

AN ANALYSIS OF POVERTY IN THE NORTHERN PROVINCE OF SOUTH AFRICA: IMPLICATIONS FOR EMPOWERMENT POLICY

BY

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ABSTRACT

The Northern Province is the second poorest province in South Africa with a poverty rating of 77 percent. It is largely a rural province populated predominantly by black South Africans, and nearly half of the population is less than 15 years old.

The study examines the socioeconomic determinants of poverty in this province with the view to deriving salient policy options for empowering the poor. The main data source used was the 1995 Income and Expenditure Survey (IES) data, supplemented by a Focus Group Survey interview.

Two poverty measures are considered viz: hardcore poverty group of those households whose per capita monthly adult equivalent expenditure is lower than R142.45 and the category of poor households whose per capita monthly adult equivalent expenditure is below R259.11. A computer software called POVCAL was used to analyse poverty based on headcount index of poverty, poverty gap index, and severity of poverty index.

The results show that there are dramatic differences in poverty levels depending on the racial grouping of the household, location, gender and age of the household head. The poor are more likely to be non-white, from female headed households, those headed by older people, where the family sizes are large and where there is a high dependency ratio.

The incidence of poverty is more prevalent in rural areas though it appears as much an urban problem as well. The poorest sub-region is Bushbuckridge, followed by Southern, Central and Lowveld; the four of them accounting for over 77 percent of the poverty burden in this province.

It will require a minimum of R233million per month or R2.8billion per annum to eliminate poverty in this province. The provision of wage employment and household receipt of remittances from urban sectors will be useful in combating poverty in this province.