

Gendered trends in poverty in the post-apartheid period, 1997 – 2006

Dorrit Posel and Michael Rogan
University of KwaZulu-Natal

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1. Background

- Post-apartheid period characterised by a number of changes - with implications for gendered access to resources
 - e.g. employment growth for women, gender parity in school enrollment, equal opportunity and protective labour legislation, expansion of a relatively comprehensive social security system
- BUT, the period has also seen:
 - Declining marital rates, rising female unemployment, women over-represented in low paying employment, gendered effects of the HIV/AIDS epidemic

- A substantial poverty literature in South Africa suggests that:

- Poverty most likely increased slightly (Leibbrandt and Woolard 2001; Bhorat and Kanbur 2005; Leibbrandt et al. 2006; Seekings 2007; Bhorat and van der Westhuizen 2008; van der Berg et al. 2008) or stabilised (Hoogeveen and Özler 2005) between 1995 and 2000
- After 2000, the poverty rate began to decline, but the extent of the decline remains disputed (see Meth 2006; van der Berg et al. 2008)
- Most of the focus has been on poverty changes among population groups, but relatively little attention given to gendered poverty trends

- Several challenges to a gendered analysis of poverty trends:

- Paucity of comprehensive, comparable data sets that are collected at regular intervals
 - Income and Expenditure Surveys collected at long intervals + recent changes in methodology
 - Population Censuses collected at long intervals + income recorded in bands
 - Labour Force Surveys only collect information on earned income
- Perhaps the most serious challenge, however, is that gender is an individual characteristic while poverty is measured at the household level - assumes equivalent sharing of household resources, an unlikely scenario.

- Thus, many studies look at the gender of the household head to approximate gendered access to resources
- Many critiques of using 'headship' in poverty analyses (see Budlender 2005, Chant 2003,2005)
- BUT, a considerable body of literature demonstrates a link between female headship and poverty in developing countries (see Buvinic and Gupta 1997, Lampiettie and Stalker 2000)
- In South Africa, existing research suggests that female-headed households are over-represented among the poor (Ray 2000; Leibbrandt and Woolard 2001; Bhorat and van der Westhuizen 2008)

2. Objective

- In this study, we investigate gendered changes in the extent of income poverty between 1997 and 2006
 - We first look at the extent and depth of poverty among males and females
 - Then we examine changes in poverty by the gender of the household head

3. Data and methods

- 1997 and 1999 October Household Surveys; 2004 and 2006 General Household Surveys
- Detailed information on earned income and social grant income at the individual level
- These surveys are conducted regularly and it is possible to create comparable measures of income across time
- Comprise a set of under-utilised data sources for the analysis of poverty trends

• Poverty measures:

- R322 (2000 prices) per capita monthly household income poverty line (following Hoogeveen and Özler 2005)
- In order to include social grant income, we assign the maximum value of each social grant to the recipient
- In households where there is no reported earned or social grant income (zero-income households) we augment income with expenditure data (captured in a single question)

Augmenting income data with expenditure

Table 1: Zero income households, 1997 – 2006

	OHS 1997	OHS 1999	GHS 2004	GHS 2006
Zero earnings + zero social grants				
Number (unweighted)	6 972	6 273	4 449	4 031
Proportion	23.39	24.00	16.97	14.40
Including household expenditure				
Number (unweighted)	0	1 033	350	167
Proportion	0.00	3.95	1.34	0.60
Real per capita monthly household income (2000 prices)	279.12 (6.85)	210.70 (4.57)	443.66 (10.63)	434.13 (12.18)

Source: Own calculations from the 1997 and 1999 OHSs and the 2004 and 2006 GHSs
Notes: Real per capita income is only for the (formerly) zero-income households
Data are weighted in the last row of the table
Standard errors in brackets

4. Individual poverty estimates

- We first estimate the incidence and depth of poverty among males and females
- Individuals are poor if they live in households where average per capita monthly household income is less than R322
- We present three measures of income:
 - earned income only (I)
 - earned income and social grant income (II)
 - earned and social grant income augmented with expenditure information for zero-income households (III)

Table 2: Poverty estimates for South Africa, 1997 – 2006 (per capita)

	Headcount (P _h)			
	OHS 1997	OHS 1999	GHS 2004	GHS 2006
Earnings only (I)				
All	65.33 (.006)	68.08* (.006)	68.87 (.007)	64.26* (.019)
Male	62.73 (.006)	65.61* (.006)	65.96 (.007)	60.77* (.019)
Female	67.74 (.006)	70.41* (.006)	71.69 (.007)	67.67* (.019)
Earnings + social grants (II)				
All	62.46 (.006)	66.26* (.006)	65.25 (.007)	59.07* (.018)
Male	59.97 (.006)	63.94* (.006)	62.37* (.007)	55.70* (.018)
Female	64.78 (.006)	68.43* (.006)	68.05 (.007)	62.36* (.018)
Including household expenditure (III)				
All	59.51 (.006)	63.62* (.006)	61.60* (.007)	55.96* (.020)
Male	57.11 (.007)	61.32* (.007)	58.40* (.007)	52.28* (.020)
Female	61.75 (.007)	65.78* (.007)	64.70 (.007)	59.55* (.020)

Table 3: The poverty gap, 1997 – 2006

	Poverty gap (P _g)			
	OHS 1997	OHS 1999	GHS 2004	GHS 2006
Earnings only (I)				
All	.53 (.006)	.56* (.006)	.53* (.006)	.53* (.019)
Male	.50 (.006)	.54* (.006)	.55 (.007)	.50* (.019)
Female	.55 (.006)	.58* (.006)	.60* (.007)	.56* (.019)
Earnings + social grants (II)				
All	.44 (.005)	.49* (.005)	.42* (.005)	.36* (.011)
Male	.42 (.005)	.47* (.005)	.41* (.005)	.35* (.012)
Female	.46 (.005)	.50* (.006)	.43* (.005)	.38* (.011)
Including household expenditure (III)				
All	.36 (.005)	.41* (.005)	.36* (.005)	.31* (.013)
Male	.34 (.005)	.39* (.005)	.34* (.005)	.29* (.013)
Female	.37 (.005)	.42* (.005)	.37* (.005)	.33* (.013)

5. Household poverty estimates

- We now look at the incidence and depth of poverty among households and by the gender of the household head
- Household heads are often the primary breadwinners - in our data, between 76 per cent and 83 per cent of heads are also the highest income earners (or receivers)
- Proportion of households that are female-headed has increased from 35.2 to 37.5 from 1997 to 2006

Table 4: Poverty estimates among households, by household type, 1997 – 2006

	Headcount (P ₀)			
	OHS 1997	OHS 1999	GHS 2004	GHS 2006
	Earnings only (I)			
All households	57.97 (.006)	58.73 (.006)	59.31 (.007)	55.84* (.018)
Male-headed	47.60 (.007)	49.14* (.007)	49.49 (.008)	45.10* (.016)
Female-headed	77.09 (.006)	75.81* (.007)	75.96 (.007)	73.72* (.017)
	Earnings + social grants (II)			
All households	54.09 (.006)	55.58* (.006)	54.64 (.007)	49.40* (.016)
Male-headed	44.16 (.006)	46.57* (.006)	44.84* (.008)	39.00* (.014)
Female-headed	72.41 (.007)	71.63 (.007)	71.27 (.007)	66.70* (.016)
	Including household expenditure (III)			
All households	48.63 (.007)	50.88* (.006)	48.23* (.007)	43.59* (.018)
Male-headed	38.84 (.007)	41.69* (.007)	37.24* (.007)	32.54* (.015)
Female-headed	66.68 (.008)	67.24* (.008)	66.88 (.008)	61.98* (.019)

Table 5: Poverty gap among households, by household type, 1997 – 2006

	Headcount (P ₀)			
	OHS 1997	OHS 1999	GHS 2004	GHS 2006
	Earnings only (I)			
All households	.48 (.006)	.49 (.006)	.50 (.006)	.47* (.016)
Male-headed	.37 (.006)	.40* (.006)	.41 (.007)	.36* (.013)
Female-headed	.68 (.007)	.66 (.007)	.67 (.007)	.64* (.017)
	Earnings + social grants (II)			
All households	.39 (.005)	.41* (.005)	.37* (.005)	.32* (.009)
Male-headed	.30 (.005)	.34* (.005)	.31 (.006)	.26* (.008)
Female-headed	.55 (.006)	.54 (.007)	.47* (.006)	.43* (.010)
	Including household expenditure (III)			
All households	.28 (.004)	.30* (.004)	.27* (.005)	.23* (.010)
Male-headed	.21 (.004)	.24* (.004)	.20* (.004)	.16* (.008)
Female-headed	.40 (.005)	.41* (.004)	.38* (.006)	.34* (.012)

6. Sensitivity test

- Remittances and private transfers are likely to be important sources of income for poor families
- We excluded remittances and other transfers from the poverty trend analysis because they are income sources that are only captured in the 1997 OHS
- But, how does augmenting income with expenditure data (measure III) compare with income measures that include remittance transfers?

Table 6: Including remittance income: Poverty estimates in 1997

	II+ Remittances		III
	Headcount (P ₀)		
All individuals	61.67 (.006)	59.51 (.006)	
Male	59.27 (.006)	57.11 (.007)	
Female	63.91 (.006)	61.75 (.007)	
All households	53.07 (.006)	48.63 (.007)	
Male-headed	43.72 (.006)	38.84 (.007)	
Female-headed	70.32 (.007)	66.68 (.008)	
	Poverty gap (P₁)		
All individuals	.40 (.005)	.36 (.005)	
Male	.39 (.005)	.34 (.005)	
Female	.42 (.005)	.37 (.005)	
All households	.35 (.004)	.29 (.004)	
Male-headed	.29 (.005)	.21 (.004)	
Female-headed	.48 (.006)	.40 (.005)	

7. Conclusion

- Poverty remains a gendered phenomenon in South Africa
- While overall poverty rates are declining, this trend masks gender differences in the rate of poverty decreases
- Social grant expenditure may have been relatively more effective in reducing the depth of poverty among females and female-headed households
- Income poverty is only a part of the picture, however
- "Time poverty"?