

This paper prepared for ESSA conference 05-07 September 2011 in Stellenbosch

PROFILING SOCIO-ECONOMIC AT THE DISTRICT LEVEL IN THE FREE STATE:

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Abstract:

The paper seeks to highlight the socioeconomic condition in the Free State by focussing at the five districts in the province, Motheo, Lejweleputswa, Xhariep, Fezile Dabi and Thabo Mofutsanyane. From the available data, it is apparent that less number of the people in the districts gets higher income than others, while scores of people spend around R1799 per month. Interestingly the paper found that majority of the people in these districts has access to formal housing as a form of dwelling, however, Lejweleputswa has a higher number of shacks compared to other districts.

The paper concludes by saying that the results in the paper should be taken with a great amount of caution, given the inconsistency and signs of unreliability in the GHS data.

KEYWORDS: DISTRICTS, INQUALITY, POVERTY AND SOCIAL SECURITY JEL CODE:ⁱ J11, I38, P46

Introduction

South Africa has a unique historical background; this is the same history that today has shaped the complexion of our societies across the country. Since around the early 18th century, South Africa has been plugged by social disparities that sake to promote one racial group over other racial group. This led to vast array of inequalities, ranging from political, economic, income, social, etc, rendering South Africa one of the countries with the highest inequality in the world. This lead to led to many social ills taking place around the country, this assertion is supported by Jean-Michel (2010), argues that there is also evidence that countries and regions with higher socio-economic inequality experience the most acute socio-economic problems, whether we speak about lower economic growth, increase in violence, poorer educational achievement, declining civil or electoral participation or higher mortality rates. On the contrary, countries with a lower level of socio economic inequalities fare better on all these domains.

Post 1994, the nature of inequality has taken a different dimension and whole new appearance, no longer is exclusion on the basis of race, but now on the basis of wealth. E.g. we have in one country two health systems offering two different qualities on health services, those who afford the private care getting a superior health care and the poor accessing public health care, which primarily characterised by poor services, shortage of staff, unbearable health and environmental conditions, etc. This is one of many forms of inequalities facing our society today.

The Free State province was not immune from this assail, exacerbated by the decline in agricultural and mining contribution to provincial economic growth. Free State province has experienced relatively highest number of people living in absolute poverty and worst inequality in the country.

There is approximately 2.825 million people living in the Free State province, of this number 1.150 million is living poverty. This is about 41 percent of the Free State population. There is one pertinent question that is still unanswered, why is and inequality not coming down, even though, government has put in place some good both developmental and welfare policies. This question is particularly important given that there has been a period of sustained economic growth since the dawn of democracy. It means that the type of growth we had only fostered inequalities and did little to curb the plight of many people living in poverty. Thereby, violate their right to dignity and better life as conferred to them by the constitution of the Republic of South Africa (RSA).

Geo- Demographics

Free state is divided in to five districts (see figure on the cover pager), namely Xhariep, Motheo, Lejweleputswa, Thabo Mofutsanyane and Fezile Dabi. In 2001 the Free State was a home to 733302 households and a total of 2.6 million people (CS 2007). This figure increase slightly by 0.63 percent to 2.7 million people. The number of household in the province also increased from 733302 to 802872, marking 1.5 percent increase. Table 1 below gives these stats in full.

| Column1 | (| Census 2001 | | CS_2007 | | | |
|----------------|------------|-------------|-------------|------------|--------|-------------|--|
| | Population | НН | Ave.HH_size | Population | HH | Ave.HH_size | |
| Xhariep | 130759 | 38879 | 3.4 | 123872 | 37245 | 3.3 | |
| Motheo | 705273 | 206360 | 3.4 | 820894 | 227026 | 3.6 | |
| Lejwe | 636004 | 184469 | 3.4 | 632713 | 202391 | 3.1 | |
| Thabo- Mofu | 710922 | 183049 | 3.9 | 684838 | 187115 | 3.7 | |
| Fezi-dabi | 441872 | 120544 | 3.7 | 463124 | 149095 | 3.1 | |
| Free state | 2624831 | 733302 | 3.6 | 2725440 | 802872 | 3.4 | |

Table 1: population size and number of household per district.

StatsSA: Community survey, 2007

Notes: Ave. HH_size is average household size, HH is household

By 2001 Thabo Mofutsanyane had a highest average household size of about 3.9 inhabitants per house hold, followed by Fezile Dabi. While Motheo, Lejweleputswa and Xhariep had an average household size of 3.4 each, which was below provincial average of 3.6.

In 2007, this picture change somewhat slightly, Motheo registered an increase in average household size of about 3.6, while Thabo remained with the highest average household size at about 3.7 people per household, this was a decline compared to 2001 figures. Fezile Dabi, registered the highest relative decline in average household size from 3.7 in 2001 to 3.1 in 2007.

Table 2 below gives the racial contribution to district population and percentage contribution of each district in to provincial population. In four of the five districts blacks are the majority group followed whites in four districts i.e. Motheo, Lejweleputswa, Thabo Mofutsanyane and Fezile Dabi, while in Xhariep second majority is coloureds. Indians/ Asians are minority in all the districts.

From 2007 Motheo and Thabo Mofutsanyane had the highest percentage contribution to the provincial both with about 27 percent this was followed by Lejweleputswa with 24 percent,

Xhariep had about 0.05 percent contribution to the total population, and this figure remained the same in 2007. However, Motheo's contribution has increased from 27 percent to 30 percent, Lejweleputswa and Thabo Mofutsanyane's contribution declined from 23 and 25 percent, respectively.

| Column1 | Blacks | Whites | Coloured | Indian | %of PROV 01 | %of PROV 07 |
|-------------------|--------------|-----------|----------|--------|--------------|--------------|
| Xhariep | 76.3 | 8.2 | 15.3 | 0.2 | 0.050 | 0.05 |
| Motheo | 82.4 | 12.8 | 4.7 | 0.2 | 0.27 | 0.30 |
| Lejwe | 90.7 | 7.9 | 1.2 | 0.2 | 0.24 | 0.23 |
| Thabo- Mofu | 93.7 | 5 | 1.1 | 0.2 | 0.27 | 0.25 |
| Fezi-dabi | 84.1 | 13.5 | 2 | 0.3 | 0.17 | 0.17 |
| Motu Fezi-dabi | 93.7 84.1 | 5 13.5 | 1.1 | 0.2 | 0.27 0.17 | 0.25 0.17 |

StatsSA: online database.

Table 3 below, gives the proportion of the provincial population by the type of dwelling. Clearly can be seen from the table that majority of Free State population have brick structured buildings as a form of shelter/housing, at least 70 percent of population. Moreover, moreover, this is accompanied by a standard error of less than 1 percent. With the confidence interval of 69 and 72 percent for both lower and upper boundary, respectively. this is against the \pm 30 percent of Free State population who leaves in flats, townhouses, traditional, shacks etc.

Table 3: proportion of the provincial population by type of dwelling

| | | Proportion | Std. Err. | [95% Conf. | Interval] |
|---------------------|----|------------|-----------|------------|-----------|
| ++ | | | | | |
| Form of Dwelling | I. | | | | |
| brick structure | T | 0.7045161 | 0.0094644 | 0.6859565 | 0.7230757 |
| traditional/hut | N. | 0.0322581 | 0.0036651 | 0.0250709 | 0.0394452 |
| flat/ apartment | Т | 0.0116129 | 0.0022224 | 0.0072549 | 0.0159709 |
| town/cluster | Τ | 0.0047312 | 0.0014234 | 0.0019399 | 0.0075225 |
| room in back | Т | 0.0227957 | 0.003096 | .0167245 | 0.0288669 |
| informal/shack back | c | 0.0468817 | 0.0043849 | 0.038283 | 0.0554804 |
| informal dwelling | Т | 0.12 | 0.0067408 | 0.1067813 | 0.1332187 |
| flatlet/room | Τ | 0.0154839 | 0.0025611 | 0.0104615 | 0.0205062 |
| Other | Т | 0.027957 | 0.0034196 | 0.0212513 | 0.0346627 |
| Unspecified | Ι | 0.0137634 | 0.0024168 | 0.0090242 | 0.0185027 |
| | | | | | |

source: StatsSA, GHS 2007

In table 4, gives the proportion of people with access to drink water. According to the table below, in the Free State only 42 percent of the people have access to piped tap water in a dwelling, with the standard error of about 1 percent and confidence interval of 40 and 44 percent for both lower and up boundary, respectively. This is in contrast to 47 percent of the population who drinks from bore holes taps in the site. These two figures together, suggest that about 89 percent of the Free State have access to drinking water, with those depending on bore holes being the majority. The remaining ± 11 percent accessing water from public taps, communal bore holes taps, etc.

| I | Proportion | Std. Err. | [95% Conf. | Interval] |
|---------------|------------|-----------|------------|-----------|
| drink water | | | | |
| piptapindwel | 0.4163441 | 0.0102255 | 0.3962919 | 0.4363962 |
| boreoleonsite | 0.4701075 | 0.0103532 | 0.4498051 | 0.49041 |
| boreholeonsit | 0.0210753 | 0.0029795 | 0.0152325 | 0.026918 |
| rainwatertank | 0.0021505 | 0.0009609 | 0.0002662 | 0.0040349 |
| neighbourstap | 0.0167742 | 0.002664 | 0.0115502 | 0.0219982 |
| public tap | 0.0443011 | 0.0042682 | 0.0359311 | 0.052671 |
| tanker | 0.0068817 | 0.0017149 | 0.0035189 | 0.0102446 |
| Borehcomunal | 0.0129032 | 0.0023411 | 0.0083125 | 0.017494 |
| flowingwater | 0.0004301 | 0.0004301 | -0.0004133 | 0.0012735 |
| Dam/pool | 0.0004301 | 0.0004301 | -0.0004133 | 0.0012735 |
| Well | 0.0034409 | 0.0012147 | 0.0010589 | 0.0058229 |
| Spring | 0.0004301 | 0.0004301 | -0.0004133 | 0.0012735 |
| Other | 0.0030108 | 0.0011365 | 0.0007821 | 0.0052394 |
| Unspecified | 0.0017204 | 0.0008597 | 0.0000347 | 0.0034062 |
| | | | | |

Table 4: proportion of provincial population access to drink water

source: StatsSA, GHS 2007

Table 5, gives the income composition of the province. According to the table below, at least about 55 percent of Free State population depended on wages or salaries, for survival. Interestingly, is the proportion of the population that is depended on government grants and pensions, at least about 29 percent of the population in the free State, with the standard error of less than one percent and confidence interval of 27 and 31 percent for both lower and upper boundary, respectively. The remaining proportion of the population of about 4 percent rely on agricultural related salary and non-agricultural income. At least about a percent of the Free State population goes without an income.

| | Proportion | Std. Err. | [95% Conf. | Interval] |
|----------------|------------|-----------|------------|-----------|
| Sources of | | | | |
| income | | | | |
| sala/wage | 0.5526882 | 0.010314 | 0.5324626 | 0.5729138 |
| Remittances | 0.1053763 | 0.006369 | 0.0928868 | 0.1178659 |
| pens&grants | 0.2907527 | 0.0094198 | 0.2722806 | 0.3092248 |
| sales_agr_prod | 0.0137634 | 0.0024168 | 0.0090242 | 0.0185027 |
| non farm inc | 0.0215054 | 0.0030091 | 0.0156046 | 0.0274062 |
| no income | 0.0116129 | 0.0022224 | 0.0072549 | 0.0159709 |
| Unspecified | 0.0043011 | 0.0013575 | 0.0016391 | 0.0069631 |

| Table : | 5: | Prop | ortion | of | provincial | po | pulation | by | source of income |
|---------|----|------|--------|----|------------|----|----------|----|------------------|
| | | | | | | | | ~ | |

Source: stats SA GHS 2007

In table 6 below, population is catagorised according to expenditure bounds. At least about 79 percent of the Free State population spent between 0 and R1799 per month. While about 19 percent spent between R1800 and R9999 and just above percent of the provincial population spent R10000 and above.

| l Pi | roportion | Std. Err. | [95% Conf. I | ntervall |
|-------------|-----------|-----------|--------------|-----------|
| ·+ | | | | |
| Expenditure | | | | |
| 0-399 | 0.1784946 | 0.0079433 | 0.162918 | 0.1940713 |
| 400-799 | 0.3217204 | 0.00969 | 0.3027184 | 0.3407225 |
| 800-1199 | 0.1810753 | 0.0079879 | 0.1654111 | 0.1967395 |
| 1200-1799 | 0.1109677 | 0.0065154 | 0.0981912 | 0.1237443 |
| 1800-2499 | 0.0658065 | 0.0051432 | 0.0557207 | 0.0758922 |
| 2500-5000 | 0.0812903 | 0.0056688 | 0.0701739 | 0.0924067 |
| 5000-9999 | 0.0417204 | 0.0041477 | 0.0335869 | 0.0498539 |
| 10000 or + | 0.0124731 | 0.0023022 | 0.0079585 | 0.0169877 |
| don't knw | 0.0030108 | 0.0011365 | 0.0007821 | 0.0052394 |
| Unspecified | 0.0034409 | 0.0012147 | 0.0010589 | 0.0058229 |

Table 6 : Proportion of provincial Population by expenditure

Source: StatSA GHS 2007

Figure 1 depicts below the access to toilet facility by race and gender per district. It is shown in the picture that in Xhariep municipality, coloureds have the highest number of people having access to toilet facilities. While in Motheo, Lejweleputswa and Thabo Mofutsanyane the difference between groups is not that significant



Figure 1: access toilet facility by race

Source: StatsSA GHS 2007

Notes: DC 16 Xhariep, DC 17 Motheo, DC 18 Lejweleputswa, DC 19: Thabo Mofutsanyane, DC 20: Fezile Dabi B=black, I=Indian, C= Colours, W=Whites. Other = unspecified/other races.

Figure 2 depicts below the number of people who have access to safe drinking water by race in a district. According to the figure below, there is no significant difference in the number of people having access to safe drink per race, except for Motheo and Thabo Mofutsanyane, where there is a slightly higher portion of whites have access to water than other racial groups.



Figure 2: Safe Drinking water per District by and race and Gender

Source: Stats SA GHS 2007

Notes: DC 16 Xhariep, DC 17 Motheo, DC 18 Lejweleputswa, DC 19: Thabo Mofutsanyane, DC 20: Fezile Dabi B=black, I=Indian, C= Colours, W=Whites. Other = unspecified/other races.

In figure 3 below, we have number of people with access to piped drinking water by race per district. Picture is different here, compare to the figure above. In Xhariep municipality, higher proportion of Indians has access to piped water than other races. Similar picture is seen in

Fezile Dabi, where Whites are accessing water in larger proportion than other races in the same district municipality.





Source: StatsSA GHS 2007

Notes: DC 16 Xhariep, DC 17 Motheo, DC 18 Lejweleputswa, DC 19: Thabo Mofutsanyane, DC 20: Fezile Dabi

Objectives

The objective of this paper is to highlight the and give the socio economic condition in the Free State with a special focus being on the five district found in the province, Being Motheo, Lejweleputswa, Fezile Dabi, Thabo Mofutsanyane, and Xhariep.

Research methodology

Literature review

we first look at the work that has been accomplished over the years on social security system with extensive borrowing from Armstrong and Burger (2009), Burger, Von Fintel, and Grun (2009), Woolard, Harttgen and Klasen (2010), Policy Briefs (2006), and Osei (2011). Secondly, we look at done on poverty with reference from Anriquez, Azzarri, and Hertz (2010), Osei,(2011), and Obi (2007).

Social security systems

Free State districts have a diverse socio-economic characteristics, ranging from agriculture, mining, finance/trading and manufacturing and those with no access to essential services, education, health, housing, toilet facilities, land and those with access to these services and essentials. These differences have helped to shape the social structure in these districts and between the districts. In recent years, there has been a decline in the level of productivity and therefore contribution to regional GDP, by

mining, agriculture and other sub-sector of primary sector as the economy was transiting to finance and trade driven economy. However, this change or transition only took place in one district, Motheo district, leaving other districts in an indeterminate state.

The resultant decline in agricultural and mining sector led to a huge decline in the labour absorption capacity in these sectors, rendering scores of the people unemployed, leading to unprecedented poverty, and widening gap of socio-economic inequality in the districts, furthermore putting the strain on already over burden government social security grants. Social assistance is a large and fiscally costly component of anti-poverty policy in South Africa and therefore lends to the questions: Are the grants effective tools for reducing poverty in South Africa and how significant is their impact on poverty? As a measure of reducing poverty and improving the non-social indicators of the poor, the government has expanded the social grants since the advent of the new democracy (Lekezwa, 2011). Whether effective or not, these grants over burden the government fiscal policy. According to Armstrong and Burger (2009), South Africa's social security system has its origin in the apartheid era with efforts being made to create a welfare state for white South Africans. According to Woolard (2003), social assistance refers to non-contributory and income tested benefits provided by the state to vulnerable groups unable to provide for their own minimum needs such as the disabled, the elderly and young children in poor households.

These state packages are not limited to cash handouts, which Burger et al (2009) claim that these transfers is to provide income support to the poor and vulnerable. They also include among other services, provision of free education, health, toilets facilities, piped water services, etc. all these add more strain on government purse. Though, however, provision of houses, health care, education leads to improved livelihood and social wellbeing of the receiving community/society.

According to Armstrong and Burger (2009), South Africa can be said to have a well-developed social security system, largely on par with the social security of the developed countries and unlike those in other developing countries (Booysen, 2004:46 as cited in Armstrong and Burger, 2009). Borrowing extensively from Armstrong and Burger, (2009). The expansion of the social grants by 22 billion between 2005 and 2007 translates into grants expansions in excess of R1000 per person. Given that poverty may be defined as people surviving on income below R3000 per person per year, according to Van der Berg, Louw and Yu, 2007, as seen in Armstrong and Burger, 2009).

Woolard (2003), explains that in 2000, 66.8% of the total income of the poorest 20% of the South African population was social grants, while less than 1% of the income of the richest 20% of the population was grant income. Van der Berg, Lekekwa and Siebrits (2008), as seen in Armstrong and Burger, 2009) reported that 76% of government spending on social grants is received by the 40% of

the population (some 50% of the population as a whole), and that grants increase the share of total income of these households from 4.7% to 7.8% of total income. Table below presents the values of social grants in 2010-2012.

| GRANT TYPE | 2010/11 | 2011/12 |
|-------------------------------|---------|---------|
| State Old-Age Pension | R1 080 | R1 140 |
| Disability Grant | R1 080 | R1 140 |
| Child-Support Grant | R250 | R270 |
| Foster-Care Grant | R710 | R740 |
| Care- Dependency Grant | R1 080 | R1 140 |
| War-Veterans Grant | R1 100 | R1 160 |
| | 0011 | |

Table 7: Monthly payment of Social Security

Source: People's guide to the Budget 2011

According to table 7 above, war veterans gets slightly high grant than the other groups with R1100 in 2010/11 and R60 increase to make it R1160 in 2011/12 financial year, representing 5 percent increment. The lowest group is the child support grant with R250 in 2010/11 financial year and slight increase to R270 in 2011/12 financial year, representing 8 percent increment. State Old-Age Pension, Disability Grant and Care Dependency Grant have enjoyed the slightly bigger increment of about 6 percent or R60 each grant.

Poverty

Magnanimous gesture by government to provide social security packages does not however, destroy or eradicate poverty; they freeze it for a while, furthermore, does not break the chains of poverty. According to Armstrong and Burger (2009). Roughly 55% of South African fall below the poverty line of R3 864 per capita per year (2000 prices), while roughly 35 % , 8% and less than 1% of coloured, Indian and white South Africans respectively fell below that poverty line. An existence of poverty in a society means that, the affected society has no access to the mean stream economy and therefore some from some form of exclusion. This could be a result of urban biased policies, which benefit the urban region more relative to rural area or the absence of rural development focused policies. Obi, 2007, when investigating the implication of tariffs cut to household poverty. They pointed out that tariff cut is not poverty alleviation policy or redistribute income, Well, not directly or explicitly. The question was, could tariff cut on the sector that employs the poor the most have any impact on the employment, income, and income distribution. Obi found that tariff reduction on agricultural import was observed not to lead to an appreciable increase in rural poor. In fact, the policy, in fact the policy benefited the urban household more than the rural poor. As result he came to the conclusion that tariff cut as a policy has no significant impact on income redistribution.

Inequality

According to the report by the European Commission (2010), inequality is defined and measured in a number of ways; however, inequality refers to disparities in the distribution of monetary resources within or between populations. This includes the use of Gini coefficient to capture the difference in inequality in household incomes over time or between regions and or countries. Much of the observed increase in inequality in developing countries is due to rising regional inequality (Klasen, 2007). On a broader scale inequality can also take a form of socio economic inequality, this form inequality relate to unequal access to both economic and social resources. According to Nathwani and Pandey (1996), income inequality is not true reflection of socio economic inequality, attention is drawn to other social indicators for its measurement, such as life expectancy at birth is such a broad social indicator that encompasses a number of fundamental aspects of social well being that are basic to the overall quality of life experienced by the population (Wilkins, 1980. As cited in Nathwani and Pandey, 1996). This tied to unequal income distribution and unequal access to health, education and other forms of social resources. Until the 1970s most economists argued that inequality was conducive to faster growth (Bourguignon & Pleskovic, 2006).

Data sources

The paper uses the data from Stats SA, General Household Survey (GHS) of 2007. The Choice of GHS's 2007 was motivated by the level of disintegration of the dataset, which is up to district municipality, which is the focus of the paper. Where as most latest GHS 2008, is just up to provincial level.



Figure 4: Demographic composition at the district level

Source: StatsSA GHS 2007 Notes: DC 16 Xhariep, DC 17 Motheo, DC 18 Lejweleputswa, DC 19: Thabo Mofutsanyane, DC 20: Fezile Dabi

Figure 4 above gives a picture of a demographic composition of each district municipality. Blacks are generally the majority in most of these districts, with the exception of Fezile Dabi Municipality. While Motheo, and Lejweleputswa data suggests that there equal number of people between blacks and coloureds.

Data analysis

 Table 8: proportion of sources of income by district

| Column1 | Salaries | Remittance | Pension/grants | farm prod | non- farm prod | no income | unspecified |
|---------|----------|------------|----------------|-----------|----------------------|--------------|-------------|
| Xhariep | 0.48 | 0.1 | 0.38 | 0.01 | 0.02 | 0.00 | no. obs |
| Motheo | 0.64 | 0.1 | 0.22 | 0.02 | 0.02 | 0.00 | 0.00 |
| Lejwe | 0.6 | 0.1 | 0.25 | 0.01 | 0.02 | 0.01 | 0.00 |
| Fezile | 0.41 | 0.14 | 0.36 | 0.02 | 0.03 | 0.02 | 0.01 |
| Thabo | 0.6 | 0.08 | 0.26 | 0.01 | 0.03 | 0.02 | 0.00 |

Source: Stats SA GHS 2007

In table 9 below, expenditure is given by district, classified into 10 categories, from lower level of expenditure of about R0 to R399 to highest of about R10000+ per month. In line with inequality measures above both GE and Gini coefficient index, we find that all municipalities have more than 65 percent of their population spending less than R1800 per month, which about R58 per day.

| | R0- | R400- | R800- | R1200- | R1800- | R2500- | R5000- | | Don't | |
|---------|------------|--------------|--------------|--------|--------|--------|--------|----------------|----------|-------------|
| Column1 | 399 | 799 | 1199 | 1799 | 2499 | 4999 | 9999 | R1000 + | know | unspecified |
| Xhariep | 0.22 | 0.41 | 0.17 | 0.08 | 0.04 | 0.05 | 0.03 | 0.00 | 0.00 | No. Obs |
| Motheo | 0.10 | 0.24 | 0.22 | 0.13 | 0.08 | 0.13 | 0.06 | 0.03 | 0.01 | 0.00 |
| Lejwe | 0.19 | 0.30 | 0.16 | 0.14 | 0.07 | 0.08 | 0.05 | 0.01 | No. Obs. | 0.00 |
| Fezile | 0.21 | 0.35 | 0.23 | 0.09 | 0.04 | 0.05 | 0.02 | 0.00 | No. Obs. | 0.01 |
| Thabo | 0.18 | 0.30 | 0.14 | 0.12 | 0.09 | 0.09 | 0.05 | 0.01 | 0.00 | 0.00 |

 Table 8: Expenditure by District

Source: Stats SA GHS 2007

The advantage of looking at expenditure is that it gives clear and precise estimates of how much household is living on per month. Proportion of households living at less than R1799 per month is the bigger than any other proportion, relative to the small percentage of the households living at R322+ on average per day.

| | house | Hut/Tra di | Flat | Townh ouse | back room | shack in back yard | shack stand- alone | Room | other | unspecified |
|-------------|-------|---------------|--------|---------------|--------------|--------------------------|--------------------------|---------|-------|-------------|
| Xharie n | 0.85 | 0 | 0.01 | no obs | 0.01 | 0.02 | 0.08 | no obs | 0.01 | 0.01 |
| Mothe | 0.00 | | 0.01 | 110.000 | 0.01 | 0.02 | 0.00 | 1101000 | 0.01 | 0.01 |
| 0 | 0.74 | 0.03 | 0.03 | 0.01 | 0.04 | 0.02 | 0.11 | 0 | 0.01 | 0.01 |
| Lejwe | 0.59 | no.obs | 0.013 | 0.01 | 0.02 | 0.08 | 0.18 | 0.01 | 0.01 | 0.01 |
| Fezile | 0.66 | 0.17 | no.obs | no.obs | 0.01 | 0.03 | 0.13 | 0.02 | 0.01 | 0.02 |
| Thabo | 0.69 | 0.03 | 0.04 | 0.01 | 0.03 | 0.07 | 0.1 | 0.05 | 0.01 | 0.01 |

Table 9: Proportion population by type of dwelling per district.

Source: Stats SA GHS 2007.

Table 9 gives the proportion of the population by type of dwelling per district. Majority of the population in these districts stay in brick houses, Xhariep is leading with the proportion of the population living in formal structures of houses with about 85 percent of the household population in these houses, followed by Motheo with 74 percent. And Lejweleputswa has the lowest percentage of population living in these formal structures of at least 59 percent. We find that in Lejweleputswa has the highest number of shack dwellers of 26 percent, followed by Fezile Dabi and Motheo with about 18 and 13 percent, respectively.. We find that Fezile Dabi, Thabo Mofutsanyane and Lejweleputswa have smaller value for percentage of the population living.

Preliminary conclusion

This conclusion should be treated with caution, since GHS, showed desperate signs of inconsistency and lack of reliability. Free State is a home to 2.6 million according to community Survey 2007, this number is unequally distributed among five districts found in the Free State, most households in these municipalities are living at less than R1799 per month. We find that Lejweleputswa has the highest number of shack dwellers followed by Motheo. In all the municipalities government grants and pension are second highest source of income; this is not a sustainable mean to survival, this doesn't break the dependency on social security system, ultimately increase strain on government budget, however, it is important to point out that this social packages are critical in fighting poverty as Woolard et al (2010) suggested, that social security system is important in order to alleviate poverty and prevent people from falling into poverty. It would be interesting to determine in the future which social grant makes a bigger contribution to the social security. Three districts in the Free State

have one thing in common; they are not economically strong as Motheo district. This assertion is underpinned by the level of income and expenditure these in districts.

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