

FreeFACTS

No 12/2021 / December 2021 / Issue 44

Find us online at www.irr.org.za

South Africans have assets but they're getting poorer

This edition of *FreeFACTS* looks at the assets of South Africans and also reveals data on how people are often struggling to make ends meet.

While relatively large proportions of South Africans have access to certain goods, such as television sets, fridges, or stoves, and there has been strong growth in the number of motor vehicles in the country, there are stark differences in proportions who have other assets such as retirement funds. As this edition shows the top 10% of income earners hold nearly two-thirds of the total value of pension and life insurance assets and nearly all bonds and stocks.

Also concerning is the proportion of South Africans who struggle to make ends meet each month. In 2019 nearly a quarter of South African households had fallen behind on any household bills. In 2021 this had grown to 34%. More concerning is that in 2019 only seven percent of households were behind on rent or mortgage payments. In 2021 this had leapt to nearly 20%.

This is clearly a combination of a number of factors, reflected in other data from this edition of *FreeFACTS*, which shows South Africans are also getting poorer in real terms. In dollar terms the average South African was poorer in 2021 than they were in 2015.

The reasons for the tepid growth in the wealth of South Africans and the large increase in those struggling to make it through each month are clear. It can partly be attributed to the Covid-19 pandemic and the related destructive lockdowns which were implemented across much of the world in 2020 and 2021, which saw much economic destruction. However, in South Africa the economic chaos from the lockdowns simply exacerbated the destruction already well under way thanks to poor policy and hostility to wealth creators.

Before the Covid-19 pandemic interventions that will only harm the economy, such as Expropriation Without Compensation, were already being pushed by the government.

It is little wonder that South Africans are getting poorer.

— **Marius Roodt**

JOIN US

The IRR is an advocacy group that fights for your right to make decisions about your life, family and business, free from unnecessary government, political, and bureaucratic interference. *FreeFACTS* publishes evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for, welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take control and make sure your voice is heard by becoming a friend of the IRR.

**SMS YOUR NAME
TO 32823
SMS costs R1.
Ts and Cs apply.**

Assets and Incomes

Households owning a particular asset by province (actual numbers^a), 2019

Type of asset	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo
Television set	1 295 000	765 000	4 241 000	2 399 000	1 294 000
Swimming pool	34 000	27 000	385 000	136 000	18 000
DVD/Blu-Ray player	603 000	395 000	2 392 000	1 219 000	722 000
Pay TV (M-Net/DStv/StarSat) subscription	720 000	472 000	2 694 000	1 248 000	910 000
Air conditioner (Excluding fans)	28 000	43 000	278 000	294 000	86 000
Computer/Desktop/Laptop	198 000	174 000	1 567 000	484 000	255 000
Vacuum cleaner/floorpolisher	103 000	99 000	782 000	202 000	38 000
Dishwashing machine	38 000	35 000	368 000	142 000	19 000
Washing machine	454 000	348 000	2 475 000	610 000	440 000
Tumble dryer	63 000	42 000	487 000	179 000	87 000
Deep freezer, free standing	213 000	177 000	744 000	682 000	510 000
Refrigerator or combined fridge freezer	1 264 000	744 000	4 114 000	2 408 000	1 171 000
Electric stove	1 520 000	817 000	4 557 000	2 686 000	1 378 000
Microwave oven	921 000	625 000	3 312 000	1 542 000	641 000
Built-in kitchen sink	516 000	365 000	2 657 000	977 000	243 000
Home security service	102 000	60 000	955 000	316 000	67 000
Home theatre system	N/A	N/A	N/A	N/A	N/A
Geyser	254 000	192 000	2 032 000	636 000	193 000
Solar hot water geyser	53 000	30 000	286 000	67 000	19 000
Solar electrical panel	10 000	7 000	92 000	26 000	9 000
Total households	1 702 000	921 000	5 072 000	2 985 000	1 621 000
Type of asset	Mpumalanga	North West	Northern Cape	Western Cape	South Africa ^a
Television set	1 079 000	938 000	282 000	1 732 000	14 024 000
Swimming pool	13 000	20 000	11 000	128 000	771 000
DVD/Blu-Ray player	529 000	471 000	165 000	976 000	7 471 000
Pay TV (M-Net/DStv/StarSat) subscription	751 000	562 000	200 000	1 106 000	8 665 000
Air conditioner (Excluding fans)	42 000	51 000	34 000	195 000	1 050 000
Computer/Desktop/Laptop	214 000	215 000	71 000	719 000	3 898 000
Vacuum cleaner/floorpolisher	80 000	61 000	42 000	519 000	1 925 000
Dishwashing machine	39 000	37 000	14 000	220 000	912 000
Washing machine	496 000	475 000	201 000	1 255 000	6 753 000
Tumble dryer	86 000	63 000	15 000	316 000	1 339 000
Deep freezer, free standing	357 000	224 000	135 000	627 000	3 668 000
Refrigerator or combined fridge freezer	1 019 000	928 000	275 000	1 693 000	13 615 000
Electric stove	1 157 000	1 090 000	325 000	1 881 000	15 412 000
Microwave oven	652 000	620 000	225 000	1 498 000	10 036 000
Built-in kitchen sink	452 000	311 000	137 000	1 370 000	7 030 000
Home security service	64 000	57 000	20 000	392 000	2 033 000
Home theatre system	N/A	N/A	N/A	N/A	N/A
Geyser	228 000	218 000	90 000	920 000	4 763 000
Solar hot water geyser	17 000	16 000	17 000	84 000	590 000
Solar electrical panel	8 000	16 000	10 000	26 000	205 000
Total households	1 332 000	1 248 000	350 000	1 933 000	17 163 000

Source: Stats SA, *General Household Survey 2019*, Statistical release P0318, 17 December 2020, Table 17.1, p178

a Figures do not add up vertically as households typically have more than one asset.

N/A — Not available.

Assets and Incomes

Households owning a particular asset by province (proportions^a), 2019

Type of asset	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo
Television set	9.2%	5.5%	30.2%	17.1%	9.2%
Swimming pool	4.4%	3.5%	49.9%	17.6%	2.3%
DVD/Blu-Ray player	8.1%	5.3%	32.0%	16.3%	9.7%
Pay TV (M-Net/DStv/StarSat) subscription	8.3%	5.4%	31.1%	14.4%	10.5%
Air conditioner (Excluding fans)	2.7%	4.1%	26.5%	28.0%	8.2%
Computer/Desktop/Laptop	5.1%	4.5%	40.2%	12.4%	6.5%
Vacuum cleaner/floorpolisher	5.4%	5.1%	40.6%	10.5%	2.0%
Dishwashing machine	4.2%	3.8%	40.4%	15.6%	2.1%
Washing machine	6.7%	5.2%	36.7%	9.0%	6.5%
Tumble dryer	4.7%	3.1%	36.4%	13.4%	6.5%
Deep freezer, free standing	5.8%	4.8%	20.3%	18.6%	13.9%
Refrigerator or combined fridge freezer	9.3%	5.5%	30.2%	17.7%	8.6%
Electric stove	9.9%	5.3%	29.6%	17.4%	8.9%
Microwave oven	9.2%	6.2%	33.0%	15.4%	6.4%
Built-in kitchen sink	7.3%	5.2%	37.8%	13.9%	3.5%
Home security service	5.0%	3.0%	47.0%	15.5%	3.3%
Home theatre system	N/A	N/A	N/A	N/A	N/A
Geyser	5.3%	4.0%	42.7%	13.4%	4.1%
Solar hot water geyser	9.0%	5.1%	48.5%	11.4%	3.2%
Solar electrical panel	4.9%	3.4%	44.9%	12.7%	4.4%
Total households	9.9%	5.4%	29.6%	17.4%	9.4%
Type of asset	Mpumalanga	North West	Northern Cape	Western Cape	South Africa ^a
Television set	7.7%	6.7%	2.0%	12.4%	100.0%
Swimming pool	1.7%	2.6%	1.4%	16.6%	100.0%
DVD/Blu-Ray player	7.1%	6.3%	2.2%	13.1%	100.0%
Pay TV (M-Net/DStv/StarSat) subscription	8.7%	6.5%	2.3%	12.8%	100.0%
Air conditioner (Excluding fans)	4.0%	4.9%	3.2%	18.6%	100.0%
Computer/Desktop/Laptop	5.5%	5.5%	1.8%	18.4%	100.0%
Vacuum cleaner/floorpolisher	4.2%	3.2%	2.2%	27.0%	100.0%
Dishwashing machine	4.3%	4.1%	1.5%	24.1%	100.0%
Washing machine	7.3%	7.0%	3.0%	18.6%	100.0%
Tumble dryer	6.4%	4.7%	1.1%	23.6%	100.0%
Deep freezer, free standing	9.7%	6.1%	3.7%	17.1%	100.0%
Refrigerator or combined fridge freezer	7.5%	6.8%	2.0%	12.4%	100.0%
Electric stove	7.5%	7.1%	2.1%	12.2%	100.0%
Microwave oven	6.5%	6.2%	2.2%	14.9%	100.0%
Built-in kitchen sink	6.4%	4.4%	1.9%	19.5%	100.0%
Home security service	3.1%	2.8%	1.0%	19.3%	100.0%
Home theatre system	N/A	N/A	N/A	N/A	N/A
Geyser	4.8%	4.6%	1.9%	19.3%	100.0%
Solar hot water geyser	2.9%	2.7%	2.9%	14.2%	100.0%
Solar electrical panel	3.9%	7.8%	4.9%	12.7%	100.0%
Total households	7.8%	7.3%	2.0%	11.3%	100.0%

Source: Stats SA, *General Household Survey 2019*, Statistical release P0318, 17 December 2020, Table 17.1, p178

a IRR calculations.

N/A — Not available.

Assets and Incomes

Registered vehicles ^a by province, 2003/04 and 2020						
Province	2003/04		2020 ^b		Change: Number	Change: Proportion
	Registered vehicles	People per vehicle ^c	Registered vehicles	People per vehicle ^c		
Eastern Cape	513 217	13.8	842 391	8.0	329 174	64.1%
Free State	453 974	6.5	636 238	4.6	182 264	40.1%
Gauteng	2 831 350	3.1	4 880 819	3.2	2 049 469	72.4%
KwaZulu-Natal	1 031 813	9.4	1 686 916	6.8	655 103	63.5%
Limpopo	332 506	16.6	733 671	7.8	401 165	120.6%
Mpumalanga	451 389	7.2	910 806	5.1	459 417	101.8%
North West	428 676	8.9	634 406	6.5	205 730	48.0%
Northern Cape	162 893	5.5	284 578	4.5	121 685	74.7%
Western Cape	1 273 360	3.6	2 057 158	3.4	783 798	61.6%
South Africa	7 479 178	6.2	12 666 983	4.7	5 187 805	69.4%
— Motorised vehicles	6 677 242	7.0	11 447 162	5.2	4 769 920	71.4%
— Towed vehicles and other	801 936	58.1	1 189 991	50.1	388 055	48.4%

Source: Road Traffic Management Corporation (RTMC), *Road Traffic and Fatal Crash Statistics 2003-2004*, June 2005, p4,9,14; Electronic National Administration Traffic Information System (eNaTis), www.enatis.com, accessed 11 August 2020

a Motorised, towed and other.

b As at 31 May 2020.

c IRR calculations.

Share of total assets held by wealth group and asset class, 2017					
Wealth group	Currency	Business assets	Housing	Pensions/life insurance	Bonds and stocks
Bottom 50% ^a	9.7%	1.4%	14.0%	5.3%	0.0%
Middle 40% ^b	27.7%	39.1%	27.2%	30.9%	0.2%
Top 10% ^c	62.7%	59.6%	58.8%	63.8%	99.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Source: World Inequality Lab, *Estimating the distribution of household wealth in South Africa*, June 2021, Table 3, p26

a Bottom 50% equates to 17 700 000 adults living in households with an average household wealth falling below R27 700.

b Middle 40% equates to 14 160 000 adults living in households with an average household wealth between R27 700 and R496 000.

c Top 10% equates to 3 540 000 adults living in households with an average household wealth of R496 000 and more.

Households that have fallen behind bills and card payments ^a , 2019-21				
Category	2019	2020	2021	Change 2019-21
Fallen behind on store card payments	32.0%	42.0%	38.0%	18.8%
Fallen behind on any household bills	24.0%	37.0%	34.0%	41.7%
Fallen behind on credit card payments	15.0%	36.0%	32.0%	113.3%
Fallen behind on rent or home loan payments	7.0%	26.0%	19.0%	171.4%

Source: Old Mutual, *Savings and Investment Monitor 2021*, July 2021, p27

a The annual monitor is a survey of 1 500 working people in South Africa's major metropolitan areas. It examines levels of savings and investment, as well as people's attitudes to their finances in general. Respondents were asked about household rather than personal income.

Assets and Incomes

Households cutting back/cutting out or using cheaper options^a, 2020

Expenditure item	Proportion	Expenditure item	Proportion
Eating out/entertainment/expenses	68.0%	Pre-school and after care expenses	35.0%
Take-aways	64.0%	Online shopping for groceries	32.0%
Having friends around/entertaining at home	62.0%	Other online TV/movie expenses	30.0%
Holiday and travel	60.0%	Cell phone/airtime/data costs	30.0%
Alcoholic beverages	56.0%	Transport/getting to work	28.0%
Hair/beauty	49.0%	Armed response/alarms	27.0%
E-hailing services	49.0%	Assistance/payments to children/dependents	26.0%
Shoes and clothing	48.0%	DSTV/M-Net subscription	25.0%
Cigarettes	48.0%	Food and groceries	25.0%
Home improvement/maintenance	47.0%	Children's schooling/ education	22.0%
Online shopping for shoes and clothing	42.0%	Car and/household insurance	20.0%
Nanny/childminder at home	42.0%	Accommodation	18.0%
Online shopping for electronics and appliances	41.0%	Medical aid	14.0%
Domestic worker/gardener	40.0%		

Source: Old Mutual, *Savings and Investment Monitor 2020*, July 2020, p25

a The annual monitor is a survey of 1 487 working people in South Africa's major metropolitan areas. It examines levels of savings and investment, as well as people's attitudes to their finances in general. Respondents were asked about household rather than personal income.

Household sources of income^a by race (proportions^b), 2010 and 2019

Income source	Black		Coloured		Indian/Asian		White		Total	
	2010	2019	2010	2019	2010	2019	2010	2019	2010	2019
Salaries/wages/commission	59.3%	60.5%	79.1%	77.7%	74.1%	71.3%	68.4%	63.4%	62.3%	62.2%
Income from a business	11.5%	15.0%	8.3%	10.1%	16.7%	29.2%	22.6%	29.3%	12.7%	16.3%
Remittances	18.9%	17.6%	9.7%	8.5%	8.9%	7.0%	5.8%	6.3%	16.4%	15.6%
Pensions	1.6%	1.8%	3.1%	4.3%	4.2%	4.8%	13.8%	23.1%	3.2%	4.0%
Grants	50.3%	49.8%	47.5%	52.7%	33.1%	30.0%	9.9%	13.0%	44.9%	46.2%
Sales of farm products and services	1.4%	1.7%	0.3%	0.3%	0.0%	0.2%	3.1%	2.8%	1.5%	1.7%
Other income ^c	1.7%	2.4%	2.4%	3.0%	3.3%	2.2%	7.8%	6.3%	2.5%	2.8%
No income	0.9%	N/A	0.5%	N/A	^d	N/A	^d	N/A	0.8%	N/A

Source: Stats SA, *General Household Survey 2010*, Statistical release P0318, 3 August 2011, Table 17.2, p139; *General Household Survey 2019*, Statistical release P0318, 17 December 2020, Table 16.2, p174

a More than one source of income is possible. The figures therefore do not add up vertically.

b IRR calculations.

c For example, income from rentals or interest.

d Figures too small to provide reliable estimates.

N/A — Not available.

Assets and Incomes

Household sources of income^a by province (proportions^b), 2019

Income source	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	North West	Northern Cape	Western Cape	South Africa
Salaries/wages/commission	49.6%	57.1%	70.3%	59.0%	49.5%	59.6%	56.3%	64.0%	75.5%	62.2%
Income from a business	11.0%	11.1%	19.1%	16.6%	16.8%	18.9%	12.9%	10.6%	16.5%	16.3%
Remittances	21.3%	18.5%	10.7%	16.2%	25.5%	22.2%	20.0%	16.3%	5.6%	15.6%
Pensions	5.6%	4.8%	3.8%	3.3%	2.2%	2.3%	3.3%	3.4%	7.0%	4.0%
Grants	61.1%	57.2%	32.1%	50.8%	59.0%	54.3%	50.2%	56.9%	36.5%	46.2%
Sales of farm products and services	3.4%	1.3%	0.2%	2.0%	3.2%	2.3%	2.8%	3.7%	0.7%	1.7%
Other income ^c	1.1%	2.9%	5.0%	1.4%	0.6%	1.1%	2.7%	1.7%	4.3%	2.8%
No income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Stats SA, *General Household Survey 2019*, Statistical release P0318, 17 December 2020, Table 16.1, p173

a More than one source of income is possible. The figures therefore do not add up vertically.

b IRR calculations.

c For example, income from rentals or interest.

N/A – Not available.

Wealth per capita^a, selected African countries, 2015-21

Country	2015	2018	2021	Change 2015-21
	US\$			
Algeria	3 500	N/A	N/A	—
Angola	3 800	2 310	1 520	-60.0%
Botswana	6 300	7 900	7 810	24.0%
Congo, DRC	400	N/A	N/A	—
Egypt	4 000	3 100	2 810	-29.8%
Ethiopia	500	660	630	26.0%
Ghana	2 000	2 030	1 830	-8.5%
Ivory Coast	1 700	1 780	1 600	-5.9%
Kenya	2 000	1 870	1 700	-15.0%
Mauritius	21 400	31 000	31 900	49.1%
Morocco	3 500	3 170	3 050	-12.9%
Mozambique	800	660	610	-23.8%
Namibia	10 200	9 400	8 790	-13.8%
Nigeria	2 000	1 170	1 030	-48.5%
South Africa	10 800	11 450	10 310	-4.5%
Tanzania	1 100	990	920	-16.4%
Uganda	900	840	780	-13.3%
Zambia	1 200	910	710	-40.8%
Zimbabwe	200	N/A	N/A	—

Source: AfrAsia Bank, *Africa Wealth Report 2021*, p7

a Wealth per capita refers to the average wealth of a person living in each country. It excludes government-held wealth.

N/A – Not available.

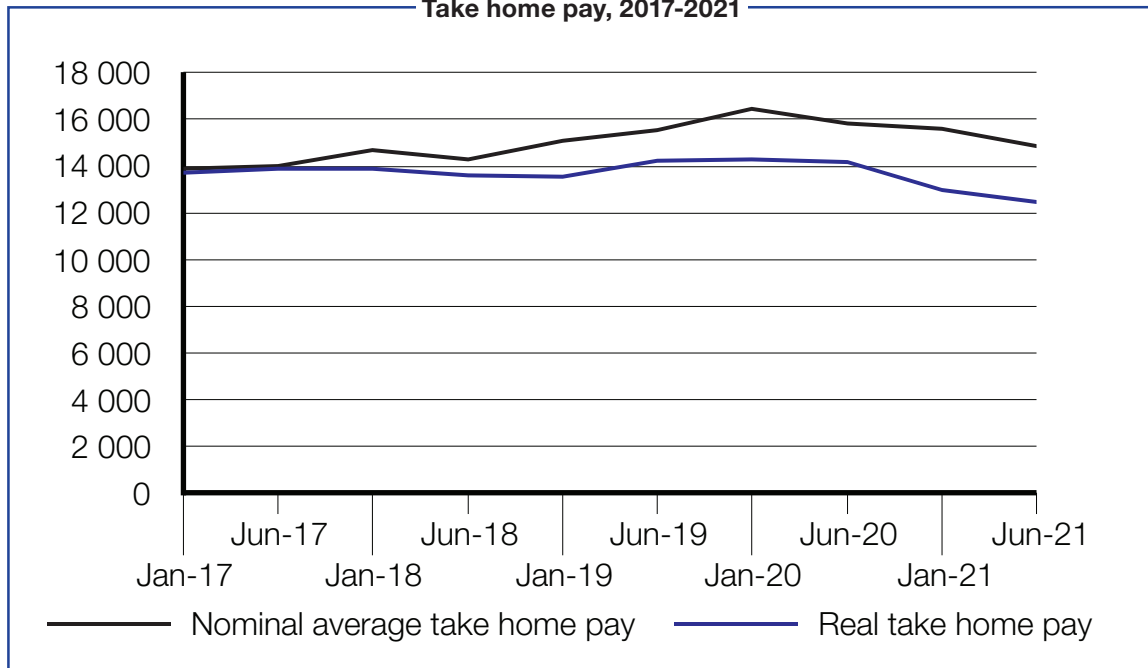
Assets and Incomes

Average take-home pay, 2017-21

Year	Nominal average take home pay	Real take home pay
	R	
Jan-17	13 902	13 769
Jun-17	14 022	13 924
Jan-18	14 687	13 916
Jun-18	14 342	13 622
Jan-19	15 090	13 588
Jun-19	15 598	14 272
Jan-20	16 502	14 297
Jun-20	15 869	14 197
Jan-21	15 608	13 022
Jun-21	14 883	12 512

Source: BankservAfrica, Take Home Pay Index

Take home pay, 2017-2021



Assets and Incomes

Number of households classified as poor ^a by metropolitan municipality , 2019			
Metropolitan area	Total households	Poor households	As a proportion of total households
Buffalo City	244 552	86 000	35.2%
Cape Town	1 269 162	231 000	18.2%
Ekurhuleni	1 283 162	447 000	34.8%
eThekwini	1 191 325	329 000	27.6%
Johannesburg	1 925 389	682 000	35.4%
Mangaung	268 389	110 000	41.0%
Nelson Mandela Bay	356 065	110 000	30.9%
Tshwane	1 187 664	297 000	25.0%
All metros	7 725 708	2 293 000	29.7%

Source: Stats SA, *Selected Development Indicators, Metros 2019*, Statistical release P03-18-20, 17 December 2020, Table 2.6, p11

a Those with a monthly expenditure below R2500.

