 717 000 live births in 1999 that can be sorted by household expenditure category, about 176 000 took place in households where total monthly expenditure was between R0 and R399. A further 231 000 babies were born into households where monthly total expenditure lay between R400 and R799. Into the next income class, R800 to R1 199 per month, some 119 000 babies were born. Accounting for almost three quarters of the total, their prospects are bleak.

About 11 % of households with children under seven years of age went hungry in 1999 due to lack of money to buy food. Another 2,3 million households with people aged seven years and older went hungry due to an inability to purchase food. The percentage of households reporting hunger in 1999 was 21,9 %. Malnutrition remains one of the biggest contributors to child morbidity and mortality in South Africa. According to the national Food Consumption Survey of 1999, nearly 20 % of children aged one to nine are affected by stunting, which is by far the most common nutritional disorder in South Africa. Around 23,3 % of children aged one to six are stunted.

Depending on which poverty line is used, researchers put the number of South Africans living in poverty at anywhere between 45 and 55 % (figure 26). Despite existing measures to address the various dimensions of poverty the reality is that, depending on the poverty line used, about 20 to 28 million citizens are living in poverty. It appears from figure 26 that the incidence of poverty differs across provinces. In all estimates the Western Cape and Gauteng have the lowest rates of poverty, and Mpumalanga, the Eastern Cape and Limpopo the highest rates.

**FIGURE 26**

**PERCENTAGE OF POPULATION IN POVERTY, 1999  
(Stats SA)**

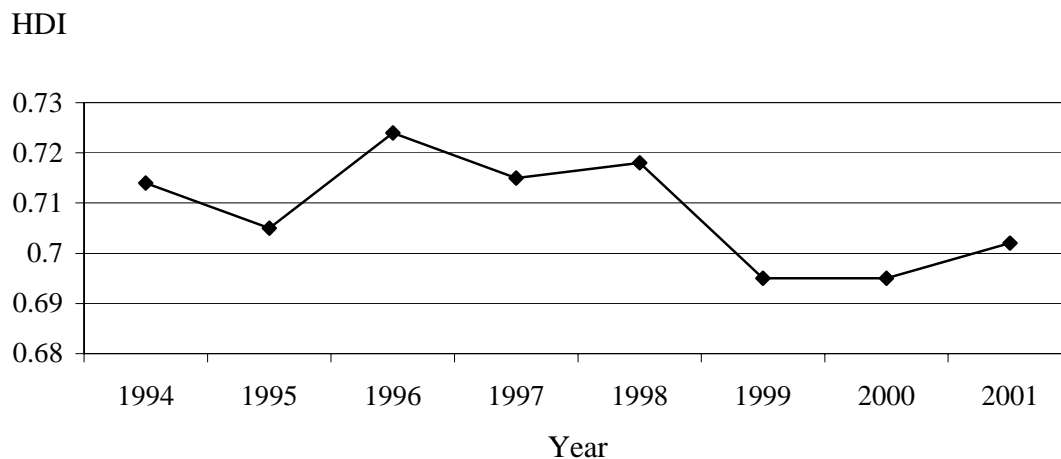


11. **HUMAN DEVELOPMENT INDEX**

The Human Development Index (HDI) is an indicator of the well-being of a society. The Western Cape and Gauteng, as well as the white and Indian population groups, fall within the HDI range equivalent to 'high human development', while Limpopo has an HDI equivalent to 'low human development'. The other provinces, together with the coloured and African population groups and South Africa as a whole, fall within the 'medium human development' range.

Figure 27 represents the performance of South Africa's HDI from 1990 to 2001. The figure reflects a decrease in the HDI from 1995 to 2001, suggesting a drop in the living standard of South Africans, particularly that of Africans and coloureds.

**FIGURE 27**  
**HUMAN DEVELOPMENT INDEX, 1990-2001**



Source: Stats SA

On comparing the information about unemployment provided in figure 23, with the GINI information provided in figure 25, the poverty information provided in figure 26 and the HDI information provided in figure 27, an interesting pattern starts to emerge:

- It seems that as more people lose their jobs the income gap between the employed and unemployed increases.
- Large numbers of unemployed exacerbate poverty levels.
- High levels of unemployment and poverty impact negatively on the HDI.