



# COLLOQUIUM 2019

**DISRUPTING POVERTY: applying a Decent Standard of Living measure towards coherent policy design. 31 October 2019**

## ABSTRACT

A composite report of the proceedings of the 2019 Colloquium and the 2019 Research and Publications on expanding a Decent Standard of Living in South Africa



*Ubomi obungahlelekanga*  
#decentstandardofliving



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## Abbreviations

COSATU – Congress of South African Trade Unions

DCM – District Coordination Model

DPME – Department of Performance Monitoring and Evaluation

DSD – Department of Social Development

DSL – Decent Standard of Living

DSLI – Decent Standard of Living Index

ESR – Economic and Social Rights

FES – Friedrich-Ebert-Stiftung

LCS – Living Conditions Surveys

LRS – Labour Research Service

MTSF – Medium Term Strategic Framework

NALEDI – National Labour and Economic Development Institute

NDP – National Development Plan

NEDLAC – National Economic Development and Labour Council

NGO – Non Government Organisation

NMW – National Minimum Wage

NPC – National Planning Commission

PCAS – Policy Coordination and Advisory Services

PSLSD – Project for Statistics on Living Standards and Development

SAHRC – South African Human Rights Commission

SASAS – South African Social Attitudes Survey

SASPEN – Southern African Social Protection Experts Network

SASPRI – Southern African Social Policy Research Institute

SDGs – Sustainable Development Goals

SPII – Studies in Poverty and Inequality Institute

SPNs – Socially Perceived Necessities

StatsSA – Statistics South Africa

UN ICESCR – United Nations International Covenant on Economic Social and Cultural Rights

## **Introduction of a DSL and Objective of the Colloquium:**

The Decent Standard of Living (DSL) research was launched in November 2018. It is the result of a multi-year study by three research organisations, Studies in Poverty and Inequality Institute (SPII), Southern Africa Social Policy Research Institute (SASPRI) and the Labour Research Service (LRS). The research was supported by the Department of Social Development through the auspices of a funding facility between DSD and Wits University.

The **Objective of this Colloquium** was to unpack the manner in which the DSL advances policy – aligned thinking on how to reduce development– and service– deficits and to contribute to a more optimal sequential policy development to improve the lives of the majority of South Africans who statistically fall below articulated measures of well-being and poverty in survey data.

In 2019, further research was concluded of **deeper sub- group analysis** on how access and exclusions to a decent life is influenced by **age, gender and spatial location**. Given the attention of the nation on the recent national and provincial elections, it was decided to postpone the next stage of exploring how the DSL can be used to effectively cohere social policies aimed at reducing poverty and realising the Constitutional socio-economic rights as well as the commitments in the National Development Plan and national obligations under the UN International Covenant on Economic, Social and Cultural Rights and the Sustainable Development Goals. This is the conversation that was launched, enriched by the recent sub- group analysis. Global research affirms that the pursuit of sustainable social cohesion requires a well- articulated programme of action that transparently aims to improve people’s quality of life.

It is also critical to headline the manner in which the mandate to advance the current National Minimum Wage setting to a Living Wage occurs to give substance to the negotiating mandates of many of the social actors involved in the NEDLAC negotiations under the auspices of then Deputy President Ramaphosa.

### **What is a Decent Standard of Living?**

Despite the long-running debate on poverty and inequality in South Africa, we’ve not had a robust measure of what it is to live decently, and not merely to survive. The Decent Standard of Living (DSL) Project attempts to derive an understanding of what constitutes a broadly acceptable living level that should be used to reflect a basic living level in South Africa.

This ongoing research is the first attempt to quantify in monetary terms the resources required for a socially derived standard of living using the Socially Perceived Necessities (SPNs) approach. The approach tends to move away from the mostly survivalist standard of living that’s at the core of many of South Africa’s poverty line measures.

The DSL measure, however, should be regarded as complementary to the existing poverty line measures. It builds on several earlier studies involving quantitative research, including:

- 48 focus groups that took place across the country about what comprises an acceptable standard of living
- A module in 2006 South African Social Attitudes Survey (SASAS) to determine which of the 50 items are socially perceived necessities (piloted in 2005)

- Modules in 2008/09 and 2014/15 Living Conditions Surveys (LCS) to measure possession and lack of the SPNs

In 2018, the project found that a monthly income of R7,043 per person is associated with a decent standard of living. This amount is the median per capita household income of people who have a set of 21 indicative items (SPNs) that are widely regarded as essential for an acceptable standard of living in the country. The SPNs include material possessions, social networks and features of the local neighbourhood.

It is clear that food is still the most significant expenditure item for people. Given the unequal nature of wealth and poverty in South Africa, it is necessary to note the critical fact that only 1,7 million people or 3% of the population are able to meet this threshold for living a decent life.

The DSL has now been updated to April 2019 prices, using the DSLI Calculator and the published April 2019 CPI data ('total country') from Statistics South Africa (StatsSA, 2019). See Addendum 2 on page 52.

### **Why is the Decent Standard of Living important?**

Section 10 of the South African Constitution guarantees to all a right to dignity in South Africa. In other words, the state is obliged to adopt and implement policies to ensure that people are able to have that right realised.

Developing a standard is essential to enable policy makers to design policies that are aligned to meet that standard. This is foundational to the National Development Plan 2030 adopted by government in 2012 that commits to a multifaceted Decent Standard of Living.

In addition, the South African government is a signatory to the UN International Covenant on Economic Social and Cultural Rights (The ICESCR) that guarantees the right to an Adequate Standard of Living for all people in Article 11 of the Covenant. The final Recommendations and Observations of the UN Committee handed down in November 2018 states that South Africa needs to develop, adopt and annually update exactly such a standard so that we can measure the progressive realisation of this standard of living amongst all South Africans.

The attention of the world is on meeting the United Nations Sustainable Development Goals. Working towards the achievement of a DSL will meet the demands for action on the following set of SDGs':

**Goal 1: No Poverty** - The SDGs are a bold commitment to finish what was started, and end poverty in all forms and dimensions by 2030. More than 700 million people, or 10% of the world population, still live in extreme poverty and is struggling to fulfil the most basic needs like health, education, and access to water and sanitation, to name a few. The majority of people living on less than \$1.90 a day live in sub-Saharan Africa. Worldwide, the poverty rate in rural areas is 17.2 per cent—more than three times higher than in urban areas.

Having a job does not guarantee a decent living. In fact, 8 per cent of employed workers and their families worldwide lived in extreme poverty in 2018. Poverty affects children disproportionately. One out of five children live in extreme poverty. Ensuring social protection for all children and other vulnerable groups is critical to reduce poverty.

Poverty has many dimensions, but its causes include unemployment, social exclusion, and high vulnerability of certain populations to disasters, diseases and other phenomena which prevent them from being productive. Growing inequality is detrimental to economic growth and undermines social

cohesion, increasing political and social tensions and, in some circumstances, driving instability and conflicts.

**Goal 2: Zero Hunger** - The SDGs aim to end all forms of hunger and malnutrition by 2030, making sure all people especially children have sufficient and nutritious food all year.

It is time to rethink how we grow, share and consume our food. If done right, agriculture, forestry and fisheries can provide nutritious food for all and generate decent incomes, while supporting people-centered rural development and protecting the environment.

Right now, our soils, freshwater, oceans, forests and biodiversity are being rapidly degraded. Climate change is putting even more pressure on the resources we depend on, increasing risks associated with disasters, such as droughts and floods. Many rural women and men can no longer make ends meet on their land, forcing them to migrate to cities in search of opportunities. Poor food security is also causing millions of children to be stunted, or too short for the ages, due to severe malnutrition.

A profound change of the global food and agriculture system is needed if we are to nourish the 821 million people who are hungry today and the additional 2 billion people expected to be undernourished by 2050. Investments in agriculture are crucial to increasing the capacity for agricultural productivity and sustainable food production systems are necessary to help alleviate the perils of hunger.

**Goal 3: Good Health and Wellbeing** - Ensuring healthy lives and promoting the well-being at all ages is essential to sustainable development.

Significant strides have been made in increasing life expectancy and reducing some of the common killers associated with child and maternal mortality, but working towards achieving the target of less than 70 maternal deaths per 100,000 live births by 2030 would require improvements in skilled delivery care.

Achieving the target of reducing premature deaths due to incommunicable diseases by 1/3 by the year 2030 would also require more efficient technologies for clean fuel use during cooking and education on the risks of tobacco.

Many more efforts are needed to fully eradicate a wide range of diseases and address many different persistent and emerging health issues. By focusing on providing more efficient funding of health systems, improved sanitation and hygiene, increased access to physicians and more tips on ways to reduce ambient pollution, significant progress can be made in helping to save the lives of millions.

**Goal 5: Gender Equality** – While the world has achieved progress towards gender equality and women’s empowerment under the Millennium Development Goals (including equal access to primary education between girls and boys), women and girls continue to suffer discrimination and violence in every part of the world.

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world. Unfortunately, at the current time, 1 in 5 women and girls between the ages of 15-49 have reported experiencing physical or sexual violence by an intimate partner within a 12-month period and 49 countries currently have no laws protecting women from domestic violence. Progress is occurring regarding harmful practices such as child marriage and FGM (Female Genital Mutilation), which has declined by 30% in the past decade, but there is still much work to be done to completely eliminate such practices.

Providing women and girls with equal access to education, health care, decent work, and representation in political and economic decision-making processes will fuel sustainable economies and benefit societies and humanity at large. Implementing new legal frameworks regarding female equality in the workplace and the eradication of harmful practices targeted at women is crucial to ending the gender-based discrimination prevalent in many countries around the world.

**Goal 8: Decent Work and Economic Growth** - The SDGs promote sustained economic growth, higher levels of productivity and technological innovation.

Roughly half the world's population still lives on the equivalent of about US\$2 a day with global unemployment rates of 5.7% and having a job doesn't guarantee the ability to escape from poverty in many places. This slow and uneven progress requires us to rethink and retool our economic and social policies aimed at eradicating poverty.

A continued lack of decent work opportunities, insufficient investments and under-consumption lead to an erosion of the basic social contract underlying democratic societies: that all must share in progress. Even though the average annual growth rate of real GDP per capita worldwide is increasing year on year, there are still many countries in the developing world that are decelerating in their growth rates and moving farther from the 7% growth rate target set for 2030. As labour productivity decreases and unemployment rates rise, standards of living begin to decline due to lower wages.

Sustainable economic growth will require societies to create the conditions that allow people to have quality jobs that stimulate the economy while not harming the environment. Job opportunities and decent working conditions are also required for the whole working age population. There needs to be increased access to financial services to manage incomes, accumulate assets and make productive investments. Increased commitments to trade, banking and agriculture infrastructure will also help increase productivity and reduce unemployment levels in the world's most impoverished regions.

**Goal 10: Reduced Inequality** - Income inequality requires global solutions.

The international community has made significant strides towards lifting people out of poverty. The most vulnerable nations – the least developed countries, the landlocked developing countries and the small island developing states – continue to make inroads into poverty reduction. However, inequality persists and large disparities remain regarding access to health and education services and other assets.

There is growing consensus that economic growth is not sufficient to reduce poverty if it is not inclusive and if it does not involve the three dimensions of sustainable development – economic, social and environmental. Fortunately, income inequality has been reduced both between and within countries. At the current time, the per capita income of 60 out of 94 countries with data has risen more rapidly than the national average. There has been some progress regarding creating favourable access conditions for exports from least developing countries as well.

To reduce inequality, policies should be universal in principle, paying attention to the needs of disadvantaged and marginalized populations. There needs to be an increase in duty-free treatment and continuation of favouring exports from developing countries, in addition to increasing the share of developing countries' vote within the IMF. Finally, innovations in technology can help reduce the cost of transferring money for migrant workers.

**Goal 16: Peace, Justice and Strong Institutions** - The SDGs aim to significantly reduce all forms of violence, and work with governments and communities to end conflict and insecurity. The threats of international homicide, violence against children, human trafficking and sexual violence are important

to address to promote peaceful and inclusive societies for sustainable development. They pave the way for the provision of access to justice for all and for building effective, accountable institutions at all levels.

While homicide and trafficking cases have seen significant progress over the past decade, there are still thousands of people at greater risk of intentional murder within Latin America, Sub-Saharan Africa and around Asia. Children's rights violations through aggression and sexual violence continue to plague many countries around the world, especially as under-reporting and lack of data aggravate the problem.

To tackle these challenges and build a more peaceful, inclusive societies, there needs to be more efficient and transparent regulations put in place and comprehensive, realistic government budgets. One of the first steps towards protecting individual rights is the implementation of worldwide birth registration and the creation of more independent national human rights institutions around the world.

The SDG's can be accessed at: <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

**This report reflects on the recent research and the proceedings of the 2019 Annual Colloquium held on 31 October 2019.**



## Message of Support from UN Special Rapporteur on Extreme Poverty, Dr Philip Alston

Message of Support sent electronically for the Colloquium.

<https://www.youtube.com/watch?v=Jb96Wr-VWYQ>

### Transcription of Message:

Dr Philip Alston is the UN Special Rapporteur on Extreme Poverty and Human Rights. He visited South Africa in 1997 where he was involved in launching the national Anti-Poverty Hearings with the late Professor Kader Asmal. He had the privilege of getting to know Professor Asmal through Asmal's global work in the Anti-Apartheid Movement. Professor Asmal is of course known for his work on the National Water Act 36 of 1998, and for the way that he had made that specific Act a source of human rights in South Africa as provided for in the Constitution of South Africa.

Dr Alston expressed his concern that for all of the brilliance with the South African Constitution and the promise that was held out, there does not appear to have been the level of progress that was hoped for in terms of the realisation of the basic economic and social rights of the people at large. This, according to Dr Alston, stems in large from the question of "how to transcend the problems of proceduralism which has been criticised according to the constitutional jurisprudence and minimalism and is however a long standing issue in the human rights area?"

Regarding the work that is done on establishing a Decent Standard of Living by the Studies in Poverty and Inequality Institute, the Southern African Social Policy Research Institute and the Labour Research Service, Dr Alston asked: "If we are looking for an adequate standard of living do we take the easy path out and say this is an issue that involves those who are living in extreme poverty or do we also raise the threshold to a higher level?"

Dr Alston's opinion is that sufficient and necessary change will not be made if the focus is on the question of those who are absolutely in the lowest category of living standard. From his experience, it would be far better to adopt a broader approach that by saying even the 30% level in many countries who are in constant risk of poverty really need to be addressed in the same category as the most indigent.

Alston problematised the centrality of the realisation of the right to dignity to the realisation of the composite totality of rights which range from civil and political rights to social, economic and cultural rights. He emphasised that the failure to meet people's right to an adequate standard of living prevents people from being able to realise their civil and political rights too.

Dr Alston applauded the work that has been done in South Africa recently on the defining of a Decent Standard of Living. He said that it is extremely important work since the international standard (in the UN ICESCR of which South Africa is a signatory) refers to an adequate standard of living. In his view, there are good reasons why this right should be interpreted in conjunction with the right to human dignity. In illustration of this he referred to the concept of *decent working conditions* which is combined in a way that emphasises that "the aim is not only to try to satisfy the bare minimum but to promote the notion of a standard of living that is more adequate and decent to enable people to enjoy the fullness of their lives".

Referring to the fourth annual DSL Colloquium in particular, Dr Alston noted that the event is premised to a large extent on the articulation of the Decent Standard of Living as a question of rights. He established that well-being in many parts of the world still hasn't transcended the association with *charity*. In his analysis, this can be seen in the way that many countries are moving backwards through

trying to almost change the notion of accountability. For example, rather than the States being accountable to the individual to ensure that they have a decent standard of living, individuals have more and more demands imposed on them through new conditions imposed to prove eligibility for receipt of welfare benefits. The innate right to an adequate or decent standard of living quickly disappears once this happens.

Dr Alston said that we need to be clear that other rights are undermined if people are living in poverty. It is clear that all rights become much more problematic and subject to violation when one is living in poverty.

There is also the *instrumentalist* dimension which is relevant to the work that the DSL partners are doing. In other words, the argument that if South Africa or any other country is trying to build a sustainable economy it can simply leave a large number of people living in poverty until the economy is built to approval. The argument continues that apart from the inhumanity of the features of that certain economy, the ends might justify the means as then more people might be able to lead productive lives which will contribute to economic and social growth as a very important aspect. This cannot be accepted from a human rights approach.

According to Dr Alston the fourth annual DSL Colloquium contributes very significantly to global standards and measures. Nationally and locally the measurements and the campaigns need to be developed and adopted. He recommended the twin pillars of the human rights dimension which affirms that, there really is a right to a decent standard of living which is linked to dignity.

Alston concluded with the following challenge:

***“Poverty is a political choice. This means that in a country like South Africa even when in its current problematic economic situation, poverty could be very significantly alleviated and probably even eliminated if there was a political will but because there isn’t. The big challenge is how can one use the sorts of measurements and emphasis on the rights that the partners (SPII, SASPRI and LRS) are promoting in order to bring about a change in political priorities and in a way that the community thinks of poverty as a violation on human rights? “***

## **Keynote Address: Dr Wiseman Magasela: Challenges and Contestations: Building an inclusive society and remaining true to our constitutional values through advancing a comprehensive decent standard of living approach**

Let us start with the important but often forgotten fact: In South Africa, most citizens are poor. I repeat: it is the majority of the population that is poor. It is not some minority, low percentage of the population. It is an overwhelming majority of South Africans that are poor.

South Africa presents a very exciting social laboratory when we view and consider what has unfolded since 1994 and what is happening in the economy. This is especially the case for those who lived and suffered under racial discrimination.

We meet at a time when there are a few current events and developments in South Africa that are worth mentioning. Our context, as we explore further the idea of a Decent Standard of Living in South Africa, is indeed important.

**One**, and not in any order of importance. The Motlanthe Foundation hosted the ***Inclusive Growth Forum*** this month. According to the Foundation *'South: Africa is at a crossroads. It may choose a low road, which takes it down a path of corruption, nepotism and enrichment of the elite, leading to a failed State; or it may choose the high road, where leaders chart a course towards social and economic upliftment, ultimately leading to the equal and caring society envisioned in the preamble to our Constitution.'* The relevance of the Decent Standard of Living approach in this view of the Motlanthe Foundation is unambiguous.

**Two**. Plans for the 2<sup>nd</sup> South African international investment conference are at an advanced stage. From an economic policy perspective, the centrality of bringing in investment for job creation is very high on the Agenda of President Ramaphosa's New Dawn.

**Three**. South Africa's National Minimum Wage Act 9 of 2018 came into effect on 1 January this year. The Preamble of this Act recognises that the Republic of South Africa is one of the most unequal societies in the world. ***It recognises that there are huge disparities in income in the national labour market and notes the need to eradicate poverty and inequality.*** According to Schedule 1 of the Act, the national minimum wage is R20 for each ordinary hour. Farm workers are entitled to a minimum wage of R18 per hour. Domestic workers are entitled to a minimum wage of R15 per hour. Workers employed on an expanded public works programme are entitled to a minimum wage of R11 per hour.

Sadly, I am reliably informed that there is an endless, snaking queue going around several blocks, of employers seeking exemption from these set national minimum wage levels, which, they claim, they cannot afford. A debate for another day is the daily transport costs for workers that fall within the jurisdiction of the National Minimum Wage. When the National Minimum Wage was adopted, the President of Cosatu, Zingiswa Losi, said that half the nation would benefit from the minimum wage directly, as 47% of the workforce earned below the threshold.

**Four.** The National Planning Commission held a 2-day colloquium in July this year at the University of Johannesburg to review the National Development Plan. The Commission drew the unsurprising conclusion that **no progress has been made on the identified indicators since its inception.**

**Five.** The World Economic Forum on Africa sat, not for the first time, in the City of Cape Town in September this year. The main topics covered included banking the unbanked; doing business in Africa; asking whether Africa is ready for the fourth industrial revolution in the age of digital identities, and many other economic development and economic growth issues.

**Six.** In April this year, President Ramaphosa appointed members of the Presidential Commission on the Fourth Industrial Revolution which is to assist government in taking advantage of the opportunities presented by the digital revolution.

**Seven.** The official announcement of the unbundling of Eskom was made this week. We were assured that this public utility entity will not be privatised.

**Eight.** Yesterday the Minister of Finance presented the 2019 Medium Term Budget Policy Statement. The Minister, very surprisingly, made reference to the South African Constitution. He mentioned that in the Constitution, the commitment is made by all of us to “Improve the quality of life of all citizens and free the potential of each person’. The Minister went on to gravely point out that ‘the growth outlook is far too low to support this vision’.

**Nine.** We have the priorities of the 6<sup>th</sup> administration under an ANC government.

**Ten and last.** Isobel Frye was on SABC news last night trying very hard to make sense about the need and urgency for more support to poor South Africans to a Wealth Fund Manager who referred to and views all forms of social assistance as handouts! This is our context.

Ladies and Gentlemen:

The topic is **Building an inclusive society and remaining true to our constitutional values through advancing a comprehensive decent standard of living approach.** There are a few compelling reasons I settled on this topic. The aim is to highlight the concerns and challenges that characterise our present moment in South Africa. The most important of my reasons is to that the Decent Standard of Living approach resonates very closely with the South African Constitution.

What can we say about the **Decent Standard of Living and the Values in the Constitution?** Let me start with the Interim Constitution of South Africa of 1993. This Constitution, the Judges asserted then, provides a historic bridge between the past of a deeply divided society characterised by strife, conflict, untold suffering and injustice, and a future founded on the recognition of human rights, democracy and peaceful co-existence and development opportunities for all South Africans, irrespective of colour, race, class, belief or sex. With this Constitution and these commitments we, the people of South Africa, open a new chapter in the history of our country.’

The Constitution adopted in May 1996 in the democratic era, has as its main anchors; the recognition of the injustices of our past; healing the divisions of the past; a society based on democratic values, social justice and fundamental human rights; the improvement of the quality of life of all citizens and free the potential of each person and the Bill of Rights.

The socio-economic rights in the Constitution create a minimum platform or minimum core with guaranteed entitlements for citizens. This is the substantive element of the social justice in the Constitution. The critical element of social justice in the post-apartheid democratic period is distributive justice. This is through constitutionally guaranteed social and economic entitlements that relate directly to multi-dimensional poverty, that relate directly to a decent standard of living. In the South African context, a cogent argument can be made that the provision of adequate housing, quality health care, food, water, social assistance and quality education, and for children, basic nutrition, shelter, basic health care services and quality social services, mean that the social and economic outcomes of the injustices of the apartheid system are addressed and social justice will be attained.

The United Nation's International Forum for Social Development traces the emergence of the call for social justice as an:

*'... expression of protest against what was perceived as the capitalist exploitation of labour and as a focal point for the development of measures to improve the human condition. It was born as a revolutionary slogan embodying the ideals of progress and fraternity ... In the contemporary context, social justice is typically taken to mean distributive justice.'* (United Nations)

The questions we have to ask ourselves are the following: *'Do the values in our Constitution only apply to the State and Government through adopted policies? What about the private sector? What role, if any, does the private sector have in ensuring that the vision of the Constitution is realised and that all South Africans have a Decent Standard of Living?* In a capitalist society, wages are an important means and instrument for the standard of living enjoyed by the population. It is imperative that as South Africa we find strategic ways to bring the private sector as employers who pay wages into the discussions on a decent standard of living to be enjoyed by all. When we read the Annual Reports of big corporations in South Africa, in mining, manufacturing and other sectors, the private sector points to its commitments to the Sustainable Development Goals in very explicit ways. However, there is no explicit commitment to the vision, values and goals of our Constitution. Recent observations tell us that the National Economic Development and Labour Council, Nedlac, is failing in its mandate. Nedlac is, according to its mission, the vehicle by which Government, labour, business and community organisations seek to cooperate, through problem-solving and negotiation, on economic, labour and development issues and related challenges facing the country. Nedlac appears to be the natural home for discussions on a decent standard of living for South Africa.

The Minimum Income Schemes in many countries in Europe establish the minimum acceptable incomes by calculating what is needed to afford an acceptable living standard. The advocacy for these schemes has taken a political hue through taking the minimum income demands to private companies and securing commitment and endorsements from private corporations.

I will end this section with reference to an insightful comment made by the Justices of the Constitutional Court in the *Soobramoney versus Minister of Health (KwaZulu-Natal)* case decided on 27 November 1997. The Constitutional Court framed its views in this way:

‘We live in a society in which there are great disparities in wealth. Millions of people are living in deplorable conditions and in great poverty. There is a high level of unemployment, inadequate social security, and many do not have access to clean water or to adequate health services. These conditions already existed when the Constitution was adopted and a commitment to address them, and to transform our society into one in which there will be human dignity, freedom and equality, lies at the heart of our new constitutional order. For as long as these conditions continue to exist that aspiration will have a hollow ring.’

Turning to **physical efficiency, minimalist poverty measures in democratic South Africa**: How did we get here? These prevailing poverty definitions and measures stand in sharp contradiction and conceptual dissonance with the South African Constitution. These measures are empty and bereft of the values in our Constitution.

In South Africa we find ourselves, not using the Decent Standard of Living approach, but the most minimalist poverty lines. Statistics South Africa, the official statistics agency of the country, predominantly uses the food poverty line, the lower bound poverty line and the upper bound poverty line as poverty measures. These are money-metric poverty lines. The worrying fact about these poverty lines is that, even if all South Africans were to be above the upper bound poverty line, millions of South Africans will still be living in poverty. The usefulness of these poverty lines is highly questionable in a country with the kind of history we have. At the political level, we often hear mention of the Freedom Charter, our celebrated Constitution which is lauded as the most progressive in the world, the Reconstruction and Development Programme, the National Development Plan that paints a vision of a society of prosperity, security, dignity and social justice. However, nestled somewhere in the National Development Plan is the goal that by 2030, South Africa should have eliminated income poverty indicated by the reduction of the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero. This is a serious conceptual dissonance in the National Development Plan. In the next iteration of the NDP we are standing hopeful that the Decent Standard of Living will be the adopted approach.

So, how did we get here? The answer lies in the long history of the exploitation of black labour by white mining companies and industrialists in the segregation era and during the apartheid period in South Africa.

An analysis of the laws, regulations, policies, and the many government commissions covering the segregation and apartheid periods, points at explanations for the retention of the wages of black workers at low levels. Starting from the 1920s, the first explanation was that the black worker was seen as not deserving of a wage to support a family because it was taken as a fact that the family he left behind in the reserves was economically self-sufficient. The second explanation was the assumed different standards of living. It was taken as beyond argument that the white worker was entitled to a ‘civilized standard of living’. The black worker, because of his assumed backwardness, did not deserve this standard and was therefore deliberately confined, through law and policy, to a low non-

civilised standard of living primarily represented by the low wage. Wages were the main tool used by segregation and apartheid governments in the exploitation of black workers.

In the early 1970s white industrialists adopted the Poverty Datum Line as a standard against which to set the wages of black workers. Academic and research institutes such as the Institute for Planning Research at the then University of Port Elizabeth, the Bureau for Market Research at the University of South Africa, the Department of Economics at the then University of Natal, all contributed in various ways in calculating the Poverty Datum Line and its derivatives for African and Coloured workers. According to Edward Batson, the man who pioneered the PDL in South Africa, the PDL represented a 'sub-standard condition of living', it was a standard that is 'not human', is not even 'a minimum ideal', and is only a 'physiological minimum' representing 'existence at the lowest possible level'. This appealed to the apartheid era industrialists and the government. The PDL became a standard for setting black wages which were set lower than the PDL. If we want to know the origins of the grinding poverty, the human destitution, physical deprivation and the deep levels of social and economic disadvantage in South Africa's former homelands and self-governing territories, the 1913 Land Act and the setting of wages of black workers are the two central factors.

**There is a disturbing conceptual convergence between the Apartheid government, white industrialists, apartheid era academics calculating the Poverty Datum Line for wage settings, the World Bank and some influential economists researching and writing on poverty in post-apartheid South Africa.** I have already mentioned the PDL and its use to set the wages of black workers which was a collaboration between the apartheid government, white industrialists and academics where science and ideology were in unison. During this period, dietary needs for African and Coloured workers were calculated and were different from the dietary needs of white workers.

The two main studies and analysis of poverty that brought into the post-1994 period physical efficiency and minimalist definitions of poverty are the 1993 Project for Statistics on Living Standards and Development and Key Indicators of Poverty in South Africa. Both were conducted by the World Bank with local collaboration. These two studies became the bridge in the inception of apartheid era poverty definitions in our current context. In 1993, when the transition to a democratic dispensation was inevitable considering the developments at CODESA, and the adoption of the interim Constitution, a study aimed at gathering data and information on poverty in South Africa was undertaken. This study, was undertaken at the behest of the ANC before the 1994 elections (SALDRU, 1994). The ANC requested the World Bank, in collaboration with South African researchers, to conduct a comprehensive national survey aimed at providing a clear and accurate picture of levels of deprivation in South Africa with the intention of creating 'effective strategies to combat poverty' (SALDRU, 1994). The outcome was the Project for Statistics on Living Standards and Development (PSLSD) undertaken during the nine months leading up to the country's first democratic elections. The study captured different aspects of living standards and covered demography, household services, household income and expenditure, educational status, remittances, marital maintenance, land access and use, employment, health status and anthropometry (SALDRU, 1994). At the completion of the data gathering, a publication containing statistical tables with information on living standards was issued to be used as widely as possible. The PSLSD was very similar to World Bank sponsored Living Standards Measurement Surveys undertaken in many developing countries.



In October 1995 the Ministry in the Office of the President: Reconstruction and Development, published Key Indicators of Poverty in South Africa: An analysis prepared for the Office of the Reconstruction and Development Programme by the World Bank. This study was based on the PSLSD. It was the first instalment at the measurement of poverty using various definitions in post-1994 South Africa. Conclusions drawn were that poverty in South Africa has a race dimension, a rural dimension, a regional dimension, a strong employment dimension and a strong gender and age dimension. The Key Indicators of Poverty in South Africa report has been quoted and used as a basis for the extent of poverty in South Africa in many subsequent poverty studies. Poverty definition and measurement is clearly spelt out in this study as five different types of poverty lines are used to analyse and conclude on poverty levels in South Africa. The Poverty Datum Line, which was renamed the Household Subsistence Level, and the Minimum Living Level which was lower than the Poverty Datum Line, feature in this post-apartheid first official study and analysis of poverty. The World Bank's Key Indicators of Poverty of Poverty in South Africa set the trend and what has become the conventional approach in poverty measurement in South Africa in the post-apartheid, democratic period.

Two important facts that I need to remind all of us of. At the very time that the World Bank was conducting the Project for Statistics on Living Standards and Development and Key Indicators of Poverty in South Africa, South Africa had adopted the 1993 Interim Constitution which was considered to be 'a historic bridge between the past' and 'a future founded on the recognition of human rights'. Further, around the same period, the White Paper on Reconstruction and Development (RSA, 1994) the mission of the new government is captured in these words:

'At the heart of the Government of National Unity is a commitment to effectively address the problems of poverty and the gross inequality evident in all aspects of South African society ... [and] ... alleviate the poverty, low wages and extreme inequalities in wages and wealth generated by the apartheid system to meet basic needs, and thus ensure that every South African has a decent living standard and economic security.' (RSA, 1994)

This marks a clear intention and practice to ignore, deliberately so, central and foundational documents that vividly articulate and express the values, vision and aspirations of the type of society South Africans had begun to build.

I will use the example of the Poverty and Inequality Report published in 1998 under an Inter-Ministerial Committee. The World Bank's Key Indicators of Poverty lay the foundation, the Poverty and Inequality Report took this study as its point of reference. The Poverty and Inequality Report was conducted for the government and was endorsed by South Africa's Cabinet. The conceptual terrain on poverty, as captured in this report, demonstrates the sources from which experts leading studies and analyses of poverty drew their expertise and knowledge from. Crucially, this expertise and knowledge was to inform policy concepts and definitions of poverty and policy choices in post-apartheid era. Overall the studies on poverty in the post-apartheid era, capture and illustrate the predominant perspective on the conceptualisation and definition of poverty and these are the minimalist, absolute and physical efficiency perspective on the definition and measurement of poverty.



The focus on money metric poverty measures and not approaches that carry and reflect what we aspire to become is further evident in **our separation of social policy from economic policy. In South Africa, when we plan, we separate these two.** In my view this is one of the biggest shortcomings in our government planning systems and structures. At the level of government departments, the silo, compartmentalised thinking and planning is deeply entrenched.

I will present four sources to direct our thinking on this very crucial matter. These are David Gil, an American scholar of social policy, a reference to the definition of social policy that was adopted by SADC countries, the views of Dr Zola Skweyiya, the former Minister of Social Development, and I will end with a Resolution of the United Nations.

David Gil in the book *Unravelling Social Policy*, places accent to the connection between the social and the economic. He states that;

*Economic policies which shape the management of resources, the organisation of work and production, and the exchange and distribution of goods and services, are not a separate policy domain, but an integral aspect of social policies. Economic policies are, however, frequently separated conceptually from social policies. Such a separation leads to a view of economic activities as disassociated from human needs, social values, and social purpose. Moreover, the separation inhibits development of effective social power and social relations. Finally the separation reduces social policies conceptually to a residual function, focused mainly on victims of economic policy. Many social scientists and journalists tend to accept this conceptual separation, although it lacks a sound theoretical rationale.*

In November of 2006, high level civil servants, Ministers of Social Development in the SADC region and academics deliberated on social policy matters in the region. The session concluded with a stated view on what social policy is. Thus;

*Social policies at the national level are collective state-led measures, implemented by the central and local governments and other stakeholders such as organized employers and workers, the broader private sector and civil society, as well as international development partners. Social policies are interventions which are about promoting the wellbeing of all citizens and which address structural inequalities in wealth, ensure greater equity and equality for all, correct market shortcomings, reduce poverty and promote social inclusion.*

*Social policy and economic policy are therefore interdependent as well as synergistic, and NOT antagonistic. Economic and social policies need to be promoted in parallel, in a mutually reinforcing way, from an early development stage, as part of the country's national development strategy. All economic policies have different distribution impacts and it is essential that national development is based on decent work and macroeconomic and sector policies that raise people's incomes and foster social inclusion. Social and economic policies should be integrated, promoted in parallel, in a complementary manner.*

**At that same conference, the late Dr Zola Skweyiya went onto to make the observation that;**

*Evidence has shown us that human and social development can no longer be an accidental outcome of economic development and economic growth. There are many examples in the world today which tell us clearly that economic growth has not translated into positive social outcomes for the millions who live in poverty. As such the poor have continued to be poorer with increasing levels of inequality. This situation calls upon us as governments in the region to ask these critical questions when we plan for economic development and economic growth: “economic growth to what end? ‘economic growth for what purpose?’”*

The United Nations Commission for Social Development, passed Resolution 40/1 on the ‘Integration of social and economic policy’. This resolution urges Governments to;

- i. Integrate social and economic policies in order to eradicate poverty, promote full employment, enhance social integration, achieve equality between women and men, ensure access to basic social services for all, reduce inequality and mitigate adverse impacts of economic shocks; and,*
- ii. Promote strategies that favour sustainable and stable economic growth benefiting all, poverty eradication, full employment and social integration as an integral part of social development.*

Now, what is the view and the take of our Government on the Decent Standard of Living approach? Let us recall that last year through this initiative on the Decent Standard of Living, research conducted showed that R7 043 was the income figure cited to attain the standard. The predominating view in Government is that there is provision of free housing, free education, 17 million plus South Africans receiving social grants, there are Free Basic Services, the National Minimum Wage has been enacted and every government department, from health to co-operative government and local government, agriculture, sanitation and land reform, has some pro-poor, anti-poverty programme.

In the view of government, this is a clear indication of commitment to the progressive realisation of social and economic rights in the Constitution. Therefore, there is the social wage which contributes to a decent standard of living. What is needed is to ‘**grow the economy**’, **create jobs** and all else will fall into place. There is, for instance, no clear, strong and direct articulation and expression that the investments must create decent jobs with the goal of a decent standard of living for all South Africans. We will count our success, not in the number of jobs created, but in the trillions of rands of investments attracted.

Our challenge in promoting the Decent Standard of Living means that we have to:

- **Build the bridges** between decision makers in key political parties and senior policy makers and the knowledge and approaches (DSL) on poverty measures.
- There is a **starting point** (the Constitution and housing, education, FBS, social grants, the NDP and the social floor). There is a growing number of studies that have been conducted in South Africa that reject the physical efficiency approach. The focus on socially perceived necessities is one such approach.

Our biggest challenge in South Africa is how we **bring in the private sector** through wage levels into the DSL approach. This is going to be very challenging as business and its private corporations have been elevated to the status of saviours as South Africa seeks investments.

Our Constitution remains the embodiment of the aspirations of South Africans. The Decent Standard of Living speaks in a very convincing way to the vision of decency, dignity, prosperity for all and the building of a society that radically departs from race as a marker of social disadvantage.

Such a society is desirable and urgent.

I thank you.

## Why is a DSL important? Three arguments for a DSL.

### Dr Mbuso Moyo

With experience on labour unions and non-market institutions in socio-economic transformation through Social Policy based at FES, Dr Mbuso Moyo reflected on the importance of Unions in the political economy as they are at the heart of production and therefore influences the success or failure of the industrial policy. Dr Moyo considers social policy as central to human and socio-economic justice and through partnership with SPII and its partners on the decent standard of living work which is commonly referred to as the living wage.

Dr Moyo highlighted that all people have a right to development which is a composite right within which multiple other rights are incorporated, that the prevailing situation in South Africa in which millions of people live in poverty, and in which inequality in its various manifestations is rampant, offends this right.

With many poor South Africans who endure doom sprayed on their faces and eating snakes and grass in some charismatic churches that promise them prosperity and delivery from poverty; and millions living in squalid conditions that are not fit even for animal habitation, these experiences indicate that there is an urgent necessity for a war on, and a solution to poverty and inequality because these are a terrible scar on South Africa's social geography.

Policy makers and academics alike often think they know what it means to be poor. Most people would not agree because while we know the **texture** of poverty, what is considered scientific knowledge is limited in comparison to the narratives and experiences of those who live in poverty. SPII's approach to the DSL is conceptually innovative. It aligns with an accepted view that the people for whom development interventions are designed must be given the latitude to define that which constitutes a good life to them.

Dr Moyo quoted Amartya Sen's central message of his theory of capabilities communicated in his highly acclaimed book titled *Development as Freedom* that: "*social arrangements should be primarily evaluated according to the extent of freedom people have to promote or achieve functioning's they value*".

Dr Moyo concluded with these words of the late President Nelson Mandela that should be heard as a call to action:

*"Massive poverty and obscene inequality are such terrible scourges of our times — times in which the world boasts breath-taking advances in science, technology, industry, and wealth accumulation — that they have to rank alongside slavery and apartheid as social evils"*.

### Professor Gemma Wright & Mr Jabulani Jele: The Decent Standard of Living – what it is and who hasn't got it

According to a recent study conducted by SASPRI, SPII and the LRS, only a very small proportion of the population enjoys a decent standard of living. Using a socially-derived definition of a decent standard of living, comprising a set of 21 indicators or socially perceived necessities (SPNs), around 3% of the population have access to all 21 SPN's, which is approximately 1.7 million people. Just over a quarter (26%) of the population has 18 or more SPN's - approximately 14 million people, and 42% of the population have 16 or more SPN's - approximately 23 million people.

The fact that only 3% of the population enjoy a decent standard of living (DSL) highlights the need for urgent action to be taken to ensure that standards of living are improved across South Africa. A threshold of adequacy such as the DSL can play an important role in monitoring progress toward the attainment of a DSL for everyone.

The median per capita income amount associated with people who have a decent standard of living (with all 21 socially perceived necessities) in South Africa is R7,326 per person per month as of April 2019. The median per capita income amount associated with people who are in possession of 18 SPNs is R2,651 per person per month and the median per capita income associated with people who are in possession of 16 SPNs is R1,520 per person per month as of April 2019 prices.

The DSL amount is the first attempt in South Africa to quantify in monetary terms the resources required for a socially derived decent standard of living using the Socially Perceived Necessities (SPNs) approach. Mr Jabulani Jele indicated that the key point of interest with this body of work is that it introduces a threshold of adequacy that moves beyond the survivalist standard of living which is at the heart of many of South Africa's poverty line measures. It brings into play a socially derived threshold of adequacy that seeks to enable people to participate fully in society and not merely survive within it. Professor Gemma Wright presented subgroup analysis of possession of the necessities, by area type, gender of head of household, presence of a child in the household and other criteria. She emphasised that the discrepancies that are revealed by such analysis are not the result of chance or fate but can be traced back to past policy decisions and legislation, and that change is possible.

### **Mr Trenton Elsley: The Decent Standard of Living & The Living Wage**

This one goes out to the trade unionists and anyone else who understands that what few gains the working class have made, they have made through struggle and not through the kindness of the government, state or business.

The expression, "*the king is dead, long live the king*", is said to originate in France in the 1400s and was used to indicate to the public that there was a swift continuity from one monarch to the next. The inauguration of the new monarch followed immediately after the death of the reigning monarch. I will use this expression to talk about the living wage campaign in South Africa.

In the popular mind, the living wage campaign in South Africa is associated with the trade union movement broadly, and COSATU in particular. Here is the truth. The living wage campaign is not currently an active or coherent campaign being run by trade unions in South Africa. The living wage campaign is not well defined. The living wage as a set of demands is not well quantified. The organisational report to COSATU's 12<sup>th</sup> National Congress confirms that the living wage campaign is limited to the sum of a few parts. The report lists 12 priority campaigns, the first of which is the living wage campaign. In the discussion that follows in that report there is no commentary on the living wage campaign itself, except for a finding in the 2012 Workers' Survey that the living wage campaign is less well supported than the campaigns around corruption, electricity prices, labour brokers and toll roads. The report to the 13<sup>th</sup> National Congress confines itself to the national minimum wage, saying that the federation must step up the living wage campaign now that the national minimum wage has been implemented. If you feel that I am picking on COSATU, let us note that no other federation has anything significant to say about the living wage at all.

We know that the living wage is more than just an amount of money, but the living wage campaign sounds like extracts from the freedom charter. It is exceedingly difficult to push this agenda in the industrial relations space only. We know that the national minimum wage is not a living wage, but we have no idea how much a living wage is.

**THE LIVING WAGE CAMPAIGN IS DEAD. LONG LIVE THE LIVING WAGE CAMPAIGN.**

The Decent Standard of Living measure offers us an alternative to minimalist poverty line and survivalist food poverty line measures of the well-being of our people. The Decent Standard of Living measure offers us a new way of looking at the living wage. This measure defines what makes a decent standard of living and it is made of the perceptions of our people.

This is what you need to live a decent life, a life without struggle. This is the living wage.

Do you have main electricity in the house, a flush toilet and a fridge? Do you have someone to look after you if you are very ill? Are able to pay or contribute to funerals? Do you have tarred roads close to the house and street lighting? Do you live in a neighbourhood without rubbish in the streets?

<b>If you have ALL of these necessities, then you have a decent standard of living.</b>
<b>Mains electricity in the house</b>
<b>Someone to look after you if you are very ill</b>
<b>A house that is strong enough to stand up to the weather e.g. rain, winds etc.</b>
<b>Clothing sufficient to keep you warm and dry</b>
<b>A place of worship (church/mosque/synagogue) in the local area</b>
<b>A fridge</b>
<b>Street lighting</b>
<b>Ability to pay or contribute to funerals/funeral insurance/burial society</b>
<b>Having police on the streets in the local area</b>
<b>Tarred roads close to the house</b>
<b>A flush toilet in the house</b>
<b>Someone to talk to if you are feeling upset or depressed</b>
<b>A neighbourhood without rubbish/refuse/garbage in the streets</b>
<b>A large supermarket in the local area</b>
<b>A radio</b>
<b>Someone to transport you in a vehicle if you need to travel in an emergency</b>
<b>A fence or wall around the property</b>
<b>Being able to visit friends and family in hospital or other institutions</b>
<b>Regular savings for emergencies</b>

<b>Television/TV</b>
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<b>A neighbourhood without smoke or smog in the air</b>
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Source: Statistics South Africa, Living Conditions Survey 2014/15.

The per capita income associated with a decent standard life is R7,326 per month in 2019. The monthly salary associated with decent standard of living is R14,242 per month. The national minimum wage is set at R3,500 per month. The national minimum wage is associated with possession of around 15 of the 21 socially perceived necessities.

Now we are giving meaning to the numbers. Now we understand what the national minimum wage means for the standard of living of a household. Now we see possible pathways to a decent standard of living. Now we see the different ways our people acquire these necessities. It might be through the purchase of a commodity (such as a fridge), through social networks (someone to talk to when you are feeling upset) or through the social wage (street lighting in your area).

Now we can think about ways to help households acquire these necessities. Now we can consider which part of the living wage we be negotiated with employers, with government and with the state. Long live the living wage.

*Acknowledgements: This article is the product of a collaboration between the Southern African Social Policy Research Institute (SASPRI), The Studies in Inequality and Poverty Institute (SPII) and the Labour Research Service (LRS).*

## **Panel Discussion: The DSL and Policy - Making**

### **Policy possibilities and progress tracking: National Development Plan, International Covenant on Economic, Social and Cultural Rights and Sustainable Development Goals**

#### **Dr Kefiloe Masiteng National Planning Commission, the Presidency**

Dr Kefiloe Masiteng recommended that the government needs to consolidate the existing social wage elements into a Social Protection Floor and to mobilise all South Africans to form a social compact in achieving social cohesion to reducing poverty & social inequalities; to improve delivery and distribution of existing social wage benefits and services to ensure access by the poorest; and also to ensure that all service providers for the elements of the social floor have established agreed minimum levels of services and benefits. Dr Masiteng reiterated that prioritising a social protection floor will not only ensure poverty reduction and promoting socioeconomic rights, but also enhance the standard of living of all people.

Dr Masiteng also highlighted that in 2015, nine out of ten in the poorest 80% of households had electricity for lighting, but only two thirds had piped water, while the cost of utilities taken together ran around 4% of budgets for the poor, and that their cost increased much faster than the rate of inflation compared to that of 2008. She is also of the view that the household tariffs are fueled by the efforts introduced by government to fund major new bulk infra-structure investments from 2005 onwards as well as the municipal revenue seeking.

Dr Masiteng recommended that South Africa needs to move from a societal competitive approach to a more complimentary one, and for the government to be deliberate as to who are the poor and where do they live as poor families have to spent 40% of their minimal salaries on commuter transport, which remains a major factor in reducing the standard of living for poor households. That The cost of public transport tended to track the price of petrol, despite significant subsidies by the government. Therefore, it is crucial for government to revitalize spatial transportation and see to it that people are housed near their places of work.

### **Policy possibilities and progress tracking: National Development Plan, International Covenant on Economic, Social and Cultural Rights and Sustainable Development Goals.**

#### **Mr Hassen Mohamed, Department of Planning. Monitoring and Evaluation in the Presidency.**

Mr Mohamed noted that the approach of a Decent Standard of Living (DSL) is and should be accepted as a principle (Chapter 11 of the NDP) for a deeper and more meaningful measure of poverty than pure money-metric measures, but the agreement on “what constitutes a decent standard of living” does not exist. Hassen is of the view that the DSL as a concept provides a valuable opportunity to reach society wide agreement on what constitutes a decent standard of living – a solidary of interest if you will - and that it can through this process, build collaborative approaches to development– in more meaningful terms (not formulaic as is the practice). In particular, the three types of acquisitions - social wage, private and social networking - amplify the potential for the DSL approach to build social solidarity and a society-wide approach and consensus on the nature of development. This is the first value of the DSL – to assist us as a society to build solidarity across society about the kind of society we wish to build.



At the Colloquium, Mr Hassen Mohamed stated that the DSL also has operational value in that “the DSL approach can serve as a yardstick of how we are progressing as a country”. It can do so by providing a framework, not only for government, but also for ordinary citizens to track whether we are progressively creating a just and equitable society. Hassen emphasised that the DSL concept can make a contribution to an area-based understanding of and distribution of standard of living conditions in each district/metro. In this regard it can make an important contribution to the District Coordination Model (DCM) announced by the President. He explained that the DCM is essentially a place-based implementation model to give spatial effect to the national outcomes and targets as contained in the National Development and the 5-year plans of the country and improve coordination of planning and implementation. Ultimately, national outcomes and targets must find spatial and territorial expression so that we “leave no place and no person behind”. When every citizen enjoys a decent standard of living then and then only can we count ourselves as a caring, solidaristic and just society.

**Policy possibilities and progress tracking: National Development Plan, International Covenant on Economic, Social and Cultural Rights and Sustainable Development Goals.**

**Ms Yuri Ramkissoo, South African Human Rights Commission.**

Yuri Ramkissoo opened by referring to the Bill of Rights in Chapter two of the Constitution of the Republic of South Africa Act 108 of 1996 which eloquently presents the economic and social rights, civil and political rights and equality rights to which we are all entitled and which the state must ensure the realisation of. Her organisation the South African Human Rights Commission believe that a Human Development Index will be invaluable in not just diagnosing fault lines of poverty and inequality but finding concrete policy solutions thereof. Yuri ascertain that while the Sustainable Development Goals go a long way in promoting sustainable progress and poverty alleviation, there is little or no recognition or cognisance of the fact that there are many targets under each of the SDGs that are related and dependent on targets under other goals.

The SAHRC presented its shadow report and recommendations to the Committee on Economic, Social and Cultural Rights in response to the State’s country report in October 2018, and their key recommendation was the development of a composite Human Development or Standard of Living Index that would allow the state to understand the problems of poverty and inequality more thoroughly and employ targeted policy and resource interventions to address these issues. As a human rights advocate Ms Ramkissoo considers that a person that is not vulnerable to hunger may still be suffering from obesity or malnutrition, and a person who lives in an informal settlement without access to the reconstruction and development plan acceptable sanitation is not necessarily economically worse off or less empowered than a person living in a state-subsidised house with running water and a flush toilet.

Her organisation the SAHRC’s studies demonstrated that the study of “a standard of living” is a complex, multifaceted one that requires credible quantitative and qualitative data and that such a measure could assist not just in the identification of socio-economic groups with a poor quality of life but can also assist to identify the specific dimensions of quality of life, which should be prioritised in order to improve overall wellbeing in a specific area or country.

## Decent Standard of Living – a research agenda going forward

### Background

South Africa's Constitution contains a foundational commitment to protect and respect dignity. In recognition of the many ways in which poverty erodes dignity, and that poverty manifests in ways that go beyond simply achieving a calorific minimum for survival, a programme of research has been undertaken and is still underway to explore people's vision of a decent standard of living. This programme of research is a collaborative endeavour and has at its core the need to take into full account the views of people across South Africa.

An important milestone occurred in the early 2000s, with a large study for the national Department of Social Development. It explored a democratically derived or consensual definition of poverty (Noble et al., 2007), and involved extensive focus groups across South Africa (see Annex 1). Following on from the qualitative phase, a module was included in the Human Sciences Research Council's nationally representative survey, the South African Social Attitudes Survey (SASAS) (see Annex 2). The module contained questions about a set of 50 items, and explored whether people regarded each item as essential, desirable but not essential, or neither desirable nor essential. The result of this process was a set of items called Socially Perceived Necessities (SPNs): these were items that had been defined by the majority of respondents as being essential for an acceptable standard of living in present-day South Africa (Wright, 2008; Wright and Noble, 2013). Since then, Statistics South Africa has included modules in both the Living Conditions Survey 2008/9 and the LCS 2014/15 to measure the possession of these SPNs, in order to track patterns of possession.

The methodological approach is inspired by the work of Townsend (1979) and Mack and Lansley (1985) who emphasised the importance of a socially-derived definition of a decent standard of living. The original study in South Africa in the early 2000s was the first occasion for the approach to be tested and refined in a developing country context with such high levels of inequality. As well as being in widespread use in high income countries, it has now also been implemented in Bangladesh, Benin, Mali, Tanzania, Zimbabwe and the Solomon Islands and the Kingdom of Tonga, Uganda, and Vietnam, and is regarded as a legitimate approach for assessing progress towards the Sustainable Development Goals (Pomati and Nandy, 2019).

Most recently in South Africa, a programme of work has explored the relationship between possession of these SPNs – the socially-derived indicators of a decent standard of living – and income (Noble et al., 2015; Frye et al., 2018) as well as subgroup analysis (Wright et al., 2019). This work has been undertaken as part of a collaboration between the Southern African Social Policy Research Institute (SASPRI), the Studies in Poverty and Inequality Institute (SPII) and the Labour Research Service (LRS). The findings have been showcased at SPII's annual Decent Standard of Living Colloquiums and have been highlighted in a series of opinion pieces for *The Citizen* newspaper. There is a dedicated website at [www.dslnow.net](http://www.dslnow.net) and a social media campaign to raise the profile of the work in other forums.

It has been identified that possession of a socially-derived decent standard of living is currently associated with an income of R7,326 per person per month in 2019 prices. Although this income level, and possession of the SPNs, far exceeds the realities of the majority of people in South Africa, it does nevertheless reflect the views of the majority of people in South Africa in terms of their benchmarks of a decent standard of living. Research of this type enables progress towards that vision to be monitored, better understood, and fast-tracked where possible.

Given that the SPNs were derived from focus groups that occurred many years ago, it is now important to update the work, in recognition of the fact that societal norms change over time.

## **2020 Research Agenda:**

### **1 - Focus groups to reality-check and update the questions that were included in the 2006 SASAS definitional module (Q1 and Q2 of 2020)**

We are keenly aware that the SPNs were derived from a 2006 module in the South African Social Attitudes Survey which is now many years out-of-date. In a fast-changing country such as South Africa it is important to 'refresh' the SPNs (or at least confirm that they are still relevant) in order to reflect current views about necessities for a decent standard of living. Given that society's views about necessities can be expected to change over time, an update of this work is already overdue.

Fifteen focus groups will be conducted with people across South Africa, to explore what items, activities and services they regard as essential that everyone in South Africa should have or have access to. The focus groups in the initial study served to legitimise the subsequent quantitative analysis and informed the design of the SASAS 2005 and 2006 modules.

### **2 – Update the existing DSL amount (Q2 of 2020)**

As the refreshing of the SPNs will take at least two years to accomplish (due to the timing of the focus groups and social surveys), it will be important to update the existing DSL amount to 2020 prices using the DSLI (a modified version of the Consumer Price Index) as has been recently undertaken in 2019. The infographic will also be updated, including the benchmark amounts.

### **3 - A new definitional module in SASAS or an equivalent survey (Q3 or Q4 2020)**

Following the focus groups, a new definitional module would be drawn up for inclusion in SASAS or some alternative nationally representative survey in 2020.

The new definitional module would reveal the extent to which views about necessities have changed since 2007. For example, some items may now be regarded as essential by a higher proportion of the population than previously (e.g. the washing machine, as in the UK) or may have become less essential over time (e.g. the landline telephone which became less essential in South Africa even between the pilot in 2005 and the full module in 2006). This would update our understanding of the 'socially-derived minimum' for an acceptable standard of living.

## 2019 Research Papers

### **A Decent Standard of Living For Some But Not Yet For All: Subgroup analysis of the possession of a set of socially perceived necessities in South Africa**

**Gemma Wright, Faith Masekesa, Jabulani Jele, and Helen Barnes<sup>1</sup>**

**September 2019**

#### **1 Introduction**

The use of socially perceived necessities (SPNs) as indicators of a decent standard of living has been widely applied across the world, in countries as diverse as Bangladesh and Sweden (e.g. Ahmed, 2007), Australia (e.g. Saunders et al., 2007), the United Kingdom (e.g. Mack and Lansley 1985) and Benin (e.g. Nandy et al., 2016). Building on earlier work in South Africa, this study undertakes a detailed sub-group analysis with respect to the possession of a decent standard of living in South Africa. A decent standard of living is defined as the possession of a socially-derived set of indicators of an acceptable standard of living, referred to as ‘socially perceived necessities’ (SPNs). This threshold of adequacy includes but also goes beyond meeting basic needs.

The relationship between possession of the SPNs and income as well as household expenditure patterns has been previously examined in South Africa (e.g. Frye et al., 2018; Noble et al., 2015), and it has been demonstrated that for many of the SPNs, possession and resources go hand-in-hand. However, the extent to which possession of the SPNs varies by subgroup has not been explored in detail using the most up-to-date information available, and this is the objective of this report.

Results are presented for the following subgroups: age band, gender of the household head, population group, those living in households with or without children, those living in households with or without people in paid employment, and settlement type. The findings are presented at item-level, profiling possession of each SPN for different subgroups in order to identify which subgroups have the highest and lowest levels of possession for each of the 21 SPNs (explained in the next section). In addition, aggregate-level profiling of possession of the SPNs is presented by subgroup, to identify the extent to which people in each of the subgroups under consideration have a decent standard of living (possessing all 21 SPNs), or a subset thereof (possessing 16 SPNs or more, and 18 SPNs or more). This information can be used to monitor progress with respect to ensuring that every South African citizen has a decent standard of living.

#### **2 Methodology**

This report uses a set of indicators of a decent standard of living that were obtained as part of an earlier study for the Department of Social Development (Noble et al., 2007; Wright and Noble, 2010). The indicators, which are also referred to as socially perceived necessities (SPNs), were derived using both quantitative and qualitative approaches. First, 48 focus groups were undertaken with people across South Africa with the objective of identifying which items, activities and services they regarded as essential for people to have or have access to, in order to be able to enjoy an acceptable standard of living. Second, the information gathered on essential items from the focus

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groups informed the design of a pilot module in the nationally representative South African Social Attitudes Survey (SASAS) 2005, and a full module in SASAS 2006. The majority of the survey respondents defined 36 items out of a list of 50 as essential. More stringently, 21 of these 50 items were defined as essential for an acceptable standard of living in South Africa, and this is the set of SPNs that is used in the analysis presented here.

As well as enabling the identification of items that can be regarded as SPNs, the SASAS 2006 module included questions to measure the possession of each of the items (Wright, 2011). These measurement questions were subsequently fielded by Statistics South Africa in the Living Conditions Survey (LCS) 2008/09 and LCS 2014/15, in order to monitor progress towards the possession of the full set of SPNs.

The analysis presented here draws from the measurement questions that were included by Statistics South Africa in the LCS 2014/15 (Statistics South Africa, 2017). The results are presented at individual level (see Annex 1), so that one can articulate very simply the percentage of the population, or of the population in a certain subgroup category, that possesses each SPN or a certain number of SPNs.

The overarching results for the total population are presented in the next section, followed by the sub-group analysis in turn.

### 3 Possession of the socially perceived necessities - overview for the total population

Table 1 provides an overview of the findings for the total population. Column A shows the percentage of respondents in SASAS 2006 that defined each item as essential: the 21 items defined as essential by two-thirds or more of respondents are listed in descending order from most essential (mains electricity in the house at 92 percent). Column B shows the percentage of the population that possessed each of these 21 socially perceived necessities (SPNs) based on the LCS 2014/15. For example, 89 percent of the population had access to mains electricity in the house in 2015.

**Table 1: Percentage of people defining an item as ‘essential’ and percentage of total population that possessed the item in 2015**

Item	A % Defining essential	B % Have the item
Mains electricity in the house	92	89
Someone to look after you if you are very ill	91	83
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	90	70
Clothing sufficient to keep you warm and dry	89	79
A place of worship (church/mosque/synagogue) in the local area	87	93
A fridge	86	74
Street lighting	85	55
Ability to pay or contribute to funerals/funeral insurance/burial society	82	71
Having police on the streets in the local area	80	54

Tarred roads close to the house	80	59
A flush toilet in the house	78	58
Someone to talk to if you are feeling upset or depressed	76	84
A neighbourhood without rubbish/refuse/garbage in the streets	75	57
A large supermarket in the local area	75	53
A radio	74	45
Someone to transport you in a vehicle if you need to travel in an emergency	74	64
A fence or wall around the property	74	71
Being able to visit friends and family in hospital or other institutions	73	88
Regular savings for emergencies	71	32
Television/TV	69	84
A neighbourhood without smoke or smog in the air	69	57

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006.

Source: Column A: South African Social Attitudes Survey 2006; Column B: Living Conditions Survey 2014/15.

Overall, with the exception of a radio and the ability to make regular savings for emergencies, at least half of the population possessed or had access to each of the items. This demonstrates that the SPNs are not elusive, rare, ‘nice-to-haves’ – as well as being regarded as essential for all people to have in order to have a decent standard of living in South Africa by at least two-thirds of the population, they are generally possessed more than they are lacked. Nevertheless, large proportions of the population lack many of the items.

Figure 1 shows the percentage of people possessing 0, 1, 2, through to all 21 SPNs. Very few people possess all 21 SPNs: only three percent of the population (shown in blue).

Figure 1: Percentage of people who possess 0 through to 21 socially perceived necessities - total population

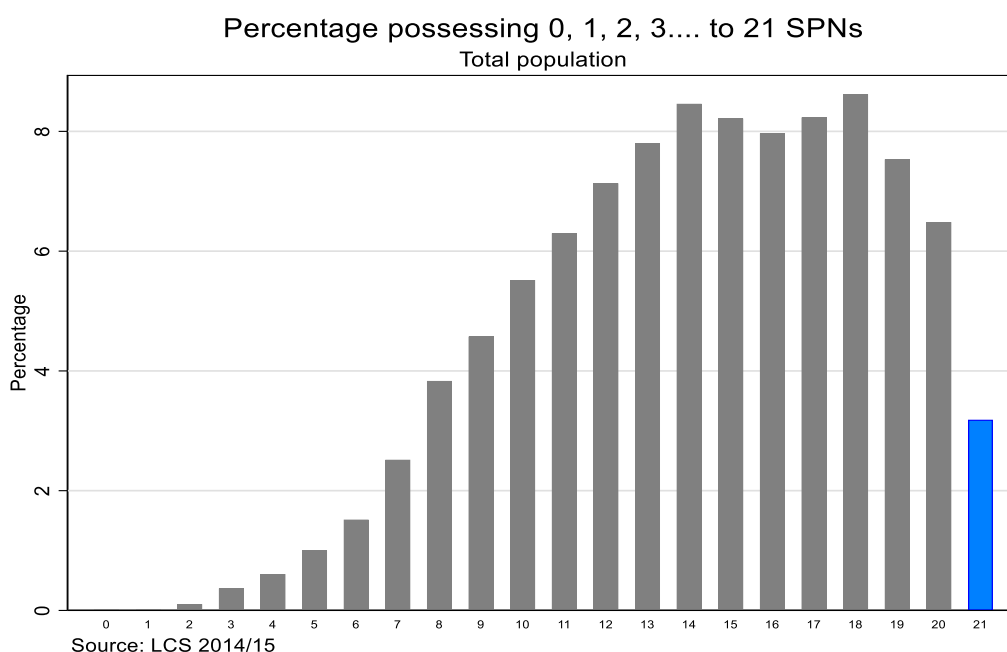


Table 2 shows the percentage of the total population possessing at least 16 SPNs (42 percent), 18 or more SPNs (26 percent), and all 21 SPNs (just three percent).

Table 2: Number of socially perceived necessities possessed - total population

Number of SPNs possessed	Total population
16 or more	42
18 or more	26
All 21	03

Notes: Results shown for the 21 Socially Perceived Necessities (SPNs) defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006.

Source: LCS 2014/15.

#### 4 Possession of the socially perceived necessities by age band

In this section the relationship between the number of SPNs possessed and age is explored. Five different age groups were generated: people aged less than 18 years, aged between 18 and 24 inclusive, aged between 25 and 34 inclusive, aged between 35 and 59 inclusive, and aged 60 and over.

Table 3: Possession of each socially perceived necessity by age group

Item	Age group				
	Under 18	18-24	25-34	35-59	60 and over
Mains electricity in the house	88	90	88	90	94
Someone to look after you if you are very ill	84	82	81	81	85
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	68	68	69	73	77
Clothing sufficient to keep you warm and dry	77	77	80	82	82
A place of worship (church/mosque/synagogue) in the local area	92	93	93	93	94
A fridge	73	70	73	77	80
Street lighting	48	53	59	63	60
Ability to pay or contribute to funerals/funeral insurance/burial society	73	66	66	72	78
Having police on the streets in the local area	49	52	56	59	55
Tarred roads close to the house	53	57	62	65	63
A flush toilet in the house	50	55	62	67	64
Someone to talk to if you are feeling upset or depressed	84	83	83	86	86
A neighbourhood without rubbish/refuse/garbage in the streets	55	55	57	61	61
A large supermarket in the local area	47	51	56	59	57

A radio	43	40	43	48	57
Someone to transport you in a vehicle if you need to travel in an emergency	61	61	64	67	71
A fence or wall around the property	68	68	69	74	79
Being able to visit friends and family in hospital or other institutions	88	87	88	88	88
Regular savings for emergencies	29	29	33	37	36
Television/TV	84	80	83	86	86
A neighbourhood without smoke or smog in the air	55	55	56	60	61

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

The results in Table 3 show that for some of the SPNs there is a clear relationship between possession and age: those aged 60 or above have the highest possession rates for ten of the SPNs, and joint-highest for a further five SPNs. Furthermore, possession of certain items increases with age: a weatherproof house, clothing to keep you warm and dry, a place of worship in the area, someone to talk to if you are upset, a neighbourhood without rubbish in the streets, someone to transport you in an emergency, a fence or wall around the property, and a neighbourhood without smoke or smog.

For certain SPNs the extent of variation does not vary much by age, including having a place of worship in the area, having someone to talk to when upset, ability to visit family in hospital/institutions, and possession of a TV.

Table 4 below shows the proportion of those possessing 16 SPNs or more, 18 SPNs or more and all 21 SPNs. This demonstrates that the proportion of people that possess SPNs increases by age group. People aged 60 and older have the highest possession rates (highlighted in green), and younger people have the lowest (highlighted in red).

**Table 4: Number of socially perceived necessities possessed by age group**

Number of SPNs possessed	Age group				
	Under 18	18-24	25-34	35-59	60 and over
16 or more	36	37	42	50	53
18 or more	21	21	24	33	36
All 21	03	03	03	04	05

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

## 5 Possession of the socially perceived necessities by gender of household head



In Table 5, possession rates are shown for the total population by gender of household head. For 18 of the 21 SPNs, the possession rate is higher for people living in male headed households than in female headed households. For a further two SPNs there is no difference (mains electricity in the house and a place of worship in the area). The only item that is possessed to a greater extent by people in female-headed households is funeral insurance. Only a quarter of people in female-headed households had regular savings for emergencies, compared with 38 percent in male-headed households.

**Table 5: Possession of each socially perceived necessity by gender of household head**

Item	Gender of household head	
	Male	Female
Mains electricity in the house	89	89
Someone to look after you if you are very ill	83	82
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	73	66
Clothing sufficient to keep you warm and dry	82	76
A place of worship (church/mosque/synagogue) in the local area	93	93
A fridge	76	72
Street lighting	61	48
Ability to pay or contribute to funerals/funeral insurance/burial society	70	72
Having police on the streets in the local area	58	47
Tarred roads close to the house	64	52
A flush toilet in the house	65	49
Someone to talk to if you are feeling upset or depressed	85	83
A neighbourhood without rubbish/refuse/garbage in the streets	60	53
A large supermarket in the local area	58	46
A radio	48	41
Someone to transport you in a vehicle if you need to travel in an emergency	69	57
A fence or wall around the property	74	66
Being able to visit friends and family in hospital or other institutions	89	86
Regular savings for emergencies	38	25
Television/TV	86	81
A neighbourhood without smoke or smog in the air	59	53

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

The number of SPNs possessed by individuals differs starkly by gender of the household head. The percentage possessing 16 SPNs through 21 SPNs is greater for members of male-headed households than it is for female headed households. With respect to the lower threshold, almost half of people living in male-headed households possess 16 or more of the SPNs, compared to only a third of

people living in female-headed households. Less than two percent of female-headed households possess all 21 SPNs, and only four percent of people in male-headed households.

**Table 6: Number of socially perceived necessities possessed by gender of household head**

Number of SPNs possessed	Gender of household head	
	Male	Female
16 or more	49	33
18 or more	32	17
All 21	04	02

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

## 6 Possession of the socially perceived necessities by population group

In Table 7, possession rates are shown for the total population by population group. The results reveal stark differentiations in possession rates by population group.

**Table 7: Possession of each socially perceived necessity by population group**

Item	Population group			
	Black African	Coloured	Indian/Asian	White
Mains electricity in the house	88	94	98	99
Someone to look after you if you are very ill	82	89	85	86
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	65	88	92	96
Clothing sufficient to keep you warm and dry	76	91	94	96
A place of worship (church/mosque/synagogue) in the local area	92	96	96	96
A fridge	70	86	96	96
Street lighting	47	89	96	90
Ability to pay or contribute to funerals/funeral insurance/burial society	72	79	60	61
Having police on the streets in the local area	48	75	80	80
Tarred roads close to the house	51	89	97	95
A flush toilet in the house	49	95	98	99
Someone to talk to if you are feeling upset or depressed	82	91	93	93
A neighbourhood without rubbish/refuse/garbage in the streets	52	74	83	81
A large supermarket in the local area	47	69	85	87
A radio	43	40	45	65
Someone to transport you in a vehicle if you need to travel in an emergency	58	81	92	91

A fence or wall around the property	66	83	88	94
Being able to visit friends and family in hospital or other institutions	87	87	89	91
Regular savings for emergencies	28	34	56	65
Television/TV	81	92	97	94
A neighbourhood without smoke or smog in the air	52	72	80	79

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

For almost all of the SPNs, the proportion of individuals who possess the SPN is lowest for black African people compared to other groups. The gap is largest when we compare the proportion of people who have a flush toilet, which ranges from 49% for black African people, through to 99% for white people. Less than half of all black African people have street lighting, police on the streets in the local area, a flush toilet in the house, a large supermarket in the local area, a radio, and regular savings for emergencies.

The main exception to the overall trend is the ability to contribute to funeral insurance, which is lower for the white and Indian/Asian subgroups. It is likely that this does not reflect an enforced lack of an SPN due to lack of resources, but rather the lack of a need to take out this type of insurance cover.

In only a small number of instances is there minimal variation by subgroup: having someone to look after you if you are very ill, having a place of worship in the local area, and being able to visit friends or family in hospital or institutions.

Table 8 shows that the number of SPNs possessed varies starkly by population group. For the lower threshold, less than a third of black African people possess 16 or more SPNs, compared to almost three quarters for coloured people, almost 90 percent for Indian/Asian people, and just over 90 percent for white people. Although less than a fifth of black African people have 18 or more SPNs, this rises to half of coloured people, two-thirds of Indian/Asian people, and three quarters of white people. For the top category, only two percent of black African people possess all 21 SPNs, compared to six percent of coloured people, ten percent of Indian/Asian people and fourteen percent of white people. These results provide fresh evidence of the stark racial inequalities that persist in South Africa.

**Table 8: Number of socially perceived necessities possessed by population group**

Number of SPNs possessed	Population Groups			
	Black African	Coloured	Indian/Asian	White
16 or more	32	74	87	91
18 or more	17	49	67	74
All 21	02	06	10	14

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

### 7 Possession of the socially perceived necessities by presence of child within household

In Table 9, possession rates are shown for the total population depending on whether they live in a household with no children, or in a household with one or more children.

**Table 9: Possession of each socially perceived necessity by household type - with or without children**

Item	Household	
	Without child	With child
Mains electricity in the house	89	89
Someone to look after you if you are very ill	74	85
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	72	69
Clothing sufficient to keep you warm and dry	84	78
A place of worship (church/mosque/synagogue) in the local area	93	93
A fridge	71	75
Street lighting	69	52
Ability to pay or contribute to funerals/funeral insurance/burial society	61	74
Having police on the streets in the local area	63	51
Tarred roads close to the house	71	56
A flush toilet in the house	75	54
Someone to talk to if you are feeling upset or depressed	84	84
A neighbourhood without rubbish/refuse/garbage in the streets	64	56
A large supermarket in the local area	65	50
A radio	48	44
Someone to transport you in a vehicle if you need to travel in an emergency	68	63
A fence or wall around the property	75	70
Being able to visit friends and family in hospital or other institutions	87	88
Regular savings for emergencies	40	30
Television/TV	79	85
A neighbourhood without smoke or smog in the air	62	56

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

Results show that for 13 of the SPNs the possession rates are higher for people living in childless households. For three items there is no difference at all (mains electricity in the house, a place of worship in the area, and someone to talk to if upset or depressed). Only five SPNs are possessed by a higher proportion of people in households with children: having someone to look after them when very ill, a refrigerator, funeral insurance, a television (and ability to visit a family member in hospital though the difference is negligible).

Across the two groups, the largest difference in proportions of possession occurs for the flush toilet, where 54% of people in households that contain children have a flush toilet in the house, compared to three-quarters of people in childless households. Sanitation is clearly a top-priority issue to promote in order to achieve equality between households with and without children.

In Table 10, the discrepancies between people in childless households and those living in households with children are summarized. In all three cases, the possession rates are higher for people living in households without children. For example, 52 percent of people who live in a household with no children possess 16 or more SPNs, compared to 39 percent for those living in households with children.

**Table 10: Number of socially perceived necessities possessed by household type - with or without children**

Number of SPNs possessed	Household type	
	Without child	With child
16 or more	52	39
18 or more	34	24
All 21	04	03

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

### 8 Possession of the socially perceived necessities by presence of employed person in household

In Table 11, possession rates are shown for people living in households with no people in paid employment, and people living in households with one or more people in paid employment.

**Table 11: Possession of each socially perceived necessity by household type – with or without one or more employed people**

Item	Household	
	With no employed	With employed
Mains electricity in the house	89	90
Someone to look after you if you are very ill	84	80

A house that is strong enough to stand up to the weather e.g. rain, winds etc.	68	75
Clothing sufficient to keep you warm and dry	76	86
A place of worship (church/mosque/synagogue) in the local area	93	93
A fridge	73	78
Street lighting	50	68
Ability to pay or contribute to funerals/funeral insurance/burial society	72	70
Having police on the streets in the local area	50	63
Tarred roads close to the house	54	70
A flush toilet in the house	52	73
Someone to talk to if you are feeling upset or depressed	84	86
A neighbourhood without rubbish/refuse/garbage in the streets	55	63
A large supermarket in the local area	49	63
A radio	44	47
Someone to transport you in a vehicle if you need to travel in an emergency	61	70
A fence or wall around the property	69	74
Being able to visit friends and family in hospital or other institutions	87	89
Regular savings for emergencies	28	43
Television/TV	83	86
A neighbourhood without smoke or smog in the air	55	62

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

In all but two cases, the possession rates are higher for people living in households with one or more employed people. The two exceptions are having someone to look after them when they are very ill; and contributing to funeral insurance.

For certain SPNs the difference in possession rates is very small, for example mains electricity. The largest difference occurs for the flush toilet: 73% of individuals in households with an employed person have a flush toilet, while only 52 percent of people in households where nobody is employed live in a house with a flush toilet.

Table 12 demonstrates the strong relationship between possession of necessities and the presence of an employed household member. A higher percentage of people who live in a household which has at least one employed person possess 16 or more SPNs, 18 or more SPNs, and all 21 SPNs, compared to those in households without any employed members.

**Table 12: Number of socially perceived necessities possessed by household type: with or without one or more employed people**

Number of SPNs possessed	Household type
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	Without employed member	With at least one employed
16 or more	37	54
18 or more	22	35
All 21	03	05

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

### 9 Possession of the socially perceived necessities by settlement type

In Table 13, possession rates are shown for people living in different settlement types.

**Table 13: Possession of each socially perceived necessity by settlement type**

Item	Settlement Type			
	Urban Formal	Urban Informal	Traditional Area	Rural Formal
Mains electricity in the house	94	78	87	69
Someone to look after you if you are very ill	84	79	81	79
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	81	55	57	62
Clothing sufficient to keep you warm and dry	86	78	69	76
A place of worship (church/mosque/synagogue) in the local area	96	89	91	64
A fridge	85	65	61	56
Street lighting	86	56	08	22
Ability to pay or contribute to funerals/funeral insurance/burial society	71	61	75	65
Having police on the streets in the local area	73	53	23	39
Tarred roads close to the house	82	49	24	38
A flush toilet in the house	93	47	04	44
Someone to talk to if you are feeling upset or depressed	89	81	79	73
A neighbourhood without rubbish/refuse/garbage in the streets	68	52	42	48
A large supermarket in the local area	72	49	25	20
A radio	47	42	43	43
Someone to transport you in a vehicle if you need to travel in an emergency	73	52	53	53
A fence or wall around the property	80	54	61	58

Being able to visit friends and family in hospital or other institutions	88	87	87	89
Regular savings for emergencies	40	23	23	27
Television/TV	91	78	76	70
A neighbourhood without smoke or smog in the air	65	51	45	45

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

In general, the proportion of those who possess each SPN is higher for individuals in urban formal settlement compared to other settlement types. The only two exceptions are contributing to funeral insurance (highest in traditional areas) and ability to visit friends and family in hospital (highest in rural formal areas though the difference is negligible). Again, the largest difference across subgroups occurs for the flush toilet, which is possessed by just four percent of people living in traditional areas, compared to 93 percent of people living in urban formal areas. Although almost three-quarters of people in urban formal areas have someone who could transport them in a vehicle in an emergency, whereas this is so for only half of people in each of the other area types.

There is a clear relationship between the number of SPNs possessed and the settlement type where individuals reside. Results in Table 14 show that two-thirds of people who live in an urban formal settlement possess at least 16 SPNs; however, only eight percent do so in traditional areas. Overall, the proportion of people with all 21 SPNs is zero or close to zero outside urban formal areas.

**Table 14: Number of socially perceived necessities possessed by settlement type**

Number of SPNs possessed	Settlement type			
	Urban Formal	Urban Informal	Traditional Area	Rural Formal
16 or more	67	22	08	18
18 or more	44	08	02	08
All 21	06	00	00	01

Notes: Results shown for the 21 Socially Perceived Necessities defined as essential by two-thirds or more of respondents in the South African Social Attitudes Survey 2006. The subgroup with the highest possession rate is highlighted in green, and the lowest is highlighted in red.

Source: LCS 2014/15.

## 10 Conclusion

The findings from the subgroup analysis reveal that there are stark variations in possession of each SPN across different subgroups, as well as variations in the total number of SPNs possessed by subgroup.

There are some clear relationships between the individual/household characteristics and the number of SPNs possessed. Possession rates are generally higher for older people than younger



people; higher for people living in male-headed households compared with female headed households; higher for white people than any other population group; higher for people in childless households compared to those who live with children; higher for people living in households with one or more employed people compared to people living in households where no-one is in paid employment; and higher for people living in urban formal areas compared to all other settlement types.

Possession of certain SPNs is particularly starkly differentiated. For example, while 70% overall reported that they live in a weatherproof house, this falls to 55% for people living in urban informal areas.

Other SPNs expose how far away we are from a decent standard of living for all in South Africa. For example, although 71 percent of the population defined regular savings for emergencies as essential for a decent standard of living, less than a third of people in the following subgroups are able to afford to save: people aged under 25, people in female-headed households, black African people, people in households with children, areas that are not urban formal, and people in households with no employed workers.

The analysis presented here highlights the need for more urgent efforts to realise the vision of a decent standard of living for people in South Africa, and to reduce the stark differences in standards of living that persist across different subgroups of the population. It also highlights the potential for progress to be scrutinised using this tangible approach to monitoring improvements in the standards of living across South Africa.

Moving forwards, it will be important to refresh the set of SPNs. This can be undertaken by conducting new focus groups across South Africa which in turn will inform the design of a definitional module in SASAS to identify the new set of items that are regarded as essential for a decent standard of living. Evidence from other country studies suggests that although the necessities may not change much over time (it is unlikely that a weatherproof house should cease to be regarded as essential), it should nevertheless be expected that certain items will become more essential over time (e.g. a cellphone) and others less essential (e.g. landline phone). In a fast-changing society such as South Africa it is important to be able to demonstrate that the SPNs reflect current expressions of a socially-derived threshold of a decent standard of living.

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**Annex 1: Unweighted counts of people in each of the subgroup categories (LCS 2014/15)**

## 1. Age Groups

Age Group	Frequency	Percentage	Cumulative Percentage
Age<18	33,290	37.44	37.44
25>Age>=18	11,668	13.12	50.57
35>Age>=25	13,820	15.54	66.11
60>Age>=35	21,610	24.31	90.42
Age>=60	8,518	9.58	100.00
Total	88,906	100.00	

## 2. Gender of Household Head

Household Type	Frequency	Percentage	Cumulative Percentage
Male	45,960	51.70	51.70
Female	42,946	48.30	100.00
Total	88,906	100.00	

## 3. Population Group

Population Group	Frequency	Percentage	Cumulative Percentage
Black African	73,095	82.22	82.22
Coloured	10,485	11.79	94.01
Indian/Asian	1,499	1.69	95.70
White	3,827	4.30	100.00
Total	88,906	100.00	

## 4. Household with at least one child and without a child

Household Type	Frequency	Percentage	Cumulative Percentage
No children	17,023	19.15	19.15
At least one child	71,883	80.85	100.00
Total	88,906	100.00	

## 5. Household with at least one employed member and without

Household Type	Frequency	Percentage	Cumulative Percentage
No employed member	65,253	73.40	73.40
At least one employed member	23,653	26.60	100.00
Total	88,906	100.00	

## Media Article Partnership between The Citizen and the DSL Initiative

Ubomi Obungahlelelekanga (A life without struggle). by Trenton Elsley | July 9, 2019

Is this what a decent life looks like?

It's Sunday morning and your family is getting ready to go to church. Mother asks you to switch off all the lights before you leave. Electricity is expensive she says. You hear the toilet flush, so you know that your sister is finally finished in the bathroom. Your grandfather is watching television. He is not going with the family. He says he is tired of church. He says he has a better chance of finding God on Kumbul eKhaya.

The church is close by, so you don't have to take father's car. It needed repairs recently, but fortunately the family had some savings to have it fixed. The car helps in a lot of different ways, although father complains that it is very expensive. He says it is like having another child.

It's a chilly morning and everyone is wearing their coats, although it's warm inside the house. Eventually everyone leaves, except grandfather, and you close the gate behind you. You look at the house before you go. It's a modest house, but it's a nice house. The last one would leak when it rained. It worried you, the sound of water dripping into buckets.

A few street lights are still on. Mother tells everyone that the municipality is wasting money. Although it is cold, the air is crisp and clear. You can see for miles on mornings like this. The road is tarred and the streets are clean, so everyone's shoes are still shiny when they get to the church. On the way back home you run into the supermarket to buy milk so that you can make tea for everyone.

You might prefer a rural setting, you might imagine a smaller family, and you might not be Christian. Even so, I doubt you would disagree with some of the key themes embedded in this story. You would not say that having electricity in the home is only important to some. You would not argue against the importance of having running water and flush toilets in the home. You would not suggest that a decent home is culturally relative. You would support the ability of people to participate in social and cultural activities near where they live. You would agree that having basic services and amenities close to where you live was important.

Despite a long running debate on poverty and inequality in South Africa, we have not had a robust measure of what it is to live, not merely to survive, but to live decently. Simply put, we do not know what a decent life looks like.

Nor do we have a sense of the income level associated with a decent life. The incomes reflected in social dialogue and policy instruments are largely arbitrary. Why is the child support grant R400 per month? Why is the national minimum wage R3500 per month? You might say that social grants are shaped by budget constraints. You might say that the economy cannot afford a higher minimum wage. What you are really saying is that these amounts are more than nothing. What you are really saying is that you don't know how much we need for a decent life and you don't know what a decent life looks like.

We disguise our ignorance by talking about jobs. If everyone could just have a job, then we don't have to worry. But we do have to worry. There is no evidence that the South African economy has

the ability to meaningfully grow employment, even under conditions of modest and sustained growth, conditions that are an increasingly distant memory.

It is therefore, hardly a surprise that we do not have clear pathways to a decent standard of living. It follows that efforts to move households from poverty towards decency are difficult to conceptualise, implement, coordinate and to measure.

A new way of looking at a decent life for all

The Decent Standard of Living (DSL) measure focuses on the ability of people to achieve a socially determined acceptable standard of living to enable them to participate fully in society. The starting point for this measure was a set of indicators of a decent standard of living. There was a high level of agreement around these indicators across different sections of society including population group, gender, area type and income status. A set of ‘socially perceived necessities’ (SPNs) were defined as essential by a two thirds majority of South Africans.

The list is a set of indicators, rather than an exhaustive list of necessities. This approach provides an elegant escape from the immense difficulty of determining the quantity and quantity of a basket of goods that is both representative of the population and also finite.

Percentage of people defining an item as ‘essential’ with consensus of two thirds or more

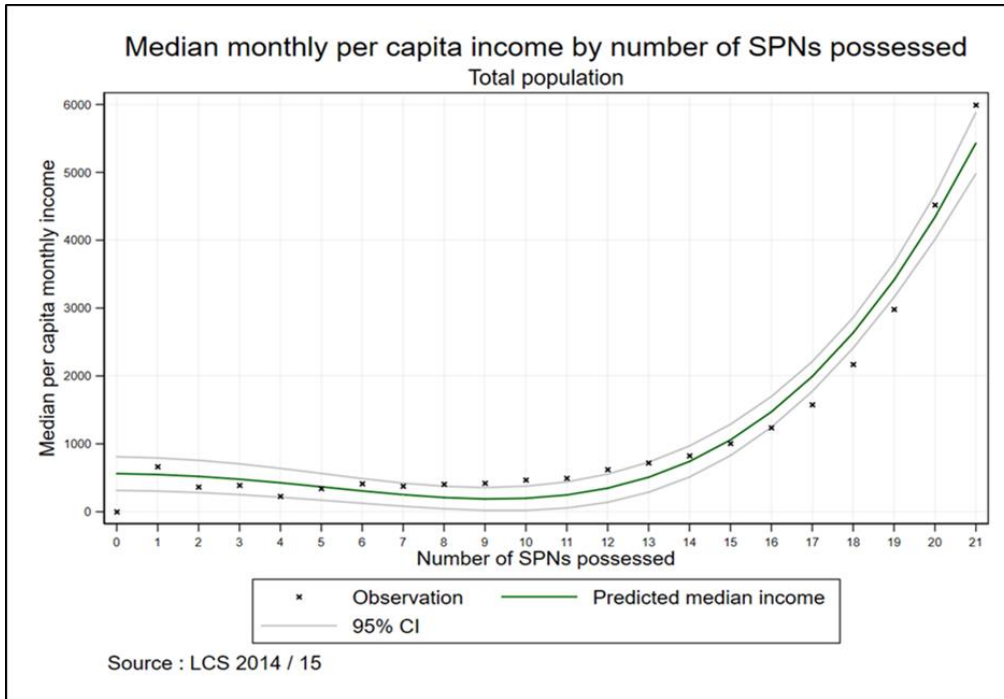
Item	% Defining essential	% Possessing item
Mains electricity in the house	92	89
Someone to look after you if you are very ill	91	83
A house that is strong enough to stand up to the weather e.g. rain, winds etc.	90	70
Clothing sufficient to keep you warm and dry	89	79
A place of worship (church/mosque/synagogue) in the local area	87	93
A fridge	86	74
Street lighting	85	55
Ability to pay or contribute to funerals/funeral insurance/burial society	82	71
Having police on the streets in the local area	80	54

Tarred roads close to the house	80	59
A flush toilet in the house	78	41
Someone to talk to if you are feeling upset or depressed	76	84
A neighbourhood without rubbish/refuse/garbage in the streets	75	57
A large supermarket in the local area	75	53
A radio	74	45
Someone to transport you in a vehicle if you need to travel in an emergency	74	64
A fence or wall around the property	74	71
Being able to visit friends and family in hospital or other institutions	73	88
Regular savings for emergencies	71	32
Television/TV	69	84
A neighbourhood without smoke or smog in the air	69	57

Source: For % defining essential: South African Social Attitudes Survey 2006. For % possessing item: Living Conditions Survey 2014/15.

The Living Conditions Survey (2014/15) shows that there is a clear relationship between per capita median income and the number of necessities possessed, although this is not a linear relationship. The number of necessities that are possessed by households increases as median per capita income increases, rather unsurprisingly, although the mix of SPNs at each level might differ.

Median monthly per capita income by number of socially perceived necessities possessed, 2014/15

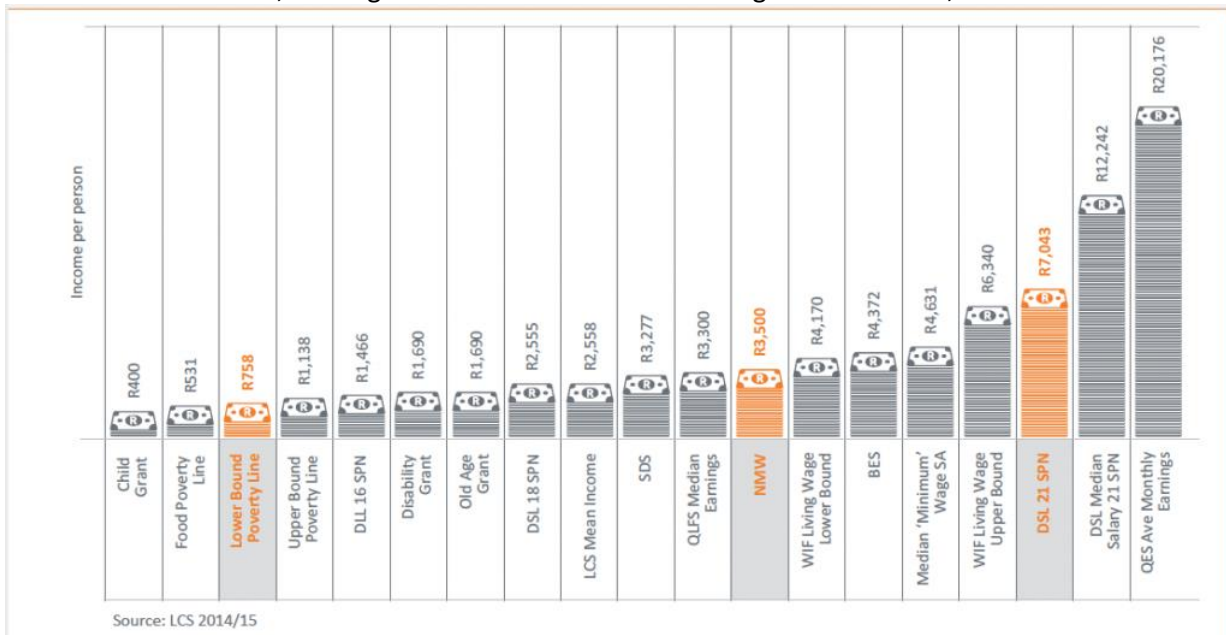


We constructed a Decent Standard of Living Index (DSL) so that the income level associated with a decent standard of living (DSL) can be continually adjusted to keep it up to date in current prices.

The median per capita income associated with a decent standard of living in April 2018 was R7,043 per month.

The national minimum wage sits at about half (50%) of the per capita income associated with a decent standard of living – a life without struggle. There is a vast distance between social grants and the median per capita income associated with a decent standard of living (DSL). The Child Support Grant is 6% of the decent standard of living amount, while the Old Age Grant is about a quarter (24%) of the decent standard of living.

**Benchmarks of income, earnings and a decent standard of living in South Africa, 2018**



We explored the relationship between the possession of necessities and earned income by looking at the median monthly salary of each adult earner within each household containing an adult earner for each number of necessities possessed. In simple language, what is the wage level associated with a decent life? The median salary associated with households possessing all 21 SPNs was R12,028 at April 2015 prices. The national minimum wage of R3500 per month is associated with the possession of about 15 out of 21 SPNs.

What does it all mean?

At risk of disappointing those of you impatient for significant change, we are not saying that a decent life *costs* this or that amount. What we are saying is that a decent life is *associated* with certain measures of income. There is an important difference between the two statements. As much as we would love to see median per capita income of R7000 per month in all South African households, we are not saying that this is what a decent life costs. As much as we would like to see median wages in excess of R14000 per month for all wage earners, we are not saying that this salary level is required for a decent standard life.

The highly unequal distribution of wealth in South Africa is likely to shape the incomes associated with the possession of socially perceived necessities. Put another way, it is perhaps likely that South African households that possess all the socially perceived necessities have higher per capita income than is required to possess all of those necessities. Conversely, household per capita income associated with households possessing relatively few socially perceived necessities might not reflect the strain of acquiring those necessities or the ingenuity and social networking strategies deployed to acquire those necessities.

It is also not our intention to monetise or commodify all aspects of a decent life. The decent standard of living measure offers us an opportunity to examine what the different aspects of a decent life might be. The decent standard of living measure is an opportunity to see new pathways to a decent life and this is perhaps the most important aspect of the approach.

This approach makes it possible to consider how households can acquire each of the socially perceived necessities. We identify three broad categories or modalities of acquisition. Households can acquire social perceived necessities through (1) social networks, (2) the social wage and (3) the purchase of commodities.

The first category is that of social networks. As an example, socially perceived necessities such as 'someone to talk to when you are upset' can be acquired through the household's own social networks rather than bought.

A second category is that of the social wage, understood here as goods and services that are best provisioned by the state. Socially perceived necessities that could be considered as part of a social wage include 'tarred roads close to the house' and 'street lighting'.

A third category is that of commodity, simply put – goods or services that can be bought with money. Examples of socially perceived necessities likely to be acquired in this way include a refrigerator and funeral insurance.

These broad categories of acquisition are not mutually exclusive. For example, a household may commodify the acquisition of tarred roads close to the home and street lighting by moving to an area where this infrastructure is better developed. This is a however, a relatively expensive mode of acquiring a necessity and there will be significant barriers to entry for many households.



It is no coincidence that socially perceived necessities that can be acquired through social networks are likely to be possessed earlier rather than later. If we consider the socially perceived necessities from the point where the curve of associated incomes becomes steeper (the 'late jumpers'), we find that a number of them may be classified as elements of a social wage, including street lighting, police on the streets in the local area and a neighbourhood without rubbish in the streets.

The implication is that the development of quality, targeted community infrastructure is likely to assist households in acquiring many of the 'last mile' necessities.

The DSL offers more than a series of thresholds around which we can measure how many are below and how many are above. The DSL offers us ideas about how to move households towards a socially-derived vision of a decent standard of living. This decent standard of living measure provides a framework and rich source of data for future analysis and for informing policies regarding both public and private provision and acquisition of necessities in order to guide and facilitate the realisation of a democratically derived decent standard of living for all in South Africa.

*Mr Trenton Elsley is the Executive Director of the Labour Research Service.*

*The decent standard of living project is a collaboration between the Labour Research Service, The Studies in Inequality and Poverty Institute and the Labour Research Service and Southern African Social Policy Research Institute.*

There are more ways to live a decent life than just through money. by [Isobel Frye](#) | Sep 3, 2019

*Government has struggled for many years to develop the right policies to beat poverty.*

We explained what the decent standard of living (DSL) is – a measure of what ordinary South Africans think are important issues (the 21 "socially perceived necessities", or SPNs) to enable anyone to live a decent life.

Currently, the middle point of the income of people who have these items is R7,326 per person per month. Why are we so excited about this new measure and how do we think that this can be used to make more effective antipoverty policies?

The DSL is so interesting because it provides the diagnostic and gives us ideas of how to beat the symptoms and the impact of poverty in South Africa, by eating the elephant piece by piece.

In this article, we look at the three ways that people can access the SPNs – income, the social wage and community networks.

Government has struggled for many years to develop the right policies to beat poverty.

One of the problems of tackling poverty is that it has so many manifestations. Poverty for many is about a lack of money.

But being poor also often means you do not have a very secure house, you can't access the best healthcare and you struggle to send your kids to school.

Often, people are isolated when they are poor, as they are not able to put money into the local stokvel, or put money in the collection plate at church, and so are not part of the community. Being poor in South Africa is not a choice, nor a punishment meted out because someone is lazy or stupid.

Being poor or rich, most largely, depends on where you were born and what support your family could give you, and the kind of education you received.

So poverty can be felt in not having money to buy things. Millions of people in South Africa live without a decent income.

### **Social grants**

Social grants are the main form of state-subsidised income transfer in South Africa.

Child support grants of R420 per child monthly and older people's grants of R1,780 monthly are certainly not enough to live a decent life, especially where these grants are the only form of income in a household – but they are a start.

The policy of these grants is still based on an apartheid notion of who required income and who would be earning. The grants are targeted at children and older people because of the assumption that (white) adults would be earning wages.

Full white employment was almost assured through job reservation policies for white people. This ignores the current reality in which millions of working-age people, mainly black Africans, are not employed.

Over 60% of unemployed people in South Africa experience long-term unemployment, with little chance of moving (back) into the labour market.

We need a full policy of income grants for working-age people in future, like a basic income grant, but that is another discussion.

Even having a job, however, is no guarantee that you will be able to live a decent life. The median income earned by South Africans is only R3,300 per month – we also have a huge number of working poor people in South Africa.

### **Practicalities**

The exciting thing about the DSL practically is that it identifies that there are more ways to live a decent life than just through money, as it identifies SPNs that can be received through the social wage and through social networks.

### **Social wage**

The social wage means services that the state delivers. Even if you don't have a job, you can access state healthcare and education. These, and social security (grants), shelter and enough food and water are constitutional rights in South Africa.

What service delivery protests show is that people are really aware when these rights are not being met through poor state delivery.

### **Social networks**

Social networks are also ways in which people can meet their needs without needing money – so if people require someone to care for them when they are sick, strong communities mean you can rely on your neighbour or family member.

The DSL is thus really useful for planners to see linked-up policy development.

Tackling only money poverty is really daunting in a country that has so many poor people. If policymakers can draw on all three ways of eating this elephant, it can be better done with careful planning, sequenced interventions and accountable state delivery.

If the DSL is used in this way, we can regularly be celebrating small victories on many fronts rather than facing a problem so big that we don't know where to begin.

*Ms Isobel Frye is the Director of Studies in Poverty and Inequality Institute (SPII)*

Why South Africa needs to do better. Professor Gemma Wright & Jabulani Jele | Sep 16, 2019

We now have a socially derived definition of a decent standard of living in South Africa.

Dignity is a vitally important value in South Africa, both culturally and in the jurisprudence literature. The constitution places dignity at centre stage, stating that “everyone has inherent dignity and the right to have their dignity respected and protected”.

Research that we have undertaken over the past years has exposed ways in which not only poverty but also inequality, erodes people's sense of dignity. It has also helped highlight that a sure-fire way in which to respect and protect dignity is to eliminate poverty and reduce inequality.

Focus groups that our colleagues have undertaken have found detailed accounts of the detrimental impact of poverty on dignity (including being treated as a burden, strained family relations, and being unable to afford to escape abusive relationships which we have seen recently in the media).

They have also demonstrated that attempts to escape poverty are often experienced as undermining of dignity too (eg, having to do demeaning work for friends and family, transactional sex, tolerating intolerable jobs). It shouldn't be this way.

The nationally representative South African Social Attitudes Survey (SASAS) has helped us to gauge social attitudes about these issues. Questions that we included in this survey in 2012 revealed that more than 80% of respondents agreed or strongly agreed with the statement that “poverty erodes dignity”, and three-quarters of respondents agreed or strongly agreed with the statement “the gap between rich and poor people in South Africa undermines the dignity of us all”.

We now have a socially derived definition of a decent standard of living in South Africa. This provides us with a solid benchmark to assess how far we are away from a situation where dignity is properly respected and protected. The bad news is that this socially-derived decent standard of living is only enjoyed by a tiny fraction of the South African population.

For example, one of the items included in the definition of a decent standard of living is to have a flush toilet in the house. The most recent Living Conditions Survey reveals stark spatial inequalities: although almost 95% of people in urban formal areas have a flush toilet, less than half of people have a flush toilet in informal settlements, and almost nobody does in traditional areas (just 4%).

The good news is that there is huge support for protecting dignity and reducing inequality: in the same SASAS 2012 module, 94% of respondents agreed or strongly agreed with the statement “it is important that the government respects and protects people's dignity”.

In 2017, a question in SASAS asked people to respond to the statement, “the government should provide a decent standard of living for all unemployed people”. Although we know that there is sometimes an ambivalence towards unemployed people, a huge 84% of respondents agreed or strongly agreed with this statement.

Importantly, there was broad agreement between poor and rich people.

For example, of those who reported in the same survey that they found it “very difficult to make ends meet”, 88% agreed or strongly agreed that government should provide a decent standard of living for all unemployed people, and of those who said that it was “very easy to make ends meet”, 73% agreed or strongly agreed.

As the retired constitutional judge Laurie Ackermann has argued, human dignity is the lodestar for equality in South Africa. The socially derived definition of a decent standard of living provides us with a map to help us get there. There is an appetite for structural interventions to achieve a decent standard of living, and they need to happen better and faster as there is simply no time to waste.

Empirical policy making: What our Research Reveals Should Be Tackled Urgently. Professor Gemma Wright And Jabulani Jele | Nov 5, 2019

Policymakers are faced with many urgent and competing challenges with very limited resources. They also have to balance the priorities of the government, business, labour and communities which sometimes pull in different directions. In this context, it is easy to lose the big picture of the direction in which the country hopes to move.

Recent work we have undertaken reveals several important big picture issues. Firstly we have shown that there is a broad level of agreement about what comprises a decent standard of living in South Africa that should be enjoyed by everyone. This is an important and powerful starting point when considering how to tackle the country’s challenges.

Second, our work has revealed the extent to which the vast majority of people in South Africa don’t have a standard of living that is regarded as decent. This means bluntly that the country is in crisis, with most people surviving in sub-optimal conditions rather than thriving. People’s dignity is not being protected and respected. People are unable to participate fully in society and are being denied their social rights of citizenship. So something urgent has to be done to put an end to poverty.

Third, there are a small number of people who do enjoy a standard of living way beyond the socially derived standard of living, and this sets up tensions that put society under stress. There is plenty of evidence from studies internationally that inequality exacerbates ill health and violence and places social relations under strain. We see continuous outbreaks of violence against the vulnerable in society including non-nationals, women and children. So something urgent has to be done to reduce inequality.

Fourth, different subgroups of the population have very different standards of living. Our work revealed that possession rates of the socially perceived necessities (items essential for a decent standard of living) follow certain trends. Younger people, female-headed households, black people, people living with children, people in households without anyone in employment, and people living outside urban formal areas are generally worse off in South Africa. In short: policies need to prioritise these groups.

Fifth, there is widespread anger at the extent of inequality. As part of another recent study, we analysed a question in the nationally representative South African Social Attitudes Survey in 2017 about reactions to income inequality. A very high 82% of respondents said that they were angry (extremely, very, moderately or slightly angry) about the income differences in South Africa. Anger was expressed by both rich and poor. Two-thirds of people who define themselves as finding it “very difficult to make ends meet” were either extremely or very angry. For better-off people (those who said that they find it “very easy to make ends meet”), two-fifths said they were extremely or very

angry about the income differences. The extent of reported anger about inequality implies a considerable openness to something being done about it, and urgently.

So what should be tackled urgently? The decent standard of living work provides us with a set of issues that people have identified as essential. Some relate to housing and possessions, some to features of the neighbourhood, and some to social networks. Resources are limited, but this work provides information about what people want. Local government elections are coming up in 2021 again. Policies anchored in this big-picture vision that sets a decent standard of living centre-stage are needed now.

[Inequality And Dignity: Why We Need To Do Better, Faster. Professor Gemma Wright And Jabulani Jele | Sep 16, 2019.](#)

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Research that we have undertaken over the past years has exposed ways in which not only poverty but also inequality, erodes people’s sense of dignity. It has also helped highlight that a sure-fire way in which to respect and protect dignity is to eliminate poverty and reduce inequality.

Focus groups that our colleagues have undertaken have found detailed accounts of the detrimental impact of poverty on dignity (including being treated as a burden, strained family relations, and being unable to afford to escape abusive relationships which we have seen recently in the media).

They have also demonstrated that attempts to escape poverty are often experienced as undermining of dignity too (eg, having to do demeaning work for friends and family, transactional sex, tolerating intolerable jobs). It shouldn’t be this way.

The nationally representative South African Social Attitudes Survey (Sasas) has helped us to gauge social attitudes about these issues. Questions that we included in this survey in 2012 revealed that more than 80% of respondents agreed or strongly agreed with the statement that “poverty erodes dignity”, and three-quarters of respondents agreed or strongly agreed with the statement “the gap between rich and poor people in South Africa undermines the dignity of us all”.

As has been highlighted in *The Citizen*, we now have a socially derived definition of a decent standard of living in SA. This provides us with a solid benchmark to assess how far we are away from a situation where dignity is properly respected and protected. The bad news is that this socially derived decent standard of living is only enjoyed by a tiny fraction of the South African population.

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As the retired constitutional judge Laurie Ackermann has argued, human dignity is the lodestar for equality in South Africa. The socially derived definition of a decent standard of living provides us with a map to help us get there. There is an appetite for structural interventions to achieve a decent standard of living, and they need to happen better and faster as there is simply no time to waste.

*Professor Gemma Wright is Research Director at the Southern African Social Policy Research Institute and Professor Extraordinarius at the Archie Mafeje Research Institute, UNISA.*

*Mr Jabulani Jele is a Research Officer at the Southern African Social Policy Research Institute*

## Decent Standard of Living Project: Update of DSL amounts to April 2019 prices and update of selected benchmark amounts

### Background

In 2018, a Decent Standard of Living (DSL) amount was calculated as part of a project that was undertaken by members of SPII, SASPRI and LRS. The DSL amount is the income associated with a decent standard of living in South Africa, and was calculated to be R7,043 per person per month in April 2018 prices. A decent standard of living was defined as the possession of a full set of socially-derived indicators that represent a decent standard of living.<sup>2</sup>

As part of that same project, a Decent Standard of Living Index (DSLII) was calculated. The DSLII is a modified version of the Consumer Price Index, and reflects the expenditure patterns of people with the full set of 21 socially-derived indicators, also referred to as socially perceived necessities (SPNs). The DSLII was also calculated for people with less than the full set of socially-derived indicators: for those with 18 SPNs, and 16 SPNs.

The DSLII is a tool for updating the DSL amount each year, without having to undertake new primary research. However, at some point soon it will be necessary to refresh the set of SPNs, as socially-derived indicators of an acceptable standard of living can change over time.

### The updated DSL amounts

The DSL has now been updated to April 2019 prices, using the DSLII Calculator and the published April 2019 CPI data (for 'total country') from Statistics South Africa.<sup>3</sup> The updated DSL amounts for April 2019 are as follows:

- DSL amount for people with all 21 SPNs: R7,326 per person per month
- DSL amount for people with 18 SPNs: R2,651 per person per month
- DSL amount for people with just 16 SPNs: R1,520 per person per month

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<sup>2</sup> Frye, I., Wright, G., Elsley, T., Noble, M., Barnes, H., Jele, J., Masekesa, F., Zembe-Mkabile, W. and McLennan, D. (2018) *Decent Standard of Living Index Final Report*. Report for the National Department of Social Development, South Africa.

<sup>3</sup> Statistics South Africa (2019) *Consumer Price Index: April 2019*, Statistical Release P0141. Pretoria: Statistics South Africa.

**Table 1: The updated DSL amounts compared with selected benchmarks of per capita income/earnings and living wage measures in South Africa**

Measure	Amount per month (ZAR)	Date	Source
Child Support Grant	420	April 2019	1
Food poverty line (Statistics South Africa)	561	April 2019	2
Lower bound poverty line (Statistics South Africa)	810	April 2019	2
Foster Child Grant	1 000	April 2019	1
Upper bound poverty line (Statistics South Africa)	1 227	April 2019	2
<b>DSL 16 SPNs</b>	<b>1 520</b>	<b>April 2019</b>	<b>3</b>
Disability Grant	1 780	April 2019	1
Old Age Grant	1 780	April 2019	1
Care Dependency Grant	1 780	April 2019	1
<b>DSL 18 SPNs</b>	<b>2 651</b>	<b>April 2019</b>	<b>3</b>
Median monthly earnings of employees (women)	3 000	2017	5
Sectoral determinations median minimum wage	3 194	2018	4
Median monthly earnings of employees (all)	3 500	2017	5
National Minimum Wage	3 500 (R20 per hour)	April 2019	6
Median monthly earnings of employees (men)	4 000	2017	5
Living wage lower bound (Wage Indicator Foundation)	4 715 (USD 312)	October 2019	7
Median minimum wage SA	4 812	2018	4
Bargaining Councils median minimum wage	4 994	2018	4
Average minimum wage SA	5 399	2018	4
Living wage upper bound (Wage Indicator Foundation)	7 313 (USD 484)	October 2019	7
<b>DSL 21 SPN</b>	<b>7 326</b>	<b>April 2019</b>	<b>3</b>
Mean household income (Living Conditions Survey)	11 514	2014/2015	8
DSL median salary 21 SPN	14 868	April 2019	9
Average monthly earnings for employees in the formal non-agricultural sector (QES)	21 432	May 2019	10

Sources for Table 1



- (1) Correspondence with South African Social Security Agency.
- (2) Statistics South Africa (2019) *National Poverty Lines 2019*, Statistical Release P0310.1, Pretoria: StatsSA, p.3.
- (3) Own calculations using April 2018 figures updated to April 2019 with DSLI Calculator.
- (4) Teuteberg, S. (ed.) (2019) *Bargaining Indicators 2018-2019*, Cape Town: Labour Research Service, pp.12, 21, 23.
- (5) Statistics South Africa (2017) *Labour Market Dynamics in South Africa*, Report No. 02-11-02 (2017), Pretoria: StatsSA, pp.6, 57.
- (6) South African Government News Agency (8 December 2018). *National Minimum Wage to come into effect on 1 January 2019*. Available at <https://www.sanews.gov.za/south-africa/national-minimum-wage-come-effect-1-january-2019>.
- (7) WageIndicator.org (2019) *Wages in context per month*. Available at [https://wageindicator.org/salary/wages-in-context?utm\\_source=General+WageIndicator+Newsletter&utm\\_campaign=75cfcff786-EMAIL\\_CAMPAIGN\\_2019\\_08\\_11\\_11\\_50\\_COPY\\_01&utm\\_medium=email&utm\\_term=0\\_bd1ac303f1-75cfcff786-168139569](https://wageindicator.org/salary/wages-in-context?utm_source=General+WageIndicator+Newsletter&utm_campaign=75cfcff786-EMAIL_CAMPAIGN_2019_08_11_11_50_COPY_01&utm_medium=email&utm_term=0_bd1ac303f1-75cfcff786-168139569). USD amounts converted to ZAR using [www.xe.com](http://www.xe.com) on 10 October 2019.
- (8) Statistics South Africa (2017) *Living Conditions of Households in South Africa*, Pretoria: Statistics South Africa, p.13. Available at <http://www.statssa.gov.za/publications/P0310/P03102014.pdf>
- (9) Own calculations using April 2018 figure updated to April 2019 with Statistics South Africa's CPI obtained from <http://www.statssa.gov.za/publications/P0141/CPIHistory.pdf?>.
- (10) Statistics South Africa (25 June 2019) *Quarterly Employment Statistics Media Release*. Available at <http://www.statssa.gov.za/?p=12246References>.

## Biographies

### **Ms Isobel Frye**

Isobel Frye is the founding Director of Studies in Poverty and Inequality Institute in Johannesburg. She moved from being a director at a commercial law practice to work for the Black Sash as their Advocacy Manager and then to NALEDI as a senior researcher in poverty and socio-economic rights, before becoming the Director of SPII. SPII undertakes both primary and secondary research into poverty and social exclusions, and policy analysis in the field of anti-poverty policies, inequalities, socio-economic and constitutional rights and social protection.

Isobel is the Vice -chair of SASPEN, the Southern African Social Protection Experts Network, and serves on the Academy of Science of South Africa Standing Committee on Science for the Reduction of Poverty and Inequality. She is an active contributor to print and broadcast media on policy issues on poverty, inequality and socio-economic rights.

Isobel was appointed as one of the first National Minimum Wage Commissioners by the Minister of Labour in January 2019.

### **Dr Mbuso Moyo**

Dr Mbuso Moyo holds a PhD Development Studies from the University of Johannesburg, South Africa. His PhD study focused on youth unemployment and sought to understand the challenges and uncertainties of everyday lives for unemployed youth in South Africa.

Taking a political economy position, his thesis argues that unemployment is one of the existential challenges facing global economies today. Unemployment presents a 'legitimacy crisis' to globalisation which at its inception was touted as a 'tide that lifts all boats', implying that it would be beneficial to all peoples of the world and that it will result in greater egalitarianism within and between nations.

Moyo holds the view that the world capitalist system as is currently configured must be reformed. This is especially so in light of its implications to Africa's economic transformation. However, his position is that the struggle is not about whether or not we are in favour of capitalism as a world-system. The struggle is about what should replace it, given the implosion of the present world-system. Mbuso's research interests include industrial policy and economic alternatives, understanding the implications of the Fourth Industrial Revolution on the future of jobs and livelihoods, as well as on the relationship between education/training and economy/jobs

### **Dr Wiseman Magasela**

Dr Wiseman Magasela is the Founder and Executive Director of Clermont Analytics, a strategic research, resourcing, policy development, social and community development, and policy advisory.

Clermont Analytics has a team of with more than five decades of combined experience in research organisations, universities, government departments and agencies, and international multilateral bodies. He was Special Adviser in the Ministry in the Presidency Responsible for Women, Republic of South Africa.

Dr Magasela held the position of Deputy Director General: Research and Policy Development in the Department of Social Development. This position promoted and institutionalised evidence-informed policy making in the social development sector.

Dr Magasela held the position of Research Manager at the Centre for the Analysis of South African Social Policy, University of Oxford, England, which, among key achievements, introduced multi-dimensional poverty analysis in South Africa. He worked as a Chief Researcher at the National Research Foundation.

Dr Magasela lectured Sociology at the University of Natal (Durban) and the University of Fort Hare in South Africa.

Dr Magasela holds a Master of Arts (Sociology) degree from the University Witwatersrand, a Master of Science (Comparative Social Policy) degree and a Doctor of Philosophy degree in Social Policy from the University of Oxford, England.

### **Professor Gemma Wright**

Professor Gemma Wright is the Research Director at the sister not-for-profit organisations: Southern African Social Policy Research Institute NPC (SASPRI, South Africa) and Southern African Social Policy Research Insights (SASPRI, UK), and Professor Extraordinarius at Archie Mafeje Institute at the University of South Africa (UNISA).

Professor Wright's research interest include poverty, deprivation indices, and social security policy and tax-benefit microsimulation.

### **Mr Jabulani Jele**

Jabulani Jele is a researcher at the Southern African Social Policy Research Institute (SASPRI), with research interests in pro-poor growth and development as well as spatial measures of deprivation and inequality.

### **Mr Trenton Elsley**

Trenton Elsley is the Executive Director of the Labour Research Service (LRS). The LRS is a membership-based, non-profit labour support organisation, or if you prefer, a labour think tank.

Trenton's interests include democracy, civil society, the politics of trade union organisation and representation, the world of work and multinational companies. He is also interested in poetry and frisbees.

### **Dr Kefiloe Masiteng**

Dr Kefiloe Masiteng is the Deputy Secretary for National Planning in the Department of Planning, Monitoring and Evaluation. She was the Deputy director-general at Statistics South Africa responsible for Population and Social Statistics for eleven years. Previously, she was Chief Director in the Presidency Policy Coordination and Advisory Services responsible for Governance and Administration and the Government-wide Monitoring and Evaluation System.

Dr Masiteng also worked in the department of Housing and Health responsible for Monitoring, and Evaluation. Among other qualifications, Kefiloe holds a PhD from the University of the Witwatersrand, Johannesburg, and a Masters degree in Public Health from the University of Pretoria.

Dr Masiteng has a passion in working with children, youth and women.

### **Dr Hassan Mohamed**

Dr Hassan Mohamed started as a Chief Policy Analyst in the Policy Coordination and Advisory Services (PCAS) in the Presidency in 2006.

PCAS was replaced by the Department of Planning, Monitoring and Evaluation (DPME) and Mr Mohamed is currently a DDG in DPME and acting Head of the Branch responsible for overseeing the monitoring and implementation of the NDP through the Medium-Term Strategic Framework.

Prior to joining the Presidency, Mr Mohamed was the Head of Planact (an urban development NGO) and headed the Policy, Research and Advocacy work at the Development Resources Centre.

### **Ms Yuri Ramkissoon**

Yuri is a Senior Researcher at the South African Human Rights Commission (SAHRC), heading the Economic and Social Rights (ESR) unit. She started at the SAHRC in 2008 as a Senior Researcher for Environmental Rights before taking over the ESR unit. She has a Master of Science (Environmental Science) and has a particular interest in the field of human rights and business, particularly the impact of business activities on human health and the environment. She has a history of engagement with civil society, having worked with community organisations and industry while at school with the aim of resolving issues between the two in the South Durban Industrial Basin, South Africa.

Before working at the SAHRC, Yuri was a Research Project Officer the Community Agency for Social Enquiry, a research institution working on various research projects, which she managed from the proposal stage, through to data collection, analysis and report writing. She was elected as a staff representative to the board during her short time at the company, to ensure that the rights of workers were being realised.

Working at the SAHRC, has led to Yuri's specialising in a range of rights, including health, education, food, environment, water and sanitation, housing and social security and the cross-cutting implications on gender, race and groups categorised as vulnerable in South Africa. She has also published in non-peer-reviewed and peer-reviewed journals and books on these subjects. She has acted as the Head of Programme – Research Unit on numerous occasions, dealing with human resources, administration, strategic planning, risk and other managerial functions. In her almost eleven years in the SAHRC's employ, Yuri has sat on various ESR-related committees, national and international task teams and has represented the SAHRC at myriad advocacy and academic events.

Yuri has a particular interest in the development of a holistic national standard of living index that will encompass quantitative and qualitative information. When presenting the SAHRC's shadow report the Committee on Economic, Social and Cultural Rights in 2018, one of the main recommendations to the Committee was the development of Human Development of Standard-of-Living Index, which was taken on board by the Committee and presented as a recommendation to the State.

### **Dr Philip Alston**

Philip Alston is an Australian International Law Scholar and committed Human Rights practitioner. He is John Norton Pomeroy Professor of Law at New York University School of Law, and co-Chair of the law School's Center for Human Rights and Global Justice. Alston has held a range of senior UN appointments for over two decades, including United Nations Special Rapporteur on extrajudicial, summary or arbitrary executions, a position he held from August 2004 to July 2010.

Dr Alston was appointed as UN Special Rapporteur on Extreme Poverty and Human Rights in 2014.

### Prof Michael Noble

Prof Michael Noble CBE is Executive Director of the sister not-for-profit organisations: Southern African Social Policy Research Institute NPC (SASPRI, South Africa) and Southern African Social Policy Research Insights (SASPRI, UK). He is Emeritus Professor of Social Policy at the University of Oxford in the UK and Visiting Professor at Rhodes University in South Africa.

Prof Noble's main research interests are in poverty, deprivation, inequality and social security policy particularly in sub-Saharan Africa. He specialises in quantitative research methods including tax-benefit microsimulation modelling and is committed to evidence-informed policy making.

### Dr Wanga Zembe-Mkabile

Wanga Zembe-Mkabile is a Specialist Scientist at the South African Medical Research Council. She is also a Director at the Southern African Social Policy Research Institute. She holds a MSc in Social Policy and DPhil in Social Policy, both from the Department of Social Policy and Intervention, University of Oxford, UK. She has more than 10 years research experience in social protection, child poverty and multiple deprivation, and maternal and child health.

Dr Zembe-Mkabile's main interests are research and teaching in Social Policy, specifically as this relates to social protection, child poverty, health, and inequality.

