

Human Development Indicators within City of Johannesburg

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Image:
<https://www.vskills.in/certification/blog/human-development/>

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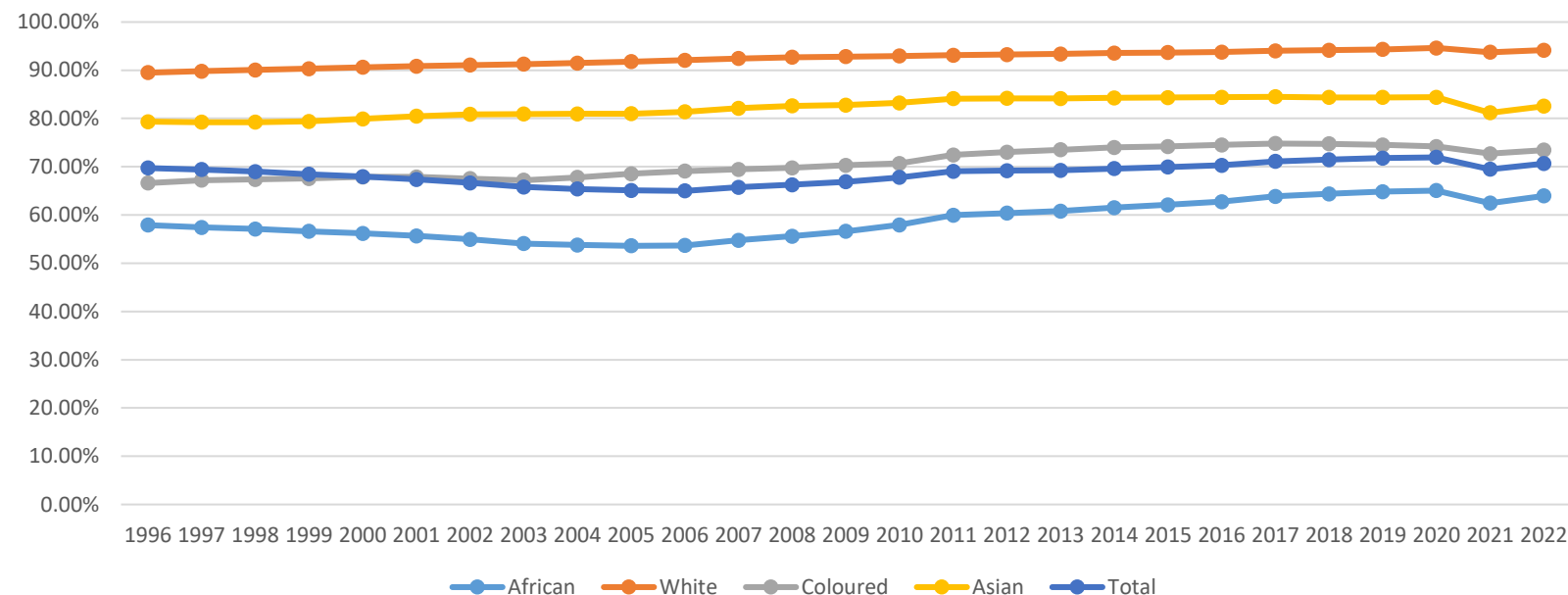
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INTRODUCTION

- Data used in this brief is from IHS Regional Explorer Ver(2257).
- The period of data is 27 years from 1996 until 2022.
- The aim of this brief is to analyze how these development indicators have performed in the City overtime in order to draw out useful insight.
- Data in this brief is broken down by race and some cases by gender in order to show how challenges affect different races and genders and to show the importance of policies that are driven by insight drawn from data.

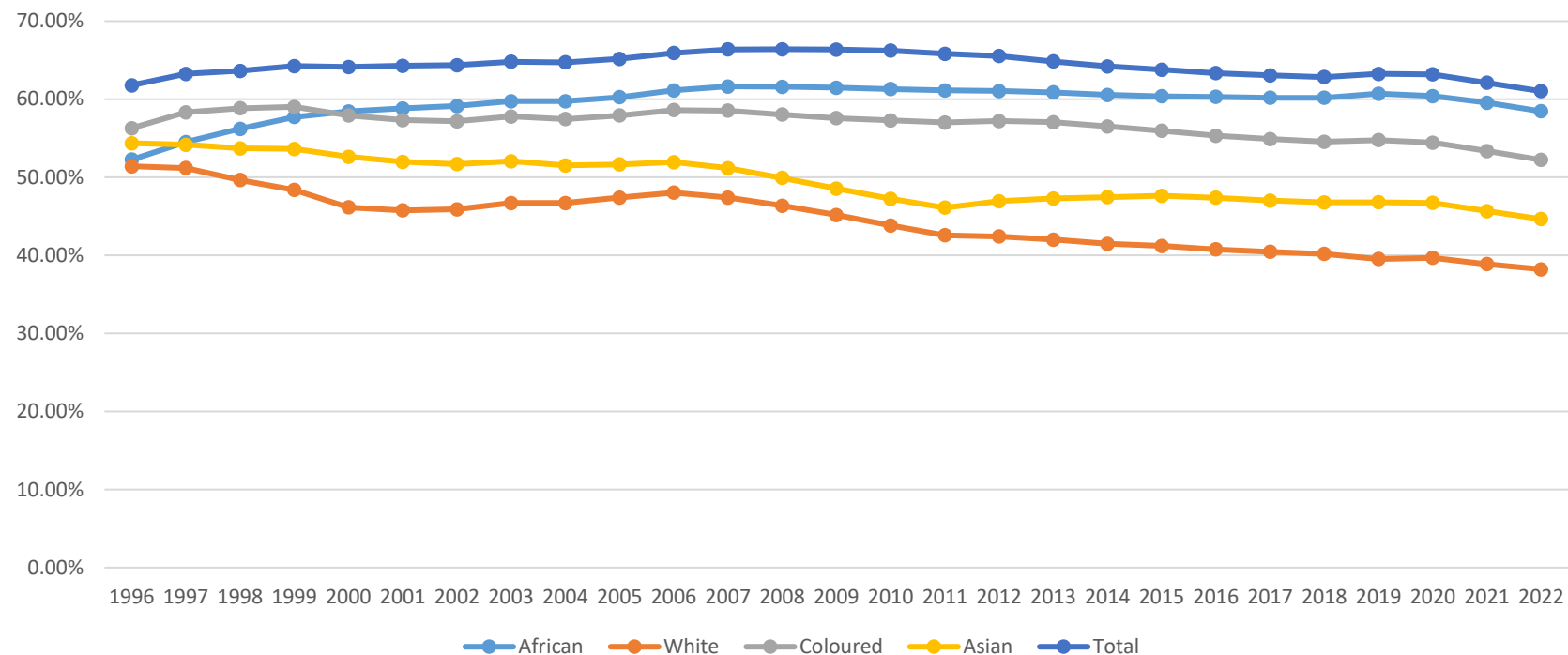
Human Development Index (HDI)



The Human Development Index (HDI) is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living.

- Human Development Index (HDI) for the City of Johannesburg has shown an upward trend over time, however there was a drop between 1998 and 2006 .
- White community has the highest HDI in the City of Johannesburg with an index above 90% followed by the Asian community above 80% and Coloured community with more than 70%
- African community has the lowest HDI average of 59% which is less than City's average of 68%
- HDI drops for all races between 2020 and 2021 due to impacts of covid-19 pandemic

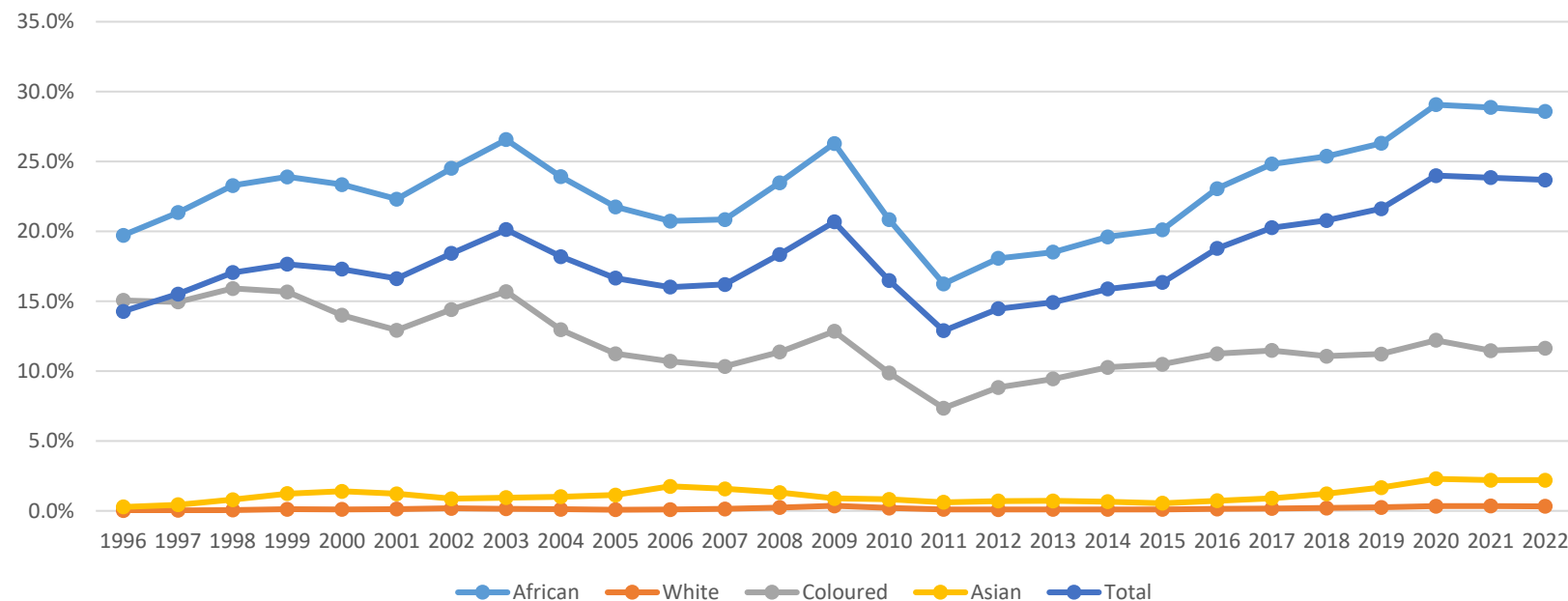
Gini coefficient



The Gini coefficient measures the extent to which the distribution of income within a country deviates from a perfectly equal distribution

- An increase in Gini coefficient is an increase in inequality
- Inequality in the City has shown a downward trend overtime, it has decreased over the period of more than 20 years
- Whites are the least unequal race in the City followed by Asian and Coloured respectively, showing a downward trend for all three races in inequality meaning that inequality is most likely to continue to decline in the future.
- Africans are the most unequal race and showing an upward trend in inequality

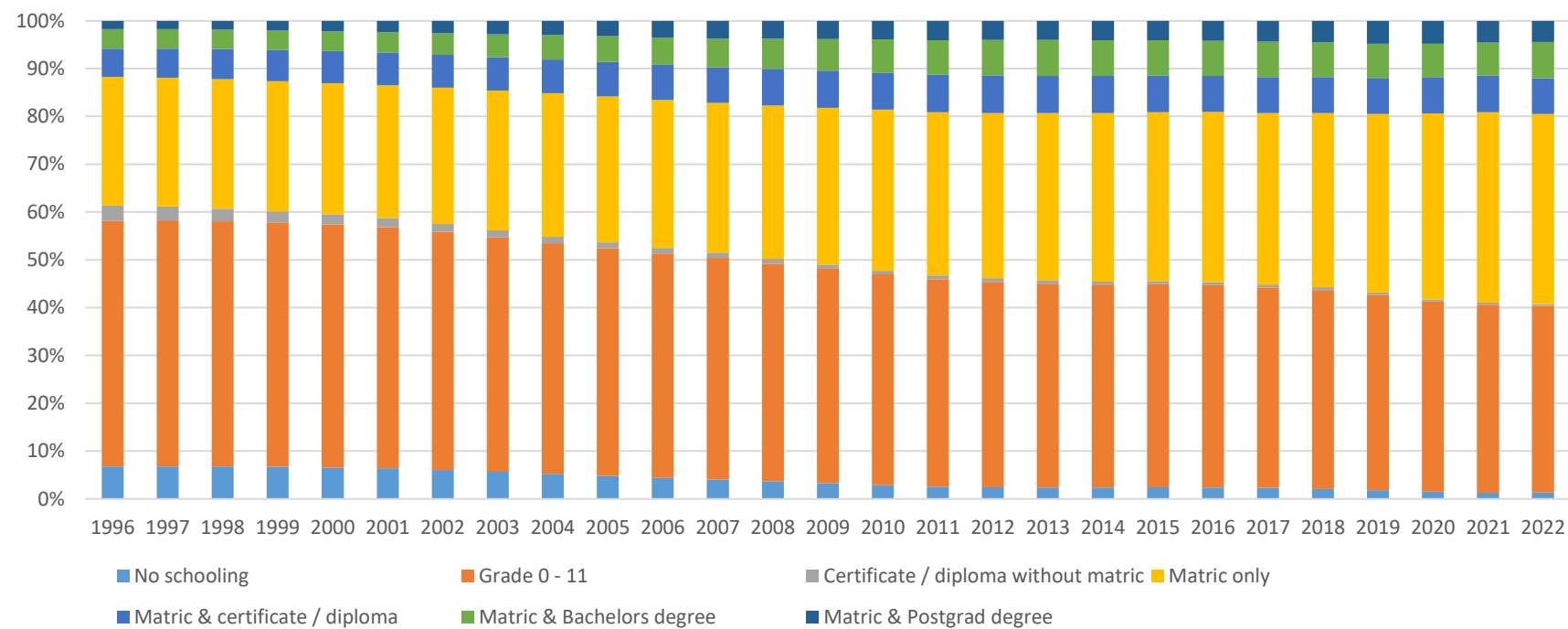
Share below the food poverty line (StatsSA defined)



The food poverty line is now R663 per person per month. This refers to the amount of money that an individual needs to afford the minimum required daily energy intake.

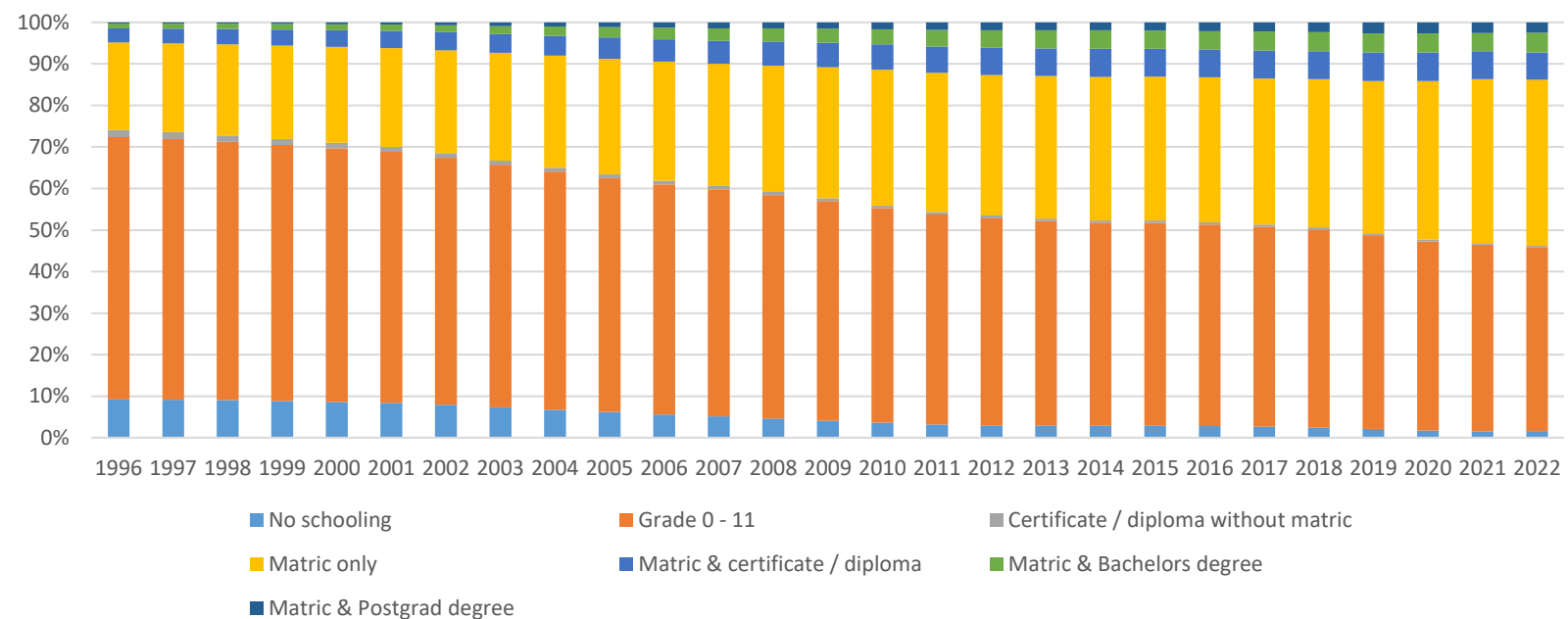
- Percentage of people living below the food poverty line in the City has increased significantly between 2011 and 2020 to levels above 1996 from 14.3% to 24%
- More Africans live below the food poverty line compared to other races and the trend shows that poverty has worsened over time in the African community with 28.6% of Africans living below the food poverty line in 2022.
- Poverty in the Coloured race has decreased over time showing a downward trend declining from 14.3% in 1996 to 11.6% in 2022
- Whites and Asians have less than 5% of people living below the food poverty line

Education Level, CoJ



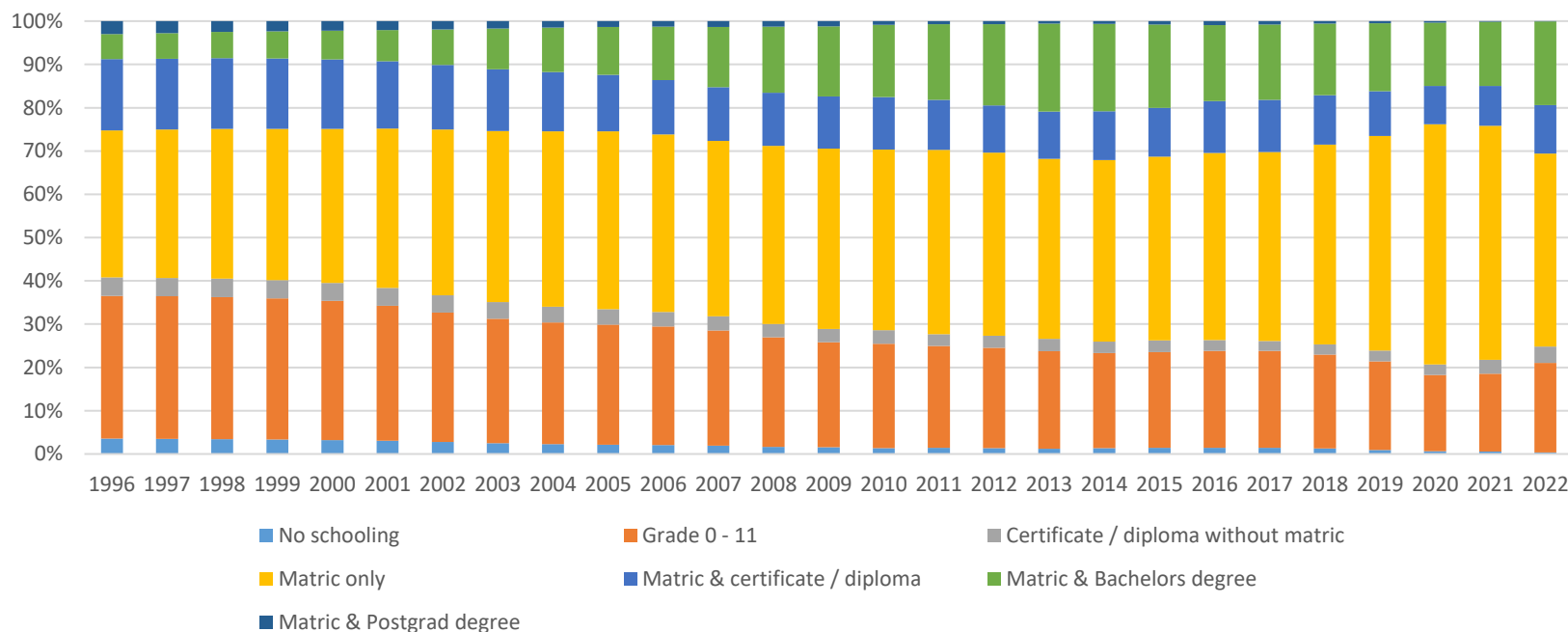
- The proportion of people with no schooling has decreased significantly from 1996 to 2022 which means more people have some form of education in 2022 compared to 1996.
- Post matric education has increased from a very low base in the city of Johannesburg over the past 27 but the proportion of the population with tertiary education remains relatively small.

Education Level, African



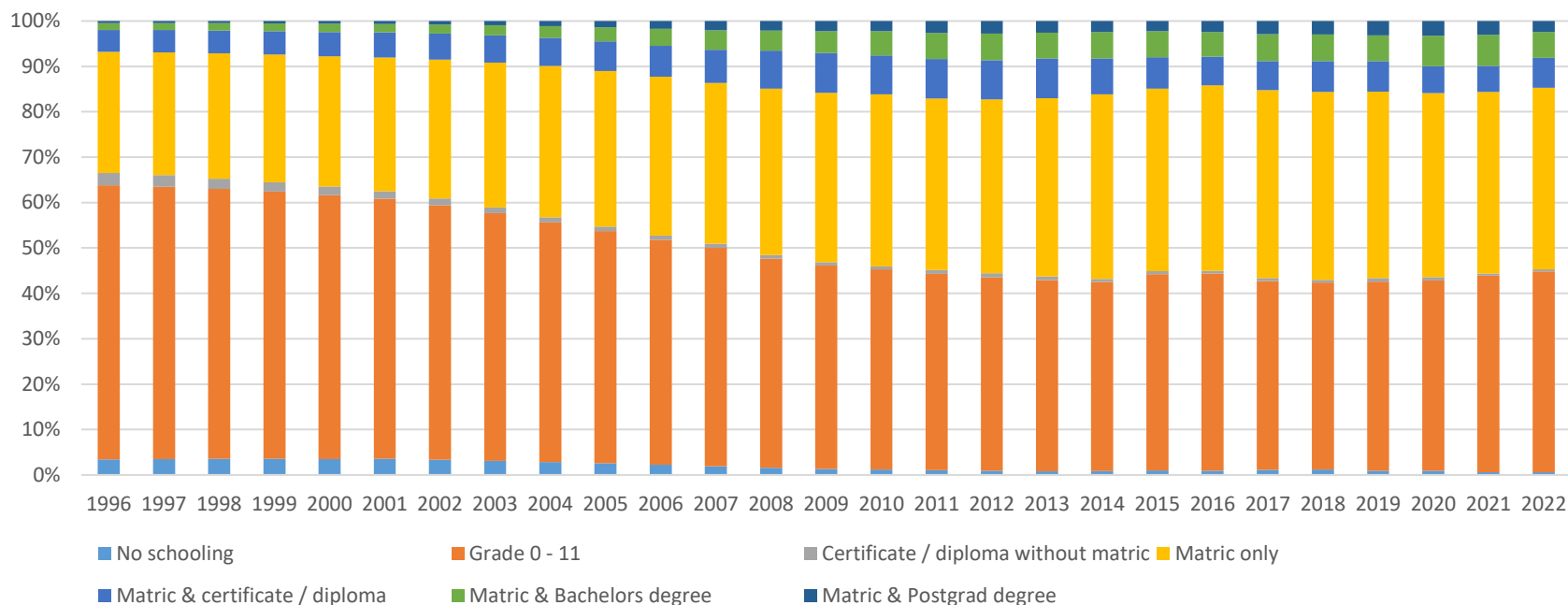
- The proportion of Africans with no schooling has declined significantly over the past 27 years
- The proportion of Africans with matric only has increased significantly in the past 27 years
- Post matric education of Africans has increased from a very low base in 1996. Of those with tertiary education, the majority attained a certificate/ diploma followed by bachelors degree and postgrad degree respectively

Education Level, Asian



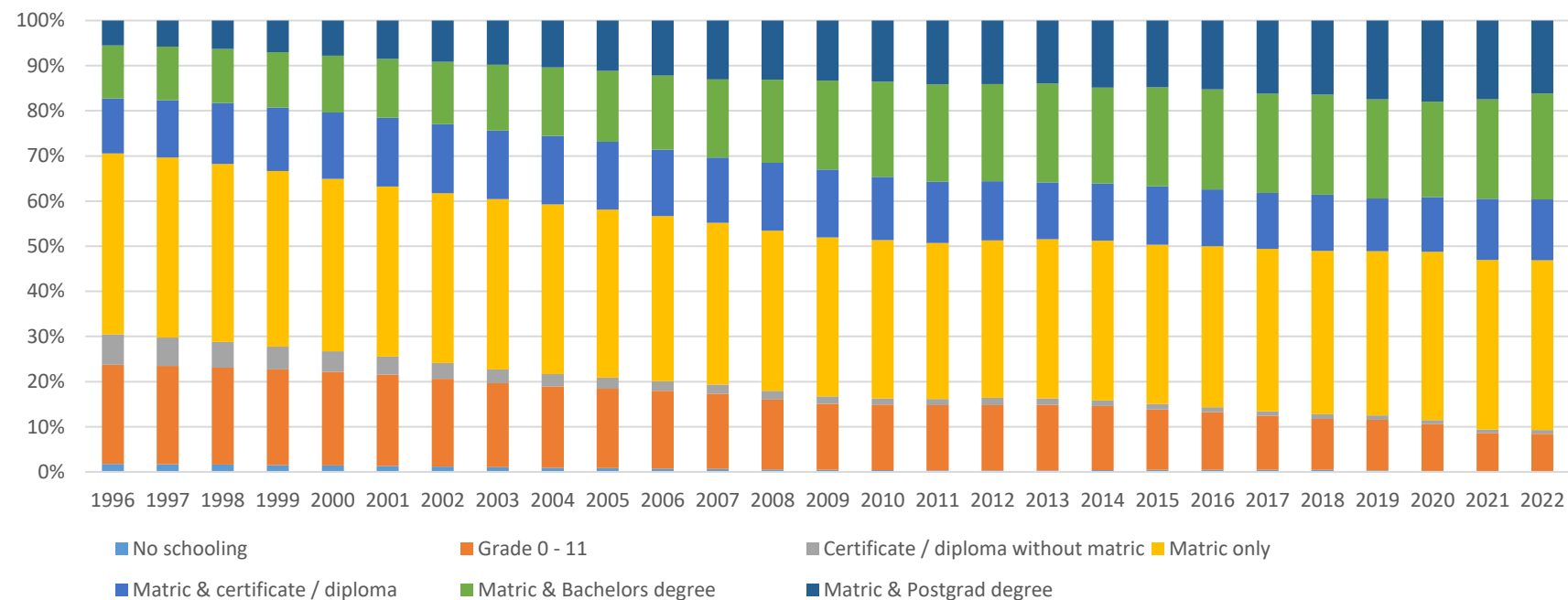
- The proportion of Asians with matric & certificate/ diploma has declined significantly over the period under review
- There has been a significant increase in Asians with bachelors degree, however less Asians are studying further to attain postgrad degree

Education Level, Coloured



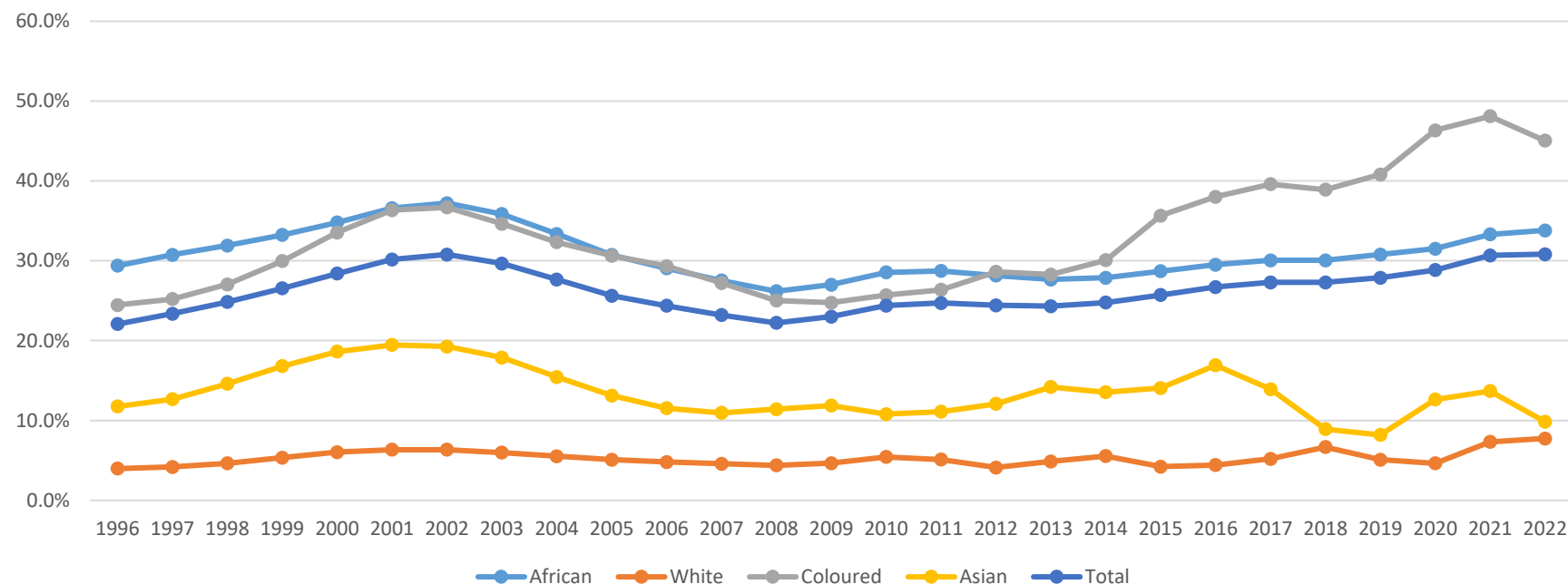
- The proportion of Coloureds with matric only has increased significantly over the past 27 years
- Post matric education level has increased over time with more Coloureds attaining certificate/ diploma followed by bachelor's degree and postgrad degree respectively

Education Level, **White**



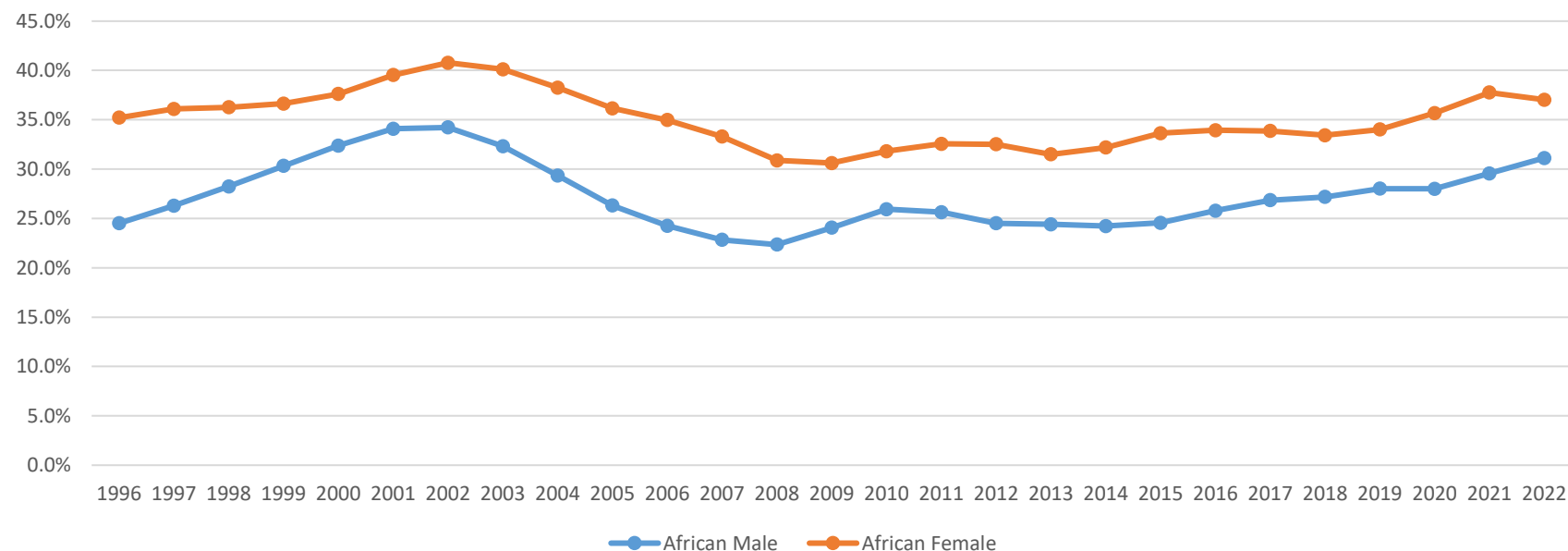
- The proportion of Whites with matric only has declined over the past 27 years
- Post matric education level has increased significantly with more Whites attaining bachelor's degree followed by postgrad degree and certificate/ diploma

Unemployment rate, official definition (%), Total



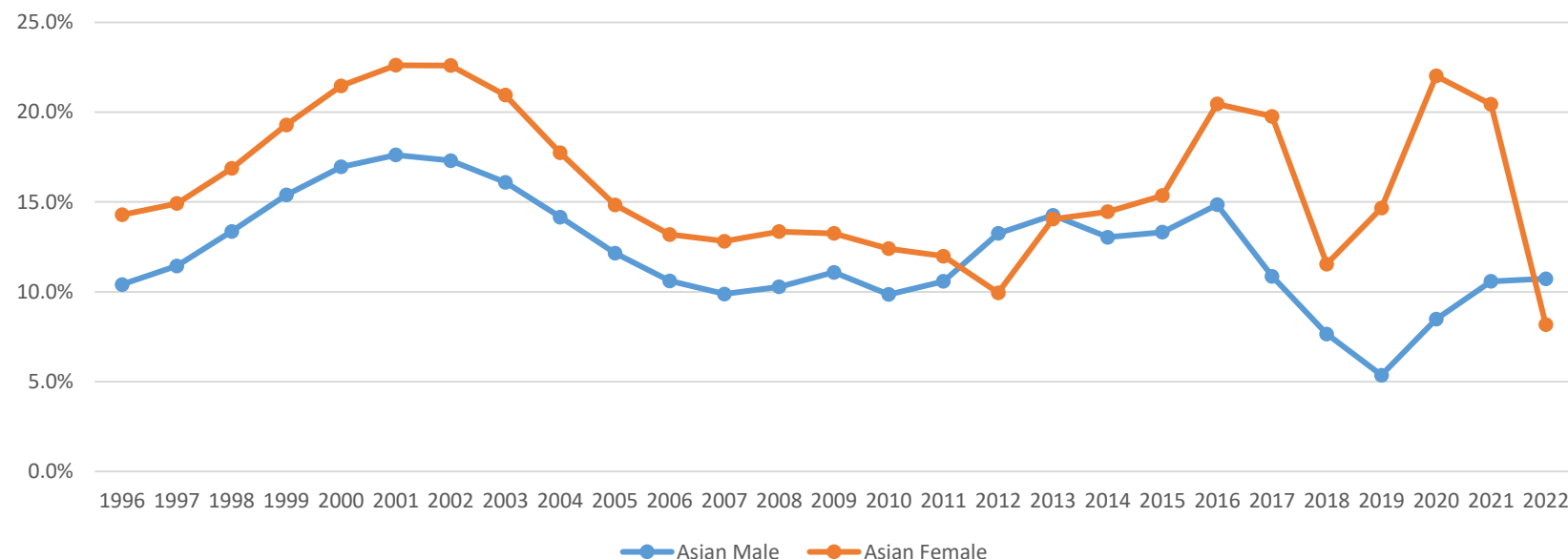
- Over the past 27 years the unemployment rate within the City has increased from 22.1% in 1996 to 30.8% in 2022
- The unemployment rate within Coloureds is the highest and has increased significantly over the same period from 24.5% to 45% followed by Africans whose unemployment rate has increased from 29.4% to 33.8%
- Although unemployment rate within Asians has decreased over time from 11.8% in 1996 to 9.8%, the overall trend is showing a decline
- The unemployment rate among Whites has increased from 4% in 1996 to 7.7% and the overall trend is relatively constant
- Total unemployment rate increased between 2020 and 2021 likely as a result of the impacts of the covid-19 pandemic

Unemployment rate, official definition (%), African



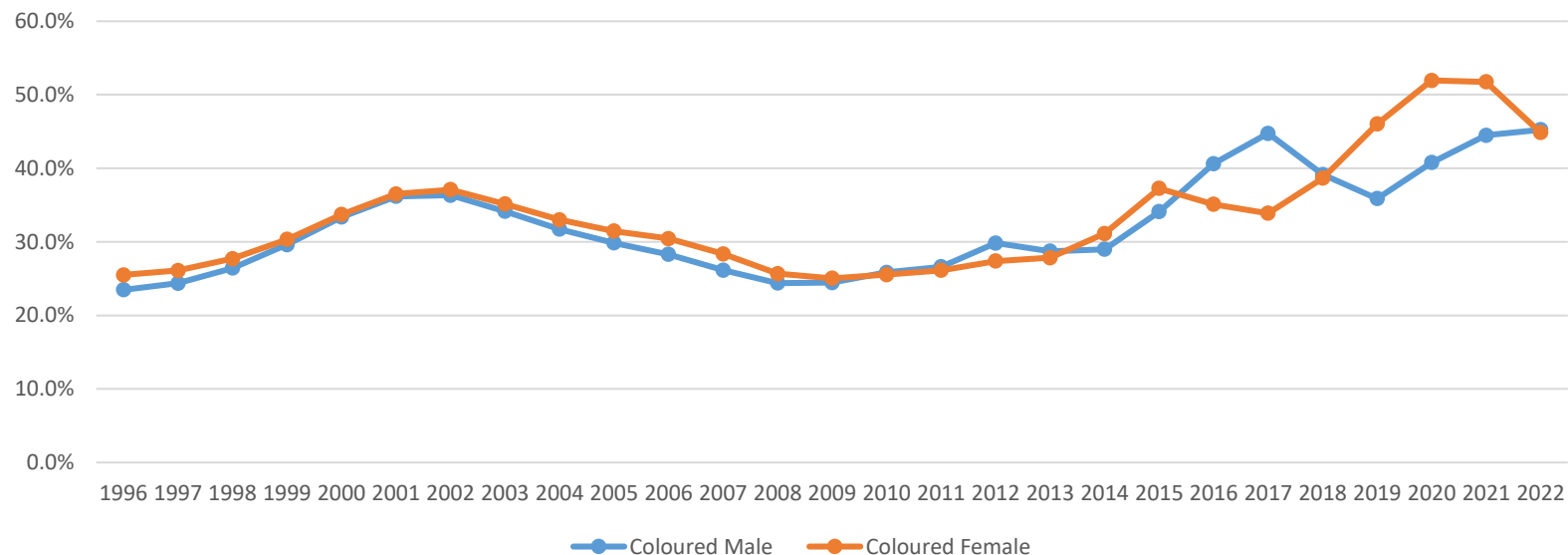
- Percentage of unemployed African males has increased from 24.5% in 1996 to 31.1% in 2022, however it is showing a downward trend meaning that the momentum of unemployment rate is slowing down
- The unemployment rate among African females has increased from 35.2% in 1996 to 37% in 2022 showing an overall downward trend
- The unemployment rate of African females has been higher than that of African males for the full period under review

Unemployment rate, official definition (%), Asian



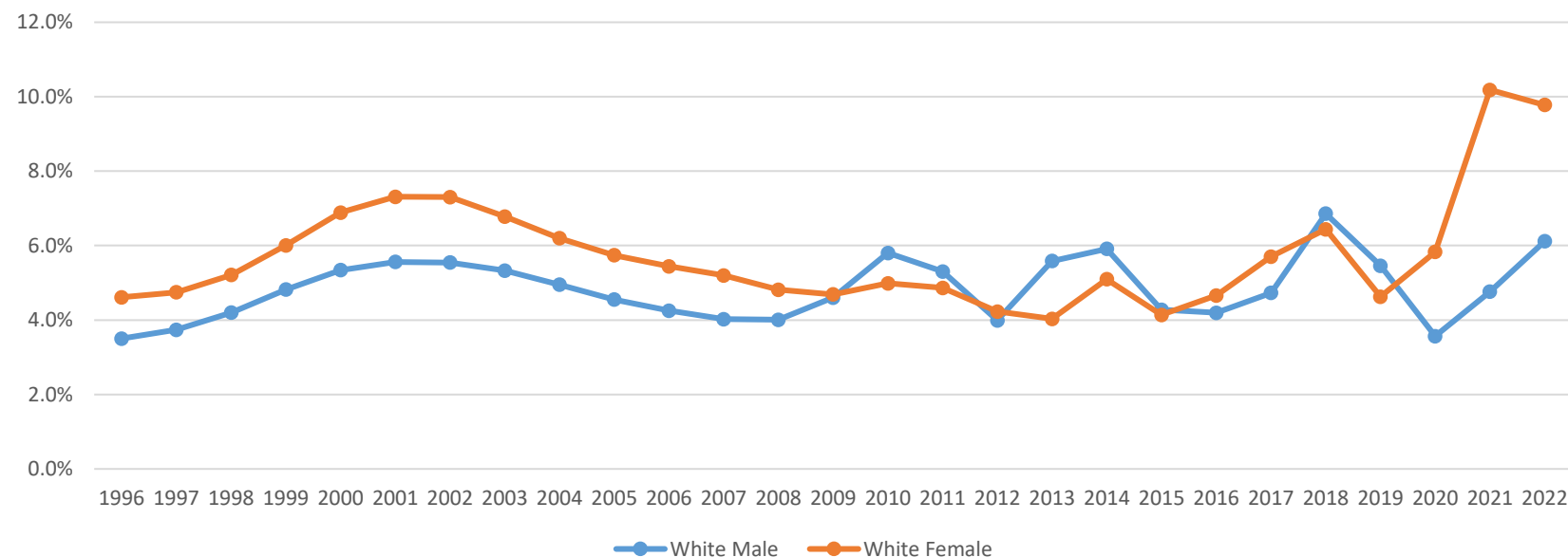
- The unemployment rate of Asian males showed slight increase over the past 27 years from 10.4% in 1996 to 10.7% in 2022
- The unemployment rate among Asian females has decreased from 14.3% in 1996 to 8.2% in 2022 showing a downward trend
- In 2022 more Asian males were unemployed compared to females

Unemployment rate, official definition (%), Coloured



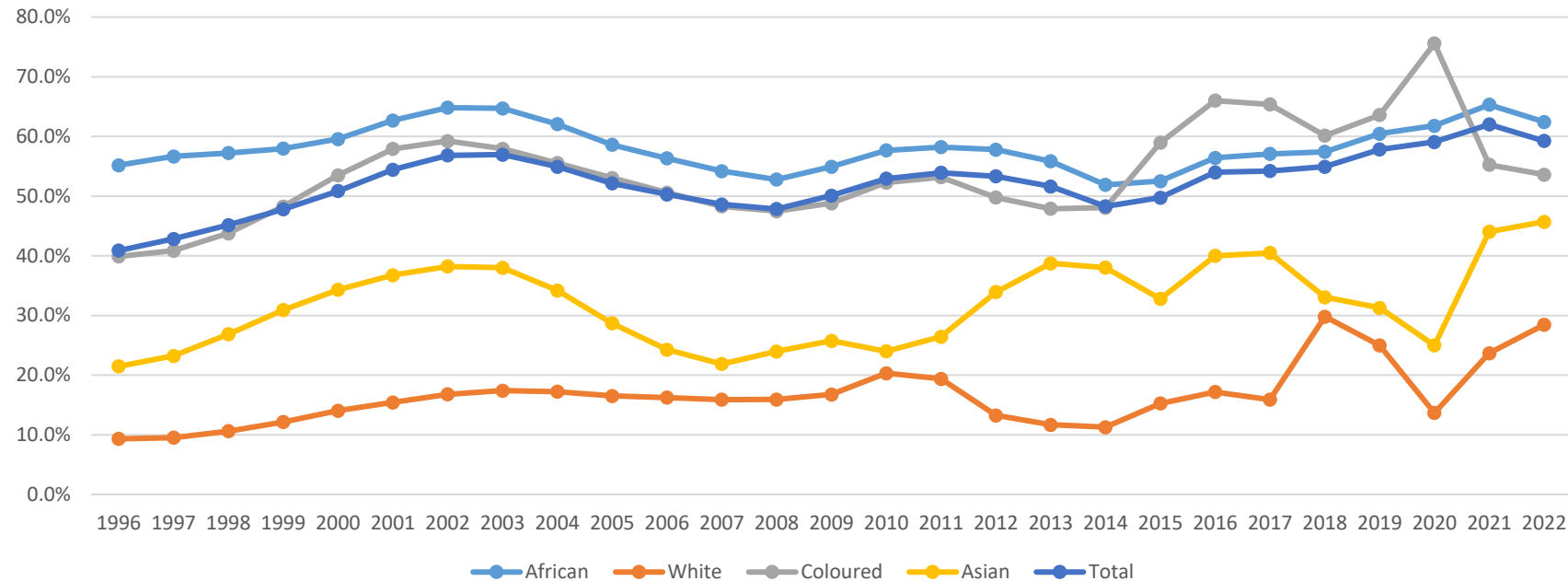
- The unemployment rate is the highest among Coloured males relative to other races, increasing significantly between 1996 and 2022 from 23.5% to 45.2% showing an overall upward trend
- The percentage of unemployed Coloured females has increased from 25.5% in 1996 to 44.8% in 2022 showing an overall upward trend
- For most part in the period under review, more Coloured females were unemployed compared to males

Unemployment rate, official definition (%), **White**



- The unemployment rate of White males showed an increase from 3.5% in 1996 to 6.1% in 2022
- The unemployment rate among White females showing an upward trend with an increase overtime from 4.6% in 1996 to 9.8% in 2022
- The unemployment rate has increased more rapidly among White females compared to White males

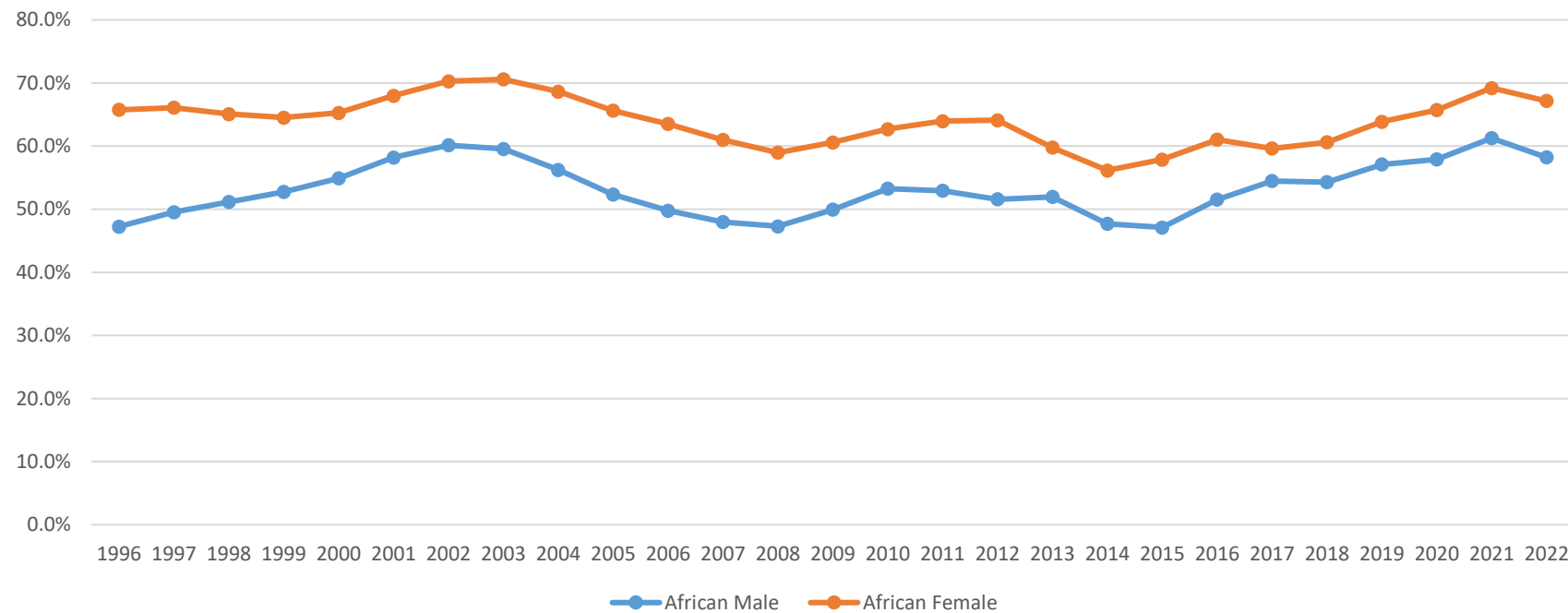
Youth Unemployment rate (Aged 15-24) (Official Definition), Total



Youth age as per I.H.S market is between 15-24

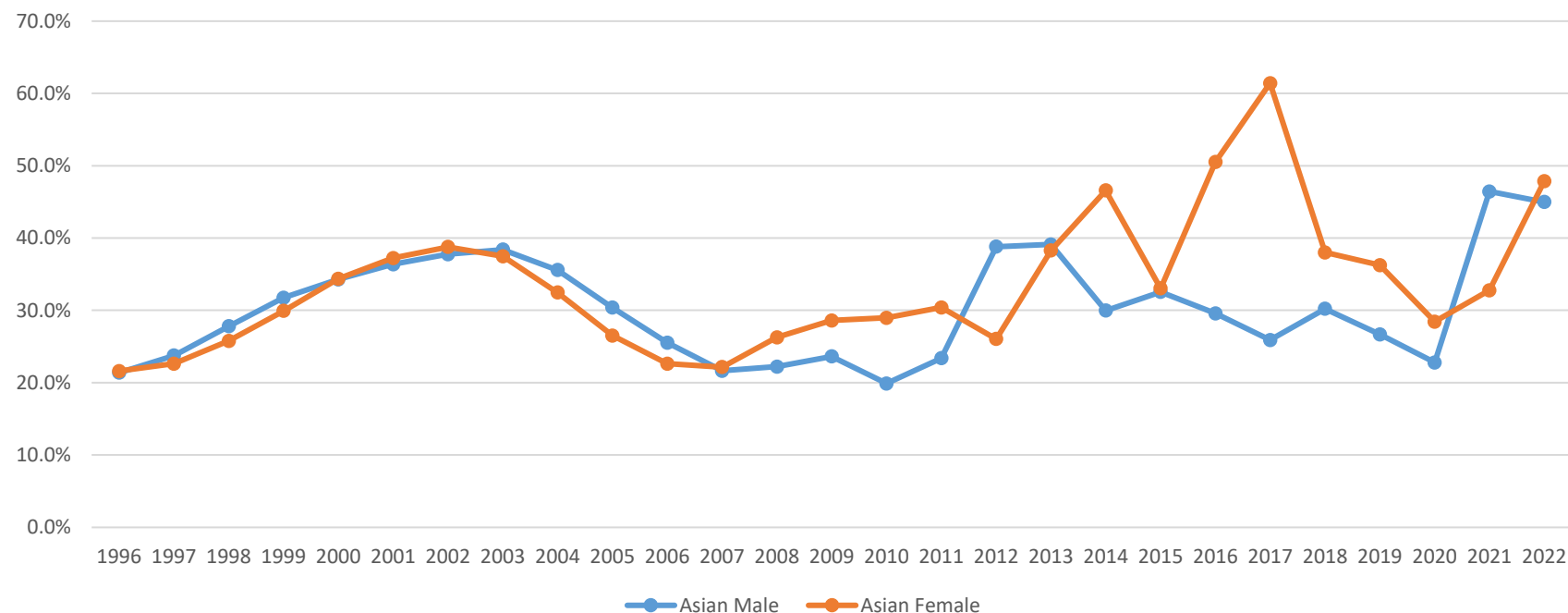
- The unemployment rate among the youth in the City has increased rapidly over the period of 27 years from 40.9% in 1996 to 59.3% in 2022.
- The unemployment rate has been the highest among African youths over the period of 27 years averaging 58.1%, followed by Coloureds with 53.8% average, Asians with 31.4% and Whites with 16.2% respectively.
- In 2020 Coloured youths experienced the highest rates of unemployment at 75.6%

Youth Unemployment rate (Aged 15-24) (Official Definition), African



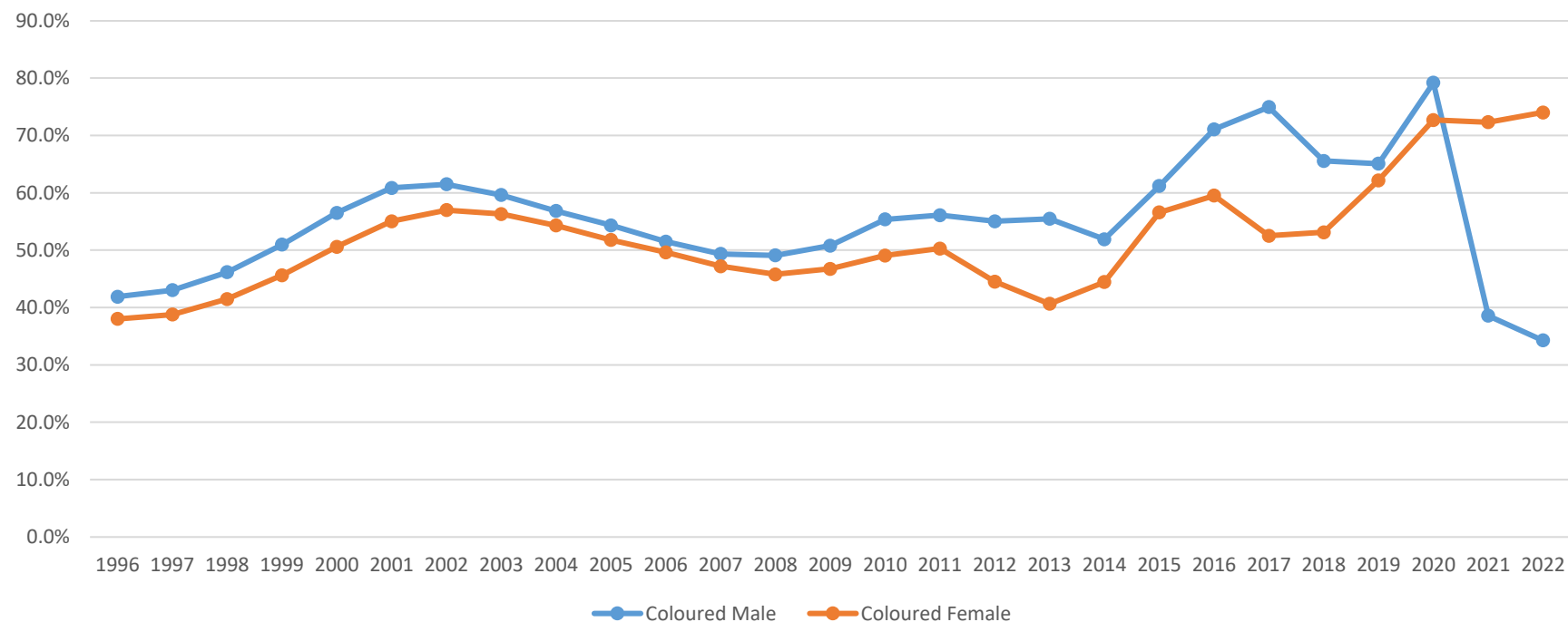
- The unemployment rate of male youths among Africans has increased over time, from 47.3% in 1996 to 58.2% in 2022.
- An average of 63.9% of female youths among Africans are unemployed with the unemployment rate at 67.2% in 2022.
- More female youths are unemployed compared to male youths among Africans

Youth Unemployment rate (Aged 15-24) (Official Definition), Asian



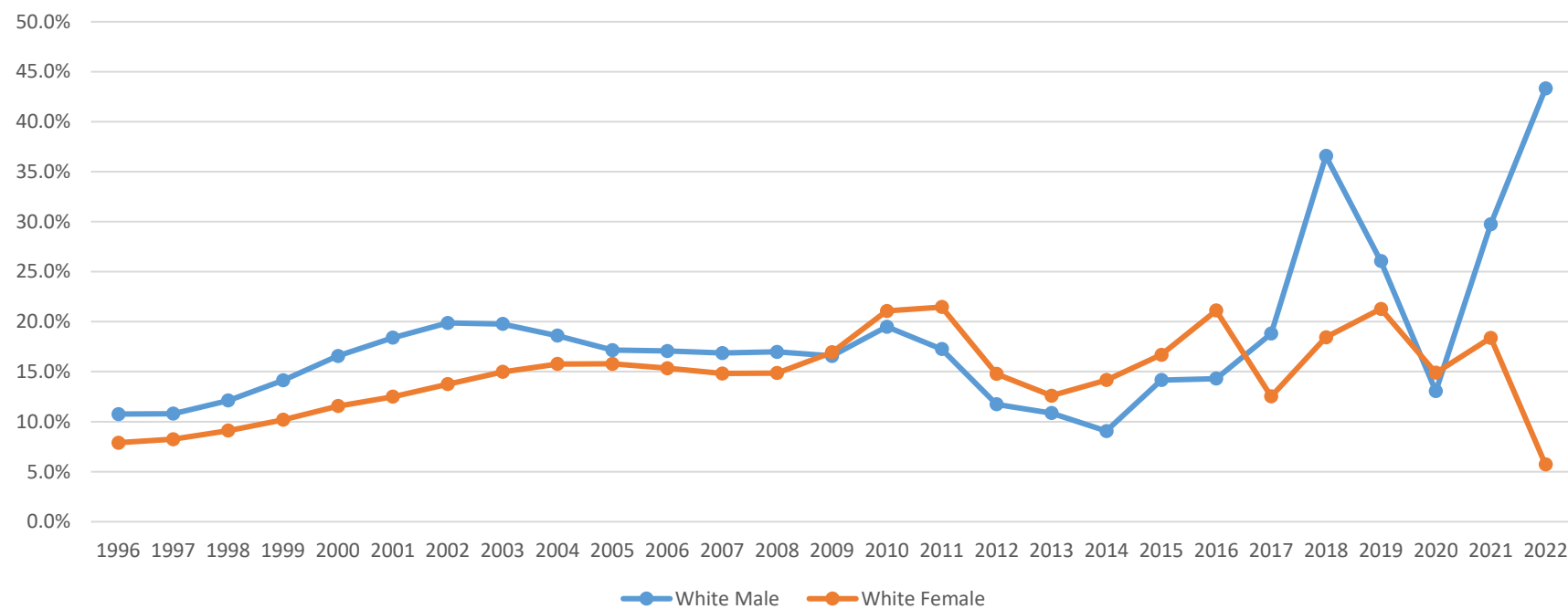
- The unemployment rate among male youths in the Asian community has increased significantly over time, from 21.6% in 1996 to 45% in 2022.
- The unemployment rate among female youths has increased faster compared to that of male youths, from 21.6% in 1996 to 47.8% in 2022
- The unemployment rate among Asian youths, both male and females, has more than doubled between 1996 and 2022

Youth Unemployment rate (Aged 15-24) (Official Definition), Coloured



- The unemployment rate of male youths among Coloureds has decreased significantly over time, from 41,9% in 1996 to 34.3% in 2022.
- Between 1996 and 2020, less female youths among Coloureds were unemployed compared to male youths, however moving from 2020 to 2022 male youths' unemployment rate declined significantly
- In 2022 the unemployment rate of female youths was 74%, higher than other races

Youth Unemployment rate (Aged 15-24) (Official Definition), **White**



- The unemployment rate of male youths among Whites remained below 20% between 1996 and 2017, however it has more than doubled between 2017 and 2022 moving from 18.8% to 43.3%.
- The unemployment rate of female youth has decreased from 7.9% in 1996 to 5.7% in 2022
- There is a significant gap in the unemployment rates of male and female youths in the White community with more male youths unemployed relative to the small proportion of female youths who are unemployed

CONCLUSION

- The Human Development Index (HDI) for Africans remains the lowest compared to other races followed by Coloureds, Asians and Whites, however it shows an upward trend meaning it is likely to increase in the future if we do not have major events like a pandemic.
- Inequality has declined among Coloureds, Asians and Whites, however it has worsened for Africans making them the most unequal race in the City.
- The proportion of people with no schooling has decreased significantly over time and the proportion of people completing schooling (matric) has increased over the same period. However, the proportion of people accessing tertiary education has not grown at the same pace.
- Although the proportion of Africans and Coloureds with matric only has increased, post matric education has not increased fast enough to give Africans and Coloureds a competitive edge in the specialized skills labor market.
- The unemployment rate grew the fastest for Coloureds followed by Africans while for Asians there was a downward trend and for Whites the trend was relatively constant, however the total unemployment rate increased between 2020 and 2021 due to many businesses closing or retrenching due to the pandemic.
- The unemployment rate among females is higher compared to males in the City.
- On average, more African females are unemployed followed by Coloureds, Asians and Whites respectively; and for males more Coloured males are unemployed followed by Africans, Asians and Whites.
- The youth unemployment rate for all races has increased significantly by double digits and is most likely to continue due to current economic conditions.

DISCUSSION

- **Overall, there has been positive improvements in HDI and education levels. Unemployment remains a critical and complex issue though.**

Education:

- While the national government has placed considerable policy focus on improving access to education and encouraging young people to leave school with relevant skills and certification, either General Education Certificate (GEC) in Grade 9 or the National Senior Certificate (NSC) in Grade 12, the data demonstrates that this is not having the desired outcome in terms of reducing unemployment.
- There is a strong correlation between proportions of Africans and Coloureds with matric only, and the unemployment rate from 2008 to 2022. This means as the proportion of Africans and Coloureds with matric only increases, the unemployment rate among Africans and Coloureds is also increasing.
- It is important to note that a correlation between two variables does not mean they cause each other to behave a certain way but it shows that the two variables have the tendency to behave the same way under a certain period under review.
- While it is a good thing in terms of literacy level that more people have matric, having an increasing proportions of Africans and Coloureds who have matric only and are not studying further is not a positive thing because they are unable to participate in the labour market effectively. An increased proportion of people with matric only, increases competition within less skilled labour market because these people are excluded from specialized skills labour market.
- Similarly, PwC's South Africa Economic Outlook Report 2023, notes that while not everyone who has a qualification is guaranteed a job, the unemployment rate (10%) among this group is relatively small percentage compared to those with just a matric or no qualification at all, but concerningly this number has doubled from 2010 (5%).
- Unfortunately, there is also a corresponding relationship between the proportions of people with bachelor's degrees and the unemployment rate across all races from 2008 to 2022. This means that as the proportion of people with bachelor's degrees increased, the unemployment rate also increased. Does this mean that with fast pace technological and economic advancement, most qualifications are becoming irrelevant?

DISCUSSION

- **Overall, there has been positive improvements in HDI and education levels. However, unemployment remains a complex and sticky issue.**

Labour:

- The PwC report notes that, the national narrative around skills and labour is mostly focused on how to create jobs for the large number of unskilled adults in the country, while the need for skilled labour is still not being adequately addressed by the job market and even educational institutions.
- As with the discussion on education, government at all levels have signaled that improving employment opportunities especially for women and the youth, and mainstreaming the initiatives for gender, youth and people with disabilities (GEYODI) are core policy objectives, and have been on the agenda for a considerable time .
- Yet the data shows that the unemployment rate among women has remained generally higher than for men and;
- The unemployment rate among youth is higher than the standard unemployment rate and has increased significantly over the 27 years under review.
- PwC's South Africa Economic Outlook Report 2023 commented on another important trend in terms of the education-labour nexus. Which is that, semi- and unskilled job sectors are still struggling to get back to pre-pandemic levels, by contrast skilled jobs have staged a massive recovery in South Africa. Moreover, it is important to keep in mind that now and in the future, unskilled jobs (e.g. domestic workers, waitrons, cashiers, etc.) are vulnerable to being made redundant due to cost-cutting measures, meanwhile semi-skilled jobs (e.g. clerks, salespersons, machine operators, etc.) are vulnerable to being made redundant due to accelerated automation and skills mismatches compared to evolving demands of the market.
- Given the evidence it is important that government, especially at a national level, critically review its progress and investigate if: a) policies are being effectively implemented; b) we are focusing on the wrong thing, for example completion of secondary education only; and c) how might we better reconceptualize our policies in order to more effectively realise the desired outcome.