National Accounts

Social Accounting Matrix

Overview of the Social Accounting Matrix

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Preface

Building various kinds of econometric models by using information from the numerous variables contained in the social accounting matrix (SAM) is one of the main applications of a SAM. These econometric models are then used to design policies in order to address the key focus areas of government, reduction of poverty being one example.

Since every economic model has its corresponding accounting framework, and since every such framework can be set out as a SAM, it follows that every economic model has a corresponding SAM. Implicitly, if not explicitly, all multi-sector economic models require a SAM for the country, or group of countries, to which they refer. The reliability of the policy experiments conducted using such models depends upon the reliability of the SAM used to calibrate the model. Consequently, there is an ongoing need to develop and keep current multi-sector databases consistent.

The advantages of using a SAM can be summarised in terms of increased relevance, reliability and efficiency. The SAM increases the relevance of economic and social indicators since they are derived from a meso-level information system. As a consequence, their interdependence can be studied, more insights into causes and consequences of "best and worst practices" are gained and the interaction between socio-economic policies in various fields can be analysed. Reliability is enhanced because the more the data are confronted at a meso-level, the more logical identities can be checked: components should add to totals, accounts must balance and price and quantities should also multiply to values. Efficiency is served by the application of uniform units, classifications and concepts throughout a statistical system. Among the advantages of such a harmonisation is a much easier matching of results from different surveys, which in turn yields more reliable outcomes.

This report contains the analysis of the three published final SAMs for the reference years 1998, 2002 and 2005 respectively, constructed according to the recommendations of the 1993 System of National Accounts (1993 SNA). They are closely linked to the (1998, 2002 and 2005 respectively) supply and use tables (SU-tables), as well as the published (and unpublished) (1998, 2002 and 2005 respectively) integrated economic accounts (IEA) compiled by the South African Reserve Bank (SARB).

The 1993 SNA defines a SAM '….. *the presentation of SNA accounts in a matrix which elaborates the linkages between SU-tables and institutional sector accounts*'.

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COICOP	Classification of Individual Consumption According to Purpose
CPI	Consumer Price Index
CS	Community Survey
GDP	Gross Domestic Product
FET	Further Education Training
FSIM	Financial Services Indirectly Measured
IEA	Integrated Economic Accounts
IES	Income and Expenditure Survey
LFS	Labour Force Survey
NAM	National Accounting Matrix
SAM	Social Accounting Matrix
SARB	South African Reserve Bank
SASCO	South African Standard Classification of Occupations
1993 SNA	1993 System of National Accounts
Stats SA	Statistics South Africa
SIC	Standard Industrial Classification of all Economic Activities
STC	Standard Trade Classification
SU- table	Supply and Use tables
VAT	Value Added Tax

Note

Rounding-off of figures	Figures have been rounded off to the nearest million. There might therefore be slight discrepancies between the sums of the constituent industries and the totals shown.
Percentile cut-off points	The percentile cut-off points were calculated using the consumer price index (CPI) cut-off points in 2005.

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Interpretive Summary

This report provides further insight into the previously published SAMs for the reference years 1998, 2002 and 2005 respectively (Report No. 04-03-02 (1998, 2002, and 2005 respectively)). Their main focuses are on the income and expenditure patterns of the South African population. In developing a SAM, the required data are typically collected from a number of different sources, for example, national accounts, population censuses, IEA, SU-tables and household income and expenditure surveys (IES). One of the main challenges though, is to find an efficient method to incorporate and reconcile data from a variety of sources and time periods, in order to compile the SAM for South Africa.

The aim is not to give a detailed analysis or any policy simulations, but to give an overview of the SAMs that were published. The area covered by a SAM is the link between two, often distinct, fields of statistics: economic and social. The integration of these diverse areas of statistics enables a wider range of policy issues to be monitored and described.

One of the main features of the South African SAM is that it divides households into meaningful subgroups, for example occupational groups and skill levels, in order to show the economic significance of each of them. This was achieved by detailing final household consumption expenditure according to the four population groups (using the characteristic of the head of the household) and twelve expenditure groups (using total household imputed expenditure). This information can be useful in the analysis of poverty, and income and expenditure patterns. SAMs have been applied in many countries to analyse the interrelationships between the structural features of an economy and the distribution of income and expenditure between household groups.

This document also aims to compare the figures of the previously published SAMs. The 1998, 2002 and 2005 SAMs were published by Statistics South Africa (Stats SA) in November 2002, September 2006 and July 2009 respectively, in accordance with recommendations of the 1993 SNA. The main improvement between the 1998 and 2002 SAMs is that for the 2002 SAM, labour accounts were included as an external matrix while the 1998 SAM did not include labour accounts. The main improvements between the 2002 and 2005 SAMs are that the 2005 SAM has included taxes on products and national and provincial government intermediate consumption expenditure as external matrices.

The main findings of this report are highlighted according to both individual income and household expenditure, and the demographic characteristics of the population of South Africa.

Demographic picture of South Africa

- The size of the South African population was approximately 42,1 million people in mid-1998, increasing to 45,5 million people in mid-2002 and further increasing to 46,9 million in mid -2005[1].
- The black African population increased from 77,0% of the South African population in mid-1998 to 78,0% in mid-2002 and to a further 79,2% in mid-2005.
- The coloured population decreased from 8,8% of the South African population in mid-1998 to 8,6% in mid-2002 and increased again to 8,8% in mid-2005.
- The white population decreased from 10,7% of the South African population in mid-1998 to 10,0% in mid-2002 and decreased further to 9,3% in mid-2005.
- There was a marginal decrease among the Indian/Asian population from 2,6% of the South African population in mid-1998 to 2,5% in mid-2002 and mid-2005.
- In mid-1998, females accounted for 51,7% of the South African population, 51,9% in mid-2002 and 50,8% in mid-2005.
- In mid 1998, males accounted for 48,3% of the South African population, 48,1% in mid-2002 and 49,2% in mid-2005.

Generation of income in the 1998, 2002 and 2005 SAMs

In 1998, in the 'professionals and technicians' occupational group, white employees received approximately 60,7% or R31 951 million and 67,3% or R26 616 million respectively of the income, followed by black African employees (27,4% or R14 196 million and 18,7% or R7 398 million respectively), coloured employees (6,8% or R3 534 million and 8,4% or R2 328 million respectively) and Indian/Asian employees (5,0% or R2 611 million and 5,6% or R2 234 million respectively). In 2002, in the 'professionals and technicians' occupational groups, white employees received approximately 60,5% or R44 157 million and 67,3% or R37 570 million respectively of the income , followed by black African employees (27,6% or R20 137 million and 18,6% or R10 362 million respectively), coloured employees (6,9% or R4 999 million and 8,5% or R4 721 million respectively) and Indian/Asian employees (5,0% or R3 673 million and 5,6% or R3 137 million respectively). In 2005, in the 'professionals and technicians' occupational groups, white employees received approximately 57,7% or R67 435 million and 55,6% or R38 696 million respectively of the income, followed by black African employees (28,8% or R33 661 million and 30,5% or R21 211 million respectively), coloured employees (6,9% or R8 028 million and 8,1% or R5 648 million respectively) and Indian/Asian employees (6,6% or R7 696 million and 5,9% or R4 076 million respectively) (see figure 3.1).

In 1998 and 2002, black African employees received the largest proportion of the income in the 'plant and machine operators' (63,1% or R17 239 million and 63,6% or R24 438 million respectively), 'skilled agricultural workers' (51,4% or R1 840 million and 51,5% or R 2 541 million respectively) and 'services and sales' occupational groups (47,7% or R227 558 million and 48,2% or R 39 059 million respectively). In 1998 and 2002, white employees received the largest proportion of the income in the 'clerks' (52,5% or R21 024 million and 53,2% or R29 763 million respectively), 'services and sales' (37,3% or R21 538 million and 37,6% or R30 495 million respectively) and 'craft workers' occupational groups (34,4% or R15 131 million and 34,9% or R21 468 million respectively). In 2005, black African employees received the largest proportion of the income in the 'plant and machine operators', 'services and sales' and 'craft workers' occupational groups (69,6% or R2 673 million, 57,6% or R26 545 million and 47,0% or R25 507 million respectively). White

[1] Source: Statistics South Africa, mid-year population estimates, 1998, 2002 and 2005

employees in 2005 received the largest proportion of the income in the 'skilled agricultural workers', 'clerks' and 'craft workers' occupational groups (49,5% or R3 372 million, 38,1% or R21 374 million and 37,8% or R21 374 million respectively) (see figure 3.2).

In the 'domestic workers' occupational group (one of the occupational groups receiving the lowest income), in 2002 and 2005, black African employees received approximately four-fifths (81,7% or R6 647million and 83,0% or R9 402 million respectively) of the income, followed by coloured employees (14,3% or R1 167 million and 12,7% or R1 439 million respectively), white employees (3,0% or R224 million and 3,1% or R348 million respectively) and Indian/Asian employees (0,9% or R77 million and 1,2% or R133 million respectively) (see figure 3.3).

In 1998, 2002 and 2005, black African employees received the largest proportion of compensation of employees in the 'mining industry' (58,9% or R13 329 million, 56,5% or R19 234 million and 58,7% or R23 199 million respectively) (see figure 3.4).

In 1998 and 2002, white employees received the largest proportion of the income amongst all employees in the 'financial and business services' (69,9% or R29 319 million and 69,9% or R69 720 million respectively), followed by 'water and electricity' (55,3% or R4 000 million and 56,9% or R5 468 million respectively) and 'transport and communication' (50,5% or R15 529 million and 50,6% or R39 147 million respectively). In 2005, white employees received the largest proportion of the income amongst all employees in the 'financial and business services' (58,3% or R55 430 million), followed by 'agriculture' (52,5% or R14 730 million) and 'manufacturing' (52,0% or R 62 002 million) industries (see figure 3.4).

Final household consumption expenditure in 1998, 2002 and 2005

In 1998, black African-headed households spent approximately (58,3% or R78 933 million) of their final household consumption expenditure on 'manufactured food products', followed by white-headed households (27,9% or R37 828 million), coloured-headed households (9,6% or R13 037 million) and Indian/Asian-headed households (4,2% or R5 706 million). In 2002 and 2005, the same trend was followed were expenditure on 'manufactured food products' was mainly from black African-headed households (57,2% or R87 560 million and 49,4% or R105 223 million respectively), followed by white-headed households (27,2% or R41 623 million and 35,5% or R75 572 million respectively), coloured-headed households (11,0% or R16 857 million and 11,8% or R25 170 million respectively), Indian/Asian-headed households (4,5% or R6 951 million and 3,2% or R6 893 million respectively) (see figure 4.11).

In 1998, white headed households contributed 65,4% or R26 531 million to the final household consumption expenditure on 'real estate', followed by black African-headed households (25,9% or R10 532 million), coloured-headed households (4,9% or R1 977 million) and Indian/Asian-headed households (3,8% or R1 547 million). In 2002, white headed households contributed 68,6% or R38 132 million to the final household consumption expenditure on 'real estate', followed by black African-headed households (18,3% or R78 933 million), Indian/Asian-headed households (7,2% or R13 037 million) and coloured-headed households (5,9% or R5 706 million). A similar trend was followed in 2005 were white-headed households contributed 66,5% or R 58 734 million to the final household consumption expenditure on 'real estate', followed by black African-headed households (21,9% or R19 341 million), coloured-headed households (7,2% or R6 384 million) and Indian/Asian-headed households (4,3% or R3 438 million) (see figure 4.12).

In 1998, white-headed households contributed 47,4% or R760 million to the final household consumption expenditure on 'water', followed by black African-headed households (35,8% or R574 million), coloured-headed households (10,4% or R167 million) and Indian/Asian-headed households (6,3% or R101 million). This is in contrast with 2002, were black African-headed households was the major contributor to the final household consumption expenditure on 'water'. In 2005, white-headed households contributed 43,9% or R3 974 million to the final household consumption expenditure on 'water', followed by black African-headed households (42,2% or R3 826 million), coloured-headed households (10,3% or R934 million) and Indian/Asian-headed households (3,6% or R328 million) (see figure 4.17).

National Accounting Matrix

The National Accounting Matrix (NAM) is a matrix presentation that distinguishes between different kinds of accounts at the highest level of aggregation. This presentation can be elaborated by expanding the individual cells to show the kinds of transactions between the different economic subjects involved in each account. The units (product group, industry, and sector) that are used to break down each cell varies according to the nature of the account. A detailed NAM can be expanded into a SAM by introducing more detailed classifications (of e.g. labour and households). The NAM depicts how the SU-tables, the distribution and use of income accounts, the accumulation accounts and the rest-of-the-world accounts in a matrix format. Each account is represented by a row and column. The convention is that incomes or resources are shown in the rows and expenditure or uses are shown in the columns.

The main feature of the matrix presentation is that an item which appears twice in the conventional accounting structure, is included only once in the matrix presentation. The item is shown on the intersection of the row of the account in which it is a resource (or the acquisition of an asset) and the column of the account in which it is a use (or the acquisition of a liability).

Details related to the construction and interpretation of a NAM can be found in the report 'Final Social Accounting matrix, 1998' (Report no 04-03-02 (1998)) on the Stats SA website (www.statssa.gov.za) as well as from the printing and distribution section of Stats SA (distribution@statssa.gov.za or (012) 310 8044/8161). The latest NAM time-series will be published in May 2010 in the 'Gross Domestic Product' (GDP) release.

Integrated economic accounts, 2005

The Integrated economic accounts (IEA) are at the centre of the accounting framework, and contain three groups of accounts, namely:

- Transaction accounts with the goods and services account being particularly important;
- A full sequence of accounts for institutional sectors and the total economy which are divided into current accounts, accumulation accounts and balance sheets; and
- A full sequence of accounts for the rest of the world which are divided into current accounts, accumulation accounts and balance sheets.

Taken together, the full sequence of accounts of institutional sectors, the rest of the world accounts and the goods and services account give a comprehensive picture of entire economy.

A transaction account brings together all transactions of the same type in a dummy account. For example, the transaction account for interest shows, on the debit (left) side, the interest receivable by the different institutional sectors and the rest of the world, and, on the credit (right) side, interest payable by the same sectors and the rest of the world.

Current accounts record the production of goods and services, generation of income by production, the subsequent distribution and redistribution of income among institutional units, and the use of income for the purpose of consumption or saving. The right side of these accounts shows resources, while the left side shows the use of resources.

Balance sheets show the values of the stock of assets and liabilities held by institutional units or sectors at the beginning and end of an accounting period. These accounts show assets (e.g. equipment, bank deposits and loans held by creditors, etc.) on the left side and liabilities (e.g. loans outstanding for debtors) and net worth on the right side.

Table 1: National Accounting Matrix, 2005 (R million)

Account	Goods and services (products)	Production (industries	Generation of income (value added)	Allocation of primary income	Secondary distribution of income	Use of income	Capital	Fixed capital formation	Financial	Rest of the world current	Rest of the world capital	Residual	Total
Goods and services (products)	Trade and transport margin 0	Intermediate consumption 1 808 494				Final consumption expenditure 1 267 910	Changes inventories 18 667	Gross fixed capital formation 263 561		Exports of goods and services 423 048		6 693	**3 788 373**
Production (industries)	Output 3 183 485												**3 183 485**
Generation of income (value added)		Net value added, at basic prices 1 184 286								Compensation of employees from ROW 3 902			**1 188 188**
Allocation of primary income	Taxes on products less subsidies 168 985		Net generated income, at basic prices 1 181 570	Property income 485 114						Property income 25 648			**1 861 317**
Secondary distribution of income				Net national income 1 321 846	Current taxes on inc., wealth and curr. transfer 605 121					Current taxes on income, etc. and current transfers from ROW 1 536			**1 928 503**
Use of income					Net disposable income 1 303 947	Adj. for the change in net equity hh on pension funds 58 474				Adj. for the change in net equity hh on pension funds from ROW 0		(6 693)	**1 355 728**
Capital						Net saving 29 344	Capital transfers 0		Borrowing 724 283		Capital transfer from ROW 283		**753 910**
Fixed capital formation		Consumption of fixed capital 190 705					Net fixed capital formation 72 856						**263 561**
Financial							Lending 662 297				Net lending of ROW 61 986		**724 283**
Rest of the world current	Imports of goods and services 435 903		Compensation of employees to ROW 6 618	Property income 54 357	Current taxes on income etc. and curr. transf. to ROW 19 435	Adj for the change in net equity hh on pension funds from ROW 0							**516 313**
Rest of the world capital							Capital transfers to ROW 90			Current external balance 62 179			**62 269**
Total	**3 788 373**	**3 183 485**	**1 188 188**	**1 861 317**	**1 928 503**	**1 355 728**	**753 910**	**263 561**	**724 283**	**516 313**	**62 269**	**0**	

Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

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Chapter 1: Comparison of the 1998, 2002 and 2005 Social Accounting Matrix

Stats SA has compiled the 1998, 2002 and 2005 SAMs according to the recommendations of the 1993 SNA. Stats SA implemented the 1993 SNA in conjunction with rebasing and benchmarking GDP estimates in 1999. The base year for the national accounts estimates at constant prices was changed from 1995 to 2000 in 2004, and from 2000 to 2005 in 2009. Stats SA undertook this exercise in cooperation with SARB.

Developing a SAM is both difficult and time-consuming. The required data are collected from several different sources, for example, national accounts, income and expenditure surveys, integrated economic accounts, population censuses, etc. Table 2 illustrates the main data sources used to compile the 1998, 2002 and 2005 SAMs.

Table 2: Main data sources of the 1998, 2002 and 2005 Social Accounting Matrices

1998 SAM	2002 SAM	2005 SAM
1998 Supply and Use tables (unpublished) and national accounts statistics	2002 Supply and Use tables and national accounts statistics	2005 Supply and Use tables and national accounts statistics
1998 Integrated Economic Accounts (unpublished) (IEA)	2002 Integrated Economic Accounts (published and revised)	2005 Integrated Economic Accounts (published and revised)
1996 Population Census for South Africa	2001 Population Census for South Africa	2007 Community Survey (CS)
1995 Household Income and Expenditure Survey	2000 Household Income and Expenditure Survey	2005 Household Income and Expenditure Survey
Published and unpublished data from the South African Reserve Bank, (e.g. Remuneration of foreign and domestic workers)	Published and unpublished data from the South African Reserve Bank, (e.g. Remuneration of foreign and domestic workers)	Published and unpublished data from the South African Reserve Bank, (e.g. Remuneration of foreign and domestic workers)
	September 2002 Labour Force Survey	September 2005 Labour Force Survey

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Table 3 outlines the characteristics of the 1998, 2002 and 2005 SAMs. The characteristics are compared in respect of the methodology and classification system used, as well as the level of detail available for various variables.

Table 3: Comparison of the major important characteristics of the 1998, 2002 and 2005 Social Accounting Matrices

1998 SAM	2002 SAM	2005 SAM
Compiled according to the 1993 SNA	Compiled according to the 1993 SNA	Compiled according to the 1993 SNA
Compiled according to the *Standard Industrial Classification of all Economic Activities* (5th Edition)	Compiled according to the *Standard Industrial Classification of all Economic Activities* (5th Edition)	Compiled according to the *Standard Industrial Classification of all Economic Activities* (5th Edition)
27 industries Agriculture, hunting, forestry and fishing Mining of coal and lignite Mining of gold and uranium ore Other mining activities Manufacturing of food products, beverages and tobacco products Manufacturing of textiles, clothing and leather products (except footwear) Manufacturing of footwear Manufacturing of wood and wood products including furniture, articles of straw and plaiting materials, paper and paper products, publishing, printing and reproduction of record media and recycling Manufacturing of other non-metallic mineral products Manufacturing of petroleum, chemical, rubber and plastic products Manufacturing of metal products, machinery and office equipment Manufacturing of transport equipment Electricity, gas, steam and hot water Collection, purification and distribution of water Construction Wholesale and retail trade Hotels and restaurants Transport and storage Post and telecommunications Financial Intermediation and insurance Real estate activities Business services General government Health and social work Other community, social and personal services	27 industries Agriculture, hunting, forestry and fishing Mining of coal and lignite Mining of gold and uranium ore Other mining activities Manufacturing of food products, beverages and tobacco products Manufacturing of textiles, clothing and leather products (except footwear) Manufacturing of footwear Manufacturing of wood and wood products including furniture, articles of straw and plaiting materials, paper and paper products, publishing, printing and reproduction of record media and recycling Manufacturing of other non-metallic mineral products Manufacturing of petroleum, chemical, rubber and plastic products Manufacturing of metal products, machinery and office equipment Manufacturing of transport equipment Electricity, gas, steam and hot water Collection, purification and distribution of water Construction Wholesale and retail trade Hotels and restaurants Transport and storage Post and telecommunications Financial Intermediation and insurance Real estate activities Business services General government Health and social work Other community, social and personal services	27 industries Agriculture, hunting, forestry and fishing Mining of coal and lignite Mining of gold and uranium ore Other mining activities Manufacturing of food products, beverages and tobacco products Manufacturing of textiles, clothing and leather products (except footwear) Manufacturing of footwear Manufacturing of wood and wood products including furniture, articles of straw and plaiting materials, paper and paper products, publishing, printing and reproduction of record media and recycling Manufacturing of other non-metallic mineral products Manufacturing of petroleum, chemical, rubber and plastic products Manufacturing of metal products, machinery and office equipment Manufacturing of transport equipment Electricity, gas, steam and hot water Collection, purification and distribution of water Construction Wholesale and retail trade Hotels and restaurants Transport and storage Post and telecommunications Financial Intermediation and insurance Real estate activities Business services General government Health and social work Other community, social and personal services
Percentiles calculated on imputed household expenditure The same cut-off points were used for percentiles in all the population groups, namely: All population groups P1 R1–R540 P2 R541–R5 700 P3 R5 701–R8 496 P4 R8 497–R10 716 P5 R10 717–R12 996 P6 R12 997–R15 828 P7 R15 829–R19 992 P8 R19 993–R26 556 P9 R26 557–R37 884 P10 R37 885–R57 816 P11 R57 817–R75 840 P12 R75 841+	Percentiles calculated on imputed household expenditure The same cut-off points were used for percentiles in all the population groups, namely: All population groups P1 R1–R3 496 P2 R3 497–R7 538 P3 R7 539–R9 070 P4 R9 071–R11 307 P5 R11 308–R12 933 P6 R12 934–R14 802 P7 R14 803–R17 930 P8 R17 931–R23 364 P9 R23 365–R33 340 P10 R33 341–R56 699 P11 R56 700–R70 118 P12 R70 119+	Percentiles calculated using the CPI cut-off points The same cut-off points were used for percentiles in all the population groups, namely: All population groups P1 R1–R7 769 P2 R7 770–R10 393 P3 R10 394–R14 564 P4 R14 565–R18 609 P5 R18 610– R23 278 P6 R23 279–R28 654 P7 R28 655–R36 755 P8 R36 756–R51 426 P9 R51 427–R79 152 P10 R79 153–R150 693 P11 R150 694–R237 544 P12 R237 545+

Table 3: Comparison of the major important characteristics of the 1998, 2002 and 2005 Social Accounting Matrices (concluded)

1998 SAM	2002 SAM	2005 SAM
12 Percentiles (calculated on imputed total household expenditure) P1 0–5% of the population P2 6–10% of the population P3 11–20% of the population	12 Percentiles (calculated on imputed total household expenditure) P1 0–5% of the population P2 6–10% of the population P3 11–20% of the population	12 Percentiles (calculated on imputed total household expenditure) P1 0–5% of the population P2 6–10% of the population P3 11–20% of the population
P4 21–30% of the population P5 31–40% of the population	P4 21–30% of the population P5 31–40% of the population	P4 21–30% of the population P5 31–40% of the population
P6 41–50% of the population P7 51–60% of the population	P6 41–50% of the population P7 51–60% of the population	P6 41–50% of the population P7 51–60% of the population
P8 61–70% of the population P9 71–80% of the population	P8 61–70% of the population P9 71–80% of the population	P8 61–70% of the population P9 71–80% of the population
P10 81–90% of the population	P10 81–90% of the population	P10 81–90% of the population
P11 91–95% of the population P12 96–100% of the population	P11 91–95% of the population P12 96–100% of the population	P11 91–95% of the population P12 96–100% of the population
Population groups	Population groups	Population groups
Black African	Black African	Black African
Coloured	Coloured	Coloured
Indian/Asian	Indian/Asian	Indian/Asian
Whites	Whites	Whites
Emphasis on income distribution	Emphasis on income distribution	Emphasis on income distribution
Gender dimension included in external matrix	Gender dimension included in external matrix	Gender dimension included in external matrix
Rural/urban dimension included in external matrix	Rural/urban dimension included in external matrix	Rural/urban dimension included in external matrix
4 skill levels (linked to occupation group) included: Legislator, senior officials and managers (4) Professionals (4) Technicians and associate professionals (3) Clerks (2) Service workers and shop market sales workers (2) Skilled agricultural and fishery workers (2) Craft and related trade workers (2) Plant and machine operators and assemblers (2) Elementary occupations (excluding domestic) (1) Domestic worker (1) Occupation unspecified (1) Unspecified (population group)	4 skill levels (linked to occupation group) included: Legislator, senior officials and managers (4) Professionals (4) Technicians and associate professionals (3) Clerks (2) Service workers and shop market sales workers (2) Skilled agricultural and fishery workers (2) Craft and related trade workers (2) Plant and machine operators and assemblers (2) Elementary occupations (excluding domestic) (1) Domestic worker (1) Undetermined (1)	4 skill levels (linked to occupation group) included: Legislator, senior officials and managers (4) Professionals (4) Technicians and associate professionals (3) Clerks (2) Service workers and shop market sales workers (2) Skilled agricultural and fishery workers (2) Craft and related trade workers (2) Plant and machine operators and assemblers (2) Elementary occupations (excluding domestic) (1) Domestic worker (1) Undetermined (1)
Income intervals (from 1996 population census) R1–R200 R201–R500 R501–R1 000 R1 001–R1 500 R1 501–R2 500 R2 501–R3 500 R3 501–R4 500 R4 501–R6 000 R6 001–R8 000 R8 001–R11 000 R11 001–R16 000 R16 001–R30 000 R30 001 or more Unspecified	Income intervals (from 2001 population census) R1–R400 R401–R800 R801–R1 600 R1 601–R3 200 R3 201–R6 400 R6 401–R12 800 R12 801–R25 600 R25 600–R51 200 R51 201–R102 000 R102 001–R204 800 R204 801 or more	Income intervals (from 2007 community survey) R1–R400 R401–R800 R801–R1 600 R1 601–R3 200 R3 201–R6 400 R6 401–R12 800 R12 801–R25 600 R25 600–R51 200 R51 201–R102 000 R102 001–R204 800 R204 801 or more
	Labour accounts included in external matrix	Labour accounts included in external matrix
		Taxes on products included in external matrix
		Government final consumption expenditure included in external matrix

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

The 2005 SAM includes taxes on products and government intermediate consumption expenditure (national and provincial) as additional external matrices. The IES 2005/2006

based on the diary method was the first of its kind to be conducted by Stats SA. Previously, IESs were conducted by Stats SA every five years using the recall method. Table 4 shows the difference between IES 2005/2006 and IES 2000.

The IES 2005 dataset was originally coded to COICOP. The dataset contained 1 445 458 household records from a sample of 21,144 households. It recorded expenditure to the 7th digit COICOP. A conversion between COICOP and a product code linked to SIC was established and formed into a SAS code sheet and this allowed for a link between the COICOP and product code linked to the SIC (which is used in the 2005 SAM). CPI cutoff points were chosen and used for the 2005 SAM. This brought the SAM inline with the CPI regarding the percentile cutoff points used.

For the compilation of the 2005, 2002 and 1998 SAMs, all income and expenditure items were grouped into 27 categories of products and services. Among the 27 categories, only two categories had zero values for all households (gold and other mining). The rest of the categories were non-zero.

Data from the 2007 CS, censuses 2001 and 1996 were used as a distribution basis for the compilation of submatrix M(3,2)b (the generation of income submatrix (salaries and wages)) for the 2005, 2002 and 1998 SAMs respectively.

The occupational group classification 'undetermined' shows a decrease between the 1996 and 2001 population censuses across all four population groups and 27 industries. However, in the 2001 population census, the occupational group 'unspecified' and the population group 'unspecified' were distributed within the valid population groups and industries using imputation techniques. For the 1996 population census, this exercise was not done.

It is also important to note that there was a more detailed level classification of industry in the 2001 population census (5-digit Standard Industrial Classification of all Economic Activities (SIC) compared to 3-digit SIC in the 1996 population census), improving accuracy in assigning a worker to the correct industry. It is also important to keep in mind the effects that migration as well as the change in the population profile among South Africans could have had on the income earned from different industries.

Table 4: Main difference between income and expenditure survey 2000 and income and expenditure survey 2005/2006

Distinguishing features	IES 2000	IES 2005/2006
Sample size	30 000 dwelling units	24 000 dwelling units
Methodology	Recall	Diary and recall
Main questionnaire	One questionnaire (one interview)	One questionnaire (five interview)
Diaries	None	Four weekly diaries
Expenditure data collection approach		
Goods	Payment approach	Acquisition approach
Services	Payment approach	Payment approach
Own production	Consumption approach	Consumption approach
Survey period	Five weeks mainly October 2000	One year September 2005 to August 2006
Reference period: food expenditure	September 2000	September 2005 to August 200
Visits per household	One	Minimum of six
Classification of expenditure items	Standard Trade Classification (STC)	Classification of Individual Consumption According to Purpose (COICOP)

Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

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Chapter 2: Overview of the population of South Africa

Community Survey, 2007

The Community Survey is the largest survey that has ever been carried out by Stats SA. The survey collected data on population size, composition and distribution, migration, fertility and mortality, disability and social grants, school attendance and educational attainment, labour force, and income. The key results focused on the majority of the above focus areas, however, a more detailed analysis is scheduled to be carried out in the near future. The results were presented using the new provincial boundaries. The CS 2007 covered 274 348 dwelling units across all the provinces. A total of 238 067 dwellings had completed questionnaires when the fieldwork was completed

The specific objectives of the survey were to:
- provide data at lower levels of geography (at district and municipal levels) in addition to national and provincial levels,
- build human, management and logistical capacity for Census 2011, and
- provide the primary data as a base for population projections.

The population of South Africa has continued to grow. It has increased from 40,5 million in 1996, to 44,8 million in 2001 and to 48,5 million in 2007. The provinces with the highest population size are Gauteng and KwaZulu-Natal with a population of 10,5 million and 10,3 million respectively. The province with the lowest population is the Northern Cape with a population of 1,1 million. The Western Cape and Gauteng have recorded substantial increases since 2001 (16,7% and 13,9% respectively). Gauteng and the Western Cape appear to be the major recipients of migrants from other provinces.

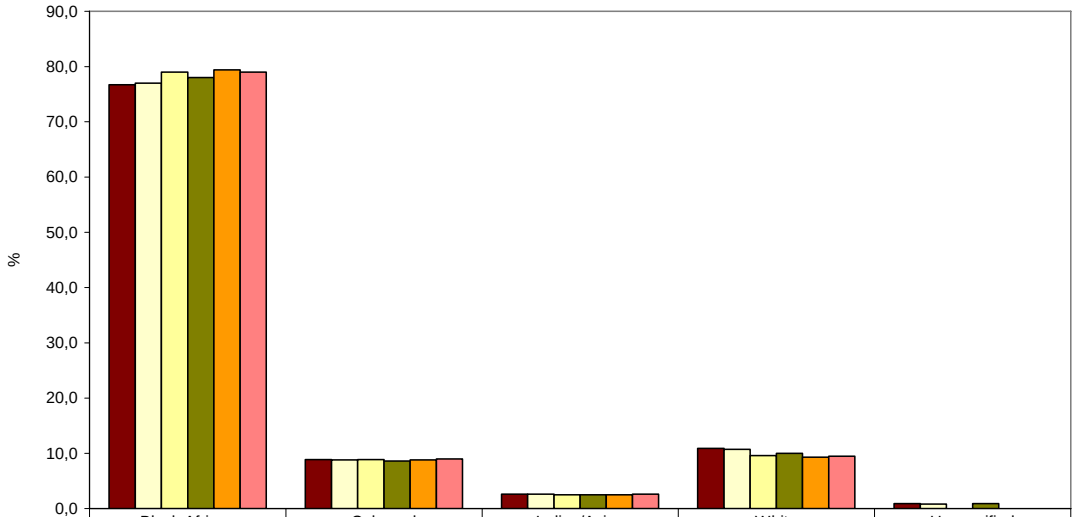
2.1: The population of South Africa by population group

Figure 2.1 shows the population of South Africa by population group (i.e. black African, coloured, Indian/Asian and white) for the years 1996, 2001, 1998, 2002, 2005 and 2007.

- The percentage of the black African population increased from 76,7% of the South African population in 1996 to 77,0% in mid-1998, and increased further to 79,0% in 2001. The percentage dropped to 78,0% in mid-2002 then increased to 79,2% in mid-2005 and decreased again to 79,0% in 2007.
- The percentage of the coloured population decreased from 8,9% of the South African population in 1996 to 8,8% in mid-1998 and increased back to 8,9% in 2001. The percentage then decreased to 8,6% in mid-2002 and in mid-2005 it increased to 8,8% and increased further to 9,0% in 2007.

- There was a marginal decrease among the Indians/Asian population from 2,6% of the South African population in 1996 and mid-1998 to 2,5% in 2001, mid-2002 and mid-2005 and then increased to 2,6% in 2007.
- The percentage of the white population decreased from 10,9% of the South African population in 1996 to 10,7% in mid-1998 and increased further to 9,6% in 2001. The percentage then increased to 10,0% in mid-2002 and decreased to 9,3% in mid-2005 and the increased again to 9,5% in 2007.

Figure 2.1: Distribution of the population of South Africa by population group, 1996, 1998, 2001, 2002, 2005 and 2007 (%)[2]



	Black African	Coloured	Indian/Asian	White	Unspecified
1996	76,7	8,9	2,6	10,9	0,9
1998	77,0	8,8	2,6	10,7	0,8
2001	79,0	8,9	2,5	9,6	0,0
2002	78,0	8,6	2,5	10,0	0,9
2005	79,4	8,8	2,5	9,3	0,0
2007	79,0	9,0	2,6	9,5	0,0

Population group

Source: Statistics South Africa, 1996 and 2001 population census, 1998 mid-year, 2002 mid-year and 2005 mid-year population estimates and Community Survey, 2007

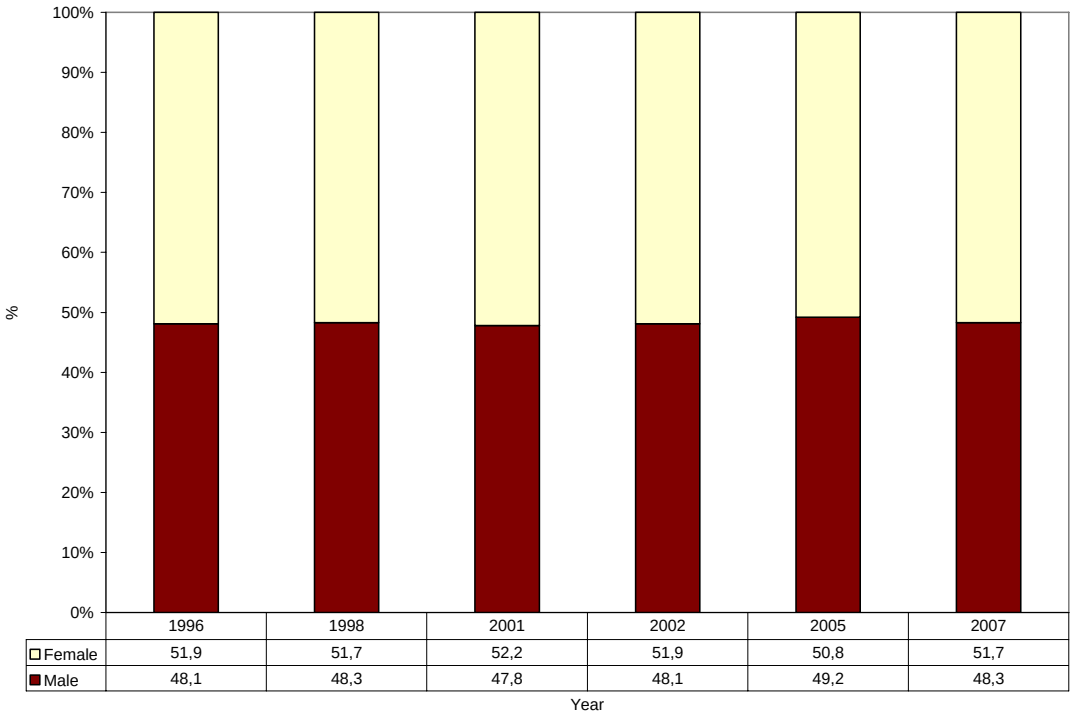
2 The figures have been rounded off to the nearest million. There may therefore be slight discrepancies between the sums of the constituent industries and the totals shown.

2.2: The population of South Africa by gender

Figure 2.2 shows the population of South Africa by gender, for the reference years 1996, 2001, 1998, 2002, 2005 and 2007.

- There was a decrease in the South African female population from 51,9% in 1996 to 51,7% in mid-1998 and an increase in 2001 to 52,2%. The female population decreased again in mid-2002 to 51,9% and decreased further to 50,8% in mid-2005 and increased to 51,7% in 2007.
- There were fluctuations in the South African male population from 48,1% in 1996 to 48,3% in mid-1998 and a decrease to 47,8% in 2001. As from mid-2002, the male population began to increase again from 48,1% to 49,2% in mid-2005 and decreased to 48,3% in 2007.
- In 1996 and mid-2002 the gender composition was the same at 51,9% for females and 48,1% for males. In mid-1998 and 2007, the gender composition was also the same with 51,7% for females and 48,3% for males.

Figure 2.2: Gender composition of the population of South Africa, 1996, 1998, 2001, 2002, 2005 and 2007 (%)



	1996	1998	2001	2002	2005	2007
Female	51,9	51,7	52,2	51,9	50,8	51,7
Male	48,1	48,3	47,8	48,1	49,2	48,3

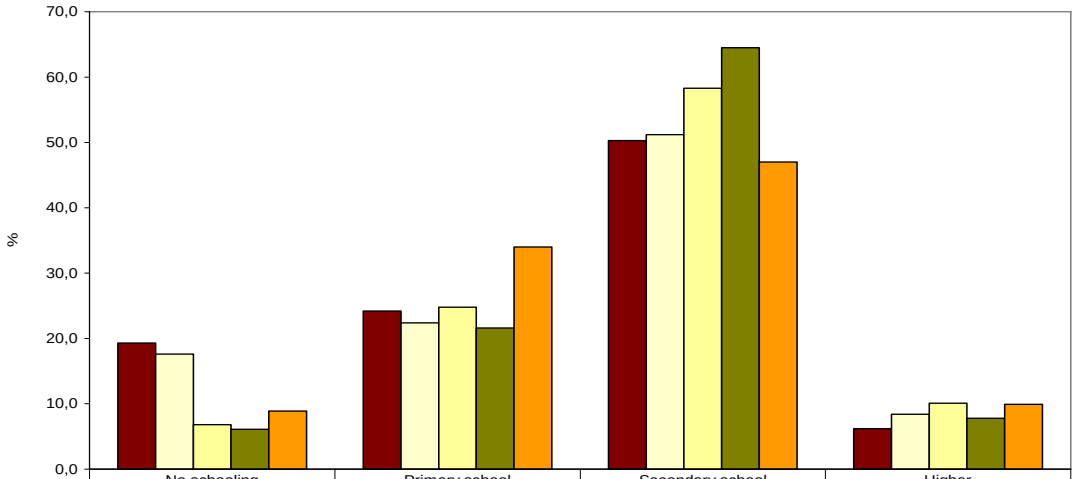
Source: Statistics South Africa, Population Census 1996 and 2001, 1998 mid-year, 2002 mid-year and 2005 mid-year estimates and Community Survey 2007

2.3: Educational profile of the South African population

Figure 2.3 shows the educational profile of the population of South Africa as recorded for the years 1996, 2001, 2002, 2005 and 2007.

- There was a decrease in the proportion of the population that had 'no schooling' between 1996 (19,3%), 2001 (17,6%), 2002 (6,8%) and 2005 (6,1%) respectively and an increase was experienced in 2007 to 8,9%.
- There was an increase in the proportion of the population that had 'higher education' between 1996 (6,2%), 2001 (8,4%) and 2002 (10,1%), a decrease to 7,8% in 2005 and an increase again to 9,9% in 2007.
- There were fluctuations in the proportion of the population that had completed 'primary school' education. The proportion of the population that had completed 'primary school' education decreased from 24,2% in 1996 to 22,4% in 2001, then increased to 24,8% in 2002. In 2005 the population that had completed 'primary school' education decreased to 21,6% and increased again to 34,0% in 2007.
- There was an increase in the population that had completed 'secondary school' education from 1996 (50,3%), 2001 (51,2%), 2002 (58,3%), 2005 (64,5%) respectively and a huge decrease in 2007 (47,0%).

Figure 2.3: Educational profile of the population of South Africa, 1996, 2001, 2002, 2005 and 2007 (%)



	No schooling	Primary school	Secondary school	Higher
1996	19,3	24,2	50,3	6,2
2001	17,6	22,4	51,2	8,4
2002	6,8	24,8	58,3	10,1
2005	6,1	21,6	64,5	7,8
2007	8,9	34,0	47,0	9,9

Level of education

Source: Statistics South Africa, Population Censuses 1996 and 2001, September 2002 and September 2005 Labour Force Survey[3] and 2007 Community Survey

[3] The difference between the results of the population census and the LFS is their respective target populations. The population census includes all persons aged 20 years and older, while the LFS includes only employed persons aged 15–65 years. LFS data are shown in this section because they form the source data (population) for the compilation of the labour accounts

Chapter 3: Generation of individual income between 1998, 2002 and 2005

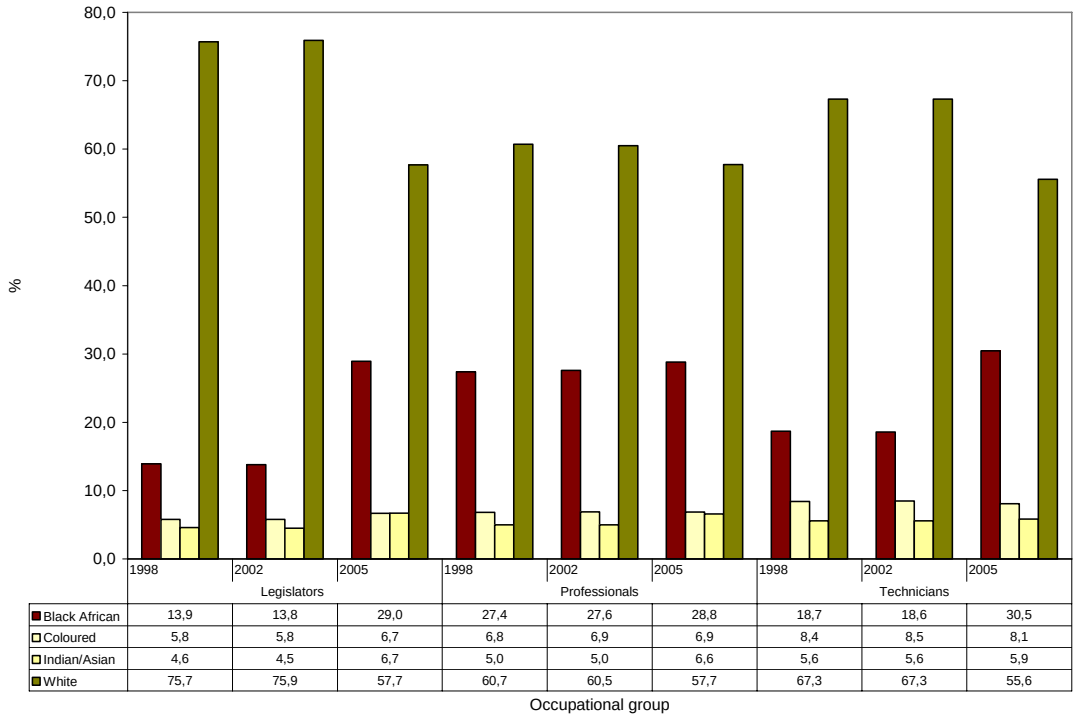
A SAM provides a coherent set of sub-matrices focusing on the role of people in the economy. For example, information on people could be broken down into various categories (e.g. occupational groups and skill level) to give a detailed presentation of the labour market. It is possible to apply several different classifications to the same group of transactors. The choice of the classification depends on the analytical purposes of the SAM. One of the purposes of the SAM is to provide detailed information on the demand and supply of labour in monetary terms, were the labour is employed in the production system. For the analysis of generation of income, the sub-matrix M(3,2) is applicable. Employed persons are people aged 15–65 years.

3.1: Compensation of employees by skills level and population group between 1998, 2002 and 2005

Figure 3.1 shows the distribution of compensation of employees by occupational group within a population group for highly skilled labour categories in 1998, 2002 and 2005. Figure 3.1 indicates the following:

- In 1998 and 2002, of the total compensation of employees (salaries and wages) received by the 'legislators' occupational group, white employees received approximately 75,7% and 75,9% respectively, followed by black African employees (13,9% and 13,8% respectively), coloured employees (both 5,8%) and Indian/Asian employees (4,6% and 4,5% respectively). In 2005, of the total compensation of employees (salaries and wages) received by the 'legislators' occupational group, white employees received approximately 57,7%, black African employees 29,0% and coloured and Indian Asian employees were equal at 6,7%.
- In 1998, 2002 and 2005 in the 'technicians' occupational group, white employees received approximately 67,3%, 67,3% and 55,6% respectively of the total compensation of employees, followed by black African employees (18,7%, 18,6% and 30,5% respectively), coloured employees (8,4%, 8,5% and 8,1% respectively) and Indian/Asian employees (5,6%, 5,6% and 5,9% respectively).

Figure 3.1: Distribution of compensation of employees by occupational group within population group: Highly skilled labour, 1998, 2002 and 2005 (%)



	Legislators 1998	Legislators 2002	Legislators 2005	Professionals 1998	Professionals 2002	Professionals 2005	Technicians 1998	Technicians 2002	Technicians 2005
Black African	13,9	13,8	29,0	27,4	27,6	28,8	18,7	18,6	30,5
Coloured	5,8	5,8	6,7	6,8	6,9	6,9	8,4	8,5	8,1
Indian/Asian	4,6	4,5	6,7	5,0	5,0	6,6	5,6	5,6	5,9
White	75,7	75,9	57,7	60,7	60,5	57,7	67,3	67,3	55,6

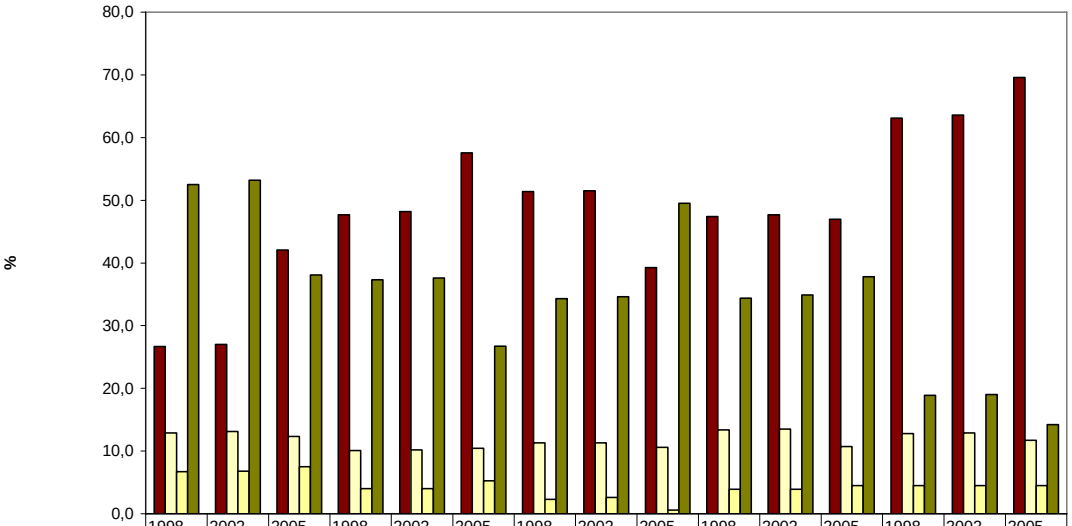
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998, 2002 and 2005 SAM do not add up to 100% due to exclusion of unspecified population

Figure 3.2 shows the distribution of compensation of employees by occupational group within population group for skilled labour categories in 1998, 2002 and 2005.

- In 1998 and 2002, white employees received approximately 52,5% and 53,2% respectively of the compensation of employees in the 'clerks' occupational group, followed by black African employees (26,7% and 27,0% respectively), coloured employees (12,9% and 13,1% respectively) and Indian/Asian employees (6,7% and 6,8% respectively). In 2005, black African employees received approximately 42,1% of the compensation of employees paid in the 'clerks' occupational group followed by white employees (38,1%), coloured employees (12,3%) and Indian/Asian employees (7,5%).

- In 2002, black African employees received approximately 47,7% and 63,6% respectively of the compensation of employees in the 'craft workers' and 'plant and machine operators' occupational groups and in 1998, black African employees received approximately 47,4% and 63,1% respectively of the compensation of employees. In the 'craft workers' and 'plant and machine operators' occupational groups, black African employees, received approximately 47,0% and 69,6% respectively of the compensation of employees in 2005.

Figure 3.2: Distribution of compensation of employees by occupational group within population group: Skilled labour, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Clerks			Services and sales			Skilled agricultural workers			Craft workers			Plant and machine operators		
Black African	26,7	27,0	42,1	47,7	48,2	57,6	51,4	51,5	39,3	47,4	47,7	47,0	63,1	63,6	69,6
Coloured	12,9	13,1	12,3	10,1	10,2	10,4	11,3	11,3	10,6	13,4	13,5	10,7	12,8	12,9	11,7
Indian/Asian	6,7	6,8	7,5	4,0	4,0	5,3	2,3	2,6	0,6	3,9	3,9	4,5	4,5	4,5	4,5
White	52,5	53,2	38,1	37,3	37,6	26,7	34,3	34,6	49,5	34,4	34,9	37,8	18,9	19,0	14,2

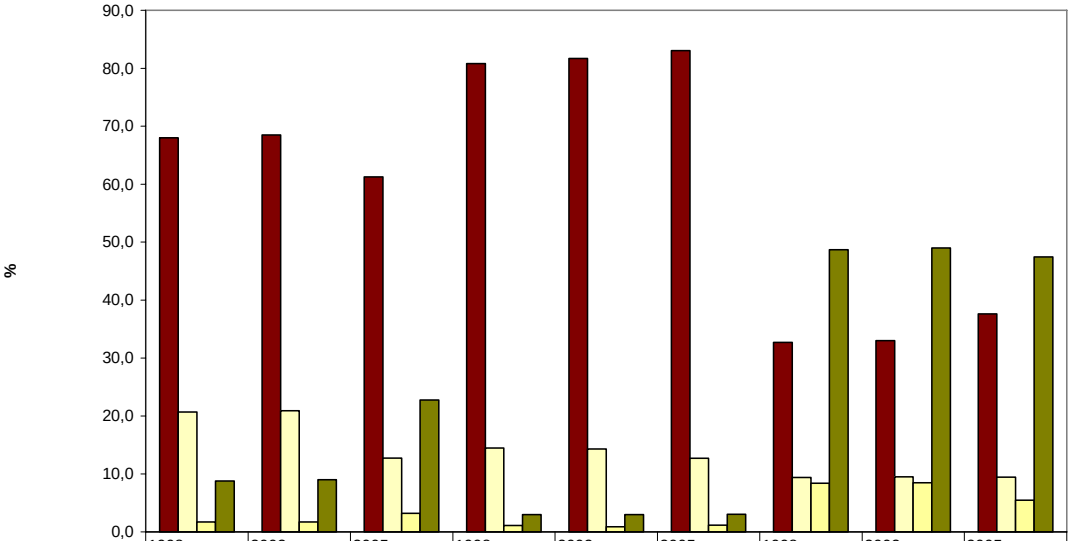
Occupational group

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998, 2002 and 2005 SAM do not add up to 100% due to exclusion of unspecified population

Figure 3.3 indicates the distribution of compensation of employees by occupational group within population group for unskilled labour categories in 1998, 2002 and 2005.

- In the 'domestic workers' occupational group, black African employees received approximately 80,8% of the compensation of employees in 1998, 81,7% in 2002 and 83,0% in 2005.
- For the 'occupation unspecified' group, white employees received 48,7% of the compensation of employees in 1998 ,49,0% in 2002 and 47,4% in 2005.

Figure 3.3: Distribution of compensation of employees by occupational group within population group: Unskilled labour, 1998, 2002 and 2005(%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Elementary occupation			Domestic workers			Occupation unspecified		
Black African	68,0	68,5	61,3	80,8	81,7	83,0	32,7	33,0	37,6
Coloured	20,7	20,9	12,7	14,5	14,3	12,7	9,4	9,5	9,4
Indian/Asian	1,7	1,7	3,2	1,1	0,9	1,2	8,4	8,5	5,5
White	8,8	9,0	22,7	3,0	3,0	3,1	48,7	49,0	47,4

Occupational group

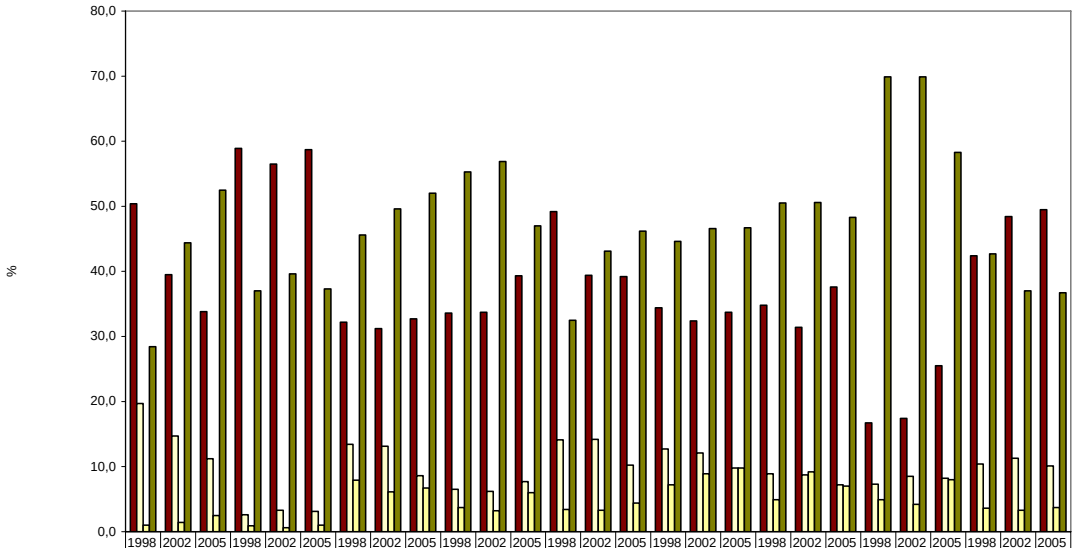
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) *and* 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998, 2002 and 2005 SAM do not add up to 100% due to exclusion of unspecified population

3.2: Generation of income by industry and population group between 1998, 2002 and 2005

Figure 3.4 shows the distribution of compensation of employees in each industry by population group in 1998, 2002 and 2005.

- The compensation of employees of white employees working in the 'agriculture industry' increased from 28,4% in 1998 and 44,4% in 2002 to 52,2% in 2005.
- The compensation of employees of black African employees working in the 'agriculture industry' decreased from 50,4% in 1998 to 39,5% in 2002 and decreased further to 33,8% in 2005.
- The compensation of employees of white employees working in 'government, health and social services' decreased from 42,7% in 1998 to 37,0% in 2002 to a further 36,7% in 2005.

Figure 3.4: Distribution of compensation of employees in each industry by population group, 1998, 2002 and 2005(%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport and Communication services			Financial and Business services			Gov., Health and Social services		
Black African	50,4	39,5	33,8	58,9	56,5	58,7	32,2	31,2	32,7	33,6	33,7	39,3	49,2	39,4	39,2	34,4	32,4	33,7	34,8	31,4	37,6	16,7	17,4	25,5	42,4	48,4	49,5
Coloured	19,7	14,7	11,2	2,6	3,3	3,1	13,4	13,1	8,6	6,5	6,2	7,7	14,1	14,2	10,2	12,7	12,1	9,8	8,9	8,7	7,2	7,3	8,5	8,2	10,4	11,3	10,1
Indian/Asian	1,0	1,4	2,5	0,9	0,6	1,0	7,9	6,1	6,7	3,7	3,2	6,0	3,4	3,3	4,4	7,2	8,9	9,8	4,9	9,2	7,0	4,9	4,2	8,0	3,6	3,3	3,7
White	28,4	44,4	52,5	37,0	39,6	37,3	45,6	49,6	52,0	55,3	56,9	47,0	32,5	43,1	46,2	44,6	46,6	46,7	50,5	50,6	48,3	69,9	69,9	58,3	42,7	37,0	36,7

Industry

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998, 2002 and 2005 SAM do not add up to 100% due to exclusion of unspecified population

3.3: Generation of income by industry, population group and skill level between 1998, 2002 and 2005

To provide the user of the SAM with more detailed information, a skill level was allocated to each of the 11 occupational groups distinguished in the 2005 SAM. This section analyses the income received by the different population groups by industry and skill level.

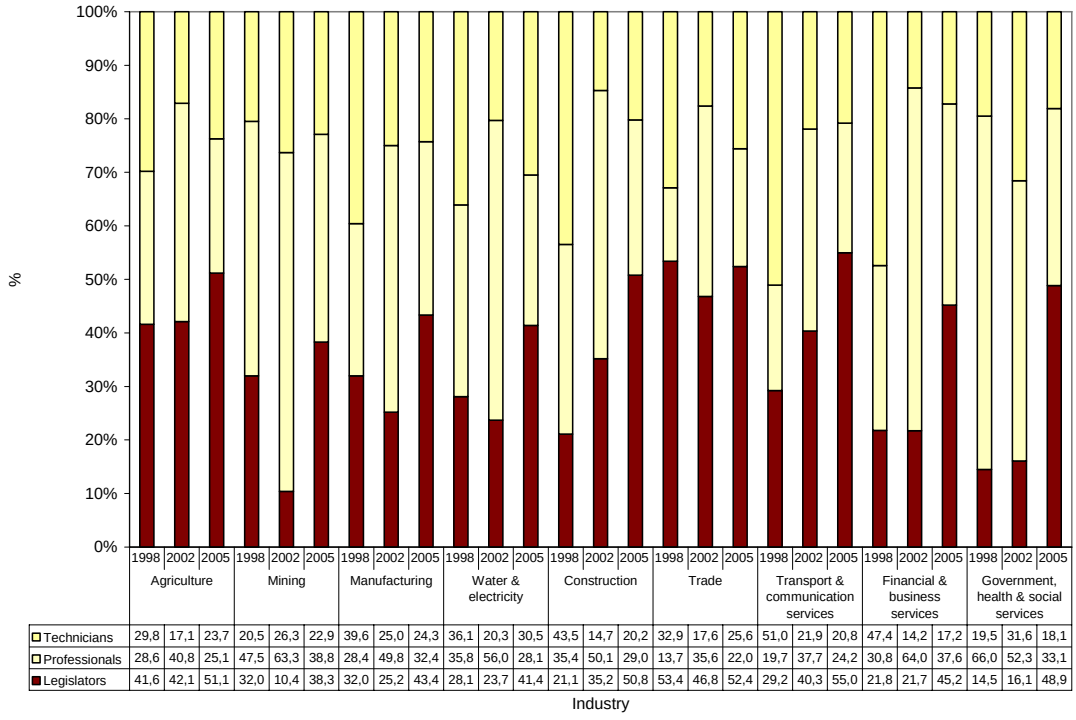
3.3.1: Black African employees

Highly skilled workers

Figure 3.5 shows the proportion of compensation of employees received by highly skilled black African employees in each occupational group (skills levels 3 and 4) within industries in 1998, 2002 and 2005:

- In 1998 and 2002, black African 'professionals' earned the major part of the compensation of employees from the government, health and social services (66,0% and 52,3% respectively), the mining industry (47,5 and 63,3% respectively), and water and electricity industry (35,8% and 56,0% respectively). In 2005, 'professionals' received the greatest proportion of the compensation of employees in the mining industry (38,8%), financial and business services (37,6%) and the manufacturing industry (32,4%).
- The proportion of compensation of employees of 'technicians' working in government, health and social services increased from 19,5% in 1998 to 31,6% in 2002 and decreased to 18,1% in 2005.
- In 1998 and 2002, 'legislators' received the greatest proportion of the compensation of employees in the trade industry (53,4% and 46,8% respectively) and the agriculture industry (41,6% and 42,1% respectively). In 2005, 'legislator's received the greatest proportion of the compensation of employees in the transport and communication services (55,0%), followed by the trade industry (52,4%) and the agriculture industry (51,1%).

Figure 3.5: Distribution of income of highly skilled black Africans within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Technicians	29,8	17,1	23,7	20,5	26,3	22,9	39,6	25,0	24,3	36,1	20,3	30,5	43,5	14,7	20,2	32,9	17,6	25,6	51,0	21,9	20,8	47,4	14,2	17,2	19,5	31,6	18,1
Professionals	28,6	40,8	25,1	47,5	63,3	38,8	28,4	49,8	32,4	35,8	56,0	28,1	35,4	50,1	29,0	13,7	35,6	22,0	19,7	37,7	24,2	30,8	64,0	37,6	66,0	52,3	33,1
Legislators	41,6	42,1	51,1	32,0	10,4	38,3	32,0	25,2	43,4	28,1	23,7	41,4	21,1	35,2	50,8	53,4	46,8	52,4	29,2	40,3	55,0	21,8	21,7	45,2	14,5	16,1	48,9

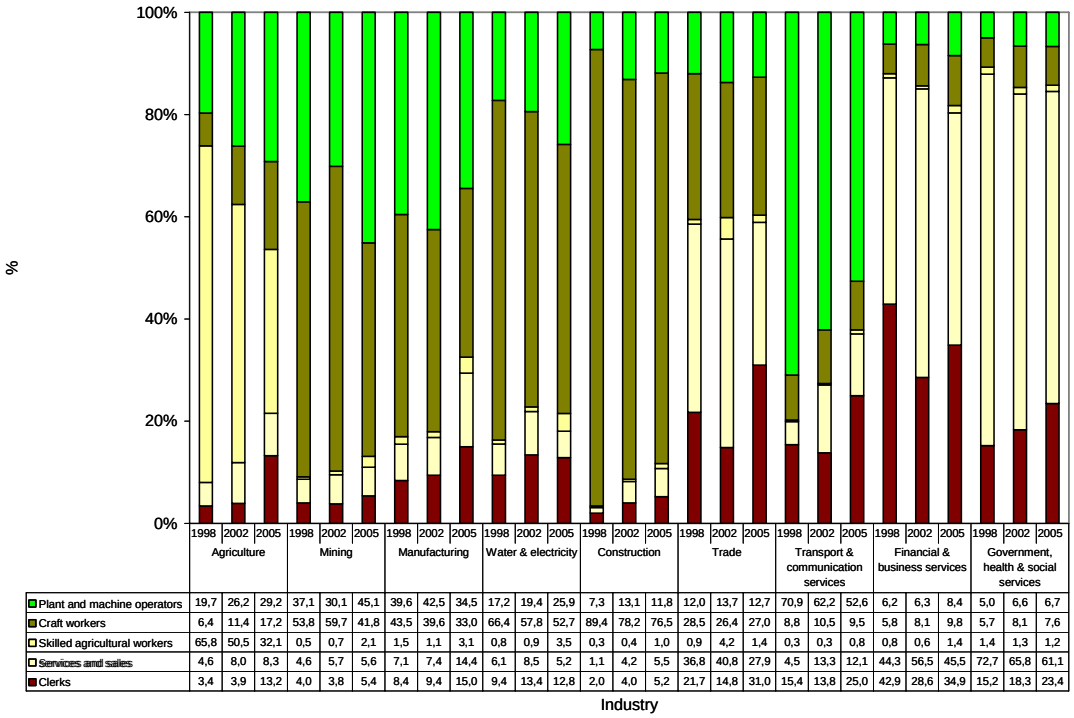
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998, 2002 and 2005 SAM do not add up to 100% due to exclusion of unspecified population

Skilled workers

Figure 3.6 shows the proportion of compensation of employees received by skilled black African employees in each occupational group (skills level 2) within industries in 1998, 2002 and 2005:

- In 1998, 2002 and 2005, 'craft workers' received the greatest proportion of compensation of employees in the construction industry (89,4%, 78,2% and 76,5% respectively), the water and electricity industry (66,4%, 57,8% and 52,7% respectively) and the mining industry (53,8%, 59,7% and 41,8% respectively).
- The proportion of compensation of employees of 'plant and machine operators' working in the transport and communication services decreased from 70,9% in 1998 to 62,2% in 2002 and decreased further to 52,6% in 2005.
- In 1998, 2002 and 2005, 'clerks' received the greatest proportion of compensation of employees in the financial and business services (42,9%, 28,6% and 34,9% respectively), government, health and social services (15,2%, 18,3% and 23,4% respectively), and trade industry (21,7%, 14,8% and 31,0% respectively).
- The proportion of compensation of employees of 'plant and machine operators' in the agriculture industry increased from 19,7% in 1998 to 26,2% in 2002 and increased further to 29,2% in 2005.

Figure 3.6: Distribution of income of skilled black Africans within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Plant and machine operators	19,7	26,2	29,2	37,1	30,1	45,1	39,6	42,5	34,5	17,2	19,4	25,9	7,3	13,1	11,8	12,0	13,7	12,7	70,9	62,2	52,6	6,2	6,3	8,4	5,0	6,6	6,7
Craft workers	6,4	11,4	17,2	53,8	59,7	41,8	43,5	39,6	33,0	66,4	57,8	52,7	89,4	78,2	76,5	28,5	26,4	27,0	8,8	10,5	9,5	5,8	8,1	9,8	5,7	8,1	7,6
Skilled agricultural workers	65,8	50,5	32,1	0,5	0,7	2,1	1,5	1,1	3,1	0,8	0,9	3,5	0,3	0,4	1,0	0,9	4,2	1,4	0,3	0,3	0,8	0,8	0,6	1,4	1,4	1,3	1,2
Services amd sailes	4,6	8,0	8,3	4,6	5,7	5,6	7,1	7,4	14,4	6,1	8,5	5,2	1,1	4,2	5,5	36,8	40,8	27,9	4,5	13,3	12,1	44,3	56,5	45,5	72,7	65,8	61,1
Clerks	3,4	3,9	13,2	4,0	3,8	5,4	8,4	9,4	15,0	9,4	13,4	12,8	2,0	4,0	5,2	21,7	14,8	31,0	15,4	13,8	25,0	42,9	28,6	34,9	15,2	18,3	23,4

Industry

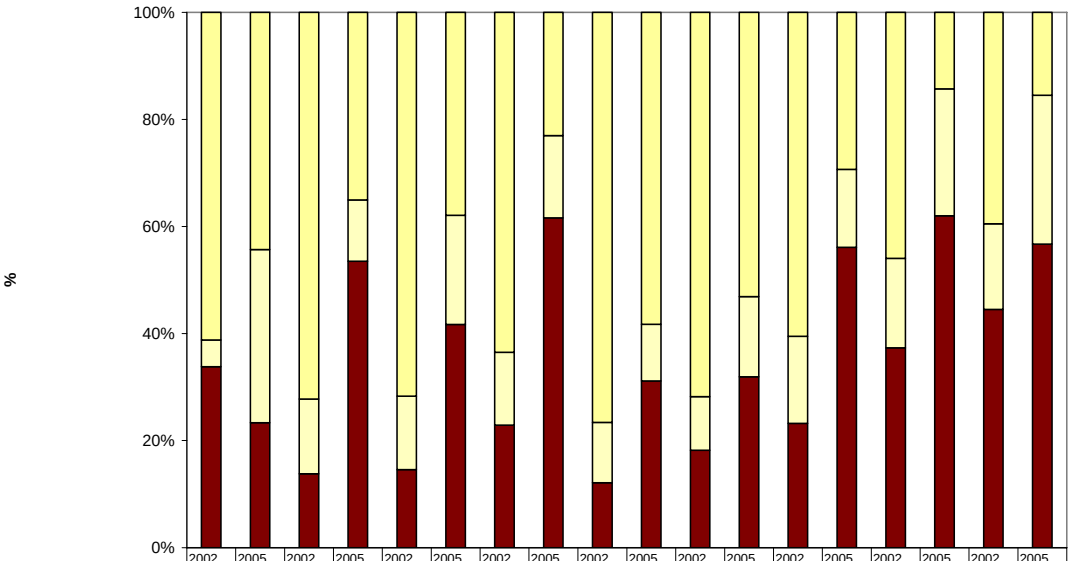
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998and 2002 SAM do not add up to 100% due to exclusion of unspecified population

Unskilled workers

Figure 3.7 shows the proportion of compensation of employees received by unskilled black African employees in each occupational group (skills level 1 and unspecified categories) in 2002 and 2005:

- In 2002 and 2005 'elementary' occupations received the greatest proportion of compensation of employees from the construction industry (76,6% and 58,2% respectively) and the trade industry (71,8% and 53,1% respectively).
- In 2002 'occupation unspecified' received the greatest proportion of compensation of employees in the government, health and social services (44,5%), financial and business services (37,3%) and the agriculture industry (33,8%). In 2005 'occupation unspecified' received the greatest proportion of compensation of employees from the financial and business services (62,0%), the water and electricity industry (61,6%) and government, health and social services (56,7%).

Figure 3.7: Distribution of income of unskilled black Africans within industries, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	Agriculture		Mining		Manufacturing		Water & electricity		Construction		Trade		Transport & communication services		Financial & business services		Government, health & social services			
Elementary occupations	61,2	44,3	72,3	35,0	71,7	37,9	63,5	23,0	76,6	58,2	71,8	53,1	60,5	29,3	45,9	14,3	39,5	15,5		
Domestic workers	5,0	32,4	14,0	11,5	13,7	20,4	13,6	15,4	11,3	10,6	10,0	15,0	16,3	14,6	16,7	23,7	16,0	27,8		
Occupation unspecified	33,8	23,3	13,8	53,5	14,6	41,7	22,9	61,6	12,1	31,2	18,2	31,9	23,2	56,1	37,3	62,0	44,5	56,7		

Industry

Source: Statistics South Africa, *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

3.3.2: Coloured employees

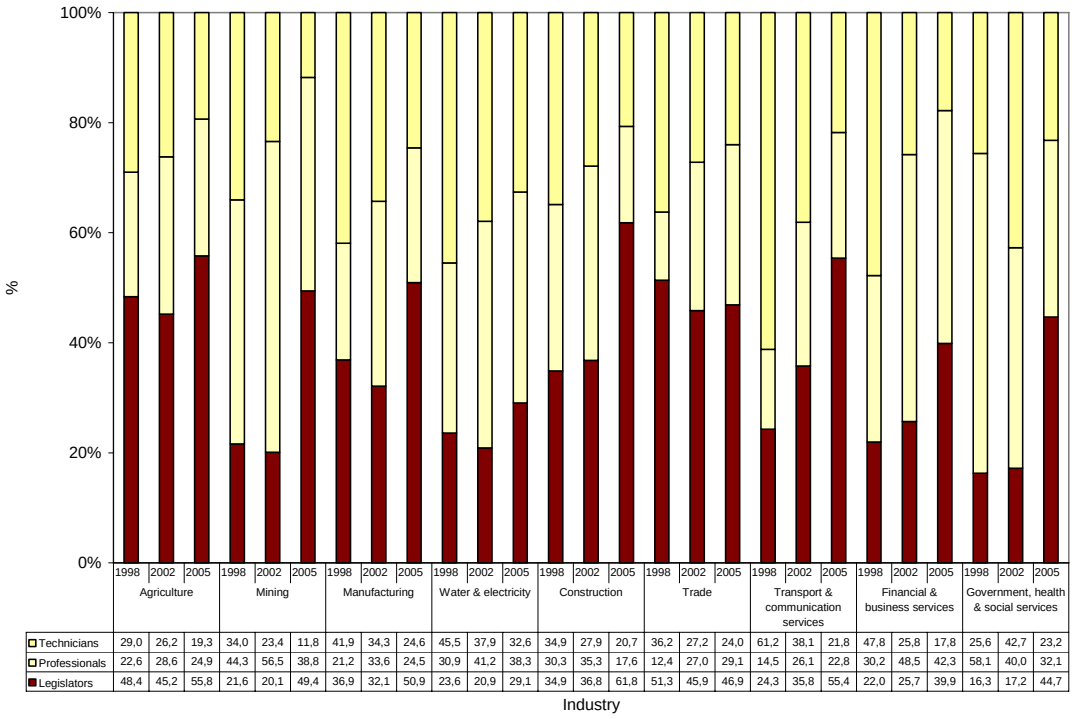
Highly skilled workers

Figure 3.8 shows the proportion of compensation of employees received by highly skilled coloured employees in each occupational group (skills levels 3 and 4) within industries in 1998, 2002 and 2005:

- In 1998, 'professionals' received the greatest proportion of compensation of employees in government, health and social services (58,1%), the mining industry (44,3%) and the water and electricity industry (30,9%). In 2002, 'professionals' received the greatest proportion of compensation of employees in the mining industry (56,5%), financial and business services (48,5%) and the water and electricity industry (41,2%) industries. In 2005, 'professionals' received the greatest proportion of compensation of employees in the financial and business services (42,3%), the mining industry (38,8%) and the water and electricity industry (38,3%).
- The proportion of compensation of employees of 'legislators' working in government, health and social services increased from 16,3% in 1998 to 17,2% in 2002 and increased further to 44,7% in 2005.

- In 1998, 'legislators' received the greatest proportion of income in the trade industry (51,3%) followed by the agriculture industry (48,4%) and the manufacturing industry (36,9%). In 2002, 'legislator's received the greatest proportion of compensation of employees in the trade industry (45,9%) followed by the agriculture industry (45,2%) and the construction industry (36,8%). In 2005, 'legislators' received the greatest proportion of compensation of employees in the construction industry (61,8%) followed by the agriculture industry (55,8%) and transport and communication services (55,4%).
- The proportion of compensation of employees of 'technicians' in the mining industry decreased from 34,0% in 1998 to 23,4% in 2002 and decreased further to 11,8% in 2005.

Figure 3.8: Distribution of income of highly skilled coloured employees within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Technicians	29,0	26,2	19,3	34,0	23,4	11,8	41,9	34,3	24,6	45,5	37,9	32,6	34,9	27,9	20,7	36,2	27,2	24,0	61,2	38,1	21,8	47,8	25,8	17,8	25,6	42,7	23,2
Professionals	22,6	28,6	24,9	44,3	56,5	38,8	21,2	33,6	24,5	30,9	41,2	38,3	30,3	35,3	17,6	12,4	27,0	29,1	14,5	26,1	22,8	30,2	48,5	42,3	58,1	40,0	32,1
Legislators	48,4	45,2	55,8	21,6	20,1	49,4	36,9	32,1	50,9	23,6	20,9	29,1	34,9	36,8	61,8	51,3	45,9	46,9	24,3	35,8	55,4	22,0	25,7	39,9	16,3	17,2	44,7

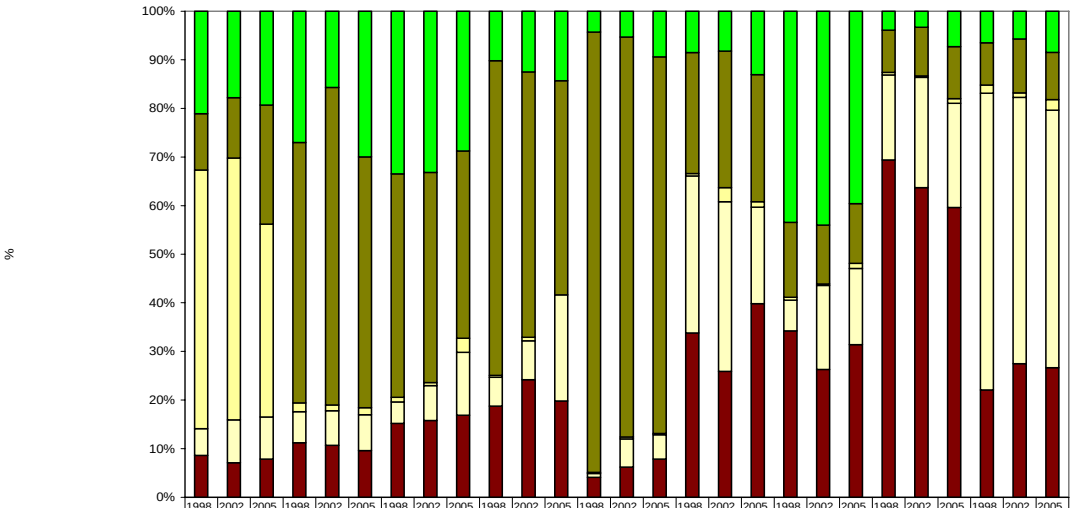
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998 and 2002 SAM do not add up to 100% due to exclusion of unspecified population

Skilled workers

Figure 3.9 shows the proportion of compensation of employees received by skilled coloured employees in each occupational group (skills level 2) within industries in 1998, 2002 and 2005:

- In 1998 and 2002, 'plant and machine operators' received the greatest proportion of compensation of employees in the transport and communication services (43,4% and 44,0% respectively), the manufacturing industry (33,5% and 33,2% respectively) and the mining industry (27,0% and 15,7% respectively). In 2005 'plant and machine operators' received the greatest proportion of compensation of employees in the transport and communication services (39,6%), the mining industry (30,0%) and the manufacturing industry (28,8%).
- The proportion of income for 'clerks' working in the mining industry decreased from 11,2% in 1998 to 10,7% in 2002 and decreased further to 9,6% in 2005.
- In 1998 and 2002,'craft workers' received the greatest proportion of compensation of employees in the construction industry (90,5% and 82,3% respectively), the water and electricity industry (64,8% and 54,6% respectively) and the mining industry (53,6% and 65,4% respectively). A similar trend was observed in 2005 were 'craft workers' received the greatest proportion of compensation of employees in the construction industry (77,5%) followed by the mining industry (51,6%), and the water and electricity industry (44,1%).

Figure 3.9: Distribution of income of skilled coloured employees within industries, 1998, 2002and 2005 (%)



	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
Plant and machine operators	21,1	17,8	19,3	27,0	15,7	30,0	33,5	33,2	28,8	10,2	12,5	14,3	4,3	5,3	9,4	8,5	8,2	13,0	43,4	44,0	39,6	3,9	3,3	7,3	6,5	5,7	8,5
Craft workers	11,6	12,4	24,5	53,6	65,4	51,6	46,0	43,3	38,5	64,8	54,6	44,1	90,5	82,3	77,5	24,9	28,1	26,1	15,4	12,1	12,3	8,7	10,0	10,7	8,7	11,1	9,8
Skilled agricultural workers	53,2	53,9	39,7	1,8	1,2	1,5	1,0	0,6	2,9	0,4	0,7	0,0	0,2	0,4	0,3	0,5	2,9	1,1	0,6	0,3	1,0	0,5	0,3	1,0	1,7	0,9	2,1
Services and sales	5,5	8,8	8,6	6,4	7,1	7,4	4,4	7,2	12,9	5,9	8,0	21,8	0,8	5,8	5,0	32,3	34,9	19,9	6,3	17,3	15,7	17,5	22,7	21,4	61,1	54,8	53,0
Clerks	8,6	7,1	7,9	11,2	10,7	9,6	15,2	15,8	16,9	18,8	24,2	19,8	4,1	6,2	7,9	33,8	25,9	39,8	34,2	26,3	31,4	69,3	63,7	59,6	22,1	27,5	26,7

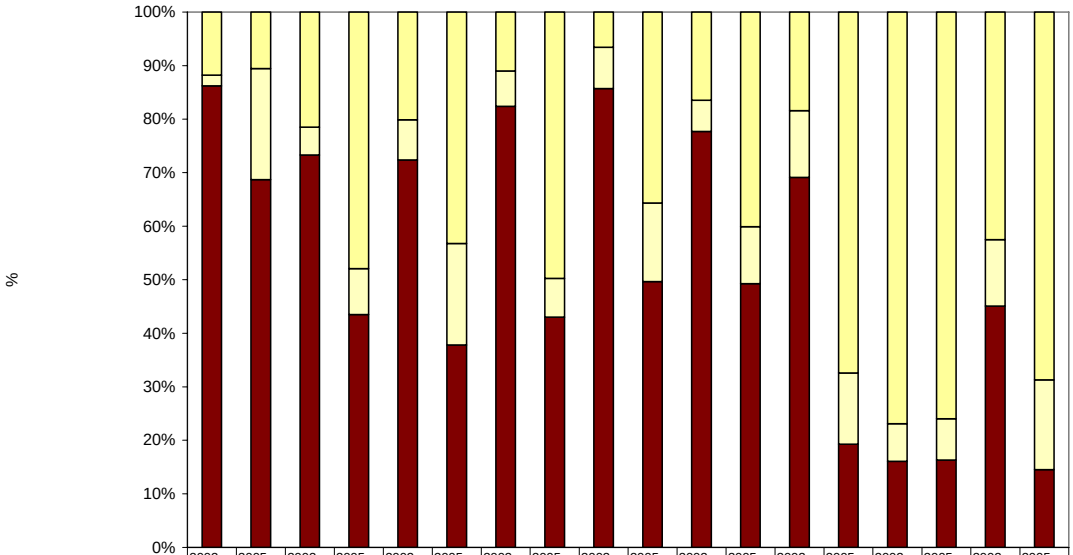
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998 SAM do not add up to 100% due to exclusion of unspecified population

Unskilled workers

Figure 3.10 shows the proportion of compensation of employees received by unskilled coloured employees in each occupational group (skill level 1 and unspecified categories) in 2002 and 2005:

- In 2002, 'elementary occupations' received the greatest proportion of compensation of employees in the agriculture industry (86,2%), the construction industry (85,8%) and the water and electricity industry (82,4%). In 2005, a similar trend was followed were 'elementary occupations' received the greatest proportion of compensation of employees in the agriculture industry (68,7%), the construction industry (49,7%) and the trade industry (49,3%).
- In 2002, 'occupation unspecified' received the greatest proportion of compensation of employees in the financial and business services (76,9%), government, health and social services (42,5%) and the mining industry (21,5%). In 2005 'occupation unspecified' received the greatest proportion of compensation of employees in the financial and business services (76,0%), government, health and social services (68,7%) and transport, health and social services (67,4%).

Figure 3.10: Distribution of income of unskilled coloured employees within industries, 2002 and 2005 (%)



	Agriculture		Mining		Manufacturing		Water & electricity		Construction		Trade		Transport & communication services		Financial & business services		Government, health & social services	
	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
Occupation unspecified	11,8	10,5	21,5	47,9	20,1	43,2	11,0	49,7	6,6	35,7	16,5	40,1	18,4	67,4	76,9	76,0	42,5	68,7
Domestic workers	2,0	20,7	5,2	8,6	7,5	19,0	6,6	7,3	7,7	14,7	5,8	10,6	12,5	13,3	7,0	7,7	12,4	16,8
Elementary occupations	86,2	68,7	73,3	43,5	72,3	37,8	82,4	43,0	85,8	49,7	77,7	49,3	69,1	19,3	16,1	16,3	45,1	14,5

Source: Statistics South Africa, *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 2002 SAM do not add up to 100% due to exclusion of unspecified population

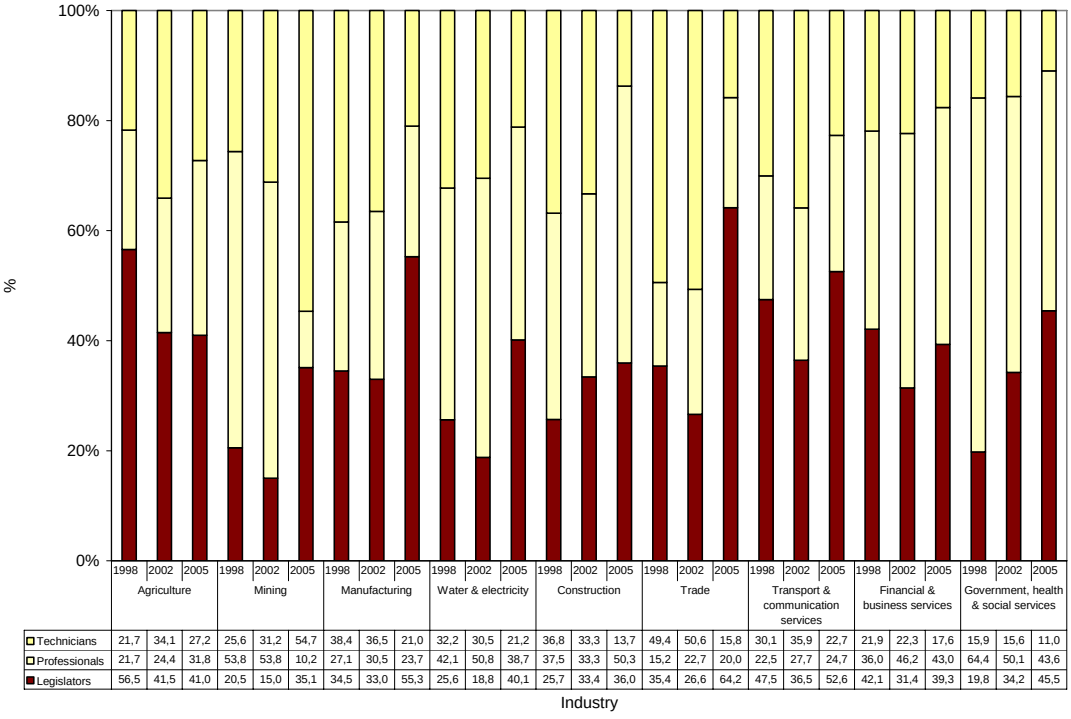
3.3.3. Indian/Asian employees

Highly skilled workers

Figure 3.11 shows the proportion of compensation of employees received by skilled Indian/Asian employees in each occupational group (skills levels 3 and 4) within industries in 1998, 2002 and 2005:

- In 1998, 'professional' received the greatest proportion of compensation of employees in the government, health and social services (64,4%), the mining industry (53,8%), and the water and electricity industry (42,1%). In 2002, 'professionals' received the greatest proportion of compensation of employees in the mining industry (53,8%), the water and electricity industry (50,8%) and government, health and social services (50,1%). In 2005, 'professionals' received the greatest proportion of compensation of employees in the construction industry (50,3%), government, health and social services (43,6%) and financial and business services (43,0%).
- In 2002, 'legislators' received the greatest proportion of compensation of employees in the agriculture industry (41,5%), followed by the transport and communication services (36,5%) and government, health and social services (34,2%). In 2005, 'legislators' received the greatest proportion of compensation of employees in the trade industry (64,2%), followed by the manufacturing industry (55,3%) and transport and communication services (52,6%).
- The proportion of compensation of employees for 'legislators' in the government, health and social services increased from 19,8% in 1998 to 34,2% in 2002 and increased further to 45,5% in 2005.

Figure 3.11: Distribution of income of highly skilled Indian/Asian employees within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Technicians	21,7	34,1	27,2	25,6	31,2	54,7	38,4	36,5	21,0	32,2	30,5	21,2	36,8	33,3	13,7	49,4	50,6	15,8	30,1	35,9	22,7	21,9	22,3	17,6	15,9	15,6	11,0
Professionals	21,7	24,4	31,8	53,8	53,8	10,2	27,1	30,5	23,7	42,1	50,8	38,7	37,5	33,3	50,3	15,2	22,7	20,0	22,5	27,7	24,7	36,0	46,2	43,0	64,4	50,1	43,6
Legislators	56,5	41,5	41,0	20,5	15,0	35,1	34,5	33,0	55,3	25,6	18,8	40,1	25,7	33,4	36,0	35,4	26,6	64,2	47,5	36,5	52,6	42,1	31,4	39,3	19,8	34,2	45,5

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note:Figures for 1998 and 2002 SAM do not add up to 100% due to exclusion of unspecified population

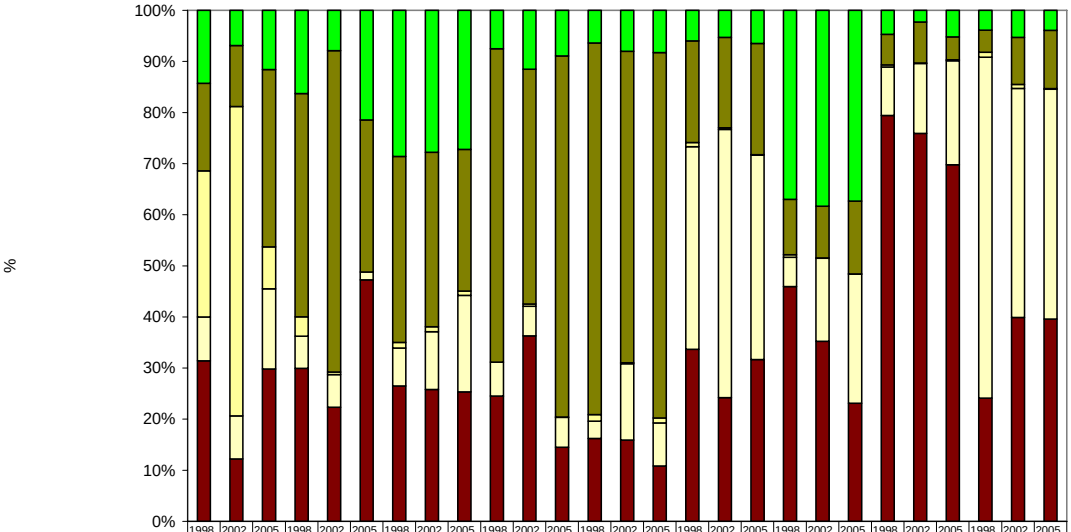
Skilled workers

Figure 3.12 shows the proportion of compensation of employees received by skilled Indian/Asian employees in each occupational group (skills level 2) within industries in 1998, 2002 and 2005:

- In 1998, 'clerks' received the greatest proportion of compensation of employees in the financial and business services (79,5%), transport and communication services (46,0%) and the trade industry (33,7%). In 2002, 'clerks' received the greatest proportion of compensation of employees in the financial and business services (75,9%), followed by the government, health and social services (39,9%) and the water and electricity industry (36,3%). In 2005, 'clerks' received the greatest proportion of compensation of employees in the financial and business services (69,8%), the mining industry (47,3%) and government, health and social services (39,5%).
- The proportion of compensation of employees for 'clerk's working in the construction industry decreased from 16,2% in 1998 to 15,9% in 2002 and decreased further to 10,8% in 2005.
- In 1998, the 'services and sales' occupational group received the greatest proportion of compensation of employees in the government, health and social services (66,7%), followed by the trade industry (39,7%) and the financial and business services (9,5%). In 2002, the 'services and sales' occupational group received the greatest proportion of compensation of employees in the trade industry (52,5%), followed by government, health and social services (44,9%), and transport and communication services (16,2%). In 2005, the 'services and sales' occupational group received the greatest proportion of compensation of employees in the government, health and social services (44,9%), followed by the trade industry (40,1%) and transport and communication services (25,3%).

- The proportion of compensation of employees for 'plant and machine operators' working in the construction industry increased from 6,4% in 1998 to 8,0% in 2002 and to a further 8,3% in 2005.

Figure 3.12: Distribution of income of skilled Indian/Asian employees within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Plant and machine operators	14,3	6,9	11,6	16,3	7,9	21,5	28,6	27,8	27,2	7,5	11,5	8,9	6,4	8,0	8,3	6,0	5,3	6,5	37,0	38,3	37,3	4,7	2,3	5,2	3,9	5,3	3,9
Craft workers	17,1	11,9	34,7	43,8	62,9	29,7	36,4	34,1	27,7	61,3	46,0	70,7	72,8	60,9	71,5	19,9	17,7	21,8	10,9	10,1	14,3	6,0	8,0	4,5	4,3	9,2	11,4
Skilled agricultural workers	28,6	60,5	8,3	3,8	0,5	0,0	1,1	1,0	0,8	0,0	0,4	0,1	1,3	0,2	1,0	0,8	0,3	0,0	0,5	0,1	0,0	0,4	0,1	0,2	1,0	0,8	0,1
Services and sales	8,6	8,4	15,7	6,3	6,4	1,5	7,4	11,3	18,9	6,6	5,8	5,8	3,4	14,9	8,4	39,7	52,5	40,1	5,7	16,2	25,3	9,5	13,7	20,4	66,7	44,9	44,9
Clerks	31,4	12,2	29,8	30,0	22,3	47,3	26,5	25,8	25,3	24,5	36,3	14,5	16,2	15,9	10,8	33,7	24,2	31,6	46,0	35,2	23,1	79,5	75,9	69,8	24,1	39,9	39,5

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 1998, 2002 and 2005 SAM do not add up to 100% due to exclusion of unspecified population

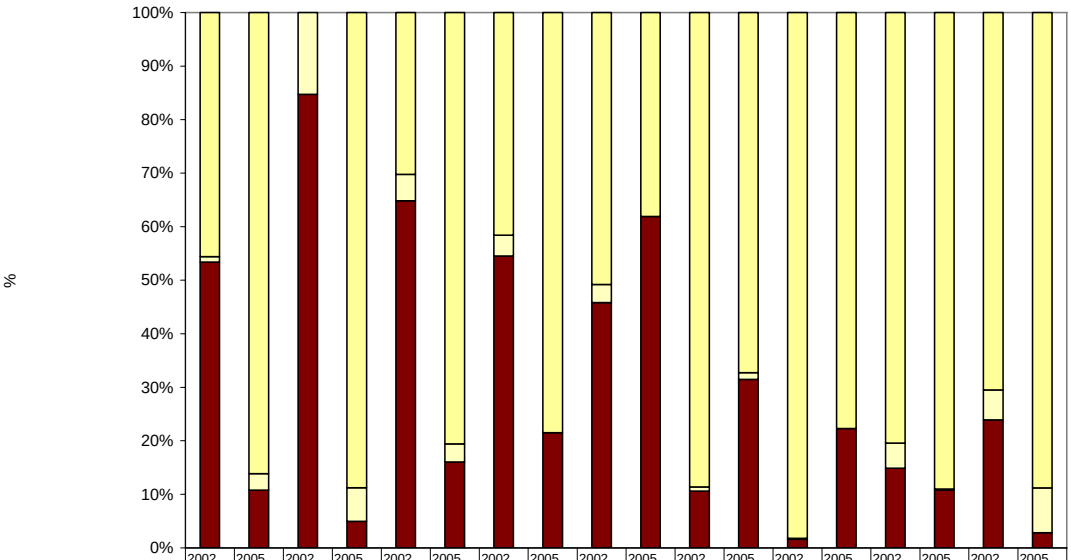
Unskilled workers

Figure 3.13 shows the proportion of compensation of employees received by unskilled Indian/Asian employees in each occupational group (skill level 1 and unspecified categories) in 2002 and 2005:

- In 2002, the 'elementary occupations' group received the greatest proportion of compensation of employees from the mining industry (84,7%), followed by the manufacturing industry (64,8%), and the water and electricity industry (54,4%). In 2005, the 'elementary' occupational group received the greatest proportion of compensation of employees in the construction industry (61,9%), followed by the trade industry (31,5%) and transport and communication services (22,3%).

- In 2002, 'occupation unspecified' received the greatest proportion of compensation of employees from the transport and communication services (98,2%), followed by the trade industry (88,6%) and the financial and business services (80,5%). In 2005, 'occupation unspecified' received the greatest proportion of compensation of employees in the financial and business services (89,0%), followed by the mining industry and government health and social services both at 88,8%.

Figure 3.13: Distribution of income of unskilled Indian/Asian employees within industries, 2002 and 2005 (%)



	2002 Agriculture	2005 Agriculture	2002 Mining	2005 Mining	2002 Manufacturing	2005 Manufacturing	2002 Water & electricity	2005 Water & electricity	2002 Construction	2005 Construction	2002 Trade	2005 Trade	2002 Transport & communication services	2005 Transport & communication services	2002 Financial & business services	2005 Financial & business services	2002 Government, health & social services	2005 Government, health & social services
Occupation unspecified	45,6	86,1	0,0	88,8	30,2	80,6	41,5	78,5	50,8	38,1	88,6	67,3	98,2	77,7	80,5	89,0	70,5	88,8
Domestic workers	1,0	3,1	15,3	6,3	4,9	3,4	3,9	0,0	3,4	0,0	0,8	1,2	0,2	0,0	4,7	0,2	5,6	8,4
Elementary occupations	53,4	10,8	84,7	4,9	64,8	16,0	54,4	21,5	45,8	61,9	10,6	31,5	1,6	22,3	14,9	10,8	23,9	2,8

Industry

Source: Statistics South Africa, *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Figures for 2002 SAM do not add up to 100% due to exclusion of unspecified population

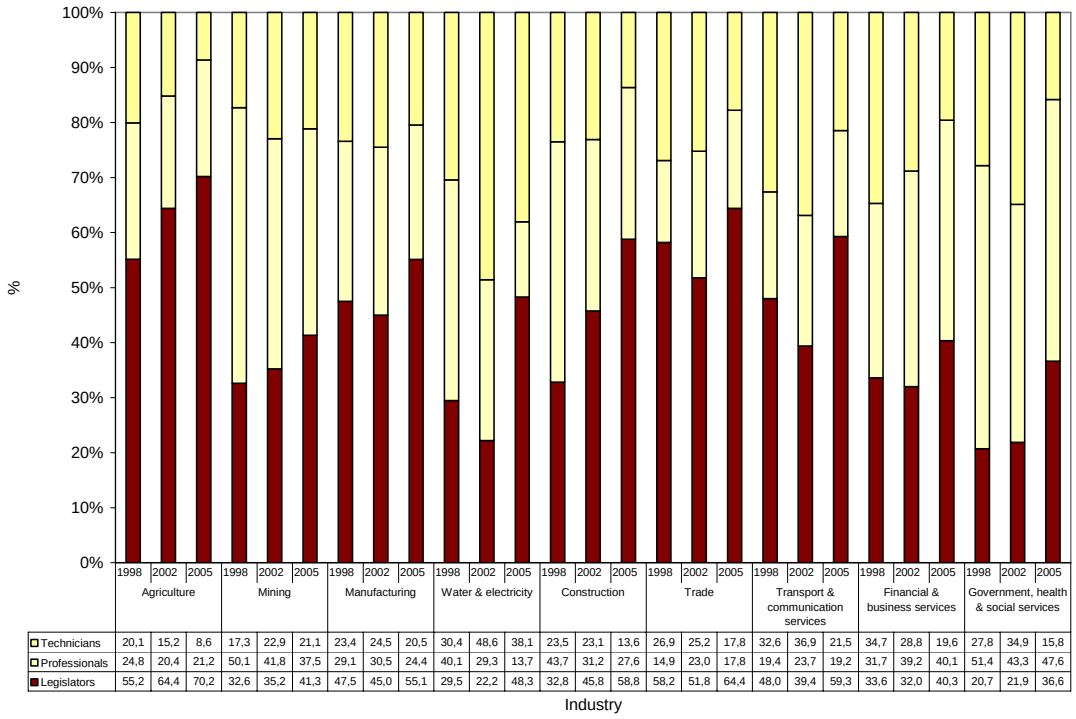
3.3.4. White employees

Highly skilled workers

Figure 3.14 shows the proportion of compensation of employees received by highly skilled white employees in each occupational group (skills levels 3 and 4) within industries in 1998, 2002 and 2005:

- In 1998, 'technicians' received the greatest proportion of compensation of employees in financial and business services (34,7%), followed by transport and communication services (32,6%) and the water and electricity industry (30,4%). In 2002, 'technicians' received the greatest proportion of compensation of employees in the water and electricity industry (48,6%), followed by transport and communication services (36,9%) and government, health and social services (34,9%). In 2005, 'technicians' received the greatest proportion of compensation of employees in the water and electricity industry (38,1%), followed by the transport and communications services (21,5%) and the mining industry (21,1%).
- The proportion of compensation of employees for 'technicians' working in the water and electricity industry increased from 30,4% in 1998 to 48,6% in 2002 and in decreased to 38,1% in 2005.
- In 1998, 'legislator' received the greatest proportion of compensation of employees in the trade industry (58,2%), followed by the agriculture industry (55,2%) and the transport and communication services (48,0%). In 2002, 'legislator' received the greatest proportion of compensation of employees was in the agriculture industry (64,4%), the trade industry (51,8%) and the construction industry (45,8%). In 2005, 'legislators' received the greatest proportion of compensation of employees in the agriculture industry (70,2%), followed by the trade industry (64,4%) and transport and communication services (59,3%).
- The proportion of compensation of employees for 'professionals' working in the mining industry decreased from 50,1% in 1998 to 41,8% in 2002 and to a further 37,5% in 2005.

Figure 3.14: Distribution of income of highly skilled white employees within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Technicians	20,1	15,2	8,6	17,3	22,9	21,1	23,4	24,5	20,5	30,4	48,6	38,1	23,5	23,1	13,6	26,9	25,2	17,8	32,6	36,9	21,5	34,7	28,8	19,6	27,8	34,9	15,8
Professionals	24,8	20,4	21,2	50,1	41,8	37,5	29,1	30,5	24,4	40,1	29,3	13,7	43,7	31,2	27,6	14,9	23,0	17,8	19,4	23,7	19,2	31,7	39,2	40,1	51,4	43,3	47,6
Legislators	55,2	64,4	70,2	32,6	35,2	41,3	47,5	45,0	55,1	29,5	22,2	48,3	32,8	45,8	58,8	58,2	51,8	64,4	48,0	39,4	59,3	33,6	32,0	40,3	20,7	21,9	36,6

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) *and 2005 SAM, Report No. 04-03-02 (2005)*
Note: Figures for 1998 and 2002 SAM do not add up to 100% due to exclusion of unspecified population

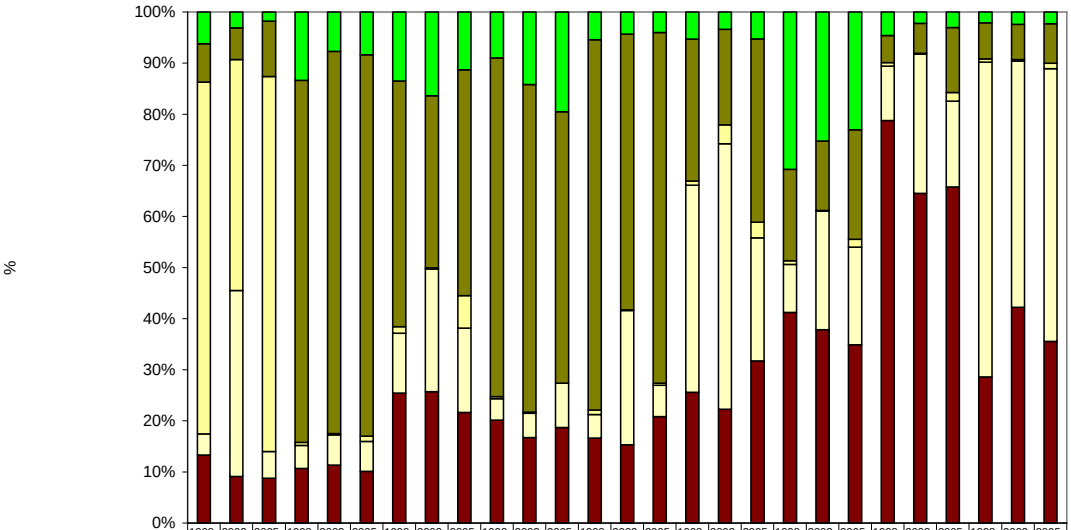
Skilled workers

Figure 3.15 shows the proportion of compensation of employees received by white employees in each occupational group (skills level 2) within industries in 1998, 2002 and 2005:

- In 1998, 'clerks' received the greatest proportion of compensation of employees in the financial and business services (78,7%), followed by the transport and communication services (41,2%) and government, health and social services (28,6%). In 2002 and 2005 respectively, 'clerks' received the greatest proportion of compensation of employees in the financial and business services (64,5% and 65,8% respectively), followed by government, health and social services (42,2% and 35,5% respectively) and transport and communication services (37,8% and 34,9% respectively).
- The proportion of compensation of employees for 'craft workers' working in the financial and business services increased from 5,3% in 1998 to 5,9% in 2002 and to a further 12,7% in 2005.

- In 1998, 'services and sales' employees received the greatest proportion of compensation of employees was in the government, health and social services (61,6%), the trade industry (40,5%), and the manufacturing industry (11,7%). In 2002, 'services and sales' employees received the greatest proportion of compensation of employees was in the trade industry (52,0%), the government, health and social services (48,2%), and the agriculture industry (36,4%). In 2005, 'services and sales' employees received the greatest proportion of compensation of employees in the government, health and social services (53,4%), followed by the trade industry (24,1%) and transport and communication services (19,1%).
- The proportion of compensation of employees for 'skilled agricultural workers' working in the agriculture industry decreased from 68,8% in 1998 to 45,2% in 2002 and increased again to 73,4% in 2005.

Figure 3.15: Distribution of income of skilled white employees within industries, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
	Agriculture			Mining			Manufacturing			Water & electricity			Construction			Trade			Transport & communication services			Financial & business services			Government, health & social services		
Plant and machine operators	6,2	3,1	1,8	13,4	7,7	8,3	13,5	16,4	11,3	9,0	14,2	19,5	5,4	4,3	4,0	5,3	3,4	5,3	30,8	25,2	23,0	4,6	2,2	3,1	2,1	2,4	2,3
Craft workers	7,5	6,2	10,8	70,9	74,7	74,7	48,0	33,7	44,2	66,2	64,2	53,1	72,4	54,0	68,6	27,8	18,7	35,9	17,9	13,6	21,4	5,3	5,9	12,7	7,1	6,9	7,7
Skilled agricultural workers	68,8	45,2	73,4	0,6	0,3	1,0	1,3	0,2	6,4	0,4	0,2	0,0	0,9	0,1	0,4	0,8	3,7	3,1	0,7	0,1	1,5	0,7	0,1	1,7	0,6	0,3	1,1
Services and sales	4,1	36,4	5,2	4,5	5,9	5,9	11,7	24,0	16,5	4,2	4,8	8,7	4,6	26,3	6,1	40,5	52,0	24,1	9,4	23,2	19,1	10,6	27,3	16,8	61,6	48,2	53,4
Clerks	13,3	9,1	8,8	10,7	11,3	10,1	25,4	25,7	21,6	20,1	16,7	18,7	16,6	15,3	20,8	25,6	22,3	31,7	41,2	37,8	34,9	78,7	64,5	65,8	28,6	42,2	35,5

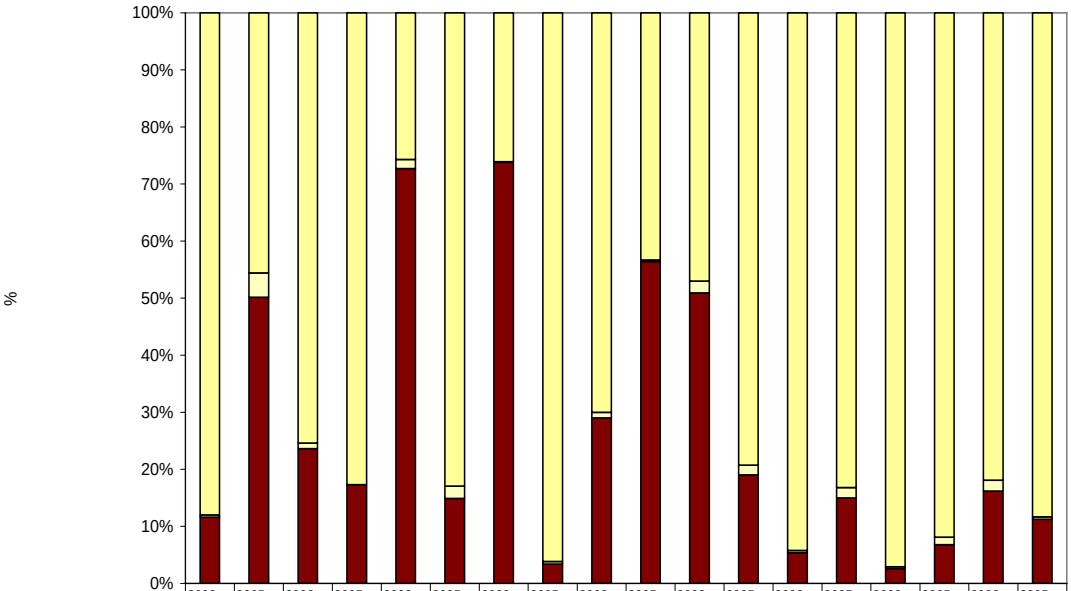
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and *2005 SAM, Report No. 04-03-02 (2005)*
Note: Figures for 1998 SAM do not add up to 100% due to exclusion of unspecified population

Unskilled workers

Figure 3.16 shows the proportion of compensation of employees received by white employees in each occupational group (skills level 1 and unspecified categories) in 2002 and 2005:

- In 2002, 'elementary' occupations received the greatest proportion of compensation of employees in the water and electricity industry (73,8%), followed by the manufacturing industry (72,7%) and the trade industry (50,9%). In 2005, 'elementary' occupations received the greatest proportion of compensation of employees in the construction industry (56,4%), followed by the agriculture industry (50,2%) and government, health and social services (11,2%).
- In 2002, 'occupation unspecified' received the greatest proportion of compensation of employees in the financial and business services (97,1%), followed by transport communication services (94,2%) and the agriculture industry (88,0%). In 2005, 'occupation unspecified' received the greatest proportion of compensation of employees in the water and electricity industry (96,1%), followed by financial and business services (91,9%) and government, health and social services (88,3%).

Figure 3.16: Distribution of income of unskilled white employees within industries, 2002 and 2005 (%)



	2002 Agriculture	2005 Agriculture	2002 Mining	2005 Mining	2002 Manufacturing	2005 Manufacturing	2002 Water & electricity	2005 Water & electricity	2002 Construction	2005 Construction	2002 Trade	2005 Trade	2002 Transport & communication services	2005 Transport & communication services	2002 Financial & business services	2005 Financial & business services	2002 Government, health & social services	2005 Government, health & social services
Occupation unspecified	88,0	45,6	75,4	82,7	25,7	82,9	26,1	96,1	70,0	43,3	47,0	79,3	94,2	83,2	97,1	91,9	81,9	88,3
Domestic workers	0,4	4,2	1,0	0,0	1,6	2,2	0,1	0,5	1,0	0,3	2,1	1,7	0,4	1,8	0,3	1,3	1,9	0,4
Elementary occupations	11,6	50,2	23,6	17,3	72,7	14,9	73,8	3,4	29,0	56,4	50,9	19,0	5,4	15,0	2,6	6,8	16,2	11,2

Industry

Source: Statistics South Africa, *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Chapter 4: Final household consumption expenditure between 1998, 2002 and 2005

This chapter focuses on the final household consumption expenditure on goods and services. It also compares the 1998, 2002 and 2005 household final consumption expenditure patterns for the different percentile groups within population groups. For example, on which goods and services did the poorest 10% of households within a population group spend their income compared to the top 10%. For the analysis of final household consumption expenditure, the sub-matrix M(1,6)b of the 1998, 2002 and 2005 SAMs is analysed.

Income and Expenditure Survey, 2005

The IES determines the average expenditure patterns of households in different areas of the country. This survey forms the basis for determining of the 'basket' of consumer goods and services used for the calculation of the Consumer Price Index (CPI).

The IES is a five-yearly household survey. It measures the detailed income and expenditure of households. A total of 24 000 dwelling units participated in the survey in 2005. The IES 2005/2006 was conducted using a combination of the diary and recall methods. This was accomplished with fieldworkers administering the main questionnaire to selected households over five separate visits. The main questionnaire was divided into five separate interview modules, each covering different topics. One interview module was conducted per visit. In this main questionnaire, households were required to account for all acquisitions of durable and semi-durable goods and services over the 11 months prior to the survey.

Information was also collected regarding income acquired by different members of the household — during both the survey month and during the 11 months prior to the survey. During the four weeks of the survey month, households were also given diaries and were required to record their daily acquisitions on a daily basis. In the case of households not being able to complete the diaries, the fieldworker visited them more often in order to assist with the completion of the diaries. The diaries were collected on a weekly basis for a period of a month. The purpose of the diary was to try to minimise or eliminate the recall problem over the four weeks of the survey month so that the information collected was as close as possible to the period of transaction.

Supply and Use tables, 2005

A supply table shows the origin of the resources of goods and services, depicting products in rows and industries in columns. In the rows, the various types of products are presented according to a product classification. An additional row is added for the adjustment of direct purchases by South African residents abroad. In the columns, information is shown on the output of each industry according to an industrial classification, imports, and taxes less subsidies on products, and trade and transport.

A typical use table shows uses of goods and services and supplies information on the cost structure of the various industries. In the rows, the various types of products are presented according to a product classification. Additional rows are added for the adjustment of direct purchases by South African residents abroad and direct purchases in the domestic market by non South African residents. The table is divided into three sections, each with its own characteristics.

The first section shows the goods and services used as intermediate consumption at purchaser's price, by industry, in columns and by product in rows. The second section shows the components of final demand, namely exports, household consumption expenditure, general government consumption expenditure, fixed capital formation, changes in inventories and the residual item at purchaser's price. The third section elaborates on the production costs of producers other than intermediate consumption expenditure namely, compensation of employees, taxes less subsidies on production and imports, consumption of fixed capital, and net operating surplus/mixed-income.

4.1: Final household consumption expenditure of South African households by grouped percentile

For this part of the analysis, the percentiles were grouped into the following five final household consumption expenditure groups:

- E1 – low (percentiles P1 and P2)
- E2 – low-middle (P3 to P5)
- E3 – middle (P6 to P8)
- E4 – middle-high (P9 to P10)
- E5 – high (P11 to P12)

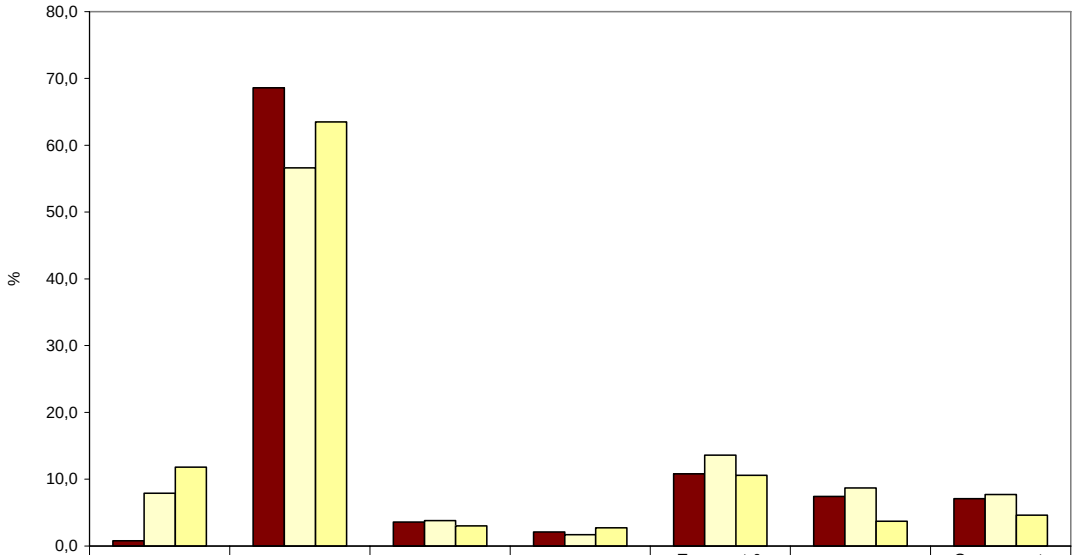
In 1998, the low-middle expenditure group (E2) spent the greatest portion of their final household consumption expenditure on manufactured products, followed by transport and communication services and financial and business services. This is in contrast with 2002 were the low expenditure group (E1) and low-middle expenditure group (E2) spent the majority of their final household consumption expenditure on manufactured products, agricultural products and transport and communication services. A similar pattern was observed in 2005 were the low expenditure group (E1) and the low-middle expenditure group (E2) spent the majority of their final household consumption expenditure on manufactured products, agricultural products and transport and communication services.

Low expenditure group patterns

Figure 4.1 shows the final household consumption expenditure patterns of the low expenditure group (E1) of South African households in 1998, 2002 and 2005:

- In 1998 and 2002, the low expenditure group spent the greatest proportion of their final household consumption expenditure on 'manufactured products' (68,6% and 56,6% respectively) and 'transport and communication services' (10,8% and 13,6% respectively). The major expenditure item on 'manufactured products' was 'manufactured food products' in 1998 (81,9%) and in 2002 (91,7%). In 2005, the low expenditure group spent the greatest proportion of their final household consumption expenditure on 'manufactured products' (63,5%) followed by 'agricultural products' (11,8%) and 'transport and communication services' (10,6%). The major expenditure item on 'manufactured products' was 'manufactured food products' (67,4%).
- The final household consumption expenditure on 'agricultural products' increased from 0,8% in 1998 to 7,9% in 2002 and increased further to 11,8% in 2005.

Figure 4.1: Final household consumption expenditure: Low expenditure group (E1) (%), 1998, 2002 and 2005



	Agricultural products	Manufactured products	Water and electricity	Trade services	Transport & communication services	Financial & business services	Government, health & social services
1998	0,8	68,6	3,6	2,1	10,8	7,4	7,1
2002	7,9	56,6	3,8	1,7	13,6	8,7	7,7
2005	11,8	63,5	3,0	2,7	10,6	3,7	4,6

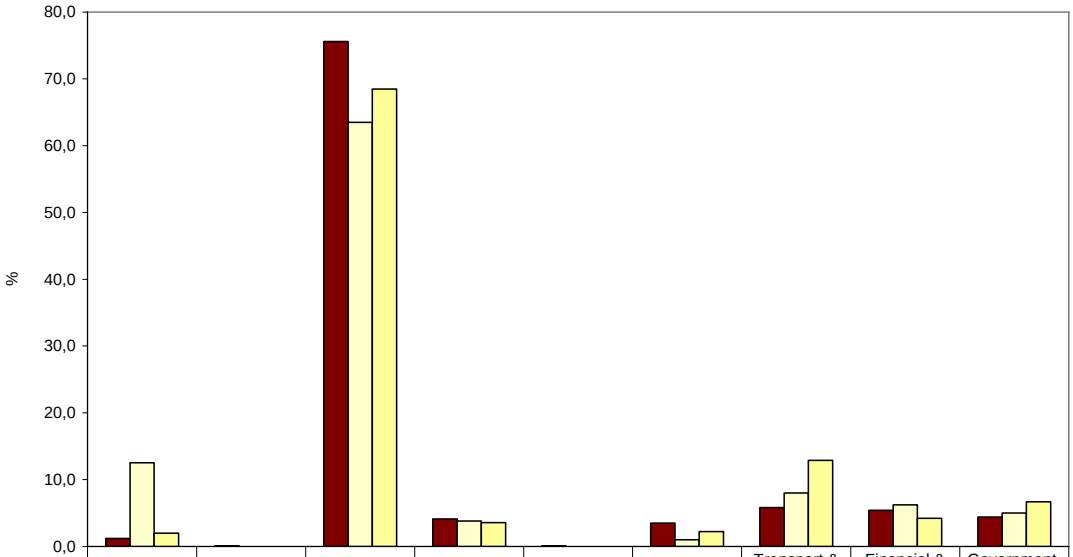
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), 2002 *SAM,* Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

Low-middle expenditure group patterns

Figure 4.2 shows the final household consumption expenditure patterns of the low-middle expenditure group (E2) of South African households in 1998, 2002 and 2005:

- In 1998, the low-middle expenditure group spent the greatest proportion of their final household consumption expenditure on 'manufactured products' (75,6%), with expenditure on 'manufactured food products' (75,5%) being the major expenditure item within manufactured products. In 2002, the low-middle expenditure group spent most of their final household consumption expenditure was on 'manufactured products' (63,5%) and 'agricultural products' (12,5%). The major expenditure item within 'manufactured products' was on 'manufactured food products' (81,9%). In 2005, the low-middle expenditure group spent the greatest proportion of their final household expenditure on 'manufactured products' (68,5%) and 'transport and communication services' (12,9%). The major expenditure item within 'manufactured products' was on 'manufactured food products' (65,1%).
- Final household consumption expenditure on 'water and electricity' decreased from 4,1% in 1998 to 3,8% in 2002 and decreased to a further 3,6% in 2005.

Figure 4.2: Final household consumption expenditure: Low-middle expenditure group (E2 (%)), 1998, 2002 and 2005



	Agricultural products	Mining products	Manufactured products	Water and electricity	Construction	Trade services	Transport & communica-tion services	Financial & business services	Government, health & social
1998	1,2	0,1	75,6	4,1	0,1	3,5	5,8	5,4	4,4
2002	12,5	0,0	63,5	3,8	0,0	1,0	8,0	6,2	5,0
2005	2,0	0,0	68,5	3,6	0,0	2,2	12,9	4,2	6,7

Products

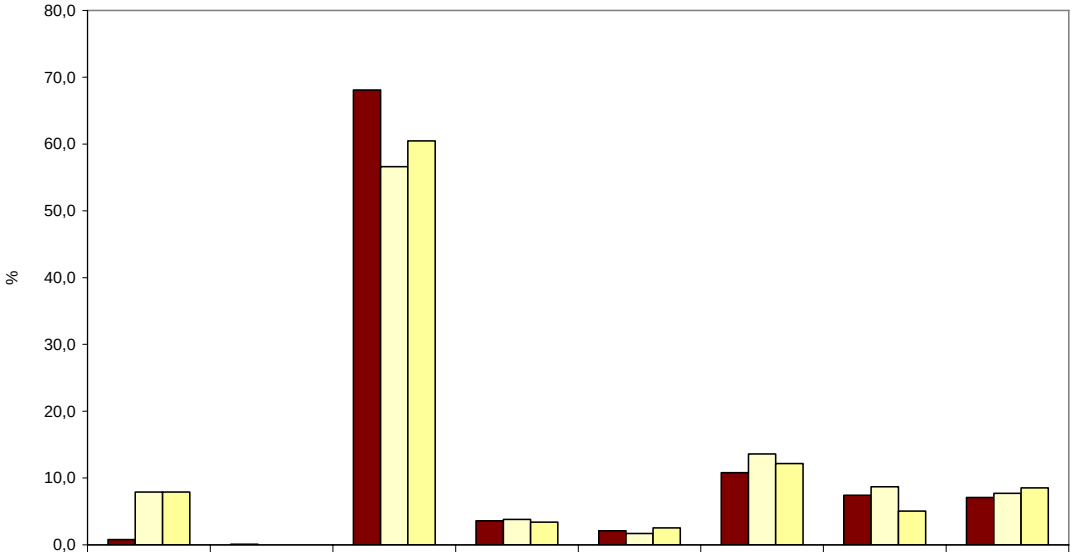
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, *Report No. 04-03-02 (2005)*
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

Middle expenditure group patterns

Figure 4.3 shows the final household consumption expenditure patterns of the middle expenditure group (E3) of South African households in 1998, 2002 and 2005:

- In 1998, 2002 and 2005, the middle expenditure group spent the greatest proportion of their final household consumption expenditure on 'manufactured products' (68,1%, 56,6% and 60,5% respectively). The major expenditure item within 'manufactured products' was on 'manufactured food products' (65,2%, 65,9% and 59,8% respectively).
- The final household consumption expenditure on 'water and electricity' increased from 3,6% in 1998 to 3,8% in 2002 and decreased to 3,4% in 2005.
- Final household consumption expenditure on 'agricultural products' increased from 0,8% in 1998 to a constant 7,9% in 2002 and 2005.

Figure 4.3: Final household consumption expenditure: Middle expenditure group (E3 (%)), 1998, 2002 and 2005



	Agricultural products	Mining products	Manufactured products	Water and electricity	Trade services	Transport & communication services	Financial & business services	Government, health & social services
1998	0,8	0,1	68,1	3,6	2,1	10,8	7,4	7,1
2002	7,9	0,0	56,6	3,8	1,7	13,6	8,7	7,7
2005	7,9	0,0	60,5	3,4	2,5	12,2	5,1	8,5

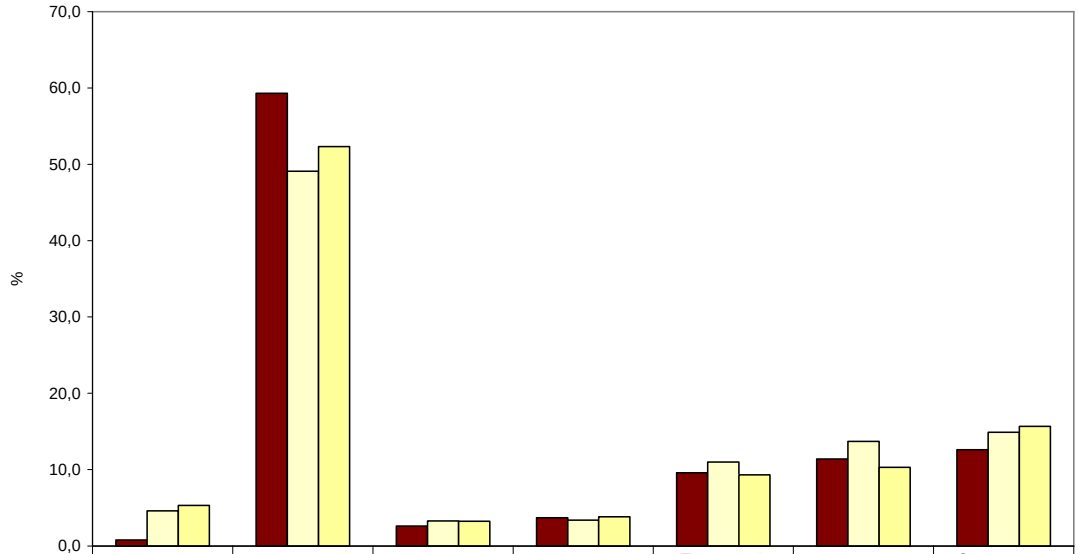
Source: Statistics South Africa, 1998 SAM, Report No. 04-02-03 (1998), 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

Middle-high expenditure group patterns

Figure 4.4 shows the final household consumption expenditure patterns of the middle-high expenditure group (E4) of South African households in 1998, 2002 and 2005:

- In 1998, 2002 and 2005, the middle-high expenditure group spent the greatest proportion of their final household consumption expenditure on 'manufactured products' (59,3%, 49,1% and 52,3% respectively). The major expenditure item within 'manufactured products' was 'manufactured food products' (52,4%, 48,6% and 49,7% respectively).
- Final household consumption expenditure on 'agricultural products' increased from 0,8% in 1998 to 4,6% in 2002 and increased further to 5,3% in 2005.
- 'Government, health and social services' (15,7%), 'financial and business services' (10,3%) and 'transport and communication services' (9,3%) also contributed to the final household consumption expenditure for the middle-high expenditure group in 2005.

Figure 4.4: Final household consumption expenditure: Middle-high expenditure group (E4 (%)), 1998, 2002 and 2005



	Agricultural products	Manufactured products	Water and electricity	Trade services	Transport & communication services	Financial & business services	Government, health & social services
1998	0,8	59,3	2,6	3,7	9,6	11,4	12,6
2002	4,6	49,1	3,3	3,4	11,0	13,7	14,9
2005	5,3	52,3	3,2	3,8	9,3	10,3	15,7

Industry

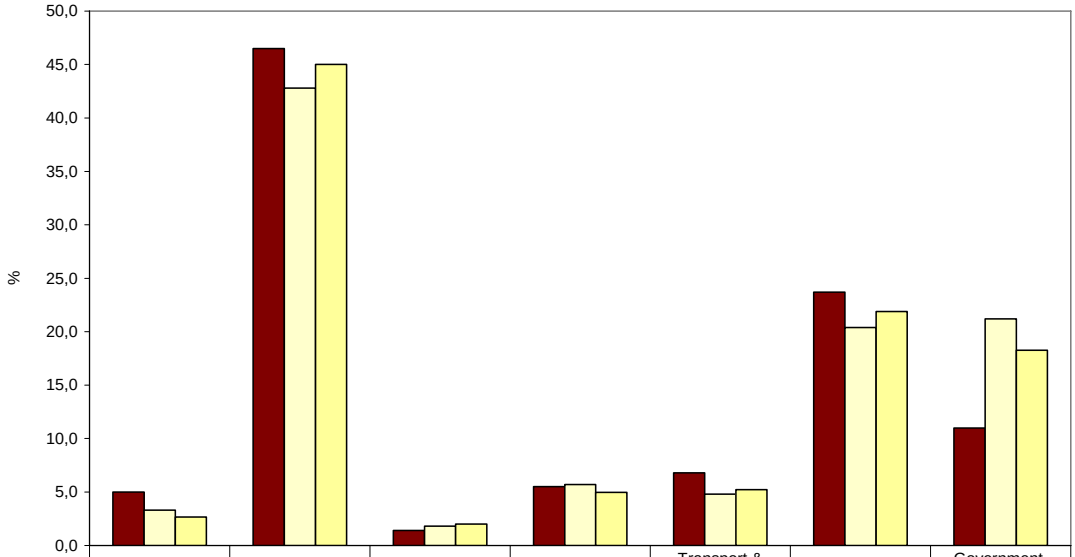
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

High expenditure group patterns

Figure 4.5 shows the final household consumption expenditure patterns of the high expenditure group (E5) of South African households in 1998, 2002 and 2005:

- In 1998, 2002 and 2005, the high expenditure group spent less than half of their final household consumption expenditure on 'manufactured products' (46,5%, 42,8% and 45,0% respectively). The major expenditure item on 'manufactured products' was on 'manufactured food products' (34,7%, 46,8% and 33,1% respectively).
- In 1998 and 2005, 'financial and business services' (23,7% and 21,9% respectively) and 'government, health and social services' (11,0% and 18,3% respectively) were the next highest expenditure items for the high expenditure group. In 2002, 'government, health and social services' (21,2%) and 'financial and business services' (20,4%) were the next highest expenditure items for the high expenditure group.

Figure 4.5: Final household consumption expenditure: High expenditure group (E5), 1998, 2002 and 2005 (%)



	Agricultural products	Manufactured products	Water and electricity	Trade services	Transport & communication services	Financial & business services	Government, health & social services
1998	5,0	46,5	1,4	5,5	6,8	23,7	11,0
2002	3,3	42,8	1,8	5,7	4,8	20,4	21,2
2005	2,7	45,0	2,0	5,0	5,2	21,9	18,3

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

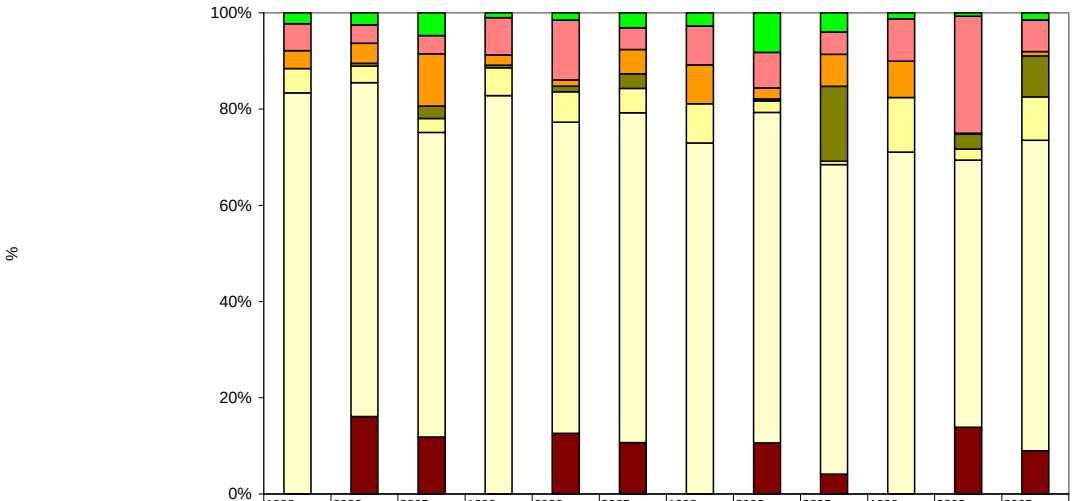
4.2: Final household consumption expenditure of South African households by expenditure group and population group

The low expenditure group (E1)

Figure 4.6 shows the final household consumption expenditure patterns of the low expenditure group (E1) by population group in 1998, 2002 and 2005:

- In 1998, coloured-headed households spent 81,3% of their final household consumption expenditure on 'manufactured products', followed by black African-headed households (80,6%), Indian/Asian-headed households (72,9%) and white-headed households (70,2%). In 2002, black African-headed households spent 69,4% of their final household consumption expenditure on 'manufactured products', followed by Indian/Asian-headed households (68,7%), coloured-headed households (64,6%) and white-headed households (55,5%). In 2005, among households in the low expenditure group, all population groups spent more two-thirds of their final household consumption expenditure on 'manufactured products', with manufactured food products being the major expenditure item within manufactured products. Coloured-headed households spent 68,5% of their final household consumption expenditure on 'manufactured products', followed by white-headed households (64,5%), Indian/Asian-headed households (64,3%) and black African-headed households (63,3%).
- There was a continuous decline in the final household consumption expenditure on 'manufactured products' between 1998, 2002 and 2005 among the black African-headed households and Indian/Asian-headed households in the low final household consumption expenditure group.
- 'Agricultural products' were the next most consumed product in 2002 and 2005 for black African-headed households (16,1% and 11,9% respectively), coloured-headed households (12,6% and 10,7% respectively), white-headed households (13,9% and 9,0% respectively), and Indian/Asian-headed households (10,6% and 4,1% respectively).

Figure 4.6: Distribution of final household consumption expenditure of the low expenditure group (E1) on products and services, by population group, 1998, 2002 and 2005 (%)



	Black African			Coloured			Indian/Asian			White		
	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
Government, health & social services	2,2	2,5	4,7	1,0	1,5	3,1	2,7	8,2	4,0	1,2	0,7	1,5
Financial & business services	5,4	3,8	3,8	7,6	12,4	4,5	8,1	7,4	4,7	8,7	24,3	6,6
Transport & communication services	3,6	4,2	10,9	2,1	1,3	5,1	8,1	2,3	6,7	7,5	0,2	0,9
Trade services	0,0	0,6	2,6	0,5	1,2	3,0	0,0	0,4	15,6	0,0	3,1	8,5
Water & electricity	4,9	3,4	2,9	5,7	6,3	5,1	8,1	2,4	0,7	11,2	2,3	9,0
Manufactured products	80,6	69,4	63,3	81,3	64,6	68,5	72,9	68,7	64,3	70,2	55,5	64,5
Agricultural products	0,0	16,1	11,9	0,0	12,6	10,7	0,0	10,6	4,1	0,0	13,9	9,0

Population group

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
Figures for 1998 SAM do not add up to 100% due to exclusions of unspecified population.
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

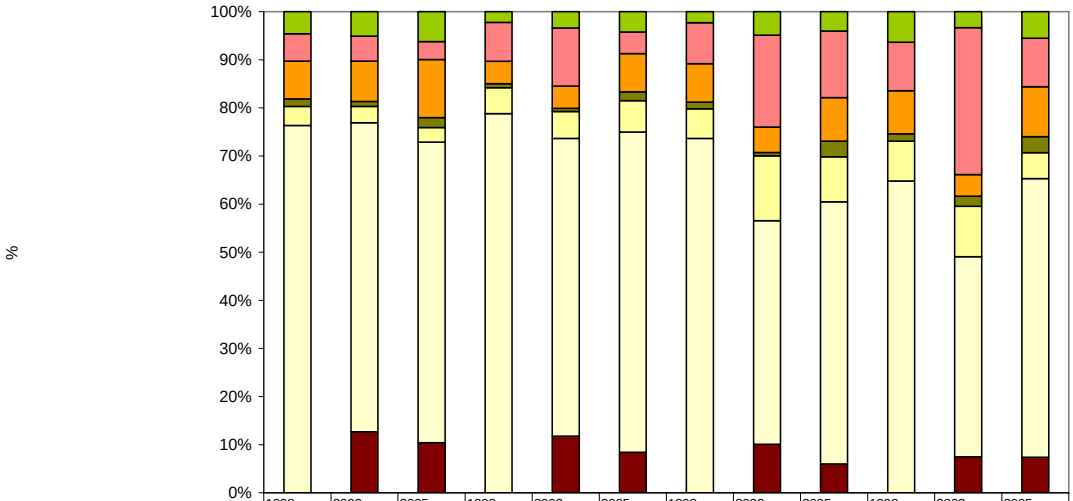
The low-middle expenditure group (E2)

Figure 4.7 shows the final household consumption expenditure patterns of the low-middle expenditure group (E2) by population group in 1998, 2002 and 2005:

- In 1998, black African-headed households in the low-middle expenditure group spent 74,9% and coloured-headed households 77,8% of their final household consumption expenditure on 'manufactured products'. In 2002, black African-headed households and coloured-headed households in the low-middle final household consumption expenditure group spent 64,3% and 61,9% respectively of their final household consumption expenditure on 'manufactured products', with manufactured food products being the major expenditure item. In 2005, black African-headed households in the low-middle expenditure group spent 62,5% and coloured-headed households 66,6% of their final household consumption expenditure on 'manufactured products'.

- There was an increase in the final household consumption expenditure on 'manufactured products' between 2002 and 2005 among the coloured, white and Indian/Asian-headed households in the low-middle final household consumption expenditure group.
- In 1998, 2002 and 2005, 'financial and business services' was the next most consumed service for Indian/Asian-headed households (8,4%, 19,1% and 13,8% respectively), white-headed households (10,0%, 30,5% and 10,1% respectively) and coloured-headed households (8,0%, 12,1% and 4,5% respectively).
- In 2002 and 2005, the next highest final household consumption expenditure items for black African-headed households in the low-middle expenditure group was 'agricultural products' (12,7% and 10,4% respectively) and 'transport and communication services' (8,4% and 12,1% respectively).

Figure 4.7: Distribution of final household consumption expenditure of the low-middle expenditure group (E2) on products and services, by population group, 1998, 2002 and 2005 (%)



	Black African			Coloured			Indian/Asian			White		
	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
Government, health & social services	4,5	5,1	6,2	2,2	3,4	4,2	2,3	4,9	4,0	6,3	3,3	5,5
Financial & business services	5,6	5,2	3,7	8,0	12,1	4,5	8,4	19,1	13,8	10,0	30,5	10,1
Transport & communication services	7,7	8,4	12,1	4,6	4,6	8,0	7,9	5,3	9,1	8,9	4,5	10,4
Trade services	1,5	1,0	2,1	0,8	0,7	1,8	1,4	0,7	3,3	1,5	2,1	3,3
Water & electricity	3,9	3,4	3,0	5,3	5,6	6,5	6,1	13,5	9,3	8,2	10,5	5,4
Manufactured products	74,9	64,3	62,5	77,8	61,9	66,6	72,9	46,5	54,5	64,3	41,5	57,9
Agricultural products	0,0	12,7	10,4	0,0	11,8	8,4	0,0	10,1	6,0	0,0	7,5	7,4

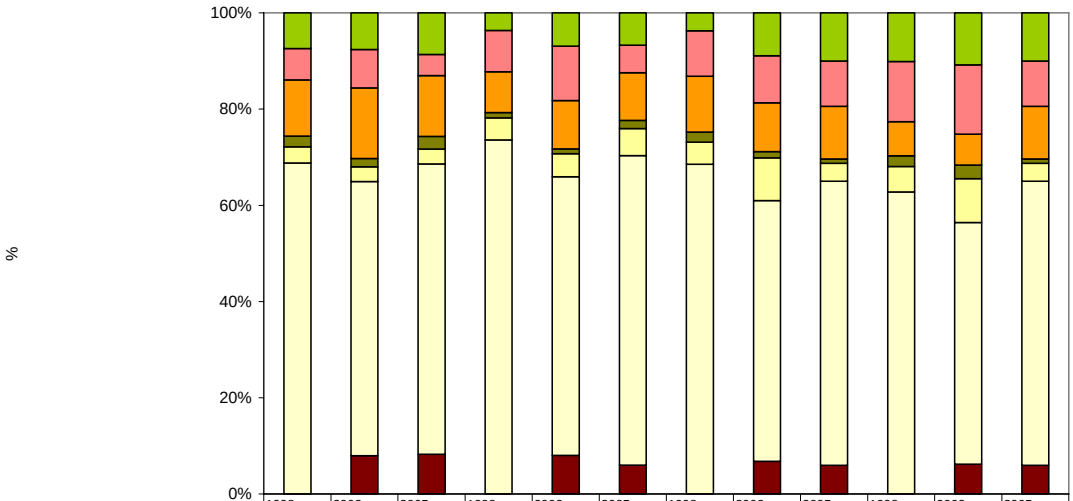
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents.
Figures for 1998 SAM do not add up to 100% due to exclusions of unspecified population
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

The middle expenditure group (E3)

Figure 4.8 shows the final household consumption expenditure patterns of the middle expenditure group (E3) by population group in 1998, 2002 and 2005.

- In 1998, coloured-headed households spent 72,8%, followed by Indian/Asian-headed households (67,8%), black African-headed households (67,7%) and white-headed households (62,1%) of their final household consumption expenditure on 'manufactured products' with manufactured food products being the major expenditure item within manufactured products. In 2002, black African-headed households spent 57,0% of their final household consumption expenditure on 'manufactured products', coloured-headed households 57,8% Indian/Asian-headed households 54,1% and white-headed households 50,2%. In 2005, coloured-headed households spent 64,3% of their final household consumption expenditure on 'manufactured products' followed by black African-headed households (60,3%), Indian/Asian-headed households and white-headed households both (59,0%).
- There was a decrease in the final household consumption expenditure on 'agricultural products' between 2002 and 2005 for coloured-headed households from 8,0% to 6,0% respectively, Indian/Asian-headed households from 6,8% to 6,0% respectively and white-headed households from 6,2% to 6,0% respectively in the middle final household consumption expenditure group.
- In 1998, 2002 and 2005, 'transport and communication services' was the next most consumed service for black African-headed households (11,5%, 14,7% and 12,6% respectively), Indian/Asian headed-households (11,5%, 10,1% and 10,9% respectively) and coloured-headed households (8,4%, 10,0% and 9,9% respectively).
- In 1998, 2002 and 2005, 'financial and business services' was the third most consumed service for white-headed households (12,4%, 14,4% and 9,4% respectively).

Figure 4.8: Distribution of final household consumption expenditure of the middle expenditure group (E3) on products and services, by population group, 1998, 2002 and 2005 (%)



	Black African			Coloured			Indian/Asian			White		
	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
Government, health & social services	7,3	7,6	8,7	3,6	6,9	6,7	3,7	8,9	10,0	10,0	10,8	10,0
Financial & business services	6,4	8,0	4,4	8,5	11,3	5,7	9,3	9,8	9,4	12,4	14,4	9,4
Transport & communication services	11,5	14,7	12,6	8,4	10,0	9,9	11,5	10,1	10,9	7,0	6,4	10,9
Trade services	2,2	1,7	2,6	1,1	1,0	1,7	2,1	1,3	0,9	2,2	2,8	0,9
Water & electricity	3,3	3,1	3,1	4,5	4,8	5,6	4,5	8,9	3,7	5,2	9,1	3,7
Manufactured products	67,7	57,0	60,3	72,8	57,8	64,3	67,8	54,1	59,0	62,1	50,2	59,0
Agricultural products	0,0	8,0	8,3	0,0	8,0	6,0	0,0	6,8	6,0	0,0	6,2	6,0

Population group

Source: Statistics South Africa, 1998 SAM, Report No. 04-02-03 (1998), 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
Figures for 1998 SAM do not add up to 100% due to exclusions of unspecified population
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

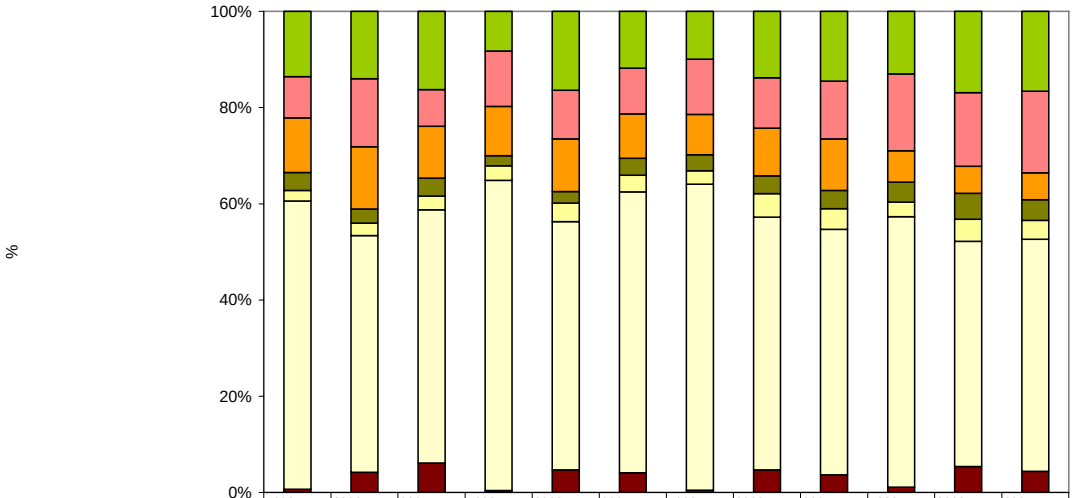
The middle-high expenditure group (E4)

Figure 4.9 shows the final household consumption expenditure patterns of the middle-high expenditure group (E4) by population group in 1998, 2002 and 2005.

- In 1998, black African-headed households and white-headed households in the middle-high expenditure group spent 59,5% and 55,9% of their final household consumption expenditure on 'manufactured products'. In 2002, black African-headed households and white-headed households in the middle-high expenditure group spent less than half of their final household consumption expenditure on 'manufactured products'. Black African-headed households spent 49,1% of their final household consumption expenditure on 'manufactured products' and white-headed households spent 46,8%. In 2005, coloured-headed households in the middle-high expenditure group spent 58,3% and black African-headed households spent 52,7% of their final household consumption expenditure on 'manufactured products' with manufactured food products being the major final household consumption expenditure item within 'manufactured products'.

- There was a decrease in the final household consumption expenditure on 'agricultural products' between 2002 and 2005 among the coloured, white and Indian/Asian-headed households in the middle-high final household consumption expenditure group.
- The second highest final household consumption expenditure item in 1998, 2002 and 2005 was 'financial and business services' for white-headed households (15,9%, 15,3% and 17,0% respectively), coloured-headed households (11,4%, 10,1% and 9,5% respectively), Indian/Asian-headed households (11,4%, 10,5% and 12,0% respectively).
- There was a continuous increase in the final household consumption expenditure between 1998, 2002 and 2005 for the black African-headed (13,5% to 14,0% to 16,3% respectively) and the Indian Asian-headed households (9,9% to 13,8% to 14,5% respectively) for 'government, health and social services'.

Figure 4.9: Distribution of final household consumption expenditure of the middle-high expenditure group (E4) on products and services, by population group, 1998, 2002 and 2005 (%)



	Black African			Coloured			Indian/Asian			White		
	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
Government, health & social services	13,5	14,0	16,3	8,2	16,4	11,8	9,9	13,8	14,5	12,9	16,9	16,6
Financial & business services	8,5	14,1	7,6	11,4	10,1	9,5	11,4	10,5	12,0	15,9	15,3	17,0
Transport & communication services	11,3	12,9	10,8	10,2	10,9	9,2	8,3	9,9	10,7	6,5	5,6	5,6
Trade services	3,7	2,9	3,7	2,1	2,4	3,5	3,3	3,7	3,8	4,1	5,4	4,3
Water & electricity	2,2	2,6	2,9	3,0	3,9	3,5	2,8	4,9	4,3	3,0	4,6	3,9
Manufactured products	59,5	49,1	52,7	64,0	51,5	58,3	63,2	52,5	51,0	55,9	46,8	48,3
Agricultural products	0,7	4,2	6,1	0,4	4,7	4,1	0,5	4,7	3,7	1,1	5,4	4,4

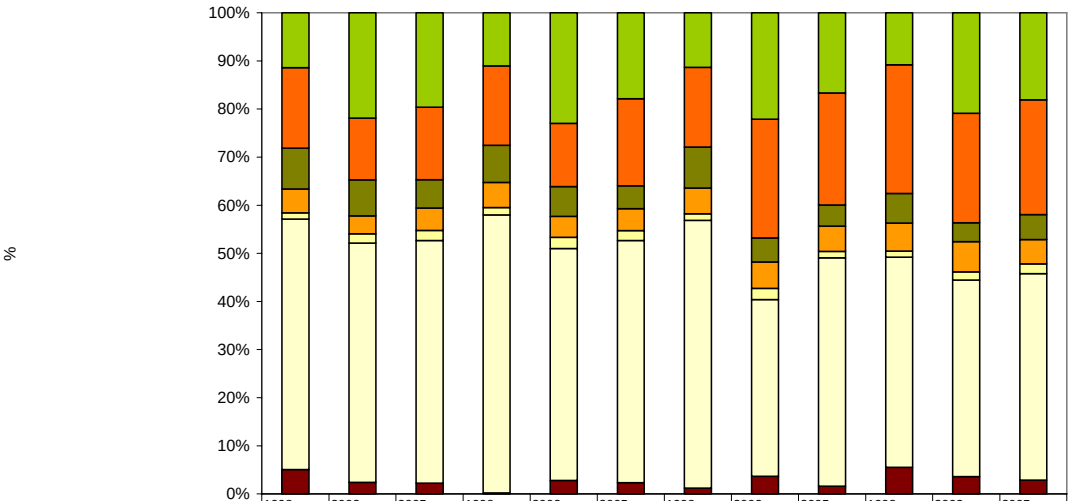
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
Figures for 1998 and 2002 SAM do not add up to 100% due to exclusions of unspecified population
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

The high expenditure group (E5)

Figure 4.10 shows the final household consumption expenditure patterns of the high expenditure group (E5) on products and services by population group in 1998, 2002 and 2005.

- In 1998, coloured-headed households spent 57,5% of their final household consumption expenditure on 'manufactured products', followed by Indian/Asian-headed households (55,4%), black African-headed households (51,6%), and white-headed households (43,2%). In 2002 black African-headed households spent 49,7% of their final household consumption expenditure on 'manufactured products', followed by coloured-headed households (48,2%), white-headed households (40,9%) and Indian/Asian-headed households (36,7%). In 2005, black African-headed households spent 50,4% of their final household consumption expenditure on 'manufactured products', followed by coloured-headed households (50,3%), Indian/Asian-headed households (47,4%) and white-headed households (42,9%).
- There was a decrease in the final household consumption expenditure on 'transport and communication services' between 1998, 2002 and 2005 for the black African-headed households (8,4%, 7,5% and 5,9% respectively), coloured-headed households (7,7%, 6,2% and 4,8% respectively) and Indian/Asian–headed households (8,5%, 5,0% and 4,4% respectively).
- In 1998, 2002 and 2005 'financial and business services' was the second highest final household consumption expenditure item for Indian/Asian-headed households and white-headed households in the high expenditure group.
- In 2005, 'government, health and social services' and 'financial and business services' were the next highest final household consumption expenditure items for white-headed households, (18,1% and 23,9% respectively), coloured-headed households (17,8% and 18,1% respectively), black African-headed households (19,6% and 15,1% respectively) and Indian/Asian-headed households (16,7% and 23,3% respectively).

Figure 4.10: Distribution of final household consumption expenditure of the high expenditure group (E5) on products and services, by population group, 1998, 2002 and 2005 (%)



	Black African			Coloured			Indian/Asian			White		
	1998	2002	2005	1998	2002	2005	1998	2002	2005	1998	2002	2005
Government, health & social services	11,3	21,9	19,6	11,0	23,0	17,8	11,3	22,1	16,7	10,7	20,9	18,1
Financial & business services	16,6	12,8	15,1	16,4	13,1	18,1	16,5	24,7	23,3	26,5	22,8	23,9
Transport & communication services	8,4	7,5	5,9	7,7	6,2	4,8	8,5	5,0	4,4	6,1	3,9	5,2
Trade services	4,9	3,7	4,6	5,2	4,4	4,5	5,3	5,5	5,3	5,7	6,3	5,1
Water & electricity	1,3	1,9	2,1	1,5	2,3	2,1	1,4	2,3	1,3	1,3	1,7	2,0
Manufactured products	51,6	49,7	50,4	57,5	48,2	50,3	55,4	36,7	47,4	43,2	40,9	42,9
Agricultural products	5,0	2,4	2,2	0,2	2,8	2,4	1,2	3,7	1,6	5,5	3,6	2,9

Population group

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: Percentages compiled using the total expenditure excluding direct purchases abroad by residents and direct purchases in the domestic market by non-residents
Figures for 1998 SAM do not add up to 100% due to exclusions of unspecified population
The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

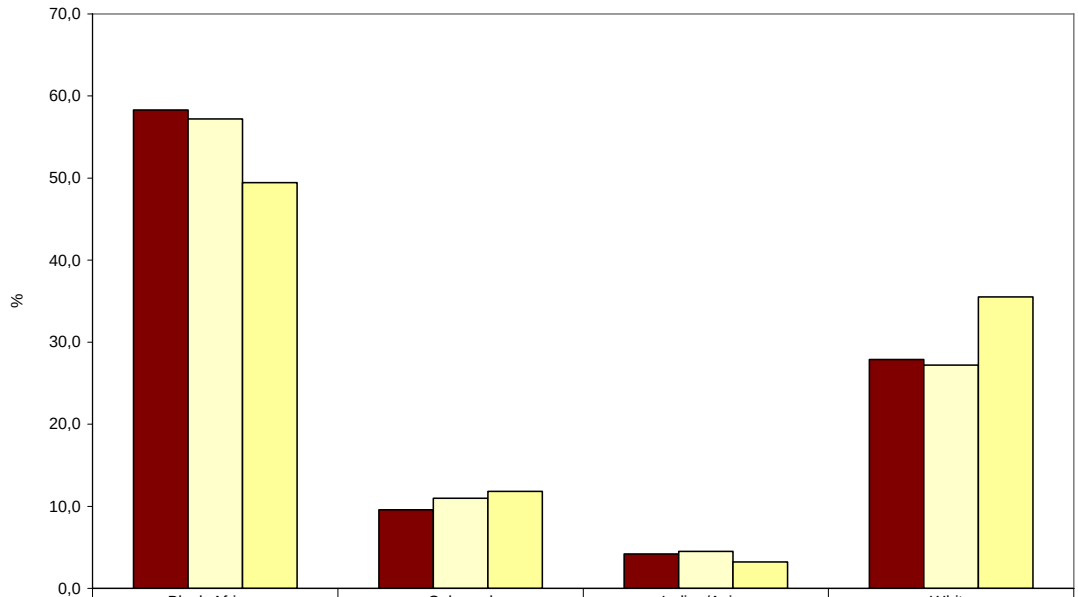
4.3: Final household consumption expenditure of South African households on manufactured food products by population group

As mentioned in section 4.2, final household consumption expenditure on 'manufactured food products' constituted the greatest proportion of the total final household consumption expenditure on 'manufactured products'.

Figure 4.11 shows the distribution of final household consumption expenditure on 'manufactured food products' by population group in 1998, 2002 and 2005.

- In 1998, 2002 and 2005, the final household consumption expenditure on 'manufactured food products' was spent mainly by black African-headed households (58,3%, 57,2% and 49,4% respectively), followed by white-headed households (27,9%, 27,2% and 35,5% respectively), coloured-headed households (9,6%, 11,0% and 11,8% respectively) and Indian/Asian-headed households (4,2%, 4,5% and 3,2% respectively).
- In 2005, there was a decrease in the percentage of final household consumption expenditure on 'manufactured food products' for black African-headed households from 58,3% in 1998 to 57,2% in 2002 and to a further 49,4% in 2005.

Figure 4.11: Distribution of expenditure on manufactured food products by population group, 1998, 2002 and 2005 (%)



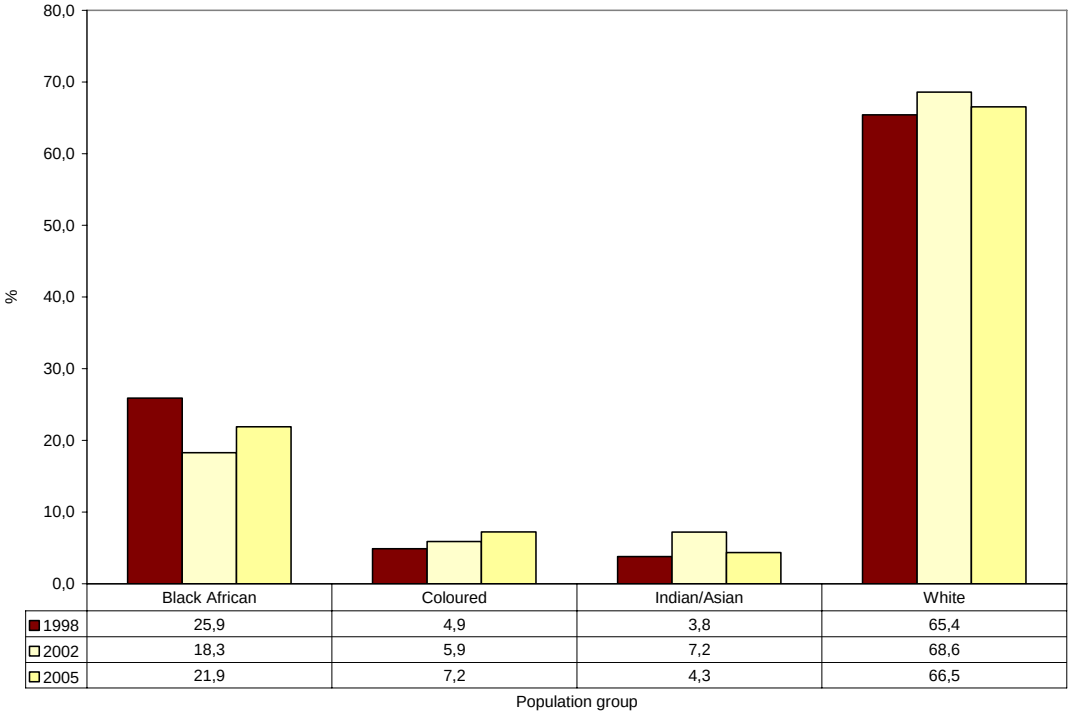
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

4.4: Final household consumption expenditure of South African households on real estate by population group

Figure 4.12 shows the final household consumption expenditure on 'real estate' by population group in 1998, 2002 and 2005. Final household consumption expenditure on 'real estate' indicates a household's access to financing and ownership of property.

- White-headed households contributed the highest proportion to the final household consumption expenditure on 'real estate' in 1998, 2002 and 2005. In 2005, white-headed households contributed approximately 66,5% to the final household consumption expenditure on 'real estate', followed by black African-headed households (21,9%), coloured-headed households (7,2%) and Indian/Asian -headed households (4,3%).
- In 2002 and 2005, there was an increase in the final household consumption expenditure on 'real estate' for black African-headed households (18,3% to 21,9% respectively) and coloured-headed households (5,9% to 7,2% respectively).

Figure 4.12: Distribution of final household consumption expenditure on real estate by population group, 1998, 2002 and 2005 (%)



	Black African	Coloured	Indian/Asian	White
1998	25,9	4,9	3,8	65,4
2002	18,3	5,9	7,2	68,6
2005	21,9	7,2	4,3	66,5

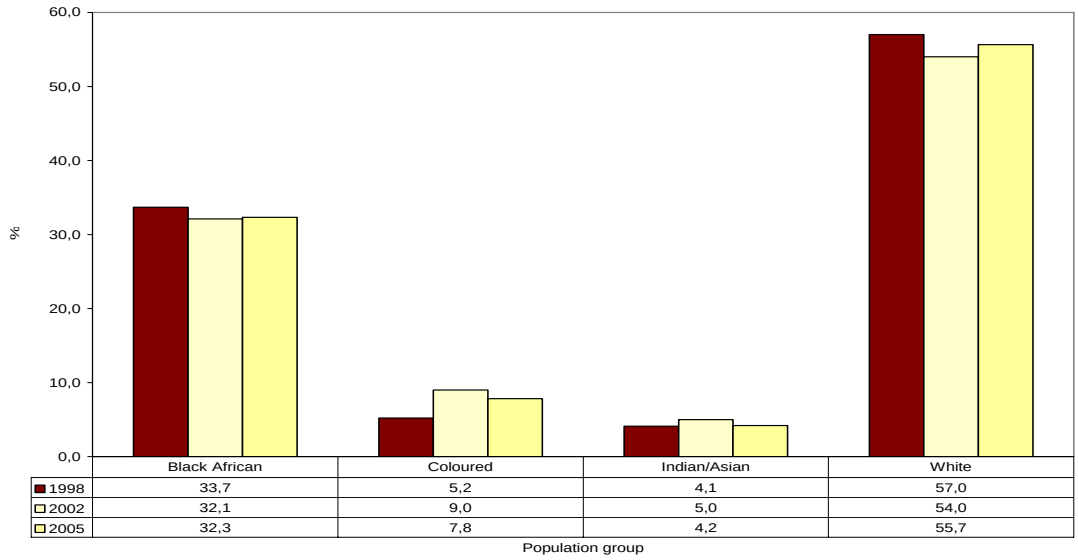
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

4.5: Final household consumption expenditure of South African households on government, health and social services by population group

Figure 4.13 shows the final household consumption expenditure on 'government, health and social services' by population group in 1998, 2002 and 2005. This indicates a household's access to health services as well as social infrastructure.

- In 1998, 2002 and 2005 white-headed households contributed 57,0%, 54,0% and 55,7% respectively to the final household consumption expenditure on 'government, health and social services', followed by black African-headed households (33,7%, 32,1% and 32,3% respectively), coloured-headed (5,2%, 9,0% and 7,8% respectively) and Indian/Asian-headed households (4,1%, 5,0% and 4,2% respectively).
- There was an increase in the contribution to final household consumption expenditure on 'government, health and social services' for the white-headed households (54,0% in 2002 to 55,7% in 2005) and black African-headed households (32,1% in 2002 to 32,3% in 2005). This is opposed to the decrease in the contribution to final household consumption expenditure on 'government, health and social services' for coloured-headed households and Indian/Asian-headed households from 9,0% and 5,0% in 2002 to 7,8% and 4,2% in 2005 respectively.

Figure 4.13: Distribution of expenditure on government, health and social services by population group, 1998, 2002 and 2005 (%)



	Black African	Coloured	Indian/Asian	White
1998	33,7	5,2	4,1	57,0
2002	32,1	9,0	5,0	54,0
2005	32,3	7,8	4,2	55,7

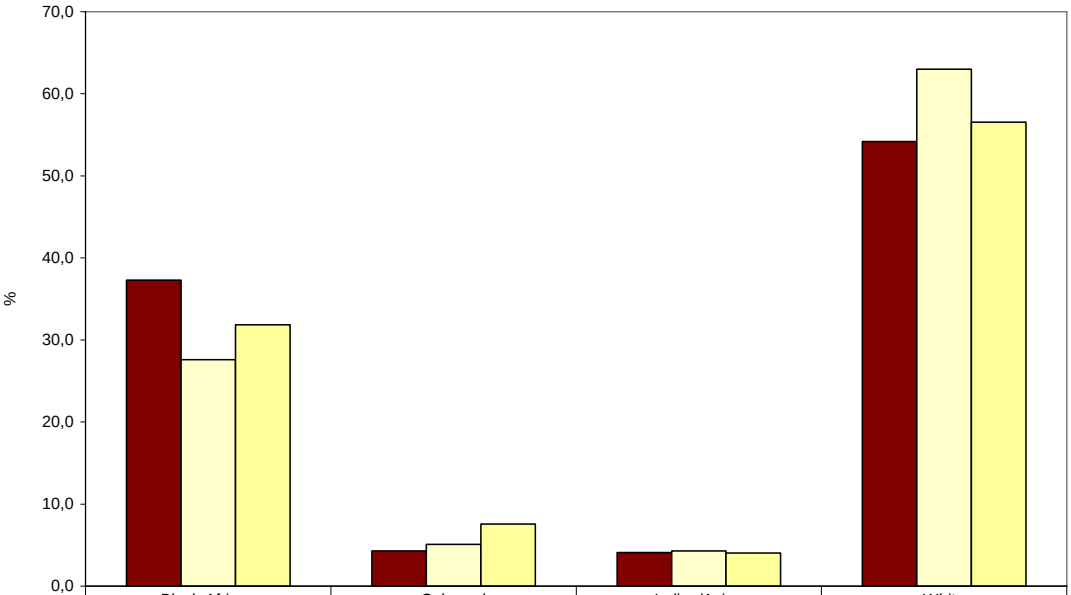
Source: Statistics South Africa, 1998 SAM, Report No. 04-02-03 (1998), 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

4.6: Final household consumption expenditure of South African households on hotels and restaurants by population group

Figure 4.14 shows the final household consumption expenditure on 'hotels and restaurants' by population group in 1998, 2002 and 2005.

- In 1998, 2002 and 2005 white-headed households contributed approximately 54,2%, 63,0% and 56,5% respectively to the final household consumption expenditure on 'hotels and restaurants', followed by black African-headed households (37,3%, 27,6% and 31,9% respectively), coloured-headed (4,3%, 5,1% and 7,6% respectively) and Indian/Asian-headed households (4,1%, 4,3% and 4,0% respectively).
- There was an increase in the contribution to the final household consumption expenditure on 'hotels and restaurants' for coloured-headed households from 4,3% in 1998 to 5,1% in 2002 and increasing further to 7,6% in 2005.
- There was a decrease in the final household consumption expenditure on 'hotels and restaurants' for white-headed households from 63,0% in 2002 to 56,5% in 2005.

Figure 4.14: Distribution of expenditure on hotels and restaurants by population group, 1998, 2002 and 2005 (%)



	Black African	Coloured	Indian/Asian	White
1998	37,3	4,3	4,1	54,2
2002	27,6	5,1	4,3	63,0
2005	31,9	7,6	4,0	56,5

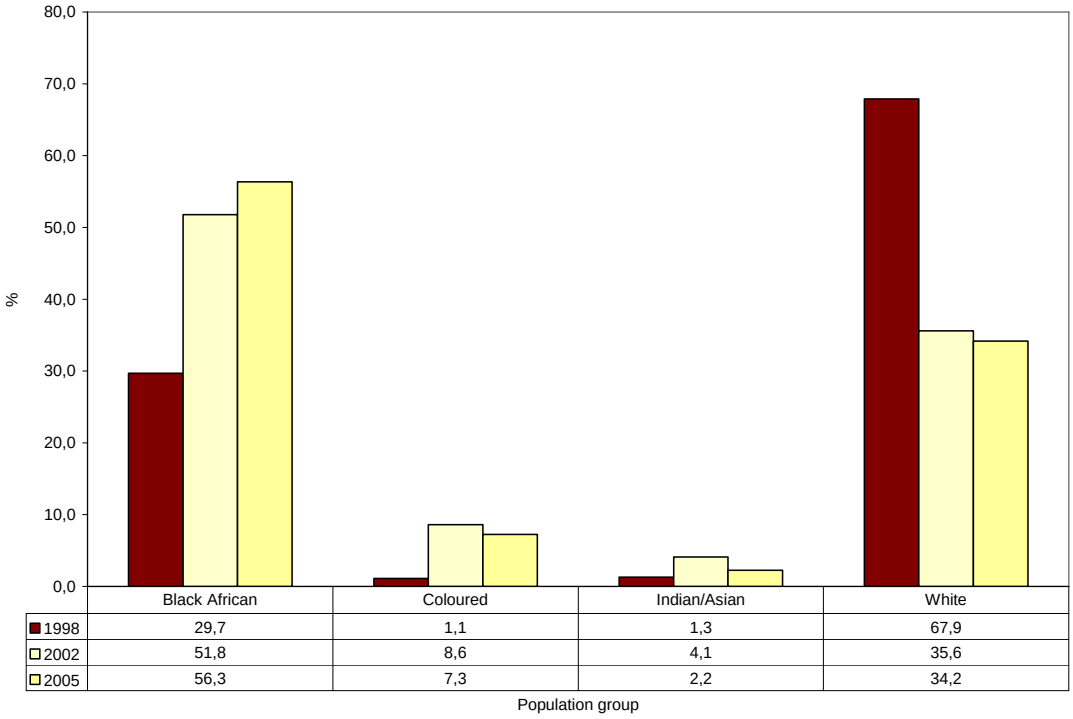
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

4.7: Final household consumption expenditure of South African households on agricultural products by population group

Figure 4.15 shows the final household consumption expenditure on 'agricultural products' by population group in 1998, 2002 and 2005.

- In 2002 and 2005, black African-headed households contributed approximately 51,8% and 56,3% respectively to the final household consumption expenditure on 'agricultural products', followed by white-headed (35,6% and 34,2% respectively), coloured-headed (8,6% and 7,3% respectively) and Indian/Asian-headed households (4,1% and 2,2% respectively).
- There was a decrease in the contribution to final household consumption expenditure on 'agricultural products' for white-headed households from 67,9% in 1998 to 35,6% in 2002 and decreasing further to 34,2% in 2005.

Figure 4.15: Distribution of expenditure on agricultural products by population group, 1998, 2002 and 2005 (%)



	Black African	Coloured	Indian/Asian	White
1998	29,7	1,1	1,3	67,9
2002	51,8	8,6	4,1	35,6
2005	56,3	7,3	2,2	34,2

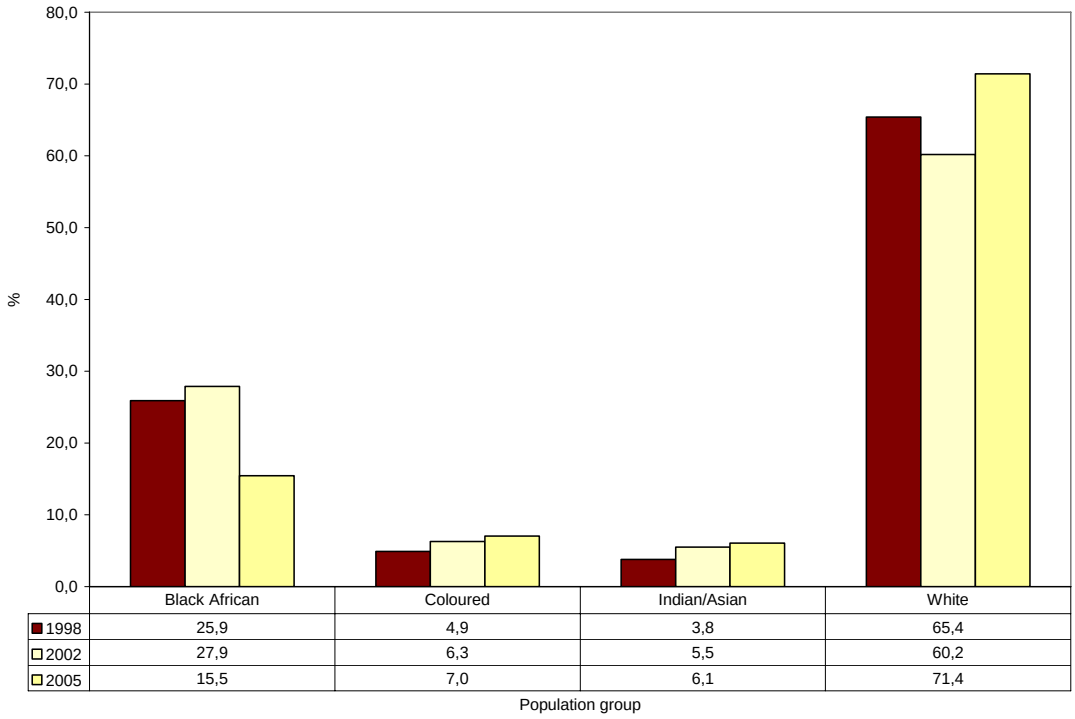
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

4.8: Final household consumption expenditure of South African households on financial and business services by population group

Figure 4.16 shows the final household consumption expenditure on 'financial and business services' by population group in 1998, 2002 and 2005.

- In 2005, white-headed households contributed approximately 71,4% of the final household consumption expenditure on 'financial and business services', followed by black African-headed households (15,5%), coloured-headed households (7,0%) and Indian/Asian-headed households (6,1%).
- In 1998, 2002 and 2005 there was an increase in the contribution to the final household consumption expenditure on 'financial and business services' for coloured-headed households (4,9% to 6,3% to a further 7,0%) and Indian/Asian-headed households (3,8% to 5,5% to a further 6,1%).
- There was an increase in the contribution to the final household consumption expenditure on 'financial and business services' for black African-headed households between 1998 (25,9%) and 2002 (27,9%) and a decrease in 2005 (15,5%).

Figure 4.16: Distribution of expenditure on financial and business services by population group, 1998, 2002 and 2005 (%)



	Black African	Coloured	Indian/Asian	White
1998	25,9	4,9	3,8	65,4
2002	27,9	6,3	5,5	60,2
2005	15,5	7,0	6,1	71,4

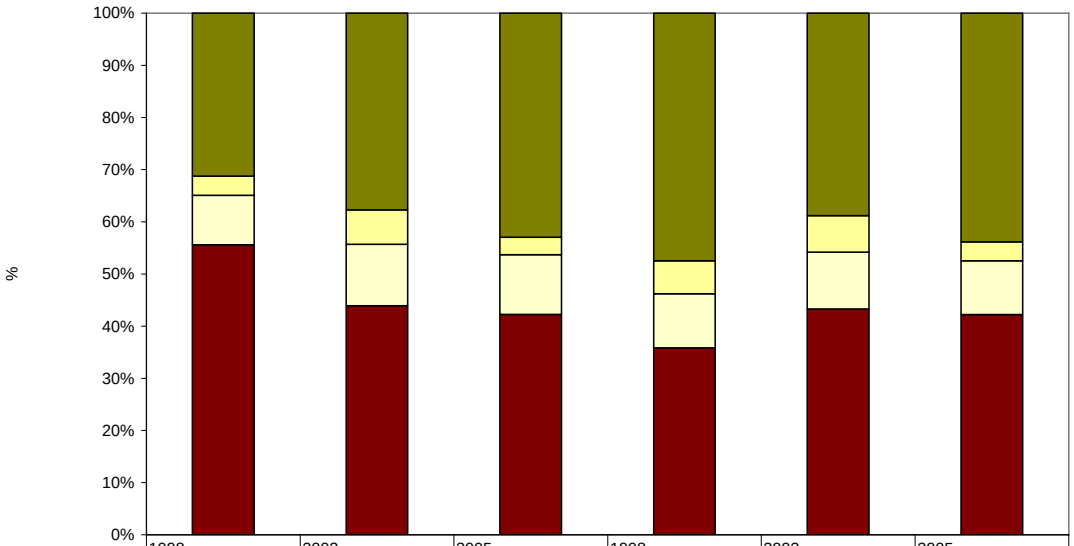
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

4.9: Final household consumption expenditure of South African households on electricity and water by population group

Figure 4.17 shows the final household consumption expenditure on 'electricity and water' by population group between 1998, 2002 and 2005.

- In 1998, 2002 and 2005, black African-headed households contributed approximately 55,6%, 43,9% and 42,3% respectively to the final household consumption expenditure on 'electricity', followed by white-headed households (31,2%, 37,7% and 42,9% respectively), coloured-headed households (9,5%, 11,8% and 11,4% respectively) and Indian/Asian-headed households (3,7%, 6,6% and 3,4% respectively).
- In 1998, 2002 and 2005 there was a decrease in the contribution to final household consumption expenditure on 'electricity' for the black African-headed households as opposed to increase in the contribution to final household consumption expenditure on electricity for the white-headed households.
- In 1998, 2002 and 2005, white-headed households contributed approximately (47,4%, 38,8% and 43,9% respectively) to the final household consumption expenditure on 'water', followed by black African-headed (35,8%, 43,3% and 42,2% respectively), coloured-headed (10,4%, 10,9% and 10,3% respectively) and Indian/Asian-headed (6,3%, 7,0% and 3,6% respectively) households.
- There was an increase in the contribution to final household consumption expenditure on 'water' for the white-headed households from 38,8% in 2002 to 43,9% in 2005 as compared to a decrease in contribution to the final household consumption expenditure on 'water' for the black African-headed households from 43,3% in 2002 to 42,2% in 2005.

Figure 4.17: Distribution of expenditure on electricity and water by population group, 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005
	Electricity			Water		
White	31,2	37,7	42,9	47,4	38,8	43,9
Indian/Asian	3,7	6,6	3,4	6,3	7,0	3,6
Coloured	9,5	11,8	11,4	10,4	10,9	10,3
Black/African	55,6	43,9	42,3	35,8	43,3	42,2

Services

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

4.10: Final household consumption expenditure of South African households on transport services and communication by population group and expenditure group

In this section an analysis is done by expenditure group within population groups.

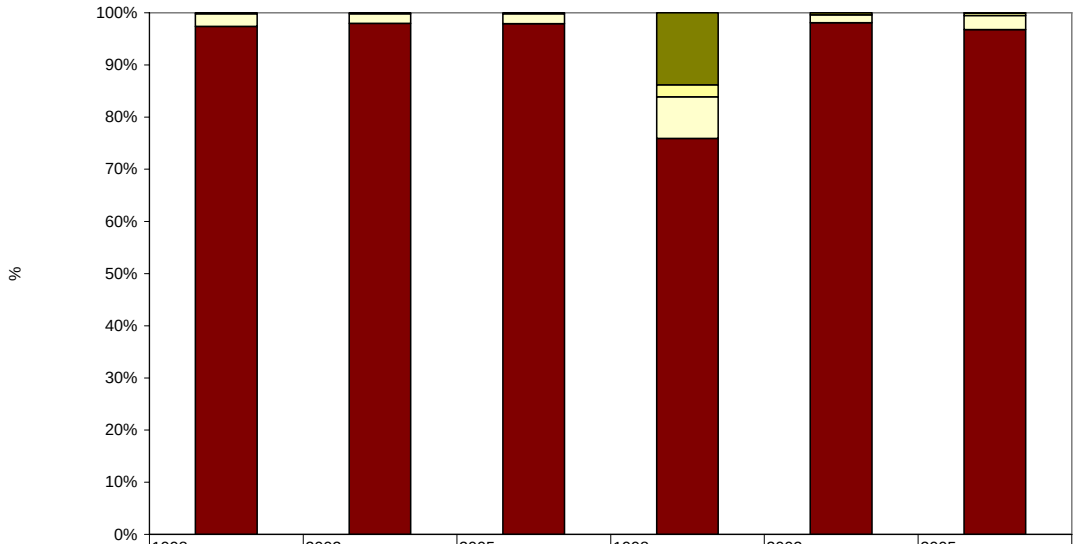
The low expenditure group

Figure 4.18 shows the final household consumption expenditure on 'transport and communication services' within population groups for the low expenditure group (E1) in 1998, 2002 and 2005.

The composition of final household consumption expenditure on 'transport and communication' is as follows:

- In 1998, 2002 and 2005, black African-headed households contributed the greatest proportion (97,4%, 98,0% and 97,9% respectively) to the final household consumption expenditure on 'transport services', followed by coloured-headed households (2,4%, 1,8% and 1,9% respectively) and Indian/Asian-headed households remaining unchanged at 0,2% for all three years.
- In 1998, black African-headed households contributed 75,9% to the final household consumption expenditure on 'communication services', followed by white-headed households (13,8%), coloured-headed households (8,0%) and Indian/Asian-headed households (2,3%). In 2002, black African-headed households contributed approximately 98,1% to the final household consumption expenditure on 'communication services', followed by coloured-headed households (1,5%) and white-headed households (0,4%). In 2005, black African-headed households contributed approximately 96,8% to the final household consumption expenditure on 'communication services', followed by coloured-headed households (2,7%) and Indian/Asian headed households (0,5%).

Figure 4.18: Distribution of expenditure on transport services and communication within population groups: Low expenditure group (E1), 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005
	Transport			Communication		
White	0,0	0,0	0,0	13,8	0,4	0,0
Indian/Asian	0,2	0,2	0,2	2,3	0,0	0,5
Coloured	2,4	1,8	1,9	8,0	1,5	2,7
Black African	97,4	98,0	97,9	75,9	98,1	96,8

Services

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

The low-middle expenditure group

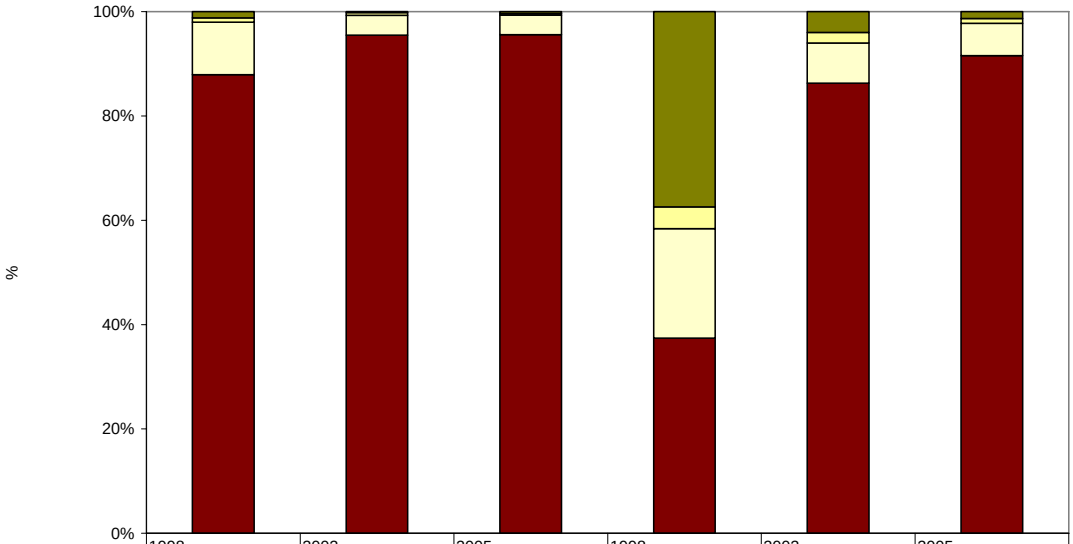
Figure 4.19 shows the final household consumption expenditure on 'transport and communication services' within population groups for the low-middle expenditure group (E2) in 1998, 2002 and 2005.

Of the composition of final household consumption expenditure on 'transport and communication services' is as follows:

- In 1998, 2002 and 2005, black African-headed households contributed the major proportion (88,0%, 95,4% and 95,6% respectively) to the final household consumption expenditure on 'transport services', followed by coloured-headed households (10,1%, 3,8% and 3,7% respectively).

- In 1998, black African-headed and white-headed households each contributed 37,4% to the final household consumption expenditure on 'communication services', followed by coloured-headed households (21,0%) and Indian/Asian-headed households (4,2%). In 2002 and 2005, black African-headed households contributed the major proportion (86,3% and 91,6% respectively) to the final household consumption expenditure on 'communication services' followed by coloured-headed households (7,7% and 6,2% respectively), white-headed households (4,0% and 1,3% respectively) and Indian/Asian-headed households (2,0% and 1,0% respectively).

Figure 4.19: Distribution of expenditure on transport services and communication within population groups: Low-middle expenditure group (E2), 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005
	Transport			Communication		
White	1,2	0,2	0,4	37,4	4,0	1,3
Indian/Asian	0,8	0,5	0,3	4,2	2,0	1,0
Coloured	10,1	3,8	3,7	21,0	7,7	6,2
Black African	88,0	95,4	95,6	37,4	86,3	91,6

Services

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

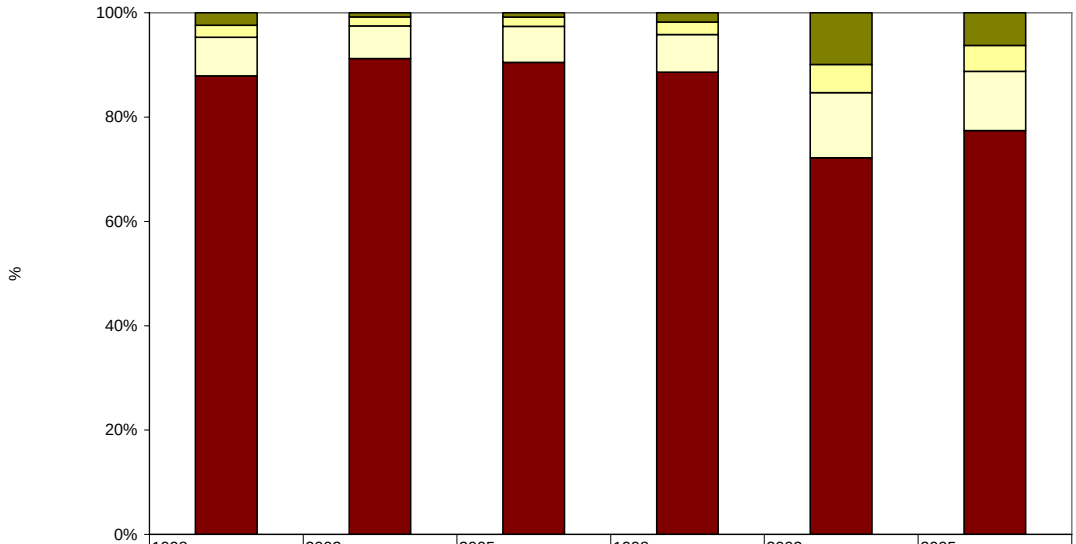
The middle expenditure group

Figure 4.20 shows the final household consumption expenditure on 'transport and communication services' within population groups for the middle expenditure group (E3) in 1998, 2002 and 2005.

Of the composition of final household consumption expenditure on 'transport and communication services' by the middle expenditure group:

- In 1998, black African-headed households contributed approximately 88,0% to the final household consumption expenditure on 'communication services', followed by coloured-headed households (7,4%), white-headed households (2,4%) and Indian/Asian-headed households (2,3%). In 2002 and 2005, black African-headed households contributed the major proportion (91,3% and 90,5% respectively) to the final household consumption expenditure on 'transport services' followed by coloured-headed households (6,3% and 6,9% respectively) and Indian/Asian-headed households (1,7% and 1,8% respectively). The white-headed households remained unchanged at 0,8% in 2002 and 2005.
- In 1998, black African-headed households contributed approximately 88,6% to the final household consumption expenditure on 'communication services' followed by coloured-headed households (7,2%), Indian/Asian-headed households (2,4%) and white-headed households (1,8%). In 2002 and 2005, black African-headed households contributed approximately 72,2% and 77,4% respectively to the final household consumption expenditure on 'communication services', followed by coloured-headed households (12,5% and 11,4% respectively), white-headed households (9,9% and 6,3% respectively) and Indian/Asian-headed households (5,4% and 5,0% respectively).

Figure 4.20: Distribution of expenditure on transport services and communication within population groups: Middle expenditure group (E3), 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005
	Transport			Communication		
White	2,4	0,8	0,8	1,8	9,9	6,3
Indian/Asian	2,3	1,7	1,8	2,4	5,4	5,0
Coloured	7,4	6,3	6,9	7,2	12,5	11,4
Black African	88,0	91,3	90,5	88,6	72,2	77,4

Services

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

The middle-high expenditure group

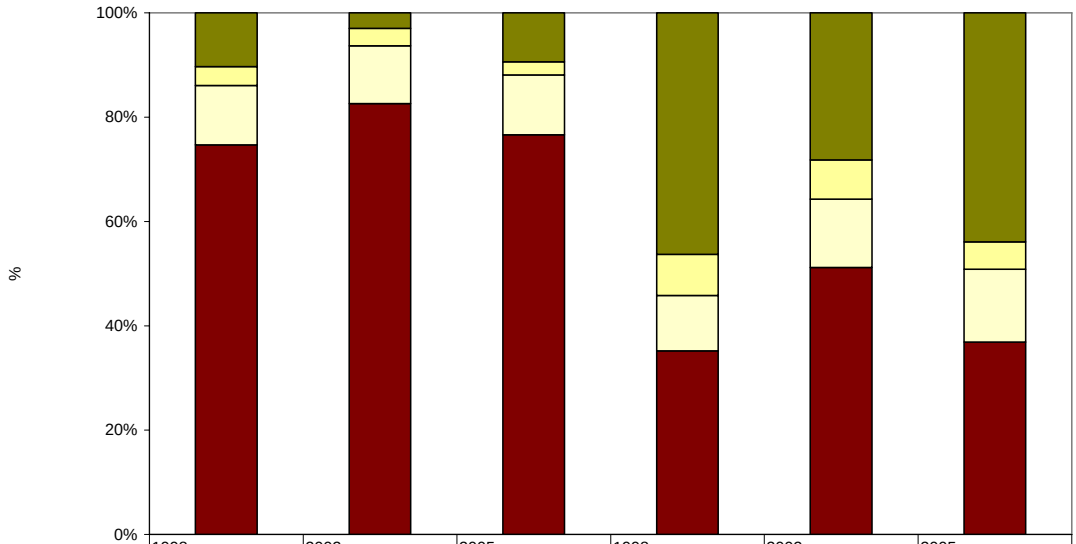
Figure 4.21 shows the percentage of the final household consumption expenditure on 'transport and communication services' within population groups for the middle-high expenditure group (E4) in 1998, 2002 and 2005.

Of the composition of final household consumption expenditure on 'transport and communication services' is as follows:

- In 1998, black African-headed households contributed 74,6% to the final household consumption expenditure on 'transport services', followed by coloured-headed households (11,4%), white-headed households (10,3%) and Indian/Asian-headed households (3,6%). In 2002 and 2005, black African-headed households contributed approximately 82,6% and 76,6% respectively to the final household consumption expenditure on 'transport services', followed by coloured-headed households (11,1% and 11,5% respectively). In 2005 white-headed households (9,4%) contributed to the final household consumption expenditure on 'transport service' more than the Indian/Asian-headed households (2,5%), which is in contrast to 2002 were the Indian/Asian-headed households contributed to the final household consumption expenditure on 'transport service' (3,3%) more than the white-headed households (3,0%).

- In 1998 and 2005, white-headed households contributed approximately 46,3% and 43,9% respectively to the final household consumption expenditure on 'communication services', followed by black African-headed households (35,2% and 36,9% respectively), coloured-headed households (10,6% and 14,0% respectively) and Indian/Asian-headed households (7,9% and 5,2% respectively). In 2002, black African-headed households contributed approximately 51,2% to the final household consumption expenditure on 'communication services', followed by white-headed households (28,2%), coloured-headed households (13,1%) and Indian/Asian-headed households (7,5%).

Figure 4.21: Distribution of expenditure on transport services and communication within population groups: Middle-high expenditure group (E4), 1998, 2002 and 2005 (%)



	1998	2002	2005	1998	2002	2005
	Transport			Communication		
White	10,3	3,0	9,4	46,3	28,2	43,9
Indian/Asian	3,6	3,3	2,5	7,9	7,5	5,2
Coloured	11,4	11,1	11,5	10,6	13,1	14,0
Black African	74,6	82,6	76,6	35,2	51,2	36,9

Services

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

The high expenditure group

Figure 4.22 shows the final household consumption expenditure on 'transport and communication services' within population groups for the high expenditure group (E5) in 1998, 2002 and 2005.

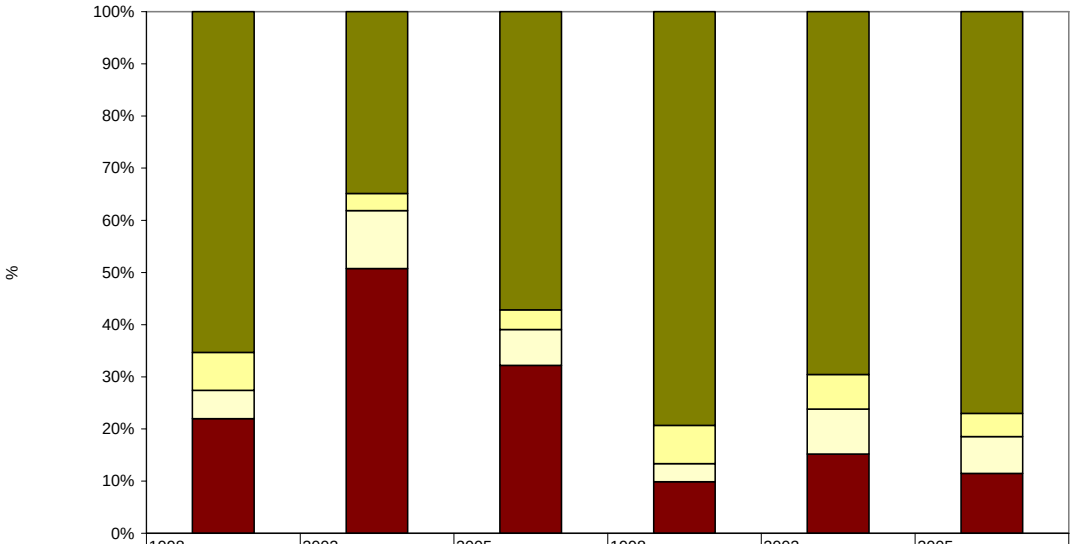
Of the composition of final household consumption expenditure on 'transport and communication services' is as follows:

- In 1998, white-headed households contributed the greatest proportion (65,3%) to the final household consumption expenditure on 'transport services', followed by black African-headed households (22,0%), Indian/Asian-headed households (7,3%) and coloured-headed households (5,4%). This is in contrast with 2002, when black African-headed households contributed 50,7% to the final household consumption expenditure on

'transport services', followed by white-headed households (34,8%), coloured-headed households (11,1%) and Indian/Asian-headed households (3,3%). In 2005, white-headed households contributed 57,2% to the final household consumption expenditure on 'transport services', followed by black African-headed (32,2%), coloured-headed (6,9%) and Indian/Asian-headed (3,8%) households.

- In 2002 and 2005, white-headed households contributed the greatest proportion (69,5% and 77,0% respectively) to the final household consumption expenditure on 'communication services', followed by black African-headed households (15,2% and 11,5% respectively), coloured-headed households (8,6% and 7,0% respectively) and Indian/Asian headed households (6,6% and 4,5% respectively).
- There was an increase in the contribution to final household consumption expenditure on 'communication services' for the black African-headed households from 9,9% in 1998 to 15,2% in 2002 as compared to a decrease in contribution to final household consumption expenditure on 'communication services' for the white-headed households from 79,4% in 1998 to 69,5% in 2002.

Figure 4.22: Distribution of expenditure on transport services and communication within population groups: High expenditure group (E5), 1998, 2002 and 2005 (%)



	Transport			Communication		
	1998	2002	2005	1998	2002	2005
White	65,3	34,8	57,2	79,4	69,5	77,0
Indian/Asian	7,3	3,3	3,8	7,3	6,6	4,5
Coloured	5,4	11,1	6,9	3,5	8,6	7,0
Black African	22,0	50,7	32,2	9,9	15,2	11,5

Services

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)
Note: The percentile cut-off points for 1998, 2002 and 2005 SAMs are different (see Chapter 2)

please scroll down

Chapter 5:.Further analysis of the 1998, 2002 and 2005 SAMs

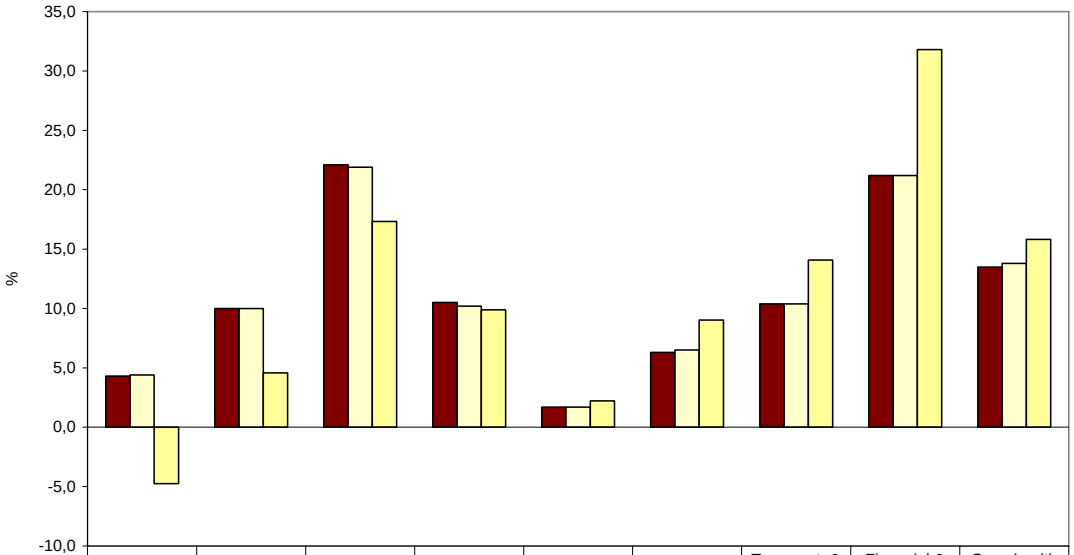
This chapter discusses the financial intermediaries and institutional sectors.

5.1: Consumption of fixed capital

For analysing the consumption of fixed capital, the sub-matrix M(8,2) is applicable. Figure 5.1 shows the percentage of fixed capital consumption by industry for the South African economy in 1998, 2002 and 2005.

- In 1998 and 2002, 'manufacturing industries' made the highest contribution to the consumption of fixed capital (22,1% and 21,9% respectively). This is in contrast with 2005, were the 'financial and business services' (31,8%) made the highest contribution to the consumption of fixed capital.
- The percentage contribution of the 'agricultural industry' was negative in 2005 (-4,7%) as opposed to the 4,3% and 4,4% in 1998 and 2002 respectively.

Figure 5.1: Consumption of fixed capital by industry, 1998, 2002 and 2005 (%)



	Agriculture	Mining	Manufacturing	Utilities	Construction	Trade	Transport & communica-tion	Financial & business services	Gov., health and social services
1998	4,3	10,0	22,1	10,5	1,7	6,3	10,4	21,2	13,5
2002	4,4	10,0	21,9	10,2	1,7	6,5	10,4	21,2	13,8
2005	-4,7	4,6	17,3	9,9	2,2	9,0	14,1	31,8	15,8

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.2: Net acquisition of financial assets by institution

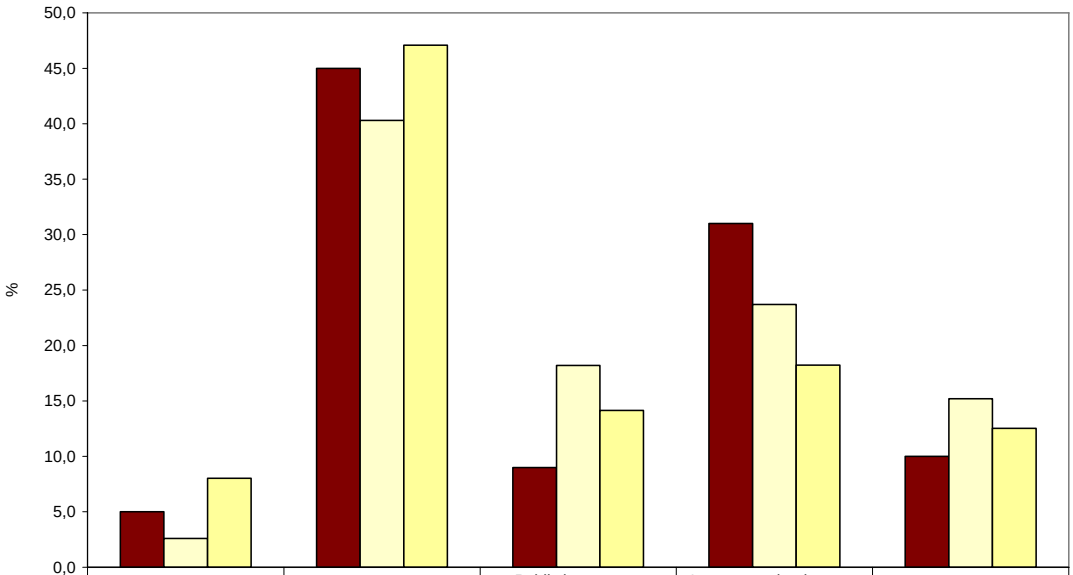
For the net acquisition of financial assets, the sub-matrix M(9,7) is analysed. The financial account (Account III.2) records transactions in financial instruments such as securities, bank deposits, or accounts receivable, and net incurrence of liabilities, such as mortgages, securities, or accounts payable. The balancing item is net lending (+) or net borrowing (-).

5.2.1: Financial intermediaries

Figure 5.2 shows the net acquisition of financial assets by financial intermediaries in 1998, 2002 and 2005.

- The net acquisition of financial assets by 'other monetary institutions' decreased from 45,0% in 1998 to 40,3% in 2002 and increased again to 47,1% in 2005.
- The net acquisition of financial assets by the 'public investment commission' increased from 9,0% in 1998 to 18,2% in 2002 and then decreased to 14,1% in 2005.

Figure 5.2: Net acquisition of financial assets of financial intermediaries, 1998, 2002 and 2005 (%)



	Monetary authority	other monetary institutions	Public investment commission	Insurers and retirement funds	Other financial institutions
1998	5,0	45,0	9,0	31,0	10,0
2002	2,6	40,3	18,2	23,7	15,2
2005	8,0	47,1	14,1	18,2	12,5

Industry

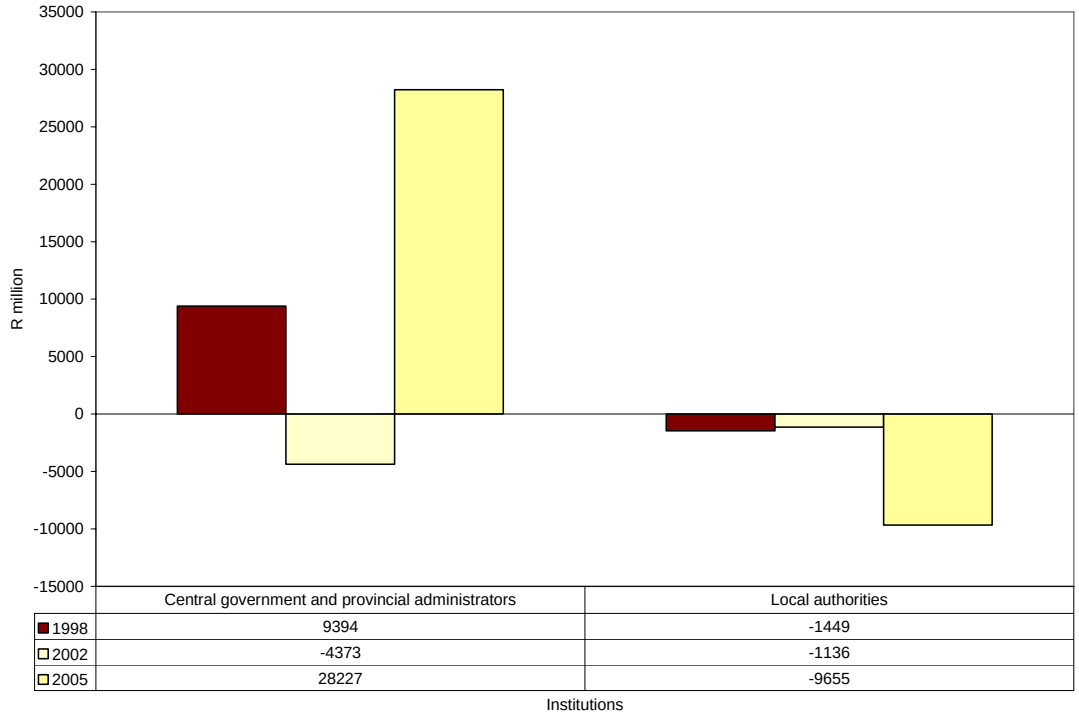
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.2.2. General government

Figure 5.3 shows the net acquisition of financial assets of central government, provincial administrations and local authorities in millions of rand.

- 'Local authorities' incurred net financial liabilities of R1 449 million in 1998, R1 136 million in 2002 and R9 655 million in 2005.
- 'Central government and provincial administration' had a net acquisition of financial assets of R9 394 million in 1998 and incurred net financial liabilities of R4 373 million in 2002 and recovered with a net acquisition of financial assets of R28 227 million in 2005.

Figure 5.3: Net acquisition of financial assets of general government, 1998, 2002 and 2005 (R million)



	Central government and provincial administrators	Local authorities
1998	9394	-1449
2002	-4373	-1136
2005	28227	-9655

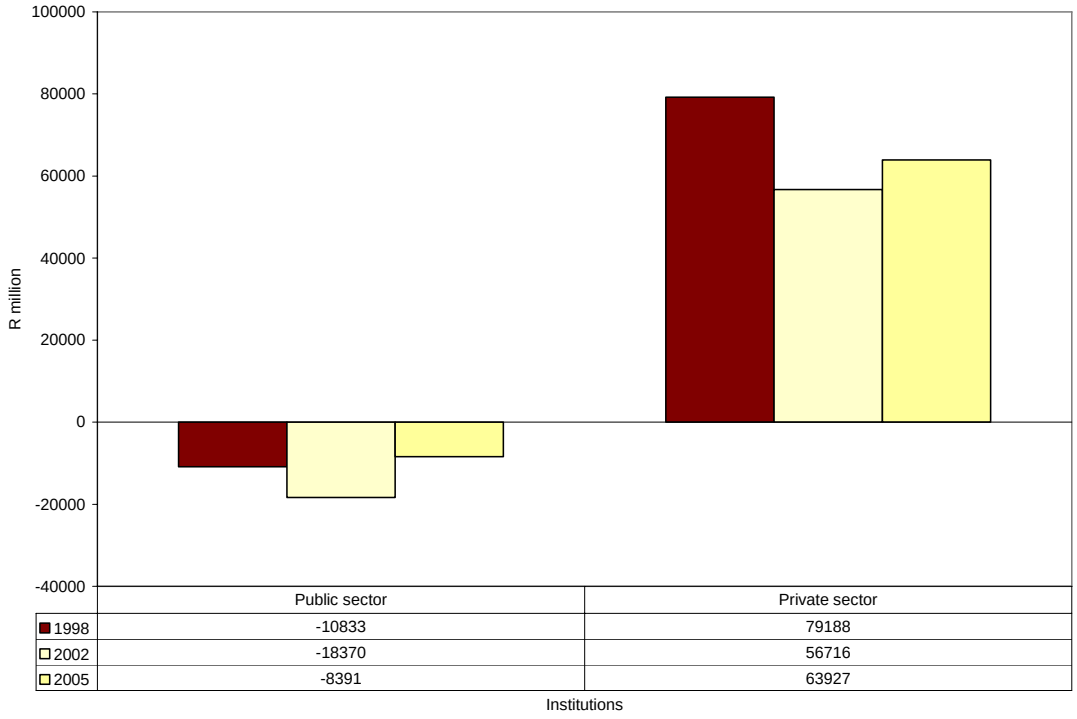
Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.2.3: Corporate business enterprises

Figure 5.4 shows the net acquisition of financial assets of corporate business enterprises in millions of rand.

- The 'public sector' incurred net liabilities of R10 833 million in 1998, R18 370 million in 2002 and R8 391 million in 2005.
- The 'private sector' had a net acquisition of financial assets of R79 188 million in 1998, R56 716 million in 2002 and R63 927 million in 2005.

Figure 5.4: Net acquisition of financial assets of corporate business enterprises, 1998, 2002 and 2005 (R million)



	Public sector	Private sector
1998	-10833	79188
2002	-18370	56716
2005	-8391	63927

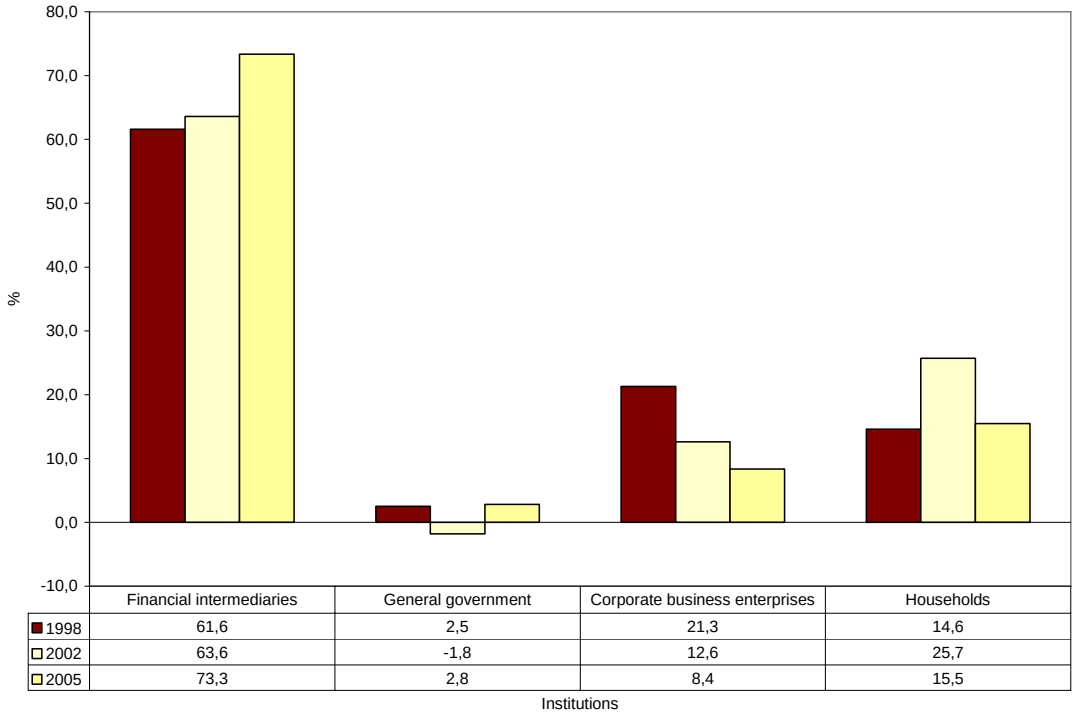
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.2.4: Overall acquisitions of financial assets

Figure 5.5 shows the percentage of net acquisitions of financial assets by type of institution.

- The net acquisitions of financial assets by 'financial intermediaries' increased from 61,6% in 1998 to 63,6% in 2002 and increased further to 73,3% in 2005.
- 'General government' acquisitions of financial assets decreased from 2,5% in 1998 to -1,8% in 2002 and increased to 2,8% in 2005.
- 'Corporate business enterprises' acquisitions of financial assets decreased from 21,3% in 1998 to 12,6% in 2002 and decreased further to 8,4% in 2005.
- The net acquisitions of financial assets of by 'households' increased from 14,6% in 1998 to 25,7% in 2002 and decreased to 15,5% in 2005.

Figure 5.5: Net acquisition of financial assets per type of institution, 1998, 2002 and 2005 (%)



	Financial intermediaries	General government	Corporate business enterprises	Households
1998	61,6	2,5	21,3	14,6
2002	63,6	-1,8	12,6	25,7
2005	73,3	2,8	8,4	15,5

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.3: Current transfers

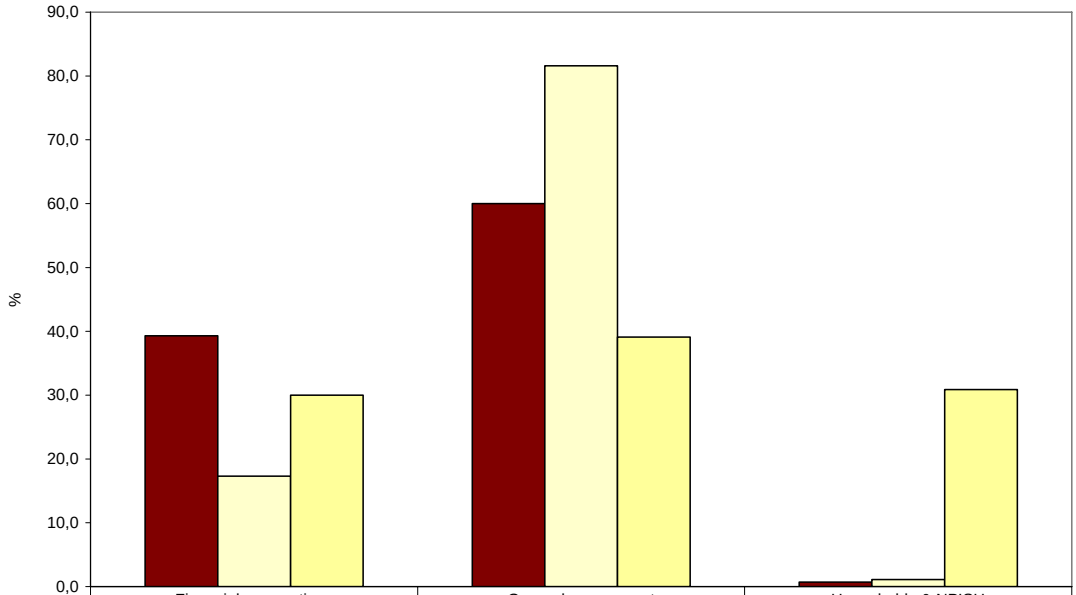
This section includes current taxes on income, wealth, etc, social contributions and benefits and other current transfers.

5.3.1: Non-financial corporations

Figure 5.6 shows the percentage of current transfers to non-financial corporations from other institutions.

- In 2005, non-financial corporations received current transfers primarily from 'general government' (39,1%) followed by 'households and non-profit institutions serving households' (NPISHs) (30,9%) and 'financial corporations' (30,0%) as opposed to 1998 and 2002 were non-financial corporations received current transfers primarily from 'general government' (60,0% and 81,6% respectively), followed by 'financial corporations' (39,3% and 17,3% respectively) and 'households and NPISHs' (0,7% and 1,1% respectively).

Figure 5.6: Distribution of current transfers to non-financial corporations from other institutions, 1998, 2002 and 2005 (%)



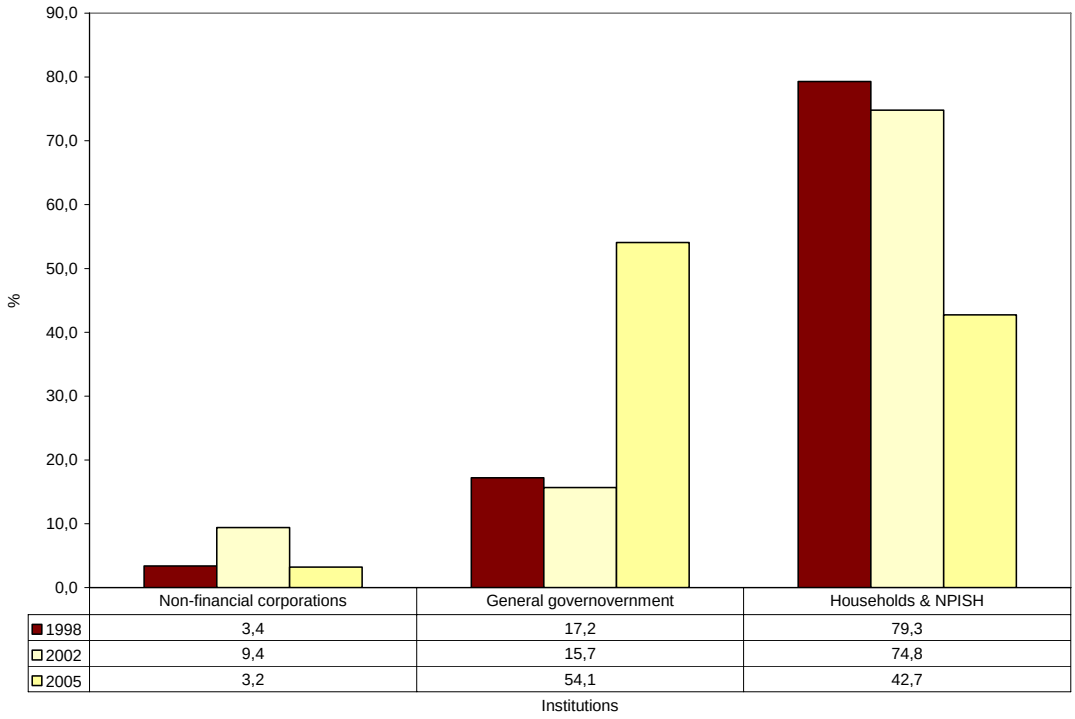
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.3.2: Financial corporations from other institutions

Figure 5.7 shows the percentage of current transfers to financial corporations from other institutions.

- In 1998 and 2002, 'households and NPISHs' were the primary contributors of current transfer to financial corporations (79,3% and 74,8% respectively), followed by 'general government' (17,2% and 15,7% respectively) and 'non-financial corporations' (3,4% and 9,4% respectively).
- This is in contrast to 2005, were 'financial corporations' received current transfers primarily from 'general government' (54,1%) and 'households and NPISHs' (42,7%) and 'non-financial corporations' (3,2%).

Figure 5.7: Distribution of current transfers to financial corporations from other institutions, 1998, 2002 and 2005 (%)



	Non-financial corporations	General governovernment	Households & NPISH
1998	3,4	17,2	79,3
2002	9,4	15,7	74,8
2005	3,2	54,1	42,7

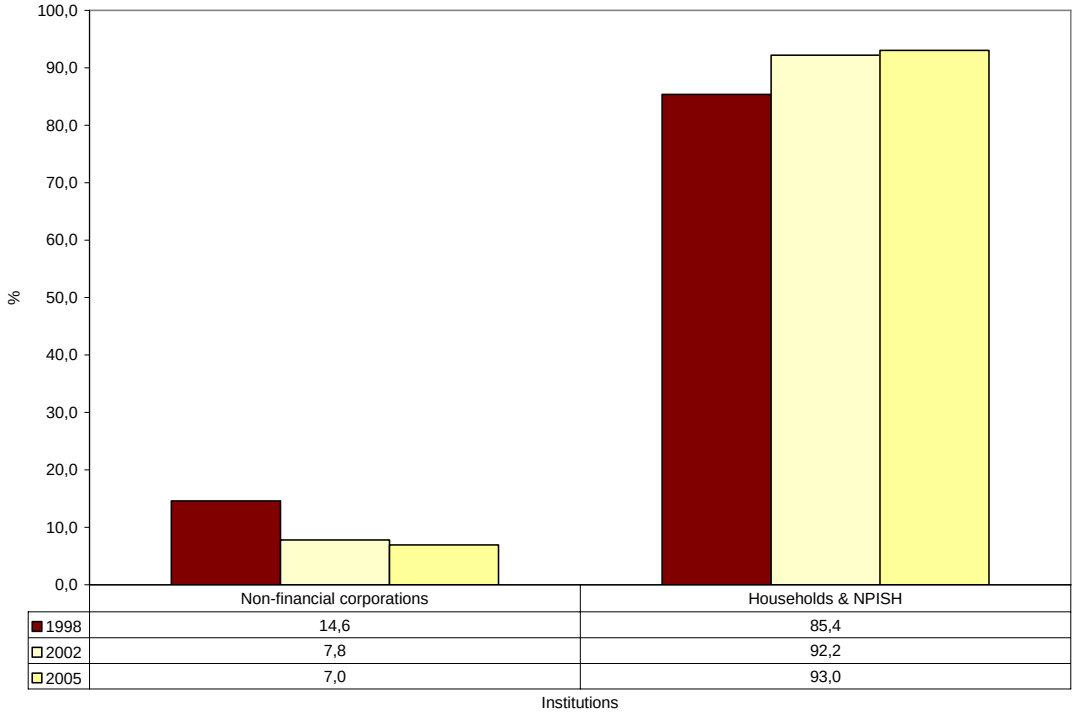
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.3.3: Financial corporations to other institutions

Figure 5.8 shows the percentage of current transfers from financial corporations to other institutions.

- In 1998, 2002 and 2005, financial corporations were a source of current transfers primarily for 'households and NPISHs' (85,4%, 92,2% and 93,0% respectively) and 'non-financial corporations' (14,6%, 7,8% and 7,0% respectively).

Figure 5.8: Distribution of current transfers from financial corporations to other institutions, 1998, 2002 and 2005 (%)



	Non-financial corporations	Households & NPISH
1998	14,6	85,4
2002	7,8	92,2
2005	7,0	93,0

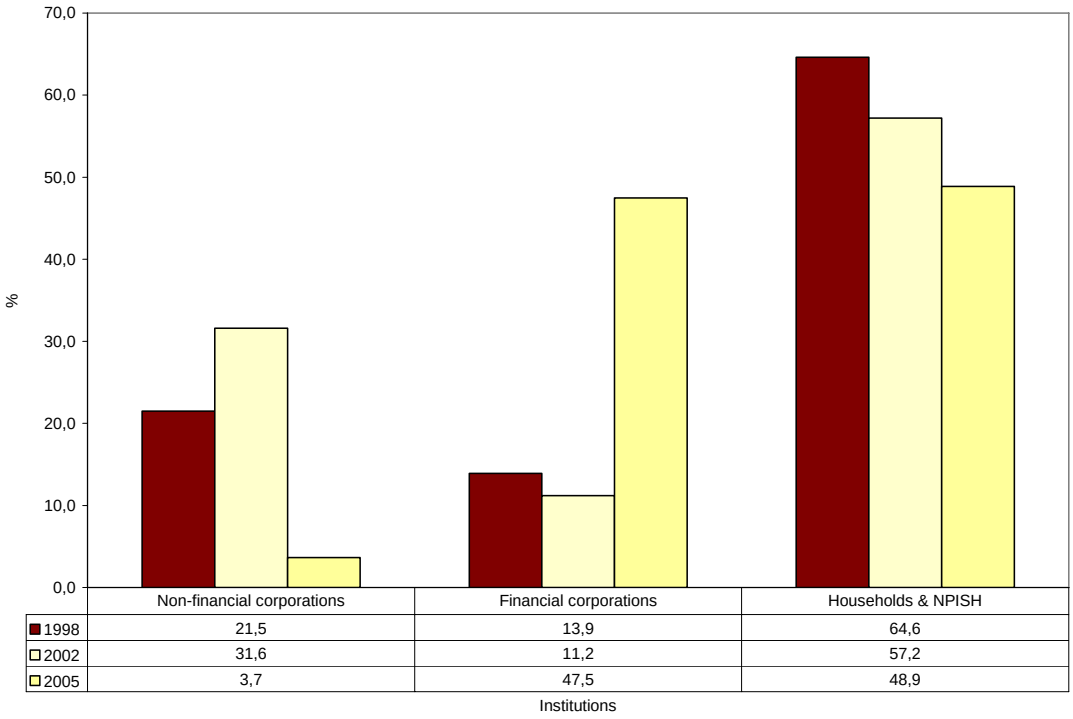
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.3.3: General government

Figure 5.9 shows the percentage of current transfers from general government to other institutions.

- The distribution of current transfers from general government to other institutions in 1998 and 2002 went mainly to 'households and NPISHs' (64,6% and 57,2% respectively), 'non-financial corporations' (21,5% and 31,6% respectively) and 'financial corporations' (13,9% and 11,2% respectively).
- In 2005, general government was a source of current transfers to 'households and NPISHs' (48,9%), 'financial corporations' (47,5%) and 'non-financial corporations' (3,7%).

Figure 5.9: Distribution of current transfers from government to other institutions, 1998, 2002 and 2005 (%)



	Non-financial corporations	Financial corporations	Households & NPISH
1998	21,5	13,9	64,6
2002	31,6	11,2	57,2
2005	3,7	47,5	48,9

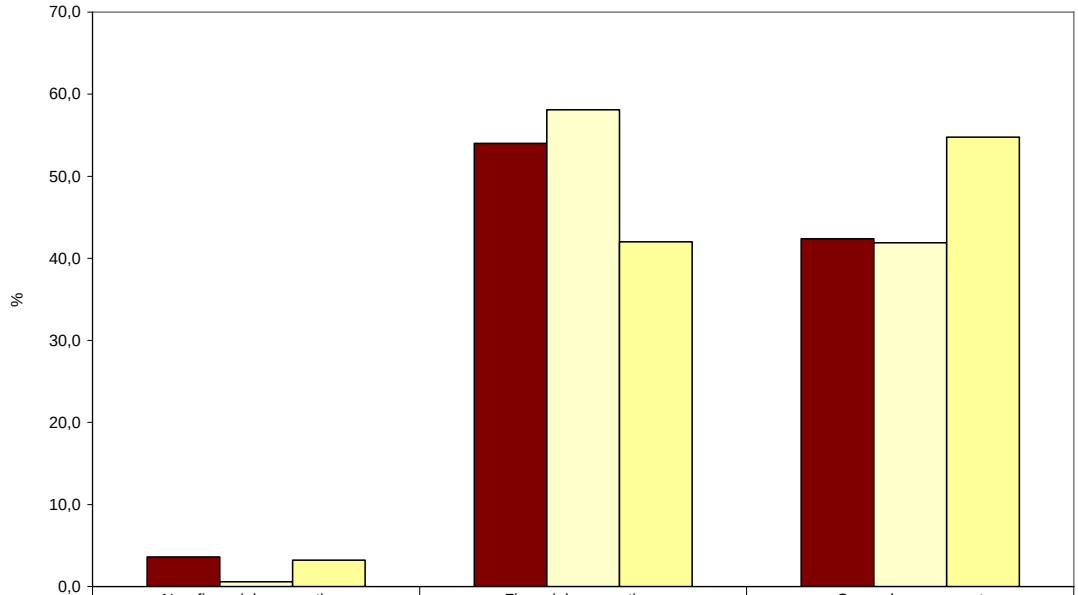
Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

5.3.4: Households and non-profit intuitions serving households

Figure 5.10 shows the current transfers to households and NPISHs from other institutions.

- In 1998 and 2002 households and NPISHs received current transfers primarily from 'financial corporations' (54,0% and 58,1% respectively), and 'general government' (42,4% and 41,9% respectively).
- In 2005, households and NPISHs received current transfers primarily from 'general government' (54,8%) and 'financial corporations' (42,0%).

Figure 5.10: Distribution of current transfers to households and non-profit institution serving households to other institutions from other institutions, 1998, 2002 and 2005 (%)



	Non-financial corporations	Financial corporations	General government
1998	3,6	54,0	42,4
2002	0,6	58,1	41,9
2005	3,2	42,0	54,8

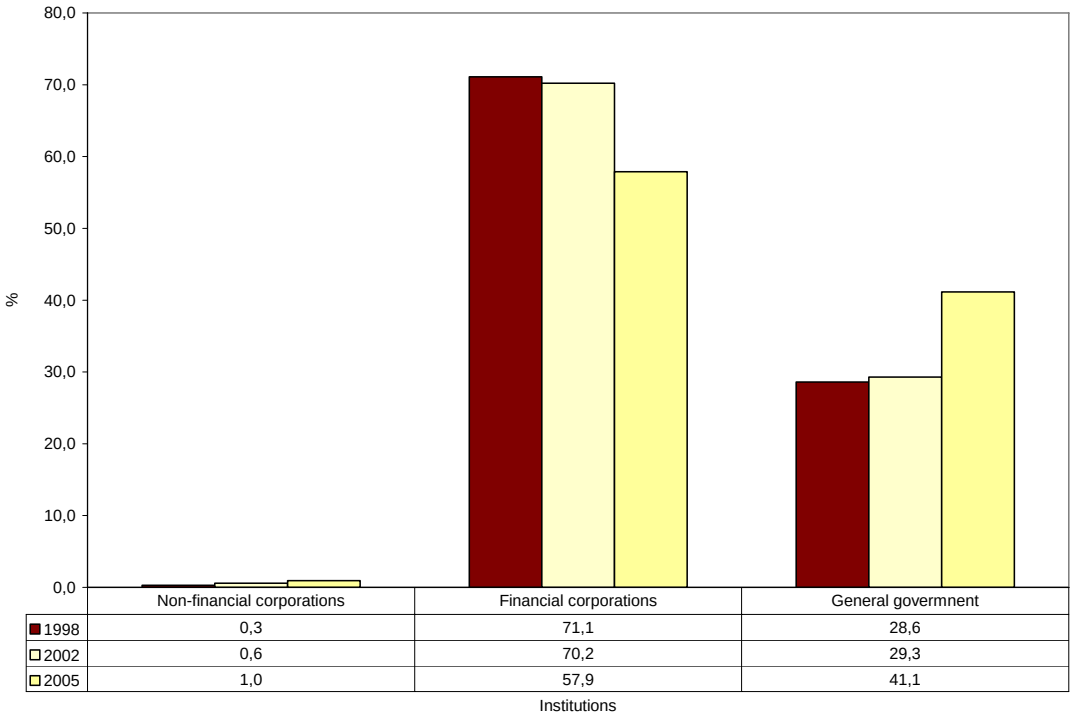
Institutions

Source: Statistics South Africa, *1998 SAM*, Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 5.11 shows the percentage of current transfers from households and NPISHs to other institutions.

- In 1998, 2002 and 2005, households and NPISHs were a source of current transfers to 'financial corporations' (71,1%, 70,2% and 57,9% respectively), 'general government' (28,6%, 29,3% and 41,1% respectively) and 'non-financial corporations' (0,3%, 0,6% and 1,0% respectively).

Figure 5.11: Distribution of current transfers from households and non-profit institution serving households to other institutions, 1998, 2002 and 2005 (%)



	Non-financial corporations	Financial corporations	General govermnent
1998	0,3	71,1	28,6
2002	0,6	70,2	29,3
2005	1,0	57,9	41,1

Source: Statistics South Africa, *1998 SAM,* Report No. 04-02-03 (1998), *2002 SAM*, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

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Chapter 6: External Matrices

This section discusses the external submatrices included in the 2005 SAM, namely, labour accounts, taxes on products and final intermediate consumption expenditure of national and provincial government. For future improvements, Stats SA is considering to compile an external matrix for the intermediate consumption expenditure of general government (general government is comprises of national government, provincial government, extra-budgetary accounts and funds, universities, universities of technology and further education training (FET) and the non-trading services of municipalities) in the forthcoming SAM.

6.1. Labour Accounts

Labour accounts were introduced as external sub-matrices in the 2002 SAM. They can be described as a statistical system of core variables (for example, gender, number of employees, educational qualification, etc.) regarding the labour force, acquired through the integration of different datasets. The accounts consist of a set of tables providing a systematic and consistent overview, mutually and over time, of the dynamics of these core variables and therefore include all economic activities, jobs and work as well as the entire labour force.

Labour accounts offer a framework to integrate labour market data from all kinds of data sources. The principal characteristics of this framework are labour input aggregates (persons, jobs, hours, educational qualification, etc.), which describe supply and demand in the labour market as well as labour payment (as income and as costs), both categorised by relevant characteristics.

The development of labour accounts has many benefits. The most important of these are as follows:

- ***Optimality with respect to definitions***: The definitions used in various data sources (especially administrative data sources) often do not coincide with the statistical concepts needed by national users and for international comparison. The construction of labour accounts allows for transforming inadequate definitions from available data sources into standardised definitions. For example, breaks in concepts in administrative data and questionnaire changes can be substantially remedied by making use of an accounting framework.
- ***Reduction of data collection costs***: With the help of labour accounts, one can reduce the need for asking the same question in different surveys to a minimum, taking into account quality control and inter-linkages.
- ***Improvement on data quality checks***: Relations between variables play a prominent role within labour accounts. For example, supply of labour (by personal characteristics) should be equal on the account to demand identified through filled positions (in all industries); wages and salaries in a specific industry should be equal to total employment in that industry multiplied by the average wage rate; and the combination of flows and previous stocks should lead to closing stocks for the period within the account.
- ***Increased timeliness***: Although initially the integration of data in an accounting system might be time-consuming, eventually more reliable timely indicators may be estimated by using the accounting system to extrapolate more accurate information based on less complete information than is available for a more recent period.
- ***Greater flexibility***: Although the core variables of accounting systems will remain quite stable over time, introducing additional detail within an accounting system has the advantage that the consistency with different standard classifications remains intact.

The core variables of labour accounts are educational qualification, jobs, number of employees, hours, gender, population group, and urban and non-urban areas, etc. For this

report, the focus is more on educational qualification, population group, gender, and employment in different sectors. The detailed explanation of the compilation of labour accounts can be found in the discussion paper 'Labour accounts for South Africa' ((D0403) (2005)) on the Stats SA website (www.statssa.gov.za).

Labour force Survey, 2005

The LFS is a twice-yearly household survey, specifically designed to measure the labour market. It also provides insight into a variety of issues related to the labour market, including the level and pattern of unemployment and the industrial and occupational structure of the economy.

Detailed information was collected about the labour market situation of approximately 78 653 adults of working age (15–65 years) living in over 30 000 households across the country. The households living in sampled dwelling units in each of the nine provinces were visited by field staff employed and trained by Stats SA, and an LFS questionnaire was completed through face-to-face interviews for each household visited.

6.1.1: Educational profile of the South African labour force

Figures 6.1 to 6.9 show the educational profile of the labour force[4] of South Africa in 2005 (12 301 000) workers and in 2002 (11 296 000) workers. Table 5 shows the South African labour force by highest level of education, population group and gender, for 2002 and 2005. In 2005, the total labour force of South Africa consisted of 7 056 000 or 57,4% male workers and 5 242 000 or 42,6% female workers. In 2002, the total labour force of South Africa consisted of 6 613 000 or 58,5% male workers and 4 683 000 or 41,5% female workers.

Table 5: The South African labour force by highest level of education, population group and gender, 2002 and 2005 ('000)

Population group	No schooling		Primary school		Secondary school		Tertiary		Unspecified		Total	
	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
Black African	715	651	2 199	2 097	3 722	4 737	796	988	88	50	**7 520**	**8 523**
Coloured	63	36	299	253	784	882	126	130	24	32	**1 296**	**1 333**
Indian/Asian	0	4	17	15	320	332	94	91	1	1	**433**	**443**
White	1	1	12	8	1 164	1 163	859	818	11	12	**2 046**	**2 002**
Total	**780**	**692**	**2 528**	**2 373**	**5 990**	**7 114**	**1 875**	**2 027**	**124**	**95**	**11 296**	**12 301**
Gender												
Total Male	**434**	**361**	**1 507**	**1 437**	**3 593**	**4 138**	**997**	**1 059**	**82**	**59**	**6 613**	**7 056**
Total Female	**347**	**329**	**1 021**	**934**	**2 396**	**2 975**	**878**	**969**	**42**	**35**	**4 683**	**5 242**

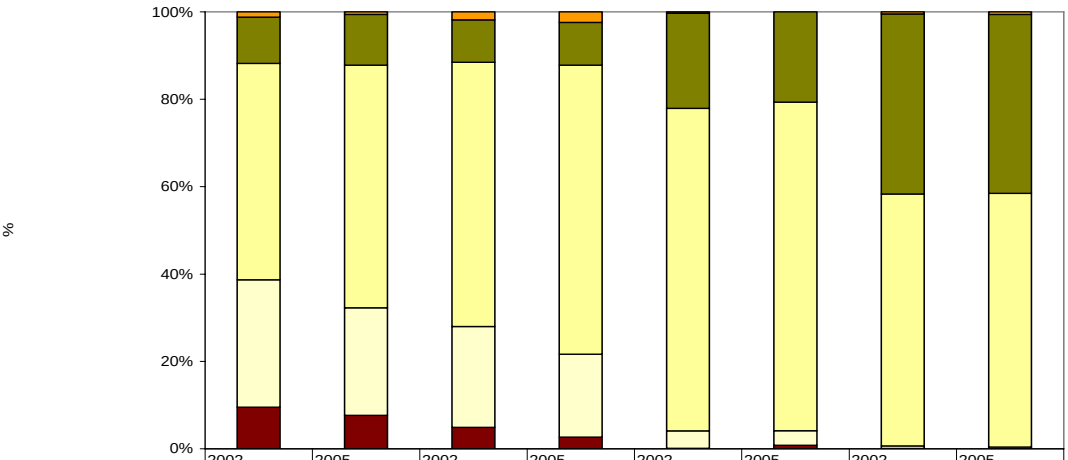
Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

[4] All employed and unemployed persons of working age between 15 and 65

Figure 6.1 shows the South African labour force by population group and highest level of education.

- In 2002 and 2005, the highest level of education of black African workers was 'secondary school' education (49,5% and 55,6% respectively), followed by 'primary school' education (29,2% and 24,6% respectively) and 'higher' education (10,6% and 11,6% respectively).
- The highest level of education for white workers in 2002 and 2005 was 'secondary school' education (56,8% and 58,1% respectively) and 'higher' education (42,0% and 40,9% respectively).

Figure 6.1: South African labour force by population group and highest level of education, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	Black African		Coloured		Indian/Asian		White	
Unspecified	1,2	0,6	1,8	2,4	0,3	0,0	0,5	0,6
Higher	10,6	11,6	9,7	9,8	21,8	20,6	42,0	40,9
Secondary school	49,5	55,6	60,5	66,1	73,8	75,2	58,8	58,1
Primary school	29,2	24,6	23,1	19,0	4,0	3,4	0,6	0,4
No schooling	9,5	7,6	4,9	2,7	0,1	0,8	0,1	0,0

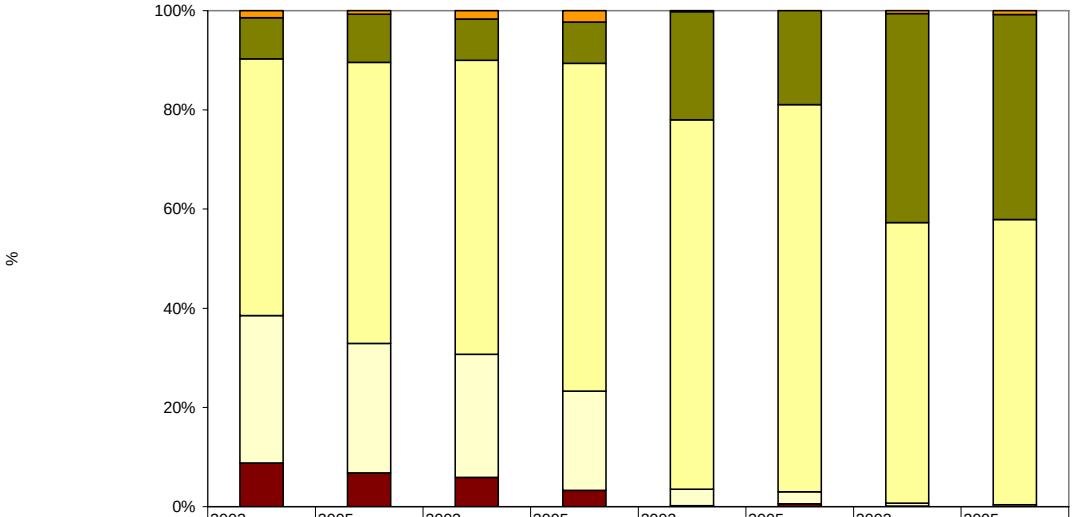
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.2 shows the South African male labour force by population group and highest level of education in 2002 and 2005.

- In 2002 and 2005 the highest level of education for male workers from all population groups was 'secondary school' education with Indian/Asian male workers (74,5% and 78,0% respectively), followed by coloured male workers (59,3% and 66,2% respectively), white male workers (56,8% and 57,5% respectively) and black African male workers (51,7% and 56,6% respectively).
- In 2002 and 2005 'primary school' education was the second highest level of education obtained for black African male workers (29,7% and 26,1% respectively) and coloured male workers (24,8% and 20,0% respectively).
- The second highest level of education obtained in 2002 and 2005 was 'higher' education for white male workers (42,3% and 41,3% respectively) and Indian/Asian male workers (21,8% and 18,9% respectively).

Figure 6.2: South African male labour force by population group and highest level of education, 2002 and 2005 (%)



	Black African		Coloured		Indian/Asian		White	
	2002	2005	2002	2005	2002	2005	2002	2005
Unspecified	1,4	0,7	1,7	2,3	0,2	0,0	0,6	0,8
Higher	8,3	9,7	8,3	8,3	21,8	18,9	42,3	41,3
Secondary school	51,7	56,6	59,3	66,2	74,5	78,0	56,8	57,5
Primary school	29,7	26,1	24,8	20,0	3,3	2,4	0,6	0,4
No schooling	8,8	6,8	5,9	3,3	0,2	0,6	0,1	0,0

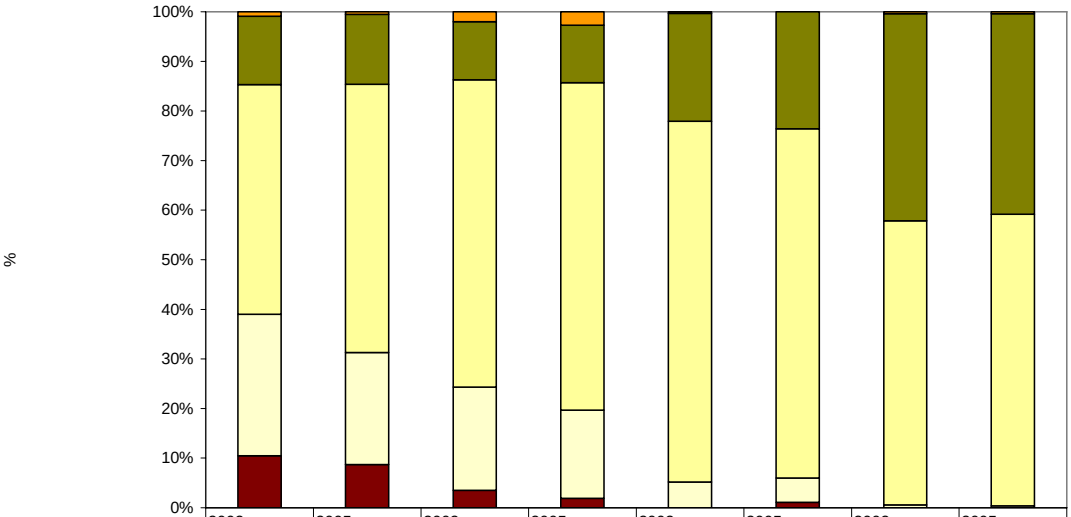
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.3 shows the South African female labour force by population group and highest level of education.

- In 2002 and 2005, the highest level of education for coloured female workers was 'secondary school' education (61,9% and 66,1% respectively), 'primary school' education (20,8% and 17,8% respectively) and 'higher' education (11,7% and 11,6% respectively).
- In 2002 and 2005 for white female workers the highest level of education was 'secondary school' education (56,8% and 58,8% respectively), 'higher' education (41,4% and 40,4% respectively) and 'primary' school education (0,6% and 0,4% respectively).

Figure 6.3: South African female labour force by population group and highest level of education, 2002 and 2005 (%)



	Black African		Coloured		Indian/Asian		White	
	2002	2005	2002	2005	2002	2005	2002	2005
Unspecified	0,9	0,5	2,0	2,7	0,3	0,0	0,4	0,4
Higher	13,8	14,1	11,7	11,6	21,8	23,6	41,4	40,4
Secondary school	46,3	54,1	61,9	66,1	72,8	70,3	56,8	58,8
Primary school	28,5	22,6	20,8	17,8	5,2	4,9	0,6	0,4
No schooling	10,5	8,7	3,5	1,9	0,0	1,1	0,0	0,0

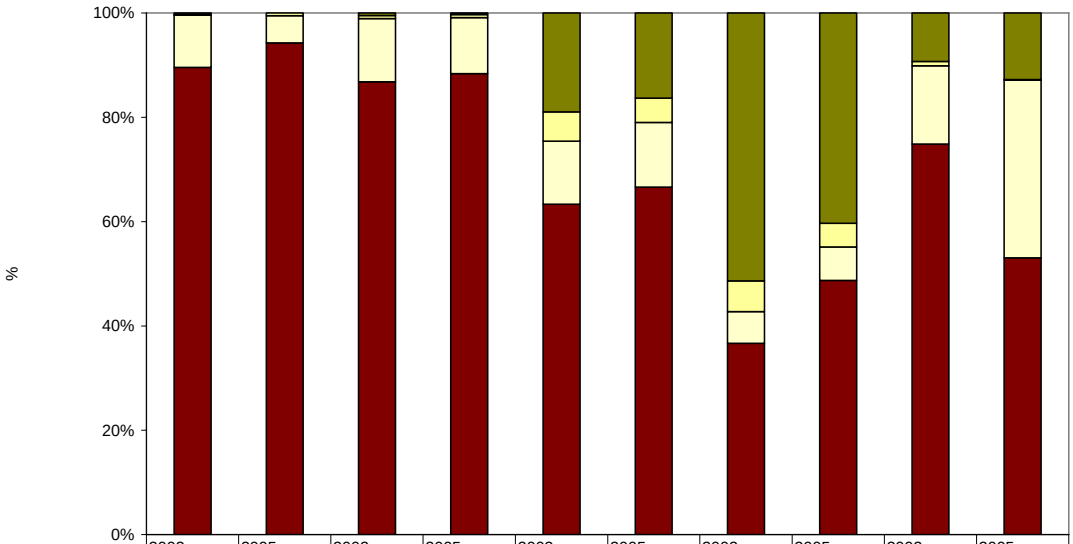
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.4 shows the South African labour force by highest level of education and within population groups in 2002 and 2005.

- In 2002 and 2005, black African workers constituted 63,4% and 66,6% respectively of the South African labour force with 'secondary school' education, followed by white workers (19,0% and 16,3% respectively), coloured workers (12,1% and 12,4% respectively) and Indian/Asian workers (5,6% and 4,7% respectively).
- In 2002, white workers constituted 51,4% of the South African labour force with 'higher' education, followed by black African workers (36,7%), coloured workers (6,1%) and Indian/Asian workers (5,9%). In 2005, black African workers constituted 48,7% of the South African labour force with 'higher' education, followed by white workers (40,3%), coloured workers (6,4%) and Indian/Asian workers (4,5%).

Figure 6.4: South African labour force by highest level of education and within population groups, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher		Unspecified	
White	0,3	0,0	0,5	0,3	19,0	16,3	51,4	40,3	9,3	12,8
Indian/Asian	0,1	0,5	0,6	0,6	5,6	4,7	5,9	4,5	0,8	0,1
Coloured	10,0	5,2	12,1	10,7	12,1	12,4	6,1	6,4	15,0	34,1
Black African	89,6	93,4	86,8	88,4	63,4	66,6	36,7	48,7	74,8	53,1

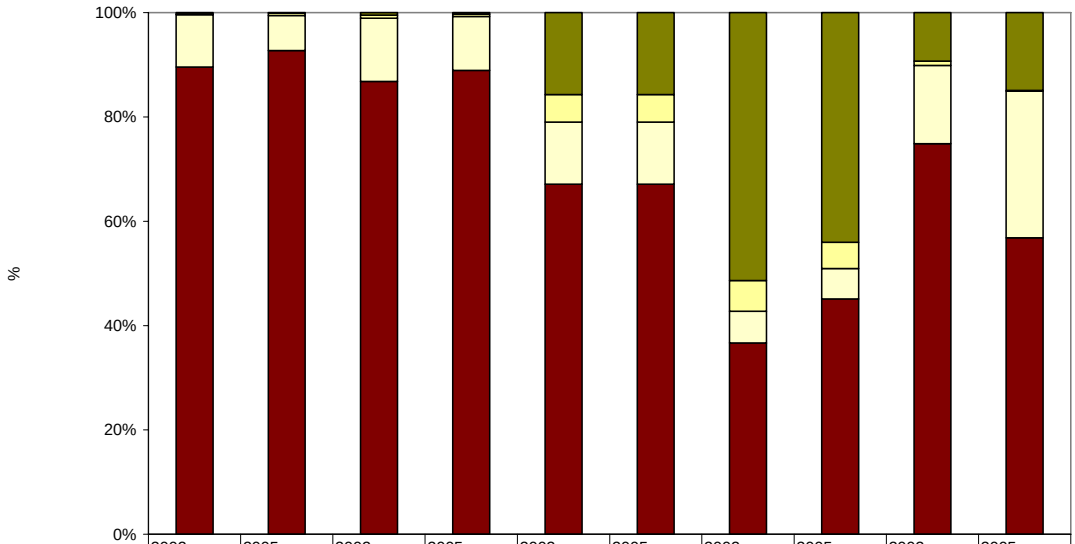
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.5 shows the South African male labour force by highest level of education and within population groups in 2002 and 2005.

- In 2002, black African male workers constituted 89,6% of the South African male labour force with 'no schooling', followed by coloured male workers (10,0%), white male workers (0,3%) and Indian/Asian male workers (0,1%). In 2005, black African male workers constituted 92,7% of the South African male labour force with 'no schooling', followed by coloured male workers (6,7%), Indian/Asian male workers (0,5%) and white male workers (0,1%).
- In 2002, white male workers constituted more than half (51,4%) of the South African male labour force with 'higher' education, followed by black African male workers (36,7%), coloured male workers (6,1%) and Indian/Asian male workers (5,9%). In 2005, black African male workers constituted 45,1% of the South African male labour force with 'higher' education, followed by white male workers (44,0%), coloured male workers (5,9%) and Indian/Asian male workers (5,0%).
- In 2002 and 2005, black African male workers constituted more than four-fifths (86,8% and 88,9% respectively) of the South African male labour force with 'primary school' education, followed by coloured male workers (12,1% and 10,3% respectively), Indian/Asian male workers (0,6% and 0,5 % respectively) and white male workers (0,5% and 0,3% respectively).

Figure 6.5: South African male labour force by highest level of education and within population group, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher		Unspecified	
White	0,3	0,1	0,5	0,3	15,7	15,7	51,4	44,0	9,3	14,9
Indian/Asian	0,1	0,5	0,6	0,5	5,3	5,3	5,9	5,0	0,8	0,1
Coloured	10,0	6,7	12,1	10,3	11,9	11,9	6,1	5,9	15,0	28,1
Black African	89,6	92,7	86,8	88,9	67,1	67,1	36,7	45,1	74,8	56,8

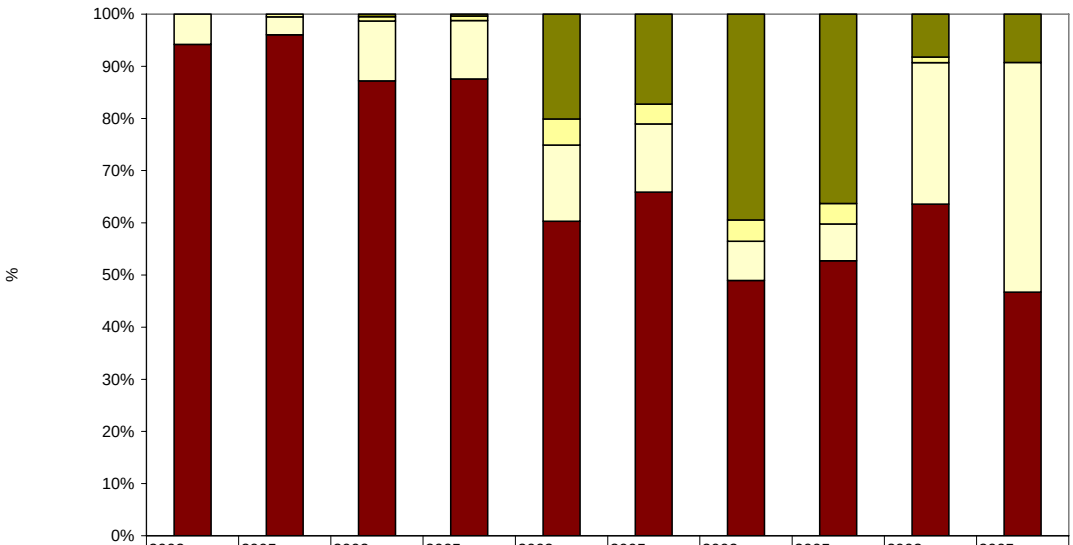
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.6 shows the South African female labour force by highest level of education and within population groups in 2002 and 2005.

- In 2002 and 2005, black African female workers constituted 49,0% and 52,7% respectively of the South African female labour force with 'higher' education, followed by white female workers (39,5% and 36,3% respectively), coloured female workers (7,5% and 7,1% respectively) and Indian/Asian female workers (4,1% and 3,9% respectively).
- In 2002 and 2005, black African female workers constituted 87,2% and 87,5% respectively of the South African female labour force with 'primary school' education, followed by coloured female workers (11,5% and 11,2% respectively), Indian/Asian female workers (0,8% and 0,9% respectively) and white female workers (0,5% and 0,4% respectively).
- In 2002 and 2005, black African female workers constituted 60,3% and 65,9% respectively of the South African female labour force with 'secondary school' education, followed by white female workers (20,1% and 17,2% respectively), coloured female workers (14,6% and 13,1% respectively) and Indian/Asian female workers (5,0% and 3,8% respectively).

Figure 6.6: South African female labour force by highest level of education and within population groups, 2002 and 2005 (%)



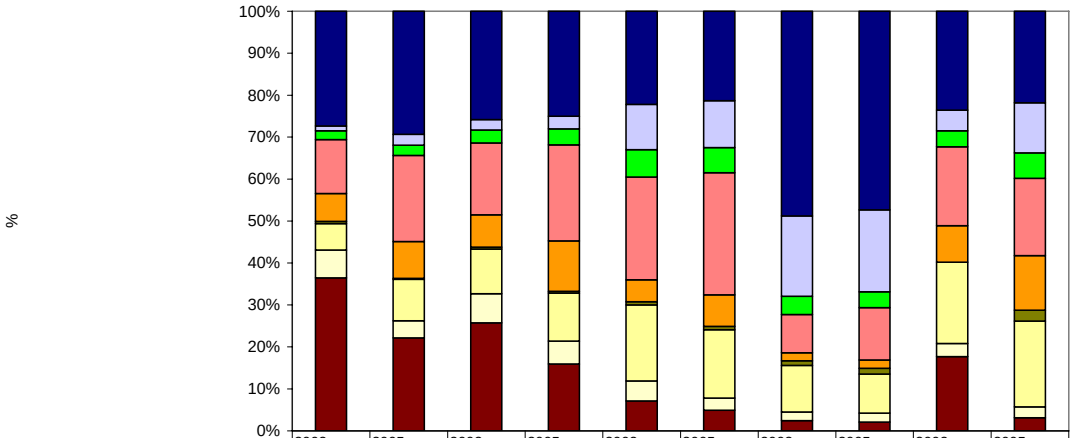
	No schooling		Primary school		Secondary school		Higher		Unspecified	
	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
White	0,0	0,0	0,5	0,4	20,1	17,2	39,5	36,3	8,2	9,3
Indian/Asian	0,0	0,5	0,8	0,9	5,0	3,8	4,1	3,9	1,1	0,0
Coloured	5,8	3,4	11,5	11,2	14,6	13,1	7,5	7,1	27,1	44,0
Black African	94,2	96,0	87,2	87,5	60,3	65,9	49,0	52,7	63,6	46,7

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.7 shows the South African labour force by highest level of education and within industries for 2002 and 2005.

- In 2002, the majority of the South African labour force with 'no schooling' was employed in the agriculture industry (36,8%), followed by government, health and social services (27,6%) and the trade industry (13,0%). In 2005, the majority of the South African labour force with 'no schooling' was employed in the government, health and social services (29,3%), agriculture (22,1%) and trade (20,5%) industries.
- In 2002, the majority of the South African labour force with 'higher' education were also employed in the government, health and social services (48,8%), finance and business services (19,1%) and the manufacturing industry (11,1%). In 2005, the majority of the South African labour force with 'higher' education were employed in the government, health and social services (47,3%), finance and business services (19,5%) and the trade industry (12,4%).

Figure 6.7: South African labour force by highest level of education and industry, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher		Unspecified	
Government, health & social services	27,6	29,3	25,8	25,0	22,2	21,3	48,8	47,3	23,6	21,8
Finance & business services	1,2	2,6	2,5	3,0	10,8	11,2	19,1	19,5	4,9	11,9
Transport & communication services	2,1	2,4	3,1	3,8	6,5	6,0	4,4	3,8	3,8	6,1
Trade	13,0	20,5	17,1	22,9	24,5	29,1	9,1	12,4	18,8	18,4
Construction	6,7	8,8	7,7	12,0	5,2	7,5	1,9	2,0	8,7	13,0
Water & electricity	0,5	0,2	0,5	0,4	0,8	0,8	1,1	1,4	0,0	2,6
Manufacturing	6,4	9,9	10,6	11,4	18,1	16,3	11,1	9,3	19,4	20,4
Minig	6,7	4,1	7,0	5,5	4,8	2,9	2,1	2,1	3,1	2,6
Agriculture	36,8	22,1	25,7	15,9	7,1	4,9	2,4	2,1	17,7	3,1

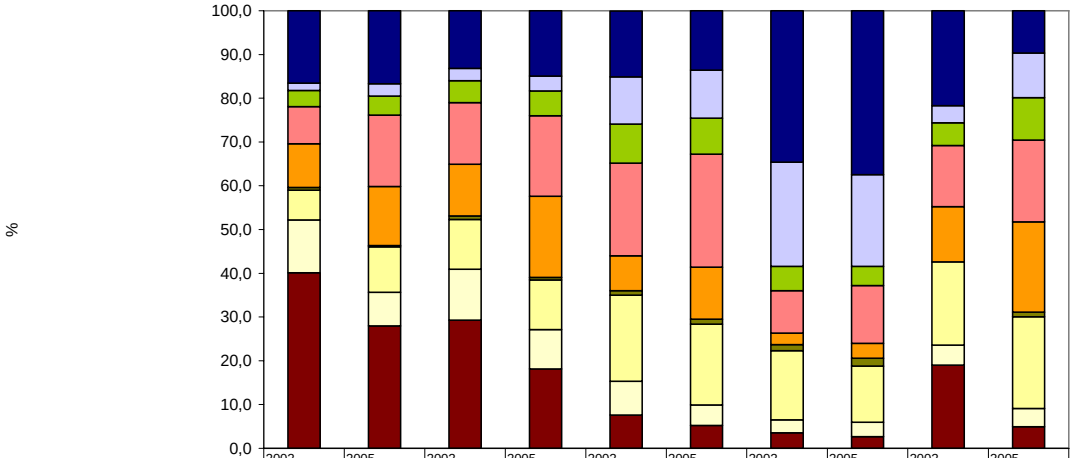
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.8 shows the South African male labour force by highest level of education and within industries for 2005.

- In 2002 and 2005, the majority of the South African male labour force with 'secondary school' education was employed in the trade (21,2% and 25,8% respectively) and manufacturing (19,7% and 18,5% respectively) industries followed by the government, health and social services (15,0% and 13,6% respectively).
- In 2002 and 2005, the majority of the South African male labour force with 'higher' education was employed in the government, health and social services (34,6% and 37,4% respectively), followed by the finance and business services (23,8% and 21,0% respectively) and the manufacturing industry (15,8% and 12,8% respectively).

Figure 6.8: South African male labour force by highest level of education and within industries, 2002 and 2005 (%)



	No schooling		Primary school		Secondary school		Higher		Unspecified	
	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
Government, health & social services	16,5	16,7	13,2	14,9	15,0	13,6	34,6	37,4	21,7	9,7
Finance & business services	1,7	2,8	2,8	3,5	10,8	10,9	23,8	21,0	3,9	10,2
Transport & communication services	3,7	4,4	5,0	5,6	8,9	8,2	5,6	4,4	5,2	9,7
Trade	8,5	16,3	14,1	18,4	21,2	25,8	9,7	13,2	14,0	18,7
Construction	10,0	13,5	11,8	18,6	8,0	11,9	2,6	3,4	12,6	20,6
Water & electricity	0,6	0,3	0,8	0,6	1,0	1,2	1,4	1,8	0,0	1,1
Manufacturing	6,8	10,4	11,4	11,4	19,7	18,5	15,8	12,8	19,0	21,0
Mining	12,1	7,7	11,6	9,0	7,7	4,7	3,0	3,3	4,6	4,2
Agriculture	40,1	28,0	29,3	18,1	7,6	5,2	3,5	2,7	19,0	4,9

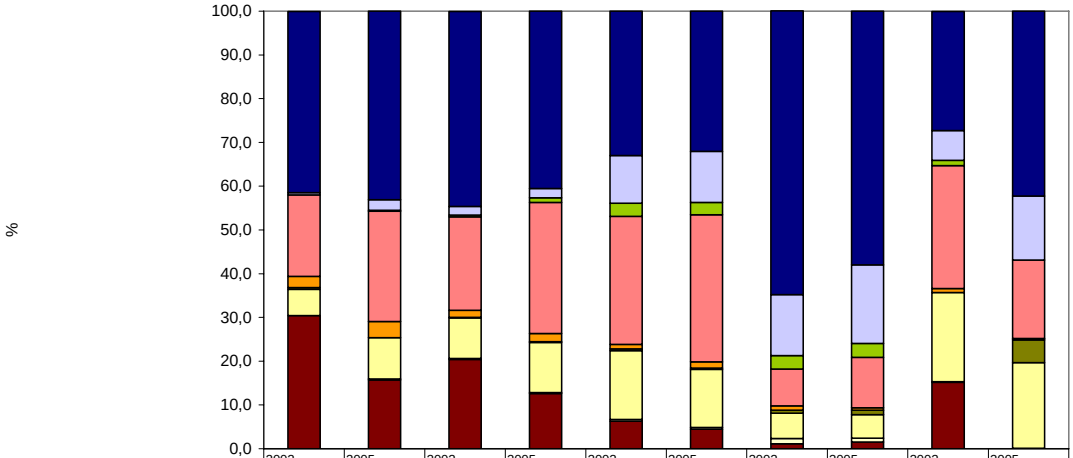
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.9 shows the South African female labour force by highest level of education and within industries for 2002 and 2005.

- In 2002, the majority of the South African female labour force with 'no schooling' were employed in the government, health and social services (41,4%), agriculture (30,4%) and the trade (18,6%) industries. In 2005, the majority of the South African female labour force with 'no schooling' were employed in the government, health and social services (43,1%), trade (25,2%) and agriculture (15,7%) industries.
- In 2002 and 2005, the majority of the South African female labour force with 'higher' education were employed in the government, health and social services (64,9% and 58,0% respectively), the finance and business services (13,9% and 18,0% respectively) and the trade industry (8,4% and 11,5% respectively).

Figure 6.9: South African female labour force by highest level of education and within industries, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher		Unspecified	
Government, health & social services	41,4	43,1	44,5	40,5	33,0	32,1	64,9	58,0	27,2	42,2
Finance & business services	0,5	2,4	2,0	2,2	10,9	11,6	13,9	18,0	6,8	14,7
Transport & communication services	0,0	0,2	0,4	1,1	3,0	2,8	3,1	3,2	1,2	0,0
Trade	18,6	25,2	21,4	29,9	29,3	33,6	8,4	11,5	28,1	17,9
Construction	2,6	3,7	1,6	1,9	1,0	1,4	1,0	0,5	0,9	0,3
Water & electricity	0,4	0,0	0,1	0,2	0,4	0,3	0,7	1,0	0,0	5,2
Manufacturing	6,0	9,5	9,3	11,4	15,7	13,3	5,8	5,4	20,4	19,6
Mining	0,0	0,2	0,2	0,2	0,4	0,4	1,2	0,9	0,1	0,0
Agriculture	30,4	15,7	20,4	12,6	6,3	4,4	1,1	1,5	15,2	0,1

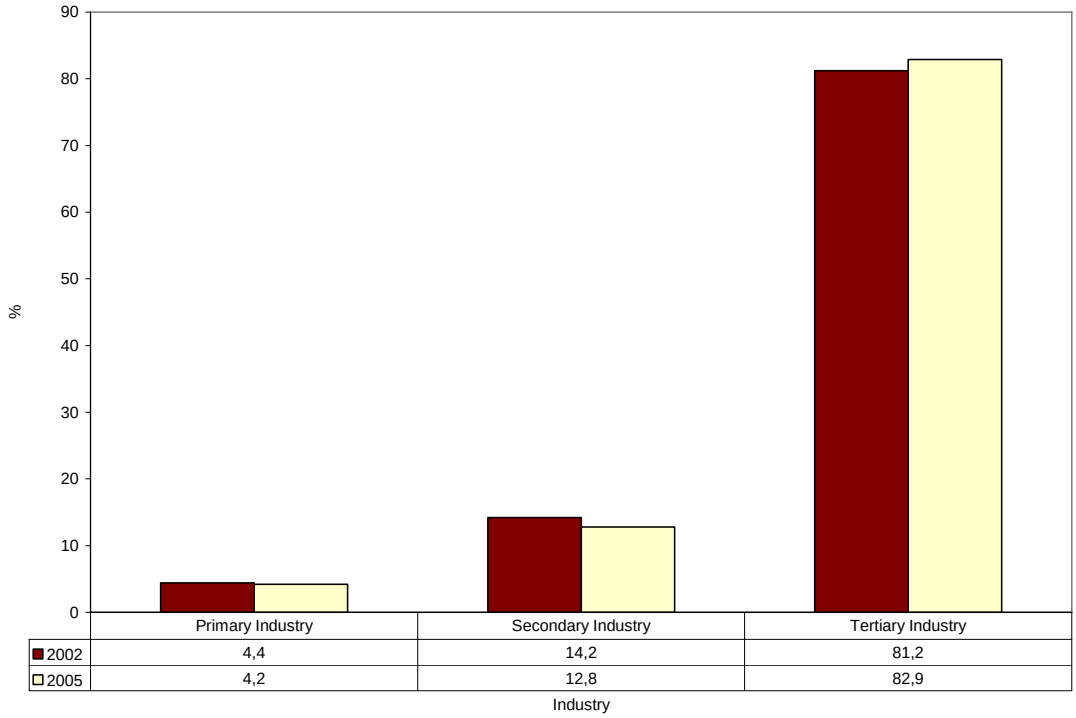
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

6.1.2: Field of study of the South African labour force with diploma, degree and postgraduate degree

Figure 6.10 indicates that in 2002 and 2005, 81,2% and 82,9% respectively of the South African labour force with a diploma, degree or postgraduate degree were employed in the tertiary industry, followed by the secondary industry (14,2% and 12,8% respectively) and primary industry (4,4% and 4,2% respectively).

Figure 6.10: South African labour force with diploma, degree or postgraduate degree by industry, 2002 and 2005 (%)



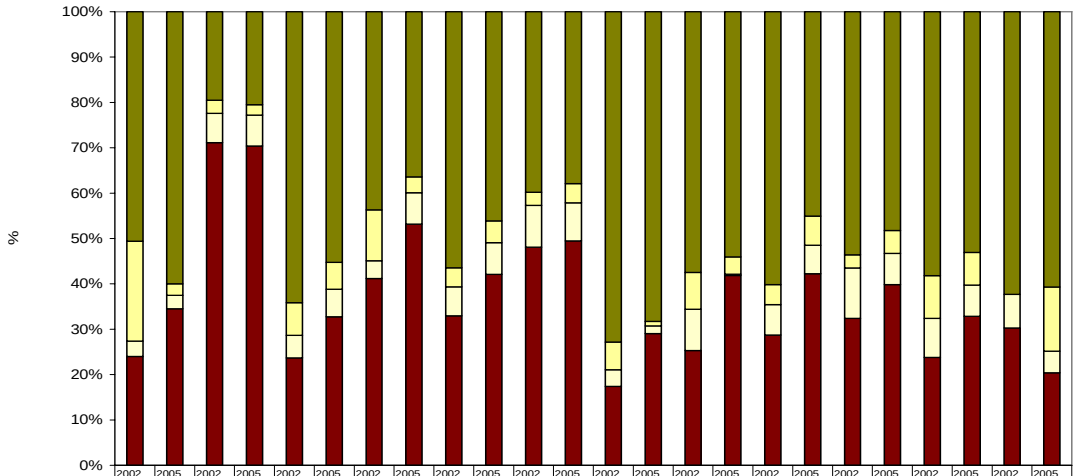
Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figures 6.11 to 6.17 show the field of study of the South African labour force with a diploma, degree or postgraduate degree (1 875 000 workers in 2002 and 2 027 000 workers in 2005.)

Figure 6.11 shows the South African labour force with a diploma, degree or postgraduate degree by field of study and within population groups in 2002 and 2005.

- In 2002, workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'business commerce' consisted of white workers (60,1%), black African workers (28,7%), coloured workers (6,7%) and Indian/Asian workers (4,4%). In 2005, workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'business commerce' consisted of white workers (45,0%), black African workers (42,2%), Indian/Asian workers (6,4%) and coloured workers (6,3%).
- In 2002 and 2005 workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'educational training', consisted of more than two-thirds of black African workers (71,2% and 70,4% respectively), followed by white workers (19,5% and 20,5% respectively), and coloured workers (6,5% and 6,8% respectively).
- In 2002 and 2005 workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'law and military science', consisted of white workers (56,6% and 46,1% respectively), followed by black African workers (33,0% and 42,1% respectively), and coloured workers (6,4% and 7,0% respectively).

Figure 6.11: South African labour force with diploma, degree or postgraduate degree by field of study and within population groups, 2002 and 2005 (%)



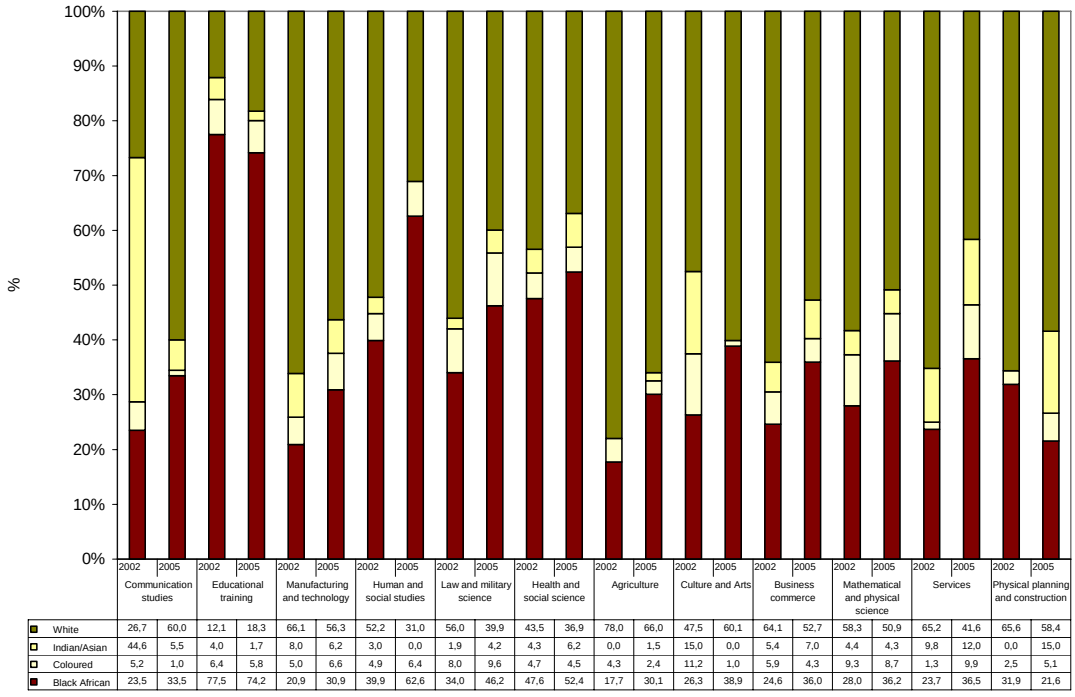
	2002 Communication studies	2005 Communication studies	2002 Educational training	2005 Educational training	2002 Manufacturing and technology	2005 Manufacturing and technology	2002 Human and social studies	2005 Human and social studies	2002 Law and military science	2005 Law and military science	2002 Health and social science	2005 Health and social science	2002 Agriculture	2005 Agriculture	2002 Culture and Arts	2005 Culture and Arts	2002 Business commerce	2005 Business commerce	2002 Mathematical and physical science	2005 Mathematical and physical science	2002 Services	2005 Services	2002 Physical planning and construction	2005 Physical planning and construction
White	50,6	60,0	19,5	20,5	64,2	55,2	43,7	36,4	56,5	46,1	39,8	37,9	72,9	68,2	57,5	54,1	60,1	45,0	53,6	48,2	58,2	53,1	62,3	60,7
Indian/Asian	22,0	2,5	2,9	2,3	7,2	5,9	11,2	3,5	4,2	4,8	2,9	4,2	6,1	1,0	8,1	3,8	4,4	6,4	2,9	5,0	9,4	7,2	0,0	14,1
Coloured	3,4	3,0	6,5	6,8	5,0	6,1	3,9	6,9	6,4	7,0	9,2	8,4	3,7	1,7	9,1	0,3	6,7	6,3	11,1	6,9	8,6	6,9	7,4	4,8
Black African	24,0	34,5	71,2	70,4	23,7	32,7	41,2	53,2	33,0	42,1	48,1	49,5	17,4	29,0	25,3	41,9	28,7	42,2	32,4	39,8	23,8	32,9	30,3	20,4

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.12 shows the South African male labour force with a diploma, degree or postgraduate degree by field of study within population groups in 2002 and 2005.

- In 2002, South African male workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'manufacturing and technology' consisted of white male workers (66,1%), black African male workers (20,9%) and Indian/Asian male workers (8,0%) while in 2005, South African male workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'manufacturing and technology' consisted of white male workers (56,3%), black African male workers (30,9%) and coloured male workers (6,6%).
- In 2002, South African male workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'physical planning and construction' consisted of white male workers (65,6%), black African male workers (31,9%) and coloured male workers (2,5%). South African male workers with a diploma, degree or postgraduate degree who mainly studied in the field of 'physical planning and construction' in 2005 consisted of white male workers (58,4%), black African male workers (21,6%) and Indian/Asian male workers (15,0%).

Figure 6.12: South African male labour force with diploma, degree or postgraduate degree by field of study and within population groups, 2002 and 2005 (%)



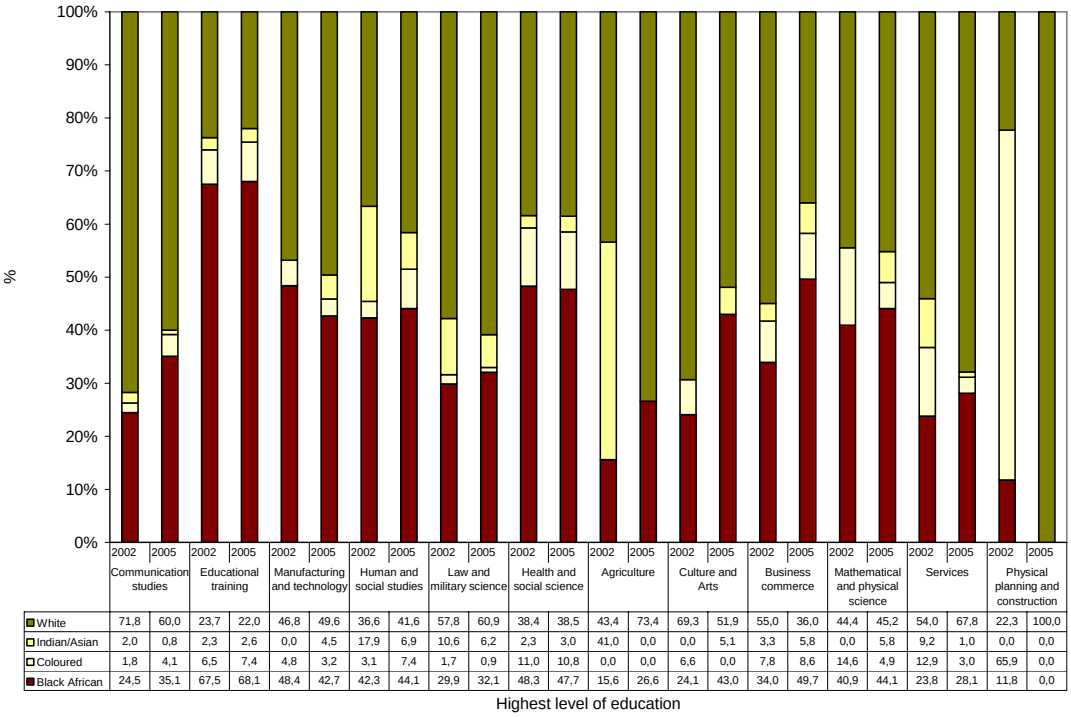
	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	Communication studies		Educational training		Manufacturing and technology		Human and social studies		Law and military science		Health and social science		Agriculture		Culture and Arts		Business commerce		Mathematical and physical science		Services		Physical planning and construction	
White	26,7	60,0	12,1	18,3	66,1	56,3	52,2	31,0	56,0	39,9	43,5	36,9	78,0	66,0	47,5	60,1	64,1	52,7	58,3	50,9	65,2	41,6	65,6	58,4
Indian/Asian	44,6	5,5	4,0	1,7	8,0	6,2	3,0	0,0	1,9	4,2	4,3	6,2	0,0	1,5	15,0	0,0	5,4	7,0	4,4	4,3	9,8	12,0	0,0	15,0
Coloured	5,2	1,0	6,4	5,8	5,0	6,6	4,9	6,4	8,0	9,6	4,7	4,5	4,3	2,4	11,2	1,0	5,9	4,3	9,3	8,7	1,3	9,9	2,5	5,1
Black African	23,5	33,5	77,5	74,2	20,9	30,9	39,9	62,6	34,0	46,2	47,6	52,4	17,7	30,1	26,3	38,9	24,6	36,0	28,0	36,2	23,7	36,5	31,9	21,6

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.13 shows the South African female labour force with a diploma, degree or postgraduate degree by field of study and within population groups in 2002 and 2005.

- South African female workers with a diploma, degree or postgraduate degree in 2002 and 2005 who mainly studied in the field of 'educational training' consisted of black African female workers (67,5% and 68,1% respectively), white female workers (23,7% and 22,0% respectively), coloured female workers (6,5% and 7,4% respectively) and Indian/Asian female workers (2,3% and 2,6% respectively).
- There was a decrease in white females that studied 'business commerce' from 55,0% in 2002 to 36,0% in 2005 and an increase in the black African females from 34,0% in 2002 to 49,7% in 2005.

Figure 6.13: South African female labour force with diploma, degree or postgraduate degree by field of study and within population groups, 2002 and 2005 (%)



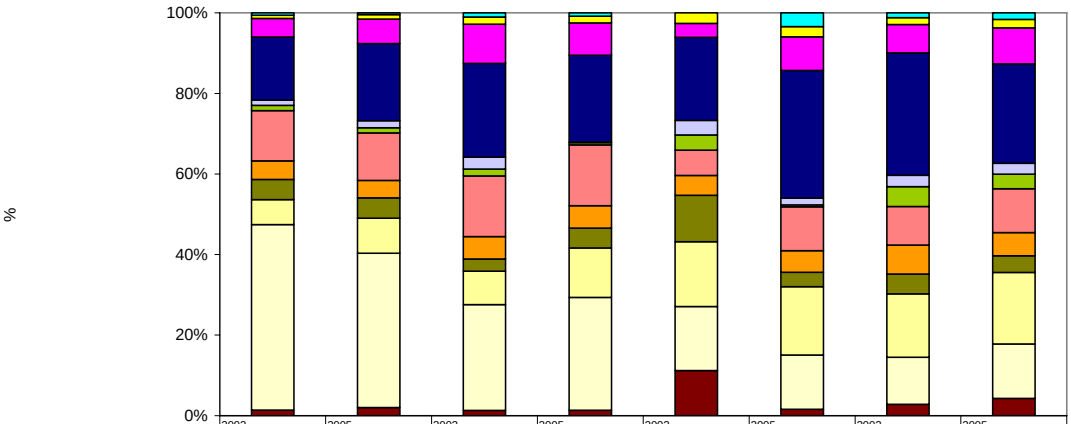
	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005	2002	2005
	Communication studies		Educational training		Manufacturing and technology		Human and social studies		Law and military science		Health and social science		Agriculture		Culture and Arts		Business commerce		Mathematical and physical science		Services		Physical planning and construction	
White	71,8	60,0	23,7	22,0	46,8	49,6	36,6	41,6	57,8	60,9	38,4	38,5	43,4	73,4	69,3	51,9	55,0	36,0	44,4	45,2	54,0	67,8	22,3	100,0
Indian/Asian	2,0	0,8	2,3	2,6	0,0	4,5	17,9	6,9	10,6	6,2	2,3	3,0	41,0	0,0	0,0	5,1	3,3	5,8	0,0	5,8	9,2	1,0	0,0	0,0
Coloured	1,8	4,1	6,5	7,4	4,8	3,2	3,1	7,4	1,7	0,9	11,0	10,8	0,0	0,0	6,6	0,0	7,8	8,6	14,6	4,9	12,9	3,0	65,9	0,0
Black African	24,5	35,1	67,5	68,1	48,4	42,7	42,3	44,1	29,9	32,1	48,3	47,7	15,6	26,6	24,1	43,0	34,0	49,7	40,9	44,1	23,8	28,1	11,8	0,0

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.14 shows the South African labour force with a diploma, degree or postgraduate degree by population groups within field of study in 2002 and 2005.

- In 2002 and 2005, black African workers with a diploma, degree or postgraduate degree mainly studied in the field of 'educational training' (46,1% and 38,3% respectively), 'business commerce' (15,7 and 19,2% respectively) and 'health and social science' (12,5% and 11,8% respectively), while white workers with a diploma, degree or postgraduate degree mainly studied in the field of 'business commerce' (30,4% and 24,7% respectively) and 'manufacturing and technology' (15,7% and 17,7% respectively).

Figure 6.14: South African labour force with diploma, degree or postgraduate degree by population groups within field of study, 2002 and 2005 (%)



	Black African		Coloured		Indian/Asian		White	
	2002	2005	2002	2005	2002	2005	2002	2005
Physical planning and construction	0,6	0,5	1,0	0,8	0,0	3,4	1,2	1,6
Services	0,8	1,1	1,8	1,7	2,6	2,5	1,7	2,1
Mathematical and physical science	4,6	6,1	9,8	8,0	3,5	8,3	7,0	8,9
Business commerce	15,7	19,2	23,2	21,6	20,6	31,7	30,4	24,7
Culture and Arts	1,3	1,7	3,0	0,1	3,6	1,7	2,8	2,7
Agriculture	1,3	1,3	1,7	0,6	3,8	0,5	4,9	3,6
Health and social science	12,5	11,8	15,1	15,1	6,3	10,9	9,6	10,9
Law and military science	4,6	4,4	5,6	5,5	4,9	5,3	7,2	5,8
Human and social studies	5,0	5,0	3,0	5,0	11,5	3,6	4,9	4,2
Manufacturing and technology	6,2	8,7	8,3	12,3	16,1	17,0	15,7	17,7
Educational training	46,1	38,3	26,3	28,0	15,9	13,4	11,7	13,5
Communication studies	1,4	2,1	1,3	1,3	11,2	1,6	2,8	4,3

Population group

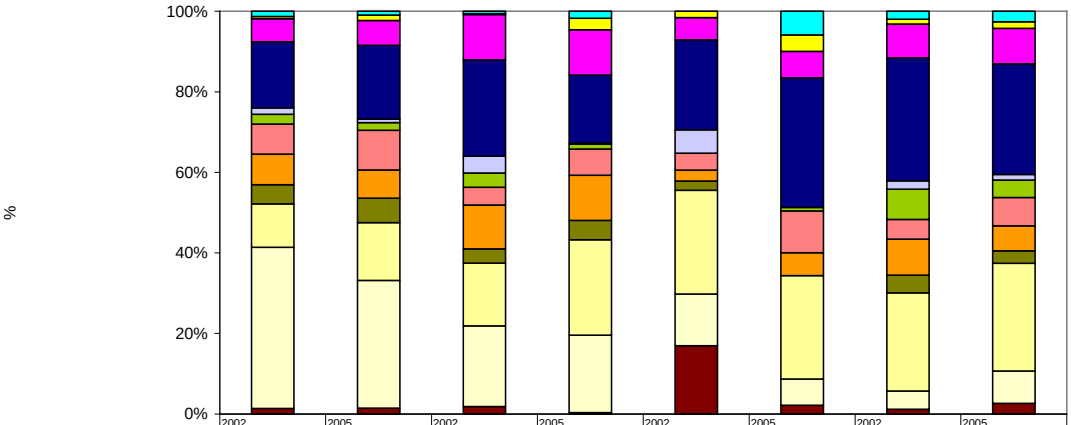
Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.15 shows the South African male labour force with a diploma, degree or postgraduate degree by population groups within field of study in 2002 and 2005.

- It shows that black African male workers with a diploma, degree or postgraduate degree in 2002 and 2005 mainly studied in the field of 'educational training' (40,0% and 31,7% respectively), and 'business commerce' (16,4% and 18,3% respectively).
- White male workers with a diploma, degree or postgraduate degree in 2002 and 2005 mainly studied in the field of 'business commerce' (30,5% and 27,5% respectively) and 'manufacturing and technology' (24,4% and 26,7% respectively).
- In 2002, Indian/Asian male workers with a diploma, degree or postgraduate degree mainly studied in the field of 'manufacturing and technology' (25,8%) and 'business commerce' (22,4%). In 2005, Indian/Asian male workers with a diploma, degree or postgraduate degree mainly studied in the field of 'business commerce' (32,2%) and 'manufacturing and technology' (25,7%).

- Coloured male workers with a diploma, degree or postgraduate degree in 2002 mainly studied in the field of 'business commerce' (23,9%), 'educational training' (20,0%) and 'manufacturing and technology' (15,6%). while in 2005, coloured male workers with a diploma, degree or postgraduate degree mainly studied in the field of 'manufacturing and technology' (23,7%), 'educational training' (19,3%) and 'business commerce' (16,9%).

Figure 6.15: South African male labour force with diploma, degree or postgraduate degree by population groups and within field of study, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	Black African		Coloured		Indian/Asian		White	
Physical planning and construction	1,3	0,9	0,6	1,7	0,0	5,9	2,0	2,6
Services	0,6	1,4	0,2	2,9	1,6	4,1	1,2	1,6
Mathematical and physical science	5,7	6,1	11,3	11,3	5,5	6,6	8,4	8,8
Business commerce	16,4	18,3	23,9	16,9	22,4	32,2	30,5	27,5
Culture and Arts	1,6	0,9	4,2	0,2	5,8	0,0	2,1	1,4
Agriculture	2,4	1,9	3,5	1,2	0,0	0,9	7,5	4,3
Health and social science	7,5	9,9	4,4	6,6	4,2	10,4	4,9	7,1
Law and military science	7,6	7,0	10,9	11,2	2,7	5,7	8,9	6,2
Human and social studies	4,7	6,1	3,5	4,8	2,3	0,0	4,4	3,1
Manufacturing and technology	10,8	14,3	15,6	23,7	25,8	25,7	24,4	26,7
Educational training	40,0	31,7	20,0	19,3	12,8	6,5	4,5	8,0
Communication studies	1,4	1,5	1,9	0,3	17,0	2,2	1,2	2,7

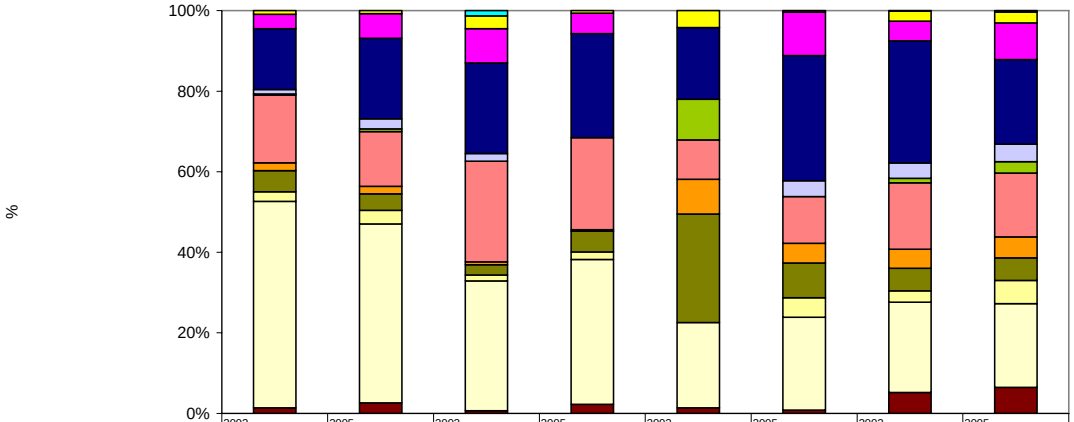
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.16 shows the South African female labour force with a diploma, degree or postgraduate degree by population groups and within field of study in 2002 and 2005.

- In 2002, black African and coloured female workers with a diploma, degree or postgraduate degree mainly studied in the field of 'educational training' (51,3% and 32,2% respectively) and 'health and social science' (16,8% and 25,0% respectively). In 2005, black African female workers with a diploma, degree or postgraduate degree mainly studied in the field of 'educational training' (44,4%), 'business commerce' (20,0%) and 'health and social science' (13,6%).
- In 2002 and 2005, white female workers with a diploma, degree or postgraduate degree mainly studied in the field of 'business commerce' (30,3% and 21,0% respectively) and 'educational training' (22,4% and 20,8% respectively).
- In 2002, Indian/Asian female workers with a diploma, degree or postgraduate degree mainly studied in the field of 'human and social studies' (26,9%) and 'educational training' (21,2%). In 2005, Indian/Asian female workers with a diploma, degree or postgraduate degree mainly studied in the field of 'business commerce' (31,0%) and 'health science and social services (11,6%).

Figure 6.16: South African female labour force with diploma, degree or postgraduate degree by population groups and within field of study, 2002 and 2005 (%)



	Black African		Coloured		Indian/Asian		White	
	2002	2005	2002	2005	2002	2005	2002	2005
Physical planning and construction	0,0	0,0	1,3	0,0	0,0	0,0	0,1	0,3
Services	0,9	0,8	3,2	0,6	4,2	0,4	2,5	2,7
Mathematical and physical science	3,6	6,1	8,5	5,1	0,0	10,8	4,9	9,1
Business commerce	15,1	20,0	22,5	25,8	17,8	31,0	30,3	21,0
Culture and Arts	1,1	2,5	1,9	0,0	0,0	4,0	3,8	4,4
Agriculture	0,3	0,7	0,0	0,0	10,1	0,0	1,1	2,8
Health and social science	16,8	13,6	25,0	22,9	9,8	11,6	16,5	15,9
Law and military science	2,0	1,9	0,7	0,4	8,6	4,8	4,7	5,2
Human and social studies	5,2	4,1	2,5	5,1	26,9	8,6	5,6	5,6
Manufacturing and technology	2,4	3,4	1,5	1,9	0,0	4,8	2,8	5,7
Educational training	51,3	44,4	32,2	35,9	21,2	23,1	22,4	20,8
Communication studies	1,4	2,6	0,7	2,3	1,4	0,8	5,2	6,5

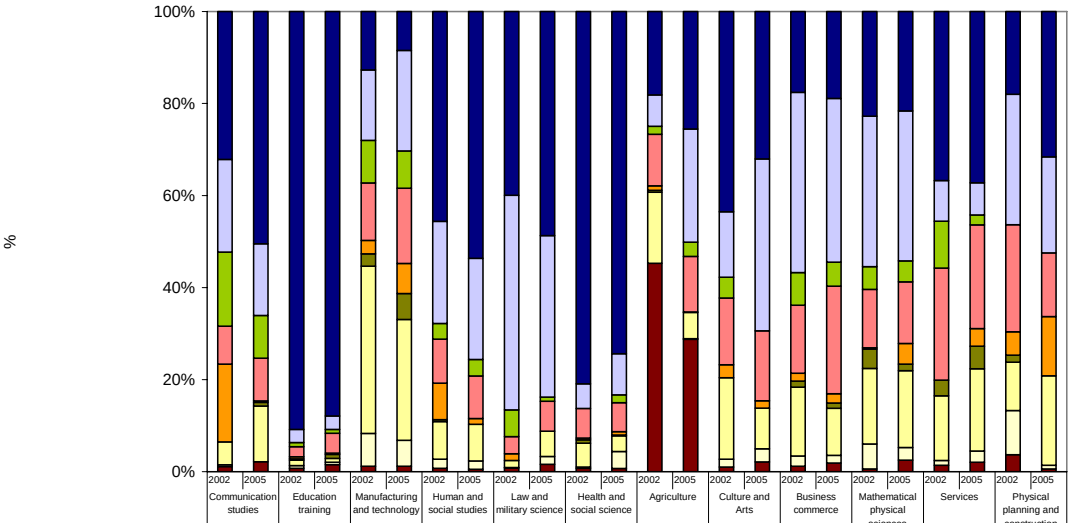
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.17 shows the South African labour force with a diploma, degree or postgraduate degree by field of study and within industries, in 2002 and 2005.

- In 2002, the majority of the South African labour force with a diploma, degree or postgraduate degree who studied in the field of 'business commerce' were employed in the finance and business services (39,2%), followed by the government, health and social services (17,6%) and the manufacturing industry (15,0%). In 2005, the majority of the South African labour force with a diploma, degree or postgraduate degree who studied in the field of 'business commerce' were employed in the finance and business services (35,6%), followed by the trade industry (23,4%) and the government, health and social services (18,9%).
- In 2002, the majority of the South African labour force with a diploma, degree or postgraduate degree who studied in the field of 'manufacturing and technology' were employed in the manufacturing industry (36,4%), followed by the finance and business services (15,3%) and government, health and social services (12,7%). In 2005, the majority of the South African labour force with a diploma, degree or postgraduate degree who studied in the field of 'manufacturing and technology' were employed in the manufacturing industry (26,3%), followed by the finance and business services (21,9%) and the trade industry (16,4%).

Figure 6.17: South African labour force with diploma, degree or postgraduate degree by field of study and within industries, 2002 and 2005 (%)



	2002 Communication studies	2005 Communication studies	2002 Education training	2005 Education training	2002 Manufacturing and technology	2005 Manufacturing and technology	2002 Human and social studies	2005 Human and social studies	2002 Law and military science	2005 Law and military science	2002 Health and social science	2005 Health and social science	2002 Agriculture	2005 Agriculture	2002 Culture and Arts	2005 Culture and Arts	2002 Business commerce	2005 Business commerce	2002 Mathematical physical sciences	2005 Mathematical physical sciences	2002 Services	2005 Services	2002 Physical planning and construction	2005 Physical planning and construction
Government, health & social services	32,2	50,5	90,8	87,9	12,7	8,5	45,6	53,6	39,9	48,7	80,9	74,4	18,1	25,5	43,5	32,0	17,6	18,9	22,7	21,6	36,8	37,2	18,0	31,6
Finance & business services	20,2	15,6	2,9	2,9	15,3	21,9	22,2	22,0	46,6	35,1	5,4	8,9	6,8	24,6	14,2	37,4	39,2	35,6	32,7	32,6	8,8	7,0	28,3	20,9
Transport & communication	16,1	9,3	0,9	0,9	9,3	8,1	3,4	3,6	5,8	0,9	0,0	1,7	1,7	3,1	4,5	0,0	7,1	5,2	4,9	4,6	10,2	2,2	0,0	0,0
Trade	8,3	9,3	2,2	4,3	12,5	16,4	9,6	9,2	3,7	6,5	6,4	6,3	11,2	12,0	14,5	15,2	14,8	23,4	12,7	13,4	24,4	22,5	23,3	13,8
Construction	16,9	0,3	0,4	0,3	2,9	6,5	7,9	1,3	1,5	0,0	0,4	0,7	1,0	0,0	2,8	1,6	1,7	2,0	0,3	4,5	0,0	3,8	5,1	12,9
Water and electricity	0,0	0,8	0,3	0,9	2,7	5,6	0,4	0,0	0,0	0,0	0,7	0,2	0,4	0,1	0,0	0,0	1,3	1,2	4,2	1,5	3,4	4,9	1,5	0,0
Manufacturing	5,0	12,1	1,2	0,9	36,4	26,3	8,2	8,0	1,5	5,5	5,2	3,4	15,4	5,7	17,7	8,9	15,0	10,2	16,4	16,7	14,1	17,9	10,5	19,4
Mining	0,4	0,0	0,6	0,5	7,1	5,6	2,0	1,8	0,1	1,7	0,3	3,7	0,0	0,2	1,7	2,8	2,2	1,7	5,4	2,7	1,0	2,4	9,6	0,8
Agriculture	1,1	2,2	0,7	1,5	1,2	1,2	0,7	0,5	0,8	1,6	0,7	0,7	45,2	28,7	1,0	2,1	1,2	1,9	0,6	2,5	1,4	2,0	3,7	0,6

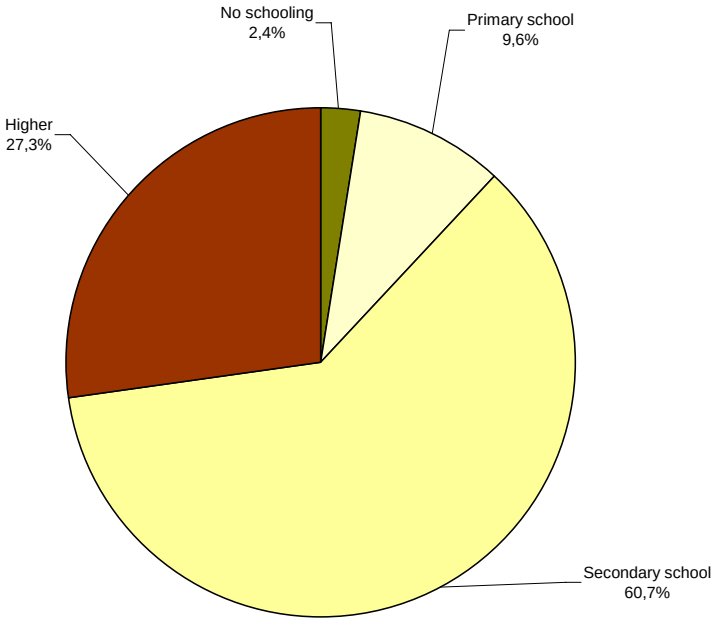
Field of study

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

6.1.3: Compensation of employees of the South African labour force

Figure 6.18 indicates that less than two-third (60,7%) of total salaries and wages was earned by workers with 'secondary school' education, followed by those workers with 'higher' education (27,3%).

Figure 6.18: Compensation of employees by highest level of education[5], 2005 (%)



Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

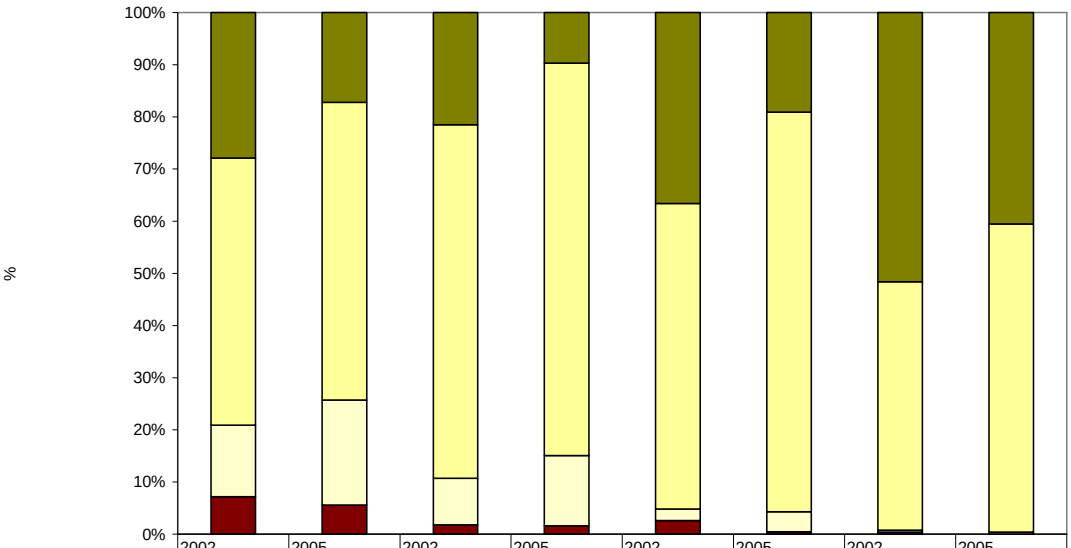
[5] Highest level of education for compensation of employees is divided into six categories, and it excludes the 'unspecified' category. In the 2007 Community Survey, 'unspecified' was already distributed across the six categories (imputation) while for the labour accounts matrix, the highest level of education (total number of employees), the 'unspecified' were not distributed across six categories (it is kept as a separate category on advice of the SAM Advisory Committee).

Figures 6.19 to 6.29 show the compensation of employees by highest level of education, industry, gender and population group.

Figure 6.19 shows the compensation of employees by population group and within highest level of education in 2002 and 2005.

- For white workers in 2002, the majority of compensation of employees was earned by workers with 'higher' education (51,6%), followed by workers with 'secondary school' education (47,6%), and workers with 'primary school' education and 'no schooling' (both 0,4%). For white workers in 2005, the majority of compensation of employees was earned by workers with 'secondary school' education (59,1%), followed by workers with 'higher' education (40,5%) and workers with 'primary school' education (0,4%).
- In 2002, the majority of the compensation of employees within the black African population group was earned by workers with 'secondary school' education (51,2%), followed by workers with 'higher' education (27,9%), workers with 'primary school' education (13,7%) and workers with 'no schooling' (7,2%). For the black African workers in 2005, the majority of the compensation of employees was earned by workers with 'secondary school' education (57,0%), followed by workers with 'primary school' education (20,1%), workers with 'higher' education (17,2%) and workers with 'no schooling' (5,6%).

Figure 6.19: Compensation of employees by population groups and within highest level of education, 2002 and 2005 (%)



	Black African		Coloured		Indian/Asian		White	
	2002	2005	2002	2005	2002	2005	2002	2005
Higher	27,9	17,2	21,5	9,7	36,6	19,1	51,6	40,5
Secondary school	51,2	57,0	67,8	75,2	58,6	76,6	47,6	59,1
Primary school	13,7	20,1	8,9	13,5	2,2	3,8	0,4	0,4
No schooling	7,2	5,6	1,8	1,6	2,6	0,5	0,4	0,0

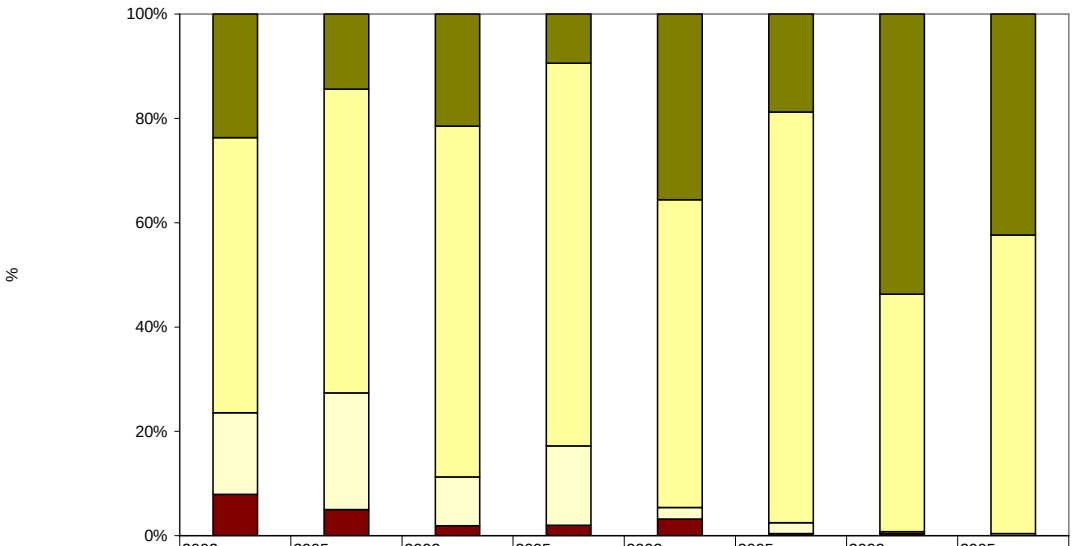
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.20 shows the compensation of employees by population group and within highest level of education for the South African male labour force.

- The majority of the compensation of employees within the Indian/Asian male labour force in 2002 was earned by workers with 'secondary school' education (59,0%), followed by workers with 'higher' education (35,6%), 'no schooling' (3,2%) and 'primary school' education (2,2%). The majority of the compensation of employees within the Indian/Asian male labour force in 2005 was earned by workers with 'secondary school' education (78,8%), followed by workers with 'higher' education (18,8%), 'primary school' education (2,1%) and 'no schooling' (0,4%).
- For white male workers in 2002, the majority of compensation of employees within the population group was earned by workers with 'higher' education (53,7%), followed by workers with 'secondary school education (45,5%). For white male workers in 2005, the majority of compensation of employees within the population group was earned by workers with 'secondary school' education (57,2%) followed by workers with 'higher' education (42,4%).

Figure 6.20: Compensation of employees by population groups and within highest level of education for the South African male labour force, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	Black African		Coloured		Indian/Asian		White	
Higher	23,6	14,4	21,5	9,4	35,6	18,8	53,7	42,4
Secondary school	52,6	58,3	67,3	73,4	59,0	78,8	45,5	57,2
Primary school	15,6	22,4	9,4	15,2	2,2	2,1	0,4	0,4
No schooling	7,9	5,0	1,9	2,0	3,2	0,4	0,4	0,0

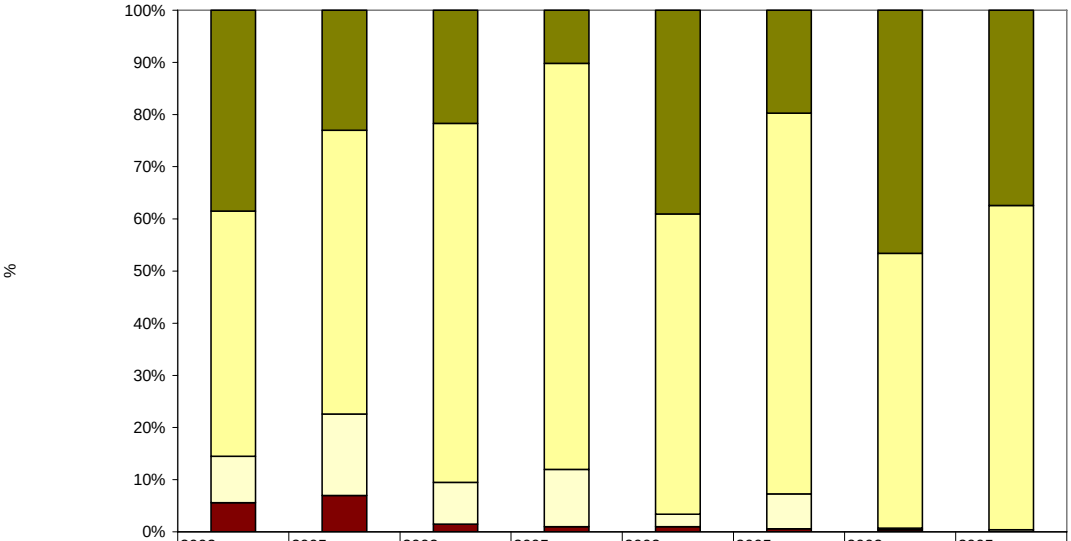
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.21 shows the compensation of employees by population group within highest level of education for the South African female labour force.

- In 2002 and 2005, the majority of the compensation of employees within the black African female labour force was earned by workers with 'secondary school' education (47,0% and 54,4%), followed by workers with 'higher' education (38,5% and 23,0% respectively), 'primary school' education (8,9% and 15,6% respectively) and 'no schooling' (5,6% and 7,0% respectively).
- In 2002 and 2005 for white female workers, the majority of compensation of employees was earned by workers with 'secondary school' education (52,7% and 62,2% respectively) followed by workers with 'higher' education (46,6% and 37,4% respectively).

Figure 6.21: Compensation of employees by population group and within highest level of education for the South African female labour force, 2002 and 2005 (%)



	Black African		Coloured		Indian/Asian		White	
	2002	2005	2002	2005	2002	2005	2002	2005
Higher	38,5	23,0	21,7	10,2	39,1	19,7	46,6	37,4
Secondary school	47,0	54,4	68,8	77,9	57,6	73,0	52,7	62,2
Primary school	8,9	15,6	8,0	11,0	2,4	6,7	0,3	0,4
No schooling	5,6	7,0	1,5	1,0	1,0	0,6	0,4	0,0

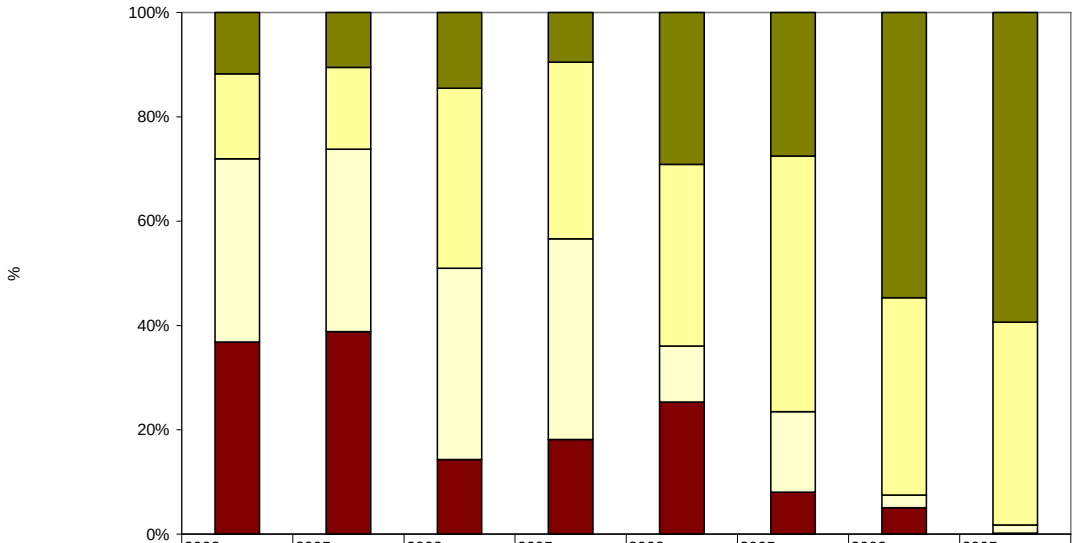
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.22 shows compensation of employees by highest level of education within population groups.

- In 2002 and 2005, of the total South African labour force with 'no schooling', black African workers earned 84,4% and 92,6% respectively, of the total compensation of employees, followed by coloured workers (5,8% and 5,9% respectively).
- Of the total South African labour force with 'higher' education in 2002 and 2005, white workers earned 62,5% and 67,7% respectively of the total compensation of employees, followed by black African workers (27,0% and 25,1% respectively).

Figure 6.22: Compensation of employees by highest level of education within population groups, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	Black African		Coloured		Indian/Asian		White	
Higher	27,0	25,1	5,9	3,1	4,6	4,1	62,5	67,7
Secondary school	37,3	37,4	14,0	11,0	5,5	7,3	43,2	44,3
Primary school	80,6	83,4	14,9	12,5	1,7	2,3	2,8	1,8
No schooling	84,4	92,6	5,8	5,9	4,0	1,2	5,8	0,2

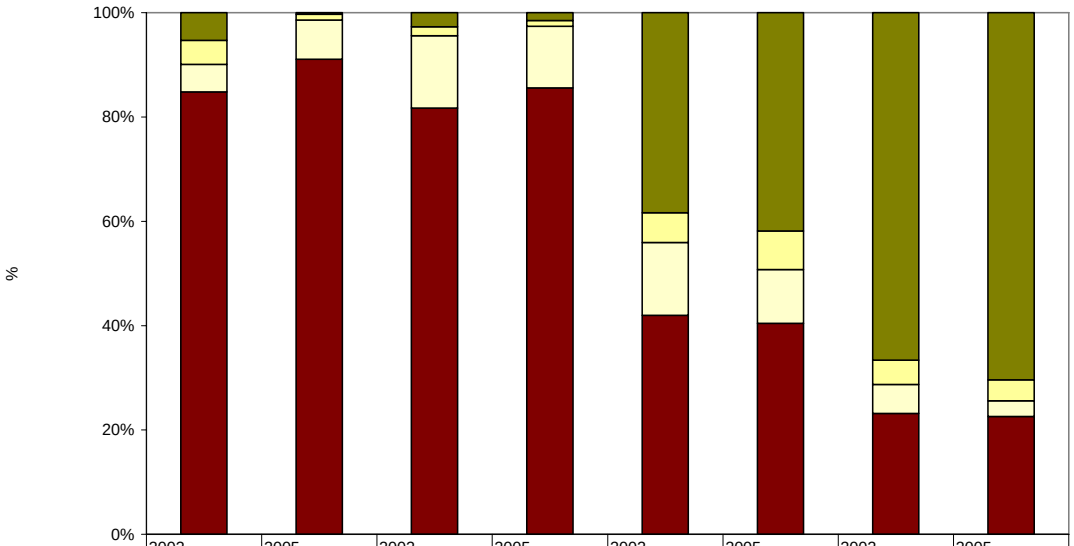
Population group

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.23 shows compensation of employees by highest level of education within population groups for the South African male labour force.

- Of the total South African male labour force with 'no schooling', black African male workers earned 84,7% and 91,0% of the total compensation of employees in 2002 and 2005 respectively.
- Of the total South African male labour force with 'higher' education in 2005, white male workers earned 70,4% of the total compensation of employees, followed by black African male workers (22,6%), Indian/Asian male workers (4,0%) and coloured male workers (3,0%). Of the total South African male labour force with 'higher' education in 2002, white male workers earned 66,6% of the total compensation of employees, followed by black African male workers (23,2%), coloured male workers (5,5%) and Indian/Asian male workers (4,7%).

Figure 6.23: Compensation of employees by highest level of education within population groups for the South African male labour force, 2002 and 2005(%)



	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher	
White	5,3	0,3	2,7	1,5	38,4	41,8	66,6	70,4
Indian/Asian	4,6	1,1	1,7	1,1	5,7	7,4	4,7	4,0
Coloured	5,3	7,5	13,9	11,8	14,0	10,3	5,5	3,0
Black African	84,7	91,0	81,8	85,6	42,0	40,4	23,2	22,6

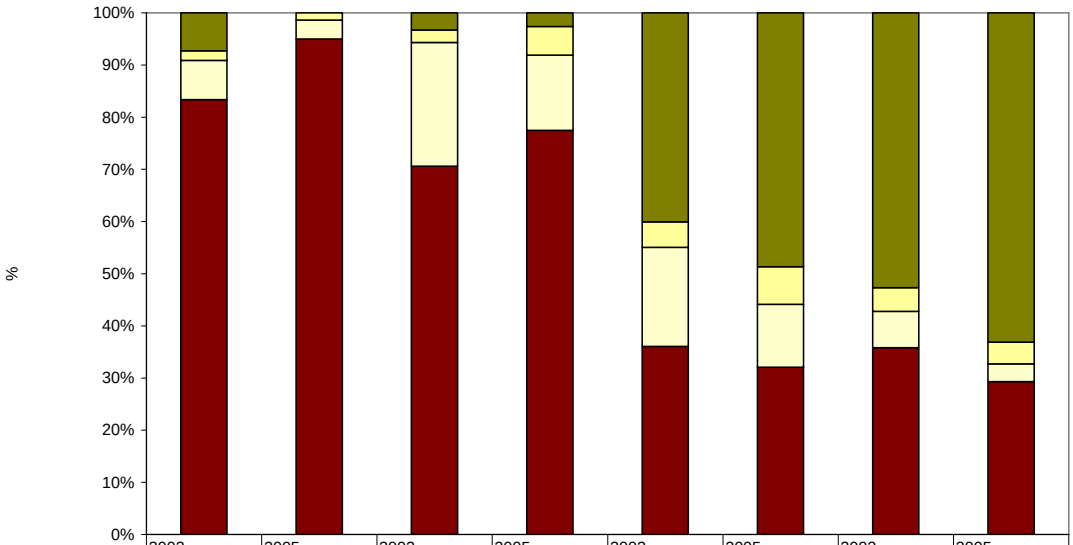
Highesl level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.24 shows compensation of employees by highest level of education within population groups for the South African female labour force.

- In 2005, of the total South African female labour force with 'no schooling', black African female workers earned 95,0% of the total compensation of employees, followed by coloured female workers (3,6%) and Indian/Asian female workers (1,4%). In 2002, of the total South African female labour force with 'no schooling', black African female workers earned 83,4% of the total compensation of employees, followed by coloured female workers (7,5%) and white female workers (7,3%).
- Of the total South African female labour force with 'higher' education, white female workers earned 52,7% and 63,1% respectively of the total compensation of employees, followed by black African female workers (35,8% and 29,3% respectively) in 2002 and 2005.

Figure 6.24: Compensation of employees by highest level of education within population groups for the South African female labour force, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher	
White	7,3	0,0	3,3	2,6	40,1	48,7	52,7	63,1
Indian/Asian	1,8	1,4	2,4	5,5	4,9	7,2	4,5	4,2
Coloured	7,5	3,6	23,7	14,4	19,0	12,1	7,0	3,4
Black African	83,4	95,0	70,7	77,5	36,1	32,1	35,8	29,3

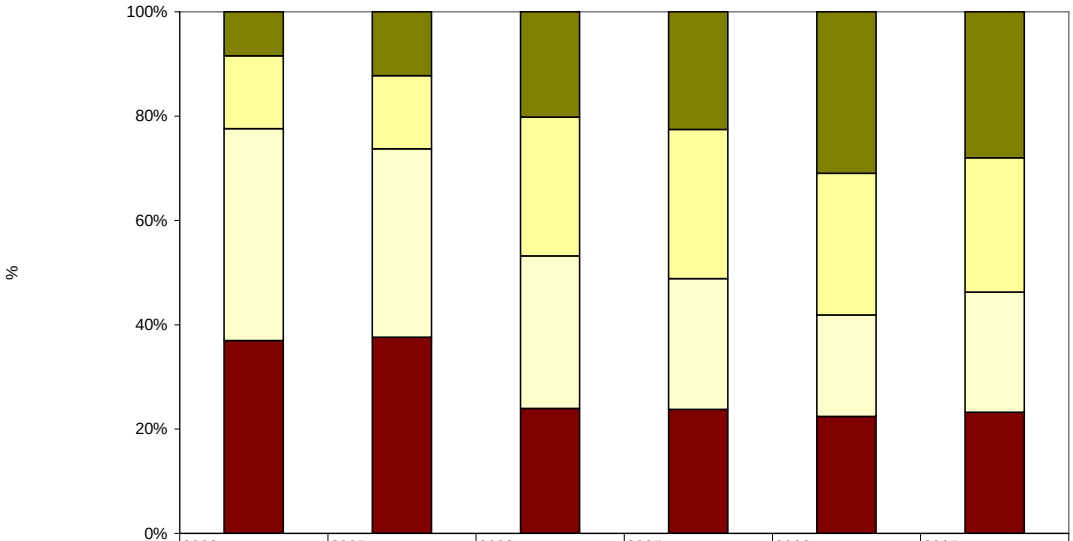
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.25 shows the compensation of employees by highest level of education within industries.

- In 2002 and 2005, the South African labour force with 'higher' education, earned a major part of the total compensation of employees from the tertiary industry (75,5% and 75,6% respectively), followed by the secondary industry (19,4% and 18,8% respectively) and then the primary industry (5,1% and 5,7% respectively).
- The South African labour force with 'primary school' education in 2002 and 2005 earned a major part of the total compensation of employees from the tertiary industry (47,4% and 62,3% respectively), followed by the secondary industry (28,1% and 20,9% respectively).
- The South African labour force with 'no schooling' earned a major part of the total compensation of employees in 2002 and 2005 from the tertiary industry (54,7% and 62,8% respectively), followed by the secondary industry (23,0% and 19,8% respectively).

Figure 6.25: Compensation of employees by highest level of education and within industries, 2005 (%)



	2002	2005	2002	2005	2002	2005
	Primary industry		Secondary industry		Tertiary industry	
Higher	5,1	5,7	19,4	18,8	75,5	75,6
Secondary school	8,4	6,5	25,5	23,8	66,2	69,7
Primary school	24,5	16,8	28,1	20,9	47,4	62,3
No schooling	22,3	17,5	23,0	19,8	54,7	62,8

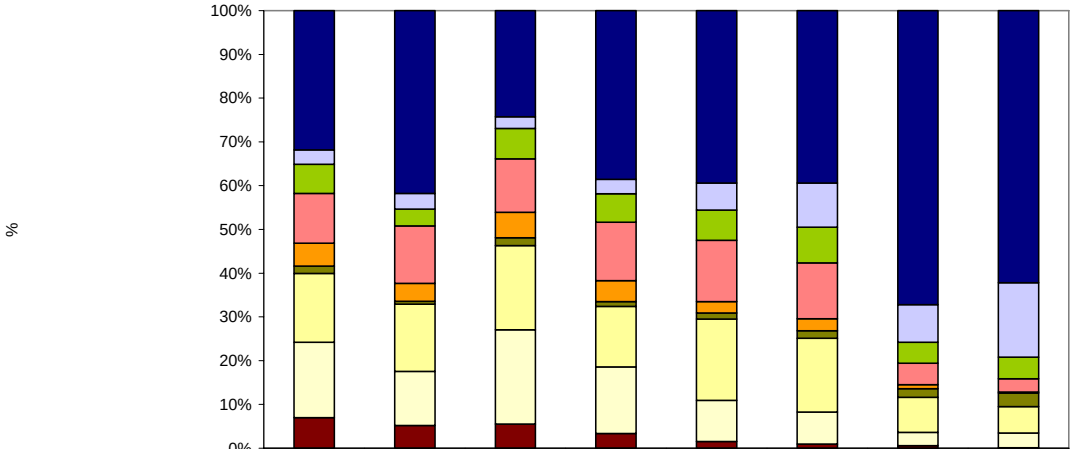
Industry

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.26 shows the compensation of black African employees by highest level of education and within industries.

- In 2002 and 2005, black African employees in the South African labour force with 'secondary school' education earned a majority of their total compensation of employees from the government, health and social services (both 39,4% respectively), followed by the manufacturing (18,6% and 16,9% respectively) and the trade (14,0% and 12,8% respectively) industries.
- In 2002, black African employees in the South African labour force with 'no schooling' earned a majority of their total compensation of employees from the government, health and social services (31,8%), followed by mining (17,2%) and manufacturing (15,7%) industries. In 2005, black African employees in the South African labour force with 'no schooling' earned a majority of their total compensation of employees from the government, health and social services (41,8%), followed by the manufacturing (15,4%) and the trade (13,1%) industries.

Figure 6.26: Compensation of black African employees by highest level of education and within industries, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher	
Government, health & social services	31,8	41,8	24,2	38,5	39,4	39,4	67,2	62,2
Finance & business services	3,3	3,6	2,7	3,3	6,2	10,1	8,6	17,0
Transport & communication	6,6	3,8	6,9	6,5	6,9	8,2	4,8	4,9
Trade	11,4	13,1	12,2	13,4	14,0	12,8	4,9	3,0
Construction	5,2	4,1	5,8	4,8	2,6	2,7	0,9	0,2
Water & electricity	1,7	0,7	1,8	1,1	1,4	1,7	2,0	3,1
Manufacturing	15,7	15,4	19,2	13,8	18,6	16,9	8,0	6,0
Mining	17,2	12,3	21,5	15,2	9,4	7,3	3,0	3,4
Agriculture	7,0	5,2	5,5	3,4	1,5	0,9	0,6	0,1

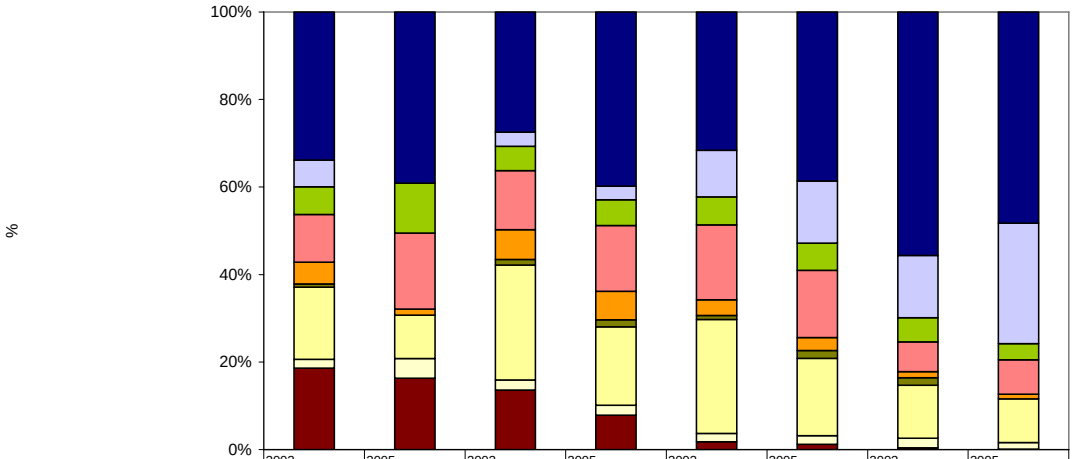
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.27 shows the compensation of coloured employees by highest level of education and within industries.

- In 2002 and 2005, coloured employees in the South African labour force with 'secondary school' education earned a majority of their total compensation of employees from the government, health and social services (31,6% and 38,6% respectively), followed by the manufacturing (26,0% and 17,7% respectively) and the trade (17,1% and 15,4% respectively) industries.
- In 2002 and 2005, coloured employees in the South African labour force with 'higher' education earned a majority of their total compensation of employees from government, health and social services (55,6% and 48,3% respectively), followed by finance and business services (14,2% and 27,5% respectively) and the manufacturing industry (12,1% and 10,0% respectively).

Figure 6.27: Compensation of coloured employees by highest level of education and within industries, 2002 and 2005 (%)



	No schooling		Primary school		Secondary school		Higher	
	2002	2005	2002	2005	2002	2005	2002	2005
Government, health & social services	33,8	39,1	27,5	39,8	31,6	38,6	55,6	48,3
Finance & business services	6,1	0,0	3,2	3,1	10,6	14,1	14,2	27,5
Transport & communication	6,3	11,4	5,6	5,9	6,4	6,2	5,5	3,7
Trade	10,9	17,4	13,5	15,0	17,1	15,4	6,8	7,9
Construction	5,0	1,4	6,8	6,5	3,6	3,0	1,4	1,0
Water & electricity	0,7	0,0	1,3	1,6	0,9	1,8	1,7	0,0
Manufacturing	16,5	9,9	26,3	17,9	26,0	17,7	12,1	10,0
Mining	2,0	4,5	2,3	2,3	1,9	2,0	2,2	1,5
Agriculture	18,6	16,3	13,6	7,9	1,8	1,2	0,4	0,1

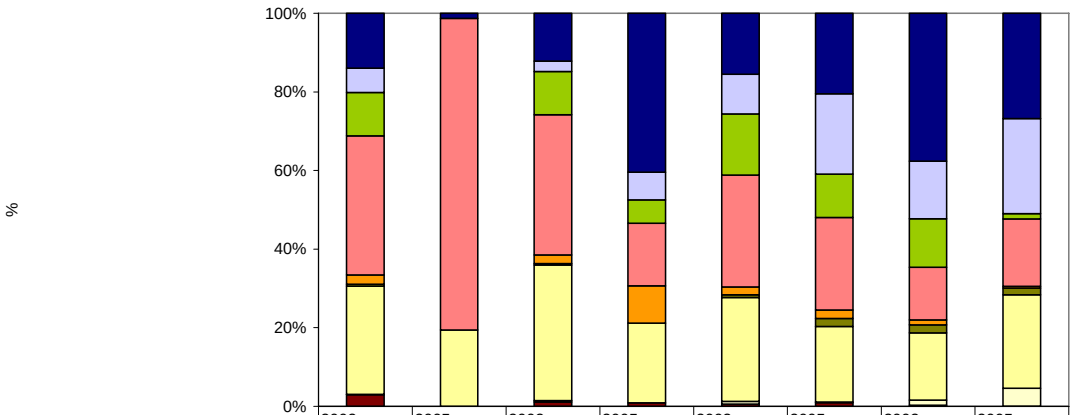
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.28 shows the compensation of Indian/Asian employees by highest level of education and within industries.

- In 2002, Indian/Asian employees in the South African labour force with 'secondary school' education earned a majority of their total compensation of employees from the trade industry (28,4%), followed by the manufacturing industry (26,4%) and transport and communications services (15,6%). In 2005, Indian/Asian employees in the South African labour force with 'secondary school' education earned a majority of their total compensation of employees from the trade industry (23,5%), followed by government, health and social services (20,5%) and finance and business services (20,4%).
- Indian/Asian employees in the South African labour force with 'higher' education in 2002 earned a majority of their total compensation of employees from the government, health and social services (37,6%), followed by the manufacturing industry (17,1%) and finance and business services (14,7%). Indian/Asian employees in the South African labour force with 'higher' education in 2005 earned a major part of their total compensation of employees from the government, health and social services (26,8%), followed by finance and business services (24,2%) and manufacturing industry (23,8%).

Figure 6.28: Compensation of Indian/Asian employees by highest level of education and within industries, 2002 and 2005 (%)



	No schooling		Primary school		Secondary school		Higher	
	2002	2005	2002	2005	2002	2005	2002	2005
Government, health & social services	14,0	1,3	12,2	40,4	15,5	20,5	37,6	26,8
Finance & business services	6,2	0,0	2,6	7,1	10,1	20,4	14,7	24,2
Transport & communication	11,0	0,0	11,0	5,9	15,6	11,0	12,3	1,4
Trade	35,4	79,3	35,7	15,9	28,4	23,5	13,4	17,1
Construction	2,4	0,0	2,2	9,6	2,0	2,2	1,3	0,5
Water & electricity	0,5	0,0	0,3	0,0	0,7	2,0	2,0	1,7
Manufacturing	27,5	19,4	34,5	20,3	26,4	19,2	17,1	23,8
Mining	0,1	0,0	0,4	0,0	0,7	0,2	1,3	4,5
Agriculture	3,0	0,0	1,1	0,9	0,6	0,9	0,3	0,0

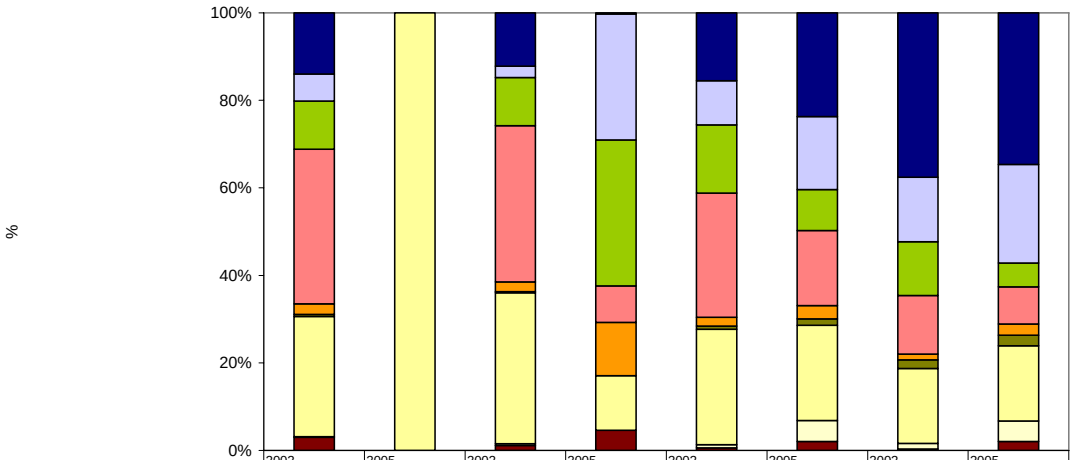
Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.29 shows the compensation of white employees by highest level of education and within industries.

- In 2002, white employees in the South African labour force with 'higher' education earned a major part of their total compensation of employees from government, health and social services (37,6%), manufacturing industry (17,1%) and the finance and business services (14,7%). In 2005, white employees in the South African labour force with 'higher' education earned a majority of their total compensation of employees from government, health and social services (34,7%), followed by finance and business services (22,5%) and manufacturing industry (17,2%).
- White employees in the South African labour force with 'primary school' education in 2002 earned a majority of their total compensation of employees from the trade industry (35,7%), followed by the manufacturing industry (34,5%) and the government, health and social services (12,2%). White employees in the South African labour force with 'primary school' education in 2005 earned a majority of their total compensation of employees from transport and communication services (33,4%), followed by finance and business services (28,8%) and manufacturing industry (12,5%).

Figure 6.29: Compensation of white employees by highest level of education and within industries, 2002 and 2005 (%)



	2002	2005	2002	2005	2002	2005	2002	2005
	No schooling		Primary school		Secondary school		Higher	
Government, health & social services	14,0	0,0	12,2	0,3	15,5	23,7	37,6	34,7
Finance & business services	6,2	0,0	2,6	28,8	10,1	16,7	14,7	22,5
Transport & communication	11,0	0,0	11,0	33,4	15,6	9,4	12,3	5,5
Trade	35,4	0,0	35,7	8,3	28,4	17,2	13,4	8,4
Construction	2,4	0,0	2,2	12,2	2,0	3,0	1,3	2,6
Water & electricity	0,5	0,0	0,3	0,0	0,7	1,5	2,0	2,4
Manufacturing	27,5	100,0	34,5	12,5	26,4	21,8	17,1	17,2
Mining	0,1	0,0	0,4	0,0	0,7	4,8	1,3	4,7
Agriculture	3,0	0,0	1,1	4,6	0,6	2,0	0,3	2,0

Highest level of education

Source: Statistics South Africa, 2002 SAM, Report No. 04-03-02 (2002) and 2005 SAM, Report No. 04-03-02 (2005)

6.2. Taxes on products

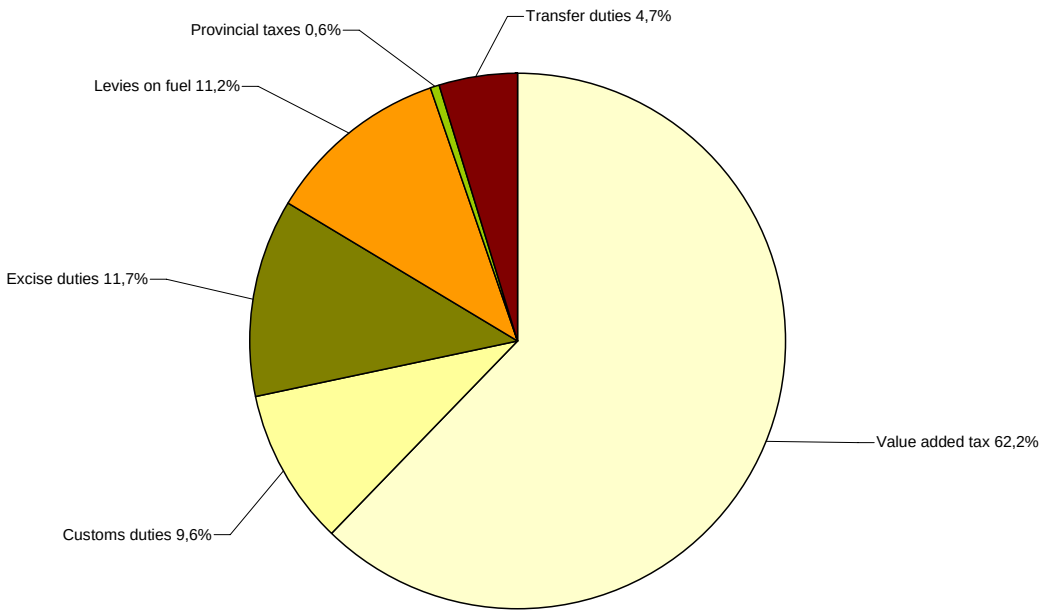
Taxes on products consist of taxes payable on goods and services when they are produced, delivered, sold or otherwise disposed of by their producers. Furthermore, they are payable per unit of a good or service produced. Important examples of taxes on products are excise and import duties and VAT.

In the 2005 SAM, tax on products is divided into six taxes on products, which are further disaggregated by 27 products and services, namely:

- Value added tax (VAT);
- Custom duties;
- Excise duties;
- Levies on fuel;
- Provincial taxes, and
- Transfer duties.

Figure 6.30 show the breakdown of the total taxes on products for 2005. 'Value added tax' accounted for 62,2% of the total taxes on products followed by 'excise duties' (11,7%), 'levies on fuel' (11,2%) and 'custom duties' (9,6%).

Figure 6.30: Taxes on products, 2005



Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

6.3. Intermediate consumption expenditure of national and provincial government

General government includes the national and provincial governments (including national and provincial extra-budgetary accounts and funds), universities, universities of technology and FET and the non-trading services of municipalities. Consolidation involves the elimination of all transactions (i.e. grants between different levels of government, professional and special services payments between levels of government, etc) between these levels of the general government[6]. The 2005 SAM include final intermediate consumption expenditure of both national and provincial government.

6.3.1. Intermediate consumption expenditure of national government

The South African government comprises of 34 national government departments (see Annexure 9). In the 2005 SAM, the national governments are grouped into ten main categories of functional classification of cash payments for operating activities and purchases of non-financial assets, namely classifications of functions of government (COFOG):

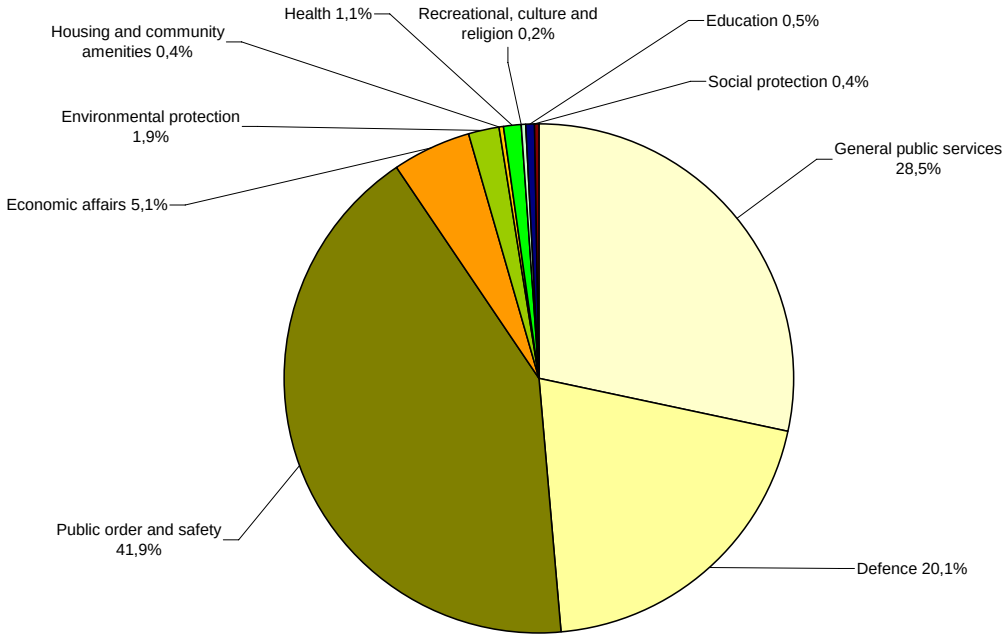
- General public service;
- Defence;
- Public order and safety;
- Economic affairs;
- Environmental protection;
- Housing and community amenities;
- Health;
- Recreational, culture and religion;
- Education, and
- Social protection.

The above mentioned categories of functional classification of cash payments for operating activities and purchases of non-financial assets are further disaggregated by 27 products and services.

[6]Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.31 shows the breakdown of final intermediate consumption expenditure of national government in 2005. 'Public order and safety' (41,9%) accounted for the largest share of the total intermediate consumption expenditure by national government followed by 'general public services' (28,5%), 'defence' (20,1%) and 'economic affairs' (5,1%).

Figure 6.31: Final Intermediate consumption expenditure of national government, 2005

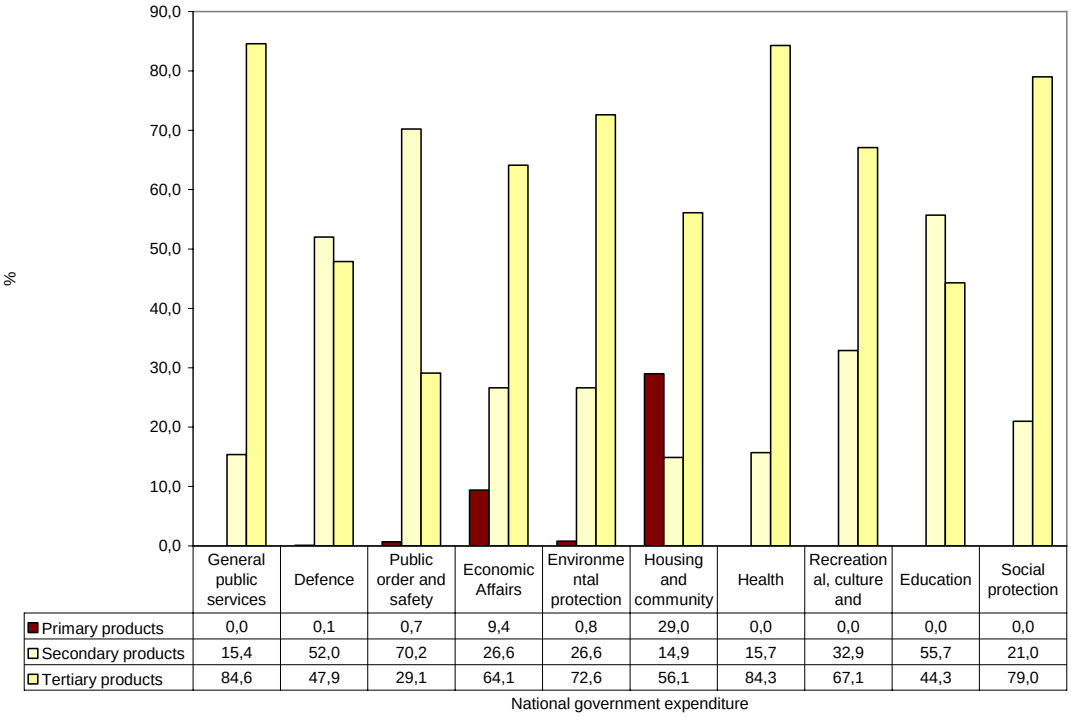


Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.32 shows intermediate consumption expenditure of national government by products in 2005.

- 'Economic affairs' spent the majority of their intermediate consumption expenditure on 'tertiary products' (64,1%), followed by 'secondary products' (26,6%) and 'primary products' (9,4%).
- 'Public order and safety' spent the major portion of their intermediate consumption expenditure on 'secondary products' (70,2%) followed by 'tertiary products' (29,1%) and 'primary products' (0,7%).

Figure 6.32: Intermediate consumption expenditure of national government by products, 2005



	General public services	Defence	Public order and safety	Economic Affairs	Environmental protection	Housing and community	Health	Recreational, culture and	Education	Social protection
Primary products	0,0	0,1	0,7	9,4	0,8	29,0	0,0	0,0	0,0	0,0
Secondary products	15,4	52,0	70,2	26,6	26,6	14,9	15,7	32,9	55,7	21,0
Tertiary products	84,6	47,9	29,1	64,1	72,6	56,1	84,3	67,1	44,3	79,0

Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

6.3.2. Intermediate consumption expenditure of provincial government

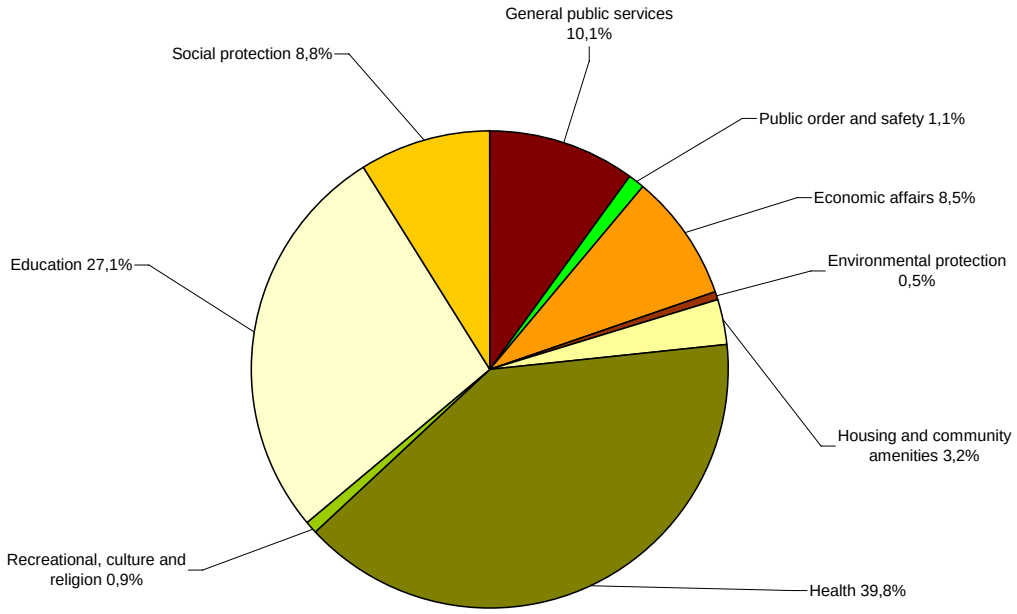
South Africa comprises of nine provinces. In the 2005 SAM, the provincial governments are grouped into nine main categories of functional classification of cash payments for operating activities and purchases of non-financial assets, namely classifications of functions of government (COFOG):

- General public service;
- Public order and safety;
- Economic affairs;
- Environmental protection;
- Housing and community amenities;
- Health;
- Recreational, culture and religion;
- Education, and
- Social protection.

The above mentioned categories of functional classification of cash payments for operating activities and purchases of non-financial assets are further disaggregated by 27 products and services.

Figure 6.33 shows the breakdown of final intermediate consumption expenditure of provincial government in 2005. 'Health' (39,8%) accounted for the largest share of the total final intermediate consumption expenditure by provincial government followed by 'education' (27,1%), 'general public services' (10,1%), 'social protection' (8,8%) and 'economic affairs' (8,5%).

Figure 6.33: Intermediate consumption expenditure of provincial government, 2005

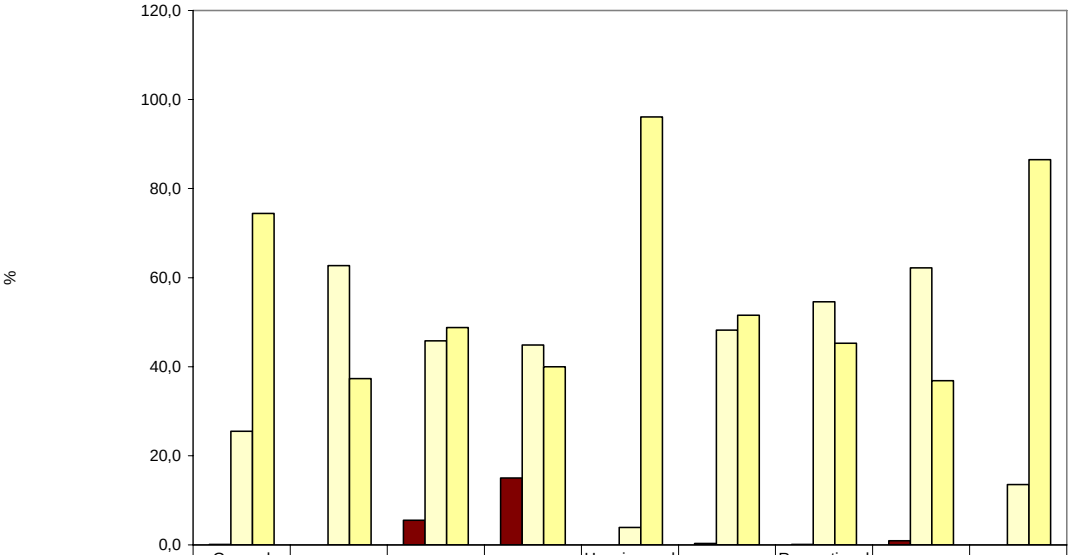


Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

Figure 6.34 shows final intermediate consumption expenditure of provincial government by products in 2005.

- 'Health' spent the majority of their intermediate consumption expenditure on 'tertiary products' (51,6%), followed by 'secondary products' (48,2%) and 'primary products' (0,3%).
- 'Education' spent the major portion of their intermediate consumption expenditure on 'secondary products' (62,2%) followed by 'tertiary products' (36,9%) and 'primary products' (0,9%).

Figure 6.34: Intermediate consumption expenditure of provincial government by products, 2005



	General public services	Public order and safety	Economic Affairs	Environmental protection	Housing and community amenities	Health	Recreational, culture and religion	Education	Social protection
Primary products	0,1	0,0	5,5	15,0	0,0	0,3	0,1	0,9	0,0
Secondary products	25,5	62,7	45,8	44,9	3,9	48,2	54,6	62,2	13,5
Tertiary products	74,4	37,3	48,8	40,0	96,1	51,6	45,3	36,9	86,5

Provincial government expenditure

Source: Statistics South Africa, 2005 SAM, Report No. 04-03-02 (2005)

please scroll down

Chapter 7: Socio-economic demography of provinces

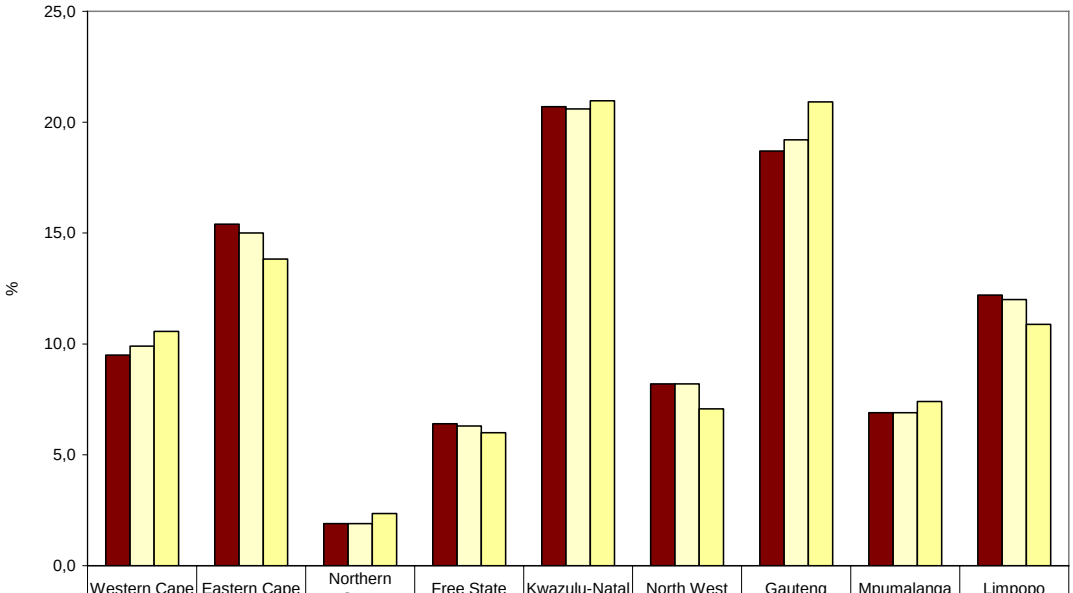
Stats SA has compiled three official SAMs which were compiled on the national economy. It has been observed that there is a need for provincial SAMs in South Africa, but it is not feasible for Stats SA to compile SAMs on the provincial framework due to a lack of provincial data. This chapter discusses the existing selected provincial socio-economic data for 2002, 2005 and 2008 in order to highlight certain aspects of a SAM in all nine provinces.

7.1. The population of South Africa by province

Figure 7.1 shows the total population by province in 2002, 2005 and 2008.

- The size of the South African population was approximately 45,5 million in mid-2002, increased to 46,5 million in mid-2005 and to a further 48,6 million in 2008 .
- KwaZulu-Natal had the largest population (21,0% in 2008, 20,6% in 2005 and 20,7% in 2002).
- Gauteng had the second largest population (20,9% in 2008, 19,2% in 2005 and 18,7% in 2002).
- Northern Cape had the smallest population (2,4% in 2008 and 1,9% in both 2002 and 2005).

Figure 7.1: Population by province, 2002, 2005 and 2008



	Western Cape	Eastern Cape	Northern Cape	Free State	Kwazulu-Natal	North West	Gauteng	Mpumalanga	Limpopo
2002	9,5	15,4	1,9	6,4	20,7	8,2	18,7	6,9	12,2
2005	9,9	15,0	1,9	6,3	20,6	8,2	19,2	6,9	12,0
2008	10,6	13,8	2,4	6,0	21,0	7,1	20,9	7,4	10,9

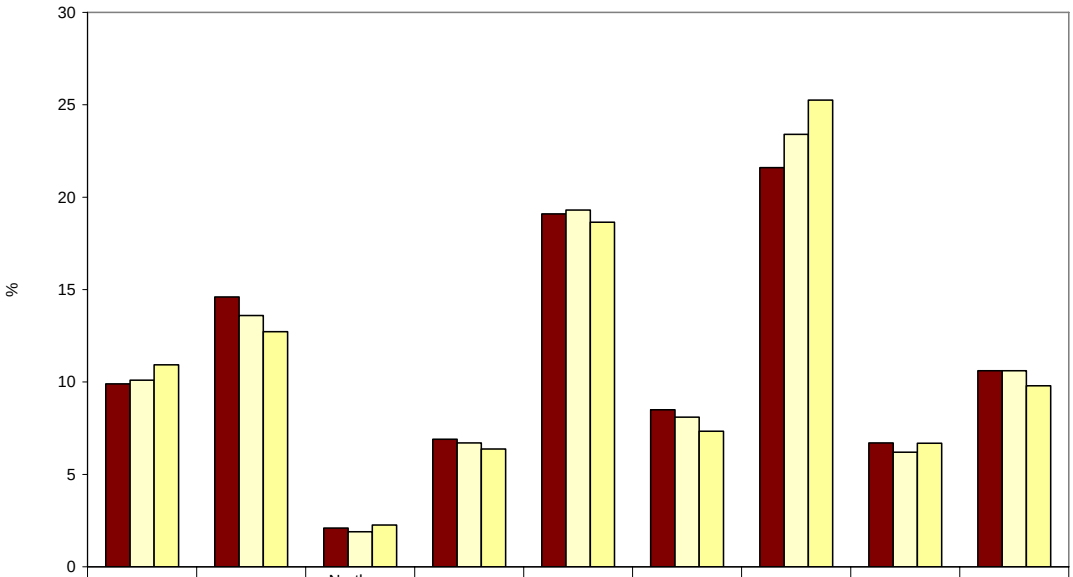
Source: Statistics South Africa, General Household Survey, 2002, 2005 and 2008

7.2. South African households by province

Figure 7.2 shows the total number of South African households by province.

- In 2002, the size of South African households was approximately 11,5 million and this increased to 12,7 million in 2005 and increased further to 13,4 million in 2008.
- Gauteng constituted 21,6% of the total South African households in 2002, followed by KwaZulu-Natal (19,1%) and the Eastern Cape (14,6%). A similar trend was also observed in 2005 and 2008.
- Northern Cape had the least number of households (2,1%) in 2002 which decreased to 1,9% in 2005 and increase to 2,3% in 2005.

Figure 7.2: Total number of households by province, 2002, 2005 and 2008



	Western Cape	Eastern Cape	Northern Cape	Free State	Kwazulu-Natal	North West	Gauteng	Mpumalanga	Limpopo
2002	9,9	14,6	2,1	6,9	19,1	8,5	21,6	6,7	10,6
2005	10,1	13,6	1,9	6,7	19,3	8,1	23,4	6,2	10,6
2008	10,9	12,7	2,3	6,4	18,6	7,3	25,3	6,7	9,8

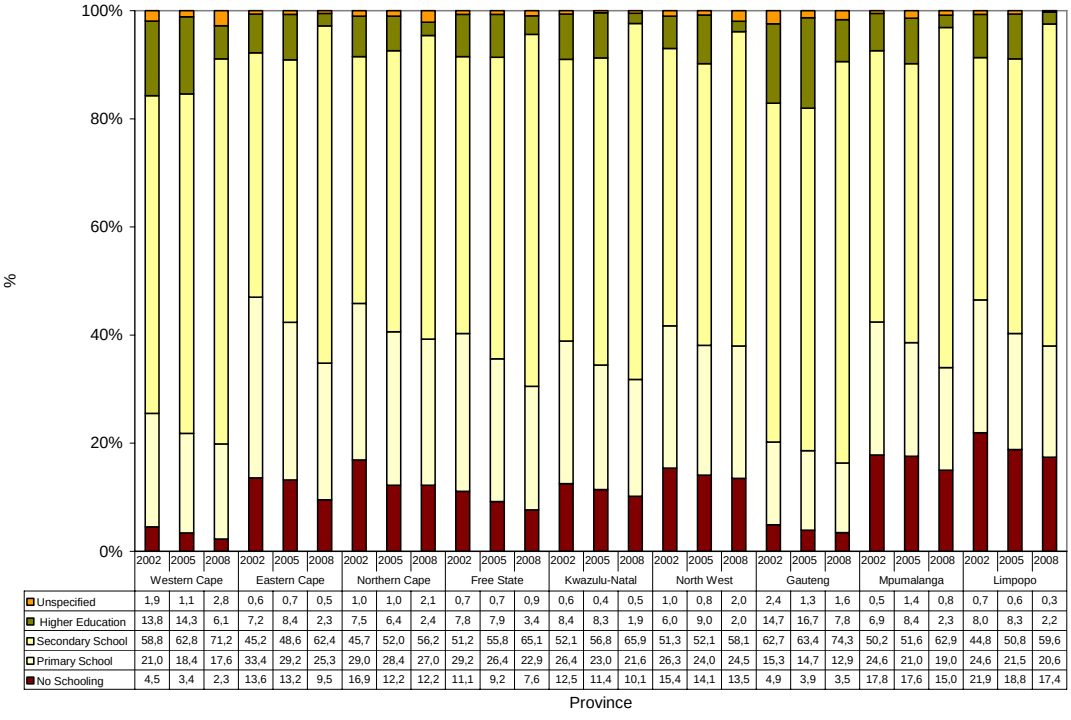
Source: Statistics South Africa, General Households Survey, 2002, 2005 and 2008

7.3. Educational profile of the South African population by province

Figure 7.3 shows the educational profile of the population of South Africa by province for 2002, 2005 and 2008.

- There was an increase in the proportion of the population that had 'secondary school' education in all nine provinces between 2002, 2005 and 2008.
- The percentage of the population that had 'primary school' education in Eastern Cape, Free State, Mpumalanga, Limpopo, KwaZulu-Natal, Gauteng and Northern Cape decreased between 2002, 2005 and 2008.
- The percentage of the population that had a 'higher' education in Gauteng and Western Cape increased from 14,7% and 13,8% respectively in 2002 to 16,7% and 14,3% respectively in 2005 and decreased drastically to 7,8% and 6,1% respectively in 2008.
- There was a decrease in the proportion of the population that had 'no schooling' in all nine provinces between 2002, 2005 and 2008

Figure 7.3: Educational profile of the population of South Africa by province[7], 2002, 2005 and 2008



	Western Cape			Eastern Cape			Northern Cape			Free State			Kwazulu-Natal			North West			Gauteng			Mpumalanga			Limpopo		
	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008
Unspecified	1,9	1,1	2,8	0,6	0,7	0,5	1,0	1,0	2,1	0,7	0,7	0,9	0,6	0,4	0,5	1,0	0,8	2,0	2,4	1,3	1,6	0,5	1,4	0,8	0,7	0,6	0,3
Higher Education	13,8	14,3	6,1	7,2	8,4	2,3	7,5	6,4	2,4	7,8	7,9	3,4	8,4	8,3	1,9	6,0	9,0	2,0	14,7	16,7	7,8	6,9	8,4	2,3	8,0	8,3	2,2
Secondary School	58,8	62,8	71,2	45,2	48,6	62,4	45,7	52,0	56,2	51,2	55,8	65,1	52,1	56,8	65,9	51,3	52,1	58,1	62,7	63,4	74,3	50,2	51,6	62,9	44,8	50,8	59,6
Primary School	21,0	18,4	17,6	33,4	29,2	25,3	29,0	28,4	27,0	29,2	26,4	22,9	26,4	23,0	21,6	26,3	24,0	24,5	15,3	14,7	12,9	24,6	21,0	19,0	24,6	21,5	20,6
No Schooling	4,5	3,4	2,3	13,6	13,2	9,5	16,9	12,2	12,2	11,1	9,2	7,6	12,5	11,4	10,1	15,4	14,1	13,5	4,9	3,9	3,5	17,8	17,6	15,0	21,9	18,8	17,4

Source: Statistics South Africa, General Household Survey, 2002, 2005 and 2008

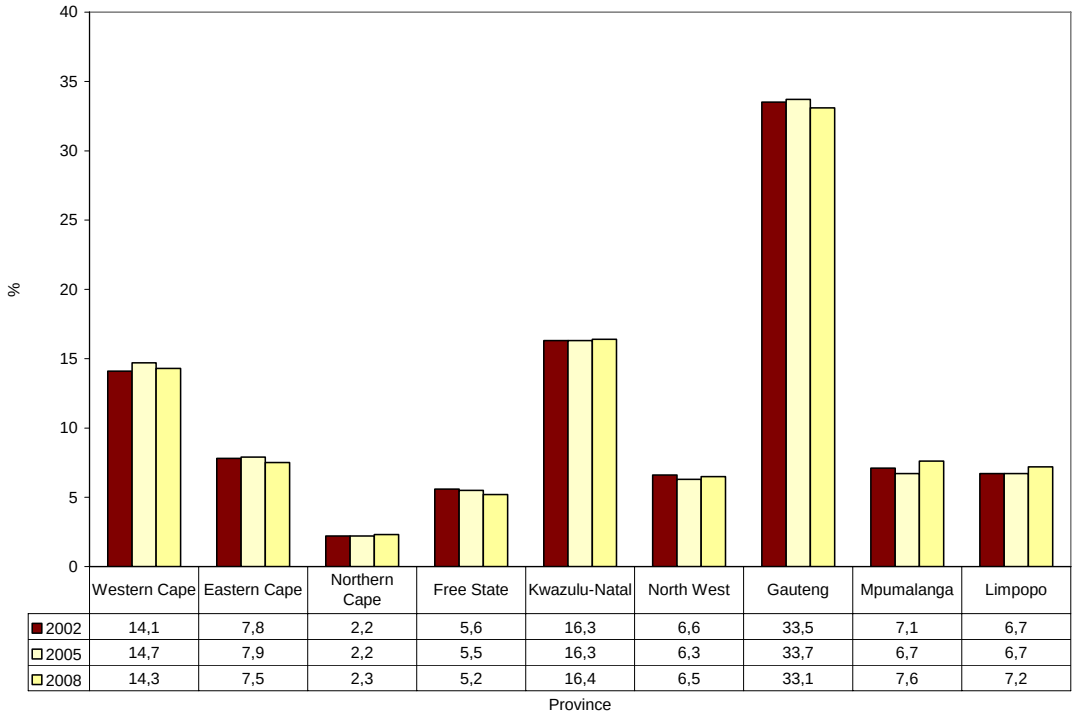
[7] The difference between the results of the population census, GHS and the LFS is their respective target populations. The population census includes all persons aged 20 years and older; the GHS includes a sample of 30 000 households employed and unemployed across the country, while the LFS includes only employed persons aged 15–65 years. GHS data are shown in this section because they form the source data (household by province) for the compilation of the socio-economic demography of the province.

7.4. Gross Domestic Product per province

Figure 7.4 indicates the provincial contribution to the GDP of South Africa for 2002, 2005 and 2007.

- Gauteng, KwaZulu-Natal and Western Cape were the largest contributors to the national economy of South Africa. Jointly these three contributed approximately 65,0% to the national GDP in 2002, 2005 and 2008, with Gauteng representing a third of the economy.
- The lowest contributor was Northern Cape with 2,2% in 2002 and 2005 and 2,3% in 2008.

Figure 7.4: Percentage contribution per province to the South African economy (GDP) for 2002, 2005 and 2008 (%)



	Western Cape	Eastern Cape	Northern Cape	Free State	Kwazulu-Natal	North West	Gauteng	Mpumalanga	Limpopo
2002	14,1	7,8	2,2	5,6	16,3	6,6	33,5	7,1	6,7
2005	14,7	7,9	2,2	5,5	16,3	6,3	33,7	6,7	6,7
2008	14,3	7,5	2,3	5,2	16,4	6,5	33,1	7,6	7,2

Source: Statistics South Africa, Gross Domestic Product per region, 2006 and 2008

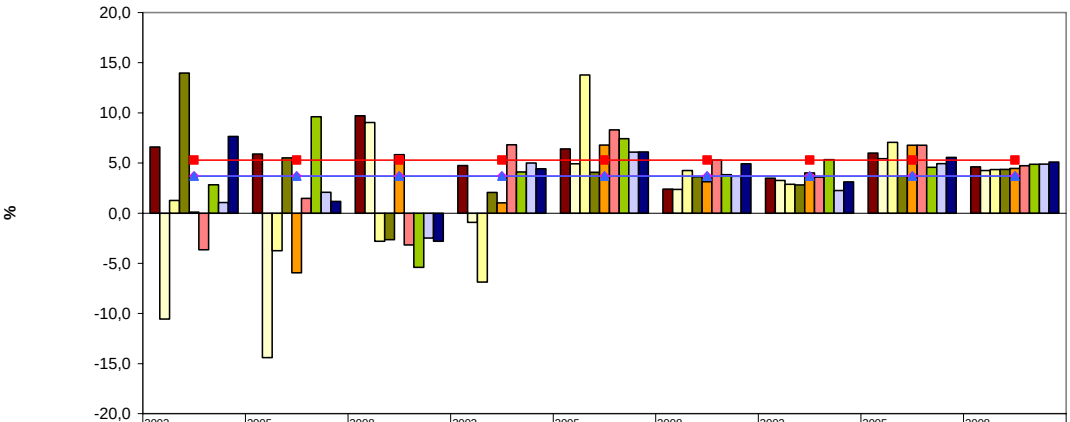
Figure 7.5 indicates the real annual economic growth rate per province by industry.

- In 2002, the primary industry recorded the highest growth rate in Free State (14,0%) and Limpopo (7,6%) and the lowest growth rate was recorded in Eastern Cape (-10,6%) and North West (-3,6%). In 2005, the primary industry recorded the highest growth rate in Gauteng (9,6%) and Western Cape (5,9%) and the lowest growth rate was recorded in Eastern Cape (-14,4%) and Kwazulu-Natal (-6,0%). In 2008, the primary industry recorded the highest growth rate in Western Cape (9,7%) and Eastern Cape (9,0%) and the lowest growth rate was recorded in Gauteng (-5,4%) and North West (-3,2%).
- In 2002, the secondary industry recorded the highest growth rate in North West (6,8%) and Gauteng (5,0%) and the lowest growth rate was recorded in Northern Cape (-6,9%) and Eastern Cape (-0,9%). In 2005, the secondary industry recorded the highest growth rate in Northern Cape (13,8%) and North West (8,3%) and the lowest growth rate was recorded in Free State (4,1%) and Eastern Cape (4,9%). In 2008, the

secondary industry recorded the highest growth rate in North West (5,3%) and Limpopo (4,9%) and the lowest growth rate was recorded in Eastern Cape and Western Cape (2,4% respectively).

- In 2002, the tertiary industry recorded the highest growth rate in Gauteng (5,3%) and Kwazulu-Natal (4,0%) and the lowest growth rate was recorded in Mpumalanga (2,3%) and Free State (2,8%). In 2005, the tertiary industry recorded the highest growth rate in Northern Cape (7,1%) and Kwazulu-Natal and North West (both 6,8%) and the lowest growth rate was recorded in Free State (3,7%) and Gauteng (4,6%). In 2008, the tertiary industry recorded the highest growth rate in Limpopo (5,1%) and Mpumalanga and Gauteng (both 4,9%) and the lowest growth rate was recorded in Eastern Cape (4,2%) and Northern Cape (4,3%).
- The real annual economic growth rate for South Africa increased by 3,7% in 2002 to 5,3% in 2005 and decreased to 3,7% in 2008.

Figure 7.5: Real annual economic growth rate per province by industry, 2002, 2005 and 2008



	2002	2005	2008	2002	2005	2008	2002	2005	2008
	Primary Industry			Secondary Industry			Tertiary Industry		
Western Cape	6,6	5,9	9,7	4,7	6,4	2,4	3,5	6,0	4,6
Eastern Cape	-10,6	-14,4	9,0	-0,9	4,9	2,4	3,2	5,4	4,2
Northern Cape	1,3	-3,7	-2,8	-6,9	13,8	4,2	2,9	7,1	4,3
Free State	14,0	5,5	-2,7	2,1	4,1	3,6	2,8	3,7	4,4
Kwazulu-Natal	0,1	-6,0	5,8	1,0	6,8	3,1	4,0	6,8	4,5
North West	-3,6	1,5	-3,2	6,8	8,3	5,3	3,6	6,8	4,7
Gauteng	2,8	9,6	-5,4	4,1	7,4	3,8	5,3	4,6	4,9
Mpumalanga	1,1	2,1	-2,5	5,0	6,1	3,7	2,3	4,9	4,9
Limpopo	7,6	1,2	-2,8	4,4	6,1	4,9	3,1	5,6	5,1
SA-02	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7
SA-05	5,3	5,3	5,3	5,3	5,3	5,3	5,3	5,3	5,3
SA-08	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7	3,7

Industry

Source: Statistics South Africa, Gross Domestic Product per region, 2006 and 2008

7.5. Household expenditure by provinces

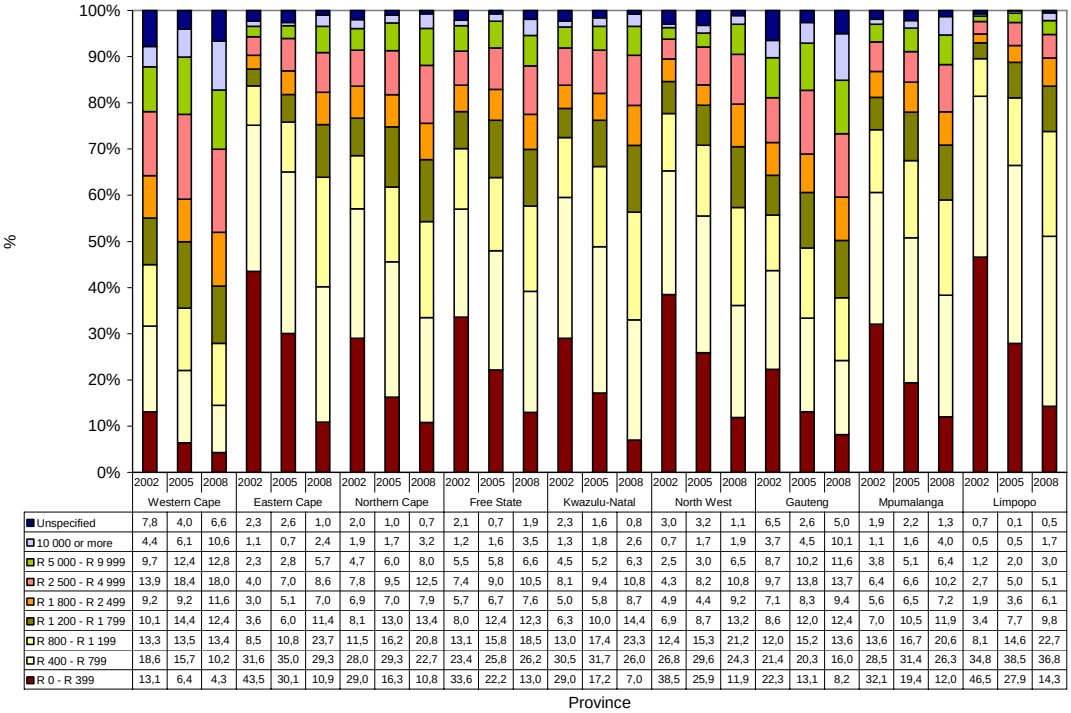
Figure 7.6 indicates the expenditure by households in the month prior to the General Household Survey (GHS) interview in each province in 2002, 2005 and 2008.

- In 2002 and 2005 households that spent R800–R1 199 in the month prior to the GHS interview constituted 13,0% and 17,4% respectively of all households in Kwazulu-Natal, followed by Mpumalanga (13,6% and 16,7% respectively) and the Northern Cape (11,5% and 16,2% respectively). In 2008, households that spent R800–R1 199 in the month prior to the GHS interview constituted 23,7% of all households in the

Eastern Cape, followed by Limpopo (22,7%), North West (21,2%), Northern Cape (20,8%) and Mpumalanga (20,6%).

- There was an increase in the households that spent R10 000 or more in the month prior to the GHS interview in 2002, 2005 and 2008 in the Western Cape (4,4% to 6,1% increasing further to 10,6%), Gauteng (3,7% to 4,5% increasing further to 10,1%), Mpumalanga (1,1% to 1,6% increasing further to 4,0%), Free State (1,2% to 1,6% increasing further to 3,5%), Kwazulu-Natal (1,3% to 1,8%, increasing further to 2,6%), and North West (0,7% to 1,7% increasing further to 1,9%) respectively.
- There was a decrease for households that spent R0–R399 in the month prior to the GHS interview in all the provinces for the years 2002, 2005 and 2008.
- Households that spent R1 800–R2 499 in the month prior to the GHS interview for the year 2005 constituted 8,3% of all the households in Gauteng, 9,2% in the Western Cape and 4,4% in North West, as compared to only 3,6% in Limpopo, 5,1% in Eastern Cape and 6,7% in the Free State.
- There was a continuous increase for households that spent R1 800 – R2 499 in 2002, 2005 and 2008 except for North West were a decrease was experienced between 2002 and 2005 and a steep increase in 2008.

Figure 7.6: Household expenditure of South African households in the month prior to the interview by province, 2002, 2005 and 2008



	Western Cape			Eastern Cape			Northern Cape			Free State			Kwazulu-Natal			North West			Gauteng			Mpumalanga			Limpopo		
	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008	2002	2005	2008
Unspecified	7,8	4,0	6,6	2,3	2,6	1,0	2,0	1,0	0,7	2,1	0,7	1,9	2,3	1,6	0,8	3,0	3,2	1,1	6,5	2,6	5,0	1,9	2,2	1,3	0,7	0,1	0,5
10 000 or more	4,4	6,1	10,6	1,1	0,7	2,4	1,9	1,7	3,2	1,2	1,6	3,5	1,3	1,8	2,6	0,7	1,7	1,9	3,7	4,5	10,1	1,1	1,6	4,0	0,5	0,5	1,7
R 5 000 - R 9 999	9,7	12,4	12,8	2,3	2,8	5,7	4,7	6,0	8,0	5,5	5,8	6,6	4,5	5,2	6,3	2,5	3,0	6,5	8,7	10,2	11,6	3,8	5,1	6,4	1,2	2,0	3,0
R 2 500 - R 4 999	13,9	18,4	18,0	4,0	7,0	8,6	7,8	9,5	12,5	7,4	9,0	10,5	8,1	9,4	10,8	4,3	8,2	10,8	9,7	13,8	13,7	6,4	6,6	10,2	2,7	5,0	5,1
R 1 800 - R 2 499	9,2	9,2	11,6	3,0	5,1	7,0	6,9	7,0	7,9	5,7	6,7	7,6	5,0	5,8	8,7	4,9	4,4	9,2	7,1	8,3	9,4	5,6	6,5	7,2	1,9	3,6	6,1
R 1 200 - R 1 799	10,1	14,4	12,4	3,6	6,0	11,4	8,1	13,0	13,4	8,0	12,4	12,3	6,3	10,0	14,4	6,9	8,7	13,2	8,6	12,0	12,4	7,0	10,5	11,9	3,4	7,7	9,8
R 800 - R 1 199	13,3	13,5	13,4	8,5	10,8	23,7	11,5	16,2	20,8	13,1	15,8	18,5	13,0	17,4	23,3	12,4	15,3	21,2	12,0	15,2	13,6	13,6	16,7	20,6	8,1	14,6	22,7
R 400 - R 799	18,6	15,7	10,2	31,6	35,0	29,3	28,0	29,3	22,7	23,4	25,8	26,2	30,5	31,7	26,0	26,8	29,6	24,3	21,4	20,3	16,0	28,5	31,4	26,3	34,8	38,5	36,8
R 0 - R 399	13,1	6,4	4,3	43,5	30,1	10,9	29,0	16,3	10,8	33,6	22,2	13,0	29,0	17,2	7,0	38,5	25,9	11,9	22,3	13,1	8,2	32,1	19,4	12,0	46,5	27,9	14,3

Province

Source: Statistics South Africa, General Household Survey, 2002, 2005 and 2008

Glossary

Balancing item

An accounting construct obtained by subtracting the total value of the entries on one side of an account from the total value of the entries on the other side. Balancing items are not just simple devices introduced by the 1993 SNA to ensure that accounts balance but they encapsulate a great deal of information and include some of the most important entries in the accounts, for example, value added and operating surplus.

Basic price

The amount receivable by the producer from the purchaser for a unit of goods or services produced as output *minus* any tax payable *plus* any subsidy receivable on that unit as a consequence of its production or sale. Basic prices exclude any transport charges invoiced separately by the producer. Basic price is the preferred method of valuing output.

Capital transfer in kind

A capital transfer in kind consists of the transfer of ownership of an asset (other than inventories or cash) or the cancellation of liability by a creditor.

Compensation of employees

The total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during the accounting period. It is recorded on a gross basis, i.e. before any deduction for income taxes, pensions, unemployment insurance and other social insurance schemes. It also includes other forms of compensation, namely commissions, tips, bonuses, directors' fees and allowances such as those for holidays and sick leave, as well as military pay and allowances. It excludes employers' social contributions.

Current transfers

Current transfers comprise all transfers that are not classified as capital transfers. They directly affect the level of disposable income and should influence the consumption of goods and services.

Enterprise

An enterprise may be a corporation (a quasi-corporate enterprise is treated as a corporation in the 1993 SNA), a non-profit institution or an unincorporated enterprise. Corporate enterprise and non-profit institutions are complete institutional units. An unincorporated enterprise, however, refers to an institutional unit - a household or government unit – only in its capacity as a producer of goods and services. It covers only those activities of the unit which are directed towards the production of goods and services.

Generation of income account

Provides for the distribution of primary incomes to the various institutional sectors. Primary incomes are incomes that accrue to institutional sectors and industries as a consequence of their involvement in processes of production or ownership of assets that may be needed for purposes of production.

Goods and services account	Shows the total resources (output and imports) and uses of goods and services (intermediate consumption, final consumption, gross capital formation and exports). Taxes on products (less subsidies) are also included on the resource side of the accounts.
Gross domestic product	A measure of the total value of production of all resident institutional units in the economic territory of a country in a specified period.
Gross domestic product at market prices	GDP at market prices equals total gross value added at basic prices plus taxes on products minus subsidies on products
Gross domestic product for the economy	GDP for the entire economy is equal to GDP at market prices. It is essentially a production measure as it is obtained through the sum of the gross values added of all resident institutions units, in their capacity as producers, plus the values of any taxes, less subsidies, on production or imports not already included in the values of the outputs and values added by resident producers.
Gross operating surplus/Mixed income	The balancing item in the generation of income account, i.e. the value added *minus* compensation of employees payable *minus* taxes on production payable *plus* subsidies receivable.
Gross value added at basic prices	Output valued at basic prices less intermediate consumption valued at purchasers' prices.
Gross value added at producers' prices	Output valued at producers' prices less intermediate consumption valued at purchasers' prices.
Industries	These consist of groups of establishments engaged in the same or similar kinds of activity. The definition of industries is based on the 1993 SNA and is in line with that contained in the Standard Industrial Classification of all Economic Activities, Fifth Edition, Report No. 09-90-02 of January 1993 (SIC).
Intermediate consumption	Consists of the value of the goods and services consumed as inputs by a process of production, excluding fixed assets. Consumption of fixed assets is recorded as consumption of fixed capital.
Labour accounts	A statistical system of core variables which consists of a set of tables providing a systematic and consistent overview, mutually and over time, of the core variables.
Other subsidies on production	Subsidies are transfers from the government to the business sector towards current cost of production. These transfers represent additions to the income of producers from current production.

Other taxes on production These consist of taxes on the ownership of land, buildings or other assets used in production or on labour employed, etc. Important examples of other taxes on production are taxes on payroll or work force, business or professional licenses.

Output This consists of those goods or services that are produced within an establishment that become available for use outside the establishment, plus any goods and services produced for own final use.

Population group It describes the racial classification of a particular group of South African citizens. The previous government used legislation to impose this type of classification, to divide the South African population into distinct groupings on which to base apartheid policies. For quite a different reason it remains important for Stats SA to continue to use this classification wherever possible. It clearly indicates the effects of discrimination of the past, and permits monitoring of policies to alleviate discrimination. It should be noted that, in the past, population group was based on a legal definition, but it is now based on self-perceptions and self-classification. An African person is someone who classifies him/herself as such. The same applies to a coloured, Indian/Asian and white person.

Primary sector These include the agriculture, forestry and fishing, mining and quarrying industries.

Producers' price The amount receivable by the producer from the purchaser for a unit of goods or services produced as output minus any VAT, or similar deductible tax, invoiced to the purchaser. It excludes any transport charges invoiced separately by the producer.

Production account for the total economy The first in the sequence of accounts compiled for institutional sectors, industries and the total economy. The production account contains three items apart from the balancing item, namely, output, intermediate consumption and taxes less subsidies on products. The output is recorded under resources on the right-hand side of the account. Intermediate consumption and taxes less subsidies on products is recorded under uses on the left-hand side of the account.

Purchasers' price The amount paid by the purchaser, excluding any deductible VAT or similar deductible tax, in order to take delivery of a unit of goods or services at the time and place required by the purchaser. The purchaser's price of goods includes any transport charges paid separately by the purchaser to take delivery at the required time and place.

Secondary sector These include the manufacturing, electricity, gas, water and construction industries.

Subsidies on products	These are payable per unit of goods or services.
Supply and Use tables	They are sometimes referred to as rectangular input-output tables, Supply and Use tables, supply and disposition of commodities tables.
Supply table	It gives information about the resources of goods and services.
Symmetric tables	These tables use similar classifications or units, i.e. the same groups of products for both the rows and the columns.
System of National Accounts	An internationally agreed standard system for macro-economic accounts. The latest version is described in the 1993 System of National Accounts (1993 SNA).
Taxes on production and imports	Taxes which add to the cost of production and are likely to be reflected in market prices paid by the purchaser, such as sales and excise taxes, import duties and property taxes. Taxes on production and imports include taxes on products and other taxes on production.
Taxes on products	They consist of taxes payable on goods and services when they are produced, delivered, sold or otherwise disposed of by their producers. Furthermore, they are payable per unit of goods or services produced. Important examples of taxes on products are excise and import duties and VAT.
Tertiary sector	These include wholesale and retail trade and motor trade; catering and accommodation; transport and communication; finance, real estate and business services; community, social and personal services; general government services; and other producers.
Transfer in kind	It consists of a transfer of an ownership of goods or assets, other than cash or provision of a service.
Use table	It gives information on the uses of goods and services, and also on cost structures of the industries.
Value added components	The use table distinguishes three different components of value added, i.e. compensation of employees, other taxes less subsidies on production and gross operating surplus/mixed income.
Value added by industry	Value added measures the value created by production and may be calculated either before or after deducting the consumption of fixed capital on the fixed assets used. Gross value added is defined as the value of output less the value of intermediate consumption. Value added is the balancing item in the production account for an institutional unit or sector, or establishment or industry.

Annexure

Table A1 provides a link between the description of the 27 products used in the SAM and the description of the 153 products used in the SU-tables.

Table A1: Description of products used in the social accounting matrix

Product Code	Product category in SAM	SU-tables product description
P1100	Agriculture	Agricultural, forestry and fishing products
P2100	Coal	Coal and lignite products
P2300	Gold	Gold and uranium ore products
P2500	Other mining	Other mining products
P301-6	Food	Meat products; Fish products; Fruit and vegetables products; Oils and fats products; Dairy products; Grain mill products; Animal feeds; Bakery products; Sugar products; Sugar confectionery; Other food products; Beverages and tobacco products
P311-316	Textiles	Textile products; Made-up textile products; Carpets and rugs; Other textiles products; Wearing apparel; Leather products; Handbags
P317	Footwear	Footwear
P331-338	Petroleum	Fuel products; Basic chemical products; Fertilizers; Primary plastic products; Pesticides; Paints; Pharmaceutical products; Soap products; other rubber products; Plastic products
P341-342	Other non-metallic mineral products	Glass products; Non-structural ceramics; Structural ceramic products; Cement; Other non-metallic
P351-359	Basic iron/steel	Iron and steel products; Non-ferrous metals; Structural metal products; Treated metal products; General hardware products; Other fabricated metal products; Engines; Pumps; Gears; Lifting equipment; General machinery; Agricultural machinery; Machine tools; Mining machinery; Other special machinery; Household appliances; Office machinery
P36	Electrical machinery	Electric motors; Electricity apparatus; Wire and cable products; Accumulators; Lighting equipment; Other electrical products
P371-376	Radio	Radio and television products; Optical instruments

Table A1: Description of products used in the social accounting matrix (concluded)

Product code	Product category in SAM	SU-tables product description
P381-387	Transport equipment	Motor vehicles; Motor vehicle parts; Other transport products
P321-6, 391-5	Other manufacturing	Wood products; Paper products; Containers of paper; Other paper products; Published and printed products; Recorded media products; Furniture; Jewellery; Manufactured products n.e.c.
P4100	Electricity	Electricity
P4200	Water	Water
P5	Construction	Building construction; Other construction
P6100	Trade	Trade services
P64	Hotels and restaurants	Hotel and restaurant services
P7100	Transport services	Transport services
P7500	Communications	Communications
P81-83	Financial intermediation	FSIM; Insurance services
P84	Real estate	Real estate services
P85-88	Business activities	Other business services
P91&94	General government	General government services
P9300	Health and social work	Health and social work
P92/5/6/9	Other activities/services	Other activities/services

Table A2 provides the corresponding SIC for each industry description used in the SAM.

Table A2: Link between social accounting matrix industries and standard industrial classifications.

Industry code	Industry category in SAM	SU-tables industry description
I1100	Agriculture	1110; 1120; 1130; 1140; 1150; 1160; 1210; 1220; 1310; 1320
I2100	Coal	2100
I2300	Gold	2300
I2500	Other mining	2210; 2410; 2420; 2510; 2520; 2530; 2900
I301-6	Food	3011; 3012; 3013; 3014; 3020; 3031; 3032; 3033; 3041; 3042; 3043; 3044; 3049; 3051; 3052; 3053; 3060
I311-316	Textiles	3111; 3112; 3121; 3122; 3123; 3129; 3130; 3140; 3150; 3161; 3162
I317	Footwear	3170
I331-338	Petroleum	3310; 3321; 3322; 3323; 3324; 3325; 3329; 3330; 3341; 3342; 3343; 3360; 3351; 3352; 3353; 3354; 3359; 3371; 3379; 3380
I341-342	Other non-metallic mineral industries	3411; 3421; 3422; 3423; 3424; 3425; 3426; 3429
I351-359	Basic iron/steel	3510; 3531; 3520; 3532; 3541; 3542; 3543; 3551; 3552; 3553; 3559; 3561; 3562; 3563; 3565; 3564; 3569; 3571; 3572; 3574; 3575; 3573; 3576; 3577; 3579; 3580; 3590
I36	Electrical machinery	3610; 3620; 3630; 3640; 3650; 3660
I371-376	Radio	3710; 3720; 3730; 3741; 3742; 3743; 3750; 3760
I381-387	Transport equipment	3810; 3820; 3830; 3841; 3842; 3850; 3860; 3871; 3872; 3879
I321-6, 391-5	Other manufacturing	3210; 3221; 3222; 3223; 3229; 3231; 3232; 3239; 3241; 3242; 3249; 3251; 3252; 3243; 3260; 3910; 3921; 3922; 3923; 3924; 3929; 3951; 3952
I4100	Electricity	4110; 4120; 4130

Table A2: Link between social accounting matrix industries and standard industrial classifications (concluded)

Industry code	Industry category in SAM	SU-tables industry description
I4200	Water	4200
I5	Construction	5021; 5024; 5031; 5032; 5033; 5039; 5041; 5049; 5010; 5022; 5023; 5050
I6100	Trade	6110; 6120; 6130; 6140; 6150; 6190; 6210; 6220; 6230; 6240; 6250; 6260; 6310; 6320; 6330; 6340; 6350
I64	Hotels and restaurants	6410; 6420
I7100	Transport services	7110; 7120; 7130; 7210; 7220; 7300; 7410
I7500	Communications	7510; 7520
I81-83	Financial intermediation	FISM; 8110; 8190; 8210; 8310; 8320
I84	Real estate	8410; 8420
I85-88	Business activities	8510; 8520; 8530; 8610; 8620; 8630; 8640; 8650; 8690; 8710; 8720; 8810; 8820; 8830; 8890
I91&94	General government	9110; 9120; 9130; 9400
I9300	Health and social work	9311; 9312; 9319; 9320; 9330
I92/5/6/9	Other activities/services	9200; 9500; 9600; 9900; 0200; 0900

Table A3 provides the list of integrated economic accounts.

Table A3: List of integrated economic accounts

Number and name of accounts		Balancing item	
Transaction accounts			
0	Goods and services account		
Full sequence of accounts for institutional sectors			
Current accounts			
I	Production account	B.1	Value added
II.I	Primary distribution of income account		
II.1.1	Generation of income account	B.2/3	Operating surplus/mixed income
II.1.2	Allocation of primary income account	B.5	Balance of primary incomes
II.2	Secondary distribution of income account	B.6	Disposable income
II.3	Redistribution of income in kind account	B.7	Adjusted disposable income
II.4	Use of income account		
II.4.1	Use of disposable income account	B.8	Saving
II.4.2	Use of adjusted disposable income account	B.8	Saving
Accumulation accounts			
III.1	Capital account	B.9	Net lending/borrowing
III.2	Financial account	B.9	Net lending/borrowing
III.3	Other changes in assets account	B.10	Other changes in net worth
Balance sheets			
IV.1	Opening balance sheet	B.90	Net worth
IV.2	Changes in balance sheet	B.10	Total changes in net worth
IV.3	Closing balance sheet	B.90	Net worth
Rest of the world account			
Current accounts			
V.I	External account of goods and services	B.11	External balance of goods and services
V.II	External account of primary income and current transfers	B.12	Current external balance
Accumulation accounts			
V.III.1	External capital account	B.9	Net lending/borrowing
V.III.2	External financial account	B.9	Net lending/borrowing
V.III.3	External account for other changes in assets		
Balance sheets			
V.IV.1	External opening balance sheet	B.90	Net external financial position of the nation
V.IV.2	External changes in balance sheet	B.10	Changes in net external financial position of the nation
V.IV.3	External closing balance sheet	B.90	Net external financial position of the nation

The abbreviated description of occupations used in the SAM and the corresponding SASCO-group codes are shown in Table A4.

Table A4: Key between occupation descriptions and South African standard classification of occupation groups

SAM description (skill level)	Corresponding South African Standard Classification of Occupation (SASCO) groups
Legislators (4)	Legislators; senior government officials; traditional chiefs and heads of villages; senior officers of special-interest organisations; legislators and senior officers not elsewhere classified; corporate managers, directors and chief executives; production and operation managers/department managers; other managers/department managers; corporate managers not elsewhere classified; general managers; general managers not elsewhere classified.
Professionals (4)	Physicists, chemist and related professionals; mathematicians, statisticians and related professionals; computing professionals; architects, engineers and related professionals; physical sciences technologists; physical, mathematical and engineering science professionals not elsewhere classified; life science professionals; health professionals; nursing and midwifery professionals; life science and health professionals not elsewhere classified; college, university and higher education institutions teaching professionals; secondary education institutions teaching professionals; primary and pre-primary education teaching professionals; special education institutions teaching professionals; other teaching institutions teaching professionals; other education professionals not elsewhere classified; business professionals; legal professionals; archivists, librarians and related information professionals; social science and related professionals; writers and creative or performing artists; religious professionals; other professionals not elsewhere classified.

Table A4: Key between occupation descriptions and South African standard classification of occupation – groups (continued)

SAM description (skill level)	Corresponding SASCO groups
Technicians (3)	Natural and engineering science technicians; optical and electronic equipment operators, ship and aircraft controllers and technicians; physical engineering science associate professionals not elsewhere classified; life science technicians and related associate professionals; modern health associate professionals (except nursing); nursing and midwifery associate professionals; traditional medicine practitioners and faith healers; life science and health professionals not elsewhere classified; primary education teaching associated professionals; pre-primary education teaching associate professionals; special education teaching associate professionals; other teaching associate professionals; teaching associate professionals not elsewhere classified; finance and sales associate professionals; business services agents and trade brokers; administrative associate professionals; customs; tax and related government associate professionals; police inspectors and detectives; social work associate professionals; artistic, entertainment and sports associate professionals; religious associate professionals; other associate professionals not elsewhere classified.
Clerks (2)	Secretaries and keyboard operating clerks; numerical clerks; material-recording and transport clerks; library, mail and related clerks; other office clerks and clerks not elsewhere classified (except customer services clerks); cashiers, tellers and related clerks; client information clerks; customer services clerks not elsewhere classified.
Service workers (2)	Travel attendants and related workers; housekeeping and restaurant services workers; personal care and related workers; other personal services workers; astrologers, fortune tellers and related workers; protective services workers; personal and protective service workers not elsewhere classified; fashion and other models; shop salesperson and demonstrators; stall and market salesperson; models, salesperson and demonstrators not elsewhere classified.

Table A4: Key between occupation descriptions and South African standard classification of occupation – groups (continued)

SAM description (Skill level)	Corresponding SASCO groups
Skilled agricultural workers (2)	Market gardeners and crop growers; market-oriented animal producers and related workers; market-oriented crop and animal producers; forestry and related workers; fishery workers, hunters and trappers; market-oriented skilled agricultural and fishery workers not elsewhere classified; subsistence agricultural and fishery workers.
Craft workers (2)	Miners, shot-firers, stone cutters and carvers; building frame and related trades workers; building finishers and related trades workers; painters, building structure cleaners and related trades workers; extraction and building trades workers not elsewhere classified; metal moulders, welders, sheet-metal workers, structural metal preparers and related trades workers; blacksmiths, tool-makers and related trades workers (excluding apprentices/ trainees); machinery mechanics and fitters; electrical and electronic equipment mechanics and fitters; metal, machinery and related trades workers not elsewhere classified; precision workers in metal and related trades workers; potters, glass-makers and related trades workers; handicraft workers in wood, textile, leather and related materials; printing and related trades workers; precision, handicraft, printing and related trades workers not elsewhere classified; food processing and related trades workers; wood treaters, cabinetmakers and related trades workers; textile, garment and related trades workers; pelt, leather and shoemaking trades workers; other craft and related trades workers not elsewhere classified.

Table A4: Key between occupation descriptions and South African standard classification of occupation – groups (concluded)

SAM description (skill level)	Corresponding SASCO groups
Plant and machine operators (2)	Mining and mineral processing plant operators; metal processing plant operators; glass, ceramics and related plant operators; wood-processing and papermaking plant operators; chemical processing plant operators; power-production and related plant operators; automated assembly-line and industrial-robot operators; stationary-plant and related operators not elsewhere classified; metal and mineral-products machine operators; chemical-products machine operators; rubber and plastic products machine operators; rubber and plastic products machine operators; wood products machine operators; printing, binding and paper products machine operators; textile, fur and leather products machine operator; food and related products machine operators; assemblers; other machine operators and assemblers not elsewhere classified; locomotive engine drivers and related workers; motor vehicle drivers and related workers; agricultural and other mobile plant operators; ships' deck crews and related workers; drivers and mobile plant operators not elsewhere classified.
Elementary occupations (1)	Street vendors and related workers; shoe-cleaning and other elementary street services occupations; cleaners and launderers; building caretakers and window and related cleaners; messengers, porters, doorkeepers and related workers; garbage collectors and related workers; elementary sales and services occupations not elsewhere classified; agricultural, fishery and related labourers; agricultural, fishery and related labourers not elsewhere classified; mining and construction labourers; manufacturing labourers; transport labourers and freight handlers; labourers in mining, construction, manufacturing and transport not elsewhere classified.
Domestic workers (1)	Domestic and related helpers.
Occupation unspecified (1)	Armed forces, occupations unspecified; unemployed persons, occupations unspecified; occupations in the informal sector not elsewhere classified; occupations not elsewhere classified; occupations not adequately defined; homemakers; children, not scholars or students (less than 15 years old); scholars, students; pensioners and other not economically active (65 years and older) and labour-disabled (15 to 64 years old) persons; not economically active persons not elsewhere classified; foreign visitors.

The abbreviated description of household expenditure range used in the 2005 SAM is shown in Table A5.

Table A5: Key between percentiles and annual household expenditure

Percentile	Annual household expenditure R	% of population
P1	1–7 769	0–5%
P2	7 770–10 393	6–10%
P3	10 394–14 564	11–20%
P4	14 565–18 609	21–30%
P5	18 610–23 278	31–40%
P6	23 279–28 654	41–50%
P7	28 655–36 755	51–60%
P8	36 756–51 426	61–70%
P9	51 427–79 152	71–80%
P10	79 153–150 693	81–90%
P11	150 694–237 544	91–95%
P12	237 545+	96–100%

The abbreviated population groups used in the 2005 SAM are shown in Table A6.

Table A6: Population codes used in the SAM

Population code	Population group
A	Black African
C	Coloured
I	Indian/Asian
W	White
T	Total

The skill levels used in the SAM are shown in Table A7.

Table A7: Major occupational groups and skill levels

Major group	Skill level	Description
Legislators	4	Education which begins at the age of 18 or 19, lasts about three, four or more years, and leads to a university or post-graduate university degree.
Professionals	4	
Technicians	3	Education which begins at the age of 17 or 18, lasts about one to four years, and leads to an award not equivalent to a first university degree.
Clerks	2	
Service workers	2	Secondary education which begins at the age of 13 or 14 and last about five years. A period of on-the-job-training and experience might be necessary.
Skilled agricultural workers	2	
Craft workers	2	
Plant and machine operators	2	
Elementary occupations	1	Primary education which generally begins at the age of 6 or 7 and lasts about 7 years, including persons without any formal primary education, or with incomplete primary education
Domestic workers	1	
Occupation unspecified	1	

Highest levels of education used in a SAM were grouped into seven categories and are shown in Table A8.

Table A8: Highest level of education

SAM category	Highest level of education
No Schooling	No Schooling
Primary school	Grades 1 to 7
Secondary school	Grade 8 to 12, NTC I, NTC II and NTC III
Higher	Certificate without grade 12, certificate with grade 12, diploma without grade 12 and diploma with grade 12, degree and postgraduate degree
Unspecified	Labour force who did not specify their highest level of education

The functional classification of cash payments for operating activities and purchases of non financial assets of government is shown in Table A9.

Table A9: Functional classification of cash payments for operating activities and purchases of non-financial assets

Functional Classification	Government Department
General public services	Foreign Affairs
	Home Affairs
	National Treasury
	Parliament
	Provincial and local government
	Public services and administration
	Public services commission
	Public works
	South African Management Development Institute (SAMDI)
	Statistics South Africa
	The Presidency
Defence	Defence
Public order and safety	Correctional Services
	Independent Complaint Directorate
	Justice and Constitutional Development
	South African Police Services
Economic Affairs	Agriculture
	Communications
	Government Communication Information Systems
	Minerals and Energy
	Labour
	Land Affairs
	Science and Technology
	Public Enterprise
	Trade and Industry
	Transport
Environmental Protection	Environmental Affairs and Tourism
	Water Affairs
Housing and Community Amenities	Housing
Health	Health
Recreational, Culture and Religion	Arts and Culture
	Sports and Recreational
Education	Education
Social Protection	Social Development