WRITTEN SUBMISSION

29 October 2018
To the Standing Committee on Finance
and the Select Committee on Finance
Medium-Term Budget Policy Statement

PIETERMARITZBURG ECONOMIC JUSTICE & DIGNITY
Economic justice through the lens of human dignity

29 October 2018
Honourable YI Carrim, MP, Chairperson: Standing Committee on Finance.
Honourable CJ De Beer, MP, Chairperson: Select Committee on Finance.

Re: Written submission to The Standing Committee on Finance and the Select Committee on Finance on the 2018 Medium Term Budget Policy Statement.

Greetings and thank you for providing us the opportunity to make a written submission into the 2018 Medium-Term Budget Policy Statement.

Our submission includes:
(1) Comments on the MTBPS for consideration by the Standing Committee on Finance and the Select Committee on Finance *(see below pages 1-3)*.
(2) A media statement sent out on the 25th of October outlining what the impact of zero-rating cake flour and sanitary pads would be for households living on low-income households (our calculations show a R20 potential savings); this, we argue, is not enough to protect millions of South African households from a deepening food affordability crisis *(see page 4)*.
(3) A media alert sent out on the 23rd of October outlining what we would be looking out for in the upcoming Medium-Term Budget Policy Statement 2018 (this alert provides an argument for using the welfare system as a potential economic stimulus to get South Africa out of our economic crisis whilst also protecting millions of people from a deepening affordability crisis). *See pages 5-7.*

We are deeply concerned that the Medium-Term Budget Policy Statement did not announce substantial measures to intervene directly to assist millions of South Africans to better deal with the effects of the economic crisis. It seemed that the MTBPS failed to respond to the sheer magnitude of the crisis we face.

The crisis is disproportionately borne by Black South Africans, with 8,6 million people unemployed; an expanded unemployment rate of 41,5%; and with nearly two-thirds (64,2%) of people living in poverty. Most Black South African households rely on just one wage earner. Wage levels for Black South Africans continue to be extremely low and having to spread further in the face of massive levels of unemployment, when dispersed through households become poverty-level wages. Social grants, which play the same role as wages in that they bring income into homes have not been used as an instrument to help households absorb the shocks caused by the deepening affordability and economic crisis. Millions of South African families rely on grants, they are set too low and do not protect households from poverty.

Affordability is about income and the cost of goods and services. Low wages dispersed through more and more people end up being poverty-level wages. We have seen hikes in the prices of transport, electricity and food. National Treasury's intervention to mitigate the 1% increase in VAT by zero-rating cake flour, bread flour and sanitary pads is extremely disappointing. It will have very little impact to improve household affordability, reducing the household food baskets by a potential R9,87 – on our October 2018 figures it moves the household food basket from R3038,50 to R3 028,63 a month (see page 4). We must get our household affordability crisis under control: either we need to find ways to increase income levels or we need to find ways to decrease the costs of goods and services – preferably we need to do both. From what we are seeing on the ground in Pietermaritzburg and based on national statistics from Statistics South Africa; government must intervene urgently where it has power to do so. We would argue that government does have power to increase minimum wage levels and grant levels. Government also has power to keep the costs of fuel prices and municipal services down.

We are further concerned that the Medium-Term Budget Policy Statement's proposed measures to get South Africa out of the economic crisis seems to be locked in a framework of supply-side interventions, which have in the past failed to deliver results and it seems to us, will continue to fail. We think the chances of economic recovery will improve if we focus economic stimulus measures and other forms of investment on the millions of people excluded from participating in the economy.

This thinking is based on Statistics South Africa's socio-economic data and our Pietermaritzburg-based research which shows that income levels (via jobs or social grants) is far too little and is only enough to support very basic consumption expenditure of transport, scholar transport, education expenses, electricity, food and burial insurance. Worryingly women living on low incomes tell us that debt must be taken each month to cover some of the shortfalls on these basic consumption expenditures. Food shortfalls are a major concern. Households are underspending on proper nutritious food and this has very immediate negative implications for children and women's bodies in particular. Not eating proper food undermines government investments in education and health care because children cannot grow and learn properly and get sick more often, more severely and for longer. Women, who sacrifice their own nutritional needs as an attempt to prolong the periods of relative better nutrition for their children, tell us they are getting sick because they eat very little meat, eggs, amasi, vegetables and fruits, and are forced by their circumstances to eat mainly starches, sugars and fats. Not eating proper food also undermines South Africa's economic potential and future workforce because everything rests on our bodies and minds (our health and wellbeing).

Women tell us that when income comes into homes it is used up almost immediately, sometimes within a few hours, and most of the money spent is left in town. Women tell us that they return home to where they live with very little or no money. There is no money to drive or support local economic activity where people live. Women tell us that even though many households are producing goods and services locally with little bits of money; that very few people who live close to them can buy these goods because nobody has any money. If women are to sell their goods, then they must leave where they stay and go to town or other economic hubs far from where they live to sell their goods. It means that the potential of local economic activity is severely restricted. People are extremely frustrated and angry. Most people can create work for themselves and others but they continually knock-up against a wall of not having any money to invest in and expand their small initiatives, and to support other small initiatives because local people do not have money to buy and invest in their initiatives.

We believe that economic recovery rests with the millions of South Africans who are excluded from participating in the economy. An instrument which could have been used to deal both with protecting households from the economic crisis and getting South Africa out of the economic crisis: social grants, still does not seem to be something government is looking at using. We think social grants can provide an effective and immediate instrument to deal with both assisting households and stimulating a broad-based consumer recovery in the economy. We would have liked the MTBPS to have announced large increases in the level of social grants to protect millions of households. Whilst the idea of using welfare as an economic stimulus might be hard to get one's head around, it seems to us that there is much merit in exploring the possibilities that it could provide in getting South Africa out of the economic crisis.

In rethinking the welfare system as an instrument to better protect households as well as acting as an economic stimulus, we propose the following be explored:

The Pietermaritzburg Economic Justice & Dignity Group supports the Pietermaritzburg Pensioners Forum's proposal for all pensioners to be provided a double pension or bonus of R1 700 in December making the total Old-Age Grant in December R3 400.

This proposal has several benefits – both to pensioners families and the state:

- It will ensure that pensioners are able to buy school uniforms, shoes, stationery and books for the 2019 year at a more reasonable price (prices are cheaper in December than January); and thereby ensure that children are ready for the New School Year.
- It will ensure that children are better fed over the Christmas holidays, are safer (children tend to stay closer to home if there is food in the house), cared for and in a better space which will enable easier adjustment into the New School Year. Health care workers and teachers will benefit from fewer sick children and more focused children in the classroom.
- It will ensure that pensioners might be able to pay off some debts which have accumulated over the year whilst ensuring that credit does not have to be taken to cover education and clothing and food expenses in December. This will ensure that 2019 is started off on a better footing – not as currently happens, being buried in debt before even the first day of the New Year starts. This year will be more severe because of the price hikes and so less money would have been put away and debt levels are deeper.
- It will allow pensioners to use Stokvel money which pensioners have saved over the past year (by cutting back on their bodies and needs) to be re-allocated to productive investments (vs. consumption spending).
- Pensioners may be able to rest and restore their bodies and minds better. The financial burden will be a bit lighter and families can find peace in the dignity and love that comes in the period of Christmas whilst reconnecting with family and the Church.
- The bonus will provide families with a stronger platform for the start of the New Year: families will be in a better financial position, better prepared and more positive; families will be in a better position to absorb shocks.

The cost to the fiscus of providing 3,4 million pensioners and their families with a bonus in December will cost ±R5,8bn. This is roughly equivalent to the R5,57 billion reprioritised for e-tolls (see City Press, 28 October 2018).

Pensioners are workers who not having earned enough when they worked to survive and save had no option but to retire on the Old-Age grant. It is not correct that pensioners who suffered the worst apartheid oppression by earning the lowest wages and treated terribly in their places of work, and who left their employment with nothing; are not provided with a decent pension in their old age. It is even more unjust that pensioners must support entire families off their meagre pensions due to the prolonged and escalating economic crisis. Government must recognise that the lower they allow corporates and business to pay workers; the more people require social assistance from government.

In addition, we propose that the Child Support Grant be increased to a level which would allow mothers to feed their children properly. This is a critical intervention considering the current nutrition crisis in homes and South Africa's horrific child-stunting levels. Our data shows that ensuring basic nutrition for a child costs between R530 and R670 in October 2018. The increase in the grant would have to cover the cost of the food component as well as including extra money because mothers use the grant for other child expenses, and not just for food.

Currently the Child Support Grant of R410 per month is set 25% below the Food Poverty Line of R547 per month and even further (28%) below the cost to feed a small child aged 10-13 years a basic nutritious monthly diet, which we calculate as R572,09 in October 2018. This deficit increases as children grow older. Mothers cannot feed their children properly on the CSG. This cannot be allowed to continue. Underspending on children's nutrition has massive consequences for South Africa's developmental outcomes. This must be dealt with urgently.

Concluding remarks

While we acknowledge government is under strain; budgetary allocations by necessity should be guided by political priorities. Investment directly into the pockets of millions of people and their families will offer exponential benefits in social, health, education and economic outcomes at the level of millions of households and future savings for the state. The initial expenditure investment will return in both revenue form via increased taxes and increased growth; as well as savings via improved developmental outcomes and reduced social disorder. Funding for this investment would require a reprioritisation of the entire budget, including targeting monies identified for the economic stimulus package and investment pledges to be shifted to the welfare system.

Our welfare system is unlike any other. It is not a small safety net for a few people that have fallen through the cracks. It serves ±17,5 million people directly and many more almost as closely because grants are shared in families. Grants are able to reach the highest numbers of people in the quickest most direct way. We should look at grants differently: our welfare system has a post-apartheid character. It offers an instrument of income redistribution and, for want of substantial economic transformation in many Black South African households, it has the potential to be repurposed to drive an economic recovery and move South Africa onto a much more positive trajectory.

The MTBPS provided an indication on how government intends to deal with our economic crisis. In the face of the depth of our crisis, the MTBPS did not provide strong enough measures to deal with the duel crisis of protecting millions of people from the impact of the economic crisis or providing measures to get South Africa out of the economic crisis. The MTBPS does not seem to provide new thinking which would lead to a shift in the way government has previously been handling the crisis. Reprioritising and shifting expenditure and investments to the demand-side of the economy by using the welfare system to drive a broad-based economic stimulus to drive a recovery in the economy whilst substantively dealing with the effects of the crisis for millions of South Africans may provide South Africa with a much greater chance to move forward into a more positive and stable economic trajectory.

Thank you for considering our written submission.

Yours sincerely,

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MEDIA STATEMENT

25 October 2018

To all media for immediate release

Response to Medium-Term Budget Policy Statement 2018: ***zero-rating, VAT, social grants and food.***

A R20 saving on VAT by zero-rating cake flour and sanitary pads is not enough to protect millions of South African households from a deepening food affordability crisis.

We are extremely disappointed at the announcement of what National Treasury has accepted to implement out of the VAT Panel Recommendations. The VAT Panel recommended that the following items be zero-rated: white bread, bread flour and cake flour; sanitary pads; school uniforms; and nappies; including that strengthening the National School Nutrition Programme and increasing the Old-Age Pension and Child Support Grant be considered to mitigate the impact of the VAT increase on poorer households. Minister Mboweni in the Medium-Term Budget Policy Statement announced that government would just zero-rate cake flour, bread flour and sanitary pads.

In the face of the scale, depth and negative consequences of the food affordability crisis facing millions of South African households the measures proposed in the mini-budget are staggering. We see no urgent or substantial measures announced to protect millions of South Africans from a deepening affordability crisis.

Below we have calculated the savings to households living on low-incomes by zero-rating cake flour and sanitary pads. Note that women living on low incomes in Pietermaritzburg do not buy bread flour.

Zero-rating cake flour

In October 2018, the cost of foods in the Household Food Basket, a basket designed with women living on low incomes in Pietermaritzburg, was **R3 038,50.** Between September 2018 and October 2018 the Household Food Basket increased by **R18,22** (from R3 020,28 to R3038,50). Overall the VAT on the Household Food Basket in October 2018 was R219,38.

The Household Food Basket includes 10kg of cake flour. 10kg of cake flour in October 2018 cost R75,66. Zero-rating cake flour on our October 2018 figures would move the cost to R65,79. This would bring the cost of the Household Food Basket down to **R3 028,63 a month, a savings of R9,87.**

The cost of the Household Food Basket with a savings of around R10 moves the basket down to R3 028 per month. This is above the median wage for a Black South African worker is R3 000 a month; and this is just food (not transport or any other critical household expenses). Zero-rating a few foods does not materially bring down the cost of the food baskets of most South African households to a level which is affordable.

Zero-rating sanitary pads

In October 2018, the cost of products in the Household Domestic and Personal Hygiene Basket, a basket designed with women living on low incomes in Pietermaritzburg, was **R661,08.** Between September 2018 and October 2018, the Household Domestic and Personal Hygiene Basket increased by **R12,33** (from R648,75 to R661,08). Overall the VAT on the Household Domestic and Personal Hygiene Basket was R86,23.

The Household Domestic and Personal Hygiene Basket includes 2 big packs of sanitary pads. 2 big packs of pads in October 2018 cost R80,31 (R40,15 each). Zero-rating sanitary pads in our October 2018 figures would move the cost to R69,83, This would bring the cost of the Household Domestic and Personal Hygiene Basket down **to R650,60 a month, a savings of R10,48.**

The impact of zero-rating cake flour and sanitary pads on low-income households **means a potential savings of around R20 a month.** Zero-rating a few food items is not enough to address what we see as a deepening food affordability crisis in the homes of millions of South African households. VAT whilst it is exacerbating the food affordability crisis is not the only factor causing food not to be affordable. The crisis is being driven by our massive unemployment levels, our low-baseline wage regime and poverty-level social grants; and the substantial hikes in the costs of goods and services (transport via fuel hikes, electricity hikes and food hikes). Millions of South African households do not have enough money in their pockets. Millions of South Africans are struggling to put food on the table. The cost of securing the total basket of food, domestic and hygiene products is still far too much relative to the level of income coming into homes.

See The October 2018 Household Affordability Index: http://pmbejd.org.za/wp-content/uploads/2018/10/October-2018-Household-Affordability-Index-PMBEJD.pdf

What we will be looking out for in the upcoming Medium-Term Budget Policy Statement 2018.

For the past several years we have been locked into an economic framework that focuses on creating jobs through expenditures prioritising the supply-side of our economy and securing greater levels of foreign investment. These have not had the desired effect and South Africa is now facing an economic crisis. We have to think of new ways to stimulate economic activity, even ideas that we would not normally have considered. The one area that has not been part of our economic discussions is that of using the welfare system as a potential economic stimulus.

It seems to us that the most urgent political priority for South Africa is dealing with our economic crisis in a manner that reduces inequality and eradicates poverty. Deliberations around the MTBPS should by necessity be guided by and respond to this political priority. ***In assessing the MTBPS, we would be looking at (1) measures proposed to protect South Africans from the economic crisis; and (2) measures proposed to get South Africa out of the economic crisis without increasing levels of inequality.***

Our research suggests that instead of targeting the supply-side of the economy; we should consider investing in the demand-side of the economy. That is, economic recovery lies with the millions of South Africans thus far excluded from the economy through lack of money to spend due to the continuation of our low-baseline wage regime, poverty-level grants and no jobs. Here we think that the welfare system could be used as an economic stimulus to drive a broad-based consumer-driven recovery in the economy whilst also providing immediate relief to the millions of households struggling to put food on the table. *Increasing the level of grants could thus simultaneously help South Africa out of our economic crisis whilst protecting millions of South Africans from the deepening affordability crisis.*

The socio-economic context which the MTBPS is required to respond

Over the past year 519 000 workers joined the labour force.[i] 9,6 million South Africans are currently unemployed, of whom 8,6 million Black South Africans are currently unemployed.[ii] Unemployment levels have stagnated at extremely high levels. Five years ago (2013) the expanded unemployment rate for Black South Africans was 41%, it is currently sitting at 41,5%.[iii] Statistics South Africa's Quarterly Labour Force Survey data trends do not suggest that unemployment levels will improve.

Poverty levels are accelerating. The latest poverty statistics showed a marked reversal upward from 2015. More than two-thirds of Black South Africans lived below the poverty line in 2015 (64,2% or ±30 million people).[iv] These statistics do not reflect the massive food price spikes which hit supermarket shelves from November 2015 through 2017 due to the drought, or the recent hikes in fuel prices, or the hikes in electricity prices or the hike in VAT.

Wage levels are extremely low. Of 10 Black South Africans of working age – only 4 have a job.[v] Most Black South African households rely on just one wage earner. The historical racialised low-baseline wage regime is exacerbating this situation as most Black South African workers who do have a job, and whose wage is now coming under greater pressure, due to a myriad of shocks not least of which high transport costs and electricity prices, are paid at extremely low wages. The median wage for Black South African workers is R3 000 a month;[vi] dispersed through households this becomes a poverty wage.[vii] The National Minimum Wage, not yet implemented, set at an hourly rate of R20, when dispersed through households also becomes a poverty wage. The Old-Age Grant set at R1 700 a month and, like wages shared within families, also becomes a poverty wage.

At the most basic level an economy should provide for the needs of a household. In October 2018, the cost of foods in the Household Food Basket, a basket designed with women living on low incomes in Pietermaritzburg, was R3 038,50. In October 2018 households underspent on basic but proper nutritious food by 26%. 30% of boy children and 25% of girl children under the age of 5 years are stunted.[viii] Stunting in many cases is not reversable.

The following are interventions that are typically addressed in the MTBPS but have not had the intended results:

1. **Increased job creation.**

With the current high levels of unemployment, the core pathway to get money for the majority of South Africans to participate in the economy – via a job – has become obstructed. Emerging from the Jobs Summit was the proposal to create a possible 275 000 jobs a year. While this is to be welcomed we must bear in mind that 519 000 workers joined the labour force over this past year and with 9,6 million people currently unemployed; this intervention is unlikely to shift our current economic trajectory. The current proposals on the table are not going to create enough jobs, these jobs will likely pay workers low wages, and the jobs will not come fast enough to get us out of our crisis.

2. Cutting Personal Income Tax and Corporate Income Tax to stimulate economic activity.

The traditional go-to of cutting taxes is not viable as the millions of families that need relief and from whom a recovery in the economy is mostly likely to emerge do not pay Personal Income Tax. Cutting taxes for the small tax base of private employed individuals who do pay taxes, and many of whom are already spending at their maximum is unlikely to provide any substantial recovery in the economy; instead it will lead to less revenue and higher levels of inequality. Similarly providing more tax cuts to Corporates who have been shown not to respond to tax cuts by employing more people or paying workers higher wages will just lead to less revenue. It seems to us that shifting focus to the demand-side by supporting corporates to expand their local markets by ensuring more people have money to spend and buy their products is more likely to drive an economic recovery.

3. Increasing VAT to provide greater revenue.

The 1% increase in VAT has meant that people have less money in their pockets to spend. It has hurt millions of households at a time when they required help. Any action that removes money out of people's pockets instead of trying to keep money in people's pockets, so they can spend and drive an economic recovery should be avoided. The 1% VAT hike of April 2018 should be reversed and VAT on municipal services and food should be removed. Increasing VAT further whilst it could provide greater revenue, might have the unintended consequence of deepening the household affordability crisis.

We would be looking for the MTBPS to:

1 Provide guidance on how to fix SARS.
2 Stop illicit financial flows.
3 Ensure Corporate compliance with the full CIT rate.
4 Ensure Corporates compliance with agreed wage levels. That the state uses its procurements and tenders as a tool to enforce decent wages for the workers involved, similarly that BEE compliance targets privilege the workers rather than the select group of shareholders who continually benefit from these deals.
5 Reverse the 1% VAT hike and remove all VAT on municipal services and food.
6 Shift a large proportion of the monies allocated for the economic stimulus to the demand-side of the economy.

With no likely solution to the jobs crisis in the short-term; and with corporates showing little appetite to increase wage levels to that of a living wage; and with no surplus money in the pockets of the majority of South Africans, it seems to us that South Africa's social security system could be used as an instrument to provide an immediate, direct and cost-effective intervention to deal with the crisis. That is, if we reimagine the welfare system as an economic stimulus to drive a consumer-led economic recovery by injecting more money directly into the pockets of the millions of people who are currently excluded from the economy. This intervention could immediately catalyse broad-based spending which has the potential not only to ignite economic activity in our core economic hubs but ensure that money is spent locally where people live. Money directed to local economies could enable work to be created at a far faster rate, a fairer rate, and a more cost-effective rate than current government jobs proposals.

The welfare system could get us out of our economic crisis.

We have an instrument in the form of welfare that government thus far has not used to its optimal level. Grant levels have not been increased to a level which would assist millions of South Africans to better absorb job losses, low wages and price spikes caused by the deepening economic crisis. Nor have they been increased to act as a stimulus to drive a consumer-led recovery in the economy. Currently 17,5 million people receive a monthly grant.

The level of grants is set too low. Pensioners receive R1 700 a month and mothers caring for children receive R410 a month. For many households, social grants are the only form of reliable income coming into the home. The low grant levels only cover basic survival consumption expenses, albeit very inadequately *viz.* transport, scholar transport, education, electricity, burial insurance, food and servicing debt. Families cannot eat properly on the grant and this is contributing to major nutritional problems which rebound in our poor education, health, social and economic outcomes. Instead of the grant providing benefits to government via savings and improvements in education, health, social and economic outcomes; the low-level grant undermines these outcomes.

Spending on consumption goods and services, whilst critical expenses, are not enough to grow the economy. Although much of the grant money reverts back to government either via VAT (on food: VAT on the October Food Basket amounted to R219,38, and municipal services and insurances), fuel levies via kombis and omalume (scholar transport), municipal service payments (on electricity, water, sewage and refuse), corporate taxes from food and domestic and personal hygiene product retailers, and ensuring children are fed and in school; at its current level, *government cannot maximise this social assistance expenditure investment as an economic outcome.*

The low grant levels offer no surplus monies after consumption expenses have been paid. The value of the grant is too low for the millions of persons who receive the grant to use it to spend in the local economy beyond consumption goods nor to take that money and invest productively or create wealth in local economic activities. The grant money is spent within a few hours. All grant money is left in town. No money comes home to spend locally or support economic activities where people live. There is no money to spend.

South Africans are remarkably creative – we produce and create products and services; but the potential of these activities is mostly dormant or oppressed because local people cannot sell these goods and services locally because their closest market cannot buy these goods and services; and importantly neither can local communities support, invest or grow these small local economic initiatives. Increasing the value of the grant would immediately create a market of millions of buyers as well as creating millions of producers who are able to create work and support one another to expand and grow this work. Surplus money can be used productively – it has the potential to unlock the jobs crisis, restructure the economy from the ground-up; and create wealth.

Increasing the value of the social grants to a higher level will allow government to maximise its social assistance expenditure as an investment delivering substantial education, health, social and economic outcomes; whilst also responding to the current socio-economic context in which millions of South African families find themselves in.

We believe that putting money into people's pockets directly would lead to much broader economic activity and a more sustained growth trajectory. We acknowledge that government revenue is under strain and that to increase the welfare system to the level at which it would become an economic stimulus would require a big investment. This would require a reprioritisation of the entire budget. To do this would require a political conversation beyond parliament and treasury to identify how this reprioritisation could occur to free up the money which will be required to invest in higher levels of welfare.

We would be looking for the MTBPS to:

1. Increase the grant so that it adequately covers consumption expenses so that government can see returns in investment in improved health, education, social and economic outcomes.
2. Increase the grant beyond consumption expenses so that surplus monies can drive a broad-based, consumer-led recovery in the economy.
3. We recommend that the Minister of Finance urgently initiates such a process where the conversations on the budget reprioritisations can take place.

As a country we have come to a point of no return. We no longer have the luxury to continue repeating failed policies. In our current trajectory our low economic growth is becoming institutionalised. Poverty levels are accelerating. Inequality is deepening. Our economic crisis is causing a downward spiral in all our developmental outcomes. With no substantial resolution to our economic crisis we are now seeing a multitude of crises all feeding on and driving our crises deeper. We are seeing a deterioration in our education, health, social and economic outcomes. We are now in a situation where the majority of South Africans cannot even afford to eat properly. Social disorder and violence appear to be escalating at an alarming rate. The proliferation of protests and labour strikes will escalate.

The MTBPS deliberations provide an indication on how government intends to deal with our economic crisis. In the face of the depth of our crisis the mini-budget must provide new thinking which leads to a shift in the way government has previously been handling the crisis. Using the welfare system to drive a broad-based economic stimulus to drive a recovery in the economy whilst substantively dealing with the effects of the crisis for millions of South Africans will provide South Africa with a much greater chance to move forward into a more positive and stable economic trajectory.

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[i] STATSSA (2018). **Quarterly Labour Force Survey, Quarter 2, 2018.** Statistical release P0211. Statistics South Africa. Pretoria. P39. See Link: http://www.statssa.gov.za/publications/P0211/P02112ndQuarter2018.pdf

[ii] STATSSA (2018). **Quarterly Labour Force Survey, Quarter 2, 2018.** Statistical release P0211. Statistics South Africa. Pretoria. P21-22, 39-40 & 69. See Link: http://www.statssa.gov.za/publications/P0211/P02112ndQuarter2018.pdf

[iii] STATSSA (2018). **Quarterly Labour Force Survey, Quarter 2, 2018.** Statistical release P0211. Statistics South Africa. Pretoria. P21-22, 39-40 & 69. See Link: http://www.statssa.gov.za/publications/P0211/P02112ndQuarter2018.pdf

[iv] STATSSA (2017). **Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2015.** Report No. 03-10-06. Statistics South Africa, Pretoria, South Africa. P8, 14 & 58. See link: http://www.statssa.gov.za/publications/Report-03-10-06/Report-03-10-062015.pdf

[v] STATSSA (2018). **Quarterly Labour Force Survey, Quarter 2, 2018.** Statistical release P0211. Statistics South Africa. Pretoria. P21-22, 39-40 & 69. See Link: http://www.statssa.gov.za/publications/P0211/P02112ndQuarter2018.pdf

[vi] STATSSA (2018). **Labour market dynamics in South Africa, 2016.** Report no. 02-11-02 (2018). Statistics South Africa. Pretoria. P61. See Link: http://www.statssa.gov.za/publications/Report-02-11-02/Report-02-11-022016.pdf

[vii] STATSSA (2018). **National Poverty Lines 2018.** Statistical Release P0310.1. Statistics South Africa. Pretoria. P3-4. See link: http://www.statssa.gov.za/publications/P03101/P031012018.pdf

[viii] STATSSA (2017). **South Africa Demographic and Health Survey 2016: Key Indicator Report.** Statistics South Africa. Pretoria. P27-28. See link: http://www.statssa.gov.za/publications/Report%2003-00-09/Report%2003-00-092016.pdf