

From Edward Batson's PDL, to the HSL to minimum caloric intake: moving beyond physiological minima poverty approaches and definitions in SA.

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**Towards a Decent Living Level –
Income Levels and Socially Perceived
Necessities .**

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Values and principles that inform our understanding, conceptualisation and definition of **poverty** and **citizenship**

- ❑ The type of society we envision ... history, politics, context.
- ❑ Our explanations of the causes and solutions crafted to eliminate poverty (**the policy choices we drive in both the social and economic spheres**).
- ❑ Our views and convictions of what each individual (each person and every child), each family and every community should have access to and enjoy by right.
- ❑ Issues of quality of life of all South African citizens, not only some!

Edward Batson and the Poverty Datum Line (PDL)

- ❑ Pioneered in SA, and later Southern Africa, the Poverty Datum Line (PDL) and was called the founding father of the PDL.
- ❑ Edward Batson conducted his first studies on poverty in Cape Town (1938 – 1939).
- ❑ Batson's work was influenced by developments in England with the work of Charles Booth (1892-1897), Seebohm Rowntree (1901) and Arthur Bowley (1915)

Definition and full explanation of the PDL

- ❑ **Food** - that quantity and variety which, taking into account age, sex, and sometimes occupation, will provide for each member of the household the calorific, protein, fat, and vitamin content, and the palatability, calculated by dieticians to be necessary for health, taking into account the established food customs of the Western World. **Housing**. Transportation of earners only between home and work. **Clothing** – the minimum for protection of health and conformity with Western custom. **Fuel and lighting** – the minimum compatible with health and conformity with Western customs. **Cleaning materials** – soap for personal and household use.

Clarifying the exact nature of the 'minimum level' in the PDL

Such a standard is perhaps more remarkable for what it omits than for what it includes. It does not allow a penny for amusements, for sport, for medicine, for education, for saving, for hire purchase, for holidays, for odd bus rides, for newspapers, stationery, tobacco, sweets, hobbies, gifts, pocket money or comforts or luxuries of any kind. It does not allow a penny for replacements of blankets, furniture or crockery. It is not a "human" standard of living. It thus admirably fulfils its purpose of stating the barest minimum upon which subsistence and health can theoretically be achieved under Western conditions. It does not in any sense describe even a minimum ideal. As far as food, clothing, fuel, lighting, and cleaning materials are concerned, the Poverty Datum Line is calculated on the assumption that purchases are made in the cheapest market open to ordinary consumers.

Batson's description and use of the PDL

- ❑ does not represent a **“human”** or **“civilised”** standard of living, but only a purely **“physical”** standard of health and decency.
- ❑ Stands **‘for existence at the lowest possible level’** and as a **‘physiological minimum’**
- ❑ His aim was to demonstrate that there are many members of South African society who were living below this barest sub-human minimum.
- ❑ Therefore, for Batson, the PDL was to be used as incontrovertible evidence that there were significant numbers of South Africans who were living in deep poverty, barely able to survive.

Politics, Power, Interest Groups and the definition of poverty among blacks in the 1970s

- ❑ The Institute for Planning Research (UPE) on the PDL and the HSL
- ❑ The Wage Boards in SA
- ❑ South African Industrialists
- ❑ The fixing of the wages of black workers using the PDL and HSL

IPR and the PDL and setting a wage standard for black wages

- ❑ National wave of **strikes for better wages** by black workers
- ❑ PDL defined by the IPR the same way as Edward Batson
- ❑ PDL is presented as a 'technique for describing the theoretical minimum cost of living' and that '**such a technique could serve as a useful yardstick in determining basic wage levels**'.
- ❑ 'originally **inspired by a number of industrialists** who approached the Institute' and was written with the objective of showing '**how the Poverty Datum Line may be used as a yardstick in determining minimum wage levels**'
- ❑ The technique is used to describe minimum living levels of the poorer sections of a community and, in this country, has generally been confined to the **Non-White population groups**.

Average Monthly Wages for Africans in Manufacturing and the Poverty Datum Line, 1950-81

Year	PDL in Johannesburg	Monthly Wage	Monthly Wage as % of PDL
1950	35.5	20	56
1958-9	48.4	28	58
1971	64.4	56	87
1978	161.19	149	92
1981	271.71	255	94

The IPR renames the PDL and calls it the Household Subsistence Level

- ❑ In one of the Reports attention is brought to the fact that 'the reader will notice that the term PDL has been replaced by the Household Subsistence Level' as 'various individuals and organisations expressed their concern about the use of the word 'Poverty'.
- ❑ The term **Poverty Datum Line (PDL) is therefore replaced by Household Subsistence Level (HSL).**
- ❑ The constituent elements of the 'new' HSL were exactly the same as those of the PDL.

The introduction and inception of physiological minima definitions of poverty in **post-apartheid democratic SA**

- ❑ The World Bank's (with South African researchers) 1993 Project for Statistics on Living Standards and Development
- ❑ The World Bank's Key Indicators of Poverty in South Africa (1995)

The 1993 Project for Statistics on Living Standards and Development

- ❑ The ANC requested the WB working with SA researchers to conduct a **comprehensive national survey aimed at providing an accurate picture of levels of deprivation in SA** with the intention of creating **'effective strategies to combat poverty'**
- ❑ The PSLSD did not define or measure poverty.
- ❑ Whilst the PSLSD was intended to become the 'policy-base' for anti-poverty strategies in the post-apartheid democratic period, the regional poverty profiles conducted were still located, in terms of conceptualization, definition and measurement of poverty in the pre-democracy, apartheid era through the use of the HSL and other similar measures.

The World Bank's Key Indicators of Poverty in South Africa (1995) - Poverty Lines

Types of poverty lines	Amount/Month Cut-off	% of population below the poverty line
1. Population cut-offs at the:		
40 th percentile of households ranked by adult equivalence	301,1	52,8
20 th percentile of households ranked by adult equivalence	177,6	28,8
2. Minimum per capita caloric intake (at 2 000 Kcal per day)	143,2	39,3
3. Minimum per capita adult-equivalent caloric intake (at 2 500 Kcal per day)	185,5	42,3
4. Minimum and supplemental living levels per capita set by the Bureau of Market Research, University of South Africa		
Supplemental Living Level (SLL)	220,1	56,7
Minimum Living Level (MLL)	164,2	44,7
5. Per adult equivalent household subsistence level (HSL) set by the Institute for Planning Research, University of Port Elizabeth	251,1	36,2

The Poverty and Inequality Report (1998)

- ❑ The *Poverty and Inequality Report* was a key milestone [macro-economic policy, the labour market, human development, infrastructure and a strategy for the reduction of poverty and inequality.
- ❑ ... those dimensions that are **easily and objectively measurable**. The emphasis is undeniably on 'poverty proper' and we concentrate on a conventional, money metric measure at the expense of focusing on other important aspects. The overriding reasons for doing so are that a **money metric measure is practicable**, it allows for inter-personal comparisons and it is a fairly good proxy for standard of living.

The National Development Plan

- ❑ Eliminate income poverty – reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero.
- ❑ The share of income going to the bottom 40 percent of income earners rises from 6 percent to 10 percent.
- ❑ The social protection floor

Key points of reference on a decent living level – beyond minimalism

- ❑ The ANC on social and **economic** rights and quality of life for all citizens
 - ❑ 1923 Bill of Rights
 - ❑ Africans' Claims of 1943
 - ❑ The Freedom Charter (1955)
 - ❑ The Constitutional principles for a democratic SA (1991)
 - ❑ Ready to Govern (1992)
 - ❑ A Bill of Rights for a new SA (1993)
- ❑ The 1993 Interim Constitution
- ❑ The 1996 SA Constitution (**social and economic rights, values, principles and commitments**)
- ❑ The National Development Plan



THANK YOU FOR LISTENING !