

STATISTICS SOUTH AFRICA

USING CENSUS DATA TO PROFILE THE POOR IN SA

POVERTY MAPPING DEMONSTRATION BY
MIRIAM BABITA

SADC/PARIS21 WORKSHOP

5-8 DECEMBER

LUSAKA, ZAMBIA

INTRODUCTION

The main objective of this short paper is to illustrate how census data are being used to develop profiles of the poor in South Africa. The first step in this process was the production of Poverty Maps to be followed by poverty profiles at various levels of geography.

In South Africa, the consequences of apartheid, poverty and high levels of inequality are readily observable in everyday life. Accordingly, the South African government has committed itself to poverty alleviation and eradication; but this task requires knowledge of the location, extent and major characteristics of poverty in the country. This way, underlying causes and dimensions can be identified and plans drawn up to address them. Stats SA (Statistics South Africa), the government department responsible for official statistics, has data holdings which are relatively useful for this purpose.

The vision for Stats SA is to inform socio-economic development through provision of high quality, accessible statistics. Therefore, Stats SA continues to research and develop new and better of informing planners and decision makers in both public and private sectors. This objective is achieved by forming collaborative research partnerships with local and international experts. A recent publication "*Measuring Poverty in SA*" is a product of this initiative.

"Measuring Poverty in SA" is a collection of research reports on various approaches to poverty measurement. This demonstration is based on Chapter 2 entitled "*Combining census and survey data to construct a poverty map of SA*" and is the result of a joint study by Stats SA and the World Bank.

The Poverty Maps from this study, have generated a lot of interest, debate and elicited a very enthusiastic response from Users all over the country. Since publication in September 2000, Stats SA has received numerous requests to conduct workshops on the utilisation of these poverty data accompanied by an unprecedented demand for the report. Normally, the last quarter of the year, is a quiet period as all sectors prepare for the holiday season, but this year is different.

DEVELOPING POVERTY PROFILES

Poverty maps are useful and simple to use, but they are not error-free. Thus, the need to use them in conjunction with a comprehensive poverty profile. The development of poverty profiles at various levels of administrative geography is underway, with poverty mapping as the first outcome of the process. The case for comprehensive poverty profiles is clearly spelt out by Lok-Dessallien¹ in *Poverty Profiles : Interpreting the Data* (see box below)

What is a Poverty Profile

Poverty Profiles are analytical tools that summarise poverty-related information and attempt to answer the following questions:

- *Who are the poor?*
- *Where do they live?*
- *What are the main characteristics of their poverty?*
- *Why are they poor?*

The information for developing poverty profiles comes predominantly from service records and surveys, but also from the analysis of the country's framework.

A poverty profile should provide both a snapshot of poverty within a country at a specific point in time (the snapshot may in fact span several years, since some of the data may not be current) and an indication of poverty trends. Ideally, it should be updated on a regular basis.

Poverty profiles should provide information on the extent, depth and severity of poverty. They should identify the relevant sub-groups of the poor by their distinguishing characteristics and circumstances, highlighting priority issues and concerns. Poverty profiles should also serve as a guide in the formulation of poverty assessments and in the design of national poverty reduction strategies. In addition, they should provide a basis for assessing the possible impact of policy proposals prior to their adoption.

A poverty map is part of a poverty profile. It highlights the concentration of different forms of poverty across the country. Poverty maps can be based on a number of different criteria, including geography, gender, ethnicity, political factors, urban or rural settings, etc., depending on the main characteristics of poverty within a country.

Although Census '96 data is an integral part of the profiles being developed, data from other sources will be integrated to provide a more comprehensive scenario. Other sources include service providers like health, education, water affairs, local government and others. Of late the South African government has made this task easier by focusing on integrated service delivery. Ministries have been grouped into clusters that report to Cabinet as the Social Cluster (Health, Education, Welfare, etc.), the Economic Cluster and others. Stats SA is represented in almost all clusters, therefore accessing data and building partnerships with service providers has been made easier. The main challenge in integration of diverse data from diverse sources is administrative geography. Geographical Information Systems (GIS) have helped to address most these problems.

POVERTY MAPPING

THE NEED

According to World Bank researchers², Poverty Maps are needed for 4 major reasons:

- To capture heterogeneity within a country or sub-national region
- To identify geographic factors that influence poverty
- To improve targeting of resources and interventions
- To improve communication about poverty conditions

THE METHOD

Poverty maps can be based on any poverty indicator. In the case of South Africa, a money-metric measure based on imputed consumption expenditure was used. The study found that income data reported in Census '96 was not an adequate measure of household welfare. Therefore Census '96 data was combined with data from the 1995 Income and Expenditure Survey (IES) and the 1995 October Household Survey, to predict poverty rates based on readily observable household characteristics (demographic characteristics, dwelling variables, service variables, and human capital variables). All the technical details are in Chapter 2 (attached) of "Measuring Poverty in SA".

Poverty rates were obtained by applying a household poverty line of R800 (1996 prices). This poverty line was set by Department of Provincial and Local Government in 1996 to guide the allocation of grants to municipalities.

THE RESULTS

Poverty maps based on predicted poverty rates were produced for 3 administrative levels; 9 provinces, 45 district council and 354 magisterial districts.

- The poorest provinces by this method, were Eastern Cape (48%) and Free State (48%).
- The least poor provinces were Gauteng (12%) and Western Cape (12%).

The rates for the rest of the provinces were as follows:

- Northern Province – 38%
- North West – 37%
- Northern Cape – 35%
- KwaZulu-Natal – 26%
- Mpumalanga – 25%

THE BENEFITS

In general, modern GIS offer numerous possibilities for spatial analysis. In the case of poverty, the relationship between poverty and its correlates (e.g. location, access to services) becomes clearer when displayed on the same map. Other benefits include:

- Focus on the poor as group (demographic characteristics, basic needs, human capabilities etc)
- Design and development of evidence – based poverty reduction strategies
- Guide to resource allocation and objective prioritisation
- Tools for monitoring and evaluation of progress
- Opportunities for national and regional capacity building
- Opportunities for service providers to offer integrated services (less duplication, fewer gaps)

Footnotes

¹Lok-Dessallien, R., Poverty Profiles : Interpreting the Data, *UNDP – SEPED series 1997* (UNDP website)

²World Bank PovertyNet : Inequality, Poverty and Socio-economic Performance (www.worldbank.org/poverty/inequal/povmap/why.htm)

References

Alderman, H., et al., *Measuring Poverty in SA*, Statistics South Africa, 2000

Lanjouw, O.J., Demystifying Poverty Lines, *UNDP – SEPED series 1997* (UNDP website)

Lok-Dessallien, R., Poverty Profiles : Interpreting the Data, *UNDP – SEPED series 1997* (UNDP website)