

The South African Development Index (SADI): Report for First Quarter 2011



South African Institute
of Race Relations



Kingdom of the Netherlands

What is the South African Development Index (SADI)?

The South African Development Index (SADI) is an initiative by the South African Institute of Race Relations with funding from the Kingdom of the Netherlands. The index aims to track development trends in the country. It assigns a score to the level of overall human and economic development in South Africa. The first release of this index will be in February 2011. Thereafter, the index will be released on a quarterly basis.

How does it work?

The index assess South Africa's performance across six areas including the economy, education, health, living conditions, gender, and crime. The six areas have been chosen because they broadly represent a cross section of those factors that contribute to development in South Africa. Altogether 26 indicators are selected across these six areas. These include indicators such as levels of economic growth that can be quantitatively assessed on either a quarterly or an annual basis. These indicators are weighted to a total score of 100. Every time one of the indicators is updated the total score for the index will increase or decrease. An increase is seen as good for South Africa's development, whereas a decrease is seen as bad.

When will it be published?

The index will be published every quarter with the latest data available at the time of publication. Some of the data, such as economic indicators, will be updated each quarter. Other data such as the education and health information only becomes available annually and these areas of the index will be updated every time new information becomes available. The index will therefore allow for both quarter-on-quarter, and year-on-year comparisons of development

trends for South Africa.

The index will be released on the following dates this year:

- February 2011
- May 2011
- August 2011
- November 2011

Why was it introduced?

South Africa faces developmental challenges but there is disagreement on what these challenges are and what progress has been made in resolving them. This index has therefore been designed to assist both the national government and the private sector in the country to benchmark South Africa's performance. Other organisations such as the United Nations Development Program (UNDP) also produce development indexes. While these are useful in comparing South Africa's development to other countries they do not benefit from the level of detail that SADI is built on. South Africa, also, often performs poorly in these indexes as a result of its very low levels of life expectancy. SADI is therefore a uniquely South African index, built on a wide cross section of South African indicators, to help the country meet its developmental challenges.

How will SADI be released and published?

The index will be captured on the Institute's website. Development organisations, grant making

bodies, government departments, private sector companies, academics, civil society organisations, and the media will be free to download the index and results. The index will also be circulated by e-mail on the morning of its release. To join the SADI mailing list please forward your details to Ashwin@sairr.org.za Journalists will also be invited to a short media briefing at the Institute's offices on the morning of the publication of each updated release of the index.

Overview of the SADI report for the first quarter of 2011

The first quarter of 2011 saw the SADI index gain 1.66% to 101.66 points from its original weighted base score of 100 points. Although this is a small numerical increase, the score is calculated over a 3 month period, which is a relatively short amount of time. The SADI score increase is a positive result for South Africa's development.

Detailed breakdown of sectoral trends

Economic: Data for the economic sector compared second quarter data from 2010 with third quarter data from 2010 for all indicators.

South Africa's GDP was seasonally adjusted and annualised at constant 2005 prices. It increased from R1 590 939 million in the

second quarter of 2010 to R1 598 755 million in the third quarter of 2010. South Africa's GDP per capita also increased, from R36 507 to R36 742. South Africa's unemployment rate increased from 24.4% to 25.3%. South Africa's youth unemployment increased by 6.04% between the third quarter of 2009 and third quarter of 2010.

Previous score: 20.00
Latest score: 19.73
Percentage change between the previous score and the latest score: -1.4%

Education: Data for the education sector compared 2007 and 2009 for the following indicators: literacy for proportion of population aged 15+, adults aged 20+ with higher education, and adults aged 20+ with grade 12. Data for 2009 and 2010 was compared for the following indicators: pupils per teacher (public schools), matric pass rate, and university entrance passes. The literacy rate of people aged 15+ increased from 89.5% in 2007 to 91.6% in 2009. The proportion of adults aged 20+ with higher education remained unchanged at 3.8%. The proportion of adults aged 20+ with grade 12 increased from 32.7% to 35.6%. The pupil to teacher ratio in public schools improved from 31 to 1 in 2009 to 30 to 1 in 2010. The matric pass rate increased from 60.3% to 67.8% between 2009 and 2010. Matric results, released on 6th January 2011, showed a 7.5 percentage point increase in the number of passes between 2009 and 2010. The university exemption rate increased from 19.9% to 23.5%, that is by 3.6 percentage points.

Previous score: 20.00
Latest score: 21.69
Percentage change between the previous score and latest score: +8.5%

Health: Data for the health sector compared 2009 and 2010. Between 2009 and 2010 male life expectancy at birth increased from 53.2 years to 53.3 years. Female life expectancy at birth decreased from 55.3 years to 55.2 years. Therefore, men were expected to live slightly longer in 2010 than in 2009 whereas women were expected to live slightly shorter. Between 2009 and 2010 the infant mortality rate increased from 43 per 1 000 live births to 47 per 1 000 live births. The infant mortality score therefore decreased. Between 2009 and 2010 the number of children under the age of one year receiving immunisation increased from 84% to 90%. Therefore, between 2009 and 2010, 7.1% more children received immunisation. Between 2009 and 2010 the estimated number of HIV infections in South Africa increased from 5 728 711 to 5 813 088. This was a year-on-year increase of 84 377 infections or a 1.5% increase. Between 2009 and 2010 the proportion of people living with HIV in South Africa increased from 11.7% to 11.8%. Between 2009 and 2010 the number of public sector doctors per 100 000 people increased from 26.5 to 27.3. The number of public sector nursing assistants per 100 000 people increased from 82.8 to 84.2

Previous score: 20.00
Latest score: 19.92
Percentage change between the previous score and latest score: -0.4%

Living Conditions: Data for the living conditions sector compared 2008 and 2009. This was the latest available. Between 2008 and 2009 the proportion of South African households living in formal dwellings increased from 74% to 75.5%. This was a marginal year-on-year increase. The proportion of South African households with access to piped water in their dwelling, or on their dwelling site, increased from 88.5% to 89.3%. This was also a marginal increase. The proportion of South African households with access to electricity for heating decreased from 52.1% to 50.7%. This was a year-on-year decrease of 1.4 percentage points indicating that fewer South African families could access electricity for heating in 2009 than in 2008. The percentage of South African households with access to flush lavatories decreased from 59.8% to 59.5%. This was a marginal year-on-year decrease.

Previous score: 20.00
Latest score: 19.99
Percentage change between the previous score and the latest score: -0.1%

Gender: Data for the gender sector compared second quarter 2010 and third quarter 2010. South Africa's female labour market participation rate decreased from 47.6% to 47.1%. This was a quarterly contraction in the female labour force of 1.1%. The number of professional female employees in the South African labour market decreased from 326 000 to 327 000. This was a quarterly contraction of 1 000 employees.

Previous score: 10.00
Latest score: 9.90
Percentage change between the previous score and the latest score: -1%

Crime: Data for the crime sector compared 2009 with 2010. Over this period the number of serious crimes per 100 000 people in South Africa decreased from 4 313 to 4 298. This was a year-on-year decrease of 15 serious crimes per 100 000 people. The number of murders per 100 000 people decreased from 37 to 34. This was a year-on-year decrease of 3 murders per 100 000 people. The murder rate and serious crime rate both declined, which is good for South

SOUTH AFRICAN DEVELOPMENT INDEX FOR FIRST QUARTER 2011

INDICATOR	Previous Reading	Weighting points	Weighting proportion	Previous Score	Latest Reading	Change	Latest Score
ECONOMIC							
20.00%							
GDP seasonally adjusted and annualised at constant 2005 prices — R million (Q2 2010 vs Q3 2010)	1 590 939	7.5		7.50	1 598 755	0.49%	7.54
GDP per capita 2010 (2nd Q 2010 vs 3rd Q 2010 seasonally adjusted an annualised at constant 2005 prices)	R31 825	5		5.00	R31 982	0.49%	5.02
Unemployment rate (Q3 2009 vs Q3 2010)	24.4%	5		5.00	25.30%	3.69%	4.82
Youth unemployment rate (3rd Q 2009 vs 3rd Q 2010)	48.2%	2.5		2.50	51.3%	6.04%	2.35
EDUCATION							
20.00%							
Proportion of population, aged 15+, literate (2007 v 2009)	89.50%	4		4.00	91.60%	2.35%	4.09
Adults (aged 20+) with higher education (2007 v 2009)	3.80%	3		3.00	3.80%	0.00%	3.00
Adults (aged 20+) with grade 12 (2007 v 2009)	32.70%	3		3.00	35.60%	8.87%	3.27
Pupils per teacher (public schools — 2009 v 2010)	31	2		2.00	30	-3.23%	2.06
Matric pass rate (2009 v 2010)	60.30%	3		3.00	67.80%	12.44%	3.37
University entrance passes (2009 v 2010)	19.90%	5		5.00	23.50%	18.09%	5.90
HEALTH							
20.00%							
Life expectancy at birth (males 2009 v 2010)	53.2	2.5		2.50	53.3	0.19%	2.50
Life expectancy at birth (females 2009 v 2010)	55.3	2.5		2.50	55.2	-0.18%	2.50
Infant mortality rate per 1 000 (2009 v 2010)	43	3		3.00	47	9.30%	2.72
Immunisation rate for children > 1 year (2009 v 2010)	84.0%	2		2.00	90.0%	7.14%	2.14
Total number of HIV infections (2009 v 2010)	5 728 711	2		2.00	5 813 088	1.47%	1.97
Proportion of population with HIV (HIV infection rate: 2009 v 2010)	11.7%	3		3.00	11.8%	0.85%	2.97
Public-sector doctors per 100 000 people (2009 vs 2010)	26.5	3		3.00	27.3	3.02%	3.09
Public-sector nursing assistants per 100 000 people (2009 v 2010)	82.8	2		2.00	84.2	1.69%	2.03
LIVING CONDITIONS							
20.00%							
Households living in formal dwellings (2008 v 2009)	74.0%	5		5.00	75.5%	2.03%	5.10
Households with piped water in dwelling or on site (2008 v 2009)	88.5%	5		5.00	89.3%	0.90%	5.05
Households using electricity for heating (2009)	52.1%	5		5.00	50.7%	-2.69%	4.87
Access to flush lavatories (2009)	59.8%	5		5.00	59.5%	-0.50%	4.97
GENDER							
10.00%							
Labour market participation rate Female (Q3 2009 vs Q3 2010)	48.3%	5		5.00	47.1%	-2.48%	4.88
Number of professional female employees (Q3 2009 vs Q3 2010)	326 000	5		5.00	327 000	0.3%	5.02
CRIME							
10.00%							
Total serious crimes per 100 000 people (2009 v 2010)	4 313	5.0		5.00	4 298	-0.35%	5.02
Murders per 100 000 people (2009 v 2010)	37	5.0		5.00	34	-8.11%	5.41
TOTAL		100	100.00	100.00			101.66
* The data provided in this index is gathered from the South African Institute of Race Relations (SAIRR) <i>Surveys</i> , Stats SA, the Department of Trade and Industry (DTI), the South African Reserve Bank, and the Health Systems Trust.							

Africa. Therefore, South Africa's latest score in the crime sector increased.

Previous score: 10.00
Latest score: 10.43
Percentage change between the previous score and the latest score: +4.3%

Overall findings

Of the six policy areas tracked by SADI two showed improved scores while four showed slight declines.

The education sector saw its weighted score improve from 20 points to 21.69. Much of the increase is owed to the improved 2010 matric results. The crime sector saw its weighted score on

the index improve from 10 points to 10.45 on the back of improved crime data from the police.

The economy saw its weighted score decline from 20 points to 19.73. This was largely due to an increased unemployment rate. However, seasonally adjusted and annualised GDP at constant prices showed a steady quarter-on-quarter increase. The living conditions sector saw its score drop slightly from 20 points to 19.99. This is due to a decline in the proportion of people using electricity for heating. The weighted score for the health sector fell from 20 points to 19.92. Increased infant mortality, and HIV infections, and declining female life expectancy were among the

reasons. However the health data included improvements in other health indicators. The gender sector saw its weighted score decline from 10 points to 9.90.

Overall therefore the SADI index was able to record a 1.66% improvement in South Africa's development score based on the latest economic and development data available at the time of publication.

Next report

The SADI score will be updated in May when the second quarterly SADI report for 2011 is released. For more information please contact Ashwin Pienaar at Ashwin@sairr.org.za, Tel: 011 482 7221 extension 2024. ☒