

Getting by...

Benefits of non-contributory pension income for older South African households

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Please consult the website for the authors' contact details, and for more information on and other products of the NCPPS Project.

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Executive summary

Scant attention has been given in the literature on poverty to the role of non-contributory pension programmes in poverty reduction in developing countries. Very few developing countries indeed have a non-contributory pension programme. Brazil and South Africa, both middle-income countries with a vast poor population and ethnically diverse populations, have well-established, similar programmes in place. Comparative surveys were carried out by a multi-national team of investigators in the two countries in 2002/03 to investigate the benefits of social pension income for older households – specifically, how pension income augments other household income and alleviates household poverty, and thereby enhances household members' participation in the development process. An older household was defined as including at least one person aged 55 years and over. Only the South African survey and its findings are reported here.

The South African study examined the general living conditions, and financial and health situations of 1 111 older households. Survey sites were selected in two provinces: the Cape Town metropole in the Western Cape and rural areas of the Eastern Cape. A multi-stage cluster sampling design was applied to select realised subsamples of 374 rural black (RB) households in the Eastern Cape, and 324 urban black (UB) households and 413 urban coloured (UC) households in the Western Cape. Data collection was contracted to a commercial research firm. A questionnaire was specially constructed by the multi-national investigators for use in both the South African and Brazilian surveys, which was administered to heads of the sampled households.

Topics covered in the survey instrument included the household's material living conditions, household composition, economic activities, income and expenditure and the servicing of debts, health and care, and perceived quality of life. A separate module was administered to all older household members (55 years and over), and covered topics relating to pension and unemployment issues, intra-household dynamics and the employment of older persons.

The survey data are tabulated in appendices to the report and the results of an analysis of the household data are presented and discussed in the report. Separate profiles are given of household members aged 55 years and over and of old-age pensioners resident in the households. The data and the results are extensive, and only selected findings are given in this summary.

Among the key findings were: In RB households pensioners were often the sole income earners. The majority of older persons lived with children or grandchildren; 5% of the RB subsample and 8% of the UC subsample lived alone. The study confirmed that older black households are the poorest in South Africa. Old-age pension income competed with wage earnings as the most important source of income in the surveyed households, both in terms of access and size of earnings. However, older RB households were virtually dependent on social pension income and to a far lesser degree on other government transfers. Although the grandchild generation accounted for 39% of RB household members, only 3.5% of these households benefited from a child support grant; in UB households, grandchildren comprised a quarter of household members and 18% received the grant.

RB households were on average the largest households; a quarter comprised eight or nine persons. Some 15% of these households received remittances from persons outside the households; between 18 and 21% of RB pensioners received money from children. A large majority of black social pensioners pooled their pension money with other household income. Few households were able to save or invest in a small business. Less than 4% of older household members were self-employed or employed others. On average, only 2% of earners

in all households derived income from odd jobs, hawking or other informal sector work; informal work appeared to be non-existent in the RB households. In RB households, in particular, pension income was expended on the education of children in the household.

Other findings included pensioner households being creditworthy; membership of burial societies and church groups being widespread; RB households in particular borrowing from micro lenders in times of financial difficulty; and few pensioners reporting problems accessing their pension money and less than 7% of surveyed beneficiaries accessing their pension through a bank.

Overall, a gradient of disadvantage across the subsamples was noted in the survey findings, with RB households being the most disadvantaged in all domains surveyed, UC households being the least so, and UB households falling inbetween. The relative disadvantage and comparative advantage, and the differential benefits of pension income for poor older households in the three subsamples are highlighted and discussed in the report.

Conclusions drawn in the report include the importance of non-contributory pension income to the welfare of poor older households; the comparatively heavier health and child care burden shouldered by RB households; the widespread custom of pension-sharing in RB households in particular; and the irony that few black pensioners are able to use their pension income for themselves but must share the income to meet the survival needs of their family. By contrast, UC older households benefit from other government transfers, such as the child support grant, to a greater extent and have a lower debt burden than the other two subpopulations. A greater number of UC pensioners than other pensioners are able to use their pension money for themselves. It is proposed in the report that inequalities in the positive impact, or benefits of pension income for poor older households across South Africa's subpopulations may be strengthened through greater access of black households, particularly in rural areas, to free education, free health care, basic free water and electricity, and the child support grant.

1 Introduction

Poverty remains a serious problem in developing countries in spite of general improvements in living standards worldwide over the past decades. Older people are often the victims of poverty. Research and debate on how to reduce and prevent poverty among older people have focused mainly on contributory pension programmes. However, in many developing countries only a few older persons have access to a contributory pension scheme. Thus, this study examines the role of non-contributory pension programmes in alleviating poverty in developing countries, a topic overlooked in the poverty literature.

Two case studies serve this purpose. Very few developing countries have well-designed and sustainable non-contributory pension systems. South Africa is one of only a few countries in Africa (Botswana, Mauritius, Namibia), and indeed in the world, which have a well-established system. Poorer South Africans from all social backgrounds have had access to a means-tested, non-contributory pension for over a half a century. The study reported here was carried out in tandem with a comparative one in Brazil, which also has a non-contributory pension programme. Brazil and South Africa are both middle-income countries with a vast poor population and ethnically diverse populations.

The South African study examines the general living conditions, and financial and health situations of over 1000 older households – defined as households that include at least one person aged 55 years and over. Many of the targeted households were expected to include a social old-age pensioner in receipt of the non-contributory pension benefit afforded to South Africans. The study aims to provide background information on how the pension benefit augments household income and alleviates poverty, and thereby enhances participation in the development process. Apart from the material benefits which pension income affords poor households, the study aimed to shed light on how the benefits empower older household members to lead more dignified and meaningful lives.

1.1 *The welfare safety net*

In South Africa, as in many developing countries, households with older persons are among the most disadvantaged (Ministry in the Office of the President, 1995). The social old-age pension was first paid to poor white citizens in 1928. The benefit was later extended to Indian, coloured and black citizens, albeit at different rates according to apartheid gradations (Sagner, 2000, 1998). In the 1980s, the difference in the amounts payable to different categories of pensioners was gradually reduced. Parity in the amount of the pension benefit was achieved on the eve of the first democratic elections in 1993. At that time black beneficiaries were paid the approximate equivalent of a domestic worker's wage. The pension is payable to women aged 60 years and over and to men aged 65 years and over. The take-up rate of the grant is very high: about four in five older persons (Van den Berg, 1998a, b). Although the grant is paid to individuals, it contributes to household income as pension-sharing is common in low-income black households (Møller & Sotshongaye, 1996). The 2002 report of the Committee of Inquiry into a Comprehensive System of Social Security for South Africa, the so-called Taylor report, states that the old-age pension is the largest current social security transfer in the country. It notes that for those persons who receive it, the grant plays "a pivotal poverty alleviation role for the entire household" (Department of Social Development, 2002: 30). In rural areas of South Africa, a 1993 poverty study found that the social old-age pension and remittances from wage earnings in urban centres represented major sources of household income (Saldrú, 1994). Later evidence supports the significance of pensions in equalising the household incomes of younger and older low-income

households (Devey & Møller, 2002; Møller & Devey, 2003). Several South African studies indicate that the pension lifts low-income households out of the lowest income deciles (Ardington & Lund, 1995; Department of Social Development, 2002; Møller & Devey, 2002; Van der Berg, 1998b).

In addition to the pension grant, a number of other state transfers target the poor and form part of the available social assistance package. The disability grant targets persons over 18 years of age who are medically certified as disabled. The Taylor report notes that the grant "is a de facto poverty grant, as 77 per cent of recipients are also in poverty" (Department of Social Development, 2002: 30). The foster care grant is available, but not automatically, to families who foster children under 18 years of age. The care dependency grant assists parents of a disabled child (0-18 years) who requires care at home by another person. Thereafter application must be made for the adult disability grant. The child support grant is paid to the primary caregiver for children under seven years of age. This grant, which was introduced in the mid-1990s, has a slow take-up rate, with only 25 per cent of the targeted group receiving the grant three years after implementation (Department of Social Development, 2002: 30). In spite of these provisions, it is estimated that up to 60 per cent of the poor do not receive any social security transfers at all.

The Taylor report argues that a capability approach to social protection would envisage a package of interventions and measures including the provision of basic services. Since 1994, the new government's Reconstruction and Development Programme has extended access to housing and basic infrastructure such as clean water, electricity and, to a lesser degree, sanitation to the poor in urban and rural areas (Statistics South Africa, 2001). The Taylor report regards lifeline tariff water and electricity, which is currently being introduced in municipalities across the country, as part of the social protection package. A basic income grant to target gaps in the social security system is recommended by the Taylor Committee. However, there are no signs that it will be introduced in the near future.

1.2 *The survey sites*

Two provinces were selected as sites to study the impact of pension income on older households: the Eastern Cape and the Western Cape. The Eastern Cape is mainly rural with high rates of unemployment. Its social indicators on income, living conditions and infrastructure highlight its backlog in development. Although the Western Cape is among the most affluent of South Africa's nine provinces, the rapid influx of population seeking jobs and a higher standard of living has strained development resources and created a huge belt of shackland surrounding the Cape Town metropole. Many urban black households in the Western Cape have originated from the Eastern Cape as the two provinces form part of a circulatory migration route.

In South Africa, race or ethnicity is a political concept. Although the introduction of democracy in 1994 ushered in a new era of equality, race remains an important marker of socio-economic status in society. Under the former government, each sector of the population was accorded access to material wealth and social advancement according to its position in the official racially-defined pecking order. For example, in 1985 the social old-age pension was still paid out according to a racially-defined formula with whites benefiting almost two and half times more than black pensioners, and one and a half times more than coloured and Indian pensioners (Schlemmer & Møller, 1997: 31). The formula was more extreme in earlier years. In the new era, the racial marker serves as a yardstick to monitor the new government's progress in raising the living standards of those disadvantaged under the old order. For example, the census and official government forms still ask South Africans to state their race for purposes of monitoring living standards, affirmative action and employment equity.

South African poverty studies consistently find that black and coloured households comprise by far the largest shares of the two bottom quintiles of income earners (Bhorat *et al.*, 2001; Saldru, 1994; Devey & Møller, 2002). In 2002, the year in which the survey was conducted for this study, blacks accounted for some 78% of the South African population, coloureds (people of mixed descent) 9%, Indians 4% and whites 10% (SAIRR, 2001: 124).

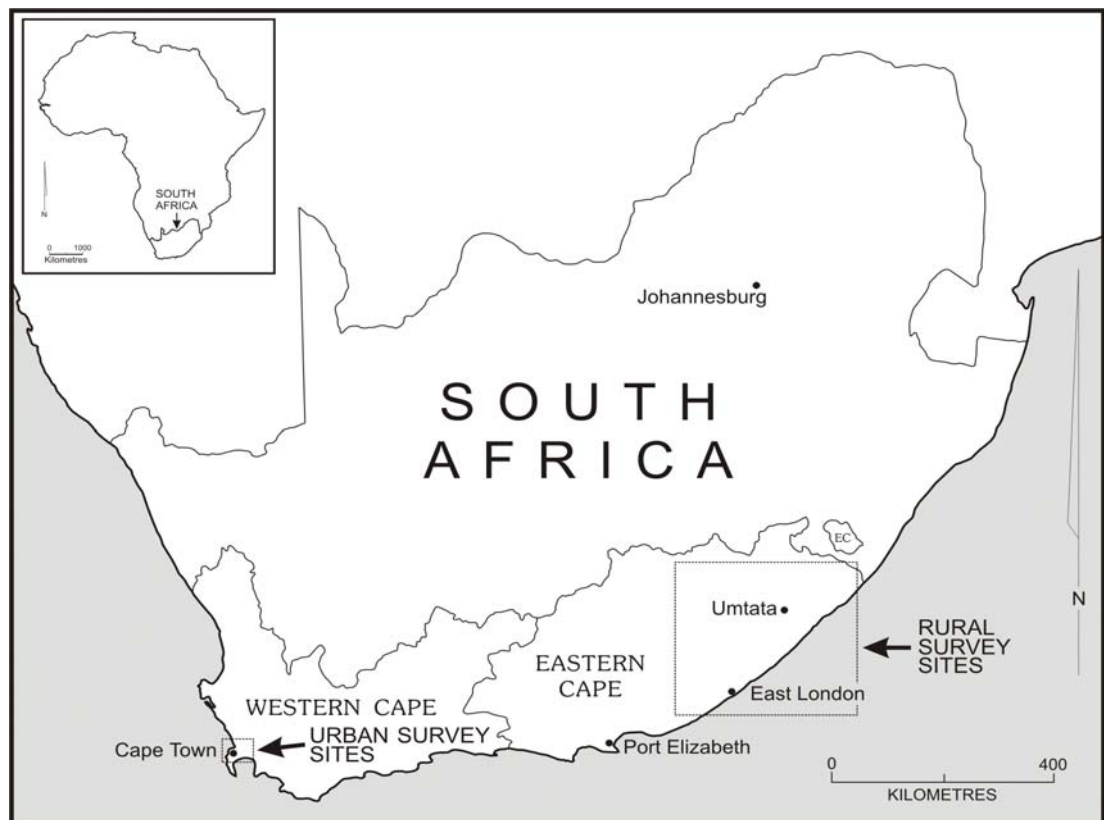
2 Method

2.1 The sampling

A multi-stage cluster sampling design, a variation of the traditional probability proportional-to-size sampling method, was applied to select the households included in the survey.

Target households included one or more persons aged 55 years or over. The study aimed to draw a sample of 1000 target households to examine the impact of non-contributory pension income on older households on South Africa. Two geographical sites were selected for the study, to represent three demographic categories: Older rural black households, older urban black households and older urban coloured households. The rural Eastern Cape was selected to target rural black households. The Cape Town metropolitan area was chosen to target urban black and coloured households. An assumption, in the case of the black subsamples, was that a transfer of income and expenditure among the households exists between these two regions which form part of the migration system. (See Map 1.)

Map 1: South Africa, showing urban survey sites in the Western Cape Province and rural survey sites in the Eastern Cape Province



In the first stage, 20 magisterial districts were purposively selected in which to target the three categories of households. Geographical and demographic information on the total number of households and persons aged 55 years and over was obtained from Statistics South Africa. Within each of the 60 magisterial districts, all 1996 Census Enumerator Areas (EA) were selected which met the following criteria: Population predominantly black or coloured; urban area as defined by Statistics South Africa in the Western Cape; and tribal or semi-urban areas in the Eastern Cape. All EAs containing institutions or commercial farms were excluded, as were EAs containing less than 80 households.

Three sampling frames were created by listing all households which met these criteria for each respondent category. Twenty clusters or EAs were selected in each sampling frame using a random starting point and the appropriate sampling interval. The sampling interval was the total number of households in the respondent category divided by 20. Two substitute EAs were identified at the same time, namely the two EAs immediately below the target EA on the list.

To achieve a sample size of 1000 households, approximately 17 households were to be included in each of the three sets of 20 randomly selected EAs, or some 333 households per respondent category.

Each of the selected EAs was then divided into segments with each segment calculated to yield 17 interviews with a target household. The formula to calculate the segment size was based on the demographic information supplied by Statistics South Africa on the number of households in each EA and the age structure. All households in the selected segment were then contacted and interviews were conducted in all households which included at least one person aged 55 years and over.

The first respondent interviewed was the person who identified himself or herself as being most knowledgeable on how the household's money is spent. Thereafter, all persons in the household aged 55 years and older were interviewed personally. In the rare case of illness or cognitive impairment, the interview with the person was conducted by proxy.

2.2 *The fieldwork*

The sampling design and fieldwork were contracted to Development Research Africa (DRA). Experienced interviewers, trained specially for the task, carried out the fieldwork. Interviewers were matched with the three respondent categories by language and degree of familiarity with the survey sites. Personal interviews were conducted in the respondent's language of choice using a structured interview schedule with open and closed ended questions. Fieldwork commenced on 18 October 2002 in the Eastern Cape and on 21 October 2002 in Cape Town, and was completed in approximately one month.

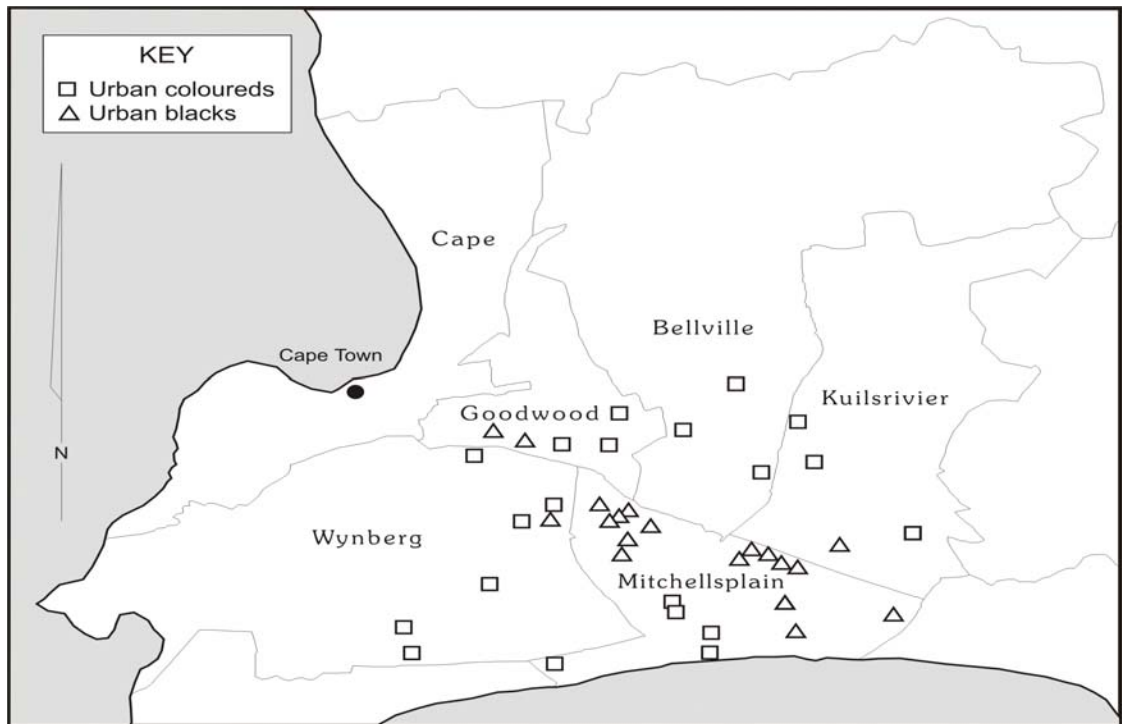
The twenty randomly-selected EAs in the Cape Town metropole targeting urban black households were located in the magisterial districts of Goodwood, Wynberg, Mitchell's Plain (which includes the sprawling township of Khayelitsha) and Kuils River. The twenty randomly-selected EAs targeting urban coloured households were located in the same magisterial districts as those targeting urban black households with the addition of Bellville. (See Map 2.) No substitutions were required in the Western Cape urban areas.

The twenty randomly-selected EAs in the rural Eastern Cape were located in the magisterial districts of Zwelitsha, Keiskammahoek, Engcobo, Idutywa, Kentani, Libode, Lusikisiki,

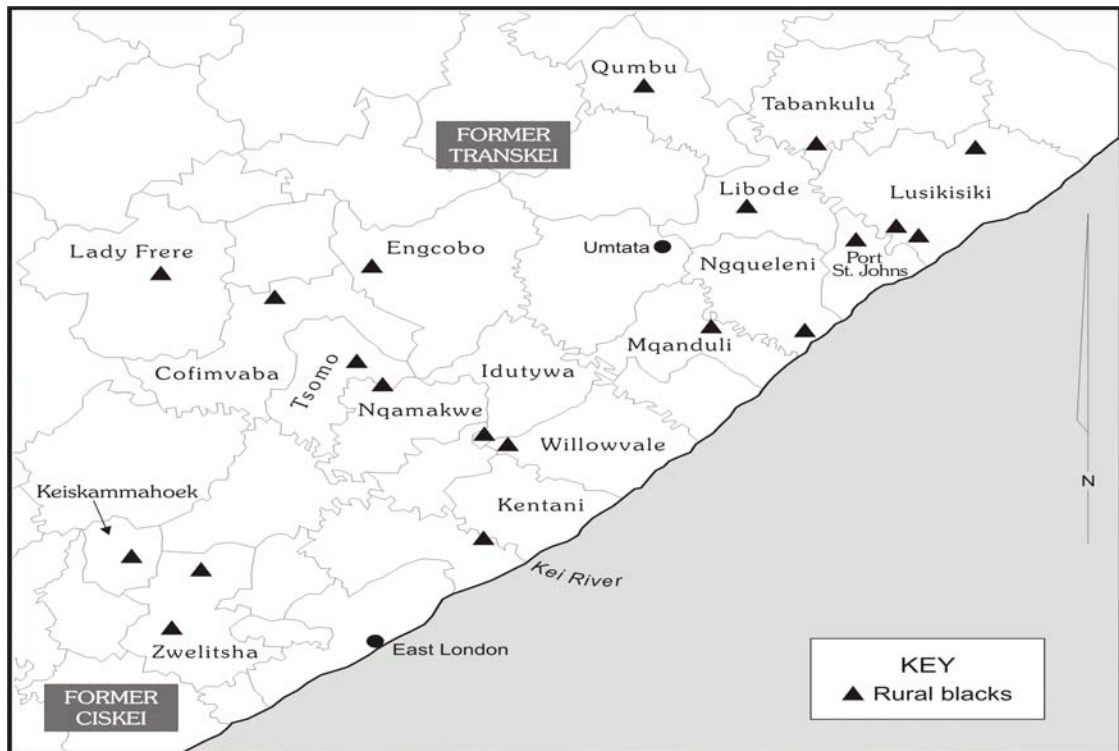
Mqanduli, Ngquleni, Nqamakwe, Port St Johns, Qumbu, Cofimvaba, Tabankulu, Tsomo, Willowvale and Lady Frere. Two EAs selected in the Idutywa and Lusikisiki districts had to be replaced, as their locations could not be found on the maps made available by Statistics South Africa. Tsolo, which comprised only younger households working on a plantation, was replaced by an EA in Tsomo district. (See Map 3.)

The multi-stage sampling design prescribed that all households selected in the last stage, in the EA segment, had to be interviewed. As a result a larger sample size was achieved than the originally planned sample of 1000 interviews. A total of 1111 interviews was realised: 374 in rural black households, 324 in urban black households and 413 in urban coloured households.

Map 2: Urban survey sites, in the Western Cape Province, according to Magisterial Districts and Census Enumerator Areas, for Urban Black (UB) and Urban Coloured (UC) subsamples



Map 3: Rural survey sites, in the Eastern Cape Province, according to Magisterial Districts and Census Enumerator Areas, for Rural Black (RB) subsample



The data were coded, captured, cleaned and validated by Development Research Africa. Data were then analysed using the Statistical Package for the Social Sciences (SPSS).

2.3 *The instrument*

The international team of investigators constructed the questionnaire used in the survey. The questionnaire was designed to be administered within 45 minutes to one hour. The instrument was divided into eight sections. The topics covered included the household's material living conditions, household composition, economic activities, income and expenditure and the servicing of debts, health and care, and perceived quality of life. The eighth section comprised a separate interview module administered to all older household members (55 years and over). This section covered a wide range of topics relating to pension and employment issues, intra-household dynamics and the empowerment of older people.

3 Findings

The survey results are shown in the order of the topics as they were introduced in the questionnaire and the interviews. The household survey results are followed by a profile of pensioners in the households.

3.1 Household profile

The study includes three distinctive groups of older households. Survey sites in rural areas of the Eastern Cape Province and in the Cape Town metropolitan area in the Western Cape Province were selected to target households varying in degrees of poverty and a range of living conditions. The predominantly rural Eastern Cape is among the poorest of South Africa's nine provinces with high rates of unemployment. The rural areas sampled there straddle the former homelands of the Transkei and the Ciskei divided by the mighty Kei River. Migration streams from the Eastern Cape end in the Western Cape region. Thus, urban black communities in the Western Cape may still have family ties in the Eastern Cape and might regard a rural area in the Eastern Cape as their place of origin. Two urban subsamples were drawn in metropolitan Cape Town among households in predominantly black and coloured residential areas. The Western Cape was formerly a coloured labour preference area.

To mark the distinctions between the survey sites, the households in the three subsamples are identified as rural black (RB), urban black (UB) and urban coloured (UC) households. The descriptive report gives results of the study for each of the three subsamples and for the total sample.

The household profile shows that the three subsamples included over three hundred households each (Table A – in Appendix 1).

Language. The dominant home language in the black households was Xhosa and in the coloured households, Afrikaans. Over one in ten urban black households gave English as their home language, which is a new phenomenon and may reflect greater ethnic mixing in urban areas. A fifth of the coloured households gave English as their home language. Afrikaans speakers are often bilingual in Afrikaans and English.

Residence. Most of the surveyed households were well established in their area and their homes. With a few exceptions, the heads of the rural households had been born in the area and had lived in their present dwelling for over 30 years. The majority of the rural dwellers lived in multiple structures built in the traditional style. Dwelling structures comprised three or more huts, on average.

The majority of the Cape Town households had resided in their area for over 20 years. The urban households lived mainly in detached dwellings on separate stands. A fair proportion of coloured households lived in semi-detached homes. Some urban black households were less established in their area; slightly less than one in three urban black households lived in an informal dwelling or shack. The large number of informal dwellings occupied by urban blacks may account for the fact that, on average, urban black homes were smaller than those of their rural counterparts and urban coloured homes. On average, urban coloured households occupied four or more rooms.

Homeownership. The vast majority of the rural households owned their dwelling. Slightly more than a quarter of the urban households rented their homes.

Facilities and amenities. The urban households mainly had piped water into the dwelling or on site; about nine in ten had a flush toilet. In stark contrast, many of the rural households lacked access to clean drinking water and sanitation. The majority of the rural households drank river water. Slightly more than one in ten rural households used water from dams or rainwater. Approximately half of the rural households reported no toilet or a “bush” toilet.

In general, the coloured households had the best access to infrastructure and amenities in the home, followed by the urban black households, with the rural households lagging far behind. This pattern is consistent for all amenities in the home, with the exception of a radio. The majority of all the households had access to a radio. Nevertheless, it is worth noting that one in two rural households had access to electricity. Since democracy, the government has embarked on a major campaign to supply poor households with clean water and electricity.

3.2 *Household composition*

The size of the households ranged from one to 22 persons (Table B1). The average household size for the black households was five persons and for the coloured households, slightly less than five. Household size decreases progressively from rural black, to urban black, to coloured households. One-person households account for fewer than one in ten. Rural households tended to be the largest; almost a quarter comprised eight or more persons.

Older households are multigenerational. Heads of households and their spouses accounted for approximately a quarter to a third of persons in the household; adult children and their age peers for at least another third; and the grandchild generation for a quarter – and up to 40% in the case of the rural households. The largest generation in coloured households was the top one, consisting mainly of heads of households and their spouses. The middle generation of adult children was dominant in the urban black households. The bottom generation of grandchildren was the largest one in the rural black households. Twelve households did not identify a head of household, while nine identified two heads, which accounts for the slight variation in the proportions of household heads in the different survey categories.

Over half of the household members in the rural households were under 25 years of age, compared to 38 per cent in the urban coloured households. By definition, all households in the survey included at least one person aged 55 years or older. The coloured households included the highest proportion in this age category. The urban black households included significantly fewer persons aged 65 years and older.

Most households included only one person aged 55 years and over. Only one household included four persons in this age bracket. More than a third of coloured and a fifth of rural black households included two or more older persons.

The study identified 828 recipients of the pension grant. The majority of these beneficiaries were members of rural black households. On average, each rural black household included one pensioner. Over one in ten rural black and urban coloured households included two or more pensioners. However, almost one in two urban black households and half of the coloured households reported no pensioner.

3.2.1 **Profile of respondents**

Profiles were constructed of the respondents, i.e. persons 55 years and older and social old-age pensioners (Table B2). A large degree of overlap is noted. Almost all the respondents

identified themselves as the head of their household. In a few cases, predominantly in the coloured households, the head's spouse or a member of the top generation was the respondent for the household. Six in ten respondents were social old-age pensioners. Forty percent of the respondents were male, a proportion similar to that found among all older members of households. Compared to older members of the household and pensioners, the respondents were on average a few years younger and more likely to be literate. The respondents in the rural black households were most likely to be older, on average 67 years, and illiterate. Some 85% of the rural black respondents were old-age pensioners, compared to less than half of the urban respondents. Almost one in five rural respondents were 75 years of age or older. Some 43% of the rural respondents stated they had had no schooling and could not read and write.

3.2.2 Profile of pensioners

What are the distinguishing characteristics of pensioners that set them apart from other older members of households? Persons aged 55 years and over were identified from the information provided on their age by the respondent. The pensioners among these persons identified themselves as such later in the interview. Some 3% might not have qualified for the pension on grounds of their age, or they were disability pensioners. The old-age pension grant is paid to women aged 60 years and above and men aged 65 years and above.

In the rural households, the vast majority of the older members, 85%, were old-age pensioners. The differences between pensioners and other older members of households are somewhat greater in the urban areas. Urban pensioners were, on average, some two years older than other older members of households, and they were more likely to be female and widowed.

3.2.3 Absent members of households

The survey inquired whether any members of the household were absent (Table B3). Approximately six per cent of all household members were absent at the time of the survey. Reasons for absence included working away from home, looking for work, attending school and personal reasons. The dominant reason for absence in the coloured households was employment. Twice as many members of urban black than other households were absent at the time of the survey mainly because they were working away from home or looking for work. Substantial proportions of absentees in the urban and rural black households were attending school in another part of the country. The proportion of absent members in employment was highest for the coloured households and lowest for the rural black households, with the urban black households falling somewhere in between.

3.2.4 Marital status and education levels

Female members made up a slight majority in all subsamples of households. The majority of members of the urban and rural black households were single. The proportions of single and married persons were approximately equal in the coloured households.

Education levels were highest in the coloured households, where a fifth of the respondents had gained matriculation or tertiary education, and lowest in the rural black households, where a fifth had received no education. The level of education in the urban black households fell somewhere in between. The number of household members without any formal education increases progressively from 4% in coloured, to 10% in urban black, to 21% in rural black households. The progression is inverted for the percentages with matriculation or higher education: 11% in rural black, 18% in urban black and 21% in coloured households.

3.3 Household economic activity

The survey inquired into the working lives of all household members aged 16 years and over (Table C). The vast majority had not worked in the past 12 months. The employment rate was 14 times higher in the coloured than the rural black households. Unemployment rates decrease progressively from 95 % in rural black households, to 78 % in urban black households, to 66 % in coloured households.

Persons who had worked part or all of 12 months in the past year supplied additional information on their work circumstances. The majority had worked 40 hours a week. However, substantial proportions had also worked more than 40 hours. The proportion who worked longer hours a week increases progressively from 12 % of the rural black workers, to 36% of the urban black workers, to 41% of the coloured workers.

Some 38 persons among those who had jobs in the past year reported not working in the month before the survey. Over half stated that their work was temporary, or that they were again looking for work.

The majority of the workers in the surveyed households were employed in elementary occupations, such as domestic and agricultural work, and as hawkers. Coloured workers were more likely to find jobs as clerical and factory workers. On the other hand rural households reported the largest proportion of professionals, such as teachers, and health and social workers.

The surveyed households were occupied in a wide range of occupational sectors. Black workers were over-represented in community services. Half of the rural black workers were occupied in community services, the education and health sectors, and construction. Urban black workers were predominantly employed in community service, trading and the hospitality sector. Cape Town is one of South Africa's most popular tourist destinations, which accounts for the fact that over one in ten urban black workers in the survey were employed in the hospitality sector. Over half of the coloured workers had jobs in manufacturing, community service, trading, and education or health.

Over nine in ten workers were employees. Less than 4 % of the total sample was self-employed, or employed other workers. Although numbers are small, the rural black workers were most likely to be self-employed, while the coloured workers were most likely to be employers.

The majority of the rural workers were occupied in operations which employ fewer than ten workers. Most coloured household members in employment worked in operations which employ ten or more workers. The proportion of persons employed in workforces of over 50 persons increases progressively from 11 % of rural black workers, to 26 % of urban black workers, to 39 % of urban coloured workers.

Most workers worked in offices or at business premises. A fifth of the coloured workers worked in factories. Substantial proportions of the rural blacks worked in government institutions and in private homes.

3.4 *Household income and assets*

3.4.1 Sources of income

The survey inquired into various sources of income of the households. More than 2000 earners in the households and their sources of income were identified. Table D reports sources of individual income and the household income resulting from these individual incomes.

The two most important sources of income were the social old-age pension, and earnings from paid jobs and informal work (Table D1.). The disability pension and the child support grant also played an important role in earning income for the households.

The social old-age pension is by far the most important source of income for rural black households. Three-quarters of the rural black income earners were social pensioners, compared to only 13-14% who were wage earners.

The urban households relied more on earnings from paid work than on the social pension. Nevertheless, the old-age pension represents some 29% of income sources for urban black and coloured earners. Urban black households derived the greatest benefit from the child support grant and the disability grant.

Table D2. shows the average earnings from different sources of income for individual earners. The old-age pension grant and the disability grant have equal values. Employer and veteran's pensions, and retirement annuities have greater value but smaller numbers of beneficiaries. Similarly, few households accessed the grant-in-aid and the foster care grant, which provide more income than the child support grant.

Earnings from regular paid work was the most lucrative source of income for the highest number of income earners in all households. Earnings from hawking and odd jobs yielded much lower income. Noteworthy is that average earnings from paid work and odd jobs increase progressively from rural black, to urban black, to urban coloured workers, as do employer pension benefits which are linked to past earnings.

3.4.2 Importance of sources of income

Table D3. allows us to calculate an approximate ranking of the importance of different sources of income for the surveyed households. The rank order is based on the number of households that derived income from each source multiplied by the average income accruing from that source, and is shown in Table 3.1 below.

Although some incomes are relatively higher than others, they are more difficult to access or are limited to a privileged few. Although the importance ranking is a crude estimation, it clearly identifies formal paid work and the social pension as the two most important sources of income for older households. Among the different pillars of state social security, the social pension is clearly the most important, followed at a distance by the disability grant. The child support grant provides twice as much income as the foster care grant, which in turn outvalues the veteran's pension, the grant-in-aid and unemployment insurance. The impact of the care dependency grant is negligible.

Comparisons between private and public social security are illuminating. Because so few survey households had had access to employment and its benefits, few households accessed an employer pension or retirement annuities. The total estimated value of employer pensions

is approximately on a par with that of the disability grant. The total value of retirement annuities is less than that of the child support grant or the foster care grant.

Table 3.1: Ranked importance of different sources of household income

Rank	Type of income	Estimate value
1	Paid work	R988 163
2	Social old-age pension grant	R525 575
3	Disability grant	R118 680
4	Employer pension	R101 783
5	Earnings from informal jobs	R 28 169
6	Child support grant	R 26 890
7	Retirement annuity	R 18 719
8	Foster care grant	R 11 880
9	Veteran's pension	R 6 040
10	Grant-in-aid	R 4 697
11	Unemployment Insurance Fund	R 4 689
12	Care dependency grant	R 130

Noteworthy is that the child support grant, the amount of which was R130 per child at the time of the survey (2002), creates an important source of income for older households which are typically multigenerational. Equally noteworthy is that income from informal sector activities, such as hawking and jobbing, which are not nearly as lucrative as regular paid work, creates at least as much income for older households as child support grant income. An alternative interpretation might be that few older households engage in informal sector work if they can gain access to child support. Judging from the survey results, income from informal sector work is virtually non-existent in cash-starved rural communities.

At the time of the survey, a government inquiry found that the take-up rate of the child support grant was particularly low in the Eastern Cape. The 2003/4 state budget has set aside special funds to facilitate and expedite registration of children eligible for the grant which should benefit older multi-generational households in the province.

3.4.3 Additional sources of income

Table D5. reviews additional sources of income for households. The most common additional sources were inter-household transfers, rentals and savings. Substantial numbers of households received cash and gifts in money or kind from persons outside the household, or collected rent from lodgers and property rentals. Interest from savings was an additional source of income for a few households in both the rural and the urban areas. Of all these sources of additional income, rentals and interest from savings yielded the highest earnings for the household, on average in the region of R700 per month. Urban black households tended to have less income from additional sources of income than others.

3.4.4 Income levels

Figures in 4. and 6. in Table D provide estimates of average household income. Table D4. shows mean household income as the sum of individual incomes earned from different sources, including government transfers, private pensions and annuities, and from paid formal

and informal work as itemised in Table D3. Average household incomes are progressive and range from R899 for rural black households, to R1402 for urban black households, to R2529 for coloured households. If additional income is added from inter-household transfers, rentals and savings, average household incomes increase only minimally, by between R30 and R150 (Table D7.).

3.4.5 Relative importance of the social old-age pension as a source of household income

What is the significance of the non-contributory old-age pension for livelihoods? Table 3.2 below gives an overview of household income clustered in three groups of income. The monetary values of income from government transfers, contributory pensions and employment are shown for the subsamples and the total sample.

Table 3.2: Household income, by source and subsample

Income sources for households	RB	UB	UC	All households
<i>Old-age pension</i>	<i>R242 020</i>	<i>R112 630</i>	<i>R 170 925</i>	<i>R 525 575</i>
Government transfers	R270 060	R174 100	R 254 421	R 698 581
Contributory pensions	R 4 800	R 14 362	R 101 340	R 120 502
Employment	R 61 402	R266 001	R 688 929	R1016 332
Total	R336 262	R454 463	R1044 690	R1835 415

In Table 3.2, government transfers include old-age grants and disability grants, veteran's pensions, unemployment benefits, child support grants and foster care grants, care dependency grants and grants-in-aid. Contributory pensions include employer pensions and retirement annuities. Earnings from employment include those from formal jobs and informal income-earning activities.

Based on the monetary values of the three types of income, Table 3.3 below gives the relative value of the social old-age pension for the three subsamples and the total sample.

The non-contributory old-age pension is by far the most important source of income for rural black households where it accounts for almost 90% of income from all government transfers. In contrast, the old-age pension accounts for approximately two-thirds of all government transfers in urban black and coloured households.

Contributory pensions are negligible sources of income for rural black households. The value of the old-age pension is 50 times greater than that of contributory pensions in the rural black households surveyed. The value of the contributory private pension relative to the social old-age pension increases progressively from rural black, to urban black, to urban coloured households. Although the value of contributory pensions tends to be much higher than that of the government pension, only a small number benefit from employer pensions and annuities.

The social old-age pension and employment are the two most important sources of income for all households. However, the relative contribution to household income of the government transfers and employment income was significantly different in the urban and the rural areas.

Table 3.3: Relative value of the old-age pension, by three subsamples

Comparative value of the non-contributory social old-age pension income	RB	UB	UC	All households
Old-age pension as percentage of all government transfers	89.6%	64.6%	67.1%	75.2%
Ratio: Contributory to non-contributory pension	1 : 5	1 : 8	1 : 6	1 : 4
Ratio: Employment income to non-contributory pension	1 : 4	2.4 : 1	4 : 1	2 : 1

While black rural households benefitted fourfold from pensions compared to employment, the opposite was the case in the urban areas, where more members of the household could find jobs. Urban black households earned twice as much from employment as from old-age pensions, and urban coloured households four times as much.

3.4.6 Income dynamics

Black households pooled all or most of their income. Only some 10% of the urban black households reported that earners kept their income. Income sharing was less common in the coloured households. Only 29% of the coloured households pooled all income and pooled a portion of individual income (Table D8.).

The person “most knowledgeable about how money in the household is spent” was designated as the respondent. The respondent was also the household head in most instances. The respondent confirmed that the household head was the person who had the most influence on household spending. Alternatively, the household head's spouse assumed this responsibility in about a fifth of cases (Table D9.).

3.4.7 Household assets

Mainly rural households owned livestock. The average household which owned livestock kept eight chickens, two pigs, two-hoofed traction animals, 12 sheep or goats, and five head of cattle (Tables D10. – D12.).

Over one in two rural households grew its own vegetables. Less than 3% and 1% of the urban black and coloured households, respectively, did so. Home-grown produce was worth an estimated R61 for households which grew vegetables during a typical harvest month (Tables D13. and D14.).

The proportion of households which had a bank account increases progressively from rural black, to urban black, to urban coloured households. Almost three times as many coloured as rural black households had bank accounts (Table D15.). The progression is in the other direction for membership of a stokvels (a revolving savings/credit scheme), which is most popular among rural black households. However, only 3% of the rural households in this survey reported participation in this type of scheme (Table D16.).

3.5 *Household expenditure*

The survey attempted to capture regular household expenditure as well as unanticipated expenses which might present a shock to a household's financial system and its capacity to care for its members.

3.5.1 **Financial shocks**

Approximately a fifth of the households had had to cope with unforeseen expenses in the past 12 months (Table E1.). Urban black households were most likely to be faced with expenses for which they had not budgeted.

Funeral expenses were by far the most common shock to the financial systems of black households in both the rural and the urban areas (Table E2.). Funeral expenses overshadowed all other unexpected expenses. The costs of traditional ceremonies and customary practices were additional unanticipated expenses for black households. While the rural households had to absorb the costs of repair work caused by natural elements, the urban households were more likely to have initiated renovations to their houses which exceeded budget.

Funeral expenses were also the most frequently mentioned unanticipated expenditure for coloured households. In addition to these expenses, unforeseen expenditure was spread over a wider range of construction and repair, legal, education and health expenses, rates and licensing costs.

Financial shocks are a reflection of lifestyles and risks to which households are exposed. Only the urban households were affected by unanticipated expenses relating to car ownership. Expenses associated with housebreaking, bail payments and legal representation were concerns exclusively for coloured households.

For the minority of households experiencing financial shocks, average expenditure was in the range of thousands of Rand (Tables E3. and E4.). In the overview in Table 3.4 overleaf, unanticipated expenditure exceeds the average household's monthly income up to threefold. Urban black households appeared to be most vulnerable to risks associated with unforeseen expenditure. Their average expenses were also the highest in absolute and relative terms. Urban black households with a ratio of 1 to 3.7 were least likely to be capable of weathering a financial shock. In contrast, coloured households with a ratio of 1:1 might be in a better position to absorb a financial shock than black households.

3.5.2 **Regular expenditure**

Households were asked to attempt a best estimate of all their expenses in the past month or the past year. To assist with the task, the households worked through a checklist of typical expenditure items. Table E5. shows itemised expenditure for the average household in each of the three subsamples. Means were calculated for the households that reported expenditure on each item in question.

Table 3.4: Mean household monthly income compared to mean unforeseen expenses, and ratio of income to unforeseen expenditure, by subsample

	RB	UB	UC	Total
Mean monthly income (Tables D4. and D7.)	R 965	R1439	R2686	R1743
Mean unforeseen expenses (Table E4.)	R2155	R5590	R3465	R3887
Income to unforeseen expenditure	1 : 2.2	1 : 3.9	1 : 1.2	1 : 2.2

Recall varied according to type of expenditure. Almost all households reported food as the major expenditure item. Thereafter, between 65 and 71 % recalled expenditure on electricity and transport. Other infrastructure, communication and energy expenses were mentioned by about half as many households. Prominent in most lists of expenditure were education and health, investment in social capital such as church and club dues, and expenditure on personal items and clothing. Burial society dues featured in two-thirds of the expenditure lists produced by the households. Between 14 and 17 % of households indicated that they were paying back loans or paying off items bought on credit such as furniture or appliances.

In Rand terms, the rural black households spent the most on essentials such as food. Next highest expenditure was on transfers to other households and on paying off debts on loans and for hire purchase. Approximately equal amounts were expended on health care and education. In comparison, infrastructure and communication costs were generally low; the highest average expenditure was for telephone expenses. Rental expenses were non-existent or minimal.

With the exception of food, which was a major expenditure item in all households, the urban black households may have spent twice as much on any single expenditure item compared to their rural counterparts – up to four times as much in some instances. This finding may be taken as an indication that the cost of living is higher in urban areas, or else that urban black households, on average, have more money at their disposal than their rural counterparts.

The highest expenditure items for the urban black households, over R100 per month among spenders, included food, all infrastructure costs taken together, hire purchase and other debt repayments, clothing, health and education. Transfers to other households and entertainment were among the five highest expenditure items. Although only a few households had this expenditure, the urban black households spent the largest amounts on funding their business projects.

With a few exceptions, the average monthly expenditure by the coloured households on all listed items was over R100, with groceries accounting for the single highest expenditure item in the region of over R600. The coloured households spent twice as much on groceries than their rural counterparts. Their fruit and vegetable, and meat bills were almost five times as high. Relative to other expenses, the coloured households spent less on inter-household transfers than, say, on take-away food.

Comparing expenditure across the three subsamples, it is worth noting that a very small minority of households in the total sample indicated that they were able to save. The average amount saved monthly increases progressively from R53 in rural black households, to R453 in coloured households. All households that spent on the lottery and contributed to burial societies paid similar monthly amounts, of between R40 and R70 on average, as shown among the smaller expenditure items of urban households.

3.5.3 Profile of household expenditure

Table E6. shows expenditure on specific items in the household budget as a proportion of total household expenditure for the three subsamples. Table 3.5 below (based on Table E6.) gives an overview of the relative burden of different expenditure items on the household budget.

Basic needs, such as food, shelter, clothing and utilities – including water, sanitation and energy, consumed the larger part of household budgets. Food was the most important expenditure item in all surveyed households and accounted for up to half of the budget in the rural black households. Other essentials, such as utilities, and transport and telephone costs, were a greater burden to the urban households.

The rural households spent relatively large amounts on social participation, an estimated 10% on average. Social participation, which involves expenditure on membership dues and transfers to household members living elsewhere, may be viewed as investment in social capital. Compared to the coloured households, the black households spent a larger proportion of their income on education and health care. The relative size of debt repayment expenditure in the black households indicates that low-income older households rely on credit.

Contrary to popular belief, rural older households spent sparingly on so-called vices such as alcohol and tobacco, and the lottery. Urban black and coloured households spent less than 5 per cent of their budget on entertainment. Recreational expenditure in urban black households was mainly accounted for by spending on entertainment.

3.5.4 Expenditure levels

Mean monthly household expenditure was calculated on the basis of the lists of expenses provided by the households. Expenditure increases progressively from an average of R894 in rural black households, to R1226 in urban black households, to R2225 in urban coloured households. Income exceeds expenditure in all cases. However, it should be noted that not all households provided full lists of expenditure, which brings down the average expenditure based on all households in the survey.

The respondents, who were selected on the basis of their knowledge of household finances, were asked to give an estimate of their household's monthly expenditure in a single figure which was recorded in eight expenditure categories shown in Table E7. Their estimates generally confirm progressive levels of monthly household expenditure in the direction of rural black, to urban black to urban coloured households

Slightly under two-thirds of both the rural and the urban black households placed themselves in the bottom two expenditure categories, stating expenditure of less than R799 per month. The median monthly expenditure in the black households is estimated to be between R400 and R799. Contrary to expectations, a significantly larger proportion of the urban than the rural black households placed themselves in the lowest expenditure group. In contrast, two-

thirds of the coloured households placed themselves in the fourth to sixth lowest expenditure categories of R1200 to R4999 per month. According to the respondents' own assessment, median expenditure in the coloured households was estimated to be between R1200 and R1799.

Table 3.5: Relative burden of different expenditure items on household budgets, by subsample (percentage of household expenditure)

Expenditure item	RB	UB	UC	All households
Food	49.9	39.8	46.6	45.6
Housing	0	2.2	7.7	4.8
Clothing, personal items	5.0	8.3	4.8	5.8
Utilities ¹	6.0	10.8	15.2	12.2
Telephone, transport	3.7	7.9	11.0	8.8
Health	4.6	4.2	1.3	2.7
Education	6.7	4.0	1.6	3.2
Social participation ¹	10.7	7.8	4.5	6.5
Recreation ¹	1.4	4.8	3.1	3.2
Savings, investment ¹	3.7	4.0	.9	2.3
Hire purchase, debt repayment	8.5	6.5	3.3	5.1

¹ Utilities: items 6 to 9 in Table E6. (rates, electricity, water and energy (fuel); social participation: items 16, 22, 23 (church, burial society dues, and interhousehold transfers); recreation: items 18 to 21 (alcohol, tobacco, holiday, entertainment, and lottery, gambling); savings: items 24, 25, 27 (stokvel, savings, business investments).

The overview in Table 3.6 below suggests that households tend to underestimate their monthly expenditure, as actual income exceeds actual expenditure.

3.5.5 Credit

In the urban areas, food was mainly paid for in cash. In the rural areas more than a quarter of the rural black households bought food on credit or for cash. Less than 3% of all households bought food exclusively on credit (Table E9.).

3.5.6 Household debts

A special inquiry was made into household debt. Slightly less than half of all households reported debts. A significantly higher proportion of the rural black than the other households were indebted (Table E10.).

Households owed creditors mainly for groceries, clothing and furniture. A substantial proportion of households also owed money to micro lenders and to their municipalities for utilities (Table E11.).

The rural black households were mainly in debt for groceries bought on credit and for loans from micro lenders. The urban black households ran up accounts with clothing and furniture shops, and some owed the municipality for water and electricity. The majority of the coloured households in debt had bought clothing on credit or owed the municipality. Coloured households were also paying off home loans and their accounts at furniture stores.

Table 3.6: Estimates of household actual income and actual expenditure, by subsample

Monthly average household income and expenditure	RB	UB	UC	Total
Actual income	R965	R1439	R2686	R1743
Actual expenditure	R894	R1226	R2255	R1493
Median estimated expenditure	R400 –R799	R400 – R799	R1200 – R1799	R 800 – R1199

Table E12. sets out the average amounts owed by indebted households and the average monthly repayments. In approximate order, the households in the survey ran up the highest debts for home and bank loans, followed at a distance by debts on municipal rates, construction work, furniture and appliances, funerals, and telephone and clothing accounts.

Indebted rural households owed most for furniture, construction work, funerals, banks loans and education fees. On average, indebted urban black households owed the largest amounts, between R2000 and R5000, to the bank and for building costs. Large amounts were also owed by urban black households to micro lenders, to furniture and clothing shops, and for paraffin. The highest debts incurred by coloured households were for bank and home loans as well as on credit cards. These debts ranged between R10 000 and R60 000.

Most rural and urban black households were still in the process of paying off their debts at the time of the survey. The majority of the coloured households stated that they had paid off all their debts (Table E13.).

Over 70% of all households surveyed reported having experienced financial difficulties over the past three years. More black than coloured households had experienced financial difficulties (Table E14.). The households experiencing financial difficulties in repaying their debts increases proportionally from rural blacks, to urban blacks, to coloured households.

When in financial difficulty, rural black households ask relatives for assistance, rely on micro-lenders, or run up accounts with the local shop (Table E15). Urban black households use numerous strategies to solve their financial problems. Almost all urban black households turn to relatives and friends when in financial trouble. Substantial proportions also take on extra work, borrow from money lenders, and run up an account at their local shop. Coloured households employ three main strategies to tide them over hard times: They turn to relatives, cut down on food consumption, and try to find extra work. Worth noting is that in the urban areas, twice as many coloured than black households cut down on food consumption when in financial difficulty. While urban households might substitute luxury foods with basic ones, it appears that rural households subsisting on a basic diet do not have such leeway. Less than

2% of the rural black households reported that they cut back on food when in financial difficulty.

3.6 *Health and care*

3.6.1 **Illness in households**

It is estimated that about 8.3% of all household members had been ill or injured in the month before the interview took place. More than one in five black households reported at least one person ill or injured in the past month (Table F). About half as many coloured households were affected by injury or illness. The rate of illness was slightly higher in the urban black than the rural black households. The average number of sick days was highest for the urban black households: sick persons were not able to carry out their normal activities for close on nine days on average. The rural households reported the lowest average number of sick days, approximately six days, with coloured households falling in between, with seven or eight sick days on average.

The common cold and influenza, and complications arising from colds, were by far the most common illnesses reported. Other common complaints, which might be recurrent or chronic, included arthritis, hypertension, heart conditions, diabetes and asthma. Such conditions typically affect older persons. A minority of households cared for members with a mental disability. Only a few households reported communicable diseases such as tuberculosis and chicken pox.

The illness profiles are fairly similar in the three subsamples. All households were affected by influenza and arthritis, the latter a complaint which affects mainly older persons. Rural black households were most likely to report hypertension, diabetes and asthma. The incidence of these diseases increases progressively from urban coloured, to urban black, to rural black households. Coloured households reported more cases of injury and heart conditions (including possibly a heart transplant case) than other households. Although numbers are small, the urban black households were most likely to have a member suffering from tuberculosis, a co-factor of HIV/AIDS.

Most ill or injured household members consulted either a public health care facility such as a clinic or hospital, or a private doctor. A very small minority of the rural black households consulted a traditional healer.

Only 3% of the ill or injured, predominantly members of coloured households, did not consult a health practitioner. In most of these cases, consultation was not considered necessary. Only three households cited financial difficulty as the reason for not seeking treatment.

Average payment for a medical consultation including medicines was in the region of R100. Costs of health care appeared to be higher in urban than rural areas. Urban black households, which reported larger numbers of ill or injured, and more sick days, paid five times more in consultation fees. However, transport costs to access medical treatment were similar for all groups, on average R22 for all households in the survey with ill or injured members.

3.6.2 **Household care responsibilities**

A special inquiry was made into care provided to chronically ill or disabled persons in the households. Special care provided to these persons represents a service which is seldom acknowledged in national household accounts. A new trend internationally is to collect time-

budget and financial information relating to care provided in households to include in the national accounts.

Substantial proportions of the surveyed households provided special health care to one or more of their members, ranging from 30% of the urban black, to 41% of the rural black, to slightly below 60% of the coloured households. The person in need of special care was usually a member of the older generation, in most instances the household head or the head's spouse. Urban black households tended to care for a higher proportion of adult children in the middle generation.

The nature of the illness suffered by the household members might be taken as an indication of the extent of care required. It is estimated that up to a quarter of households, more black than coloured households, cared for persons who might require extensive supervision and attention: persons who were mentally, physically or visually challenged, paralysed, amputees, or injured, or recovering from surgery or a stroke. However, the majority of the households cared for persons who might require less intensive care consisting of special diets or assistance in complying with treatment regimes. Examples in this second category included persons suffering from heart disease, hypertension, diabetes, asthma, gout, stomach ailments and tuberculosis. Coloured and rural black households, whose average age was older than that of the urban black households, provided more care to persons with the second type of illness, who might require longer-term but less intensive care.

The burden of care seemed to fall mainly on the older generation, predominantly the household head or their spouse/partner, and in a few instances, on a parent. The proportion of daughters who provided care increases progressively from 6% in rural black, to 11% in urban black, to 19% in coloured households. Households in the rural and urban areas applied different care strategies. In rural households the burden of care appeared to be shared more widely. Over 40% of rural households said no person in particular provided care to their chronically ill or injured members. The highest concentration of care was found in the urban black households, where the burden of care was shouldered almost exclusively by household heads and their spouses or partners. Only in a small number of cases did households rely on persons outside the household, such as neighbours or domestic help, to provide care.

An analysis was conducted of the special care needs of persons aged 55 years or older in the household. Approximately three in ten of these persons were in need of special care. Special care for older members reflects the age profiles of households and ranges from a low of 18% requiring care in urban black households, to 42% in the coloured households. Principle afflictions included hypertension, arthritis, heart and asthmatic conditions, and diabetes. The relatively higher incidence of visual and hearing impairment in the older members of black households might reflect a lack of access to aids to correct these conditions common in the elderly.

Older members of the household were not only in need of special health care. More than one in ten also provided care to other household members with special care needs. The ratio of care received to care provided is 3 to 1.

3.6.3 Death in the household

The households reported 274 deaths in the past two years, an average of .246 deaths per household. The incidence of death varied significantly among the three subsamples: it was highest for black households, and decreased progressively from rural black, to urban black, to coloured households.

It is estimated that deaths occur in approximately equal proportions in both the top and the middle generations. Striking, however, is that the middle-generation category of adult sons and daughters accounted for the single highest percentage and over a third of deaths. In contrast, bottom generation grandchildren accounted for an estimated less than 10% of deaths. Only an estimated nine deceased were under 16 years of age. The average age at death was approximately 45 years for all households, but some ten years higher in coloured than black households.

The 270 deaths in the surveyed households which occurred over the past three years and for which information was available were attributed to 28 different causes. Natural causes and illnesses commonly associated with ageing, such as cancer, arthritis, diabetes and heart attacks – as reported by the respondents, accounted for over 40% of deaths in all households. Trauma, including poisonings, murder, stab/bullet wounds, burns, and fatal injuries sustained in vehicle and other accidents, accounted for approximately a further quarter. Some 19% of all deaths were attributed by the respondents to tuberculosis and AIDS.

Causes of death differed significantly in the three subsamples. Deaths from natural causes or illnesses mainly associated with age accounted for over half of the deaths which occurred in the coloured households and slightly less than half in the rural black households. Urban black households appeared to be most exposed to risk of trauma. Some 40% of deaths in urban black households were traumatic. Only urban black households mentioned wounds sustained in fires, presumably shack fires. The number of mentions of homicide and vehicle accidents as the cause of death was highest in the urban black households. In the rural black households, deaths due to tuberculosis and AIDS threaten to overtake deaths due to diseases commonly associated with ageing.

An overview is provided of four major causes of deaths among persons aged 16 to 54 years and persons aged 55 years and older. Age-related diseases and, to a far lesser degree, natural causes are the major presumed causes of death among older household members in all survey categories. However, coloured elders are twice as likely to die of age-associated disease than black elders. Tuberculosis and AIDS are the major causes of death among younger members of rural black households. Trauma accounts for the highest proportion of deaths among the younger urban members of black and coloured households. For example, seven younger members of surveyed urban black households had been murdered, five had died of fatal gunshot wounds, and six had died of burns in the two years preceding the survey.

3.7 *Perceived quality of life*

The respondents were invited to give an overall evaluation of their material quality of life.

The majority were dissatisfied with their living conditions (Table G). Dissatisfaction was most intense among the rural black respondents, with 89% being dissatisfied, followed by 69% in the urban black households being dissatisfied. Levels of satisfaction conform to the racial hierarchy of privilege created in the apartheid era. In this study, satisfaction with material conditions increased progressively from only 9% among rural black, to over 12% of urban black, to slightly below half of coloured households.

The same progression is observed for evaluations of the household's current financial situation. The percentage rating their financial situation as “bad” or “very bad” was 92% for rural black, 69% for urban black and 18% for coloured households. The majority of the coloured households rated their financial situation as “average” rather than “good”.

The majority of the respondents perceived they were worse off financially than three years ago. Between a quarter and 31% perceived their financial situation to be the same. Less than one in ten households perceived they were better off. The number of better-off households increases progressively from rural black, to urban black, to coloured households.

The respondents were asked to state the reasons for perceiving their financial situation to have improved or to have deteriorated.

The small number of households which perceived their situation had improved, attributed the improvement mainly to gains in employment. Other factors included additional assistance from family, investments and life-style changes. Important for this study is that all eight rural householders who perceived their situation had improved, spontaneously cited access to pension benefits as the single reason for making financial progress. A sizeable proportion of the urban black households also attributed their financial well-being to the pension.

The households were almost unanimous that their financial woes were caused by inflation. Mainly urban black households, among others, also attributed a deterioration in their financial situation to unemployment and low-paying jobs. In a few cases the death of a breadwinner was cited as the major cause of the household's financial decline.

Levels of satisfaction mirror objective living conditions and financial circumstances as described in earlier sections of the report. This pattern replicates results from earlier studies of quality of life trends in South Africa conducted since the 1980s. The legacy of apartheid is still evident in the different levels of living enjoyed by the different population groups. Judging by their quality-of-life evaluations, households in this and earlier studies are acutely aware of social exclusion in a society where the Constitution and the Bill of Rights guarantee equality to all.

3.8 Profile of household members 55 years and over

The situation of older people is the focus of this study. Additional information was therefore collected from all household members over the age of 54 years. In South Africa men aged 65 years and women aged 60 years become eligible for the non-contributory social old-age pension which, theoretically at least, is means-tested. Younger persons in their late fifties were included in this special inquiry to inform on the situation of persons about to reach official retirement age. Additional information was collected from a total of 1400 persons aged 55 years and older (Table AA).

Proxy interviews were conducted on behalf of the target person in only approximately 10% of cases, where the older person was either too frail, or physically or mentally incapable of being interviewed.

3.8.1 Access to the old-age pension

Slightly over 60% of household members aged 55 years and over stated, based on perception, that they were eligible for the social old-age pension. A slightly lower percentage reported receiving the pension, a result which confirms the exceptionally high take-up rate of the pension grant in South Africa. Members of rural black households were most likely to be eligible for a pension and their take-up rate is the highest.

In all, 828 persons identified themselves as old-age pension recipients. A fifth had been pensioners for over 13 years. The majority had first taken up their pension benefit in the 1990s. A quarter of the pensioners had received their first pension benefit in the last two years. The distribution of date of first receipt of a pension reflects the lower average age of the urban black pensioners.

Most pensioners collected their pension from a mobile pay point. Public buildings such as schools, civic centres, and police stations also serve as pension pay points. Urban black pensioners surveyed are over-represented among the few pensioners who preferred to use the banking system to access their pension money. A few urban-based pensioners collected their pension benefit from the Students Health and Welfare Community Organisation (SHAWCO) community centre run by the University of Cape Town.

Most pensioners were not accompanied when they collected their pension money. Urban pensioners were more likely to be accompanied to a pension pay point than rural pensioners. Less than 10% of the frail or disabled pensioners, mainly rural black and coloured pensioners whose average age was higher, had arranged for their pension to be collected on their behalf.

The value of the old-age pension grant was R620 at the time of the survey and most pensioners reported receiving this amount.

3.8.2 Access to the disability pension

About one in ten older household members stated (based on perception) that they were entitled to a disability grant and over 7% received the grant. The take-up rate was lowest in the coloured households. Half of the disability pensioners received their first payment over ten years ago. Slightly below 45% were new beneficiaries who had received their first payment in the past two years.

As is the case with the old-age grant, over three-quarters of the beneficiaries of the disability grant collected their money from a mobile pay point. A minority collected their benefit from a bank or the post office. Again, a number of the coloured disability beneficiaries accessed their pension from the Shawco community centre.

Some 54% of the disability pensioners, compared to 64% of the old-age pensioners collected their pension themselves. A third were accompanied to the pay point and a further 10% had arranged for the money to be collected on their behalf.

The amounts paid out to pensioners in the three subsamples varied around R600. The mean amounts increase progressively from rural black, to urban black, to coloured pensioners.

3.8.3 Access to the veteran's pension

Only three persons, members of coloured households, reported receiving a veteran's pension. The date of first payment was more than ten years apart for the three pensioners. All three were accompanied to a bank or post office to collect their money. The mean amount paid out as a veteran's pension was over R2000, although the amounts vary for individual beneficiaries. As the mean amount is higher than the state transfer, it is possible that some of these pensions were in fact pensions paid out to retired army personnel, i.e an employer pension. As only three household members received a veteran's pension, and the data are therefore small, they are not tabulated in Appendix 1.

3.9 *Profile of old-age pensioners*

Given that the focus of the study was on the welfare and empowerment of older individuals, a special inquiry was made into issues which are of particular concern to social old-age pensioners (Table AB).

3.9.1 **Experience of difficulties with pension payments**

Of the 828 household members who identified themselves as social old-age pensioners, only a minority reported ever experiencing problems in accessing their pension. The most common complaints were that the pension was not paid on time, back pay was forfeited if payments were stopped for any reason, and officials at pay points were inconsiderate and even rude to pensioners. Significantly, however, given popular views of widespread corruption among pension officials, only one person spontaneously reported not receiving the full amount of the pension.

If the survey had been conducted some two months later, there may certainly have been more complaints from rural pensioners in the Eastern Cape, where pension payments had just been outsourced to two private companies. Teething problems caused chaos in the payout system, widespread discontent among pensioners, and economic hardship in the case of non-payment or late payment. The new system was confusing to most pensioners. The new paymasters were accused of poor communication of the dates of pay days and of shifting locations of pay points to unfamiliar places. In turn, the two companies charged with pension delivery accused the government department responsible for pensions of supplying them with incomplete records of pensioners. Instead of streamlining the system, queues became unmanageable. Pensioners were exhausted and traumatised while waiting anxiously to be paid. Payment was systematically refused if pensioners could not produce the right identity documents or were not registered on the paymaster's computers. Injuries sustained by people waiting in queues and even a few deaths were blamed on the new paymasters.

3.9.2 **Occupational status and employer pensions**

Most pensioners who were employed during their working lives had occupied elementary positions in the labour force. Coloured pensioners were more likely to have worked as artisans or skilled factory workers. Less than 2% of all pensioners were professionals.

About half of those who had been economically active during their working lives received a pension from their employer. The employer pension was more often paid out in instalments than in a lump sum.

A sizeable proportion of social old-age pensioners had never worked. The proportion of persons who had never been economically active is less than 5% of coloured pensioners, and increases progressively to 19% of urban black, to 26% of rural black pensioners.

3.9.3 **Household transfers**

Approximately a fifth of the pensioners received gifts of money from their children who lived elsewhere. The proportion of beneficiaries increases systematically from rural black, to urban black, to coloured households.

A larger proportion received money from children than gave money to family living elsewhere. Approximately 10% of rural black pensioners gave money to their children, while 18% received money. The exchange was most uneven in coloured households where over a quarter received money from children but less than 4% gave money to family members outside the household.

Only half of the households which sent money to family living elsewhere indicated the use to which the transfers were put. In rural households, the money was mainly used for education purposes. Money transferred by urban black and coloured households contributed mainly to the cost of food consumed by family living elsewhere.

The value of transfers to family living elsewhere ranges between the average of R137 transferred by coloured pensioners, to the average of R213 transferred by urban black pensioners.

3.9.4 Pension-sharing in households

The study confirms that pension-sharing is a common practice in black households. The vast majority of black pensioners, between 71 and 81 %, stated that none of their pension money was for their own use and a further 15–16 % stated that they only spent a small portion of their pension money on themselves. In contrast, only 37% of coloured pensioners maintained that they spent none of their pension money on themselves, while close on a quarter spent their entire pension income on themselves.

3.9.5 Pensions to capitalise small enterprises

Very few pensioners had used their pension monies to start a business. Although the numbers are very small, more black than coloured pensioners had invested their pension money in an income-earning project.

3.9.6 Pensioners as victims of loan sharks

As reported in earlier sections, substantial proportions of the households were in debt. It is common practice for micro lenders, particularly so-called loan sharks, to target pensioners at pension pay points to offer loans. Pensioners are creditworthy as they have a regular income. Interest rates on micro loans tend to be much higher than on regular loans as the risk is greater. However, repayments are easily extracted from pensioners on a regular basis on pension pay days. Loan sharks refuse to let indebted pensioners return home with their pension money before they have paid up. The survey aimed to assess how many pensioners had become victims of loan sharks.

Rural pensioners appeared to be most vulnerable to loan sharks. Almost a quarter reported taking a loan from a micro lender or a loan shark. Only 6% of urban black pensioners and 1% of coloured pensioners had taken such loans.

3.9.7 Health

Self-rated health is regarded as a good indicator of physical well-being. Older rural blacks rated their health much poorer than did others. The pensioners' positive evaluations of their health increases systematically from rural black, to urban black, to coloured households. Approximately 20% of the rural blacks rated their health as “good” or “average”. Twice as

many, or about 40%, of the urban blacks rated their health positively. Twice as many coloureds as urban blacks, some 80%, regarded themselves as healthy.

3.9.8 Social integration

Four in five older members of households belonged to a club or a community organisation. The most popular memberships were with burial societies, church groups and community-based organisations. A large proportion of the black older household members – twice as many rural than urban blacks – belonged to a political organisation. About one in ten urban-based older persons were members of a senior centre or a so-called luncheon club which provides opportunities for social contact for older people. The percentage of non-members of clubs or community organisations increases from 10% of rural blacks, to 18% of urban blacks, to 29% of coloured older persons.

3.9.9 Perceptions of physical safety

The vast majority of older household members perceived their physical safety had deteriorated over time. Between 64 and 87 % stated that they felt less safe from crime and violence than two years ago. Older persons in black urban households were most likely to feel vulnerable.

3.9.10 Lost opportunities for personal development

Older persons in the survey would all have experienced discrimination under apartheid which would have retarded personal development to a greater or lesser degree. Against this background, the older respondents were invited to give their views on the relative importance of three life-enhancing factors in life, namely personal independence, education and social equality.

In retrospect, the older respondents felt that a better education and equal opportunities would have made the greatest difference to their life chances. The rural respondents placed greater emphasis on social equality; the urban black respondents stressed the importance of a good education; and the coloured respondents split their votes more or less evenly over all three options.

3.9.11 Civic participation

Many older members of the surveyed households played an active role in community affairs. In approximate order of frequency of civic participation, they reported participation in community meetings, raising voices on local concerns, lodging complaints with local officials, and canvassing for local politicians. The coloured pensioners, who were less likely to be members of a club or organisation, were significantly less likely to be active in their community than their black counterparts in both the urban and the rural areas.

3.9.12 Personal quality of life

The standard item on overall life satisfaction was put to the older members of the households. The respondents were asked to make a global assessment of their lives in terms of how satisfied they were “with their life as a whole these days”. The same item has been used in quality-of-life studies conducted in South Africa over the past two decades.

The vast majority of the black pensioners were dissatisfied with their lives, while a slight majority of the coloured respondents indicated satisfaction. Dissatisfaction increases progressively from only 10% of coloureds, to 70% of urban blacks, to 88% of rural blacks. By international standards, the level of subjective well-being for rural blacks is exceptionally low. The levels of well-being found among the rural and urban black respondents might be considered unacceptable in a democracy. Most citizens in democratic states around the world rate their life satisfaction at least halfway between the mid-point and the positive pole of any scale. As mentioned earlier, levels of satisfaction measured in this and earlier studies are mainly a reflection of the vast material inequalities in South African society across space and race.

3.9.13 The good things in life

In spite of expressing depressed subjective well-being, almost all the respondents were able to name some positive aspects of their lives.

Typically, the older respondents referred to their family, marriage and home as among the most cherished aspects of their lives. Focussing on the personal dimensions of life, substantial proportions identified their religious beliefs as a positive factor in their life. Indeed, marriage and religiosity are known to be universal contributors to feelings of personal well-being in the quality-of-life literature. Other respondents cherished their health and life itself.

A few respondents mentioned gains made during their lifetime or personal achievements as older persons. Examples included providing children with a good education, giving advice as parents and elders, and gaining liberation and the vote in their lifetime. Similarly, a small percentage of the respondents mentioned “being spoilt” as becomes older and venerated members of the family as worthwhile experiences in life. Highlights in life and special treats such as a holiday, or a rare event such as an aeroplane flight, made life worth living for one or two respondents.

Material security and livelihoods were important mainly to the rural respondents. Worth noting is that 41% of the pensioners in the rural black households singled out the pension as an important ingredient of the good life. In contrast, factors such as employment and agriculture or animal husbandry as sources of rural livelihoods paled in significance and were mentioned by only some 6%.

Many rural respondents included gains in infrastructure since democracy in their list of factors that enhance everyday quality of life. Electricity and water appeared to be appreciated most. Specific mention was also made of sanitation and various Reconstruction and Development projects in rural areas. It is possible that where respondents named their home as a good thing in their life, the homes was obtained under the new government's housing programme; the household would have received a housing subsidy under the democratically elected government's Reconstruction and Development Programme. Rural respondents were most likely of all groups to say that “having a home” was precious to them.

The rural respondents differed markedly from both urban subsamples in their perceptions of the good life. The rural respondents were more likely than their urban counterparts to stress the importance of basic material security and standards of living as key ingredients of the good life, over and above the central domains of self, family, interpersonal relations and personal faith. Employment, and to a lesser degree finance, were the few material factors mentioned by sizeable percentages of urban black and coloured respondents in their lists of ingredients of the good life.

It is striking that the coloured respondents, who on average came from materially better-off households, mainly mentioned the central aspects of family, interpersonal relations and self-development as the best things in their lives. It is only among the coloured respondents that significant numbers cited their hobbies and community development work as important activities that contributed to their sense of well-being.

4 Discussion

The South African survey has yielded a valuable data set which demonstrates benefits of social old-age pension income on older South African households – both in terms of household poverty alleviation and households' capacity and strategies to cope as a result of pension income. In addition, the survey has produced a valuable vignette of social old-age pensioners, for research and policy purposes alike.

Key findings of the study are highlighted below, followed by a brief discussion of poverty dimensions and implications of the findings, which have importance for discourse on the South African pension programme and welfare policy.

4.1 *Key findings*

Key findings of the survey in terms of understanding the benefits of pension income on poverty alleviation in older households are as follows:

- The surveyed pensioners tended to be older, female and head of their household. In the rural black households, they were often the sole income earners. Some 86% of the rural households included one or more pensioners, compared with only half of the urban black households. On average there was one pensioner per older rural household.
- The majority of older persons in the survey lived with children and grandchildren. However, a substantial number, between 5% in the rural areas and 8% in the urban coloured residential areas, lived on their own. Although pension monies provide greater benefits if they are consumed by one individual, older persons who live on their own are more vulnerable than others.
- The study confirmed that older black households are among the poorest in South Africa. It is evident that without pension income these households would not manage to meet even the most basic needs. Average estimated income and expenditure in October 2002 was R965 and R894 in the older rural black households and R1439 and R1226 in the older black households, respectively. The average estimated income and expenditure in the surveyed urban coloured households was substantially higher, with figures of R2686 and R2255, respectively.
- Old-age pension income competes with wage earnings as the most important source of income in the surveyed households, both in terms of access and size of earnings. Wage earnings brought in higher incomes, on average R1630, compared to a social old-age pension income of R620 in October 2002. However, given the high level of unemployment, particularly in the Eastern Cape, wage earnings may be a less secure source of income for older households.
- The older rural black households were virtually dependent on the social old-age pension and to a far lesser degree on other government transfers. Only 13% of the rural black income earners were wage earners, compared to 40% of the urban black and 47% of the urban coloured earners. The rural black wage earners also brought home smaller pay packets than their urban black counterparts: on average, R1006 compared to R1630 per month, respectively. While older black rural households benefitted fourfold from pensions compared to wages, the opposite was the case in the urban areas where more

members of the household could find paid work. Urban black households earned twice as much from wage earnings as from old-age pensions and urban coloured households four times as much.

- It is sometimes argued that the value of the old-age pension benefit to pensioners and their households is enhanced if it is supplemented by other government transfers and wage earnings. Theoretically, given the relatively large average household size, older rural black households stand the greatest chance of their members benefitting from the diverse government transfers designed to assist poorer households. However, they appear not to benefit to the degree that urban black and coloured households do. If a threefold distinction is made between sources of income from the social old-age pension, other government grants and wage earnings, rural black households have access to the smallest number of different income sources, some 1.13 per household, of which 76% of income sources comprise the non-contributory old-age pension, 12% other government transfers and 11% wage earnings. In comparison, urban black households have access to a wider range of income sources, some 1.49 different income sources per household, which are more evenly distributed over the diverse sources. An estimated 34% of income in older urban black households comes from old-age pensions, 30% from other government transfers and 36% from wage earnings. Coloured households have 1.4 different sources of income excluding employer pensions, with 39% coming from old-age pensions, 22% from other government transfers and 39% from wage income.
- Older rural households are disadvantaged in that they appear to have less access to government transfers apart from the social old-age pension. Although the grandchild generation accounted for 39% of household members in the surveyed rural black older households, only 3.5% of these households were beneficiaries of child support grants. In contrast, grandchildren accounted for only a quarter of the household members in the urban black older households, but almost 18% accessed the child support grant.
- The survey evidence appears to support the notion that rural households form around pensions. The rural black households were on average the largest in the survey, which means that older members could rely on material and social support from co-residents. Almost a quarter of the rural black households comprised eight or more persons. However, the ratio of dependents to income earners was greater than in other older households.
- The survey highlighted the importance of pension-sharing and inter-household transfers as survival strategies for poor households. Some 15% of older rural households reported receipt of remittances in cash or kind from persons outside the household. Between 18 and 21 % of pensioners in the rural households received money from their children. The vast majority of the black social pensioners said that they pooled their pension income with other household income; i.e. they used none, or only a small portion of the pension money for themselves. Thus, non-contributory pensions increase the flow of cash within and between poor households.
- The survey findings do not seem to support the notion that the old-age pension opens up empowerment opportunities for pensioners and members of their households. Few households were able to save or invest in small business or retirement projects. Less than 3% of household expenditure in the rural and the urban areas was invested in business ventures, farming or the purchase of livestock. The few urban black households which made such investments were more likely than others to spend larger amounts on their business operations: on average, over R1000 per month. Less than 4% of members of older and pensioner households were self-employed or employed others.

On average, only 2% of earners in all surveyed households derived income from odd jobs and hawking, and other informal sector work. In particular, informal sector work appeared to be almost non-existent in the cash-strapped rural areas of the Eastern Cape. However, judging from household expenditure, especially in the rural black households in which the grandchild generation dominated, pension money is used to pay for the education of children in the household. Thus, while pensions may not empower the older generation, they may succeed in empowering the next generation.

- Pensions most likely do provide peace of mind. It is striking that membership of burial societies and church groups is widespread. The payment of burial society dues, and to a lesser extent church dues, featured as regular expenditure items in above-average numbers of the surveyed households. Although most black pensioners said that they shared most of their pension income with family, it may be assumed that at least these two expenditure items would benefit older members directly. On the other hand having made provision for a funeral through funeral insurance would mean that the entire household and the family will be spared the financial shock of funeral expenses when a death occurs.
- Worth noting is that pensioner households are creditworthy. In the rural black older households, the single highest expenditure item after food was the payment of debts, instalments and loans. If in financial difficulties, poor black pensioner households indicated that they could borrow from micro lenders or run up an account with a local shop. Obviously creditworthiness provides peace of mind to poor households.
- Few pensioners reported problems accessing their pension. The vast majority collected their pension money unaccompanied from a mobile pay point. The most serious problem for a few black pensioners at the time of the survey (October 2002) was not being paid on time. Less than 7% of the pension beneficiaries in the survey accessed the social old-age pension through a bank. Urban black pensioners were more likely than others to collect their pension from a bank. Only 15% of the older rural black households had a bank account, compared to almost half of the urban coloured households.

4.2 *Poverty dimensions and implications*

The findings of the study of pensioner and older households cover varying degrees of poverty, thus providing rare insights into the role of the non-contributory pension in improving the well-being of more and less disadvantaged South African households. The survey straddled a wide range of living conditions in three sites in South Africa's richest and poorest provinces. The 374 rural black households surveyed in the Eastern Cape were found to have the lowest income and expenditure levels; the 413 coloured households in the Cape Town metropole had the highest levels; and the less established urban black households in Cape Town fell in between. A gradient of disadvantage, greatest in the rural black households and least so in the urban coloured households, may be noted consistently in the data in all the domains surveyed across the three subsamples. The pattern of gradation is evident in the key findings highlighted above, as well as in exemplary findings on contrasting poverty levels given below.

- Representing the lowest standard of living, the majority of the surveyed rural black households used river water for drinking and had no sanitation, and almost nine in ten lived in traditional rural huts. In contrast, half had access to electricity in line with the new government's policy of bringing electricity to the poor. There are nevertheless a few financial advantages for rural households with low living standards: Rural black

households spend less on rent, rates and transport compared to urban households. They can fall back on agriculture and assets in the form of livestock in case of financial difficulties. Between 43 and 45 % surveyed rural households owned cattle and small livestock, and 71% raised chickens. Over half grew fresh produce to the value of half the child support grant during the growing season. Only the rural households in the survey reported that they would have the option of selling cattle to tide them over financial difficulties.

- However, most financial advantages associated with rural and low levels of living tend to be outweighed by other burdens. The rural households reported the highest proportional expenditure on paying off loans. The households also had less income than others to spend on bare necessities. With an unemployment rate of 95%, most households relied mainly on social old-age pension income. The householders reported that their household's financial situation in recent years had been adversely affected by rising costs of living and unemployment. Given the generally low standard of living and the depressed financial situation of the rural black households, it is not surprising that some nine in ten householders were dissatisfied with their household's current living situation and rated the household's financial situation as poor. Some 88% of older persons in the rural black households were dissatisfied with life overall.
- The urban coloured households in the survey represent a sector of the population that stands to benefit most from South Africa's welfare mix. Of the three groups in the survey straddling the rural-urban divide, the coloured older households had achieved the highest living standards. Three-quarters owned a house on a separate stand. The vast majority had access to piped water and sanitation, and modern conveniences, including an electric stove, a refrigerator, a television set and a telephone. Slightly less than a third owned a motor car. With an average of only four persons per household and fewer dependent children and grandchildren, pension income went further. Among the surveyed households, the unemployment rate was lowest for the coloured households – a rate of approximately 66%. A significantly larger number of coloured household members benefitted from employer pensions whose average value was twice that of the social old-age pension. The coloured households were in a better position than others to pay off their debts and less likely than others to experience financial difficulties. Some four-fifths of the urban coloured householders reckoned that they would cut back on food consumption to tide them over financial difficulties. Although the urban coloured households were smaller, regular expenditure on most items tended to be twice that of the rural black households. The urban coloured householders were less likely to be dissatisfied with their living conditions and their financial situation. The coloured pensioners were four times more likely than the rural black pensioners to rate their health as satisfactory. Over half were satisfied with their life overall.
- The older urban black households fared better than their rural counterparts in many respects. However, they were also vulnerable to falling into a poverty trap. Security of tenure was tenuous for the 30% of households living in shacks. One in ten households had no toilet facility, which represents a health hazard in densely populated urban areas. The survey of regular household expenditure suggested that the cost of living is much higher for urban than for rural black householders as the former must pay for essential services. Almost all the urban black households had access to piped water nearby and only fewer than nine in ten had electricity in the home. The unemployment rate in the urban black households, at 78%, lies between that of the rural black and the urban coloured households in the survey.

Thus, the issues highlighted above suggest that it makes good sense to focus on rural black households, the most needy of all groups in the survey, to assess the impact of the non-contributory pension on alleviating poverty. Half of the rural black household expenditure was on food. Food expenditure averaged between 39 and 50 % of total monthly expenditure in all the households in the survey, and between R907 in rural black households and up to R1181 in the urban coloured households. The only other items that accounted for over 3% of total expenditure in the rural black households included the costs of education and health, fuel and burial society dues. The greatest savings for rural black households compared to urban households was on utilities such as rent, energy costs, water and sanitation, and transport costs. Some 60% of the rural black households, compared to only 42% of the urban black households had current debts. The most significant debt in the rural black households was for food, followed at a distance by debts on micro loans. Over a quarter of the rural black households paid for food using a mix of cash and credit. A fifth of the rural black households had experienced unforeseen financial shocks in the past year, a slightly lower percentage than their urban black counterparts. Funeral expenses were the most common financial shock for all black households.

Interestingly, over 70% of the rural black pensioners reported receiving a pension from a former employer. This percentage tallies with the number reporting working in a job in mid-life. It must be assumed that these work pensions expired, or were of low value given the fact that the majority of the rural social pensioners were employed in elementary occupations. The ratio of income from contributory pensions to non-contributory pensions in rural black households at the time of the survey was 1 to 50.

Not only were the rural black households among the poorest in the survey; they also shared a similar illness burden to that of their urban black counterparts in terms of the number of members ill during the past month and the average costs of consultation and transport. Noteworthy is that the rural black households were more likely than others to consult a private doctor. Future research should inquire into the reasons that compel rural households to make this additional expenditure when free health care should be available to the poor at government clinics.

The rural black households reported the highest number of deaths in the past two years and also the highest numbers of deaths from AIDS and tuberculosis. The deceased were mainly members of the adult child and grandchild generations. The households also took on the burden of home health care, with a substantial proportion of the older household members themselves engaged in caring for other household members.

5 Conclusions

The three categories of older and pensioner households in the survey demonstrate the importance of the non-contributory social old-age pension in making a positive contribution to the welfare and well-being of pensioners and their households. For many rural black households, the old-age pension is the single most important source of income. However, in the survey, the rural black households, which shoulder a heavy health and child care burden, indicated that they are only just able to get by on their pension income. The widespread custom of mutual support through pension-sharing in black households ensures that pension benefits are widely distributed. In the poorest households covered in the survey, pension income was pooled with all other sources of income and contributed to health and education costs, and thereby to the empowerment of the next generation. It is clear that the practice of pension-sharing has the effect of diluting the direct benefit of the transfer to the older beneficiary. It is ironic that few black pensioners can use the pension for their personal benefit but are forced by circumstances to share this income to meet the survival needs of their family. Nevertheless, over four in ten rural black pensioners in the study singled out the pension as one of the good things in their life. While the rural black pensioners appeared to be extremely grateful for the pension grant, their idea of the good life was limited to material security: food security, basic infrastructure and survival needs. Reportedly, government interventions such as the Reconstruction and Development Programme which provides housing and electricity have made life easier. There appears to be little room though for this sub-population for personal fulfilment beyond interpersonal and family relationships.

To better imagine the poverty alleviating impact of the non-contributory pension, we need only to look to the situation of the urban coloured households in the survey. In the case of the coloured households, income from the non-contributory pension was supplemented by contributory pension income and other government transfers, such as the child support grant, as well as wage earnings. By supplementing the social pension with other government transfers, coloured households have managed to start to move out of abject poverty. There is a lesser threat of unexpected expenditure and a lower debt burden in urban coloured households than in urban black households, as many of the latter are still struggling to establish a permanent foothold in the urban area. Relative to poorer rural pensioners, coloured pensioners are better off. A larger number of coloured pensioners said they were in a position to use the pension money for their own needs. In response to the item inquiring into the good things in the life of pensioners, it became clear that the coloured pensioners had a greater capacity to engage in personally gratifying and fulfilling activities.

Looking beyond the current situation of pension beneficiaries in the rural black households, it is tempting to envisage a future situation where all South African pensioners will be placed in a better position to use their pension income for the purpose it was originally intended. This might be achieved if rural black households, similar to the older coloured households in the survey, can supplement basic pension income with other government transfers to which they are entitled. Pension benefits would also have a greater impact if strengthened by access to free education, free health care, and basic free water and electricity – all measures in the pipeline intended to improve the general standard of living of South Africans. In sum, non-contributory pension benefits supplemented by other poverty alleviating measures may in future go a long way towards ensuring a healthy, carefree and fulfilling old age for older members of poorer households.

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Appendix 1

Tabulations of the data

Table A: Household profile

	RB¹	UB²	UC³	Total
Total	100	100	100	100
Subsample size				
Rural black, Eastern Cape ¹	n374			
Urban black, Cape Town ²		n324		
Urban coloured, Cape Town ³			n413	
Total				n1111
Home language				
Xhosa	99.2	81.9	.5	57.3
Afrikaans	.8	6.6	78.7	31.6
English	-	11.6	20.8	11.1
Length of residence in area (household head)				
< 20 years	-	31.2	25.5	18.6
20-39 years		29.3	52.6	28.0
40-75 years	1.3	10.2	18.7	10.4
Born in area	98.7	29.3	3.2	43.0
Length of residence in dwelling (household head)				
< 10 years	-	43.8	13.2	17.7
10 – 19 years	.3	29.3	21.0	16.4
20 – 29 years	3.2	13.6	33.7	17.5
30 – 60 years	96.5	13.3	32.2	48.4
Type of dwelling				
Household occupies:				
Single dwelling	15.2	79.9	79.9	58.1
Multiple dwellings	84.8	20.1	20.1	41.9
Type of housing				
House on separate stand	11.8	69.1	76.8	52.7
Traditional dwelling/hut	86.9	.9	.2	29.6
Semi-detached house	.3	-	16.9	6.4
Informal dwelling/shack	-	29.3	1.5	9.1
Other	1.1	.6	4.6	2.3
Number of rooms in dwelling (including kitchen and excluding bathroom)				
Mean number of rooms	3.73	2.75	4.45	3.71

cont./

Results are given in percentages in this and the tables to follow, unless indicated otherwise. Columns add to 100% or nearest due to rounding, unless indicated otherwise.

¹ RB = Rural blacks (Eastern Cape); ² UB = Urban blacks (Cape Town); ³ UC = Urban coloureds (Cape Town).

Table A: Household profile (continued)

	RB	UB	UC	Total
Homeownership				
Dwelling is:				
Owned	99.2	70.7	73.6	81.4
Rented	.8	28.1	24.0	17.4
Free	-	1.2	2.4	1.3
Source of drinking water				
Piped in dwelling	7.2	75.3	96.1	61.7
Piped on site/in yard	8.4	23.7	3.6	10.9
Flowing water/stream	72.4	.3	-	23.3
Other (dam, tanker, rainwater)	12.0	.7	.2	4.1
Toilet facility				
Flush toilet	-	88.9	93.5	60.7
Pit latrine on site	31.3	-	-	10.5
Other toilet on site	10.7	-	.5	3.8
Other toilet off site	8.6	1.2	5.8	5.4
No toilet	49.5	9.9	.2	19.6
Household amenities ("yes" responses)				
Stove (electric, gas)	11.5	54.5	98.5	57.6
Stove (wood, paraffin)	93.9	62.6	2.2	49.4
Refrigerator	10.8	50.2	93.4	54.2
Sewing machine	4.1	10.6	26.0	14.4
Radio or stereo	62.6	65.7	87.6	73.1
Television set	19.6	58.3	88.6	57.5
Electricity	51.8	86.9	95.6	79.1
Telephone, cellular phone	9.4	37.4	79.1	44.4
Bicycle	.3	2.8	11.4	5.3
Motor cycle	.3	.9	2.2	1.2
Car	2.3	7.5	31.9	15.2

Table B1: Household composition

	RB	UB	UC	Total
Total	100	100	100	100
Household size				
Number of persons in household				
1	5.3	7.1	8.2	6.9
2 – 4	39.0	39.5	47.9	42.4
5	12.6	11.4	16.9	13.9
6 – 7	19.2	25.3	15.0	19.5
8 or more	23.8	16.5	11.8	17.4
n (households)	374	324	413	1111
Total number of persons in all households	2050	1650	1853	5553
Mean household size (persons)	5.48	5.09	4.49	5.00
Generations in relationship to head				
Head	18.6	20.1	23.9	20.8
Spouse	7.3	7.8	12.2	9.1
Parent generation	.5	1.8	2.8	1.6
Child generation	32.7	41.7	32.0	35.1
Grandchild generation	39.0	24.9	25.6	30.4
Grandparent generation	.2	.1	-	.1
Sibling generation	1.2	2.6	2.1	1.9
Other	.6	1.1	1.5	1.1
n	1992	1587	1752	5331
Gender				
Male	46.9	43.7	46.0	45.7
Female	53.1	56.3	54.0	54.3
n	2050	1650	1845	5545
Age group				
< 5 years	7.1	8.7	5.8	7.2
5 – 14 years	28.8	19.7	16.6	22.0
15 – 24 years	20.5	22.5	15.4	19.4
25 – 34 years	10.2	15.3	14.9	13.3
35 – 44 years	5.8	6.7	10.2	7.6
45 – 54 years	5.0	4.2	6.0	5.1
55 – 64 years	8.3	15.7	16.4	13.2
65 – 74 years	10.0	5.2	10.9	8.9
75 – 84 years	3.6	1.8	3.3	3.0
85 + years	.5	.2	.5	.4
n	2040	1648	1845	5533

cont./

Table B1: Household composition (continued)

	RB	UB	UC	Total
Select age categories				
Under 25 years	56.4	50.9	37.8	48.6
55 years and over ¹	22.5	22.9	31.1	25.5
60 years and over	20.1	15.1	22.2	19.3
65 years and over	14.1	7.2	14.7	12.3
Number persons in household 55 years and over¹				
No information	1.3	.3	.2	.6
1	76.2	83.3	62.7	73.3
2	21.1	16.0	35.1	24.8
3 – 4	1.3	.3	1.9	1.3
n (households)	374	324	413	1111
Total number of persons 55 years and over	458	377	574	1409
Mean persons 55 years and over per household	1.22	1.16	1.38	1.26
Number of social old-age pensioners¹ in household				
None	14.2	50.5	46.2	36.7
1	70.2	44.2	42.1	52.2
2	15.1	4.7	11.2	10.6
3 – 4	.6	.6	.5	.6
n (households)	372	321	409	1102
Total number of social old-age pensioners	380	178	270	828
Mean social old-age pensioners per household	1.02	.55	.66	.75

¹ Table AA reports additional information on persons 55 years and over and Table AB on social old-age pensioners.

Table B2: Comparative profiles of respondents, persons 55 years and over and social old-age pensioners

	Respondents	Persons 55+	Pensioners
Total	100	100	100
N	1111	1409	825
Relationship to household head			
Head	89.4	72.1	74.3
Spouse	6.4	19.3	15.8
Top generation – parent/grandparent	2.3	7.5	8.2
Middle generation – adult child	1.6	.6	.8
Bottom generation – grandchild	.3	-	.1
Other	.2	.5	.5
Gender			
Male	43.3	39.8	31.3
Female	56.7	60.2	68.7
Age group			
< 54 years	8.7	-	2.6
55 – 64 years	45.8	51.9	27.4
65 – 74 years	32.6	34.9	50.2
75 + years	12.9	13.2	19.6
Mean age in years	63.5		
Marital status			
Married	46.0	52.6	42.2
Single	10.3	8.9	8.1
Widowed	37.4	32.8	44.3
Divorced / separated	6.3	5.7	5.4
Education level			
No schooling – cannot read and write	19.7	20.2	26.8
No schooling – can read and write	3.8	3.7	4.3
Primary school	41.9	44.2	43.4
Secondary school	29.2	27.2	22.3
Matriculation	3.5	2.7	2.7
Higher education	2.0	1.9	.5
Social old-age pensioner	60.5	59.8	100.0

cont./

Table B2: Comparative profiles of respondents, persons 55 years and over and social old-age pensioners (continued)

Respondents profile	RB	UB	UC	Total
Total	100	100	100	100
N	374	324	413	1111
Relationship to household head				
Head	94.7	93.5	81.4	89.4
Spouse	3.2	2.8	12.1	6.4
Top generation – parent/grandparent	.8	1.5	4.1	2.3
Middle generation – adult child	.8	1.9	2.0	1.6
Bottom generation – grandchild	.5	.3	-	.3
Other	-	-	.4	.2
Gender				
Male	42.5	44.8	43.0	43.3
Female	57.5	55.2	57.0	56.7
Age group				
< 54 years	5.1	10.8	10.4	8.7
55 – 64 years	31.9	62.3	45.4	45.8
65 – 74 years	43.7	18.5	33.5	32.6
75 + years	19.3	8.3	10.7	12.9
Mean age in years	67.14	60.49	62.64	63.53
Marital status				
Married	42.7	44.3	50.1	46.0
Single	7.3	17.3	7.7	10.3
Widowed	47.0	28.9	35.4	37.4
Divorced / separated	3.0	9.4	6.8	6.3
Education level				
No schooling – cannot read or write	42.6	14.6	2.9	19.7
No schooling – can read and write	3.8	6.7	1.7	3.8
Primary school	32.8	47.6	45.8	41.9
Secondary school	16.7	27.0	42.0	29.2
Matriculation	3.5	2.9	3.9	3.5
Higher education	.6	1.2	3.6	2.0
Social old-age pensioner	85.2	46.3	47.8	60.5

cont./

Table B2: Comparative profiles of respondents, persons 55 years and over and social old-age pensioners (continued)

Persons 55 years and over profile	RB	UB	UC	Total
Total	100	100	100	100
N	458	377	574	1409
Relationship to household head				
Head	78.2	78.1	63.4	72.1
Spouse	17.0	13.3	24.9	19.3
Top generation – parent/grandparent	3.7	8.1	10.3	7.5
Middle generation – adult child	1.1	.3	.4	.6
Bottom generation – grandchild	-	-	-	-
Other	-	.3	1.2	.5
Gender				
Male	37.6	41.4	40.5	39.8
Female	62.4	58.6	59.5	60.2
Age group				
< 54 years	-	-	-	-
55 – 64 years	37.1	68.4	52.8	51.9
65 – 74 years	44.8	22.8	35.0	34.9
75 + years	18.1	8.8	12.2	13.2
Mean age in years	68.04	63.21	64.95	65.49
Marital status				
Married	49.8	49.1	57.2	52.6
Single	7.5	13.5	7.0	8.9
Widowed	40.8	28.0	29.5	32.8
Divorced / separated	2.0	9.4	6.3	5.7
Education level				
No schooling – cannot read or write	43.6	16.9	3.7	20.2
No schooling – can read and write	4.0	6.3	1.9	3.7
Primary school	32.8	52.1	48.1	44.2
Secondary school	15.4	22.7	39.7	27.2
Matriculation	3.5	1.6	2.8	2.7
Higher education	.6	.3	3.9	1.9
Social old-age pensioner	85.6	47.3	47.6	59.8

cont./

Table B2: Comparative profiles of respondents, persons 55 years and over and social old-age pensioners (continued)

Social old-age pensioners profile	RB	UB	UC	Total
Total	100	100	100	100
N	379	176	268	823
Relationship to household head				
Head	80.5	77.0	63.8	74.3
Spouse	14.5	10.3	21.3	15.8
Top generation – parent/grandparent	4.0	10.9	12.7	8.2
Middle generation – adult child	.8	1.1	.8	.8
Bottom generation – grandchild	.3	-	-	.1
Other	-	.6	1.5	.5
Gender				
Male	34.8	29.0	28.0	31.3
Female	65.2	71.0	72.0	68.7
Age group				
< 54 years	3.0	5.1	1.2	2.6
55 – 64 years	26.5	37.5	22.2	27.4
65 – 74 years	50.0	39.8	57.5	50.2
75 + years	20.9	17.6	19.1	19.6
Mean age in years	68.72	66.49	68.43	68.15
Marital status				
Married	43.8	38.7	42.3	42.2
Single	7.7	11.0	6.7	8.1
Widowed	46.7	40.5	43.4	44.3
Divorced / separated	1.9	9.8	7.5	5.4
Education level				
No schooling – cannot read or write	45.1	18.3	6.1	26.8
No schooling – can read and write	4.8	5.9	2.7	4.3
Primary school	31.3	56.2	52.3	43.4
Secondary school	14.3	17.1	37.1	22.3
Matriculation	4.2	1.2	1.5	2.7
Higher education	.3	1.2	.4	.5

Table B3: Household composition

	RB	UB	UC	Total
Total	100	100	100	100
Number of persons absent from household	70	202	90	362
Reason for absence				
Employment	17.1	35.6	48.9	35.4
Looking for job	21.4	21.3	6.7	17.7
School	30.0	28.2	12.2	24.6
Other, personal	31.4	14.9	32.2	22.4
n	70	202	90	362
Number of persons in household 16 years and over	1255	1150	1400	3805
Marital status (persons 16 years and over)				
Single	52.4	59.9	40.6	50.3
Married	29.2	26.4	40.5	32.5
Widowed	15.9	10.2	13.1	13.1
Divorced/separated	2.5	3.5	5.9	4.0
n	1249	1134	1399	3782
Education level (persons 16 years and over)				
No education	21.3	9.6	4.0	11.5
Primary school	37.6	35.3	30.0	34.1
Secondary school	30.1	37.1	44.8	37.6
Matriculation	8.7	13.4	15.1	12.4
Higher education	2.2	4.6	6.1	4.4
n	1251	1130	1388	3769

Table C: Household economic activity (persons 16 years and over)

	RB	UB	UC	Total
Total	100	100	100	100
Number of persons in household 16 years and over	1255	1150	1400	3805
Months worked in past year				
None	95.0	78.0	66.3	79.7
Less than 12 months	3.0	3.7	6.0	4.3
12 months	2.0	18.3	27.8	16.0
n	1349	1104	1394	3847
Number of persons who worked 12 months of past year	27	202	387	616
Number of persons who worked 1– 12 months in past year	68	243	470	781
Hours usually worked per week				
1 – 39 hours	-	1.9	.2	.7
40 hours	88.2	62.3	58.7	61.3
41 hours or more	11.8	35.8	41.1	38.0
n	34	162	414	610
Worked in the past month				
Not applicable (not working in past year)	95.0	78.0	66.3	79.7
Did not work in past month	.5	.9	1.5	1.0
Worked in past month	4.5	21.1	32.2	19.3
n	1349	1104	1394	3847
Number of persons who worked in the past month	61	233	449	743
Number of persons who did not work in the past month	7	10	21	38
Reason for not working in past month (number persons)				
Caring for children/relative			1	1
Suffers from chronic illness, disability	2	3	1	6
Retired			2	2
Works only occasionally	4	6	8	18
Looking for work			9	9
Independent income		1		1
In prison	1			1
n (total not working in past month)	7	10	21	38

cont./

Table C: Household economic activity (persons 16 years and over) (continued)

	RB	UB	UC	Total
Occupation (of persons who worked in past year)				
Elementary	45.8	36.9	14.0	23.8
Trades person	15.3	21.9	17.1	18.5
Clerical, office worker	6.8	7.3	20.0	14.9
Plant, factory worker	6.8	6.0	19.1	14.0
Service, sales worker	1.7	16.7	10.6	11.8
Professional worker	16.9	1.7	9.7	7.7
Other	6.8	9.4	9.5	9.2
n	59	233	444	736
Occupational sector				
Community, social, personal service	35.6	29.2	13.5	20.2
Education, health	18.6	1.7	11.9	9.2
Wholesale, retail	5.1	27.0	15.5	18.3
Manufacturing	6.8	3.0	23.1	15.5
Construction	15.3	7.3	7.2	7.9
Transport, storage, communications	5.1	7.7	8.3	7.9
Hotel, restaurant	1.7	11.2	3.8	6.0
Public administration	1.7	2.6	7.9	5.7
Other	10.2	10.3	8.8	9.4
n	59	233	445	737
Employment status				
Employee	91.7	93.5	92.4	92.7
Employer	1.7	1.7	4.9	3.7
Unwaged family worker	-	.4	.4	.4
Self-employed	6.7	4.3	2.2	3.3
n	60	230	446	736
Size of workforce (number of persons working at the physical workplace)				
1	10.5	28.3	7.0	14.2
2 – 9	54.4	21.3	17.5	21.7
10 – 49	24.6	24.3	36.2	31.4
50 +	10.5	26.1	39.3	32.7
n	57	230	417	704
Place of work				
Office, firm	26.3	48.4	54.6	50.5
Factory	5.3	3.6	21.7	14.8
House of employer	17.5	23.3	5.4	11.9
Government institution	21.1	4.9	12.4	10.8
Other	29.8	19.7	5.9	12.0
n	57	223	443	723

Table D: Household income and assets

	RB	UB	UC	Total	Total n
1. Sources of income for individual income earners in households (multiple income sources possible)					
Social old-age pension	75.7	29.1	28.7	40.3	847
Disability pension	7.2	10.6	9.2	9.1	192
Veteran's pension	-	-	.3	.1	3
Employer pension	1.0	1.0	7.7	4.0	85
Unemployment Insurance Fund	.0	.3	.6	.4	8
Child support grant	3.5	17.7	4.0	7.9	167
Foster care grant	.2	1.1	1.6	1.1	23
Care dependency grant	-	-	.1	-	1
Grant-in-aid	.2	.5	.3	.3	7
Retirement annuity	-	.6	1.2	.8	16
Earnings from paid work	13.2	40.0	46.5	36.4	766
Earnings from hawking, odd jobs, etc.	.4	2.6	2.6	2.0	43
n (total income earners)	514	623	965	2102¹	
2. Mean monthly income earned by individual earners from different sources (in Rand)²					
Total individual income earners in household	514	623	965	2102	
Social old-age pension	R622	R622	R617	R620	847
Disability pension	R621	R614	R619	R618	192
Veteran's pension	-	-	R2013	R2013	3
Employer pension	R960	R1158	R1500	R1433	71
Unemployment Insurance Fund	-	R130	R738	R586	8
Child support grant	R161	R146	R201	R161	167
Foster care grant	R950	R361	R560	R516	23
Care dependency grant	-	-	R130	R130	1
Grant-in-aid	R1200	R653	R512	R671	7
Retirement annuity	-	R1853	R1130	R1337	14
Earnings from paid work	R1006	R1138	R2107	R1630	606
Earnings from hawking, odd jobs	R2	R325	R883	R665	43

¹ Some earners in the households derived income from multiple sources. Percentages are based on income earners only. The total number of income earners in the sample is 2102.

² Based on income earners in each category; i.e. (see first line) R622 was the mean social old-age pension earned by persons in receipt of a social old-age pension in rural households in the Eastern Cape. In total, 847 household members reported income from a social old-age pension.

Table D: Household income and assets (continued)

	RB	UB	UC	Total
3. Mean monthly household income earned from different sources (Rand)				
Total households in the study	374	324	413	1111
Social old-age pension	R751	R695	R759	R741
n	322	162	225	709
Disability pension	R656	R654	R697	R674
n	35	62	79	176
Veteran's pension	-	-	R2013	R2013
n			3	3
Employer pension	R960	R1158	R1636	R1542
n	5	6	55	66
Unemployment Insurance Fund	-	R130	R738	R586
n		2	6	8
Child support grant	R194	R215	R301	R231
n	15	75	26	116
Foster care grant	R950	R632	R763	R742
n	1	4	11	16
Care dependency grant	-	-	R130	R130
n			1	1
Grant-in-aid	R1200	R653	R512	R671
n	1	3	3	7
Retirement annuity	-	R1853	R1130	R1337
n		4	10	14
Earnings from paid work	R1306	R1630	R3217	R2386
n	47	160	207	414
Earnings from hawking, odd jobs, etc.	R2	R346	R1351	R853
n	1	15	17	33
4. Mean household income from all sources above	R899	R1402	R2529	R1652
n	374	324	413	1111
5. Additional sources of household income				
Percentages of households with additional sources of income:				
Savings, interest from savings	3.7	.9	2.7	2.5
Property rentals	-	.9	1.2	.7
Church, NGO	-	-	-	-
Lodgers	.3	2.2	12.1	5.2
Cash from persons outside household (remittances, gifts from boyfriends)	14.7	6.8	12.4	11.5
Goods from persons outside household	3.7	2.5	7.5	4.8
Other income	-	.6	-	.1
n	374	324	412	1110

Table D: Household income and assets (continued)

	RB	UB	UC	Total
6. Mean household income from additional sources of income in typical month (Rand)				
Savings, interest from savings	R302	R366	R1371	R705
n	14	3	10	27
Property rentals	-	R120	R1188	R787
n	-	3	5	8
Lodgers	R250	R118	R407	R369
n	1	7	50	58
Cash from persons outside household (remittances, gifts from boyfriends)	R331	R296	R344	R330
n	53	22	49	124
Goods from persons outside household	R233	R296	R274	R267
n	12	8	29	49
Other income	-	R306	-	R306
n	-	2	-	2
n	374	324	412	1110
7. Mean total monthly household income from all sources: government transfers and earnings, and additional sources of income (3. and 6. above)				
	R965	R1439	R2686	R1743
n	374	324	413	1111
8. Income-sharing in household				
All income is pooled	86.7	69.0	29.4	59.7
Some income is pooled	11.8	12.4	52.0	27.2
Each earner keeps own income	1.2	10.2	16.4	9.7
Uncertain	.3	8.4	2.2	3.4
n	346	323	408	1077
9. Person in household with most say on how money is spent				
Relationship to household head:				
Head	75.1	70.9	79.4	75.4
Spouse	18.9	26.0	16.1	20.1
Son/daughter	2.2	3.1	3.7	3.0
Father/mother	2.7	-	.5	1.1
Grandchild	.8	-	-	.3
Brother/sister	.3	-	.3	.2
n	365	323	379	1067

Table D: Household income and assets (continued)

	RB	UB	UC	Total
10. Household owns livestock				
Yes	79.9	1.5	1.0	27.7
No	20.1	98.5	99.0	72.3
n	374	324	413	1111
11. Proportion of households owning livestock				
Chickens, ducks, geese (total n273)	71.1	1.5	.5	24.5
Pigs (total n206)	54.0	.9	.2	18.5
Horses, mules, donkeys (total n45)	11.7	.3	-	4.0
Sheep, goats (total n163)	43.0	.6	-	14.6
Cattle (total n172)	45.1	.9	-	15.4
12. Mean number of livestock/fowl per owner household				
Chickens, ducks, geese (total n273)	8.24	7.40	8.50	8.23
Pigs (total n206)	2.36	1.67	2.00	2.34
Horses, mules, donkeys (total n45)	2.30	2.00	-	2.29
Sheep, goats (total n163)	12.58	2.50	-	12.46
Cattle (total n172)	5.85	4.00	-	5.81
13. Household grows vegetables				
Yes	56.7	3.1	1.0	20.3
No	43.3	96.9	99.0	79.7
n	374	324	413	1111
14. Mean value of produce per month during harvest time (Rand) (vegetable growers only, total n214)				
	R61	R83	R50	R61
15. Bank account in household				
Yes	15.4	26.3	48.3	30.8
No	84.6	73.7	51.7	69.2
n	370	323	410	1103
16. Stokvel¹ member in household				
Yes	3.0	2.5	.5	1.9
No	97.0	97.5	99.5	98.1
n	370	323	410	1103

¹ Rotating credit/savings scheme.

Table E: Household expenditure

	RB	UB	UC	Total
Total	100	100	100	100
1. Households with unforeseen expenses in past year				
Yes	18.4	26.5	14.6	19.4
No	81.6	73.5	85.4	80.6
n	374	324	412	1110
Number of households with unforeseen expenses	69	86	60	215
2. Percentage of households experiencing different types of unforeseen expenses (spontaneous mention, multiple responses)				
Funeral expenses	75.4	64.7	39.0	61.0
Expenses relating to traditional customs, ceremonies	11.6	23.5	3.4	14.1
Voluntary building renovations, construction	-	11.8	13.6	8.5
Education-related expenses	2.9	4.7	5.1	4.2
Damages, renovations due to rain/wind/storms	8.7	1.2	3.4	4.2
Damages due to fire	5.8	-	3.4	2.8
Payments for bail, legal representation	1.4	-	15.3	4.7
Medical expenses	2.9	-	8.5	3.3
Broken appliances, replacement of appliances	-	-	6.8	1.9
Housebreaking, theft	-	-	1.7	.5
Municipal accounts	-	-	5.1	1.4
Motor vehicle expenses	-	2.4	5.1	2.3
n (households with unforeseen expenses)	69	85	59	213

cont./

Table E: Household expenditure (continued)

	RB	UB	UC	Total
3. Mean household expenditure on different types of unforeseen expenses (Rand) (households with unforeseen expenses only)				
Funeral expenses	R2388	R6453	R2671	R4214
Expenses relating to traditional customs, ceremonies	R1800	R3246	R5850	R3026
Voluntary building renovations/construction	-	R4515	R8000	R5821
Education-related expenses	R1250	R737	R6333	R2716
Damages/renovations due to rain/wind/storms	R1350	R500	R525	R1072
Damages due to fire	R1350	-	R1550	R1416
Payments for bail, legal representation	R3000	-	R2855	R2870
Medical expenses	R350	-	R1440	R1129
Broken appliances, replacement of appliances	-	-	R616	R616
Housebreaking, theft	-	-	R4000	R4000
Municipal accounts	-	-	R1600	R1600
Motor vehicle expenses	-	R2200	R2066	R2120
4. Mean household expenditure on all unforeseen expenses in households with such expenses	R2155	R5590	R3465	R3887

cont./

Table E: Household expenditure (continued)

	RB	UB	UC	Total	% of total sample with expenditure on item
5. Best estimates of itemised monthly household expenditure (Rand) (mean expenditure among households spending on this item)					
Groceries	R335	R294	R640	R424	92.7
Vegetables and fruit	R47	R77	R224	R124	90.6
Meat, chicken and/or fish	R66	R125	R317	R169	89.6
Food eaten out, from street vendor	R18	R46	R187	R64	13.5
Rent, bond repayment	R10	R145	R372	R316	22.4
Rates	R6	R68	R133	R109	33.7
Electricity	R27	R73	R217	R130	70.7
Water	R45	R50	R79	R69	34.0
Fuel	R45	R49	R191	R56	47.8
Telephone	R66	R101	R166	R143	39.5
Hire purchase, furniture, appliances	R146	R352	R224	R252	14.1
Clothing, shoes	R34	R180	R176	R106	47.4
Health (doctor's visit, medicines)	R75	R135	R131	R105	37.0
Personal items	R34	R82	R108	R71	46.4
Transportation	R30	R117	R206	R108	65.4
Church dues, club memberships	R40	R45	R111	R63	51.8
School uniforms, fees, books	R84	R140	R152	R111	41.8
Alcohol	R33	R64	R134	R60	11.0
Tobacco	R19	R49	R184	R95	21.0
Holidays, entertainment	R60	R236	R263	R225	7.4
Lottery, gambling	R46	R45	R46	R46	5.9
Money or goods given to persons outside of household	R139	R306	R165	R206	11.3
Burial society dues	R58	R54	R66	R59	66.9
Stokvel	R40	R135	R97	R69	3.2
Savings	R53	R206	R453	R193	5.0
Payment of other debts, instalments, micro loans	R167	R229	R474	R230	16.9
Money spent on business, farming or livestock	R99	R1331	R250	R205	9.9
n	368	319	402	1089	1089

Note: Household's best estimate of itemised expenditure on a monthly or annual basis. Annual expenditure has been converted into monthly expenditure. The base varies for each expenditure category and is the total number of households spending on any particular item, say groceries or electricity. The last column gives the base as the proportion of the total sample (n=1111) that reported each type of expenditure on a monthly or annual basis.

cont./

Table E: Household expenditure (continued)

	RB	UB	UC	Total
6. Percentage of aggregated monthly household expenditure on specific items				
1. Groceries	37.6	23.8	24.4	26.9
2. Vegetables and fruit	4.7	5.8	9.6	7.7
3. Meat, chicken and/or fish	7.2	9.7	11.9	10.4
4. Food eaten out, from street vendor	.4	.5	.7	.6
5. Rent, bond repayment	.0	2.2	7.7	4.8
6. Rates	.0	2.4	3.5	2.5
7. Electricity	1.4	4.6	8.8	6.3
8. Water	.1	1.6	2.2	1.6
9. Fuel	4.5	2.2	.7	1.8
10. Telephone	.7	2.8	5.5	3.9
11. Hire purchase, furniture, appliances	1.7	5.2	1.5	2.4
12. Clothing, shoes	2.7	5.9	2.7	3.5
13. Health (doctor's visit, medicines)	4.6	4.2	1.3	2.7
14. Personal items	2.3	2.4	2.1	2.3
15. Transportation	3.0	5.1	5.5	4.9
16. Church dues, club memberships	3.3	1.5	2.2	2.2
17. School uniforms, fees, books	6.7	4.0	1.6	3.2
18. Alcohol	.7	.5	.4	.5
19. Tobacco	.5	.6	2.0	1.4
20. Holidays, entertainment	.1	3.4	.5	1.1
21. Lottery, gambling	.1	.3	.2	.2
22. Money or goods given to persons outside of household	1.7	3.5	.7	1.6
23. Burial society dues	5.7	2.8	1.6	2.7
24. Stokvel	.3	.3	.1	.2
25. Savings	.5	.6	.7	.7
26. Payment of other debts, instalments, micro loans	6.8	1.3	1.8	2.7
27. Money spent on business, farming or livestock	2.9	3.1	.1	1.4
Total household expenditure (100%)	R329 144	R391 125	R906 678	R1 626 949
n (households itemising expenditure)	368	319	402	1089

cont../

Table E: Household expenditure (continued)

	RB	UB	UC	Total
7. Mean total monthly household expenditure on regular expenses (based on Table 6.)	R894	R1226	R2255	R1493
n	368	319	402	1089
Mean total monthly expenditure on regular and unforeseen expenses (based on 4. and 6.)	R923	R1348	R2295	R1553
n	370	319	402	1091
8. Typical monthly expenditure (household's best estimate)				
R0 – R399	5.1	26.3	.5	9.7
R400 – R799	59.0	36.2	10.8	34.7
R800 – R1199	22.0	22.3	15.6	19.7
R1200 – R1799	10.5	8.4	24.6	15.0
R1800 – R2499	2.1	2.5	21.6	9.3
R2500 – R4999	1.3	3.1	22.1	9.4
R5000 – R9999	-	.3	4.3	1.6
R10 000 or more	-	.9	.5	.5
n	373	323	398	1094
9. Mode of payment for food:				
Household pays by:				
Cash	70.4	95.4	91.6	85.5
Credit	2.4	3.4	1.7	2.5
Both	27.2	1.2	6.7	12.0
n	372	323	403	1098
10. Household has current household debts				
Yes	61.2	42.9	42.2	48.8
No	38.8	57.1	57.8	51.2
n	374	324	410	1108
Number of indebted households	229	139	173	541

cont./

Table E: Household expenditure (continued)

	RB	UB	UC	Total
11. Type of debt				
(spontaneous multiple mentions)				
Percentage of indebted households reporting specific type of debt:				
Clothing account	4.9	30.7	51.2	26.4
Account at furniture store	12.4	55.5	29.7	29.0
Education fees	5.8	2.9	7.0	5.4
Paraffin	4.0	2.2	-	2.2
Food, groceries	72.6	9.5	2.3	33.8
Home loan	.9	2.2	14.0	5.4
Construction, building renovations	1.3	2.9	.6	1.5
Telephone, cellular phone account	.4	1.5	2.9	1.5
Loan from micro lender	34.1	8.0	3.5	17.6
Bank loan	1.8	.7	5.2	2.6
Outstanding municipal rates, water, electricity	-	20.4	41.9	18.7
Funeral, burial society	4.0	-	-	1.7
Legal fees	-	.7	-	.2
Church dues	.9	-	-	.4
TV licence	-	-	1.7	.6
Household repairs	-	-	1.7	.6
Medical expenses	-	.7	2.3	.9
Alcohol	-	-	-6	.2
Credit card	.4	-	-	.2
n	226	137	172	535

cont./

Table E: Household expenditure (continued)

	RB		UB		UC		Total	
12. Debt repayments: ¹	R ²	O ³	R ²	O ³	R ²	O ³	R ²	O ³
Clothing account	R130	R781	R179	R1237	R172	R960	R171	R1032
Account at furniture store	R249	R2387	R267	R2198	R225	R2459	R250	R2314
Education fees	R259	R1096	R1157	R637	R66	R238	R436	R663
Paraffin	R26	R26	R256	R1 595	-	-	R83	R311
Food, groceries	R207	R397	R150	R112	R190	R833	R203	R388
Home loan	R250	R420	R383	R970	R999	R59247	R879	R50478
Construction, building renovations	R107	R1950	R500	R3225	R200	R3000	R315	R2718
Telephone, cellular phone account	R60	R120	R85	R100	R287	R2354	R197	R1606
Loan from micro lender	R134	R301	R246	R2220	R498	R1933	R169	R619
Bank loan	R112	R1225	R400	R5017	R777	R33275	R524	R21239
Outstanding municipal rates, water, electricity	-	-	R59	R243	R161	R4855	R127	R4118
Funeral, burial society	R352	R1625	-	-	-	-	R352	R1625
Legal fees	-	-	-	R750	-	-	-	R750
Church dues	R40	R130	-	-	-	-	R40	R130
TV licence	-	-	-	-	R31	R236	R31	R236
Household repairs	-	-	-	-	R70	R266	R70	R266
Medical expenses	-	-	R130	-	R250	R769	R210	R769
Alcohol	R160	R18	-	-	-	-	R160	R18
Credit card	-	-	-	-	R1300	R12000	R1300	R1200
n		226		137		172		535

¹ Mean monthly repayments on household debts and mean amount still outstanding in Rand.

² R = Repayments.

³ O = Outstanding.

Note: Mean debts and repayments are calculated on the base of indebted households for each category of debt.

cont./

Table E: Household expenditure (continued)

	RB	UB	UC	Total
13. Household status on repayment of debts				
Has repaid:				
All debts	31.8	37.7	63.6	43.3
Some debts	61.3	52.2	34.0	50.3
None	6.9	10.1	2.5	6.4
n	217	138	162	517
14. Households experiencing financial difficulty in last three years				
Yes	81.0	78.0	58.4	71.8
No	19.0	22.0	41.6	28.2
n	374	323	411	1108
Number of households indicating financial difficulty	303	252	240	795
15. Strategies used by households experiencing financial difficulty (multiple responses)				
Asks friends and relatives for assistance	43.4	93.9	74.4	69.1
Asks employer for assistance	2.1	13.4	12.6	9.0
Asks church/NGO for assistance	.7	3.7	10.5	4.7
Borrows from bank, money lender	36.7	21.5	8.8	23.2
Cuts down on food consumption	1.4	42.3	86.6	40.8
Seeks extra work	.7	34.1	54.6	28.1
Runs up account with shop	23.4	34.6	15.5	24.5
Sells livestock	7.7	-	-	2.8
Uses, withdraws savings	1.0	-	-	.3
Sells recycled goods	-	-	4.	.1
Hawks fruit, vegetables	-	.4	-	.1
n (households with financial difficulty)	286	246	238	770

Table F: Health and care

	RB	UB	UC	Total
Total	100	100	100	100
Member of household ill or injured during past month				
No	58.0	54.0	76.3	63.6
Yes: one or more persons ill/injured	42.0	46.0	23.7	36.4
n (total households in survey)	374	324	413	1111
Mean number of persons in household ill/injured during past month	.4853	.4985	.2913	.4170
Total number of persons ill/injured in past month	181	161	120	462
Nature of reported illness, injury (multiple mentions possible)				
Flu, colds, pneumonia, bronchitis	20.0	18.6	28.6	21.8
Stress, depression	2.8	1.9	4.2	2.9
Diabetes	11.7	7.1	5.0	8.4
Heart condition	7.8	5.8	11.8	8.1
High blood pressure	24.4	14.1	6.7	16.3
Stroke	3.3	5.1	5.0	4.4
Asthmatic conditions	21.7	9.0	9.2	14.1
Arthritis, gout	16.7	19.2	12.6	16.5
Mental disability, Downs syndrome	6.1	3.2	-	3.5
Ulcer, stomach ailment	2.8	3.8	6.7	4.2
Cancer, growth, tumour	.6	1.3	1.7	1.1
Injured in accident	1.1	6.4	12.6	5.9
Chicken pox	.6	.6	-	.4
Tuberculosis	2.8	4.5	-	2.6
Sores	1.1	.6	-	.7
Abscess, boils	1.1	1.3	-	.9
Transplant	-	1.3	.8	.7
Backache	-	.6	.8	.4
Surgery	-	.6	-	.2
Toothache	.6	-	-	.2
n (ill/injured persons)	180	156	119	455
Days in past month not able to pursue normal activities due to illness or injury				
Average days per ill/injured person	6.1	8.9	7.7	7.5
n				457

cont./

Table F: Health and care (continued)

	RB	UB	UC	Total
Agency consulted to treat illness or injury (multiple mentions)				
None	1.7	-	9.2	3.0
Clinic, hospital	52.2	51.6	50.8	51.6
Private doctor	55.0	47.8	39.2	48.4
Traditional healer	3.3	.6	-	1.5
Pharmacy	-	1.2	1.7	.9
Consulted more than one agency	1.7	-	-	.7
n	180	161	120	461
Main reason for not consulting treatment agency				
Number of ill/injured persons not consulting health practitioner	3	-	11	14
Reason:				
No need or inclination	-	-	6	6
No money to pay for consultation	-	-	3	3
Consulted in the previous month	1	-	1	2
No information	2	-	1	3
Total number	3	-	11	14
Mean payment for a health consultation in past month (including medicines) in Rand				
n	R92	R75	R86	R84 440
Mean payment for transport to place of consultation in past month				
n	R26	R22	R15	R22 444
Persons in household in need of special care due to disability or illness				
No one	59.1	70.1	40.9	55.5
Yes: one or more persons in need of special care	40.9	29.9	59.1	44.5
n (total households in survey)	374	324	413	1111
Mean number persons in household in need of special care				
	.4584	.3241	.7530	.5288
Total number of persons in need of special care	172	105	310	587

cont./

Table F: Health and care (continued)

	RB	UB	UC	Total
Identity of person in need of special care:				
Relationship to head:				
Household head	59.6	54.8	55.1	56.4
Spouse	14.0	11.5	20.7	17.1
Son/daughter	14.6	22.1	9.8	13.4
Father/mother	1.2	5.8	3.9	3.4
Grandchild	4.1	1.0	3.3	3.1
Grandparent	.6	-	-	.2
Mother/father-in-law	-	-	2.3	1.2
Son/daughter-in-law	.6	-	.3	.3
Brother/sister-in-law	1.2	-	1.0	.9
Aunt/uncle	.6	-	.3	.3
Sister/brother	1.8	2.9	2.3	2.2
Niece/nephew	1.8	1.9	-	.9
Lodger	-	-	.7	.3
Other family	-	-	.3	.2
n	171	104	305	580
Nature of disability/illness of person in need of special care				
(multiple mentions possible)				
Epilepsy, fits	11.0	5.7	7.4	8.2
Stress, depression	2.3	3.8	2.9	2.9
Diabetes	11.0	8.6	18.7	14.7
Heart condition	9.3	12.4	21.3	16.2
High blood pressure	31.4	14.3	35.8	30.7
Stroke	1.7	8.6	3.9	4.1
Asthmatic condition	22.7	13.3	16.1	17.5
Arthritis, gout	27.3	20.0	20.6	22.5
Mental disability	11.6	12.4	6.5	9.0
Ulcers, stomach ailments	4.1	1.9	2.9	3.1
Cancer, growth, tumour	-	1.0	2.6	1.5
Blindness	8.1	11.4	1.0	4.9
Paralysis	3.5	5.7	.6	2.4
Deafness	5.2	1.0	-	1.7
Amputee	.6	-	.3	.3
Osteoporosis	-	-	.3	.2
Collapsed lung	-	-	.3	.2
Lung surgery	-	-	1.0	.5
Tuberculosis	2.3	1.9	-	1.0
Chronic illness	-	1.0	1.6	1.0
Injured in an accident	-	1.9	-	.3
Food poisoning	-	1.9	-	.3
n	172	105	310	587

cont./

Table F: Health and care (continued)

	RB	UB	UC	Total
Main caregiver to person in need of special care				
No one	40.9	1.9	12.9	19.1
Household head	21.1	42.3	28.0	28.5
Spouse/partner	26.3	40.4	28.6	30.0
Son, daughter	6.4	10.6	19.0	13.8
Father, mother	2.9	2.9	6.1	4.6
Grandchild	.6	-	1.9	1.2
Grandparent	-	-	.6	.3
Mother, father-in-law	.6	-	-	.2
Aunt, uncle	-	-	.3	.2
Sister, brother	.6	-	.6	.5
Niece, nephew	-	-	.3	.2
Cousin	-	-	.3	.2
Household helper	-	1.0	-	.2
Other family	-	1.0	1.0	.7
Neighbour	.6	-	.3	.3
n	171	104	311	586
Special health care needs of members 55 years and older				
Total: household members 55 years and older	458	377	574	1409
Older persons in need of special care				
Yes	26.9	18.0	42.2	30.7
No	73.1	82.0	57.8	69.3
n	458	377	574	1409
Number of older persons in need of special care	123	68	242	433

cont./

Table F: Health and care (continued)

	RB	UB	UC	Total
Reported illnesses of older persons in need of special care				
High blood pressure	25.2	15.2	27.8	25.2
Arthritis, gout	21.8	20.7	15.0	17.9
Heart condition	7.3	13.0	16.1	12.9
Asthmatic condition	17.0	13.0	10.0	12.6
Diabetes	8.7	8.7	13.6	11.4
Epilepsy, fits	2.4	3.3	4.4	3.6
Blindness, loss of sight	5.8	6.5	.8	3.2
Stroke	1.5	6.5	3.1	3.0
Ulcers, stomach complaint	2.9	2.2	1.7	2.1
Depression	1.5	4.3	1.9	2.1
Mental disability	1.9	-	1.1	1.2
Cancer	-	1.1	1.9	1.2
Deafness	2.4	1.1	-	.9
Paralysis	1.0	1.1	.3	.6
Tuberculosis	.5	-	-	.2
Other	-	3.3	2.3	2.0
Total illnesses of older members = 100%	206	92	360	658
Number of older members with the above illnesses	123	68	242	433
Older persons acting as caregiver to members in need of special care				
Yes	8.3	11.1	12.5	10.8
No	91.7	88.9	87.5	89.2
n	458	377	574	1409
Number of older persons acting as caregivers	38	42	72	152

cont./

Table F: Health and care (continued)

	RB	UB	UC	Total
Cases of death in the household in past two years				
No case of death in household	92.6	94.5	97.7	95.1
Yes, one or more	7.4	5.5	2.3	4.9
n (total persons in households)	1870	1620	2065	5555
Mean number of persons in household died	.3690	.2747	.1138	.2466
Number of cases of death	138	89	47	274
Average age of deceased in years	43	43	54	45
Identity of deceased				
Relationship to head of household:				
Household head	2.9	2.2	12.8	4.4
Spouse/partner	11.0	10.1	29.8	14.0
Son/daughter	44.1	29.2	27.7	36.4
Father/mother	3.7	5.6	4.3	4.4
Grandchild	11.0	3.4	8.5	8.1
Grandparent	.7	1.1	-	.7
Mother/father-in-law	.7	2.2	4.3	1.8
Son/daughter-in-law	3.7	3.4	-	2.9
Brother/sister-in-law	5.1	5.6	6.4	5.5
Aunt/uncle	1.5	1.1	-	1.1
Sister/brother	8.8	16.9	-	9.9
Niece, nephew	1.5	10.1	-	4.0
Cousin	4.4	5.6	-	4.0
Lodger	-	-	4.3	.7
Other family	.7	3.4	2.1	1.8
n	136	89	47	272

cont./

Table F: Health and care (continued)

	RB	UB	UC	Total
Reported causes of death in the household in past two years (continued)				
Presumed cause of death (spontaneous mention)				
Don't know	.7	2.3	-	1.1
Arthritis	12.5	8.0	2.1	9.3
Stress, depression	1.5	1.1	-	1.1
Poisoning	2.9	11.5	2.1	5.6
Natural causes	8.1	11.5	8.5	9.3
Car accident	1.5	6.9	2.1	3.3
Burnt in fire	-	6.9	-	2.2
Cancer	15.4	6.9	17.0	13.0
Pneumonia	1.5	4.6	-	2.2
Heart attack	.7	2.3	14.9	3.7
Gunshot wound	8.1	5.7	6.4	7.0
Diabetes	8.8	5.7	14.9	8.9
Tuberculosis	16.2	3.4	6.4	10.4
Murder	1.5	8.0	6.4	4.4
Cholera	1.5	-	-	.7
Blindness, loss of sight	.7	-	2.1	.7
Accident	1.5	1.1	-	1.5
HIV/AIDS	14.7	3.4	-	8.5
Asthma	1.5	1.1	4.3	1.9
Liver failure	-	-	4.3	.7
Birth complications	-	2.3	-	.7
Blood clots	-	-	2.1	.4
Stomach ailment	.7	1.1	-	.7
Stroke	-	1.1	2.1	.7
Disability	-	1.1	-	.4
Epilepsy	-	-	2.1	.4
Vomiting blood	-	1.1	-	.4
Throat infection	-	1.1	-	.4
Chest problems	-	1.1	-	.4
n	136	87	47	270

cont./

Table F: Health and care (continued)

	RB		UB		UC	
Presumed cause of death:	Y ¹	O ²	Y ¹	O ²	Y ¹	O ²
Age-associated disease ³	32.9	46.3	11.1	46.4	20.0	84.6
Trauma ⁴	14.6	17.0	51.8	17.8	45.0	-
Tuberculosis, AIDS	42.6	12.1	7.4	7.1	15.0	-
Natural causes	3.6	17.0	11.1	14.2	5.0	11.5
Total	93.7	92.4	81.4	85.5	85.0	96.1
n	82	41	44	24	17	25

¹ Y = Young (16 – 54 years).

² O = Old (55 + years).

³ Diabetes, cancer, arthritis, heart attack. Among coloureds, also stroke, blood clots, liver failure.

⁴ Poisoning, accidents, gunshot wounds, murder. Among urban blacks, also burns sustained in fires.

Table G: Quality of life

	RB	UB	UC	Total
Respondent's assessment of household quality of life:				
Total	100	100	100	100
Satisfaction with household's current living conditions				
Very satisfied	-	1.9	3.9	2.0
Satisfied	9.4	10.2	45.3	23.0
Neither satisfied nor dissatisfied	1.6	18.5	32.7	18.1
Dissatisfied	81.6	42.9	15.7	45.8
Very dissatisfied	7.5	26.5	2.4	11.2
n	374	324	413	1111
Very satisfied or satisfied	9.4	12.0	49.2	24.9
Neither satisfied nor dissatisfied	1.6	18.5	32.7	18.1
Dissatisfied or very dissatisfied	89.0	69.4	18.2	57.0
Assessment of household's current financial situation				
Very good	.5	.6	.7	.6
Good	3.5	5.6	11.1	6.9
Average	4.0	25.3	56.2	29.6
Bad	83.2	34.9	24.5	47.3
Very bad	8.8	33.6	7.5	15.6
n	374	324	413	1111
Very good and good	4.0	6.2	11.9	7.6
Average	4.0	25.3	56.2	29.6
Very bad and bad	92.0	68.5	32.0	62.8
Assessment of household's current financial situation compared to three years ago				
Better	2.1	7.4	11.6	7.2
Same	31.6	25.6	28.8	28.8
Worse	66.2	67.0	59.6	64.0

cont./

Table G: Quality of life (continued)

	RB	UB	UC	Total
Main reason for household being financially better off now				
(spontaneous mention) (total n=80)				
Family is financially better off (self-evident)	-	39.1	34.8	32.5
Employment	-	21.7	32.6	26.0
Receives pension	100.0	17.4	4.3	18.2
Help from family members	-	4.3	8.7	6.5
Life-style change	-	4.3	8.7	6.5
Wise investment	-	-	8.7	5.2
Other	-	13.0	2.2	5.2
n (households)	8	23	46	77
Main reason for household being financially worse off now				
(spontaneous mention) (total n = 710)				
Inflation	71.4	40.3	70.1	60.7
Unemployment	15.1	31.3	13.2	19.7
Low pay	5.0	8.5	7.7	7.1
Family problems	4.5	8.1	4.7	5.7
Death of spouse, breadwinner	2.5	9.5	1.7	4.5
Other	1.5	2.4	2.6	2.2
n (households)	199	211	234	644

Table AA: Profile of members of household 55 years and over

	RB	UB	UC	Total
Total	100	100	100	100
Total number of persons in households 55 years and over				
n	451	377	572	1400
Proxy interview conducted on behalf of older person				
No information	7.5	10.4	12.2	10.2
n	438	374	558	1370
Access to old-age pension				
Perceived entitlement to old-age pension	85.6	51.5	52.1	62.7
Receives old-age pension	84.3	47.2	47.2	59.1
n	450	375	569	1394
Number of persons receiving old-age pension	380	178	270	828
Date of first receipt of pension				
1951–1959 (51–43 years ago)	1.1	-	-	.5
1960–1969 (42–33 years ago)	3.2	-	2.3	2.2
1970–1979 (32–23 years ago)	4.3	1.1	5.3	4.0
1980–1989 (22–13 years ago)	15.8	6.9	13.2	13.0
1990–1999 (12–3 years ago)	51.5	59.5	58.1	55.4
2000– 2002 (2 years ago or less)	24.0	32.4	21.1	24.8
n	367	173	265	805
Old-age pension collected at:				
Bank	5.3	12.9	5.2	6.8
Post office	2.1	1.8	1.9	2.0
Mobile pay point	86.3	84.2	70.9	80.8
Civic centre	.3	1.2	16.4	5.7
School	4.2	-	-	2.0
SHAWCO (community centre run by University of Cape Town)	-	-	3.0	1.0
Allpay (contracted paymaster)	-	-	2.2	.7
TEBA (recruiting office for mines)	-	-	.4	.1
Police station	1.8	-	-	.9
n	379	171	268	818
Pensioner is accompanied to pension pay point				
Accompanied	10.3	31.2	47.4	26.8
Not accompanied	77.8	67.6	43.3	64.3
Pension is collected on behalf of pensioner	11.9	1.2	9.3	8.8
n	378	170	268	816

cont./

Table AA: Profile of members of household 55 years and over (continued)

	RB	UB	UC	Total
Amount received as old-age pension in Rand				
Mean	R622	R627	R617	R621
Access to disability pension				
Perceived entitlement to disability pension	4.9	13.3	12.9	10.4
Receives disability pension	3.3	11.7	8.6	7.7
n	450	375	569	1394
Number of persons receiving disability pension	15	44	49	108
Date of first receipt of disability pension				
1960–1969 (42–33 years ago)	6.6	2.3	4.1	3.7
1970–1979 (32–23 years ago)	-	-	8.2	3.7
1980–1989 (22–13 years ago)	13.3	-	18.4	10.3
1990–1999 (12–3 years ago)	60.0	39.5	28.5	37.4
2000–2002 (2 years ago or less)	20.0	58.1	40.8	44.9
n	15	43	49	107
Disability pension collected at:				
Bank	14.3	12.5	2.0	7.8
Post office	14.3	-	6.1	4.9
Mobile pay point	64.3	87.5	73.5	77.7
Civic centre	-	-	6.1	2.9
School	-	-	2.0	1.0
SHAWCO (community centre run by University of Cape Town)			10.2	4.9
TEBA (recruiting office for mines)	7.1	-	-	1.0
n	14	40	49	103
Disability pensioner is accompanied to pay point				
Accompanied	14.3	31.6	40.8	33.7
Not accompanied	78.6	60.5	46.9	56.4
Pension collected on behalf of disability pensioner	7.1	7.9	12.2	9.9
n	14	38	49	101
Amount paid out as disability pension in Rand				
Mean	R566	R593	R618	R600

cont./

Table AA: Profile of members of household 55 years and over (continued)

	RB	UB	UC	Total
Self-rated health				
Very good	-	2.4	5.3	2.8
Good	8.0	12.5	28.5	17.6
Average	14.8	28.7	47.4	31.9
Poor	70.0	31.2	15.7	37.3
Very poor	7.3	25.2	3.0	10.4
n	440	369	561	1370
Membership of organisations (multiple responses)				
Senior centre, luncheon club	1.3	10.4	9.8	7.3
Church group, choir	30.3	49.1	38.0	38.5
Burial society	76.0	63.2	55.2	64.0
Stokvel	5.4	1.3	1.1	2.5
Sports club	.9	.8	1.6	1.2
School organisation	1.8	.5	.4	.9
Trade union	.7	3.7	2.3	2.2
Political party, organisation	42.8	29.3	.7	21.9
Women's club, organisation	12.1	13.1	4.2	9.1
Community-based organisation	39.2	33.6	3.3	23.0
None	10.3	17.9	28.6	19.9
n	446	375	569	1390
Feels more/less safe from crime and violence than two years ago				
More safe	6.5	2.4	4.2	4.4
Same	29.2	10.4	23.0	21.6
Less safe	64.4	87.2	72.8	74.0
n	449	376	570	1395
One factor that would have made life better				
More personal independence to make own life choices	5.8	5.9	30.7	15.9
Better education	37.4	73.7	36.9	47.1
More equality for people like self	56.8	20.4	32.4	37.1
n	447	373	553	1373
Civic participation in past year				
Attended a community meeting	51.5	74.9	12.1	41.8
Got together with others to raise local concerns	23.3	54.7	11.7	27.1
Complained to an official	14.3	30.4	6.6	15.5
Worked to get a party candidate elected in government	24.2	21.1	4.6	15.4
n	446/7	374/5	560/4	1380/6

cont./

Table AA: Profile of members of household 55 years and over (continued)

	RB	UB	UC	Total
Overall life satisfaction				
Very satisfied	.2	2.7	2.9	2.0
Satisfied	9.2	8.4	52.7	26.7
Neither satisfied nor dissatisfied	2.5	19.5	34.1	19.9
Dissatisfied	84.2	41.9	8.0	41.8
Very dissatisfied	3.8	27.6	2.3	9.6
n	444	370	560	1374
Very satisfied or satisfied	9.4	11.1	55.6	28.7
Neither satisfied nor dissatisfied	2.5	19.5	34.1	19.9
Dissatisfied or very dissatisfied	88.0	69.5	10.3	51.4
Three good things in life				
(spontaneous mention, up to three responses per respondent)				
Nothing	16.2	34.4	1.6	14.3
Having a home	24.8	8.8	16.3	17.4
RDP house	.5	2.3	-	.7
Family	26.4	25.6	52.8	37.4
Family fun	2.1	6.2	11.8	7.2
Water and electricity	12.5	.6	-	4.4
Toilet facilities	1.1	-	-	.4
Fields, livestock for farming	5.5	.3	.4	2.1
Government pension	41.2	2.3	.7	14.8
Hobbies	.2	6.5	31.8	15.1
Health	2.1	4.9	18.5	9.7
Love and peace	.9	2.6	12.9	6.4
Charity work	.7	.3	10.7	4.9
Pets	-	-	.5	.2
Ceased drinking alcohol	-	-	1.5	.6
Religious beliefs	13.4	11.7	32.1	21.0
Being alive/life	7.5	4.9	20.0	12.2
Motor vehicle	-	2.3	.2	.6
Giving advice	.2	-	1.8	.8
Employment	5.7	8.1	13.8	9.7
Holiday	.2	1.0	.2	.4
Flying in a plane	-	.3	-	.1
Special treats, being spoilt	.9	5.5	2.2	2.5
Having money	3.2	6.2	2.2	3.5
Giving children an education	5.7	3.2	2.4	3.7
Good/friendly neighbours	-	1.0	2.2	1.2
Marriage	5.7	7.8	4.0	5.5
Food	-	2.6	.7	.9
The right to vote, liberation	-	.6	.2	.2

cont./

Table AA: Profile of members of household 55 years and over (continued)

	RB	UB	UC	Total
Three good things in life (spontaneous mention, up to three responses per respondent) (continued)				
RDP projects	1.1	.3	-	.5
Road improvements	2.5	-	-	.8
Clinic in area	2.5	-	-	2.8
Water, electricity	6.6	-	-	2.2
Electricity	11.8	-	-	4.0
n (respondents)	439	308	551	1298

Table AB: Profile of old-age pensioners

	RB	UB	UC	Total
Total	100	100	100	100
Number receiving old-age pension	380	178	270	828
Pensioners who have experienced difficulties accessing their pension				
Yes	14.7	6.7	8.6	11.0
No	85.3	93.3	91.4	89.0
n	380	178	267	825
Number of pensioners who experienced difficulties	56	12	23	91
Percentage of pensioners experiencing different types of difficulties (spontaneous mentions, multiple responses possible)				
Getting pension paid into bank account	-	22.2	15.8	6.6
Getting new power of attorney	2.1	-	-	1.3
Pension grant stops when not collected	2.1	-	-	1.3
Office runs out of money	10.4	11.1	-	7.9
No back pay	14.6	22.2	-	11.8
New identity book	4.2	11.1	5.3	5.3
Officers are unhelpful, rude	18.8	11.1	47.4	25.0
Not paid on time	72.9	66.7	26.3	60.5
Getting pension approved due to age	4.2	-	-	2.6
Long pension queues	-	-	5.3	1.3
Received R500 instead of R620	-	-	5.3	1.3
n	48	9	19	76
Occupation sector for greater part of working life				
Traditional leader, government official	1.4	1.1	-	.9
Professional	1.1	.6	2.6	1.5
Technical	3.0	.6	1.1	1.9
Clerical	.3	.6	4.9	1.9
Service, sales	1.4	4.0	9.4	4.6
Skilled agricultural, fishery, mining	6.4	4.0	2.2	4.5
Craft, trade	2.8	12.5	11.6	7.8
Plant, factory	3.6	5.1	18.7	9.0
Elementary	53.2	52.3	44.6	50.1
Armed forces	-	.6	-	.1
Never worked	26.0	18.8	4.9	17.4
n	361	176	267	804
Number indicating lifetime occupation above	267	143	254	664

cont./

Table AB: Profile of old-age pensioners (continued)

	RB	UB	UC	Total
Received pension from employer				
Yes, as lump sum	18.9	7.1	22.1	17.7
Yes, as payments	51.6	17.1	12.3	29.5
Yes, both as lump sum and payments	.4	.7	2.0	1.0
Yes, uncertain how paid out	.7	2.1	.8	1.0
No	28.4	72.9	62.8	50.7
n	275	140	253	668
Receives money from children living elsewhere				
Regularly	6.8	2.3	4.5	5.1
From time to time	11.1	18.9	23.7	16.8
No	82.1	78.9	71.8	78.1
n	380	175	266	821
Gives money to family members living elsewhere				
Yes	10.1	11.3	3.8	8.3
No	89.9	88.7	96.2	91.7
n	377	177	263	817
Number of pensioners who give money to family living elsewhere	38	20	10	68
Money sent to family members elsewhere is for:				
Education	66.7	26.7	-	41.0
Groceries, food	5.6	73.3	83.3	43.6
Board and lodging, rent	16.7	-	-	7.7
Charity	11.1	-	-	5.1
Neighbours borrow	-	-	16.7	2.6
n	18	15	6	39
Amount sent to family living elsewhere per month				
Mean	R190	R213	R137	R191
n	34	20	7	61
How much of pension money is for own use				
None	81.3	71.8	37.3	65.2
A little	15.0	16.1	18.5	16.4
Some	2.9	6.3	15.0	7.5
Most	.5	2.9	5.0	2.5
All	.3	2.9	24.2	8.5
n	379	174	260	813

cont./

Table AB: Profile of old-age pensioners only (continued)

	RB	UB	UC	Total
<hr/>				
Has used pension money to start/support an income-earning project or small business				
Yes	2.9	3.5	.8	2.4
No	97.1	96.5	99.2	97.6
n	374	173	261	808
Has taken a loan from a micro lender or loan shark, or a loan for pensioners				
Yes	24.1	5.9	1.1	12.9
No	75.9	94.1	98.9	87.1
n	377	170	261	808
