

HOUSEHOLD INCOME AND EXPENDITURE PATTERNS AND TRENDS, 2008-2009

The Bureau of Market Research (BMR) of the University of South Africa (Unisa) recently completed a report on household income and expenditure patterns and trends in South Africa during the period 2008 to 2009. Selections of findings of this recently published report are shown below.

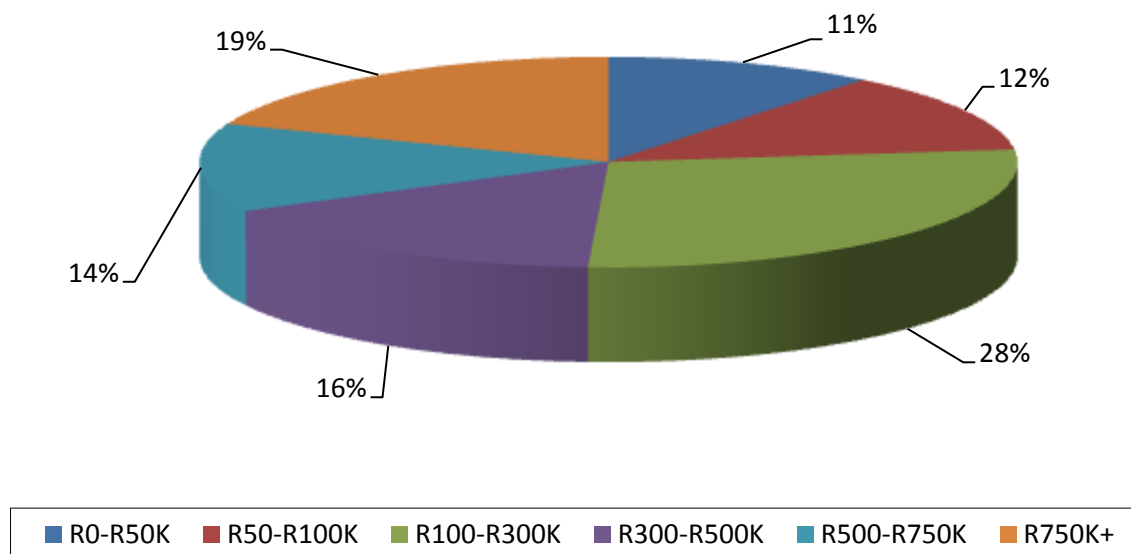
HOUSEHOLD INCOME

There were **13 654 416** million households in South Africa during 2009.

- These households had a combined income of R1 631 billion in 2009 compared to R1 531 billion in 2008 representing 6.5 % growth in household income in nominal terms during the period 2008 to 2009. These estimates are comparable to Reserve Bank estimates.
- Almost 28 % of these households are found in the middle income group (R100 – R300k).

FIGURE 1

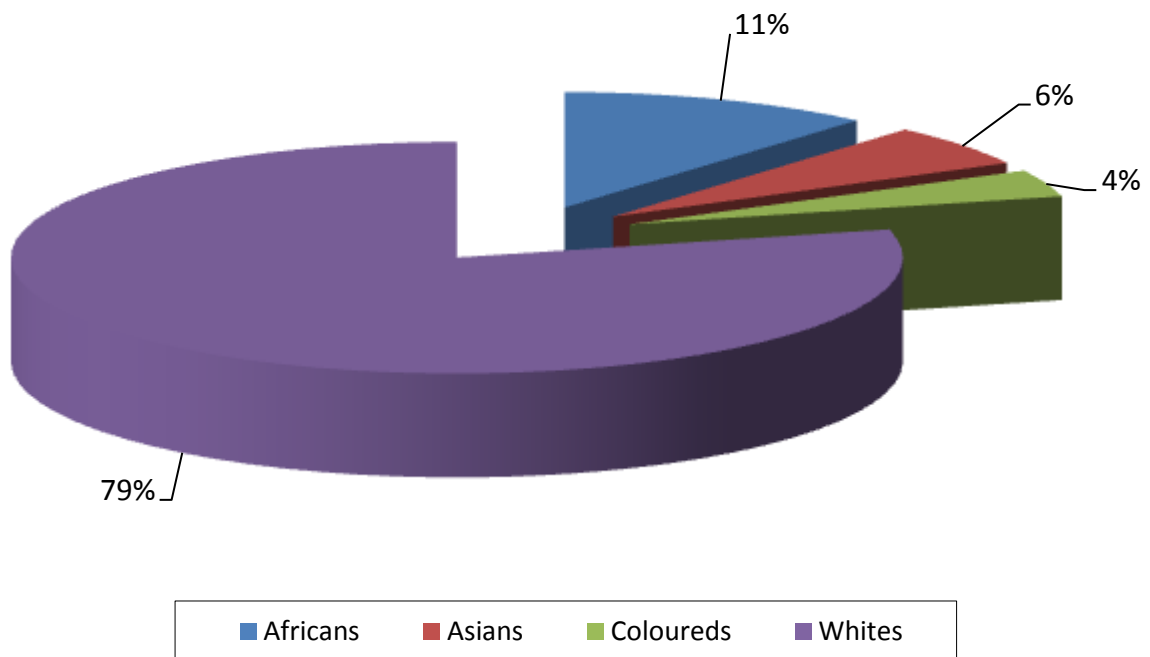
PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY INCOME CATEGORY: 2009



The BMR research shows that 78.9 % of households in the highest income group (R750k+) belong to the White population group. The African population has, however, shown marked gains with respect to the R750k income group. The number of households in this highest income group grew by 26 % during this period.

FIGURE 2

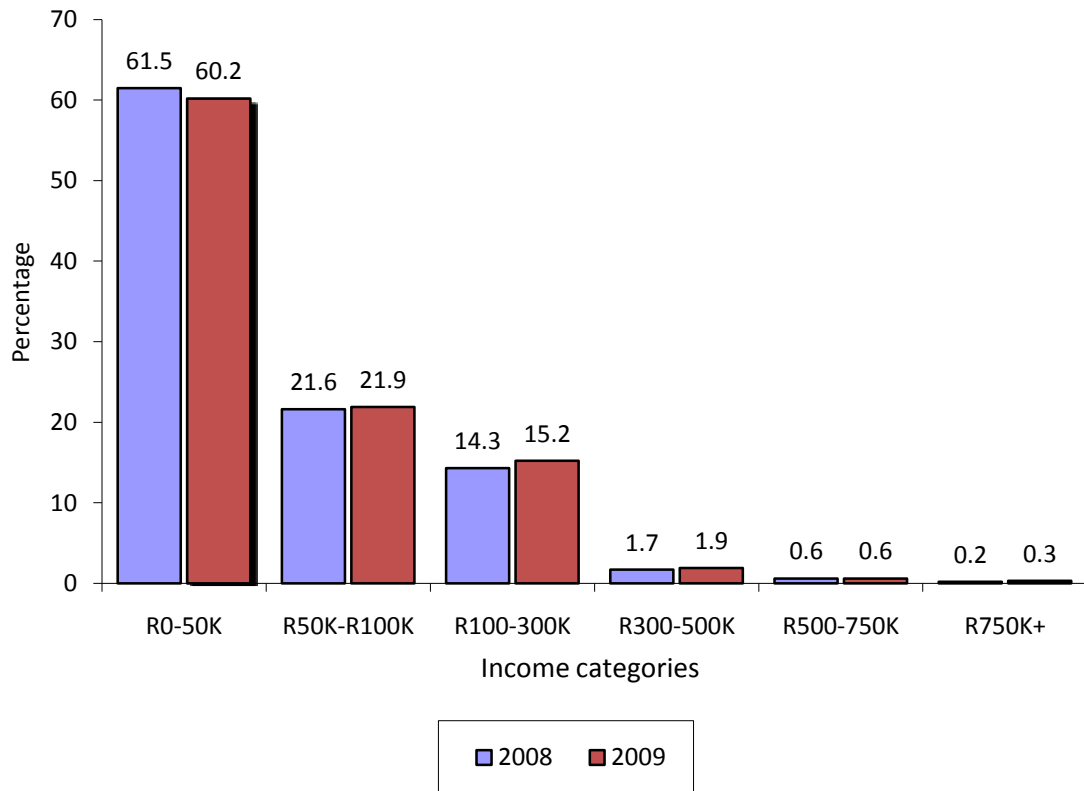
PERCENTAGE DISTRIBUTION OF HIGHEST INCOME EARNING HOUSEHOLDS BY POPULATION GROUP: 2009



The percentage of African households in the lowest income group declined from 61.5 % in 2008 to 60.2 % in 2009. This trend is demonstrated in figure 3 below.

FIGURE 3

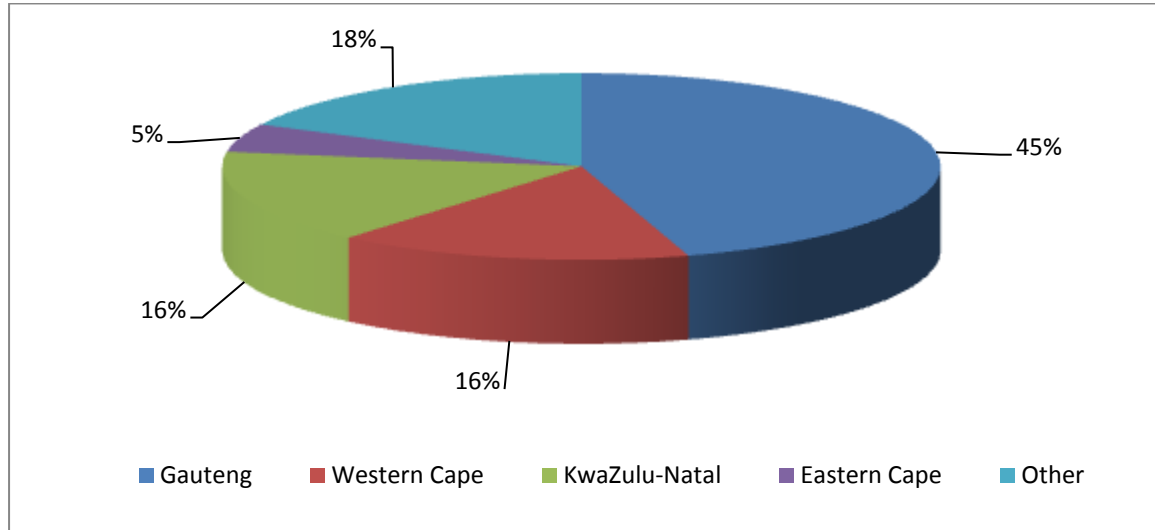
PERCENTAGE DISTRIBUTION OF AFRICAN HOUSEHOLDS BY INCOME GROUP: 2008-2009



Of all the households in the highest income group, 45.2 % are in the economic hub of the country, namely Gauteng.

FIGURE 4

**PERCENTAGE DISTRIBUTION OF HIGHEST INCOME EARNING HOUSEHOLDS BY PROVINCE:
2009**



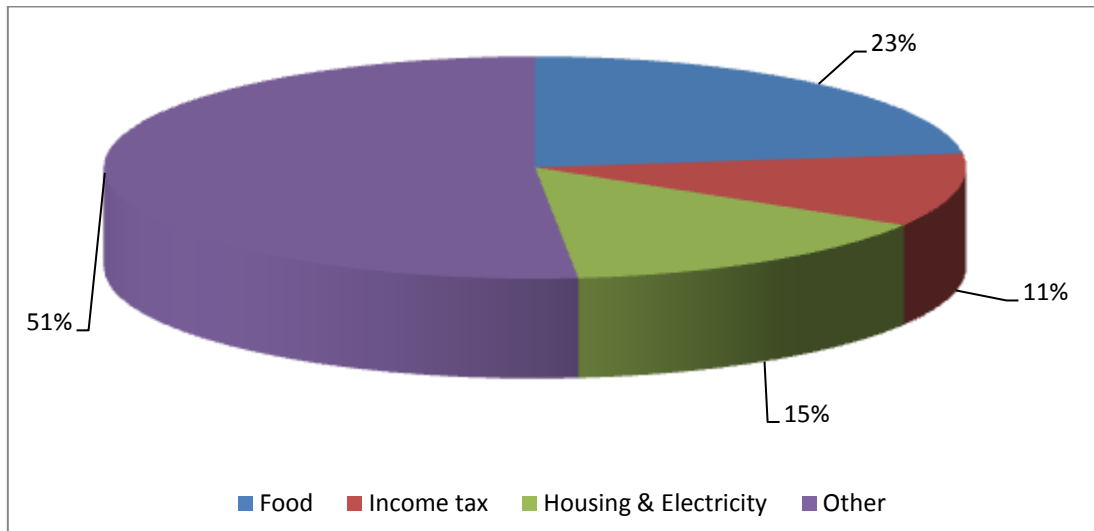
HOUSEHOLD EXPENDITURE

According to Mr Edward Masemola (BMR Researcher), R1 656 billion was spent by households in South Africa during 2009. In percentage terms the distribution of household expenditure was as follows:

- 23 % of this was spent on food
- 14.7 % on housing and electricity
- 10.7 % on income tax
- The rest was spent on an assortment of items such as transport, medical and dental services, communication, furniture and household equipment, etc.

FIGURE 5

PERCENTAGE DISTRIBUTION OF HOUSEHOLD EXPENDITURE BY ITEM: 2009



A disaggregation of household expenditure for Africans and Whites by expenditure group shows that both population groups spent less on transport in 2009 compared to 2008, as evidenced by a negative growth rate of -3.7 % for African households and -5.1 % for White households (in nominal terms) during the period 2008-2009. It is also clear that African household expenditure on recreation, entertainment and sport increased by 18.8 % compared to 16.4 % for White households (in nominal terms).

INCOME AND EXPENDITURE OF HOUSEHOLDS IN SOUTH AFRICA, 2008–2009 (Research Report no 395) was compiled by Mr ME Masemola (Senior Researcher), Prof CJ van Aardt (Director, Income and Expenditure Research Division) and Mrs M Coetzee (Senior Computer Scientist) of the Bureau of Market Research. The report, consisting of 130 pages, is available from the Bureau of Market Research, PO Box 392, UNISA 0003.

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