

**2021/22**



**LIMPOPO**

**PROVINCIAL GOVERNMENT**  
**REPUBLIC OF SOUTH AFRICA**

**PROVINCIAL TREASURY**

**SOCIO-ECONOMIC  
REVIEW & OUTLOOK**

**2021/22**

*The heartland of southern Africa - development is about people*

## **Foreword**

This Socio Economic Review and Outlook is presented during the biggest outbreak of COVID-19 virus since the Spanish flu outbreak in 1918. During the pandemic more than 112 million people were infected globally with more than 2.47 million deaths. Despite the fact that South Africa has been one of the worst hit countries in Africa with more than 1.5 million infections and just above 50 thousand deaths, the country managed the COVID-19 outbreak very efficiently with the announcement of the first lockdown in 2020, that enabled the public and private health sector to prepare for the overflow of Intensive Care patients needing ventilators. To date more than 94 percent of the infected cases in South Africa recovered.

Many of the countries in the world also implemented lockdowns to curb the COVID-19 outbreak to save lives and create a better health outcome. The economic impact of these lockdowns was however severe with the South African economy, declining by 7.8 percent in 2020, and expected to only recover slowly in the outer year. Internationally, China was the only country that managed a positive growth performance during last year. In terms of the IMF, the global economy contracted by 3.5 percent during 2020 and it expects the global economy to recover by 5.5 percent in 2021. The final impact of the Covid-19 crisis will depend on the speed and efficiency of the vaccine rollout in both South Africa and the rest of the World. In this regard the medical staff in South Africa are already being vaccinated with the Johnson and Johnson vaccine. It is already expected that South Africa may have a third Covid-19 outbreak, with the subsequent negative economic impact.

The COVID-19 crisis also negatively affected the levels of employment in South Africa and in other countries in the World. Unemployment increased to a high of 32.5 percent in South Africa during 2020. Despite the huge job losses in the second quarter of 2020, job creation accelerated in the third quarter to curb many of the job losses. The increases in unemployment also had a negative impact on the level of poverty. Many years of progress in terms of getting some of the poor out of poverty were reversed during 2020. It is estimated that 23 million South Africans were pushed into poverty during last year.

The South African government issued a new grant of R350 per month to curb the impact of COVID-19 on the people that are unemployed.

The COVID-19 related expenses created additional fiscal pressure in the Province, leading to a situation where difficult policy choices were made to ensure a proper health outcome with the aim of saving lives.



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LIMPOPO PROVINCIAL TREASURY

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## **Abbreviations**

AIDS - Acquired Immune Deficiency Syndrome

ART- Antiretroviral therapy

ARV - Antiretroviral

EAP - Economic Active Population

ECD - Early Childhood Development

GDP - Gross domestic product

GFCF - Gross Fixed Capital Formation

GHS - General Household Survey

GOS - Gross Operating Surplus

GVA - Gross Value Added

HDI - Human Development Index

HIV - Human Immunodeficiency Virus

IMF - International Monetary Fund

LDP - Limpopo Development Plan

LDP - Limpopo Development Plan

LED - Local Economic Development

LICs - Low Income Countries

LTA - Limpopo Tourism Agency

NDP - National Development Plan

NHI - National Health Insurance

OECD - Organization for Economic Cooperation and Development

QLFS - Quarterly Labour Force Survey

Q-on-Q - Quarter on Quarter

RDTs - Rapid Diagnostic Tests

SA - South African

SADC - Southern Africa Development Community

SASSA -South African Social Security Agency

SDGs - Sustainable Development Goals

SERO - Socio Economic Review and Overview

SEZs - Special Economic Zone

StatsSA - Statistics South Africa

TVET - Technical and Vocational Education and Training

UK - United Kingdom

UN - United Nations

UNESCO- United Nations Educational Scientific and Cultural organization

US - United States

USA - United States of America

WHO - World Health Organization's

WIDE - World Inequality Database on Education

WTO - World Trade Organization

## **Chapter1: Economic overview**

### **1.1 Introduction**

Although global economic activity is gaining momentum again, it is not likely to return to business as usual for the medium term when compared to the levels of economic output before the COVID-19 crisis. The pandemic has had acute adverse impacts on women, youth, the poor, the informally employed, and those who work in contact-intensive sectors. It has further impeded future prospects for poverty reduction by adversely affecting longer-term productivity growth. The deterioration in confidence has dampened investment, and the loss in learning time, adjusted school years and prolonged spells of unemployment have eroded earlier gains in human capital development.

### **1.2 World economic overview**

Global activity will remain well below the pre-COVID-19 levels in the foreseeable future. The 2020 economic contraction of -3.5 percent was due to significantly subdued economic activity and restricted international trade which were mainly as a result of regulatory measures to reduce the accelerated infection rates by closing down the economies in most of the countries in the World. The global growth for 2021 is estimated at 5.5 percent, 0.3 percentage point higher than the 2020 projection by the International Monetary Fund (IMF). The emergent recovery was initially supported by a partial easing of stringent lockdowns, leading to trade in the goods sector improving. However due to an incoherent approach to COVID-19 in terms of containment strategies from country to country, there has not been an effective arrest of the spread of the virus across the globe.

**Table 1: World GDP Constant prices, % change**

	Year over Year					
	Estimate		Projections		Difference from October 2020 WEO Projections	
	2019	2020	2021	2022	2021	2022
<b>World Output</b>	<b>2,8</b>	<b>-3,5</b>	<b>5,5</b>	<b>4,2</b>	<b>0,3</b>	<b>0,0</b>
<b>Advanced Economies</b>	<b>1,6</b>	<b>-4,9</b>	<b>4,3</b>	<b>3,1</b>	<b>0,4</b>	<b>0,2</b>
Euro Area	1,3	-7,2	4,2	3,6	-1,0	0,5
<b>Emerging Market and Developing Economie</b>	<b>3,6</b>	<b>-2,4</b>	<b>6,3</b>	<b>5,0</b>	<b>0,3</b>	<b>-0,1</b>
China	6,0	2,3	8,1	5,6	-0,1	-0,2
India	4,2	-8,0	11,5	6,8	2,7	-1,2
<b>Sub-Saharan Africa</b>	<b>3,2</b>	<b>-2,6</b>	<b>3,2</b>	<b>3,9</b>	<b>0,1</b>	<b>-0,1</b>
South Africa	0,2	-7,5	2,8	1,4	-0,2	-0,1

Source: IMF January 2021

The pandemic has created a disruption in all sectors of the economy bringing in to question current methods of doing things which is prompting a new approach to policy analysis and crafting. An appreciation of new world order has been dominated by sophisticated research and development (R&D), in the pharmaceuticals, and Information Technology (IT).

### 1.2.1 Drivers of the World economic recovery

Access to medical interventions is key for the recovery. The COVAX facility has been established to accelerate access to vaccines for all countries, ensuring universal distribution of vaccines, and facilitating access to vaccines at affordable prices for all. The availability of vaccines or achieving optimal population immunity would generate stronger consumer and investor confidence, and employment recoveries, with firms hiring and possibly expanding production capacities in anticipation of rising demand.

Policy actions should be sustained to limit economic and social shocks. In the current environment the counter cyclical fiscal policy stance (stimulus packages) is the most practical tool for governments to cushion economies from severe economic distress and a convenient base to steer economic recovery. Government policy should be motivated by the emphasis on advancing key policy imperatives of raising potential

output in a country, ensuring inclusive growth that benefits all, especially the marginalised in rural economies. Many countries, particularly low income developing economies, entered the crisis with high debt levels that are set to rise further during the pandemic. This has resulted in limited fiscal capacity to sustain fiscal stimulus in the medium term. This fiscal challenge is quite apparent in South Africa where the debt to GDP ratio is expected to gradually increase and stabilise at 88.9 percent in 2025/26, after which the ratio will decline.

Major central banks are assumed to maintain their current policy rate stance throughout the medium term given the low risks of escalating inflation. As a result, monetary policies are expected to remain broadly accommodative in support of countries recovery strategies.

Exposure to cross-country spill overs can determine economic recoveries. Many countries can leverage from the population or herd immunity in that, when neighbouring countries have high population immunity, the mobility of human capital becomes less of a risk. Low immunity can create a risk of the virus spreading with the migration of people. This may result in detrimental government responses such as national or regional lockdowns that will adversely affect economic activity and thereby delaying the economic recovery.

Furthermore, accelerated economic recovery is dependent on cross country trade spill overs. With many countries, particularly in advanced and emerging economies such as China, India and Japan, the increased demand for input material such as minerals and metals will increase due to the economic recovery, improving exports from African economies. This is favourable for African economies as most commodity prices rebounded from their mid- 2020 lows. As an economy that is mainly dependent on the exports of minerals the Limpopo province will also benefit from these developments.

### **1.3 Impact of COVID-19 on Africa**

COVID-19 has impacted countries differently, hence there are different economic recovery strategies for each country. The pandemic has had a more devastating impact on African economies owing mainly to the unique prevailing socio-economic

and financial conditions. It is the severity of the impact that will determine the rate of recovery over time. The following issues will determine the impact of the crisis on African economies:

### **1. High indebtedness/compromised fiscal framework**

Many countries, particularly low-income developing economies, entered the crisis with high debt levels that is set to rise further during the pandemic. This provides limited fiscal stimulus to citizens and business. Moreover, constrained resources to support the health sector to establish the prerequisite infrastructure and equipment to manage the spread of the virus will also be impacted.

### **2. High levels of poverty, unemployment and inequality.**

The pandemic has severely affected women, youth, the poor, the informally employed, and those who work in contact-intensive sectors. Many of the businesses that employed the vulnerable population groups have been liquidated with no prospects of returning to business, thereby implying a permanent loss of jobs for the low income groups.

### **3. Poor health sector.**

Africa quickly felt the impact of the pandemic due to our weak health systems, coupled with the highest disease burden in the world. Governments face a number of challenges, including lack of funds and poor infrastructure. This is compounded by epidemics, poverty and the brain drain of home-grown doctors moving abroad, in search of higher wages and a better standard of living. Varying wildly from country to country and region to region, public health care does exist but most expats will want to use the private sector

### **4. Pharmaceutical capabilities to respond to pandemics.**

Africa has low vaccine development capacity. Many diseases that are predominantly affecting the African continent continue to plague the population

unabated. In the face of this global shortfall, calls to scale up vaccine production capacity in Africa are growing louder. Developing the fledgling industry will also help countries prepare for greater self-sufficiency in meeting their growing vaccine needs and prevent future vaccine access crises when the next pandemic hits. Despite these challenges South African scientists managed to take part in the research, development and testing of the vaccines. Some of the vaccines will also be produced in South Africa, under licence, for foreign pharmaceutical companies.

## **5. Low ICT penetration.**

In a time of social distancing and government-enforced lockdowns to curtail the spread of COVID-19, digital technology has enabled the continuation of work, education and communication. Despite the benefits of ICT, millions of people are unable to connect to the internet. The offline world is economically and socially isolated, emphasising the digital divide. Digital infrastructure represents a critical component of a country's economy, facilitating the flow of goods, enabling exports, and ensuring the delivery of public services to the population. Africa is characterised by weak ICT infrastructure, which could act as a powerful economic and social driver, if bolstered. Improvements in this area have the potential to increase information flows, promote entrepreneurial activity, and boost trade between African countries. Access to ICT will also enhance productivity in the countries which is important for higher levels of economic growth.

## **6. Natural disasters**

Natural disasters can impact the COVID-19 pandemic directly through disrupting health services and health infrastructure, as well as making social distancing more difficult among people displaced by a natural disaster. Natural disasters could also impact COVID-19 control measures indirectly by disrupting clean water supplies and stretching government budgets already struggling to cope with the pandemic response. A case in point in the cyclone that recently hit Mozambique and the northern parts of South Africa.

## **1.4 South African economic overview**

South Africa, after Nigeria and Egypt, is the third largest economy in Africa. Some of South Africa's strengths are the political stability, developed financial markets, resilient and stable fiscal and monetary policies and excellent conditions for trade and investment supported by a well-established infrastructure roll out. However, the country has had a number of constraints that limited it from growing at full potential. Among others are traits of corruption, energy and water constraints, sporadic droughts and other socio-economic challenges. The country suffered episodes of recessions and technical recessions prior the advent of COVID-19. Another challenge is the ratings downgrade just before the COVID-19 outbreak. Economic and financial shock such as the global financial crisis has hindered the country from reaching full potential and COVID-19 has slowed the process of faster economic development.

Most sectors experienced a significant rebound in the third quarter of 2021, which was supported by the easing of the lockdown regulations. The largest positive contributors to growth in GDP in the third quarter were the manufacturing, mining and trade industries. The manufacturing industry increased at a rate of 210.2 percent. The mining and quarrying industry increased at a rate of 288.3 percent. It should be noted that these significant recoveries took place from a very low base. Most commodity prices recovered from their mid- 2020 lows as strict lockdowns were gradually lifted and demand firmed, especially from China. The trade, catering and accommodation industry increased at a rate of 137.0 percent. The IMF report that the South African economy declined by 7.5 percent during 2020 and expects that it will recover by 2.8 percent during 2021. Concern should be raised about the expected forecast of only 1.4 percent in 2022, continuing the relative poor growth performance experienced in South Africa pre-COVID-19 for the few preceding years.

**Table 2: SA GDP Constant 2010 prices, seasonally adjusted % change quarter-on-quarter**

Constant 2010 prices, seasonally adjusted	2019 - Q3	2019 - Q4	2020 - Q1	2020 - Q2	2020 - Q3
% change quarter-on-quarter, annualised	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
Agriculture, forestry and fishing	-4,5	-7,6	35,9	19,6	18,5
Mining and quarrying	-6,1	1,8	-21,5	-72,0	288,3
Manufacturing	-4,4	-1,8	-8,5	-74,9	210,2
Electricity, gas and water	-4,9	-4,0	-5,6	-36,4	58,0
Construction	-6,9	-5,9	-4,7	-76,5	71,1
Trade, catering and accommodation	2,6	-3,8	-0,7	-67,6	137,0
Transport, storage and communication	-5,4	-7,2	0,5	-69,4	79,3
Finance, real estate and business services	1,6	2,7	3,7	-34,2	16,5
General government services	2,4	-0,4	1,2	-1,0	0,9
Personal services	0,4	0,7	0,5	-32,7	38,6
<b>GDP at market prices</b>	<b>-0,8</b>	<b>-1,4</b>	<b>-1,7</b>	<b>-51,7</b>	<b>66,1</b>

Source: StatsSA 2020 Q3

### 1.4.1 Primary sector

The agriculture, forestry and fishing industry increased at a rate of 18.5 percent in the third quarter of 2020. The increase was mainly due to increased production of field crops and horticultural and animal products. It should however be noted that the sector continued to grow positively, even during the pandemic.

The mining and quarrying industry increased at a rate of 288.3 percent in the third quarter. The industry recovered largely on account of the easing of local and global lockdown restrictions. Higher production was mainly due to increased activities in the production of platinum group metals (PGMs), iron ore, gold, manganese ore and diamonds. The recovery is coming from a very low base since the mining industry was in a decline even before the outbreak of COVID-19 for a number of quarters.

### **1.4.2 Secondary sector**

The manufacturing industry increased at a rate of 210,2 percent in the third quarter. The four divisions with the largest contributions to the increase were basic iron and steel, non-ferrous metal products, metal products and machinery; petroleum, chemical products, rubber and plastic products; transport equipment; and food and beverages.

The electricity, gas and water industry increased at a rate of 58,0 percent in the third quarter, largely due to increases in electricity distributed and water consumption as industrial and mining production activities resumed near normal operations with the easing of lockdown restrictions.

The construction industry increased at a rate of 71,1 percent. Increases were reported for residential buildings, non-residential buildings and construction works. Although the construction industry recovered between the second and third quarters of 2020, supported by the easing of lockdown restrictions, its level of activity remained well below that of prior years before the pandemic.

### **1.4.3 Tertiary sector**

The trade, catering and accommodation industry increased at a rate of 137,0 percent. Increased economic activities were reported for wholesale trade, retail trade, motor trade, catering and accommodation. However, the impact of COVID-19 in the second quarter was so severe that total value added for the industry in the third quarter remained below its level in the first quarter of 2020.

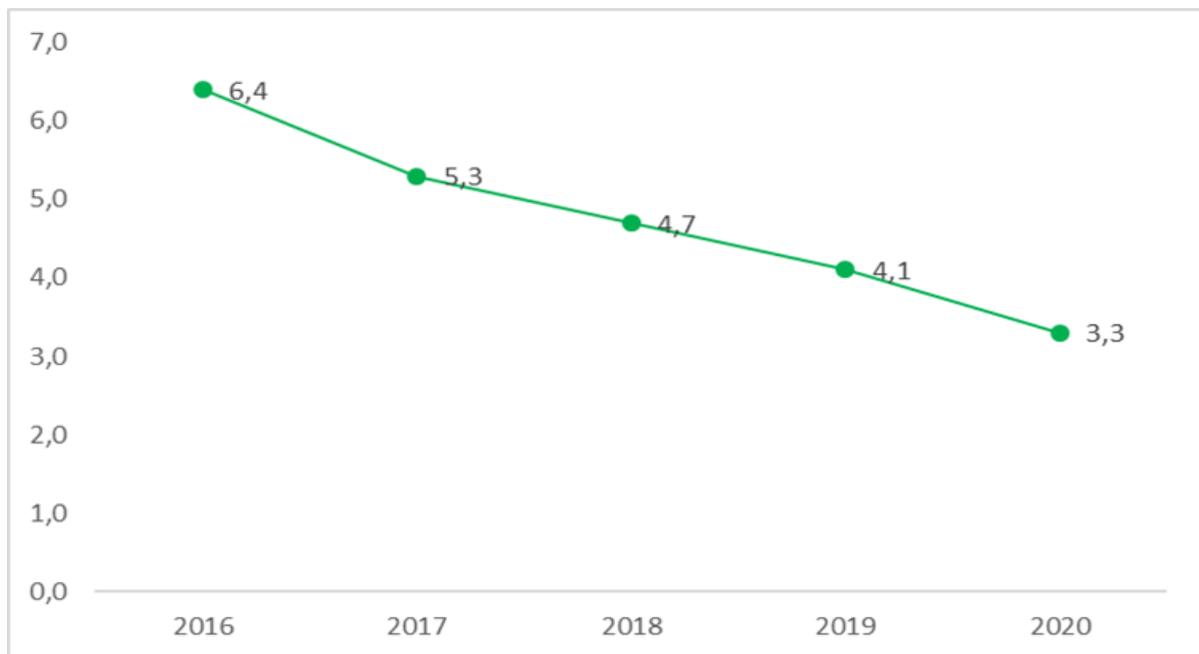
The transport, storage and communication industry increased at a rate of 79,3 percent as a result of increases in land transport, air transport, transport support services and communication services

General government services increased at a rate of 0,9 percent. The increase is partly attributable to increased employment in the provincial government and higher education institutions.

## 1.5 Consumer Price Index (CPI)

The average price increase of goods and services in the country has been on the decline, reducing risks of increase in the cost of capital due to increases in the repo rate by the South African Reserve Bank. Annual consumer price inflation was 4.1 percent in 2019, down from 4.7 percent in 2018. The consumer price index further decreased to an average of 3.3 percent in 2020. This is in line with the state policy of the central bank to target the midpoint of the inflation target band.

**Figure 1: CPI headline year-on-year rates**



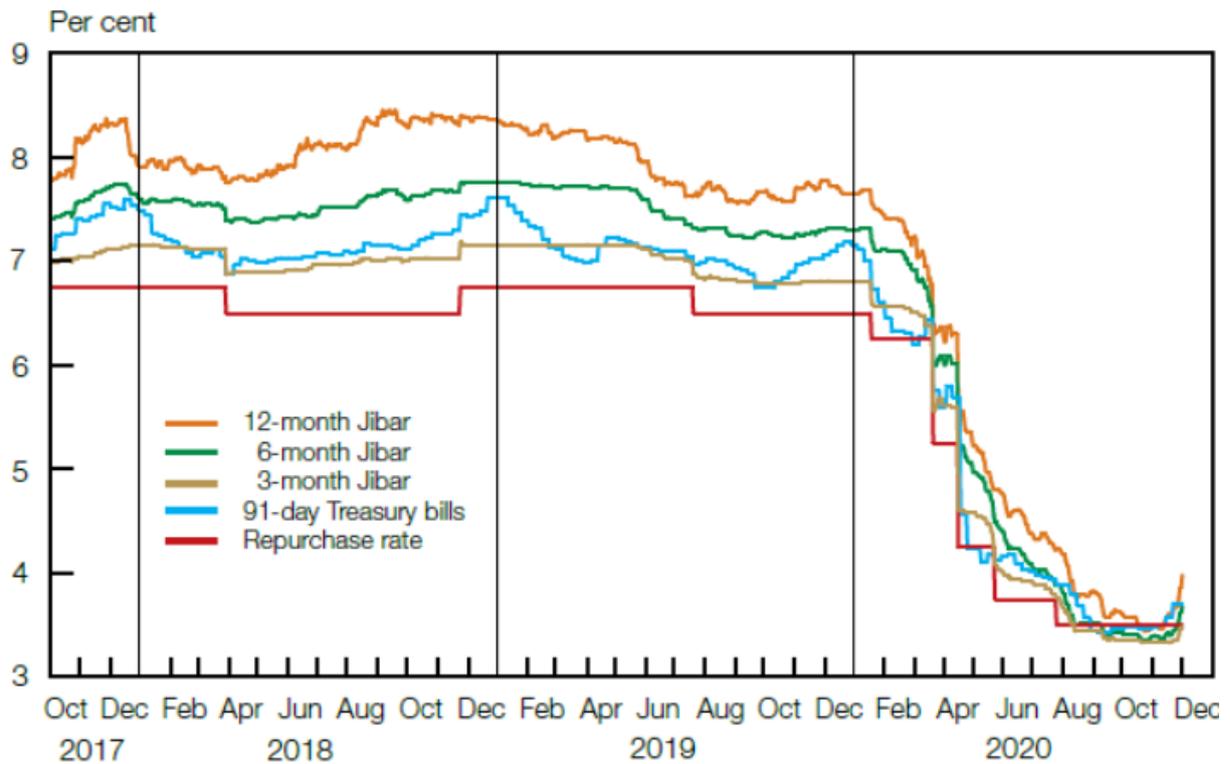
Source: StatsSA CPI

## 1.6 Repo rate

At its first meeting of the year in January 2020, the Monetary Policy Committee (MPC) of the South African Reserve Bank (SARB) left the repurchase rate unchanged at its record low of 3.5 percent. The Bank's decision to hold came amid a muted short-term growth outlook and subdued inflationary pressures. The unprecedented decrease in the prime lending rate during 2020 was an effort by the South African Reserve Bank

to support growth in the local economy, and to support the fiscal stimulus provided by Government.

**Figure 2: Market rates**

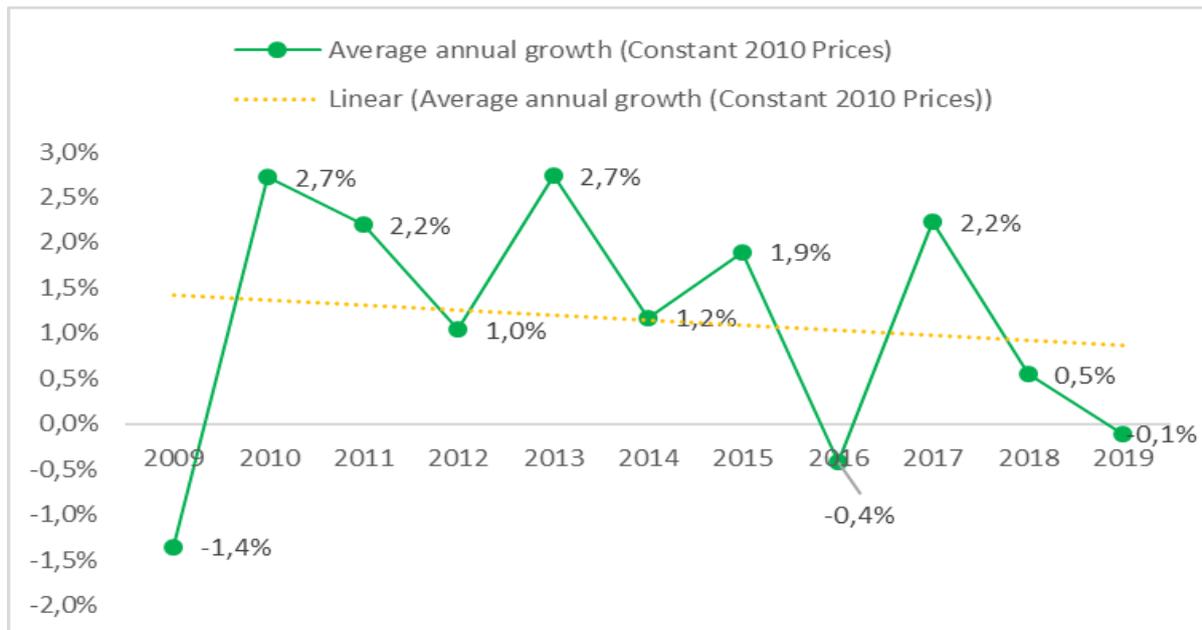


Source: SARB

### 1.7 Limpopo economic overview

The Limpopo provincial economic growth rate is in a downward sloping trajectory since 2011. The 2010 World cup fiscal expenditure could not sustain investor and consumer confidence for a protracted period as the province experienced the AI Nino effect, commodity price slumps, surge in crude oil prices which weighed down on the local economy. The provincial economy has recorded two consecutive contractions from 2.2 percent in 2017 to 0.5 percent in 2018 and further declined to a marginal -0.1 percent in 2019.

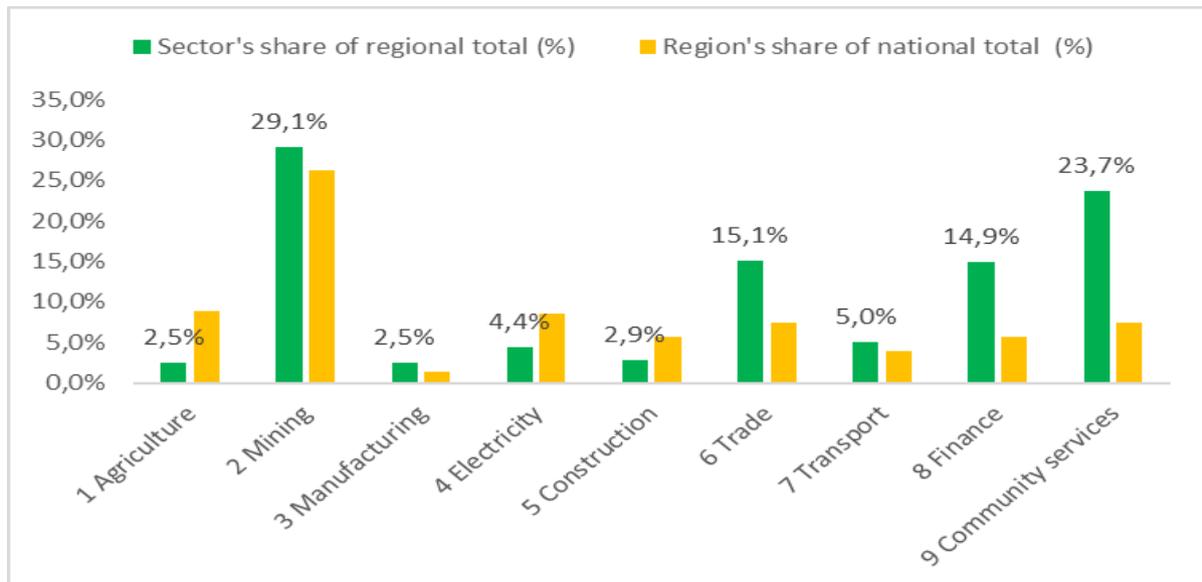
**Figure 3: GDP Average annual growth (Constant 2010 Prices)**



Source: IHS Regional Explorer

The composition of the provincial economy is such that the primary sector and the tertiary sector are the largest sectors driving the provincial economy. Mining (29.1 percent) and Community Services (23.7 percent) contribute a total 52.8 percent to the local economy. The provincial mining sector still contributes a significantly noticeable share of 26.3 percent of the national mining output, while Community services contributes 7.4 percent to the output for the sector on national level.

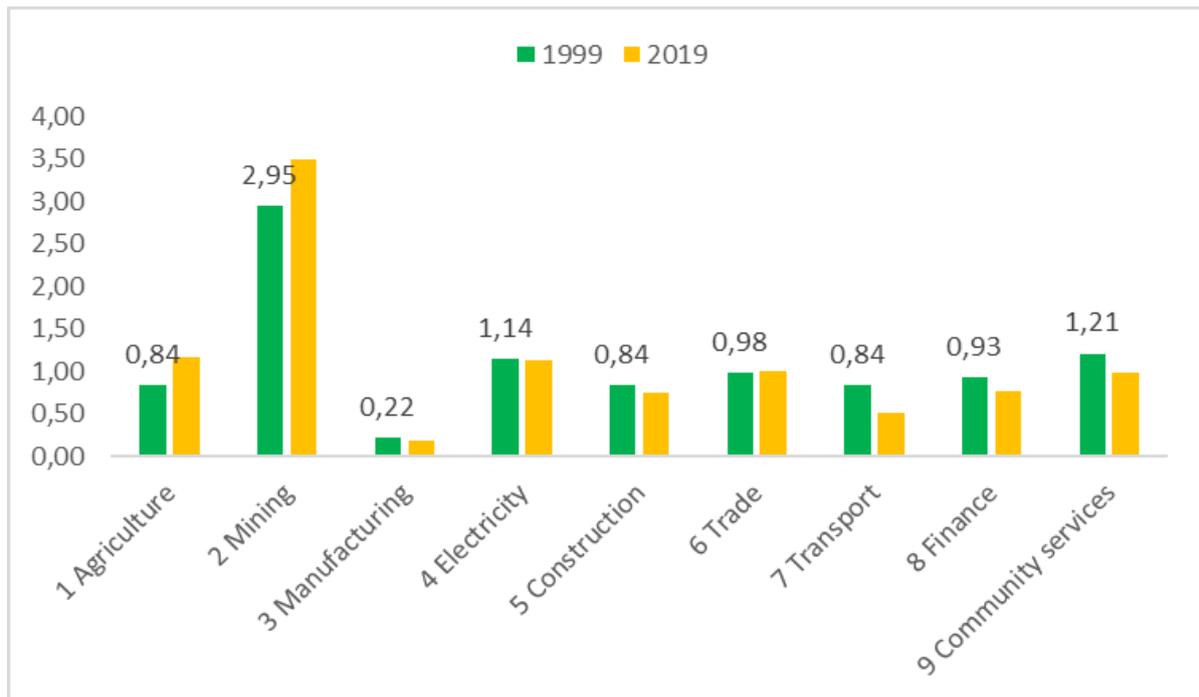
**Figure 4: Sector's share of regional total (%) and Region's share of national total (%)**



Source: IHS Regional Explorer

The location quotient is a way of quantifying how concentrated a particular industry is in a region as compared to the nation. In terms of Limpopo, the location quotient confirms that the local economy is concentrated by the mining sector and the dominance is growing year by year from 2.9 in 1999 to 3.4 in 2019. Therefore, mining sector seems to represent a competitive advantage for the Limpopo economy. The sector will play a critical role in the post COVID-19 recovery phase mostly in terms of boosting output through increased exports to emerging economies. This will also boost the employment in the mining sector.

**Figure 5: Location quotient**



Source: IHS Regional Explorer

## **1.8 Conclusion**

In the final instance the economic recovery will depend on the outcome of the COVID-19 pandemic that in turn depends on the rollout of the vaccines. The more countries achieve herd immunity, the sooner economies open up and international trade can be restored.

According to the IMF, global cooperation will be essential to support vulnerable populations and achieve sustainable and inclusive global recovery. In light of substantial fiscal constraints and high debt levels, globally coordinated debt relief, predicated on debt transparency, could help many economies, particularly LICs, and provide much-needed fiscal resources to support social protection programs. More broadly, deeper global collaboration will be needed to develop equitable and sustainable solutions to the world's most pressing long-term challenges, including tackling climate change and eliminating extreme poverty.

Countries should be encouraged to sustain open and free trade. Many developing countries recovery will be reliant on cross country trade spill overs. However, developing economies will need to trade among themselves, as the terms of trade are relatively similar, creating minimum trade inequalities and yet developing their local industries supported by free trade.

## **CHAPTER 2: Labour Market**

### **2.1 Introduction**

The pandemic created a labour market shock, impacting not only supply (production of goods and services) but also demand (consumption and investment). Most businesses, regardless of size, are facing serious challenges, especially those in the aviation, tourism and hospitality industries, with a real threat of significant declines in revenue, insolvencies and job losses in specific sectors.

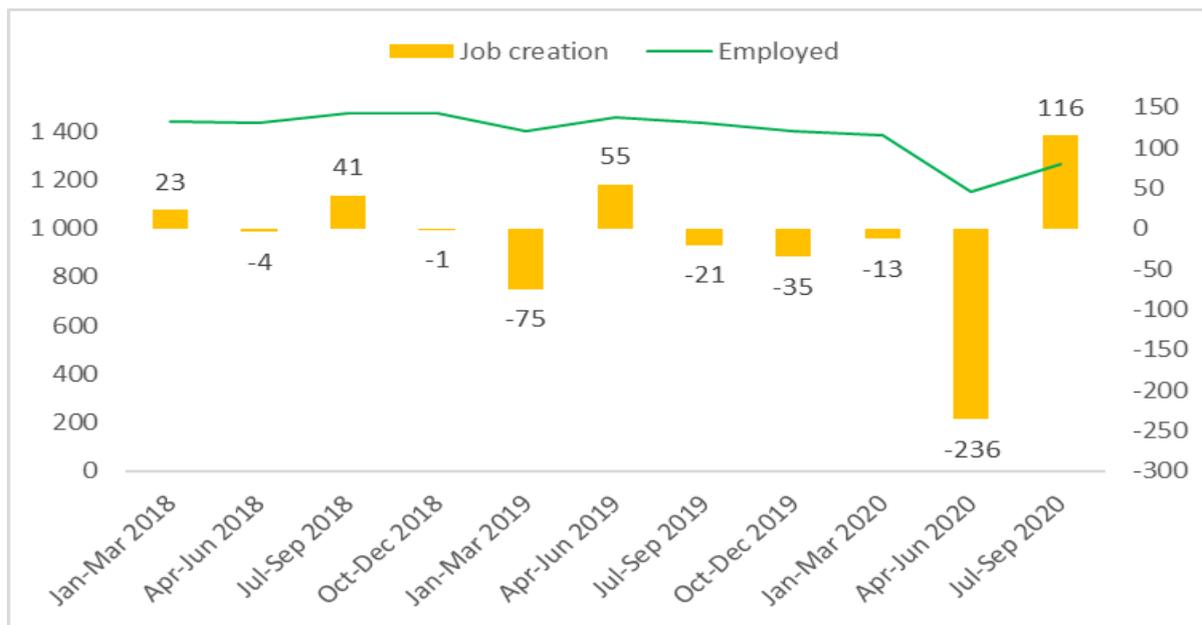
The pandemic has affected the following groups in the labour force more negatively:

1. Those with underlying health conditions and older people are most at risk of developing serious health issues.
2. Young persons, already facing higher rates of unemployment and underemployment,
3. Women are over-represented in more affected sectors (such as services) or in occupations that are at the front line of dealing with the pandemic (e.g. nurses).
4. Unprotected workers, including the self-employed, casual and gig workers such as independent contractors, who are likely to be disproportionately hit by the virus as they do not have access to paid or sick leave mechanisms,
5. Migrant workers are particularly vulnerable to the impact of the COVID-19 crisis.

### **2.2 Employment**

The number of employed people in the province increased from 1.15 million in the second quarter of 2020 to 1.26 million in the third quarter of 2020. The rebound is attributed to the relaxation of the lockdown regulations where most sectors of the economy were allowed to open, however observing Covid-19 regulations. Most notably is that the province has been shedding jobs since the third quarter of 2019 to second quarter of 2020 equating to 305 thousand jobs. Most of the jobs are not likely to be regained as they are high contact jobs and require traveling which due to ongoing lockdowns and travel bans, recovery is not eminent. Although 116 thousand jobs were created in the third quarter of 2020, these are previously lost jobs and not necessarily new jobs.

**Figure 6: Number of people employed and jobs created**

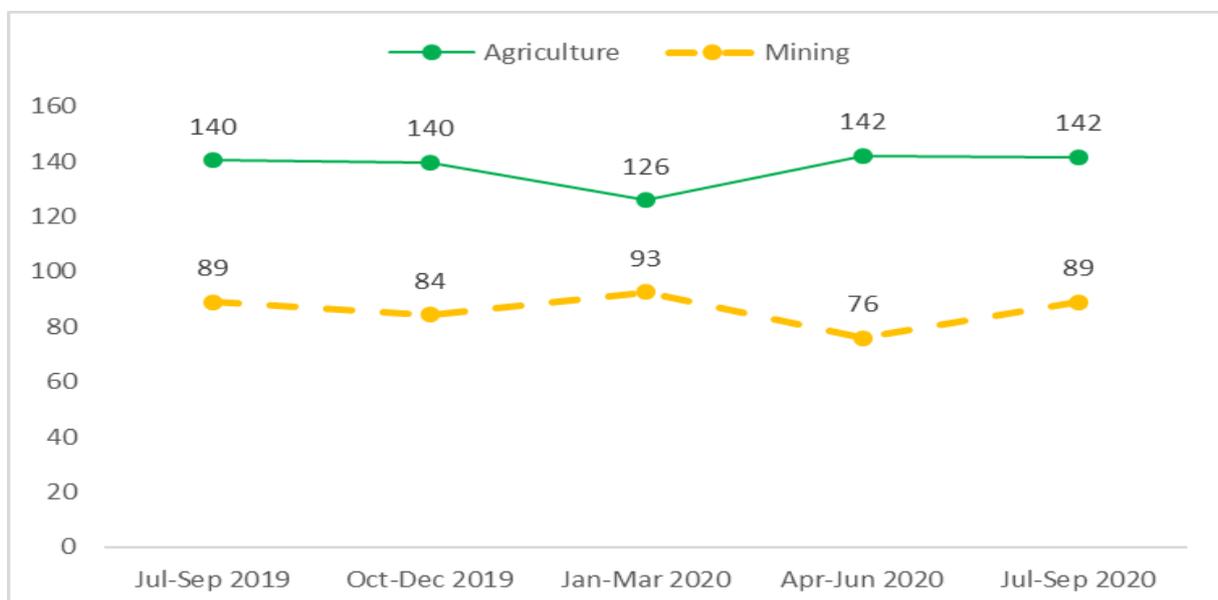


Source: StatsSA QLFS 2020 Q3

### 2.2.1 Employment by sector

The primary sector is one of the key sectors in the Limpopo economy in terms of job creation. The Agricultural industry has the highest labour multiplier of all the sectors in the provincial economy

**Figure 7: Employed by industry (Primary sector)**

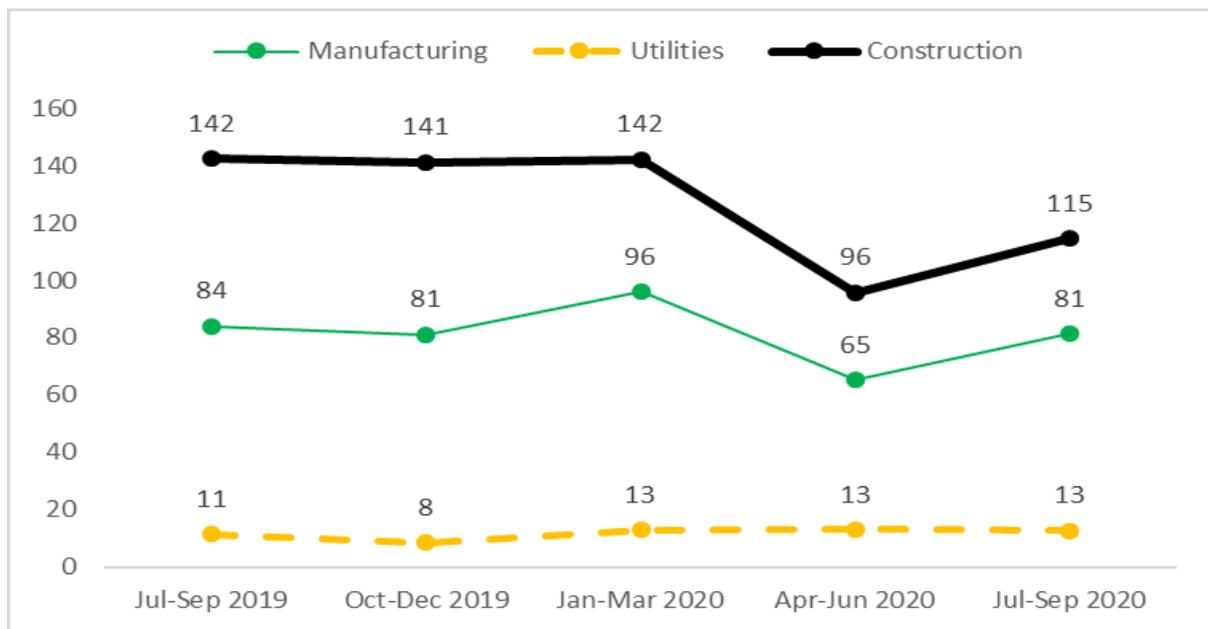


Source: StatsSA QLFS 2020 Q3

The Agricultural Sector witnessed growth in employment during the COVID-19 lockdown in 2020 where employment grew from 126 thousand people in the first quarter of 2020 to 142 thousand in the third quarter of the same year. The growth in employment is as a result of favourable weather conditions as well as the bumper maize and citrus harvests. Jobs in the mining sector declined in the second quarter to 76 thousand and rebounded to 89 thousand in the third quarter of 2020. Mining production was supported by the easing of the lockdown restrictions, a recovery in the automotive industry, higher commodity prices and increased Chinese demand. Employment in both the Agricultural and Mining sector is expected to assume an upward trajectory in the medium term

Employment in the Construction and Manufacturing sectors experienced a slump in the second quarter 2020 to 96 thousand and 65 thousand respectively. However, they recovered in the third quarter to 115 thousand and 81 thousand respectively. Utilities maintained a relative constant variance in employment during the lockdown period in the country at 13 thousand in the first three quarters of 2020. Employment in the Manufacturing sectors was driven by Food, in particular beverages contributed significantly to the increase in employment as restrictions on the sale of alcoholic beverages were lifted, while construction was led by the rebound in civil construction activity as well as in both residential and non-residential building activity.

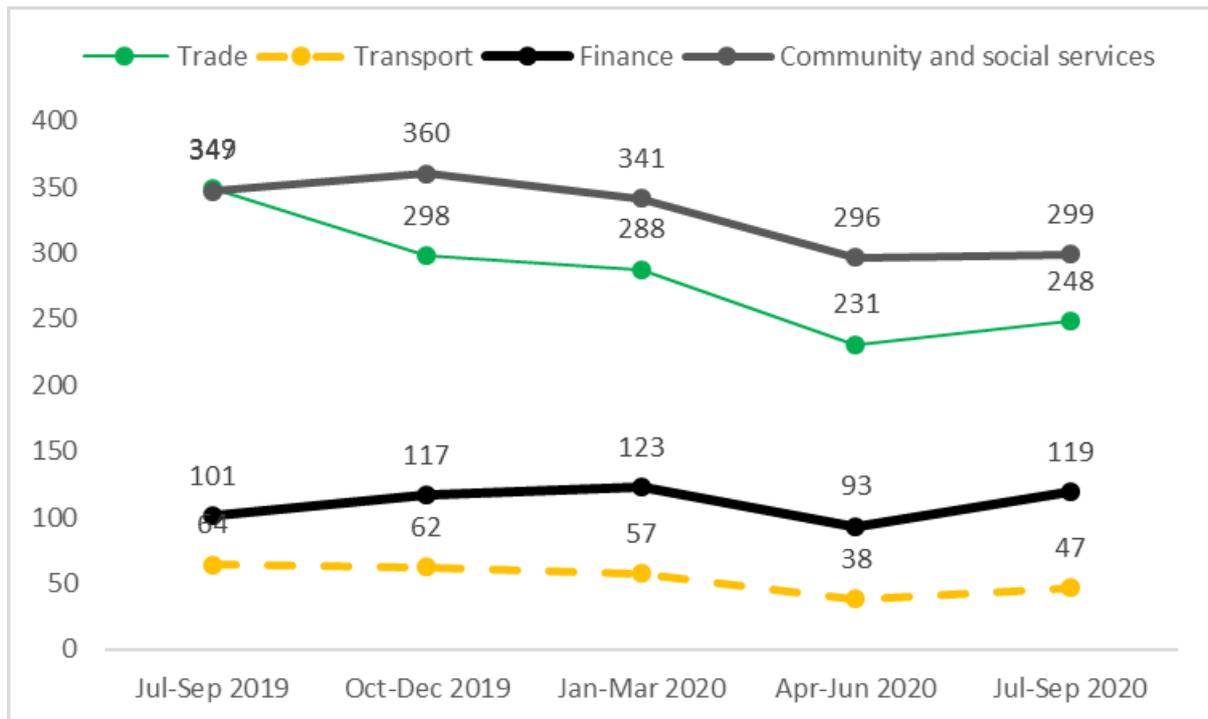
**Figure 8: Employed by industry (Secondary sector)**



Source: StatsSA QLFS 2020 Q3

Employment in the Trade sector increased from 231 thousand in the second quarter to 248 thousand in the third quarter and was supported by higher sales of food, beverages and tobacco; agricultural raw materials and livestock. Other household goods, except precious stones, supported increased activity in the wholesale trade subsector. The surge in employment in the Finance sector was largely due to increased activity in financial intermediation, insurance and pension funding, real estate and other business services. Employment in the sector grew from 93 thousand to 119 thousand in the third quarter, which is slightly less than the 123 thousand pre COVID-19 level of employment.

**Figure 9: Employment by industry (Tertiary sector)**



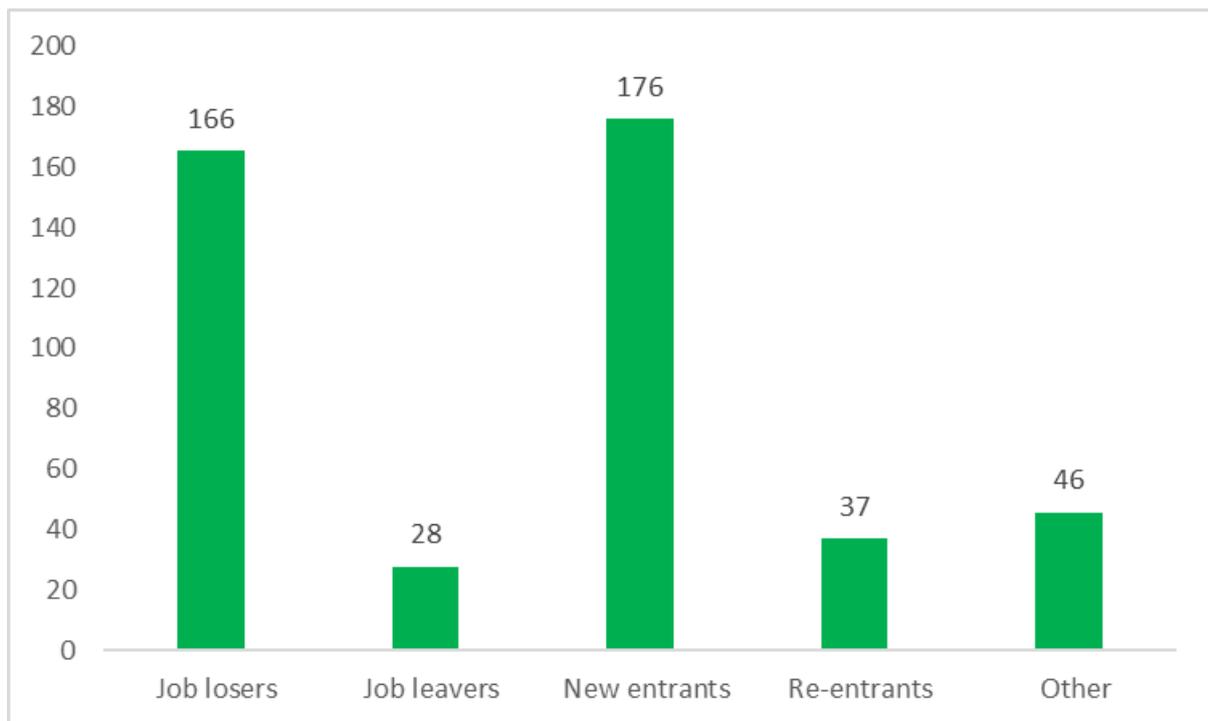
Source: StatsSA QLFS 2020 Q3

### 2.3. Impact of national lockdown on labour market dynamics

COVID-19 and the consequent economic effects have meant significant job losses in many industries. Many families have been affected adversely by the reduced or no household income. The effects on the future generation (the youth) are both immediately and in the long run and require robust policy response to mitigate the long term effects.

The recent third quarter 2020 labour market data indicates that the province lost 166 thousand jobs. Most of the jobs are from contact sectors that were affected by the government regulations to curb the spread of COVID-19. Only 37 000 regained their jobs and 28 000 left the labour market.

**Figure 10: Labour characteristics**

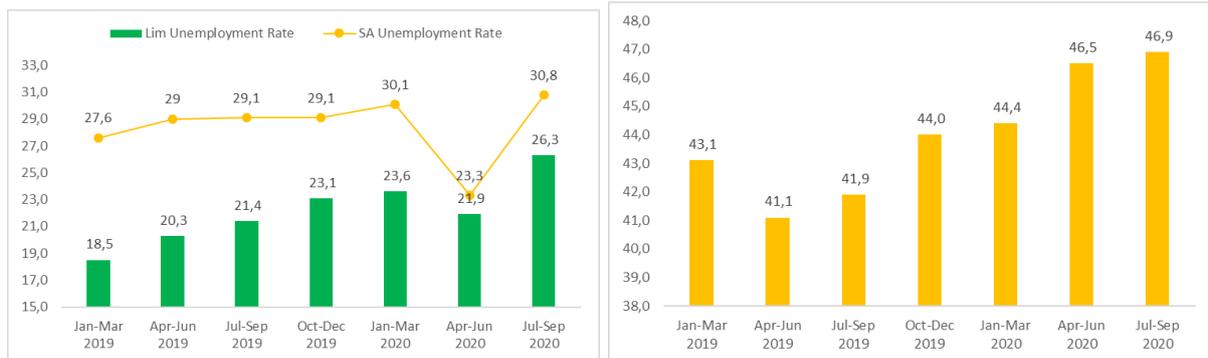


Source: StatsSA QLFS 2020 Q3

## 2.4. Unemployment

Official unemployment rate in the province has been rising even prior COVID-19. Provincial unemployment rate rose from 18.5 in the first quarter of 2019 to 26.3 percent in the third quarter of 2020, while the national rate rose from 27.6 in the first quarter of 2019 to 30.8 percent in the third quarter of 2020. The importance of reflecting on the expanded definition of unemployment became very clear during the lockdown period. Expanded unemployment in the province rose from 41.1 percent in the second quarter of 2019 to 46.9 percent in 2020. Majority of the age cohort is the youth bracket.

**Figure 11: Official unemployment rate and expanded unemployment rate**



Source: StatsSA QLFS 2020 Q3

Unemployment in the Limpopo province is perpetuated by the general low skills base in the province where the unemployed people possess lower than the prerequisite skills or different skills base than what the market requires. The skills deficit was created by migration of young students and skilled labour force who move to neighbouring provinces that are perceived to possess better work opportunities-creating a perennial brain drainage.

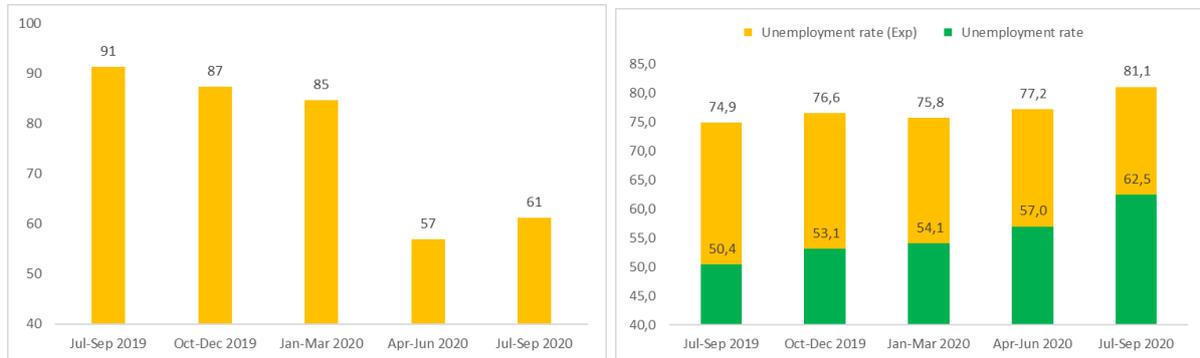
### 2.4.1 Youth Unemployment

According to the International Labour Organisation (ILO), even before the onset of the crisis, the social and economic integration of young people was an ongoing challenge. Now, unless urgent action is taken, young people are likely to suffer severe and long-lasting impacts from the pandemic. The pandemic is also inflicting a heavy toll on young workers, destroying their employment and undermining their career prospects. One in six young people (17 per cent) who were employed before the outbreak, stopped working altogether, most notably the youth, and those in clerical support, services, sales, and crafts and related trades.

The number of youth employed in the province reduced from 91 thousand in the third quarter of 2019 to 61 thousand in the third quarter of 2020, recording a youth job loss of 30 thousand. The official youth unemployment rate is at 62.5 percent, while the expanded youth unemployment rate is 81.1 percent. This is an indication that school leavers and graduates are struggling to obtain employment. Research indicated that

youth with work experience who became unemployed were more successful to regain employment.

**Figure 12: Number of employed youth (Thousands) and Youth unemployment rate (%)**



Source: StatsSA QLFS 2020 Q3

A number of researchers who researched on the relationship between unemployment and poverty, found that there is 'bi-directional causal' relationship between the two due to the fact that unemployment is the cause of poverty and also poverty contributes to unemployment and its persistence. It was found that the household's movement into and out of poverty significantly caused by the labour market activities. Poverty causes the poor to move to the rural areas where they lose contact with the world of work and lessens their opportunities to find work. The research highlighted the fact that job creation is still the best remedy to address the high levels of unemployment and poverty in South Africa and in Limpopo in particular.

### 2.3 Conclusion

There needs to be a deliberate policy directive to align academic programmes in the province (private and public institutions) to the market requirements, and in line with the Limpopo Development Plan (LDP) aspirations, to avoid the current skills mismatch between the unemployed jobseekers and the requirements of the world of work. The provincial industrialization strategy should preferably, as far as possible, source its expertise from the provincially produced academic institutions and only be complimented by specialist skills from other provinces or countries that are not available locally. This is especially true for the Musina-Makhado SEZ.

Unemployment is one of the contributors to poverty levels in the province. The high poverty levels are further exacerbated by subdued economic growth that is not creating adequate employment opportunities to raise the average levels of household income. Higher economic growth alone will not solve the unemployment crisis, but it is pre requisite for the supporting policies to have success.

## **CHAPTER 3: DEMOGRAPHIC PROFILE**

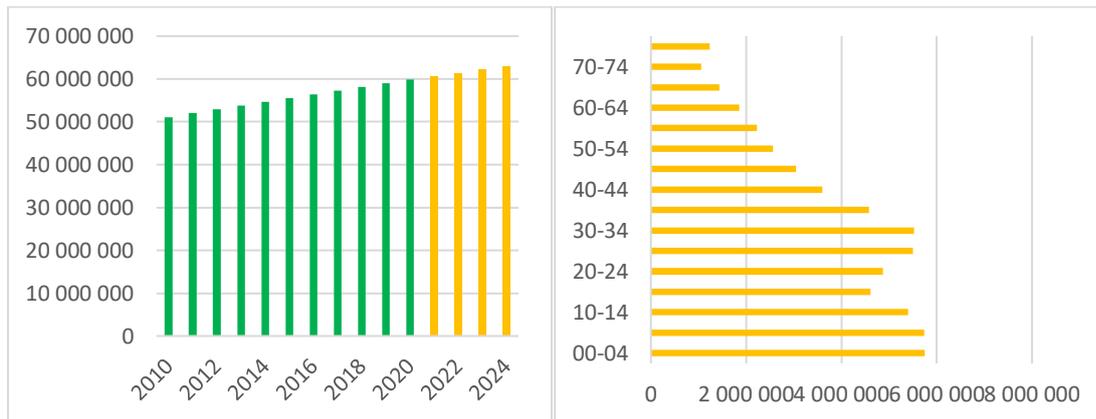
### **3.1 Introduction**

During the time of the COVID-19 disease, studying the population dynamics of a country or a region continue to be a crucial element of planning, as health care practitioners will rely comprehensively on the population parameters as they juggle around to find the best possible ways to deal with the pandemic. Population dynamics entails the breakdown and interpretation of these numbers, so that an understanding and meaning can be created for policy makers. Population growth and migration patterns in the population, in a particular region, need to be accompanied by the necessary structural transformation for it to be translated into equitable human development and improved livelihoods for the people. Changes in population size, structure and distribution, and the associated demographic factors of births, deaths and migration, affects all facets of human life.

### **3.2. South African population**

The South Africa population is estimated at 59.8 million and it has been on a rise from the previous years. The country's population is projected to grow to 63 million in 2024. The SA's population growth is influenced by the social behavioural changes in the countries citizens such as the increase in life expectancy of the South African population, reduction in HIV prevalence and HIV deaths, and the high rate of in-migrants from neighbouring SADC countries who continue to flock to the country in search of better opportunities.

**Figure 13: South African population growth, projections and age structure**



Source: IHS Markit Regional eXplorer 2020

The South African population structure is highly dominated by people of young age, between 0 and 34, contributing 62.5 percent (approximately 37.3 million) of the country’s population. This confirms the youthfulness of the country’s population.

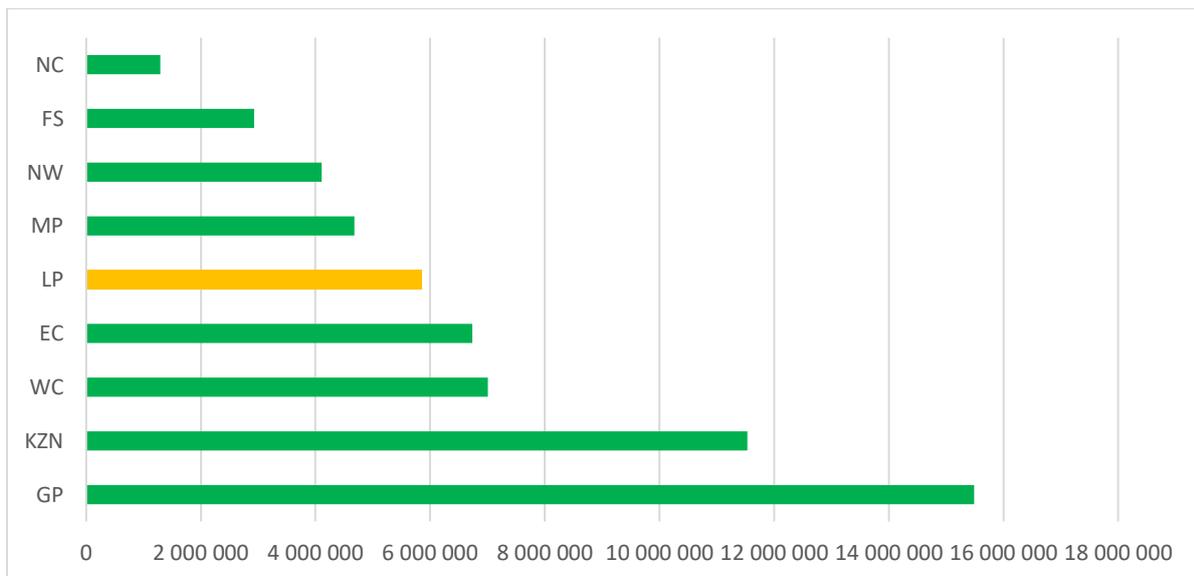
**Table 3: Mid-year population estimates by population group and sex, 2020**

Population group	Male		Female		Total	
	Number	% distribution of males	Number	% distribution of females	Number	% distribution of total
<b>Black African</b>	23 519 474	80,7	24 634 253	80,8	48 153 727	80,8
<b>Coloured</b>	2 555 204	8,8	2 692 536	8,8	5 247 740	8,8
<b>Indian/Asian</b>	787 662	2,7	753 451	2,5	1 541 113	2,6
<b>White</b>	2 266 535	7,8	2 413 235	7,9	4 679 770	7,8
<b>Total</b>	<b>29 128 875</b>	<b>100</b>	<b>30 493 475</b>	<b>100</b>	<b>59 622 350</b>	<b>100</b>

Source: StatsSA Mid-year population estimates 2020

The table above shows the South African population estimates by population group and sex. The Black African population is in the majority (48.2 million) and constitutes approximately 81 percent of the total South African population. The White population is estimated at 4.7 million (7.8 percent), the Coloured population at 5.2 million (8,8 percent) and the Indian/Asian population at 1.5 million (2.6 Percent). Fifty-one per cent (30.5 million) of the population is female, while the population of males is at twenty-nine (29.1 million).

**Figure 14: Provincial population SA**



Source: StatsSA Mid-year population estimates 2020

Gauteng continues to comprise the largest share of the South African population, with approximately 15.5 million people living in that province. KwaZulu-Natal is the province with the second largest population, with an estimated 11.5 million people living in KZN. Limpopo with a population of approximately 5.9 million is in fifth place, contributing 9.8 percent to the total South African population. With a population of approximately 1.3 million people, Northern Cape remains the province with the smallest share of the South African population.

### 3.3. Provincial migration

Studying the migration patterns of a country can be of crucial importance as the net migration rate can be volatile, impacted significantly by economic and policy changes, as encountered in the recent outbreak of Covid-19 in March 2020. Due to the international travel ban, travel was brought to an abrupt halt in the country, even between provinces (except for certain special cases such as burials for which permission had to be sought from the relevant authority).

**Table 4: Estimated provincial migration streams 2016–2021**

	Out_ migrants	In_ migrants	Net migration
<b>EC</b>	514 888	191 931	-322 957
<b>FS</b>	164 185	134 256	-29 929
<b>GP</b>	572 765	1 553 162	980 398
<b>KZN</b>	375 583	287 420	-88 163
<b>LP</b>	<b>467 693</b>	<b>278 581</b>	<b>-189 112</b>
<b>MP</b>	220 302	281 336	61 034
<b>NC</b>	76 954	88 507	11554
<b>NW</b>	205 723	318 604	112881
<b>WC</b>	178 013	468 568	209 555
<b>Outside SA (Net migration)</b>			

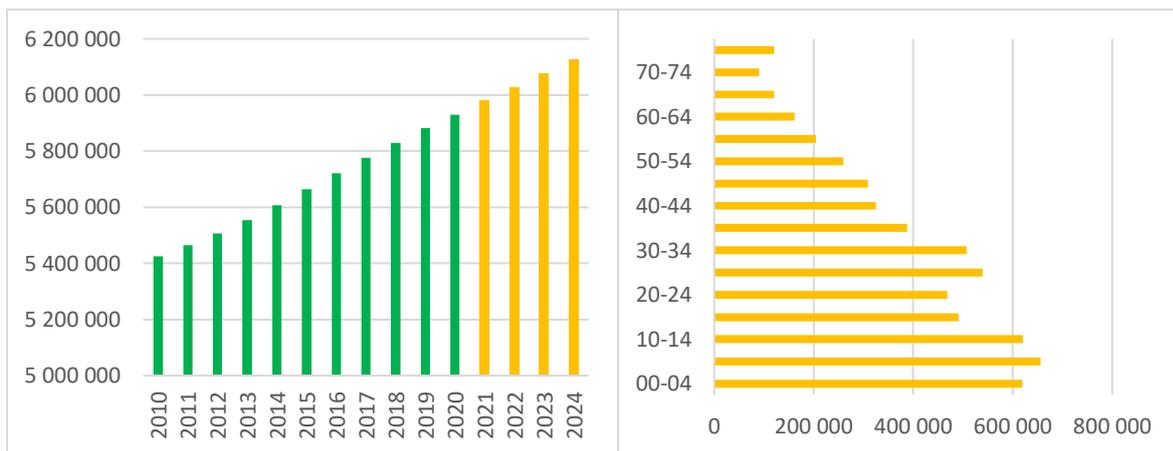
Source: StatsSA Mid-year population estimates 2020

In terms of migration patterns, during 2020 Limpopo lost around 467 thousand of its population to other provinces in the country, while the province only received around 278 thousand, resulting in a net out migration of 189 thousand people. The biggest receiver of Limpopo's out migration population is Gauteng receiving around 353 thousand people annually from the province, followed by North West (32 thousand) and Western Cape (11 thousand).

### 3.4. Limpopo population growth

Limpopo population has been on a rise during the period from 2010 to 2020. The Limpopo population increased from 5.4 million in 2010 to around 5.9 million in 2020. The population in the province is projected to increase to 6.1 million in 2024.

**Figure 15: Limpopo population growth, projections and age structure**



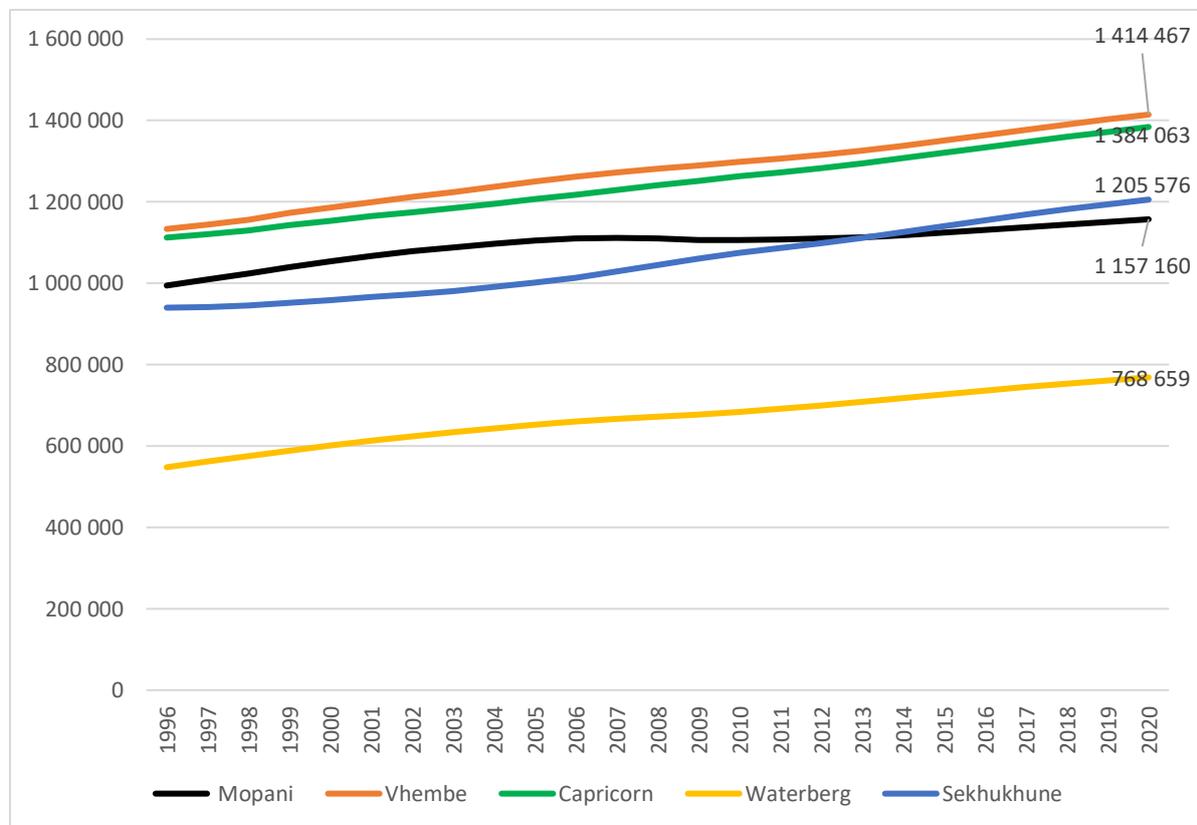
Source: IHS Markit Regional eXplorer 2020

In terms of the age structure, the provincial population structure is dominated people of 35 years and younger at around 3.8 million (65 percent). The total population contribution of the below 14 years' age group is at around 1.9 million people. The youthful nature of the provincial population will continue to exert pressure to the budget in the province, as the provincial government will need to ensure that the young population have accesses to basic human needs such as quality health care, basic education and quality sporting facilities.

### 3.5. Limpopo district population

In terms of planning and service provisioning in the province, it is important to also take note of the spread of the population in the different districts in Limpopo.

**Figure 16: Limpopo district population growth**



Source: IHS Markit Regional eXplorer 2020

Vhembe district at 1.414 million people and Capricorn district at 1.384 million are the biggest in terms of the provincial population share, followed by Greater Sekhukhune at 1.205 million (they surpassed Mopani around 2013), Mopani at 1.157 million, and Waterberg at 768 thousand respectively.

### **3.6. Conclusion and recommendations**

The COVID-19 pandemic requires regions to understand their population structures, and migration patterns as this information affects the individuals' functioning and behaviour, for example, population density affects competition for resources and opportunities in that particular region or country, as well as the health risks that are facing that particular region. Population dynamics, such as changes in population size, structure and distribution, and the associated demographic factors of births, deaths and migration, affects all facets of human life. Health care practitioners and planners should pay special attention to the population aspects, as this will assist in planning for the future, given the population changes they will face and this will help in fighting the disease.

Limpopo population numbers have been on the rise over the years and the population structure continues to be mainly dominated by younger people, who are at school and university-going age. The skewness of the provincial population towards young or youth population dictates to the provincial planners to focus their resources and support towards the Department of Education, Sport, Arts and Culture and Social Development so that these departments can implement their programmes as their programmes are more inclined to the development of the youth people. The youth of the province will need to be kept entertained and at school so that they can contribute meaningfully to the provincial economy in the future.

The national equitable share allocation to the province also depends largely on the population numbers. In recent years Limpopo has been growing relatively slower in terms of population numbers leading to a decline in the budget allocation.

## **CHAPTER 4: DEVELOPMENT INDICATORS**

### **4.1 Introduction**

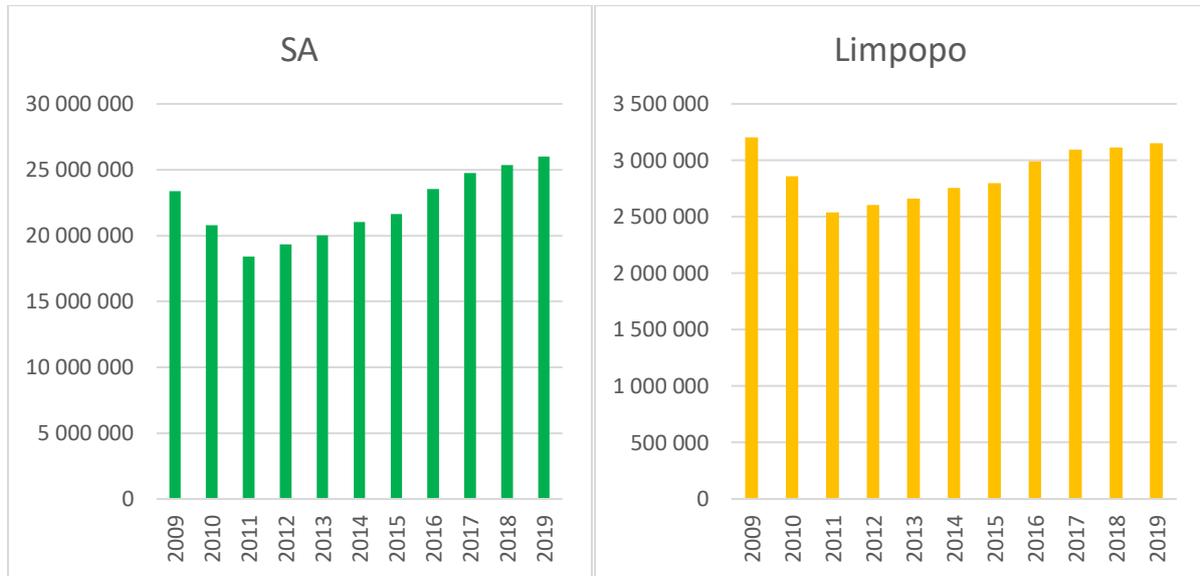
The development indicators measure how developed a country is, and the levels of human progress, in terms of development and poverty alleviation. The performance of governments' in terms of economic development is often compared with other governments using the Human Development Index (HDI). The HDI instrument helps the government to have an idea on areas which requires improvement. HDI is a broader measure of economic development than economic growth since it includes social and economic progress in terms of health and education. Although growth does not guarantee development, it is a necessary pre-condition for development.

Covid-19 has worsened the lives of many people as they have lost jobs and the economy also suffered as most industries were closed. The South African unemployment rate increased to 32.5 percent, with many people who lost their jobs during lockdown, pushing people into extreme poverty. It is clear that this pandemic will delay so much development, not only provincially, but nationally as well.

### **4.2 Poverty**

Poverty continue to remain as one of the difficult challenge in South Africa and globally, as many people live without enough food, access to clean water, or proper sanitation, even without safe shelter, health care and education. Poverty can further be defined by means of stating that it is a lack of access to opportunities. In 2017 it was estimated that 9.2 percent of the global population still lived below the international poverty line of \$1.90. Currently with the great pandemic of Covid-19 many people are pushed into extreme poverty, resulting from jobs losses, businesses that shut down, and lack of opportunities due to lockdown restrictions.

**Figure 17: People below the lower poverty line in South Africa (Stats SA defined) and Limpopo People below the lower poverty line (Stats SA defined)**



Source: IHS Markit Regional Explorer 2020

The number of people who live below the lower poverty line in South Africa deteriorated in 2011 to a record low of 18.4 million, provincially the situation is the same as Limpopo province recorded a low of 2.5 million in the same period. South Africa number of people living below the lower poverty line was recorded at 26 million in 2019 from 25 million in 2018, whereas Limpopo province recorded 3.1 million number of people living below the lower poverty line in 2019.

#### 4.2.1 Poverty level in the districts

Vhembe district at 790 thousand has the highest number of people living below the poverty line in 2019, followed by Sekhukhune and Capricorn districts at 692 and 679 thousand respectively. Mopani and Waterberg at 632 and 355 thousand has the lowest numbers of people living below the poverty line.

**Table 5: Poverty level in district**

	Number below the poverty line	% below the poverty line
<b>Mopani</b>	632 938	55.0%
<b>Vhembe</b>	790 566	56.4%
<b>Capricorn</b>	679 782	49.5%
<b>Waterberg</b>	355 597	46.7%
<b>Sekhukhune</b>	692 071	58.0%

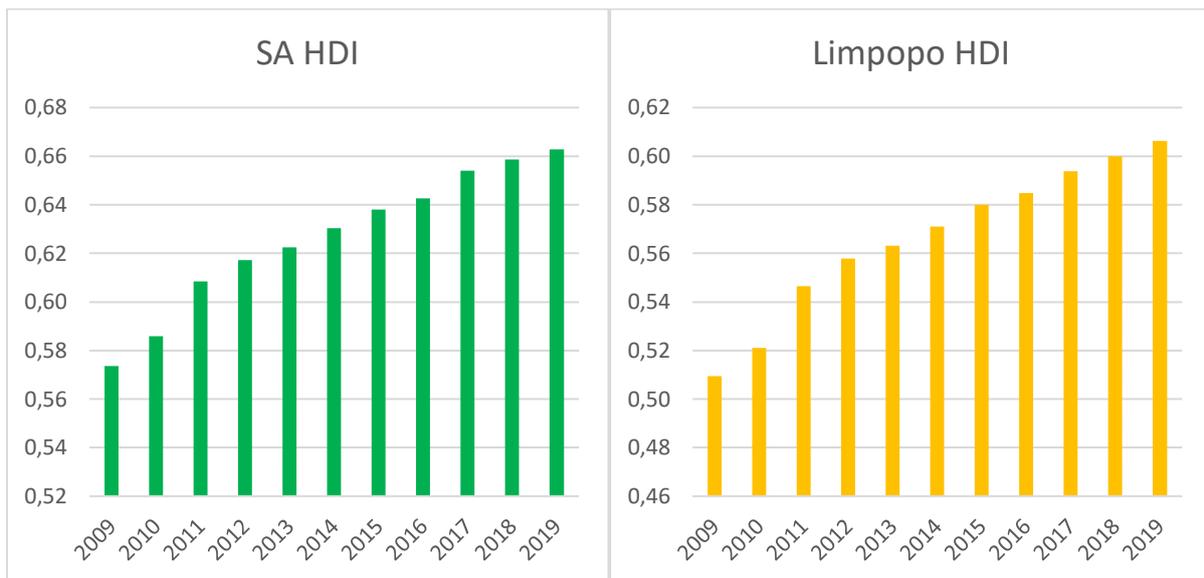
Source: IHS Markit Regional Explorer 2020

Sekhukhune district at 58 percent has the highest percentage of people living below the poverty line followed by Vhembe district and Mopani district at 56.4 and 55 percent respectively. Capricorn and Waterberg district at 49.5 and 46.7 percent have the least percentage recorded for all the districts in Limpopo province in year 2019 of people living below the poverty line.

### **4.3 Human Development Index**

The Human Development Index (HDI) is a summary measure of human development. The HDI measures the average achievements in three basic dimensions which are, a long and healthy life, education, and per capita income indicators (decent standard of living). HDI is measured between 0 and 1, where 1 indicates a high level of economic development whereas 0 is for a very low level.

**Table 6: Human Development Index in South Africa and Limpopo province**



Source: IHS Markit Regional Explorer 2020

Although there was no significant difference on the HDI in year 2018 and 2019, South Africa recorded HDI of 0.66 in 2019 which symbolises great progress in development in the country from the 0.54 recorded in 2002. Between 2009 and 2019 the Limpopo human development index value increased from 0.51 to 0.61 which is 10 percentage point increase.

**Table 7: HDI in Limpopo districts**

	2015	2016	2017	2018	2019
<b>Mopani</b>	0.57	0.57	0.58	0.59	0.60
<b>Vhembe</b>	0.56	0.57	0.58	0.58	0.59
<b>Capricorn</b>	0.61	0.61	0.62	0.62	0.63
<b>Waterberg</b>	0.61	0.62	0.63	0.63	0.64
<b>Sekhukhune</b>	0.55	0.56	0.57	0.57	0.58

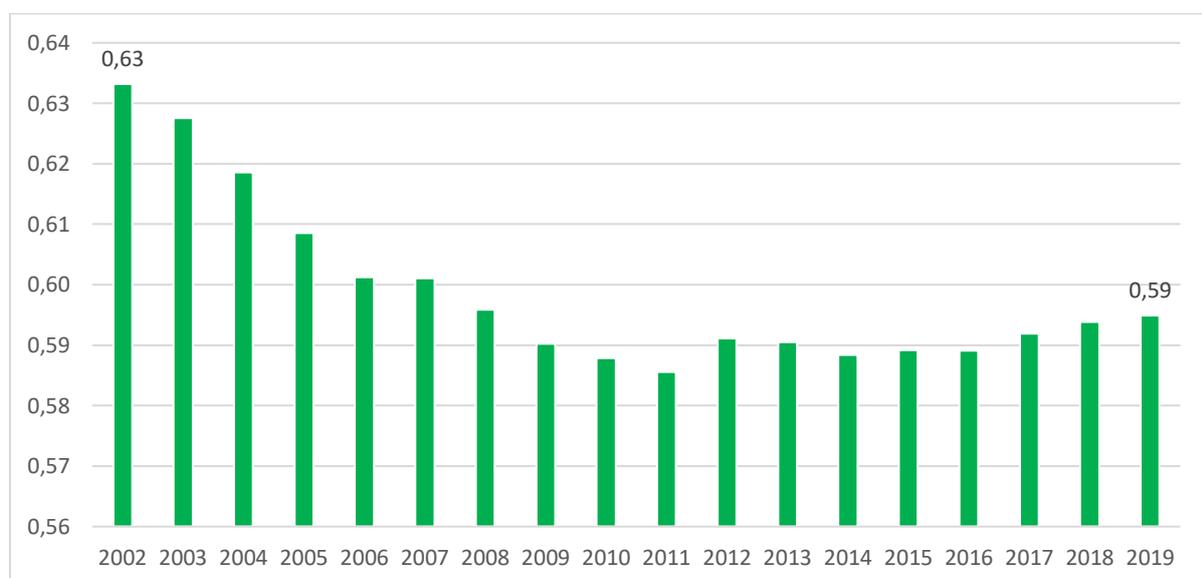
Source: IHS Markit Regional Explorer 2020

Waterberg and Capricorn district have recorded the highest HDI in 2019 of 0.64 and 0.63 respectively. Sekhukhune recorded the lowest HDI in all Limpopo districts of 0.58. Sekhukhune district is an area that therefor have the biggest need more human development.

#### 4.4 Gini Coefficient

The Gini Coefficient measures the extent to which the distribution of income among individuals or households within an economy deviates from a perfectly equal distribution. The range of measurement is between 0 and 100 percent where 0 percent represents perfect equality and 100 percent perfect inequality.

**Figure 18: Gini Coefficient in Limpopo province**



Source: IHS Markit Regional Explorer 2020

Limpopo Gini Coefficient decreased from 0.63 percent in 2002 to 0.59 in 2019. The inequality in the province still remains significantly high and continues to be a challenge that the South African government is trying to reduce. Skewed income distribution, unequal access to opportunities and regional disparities contribute to inequality. Comparable countries have Gini coefficients closer to 0.40.

Although the government is putting much effort to reduce inequality, the progress has been very sluggish. Key policy frameworks such as Reconstruction and Development Programme (RDP), Growth, Employment and Redistribution (Gear), Accelerated and Shared Growth Initiative for South Africa (Asgisa) and the National Development Plan

(NDP) has been implemented to reduce inequality. The RDP policy played a massive role in meeting basic needs of people including housing, land, water, sanitation, health care, and related basic service.

**Table 8: Inequality on district level**

Years/ Districts	2015	2016	2017	2018	2019
<b>Mopani</b>	0.59	0.59	0.59	0.59	0.59
<b>Vhembe</b>	0.57	0.57	0.57	0.57	0.57
<b>Capricorn</b>	0.60	0.60	0.60	0.60	0.60
<b>Waterberg</b>	0.60	0.60	0.61	0.61	0.61
<b>Sekhukhune</b>	0.56	0.56	0.57	0.57	0.58

Source: IHS Markit Regional Explorer 2020

When all residents in the districts receive the same income the Gini Coefficient would be at 0 percent and when one person receives all the income while others receive nothing the Gini Coefficient would be at 100 percent. Vhembe district has the most equal income distribution in the province followed by Sekhukhune district at 0.57 and 0.58 respectively in 2019. Waterberg and Capricorn districts have recorded the highest income inequality in 2019 with 0.61 and 0.60 respectively. This is an indication of fewer residents in Waterberg and Capricorn district are holding more wealth than the rest of the population. Prior research has confirmed that the poorer areas in Limpopo has lower Gini coefficients compared to the areas where more development is taking place for example Polokwane and Lephalale.

#### **4.5 Conclusion and recommendations**

It is very necessary to analyse the development indicators of a country as they give the government an indication of areas which requires development. Poverty and Inequality remains as a challenge for the country, and the province, as more and more of the citizens find themselves in very difficult economic conditions. The province needs to embark on strengthening the implementation of policies that will help in

poverty alleviation. This can be in the form of creating sustainable low income jobs where people will be appointed on a full time basis.

It is quite clear that the Covid-19 pandemic is likely to continue worsening the livelihood of many residents. The government should partner with the private sector in terms of giving support, protecting the existing job opportunities and creating a conducive environment for more jobs to be created in private businesses to curb an increase in poverty.

## **CHAPTER 5: SOCIAL SERVICES**

### **5.1 Introduction**

This chapter analysis the progress that has been made in terms of providing social services to the citizens of the country and the province. Analysis of the status of health, social development and security issues in the province is of great importance as this issue plays a very critical role on the daily lives of the citizens and it has a direct impact on improving the level of services they receive from the state.

### **5.2 Health**

The importance of health care provisioning in the country and the province can never be more emphasised, especially in these times when the world and the country is facing the deadly Covid-19 outbreak, which is potentially affecting every individual in the planet. The health care centres, both private and public, were called to task as they were expected to provide intensive care services at an emergency, with limited time to prepare. Covid-19 exposed flaws in provision of good quality health care in the country in terms of the people that can afford private health care and those that depend on government. Together with this health care challenge the extreme situation in terms of poverty has been highlighted. Both of these issues needs serious attention.

#### **5.2.1 Self-reported health status of individuals**

In this section individuals made self-assessments on their own health based on their own definition of health.

It was found that more than 92,1 percent of South Africans perceived their health to be good, very good or excellent. A slightly higher percentage of males at 26,6 percent than females at 25,0 percent rated their health as Excellent. 37.3 percent of Persons who self-identified as Coloured rated their health as Excellent, with 32.3 percent of the White persons rating themselves as in excellent health, Black individuals rating 24,2 percent as excellent, and the Indian/Asian individuals at 16,6 percent. Generally, the South African individuals rate themselves healthy with just a very minimal percentage of less than 2,0 percent rating themselves as being in poor health condition.

**Table 9: Percentage distribution of self-reported health status of individuals by sex and population group, 2019**

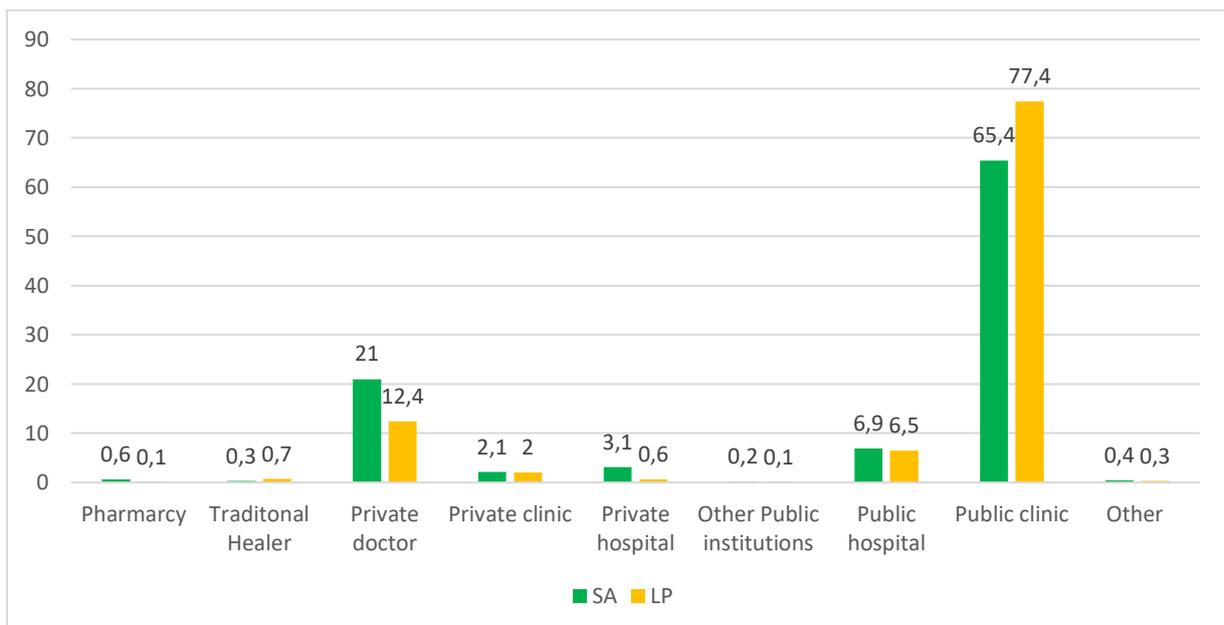
	Male	Female	Black African	Coloured	Indian/Asian	White	South Africa
	Sex		Population Group				
Poor	1.5	2.0	1.8	1.6	1.4	1.6	1.7
Fair	5.3	7.1	6.1	6.4	6.9	7.2	6.2
Good	38.7	39.8	40.4	32.8	48.2	31.2	39.2
Very Good	28.0	26.2	27.5	22.2	27.0	27.7	27.1
Excellent	26.6	25.0	24.2	37.3	16.6	32.3	25.8

StatsSA: General Household Survey, 2019

### 5.2.2. Place of consultation

It is important to take note of the place of consultation because the provincial budget for health depends on the number of people who wants to consult and public clinics and hospitals.

**Figure 19: Percentage distribution of the type of health-care facility consulted first by the households when members fall ill or get injured by province, 2019**



StatsSA: General Household Survey, 2019

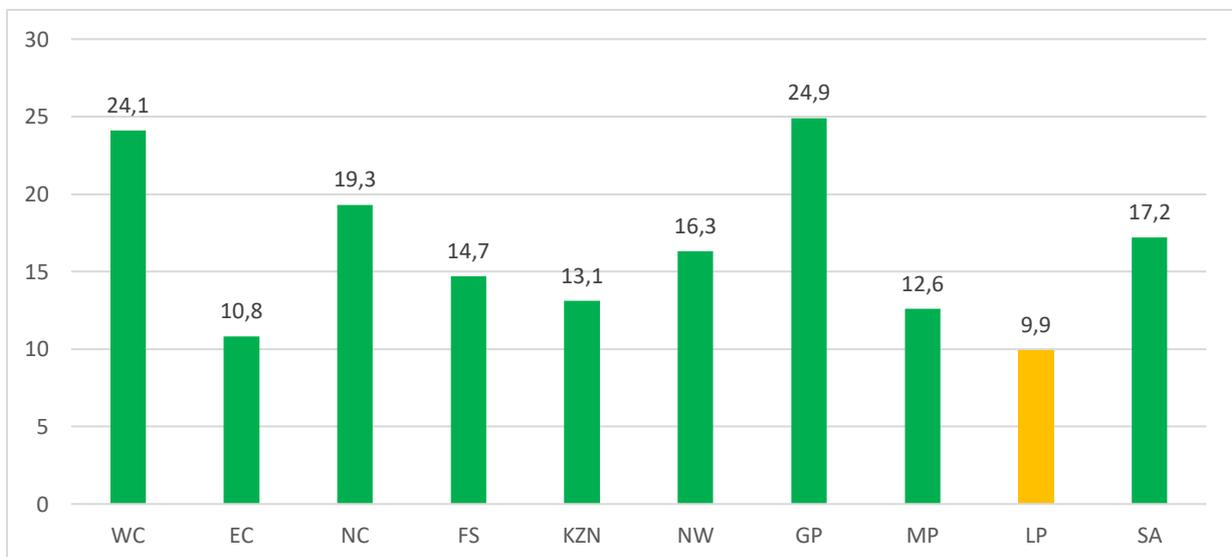
The above figure shows the type of health-care facility that household members commonly visit first when household members fall ill or have accidents. The figure shows that, nationally, 65,4 percent of households said that they would first go to public

clinics, as compared to 77,4 percent in Limpopo province. About 26,8 percent of households in the country said that they would first consult a private doctor, private clinic or hospital, compared to about 15 percent in the province. Only 0,3 percent of responding households said that they would first go to a traditional healer in the country and 0,7 percent in Limpopo. The conclusion is that the majority of people in the Limpopo province depends on public health care facilities like clinics and hospitals.

### 5.2.3. Medical aid coverage

The COVID-19 pandemic highlighted the issue of the affordability for different sections of the population very pertinently.

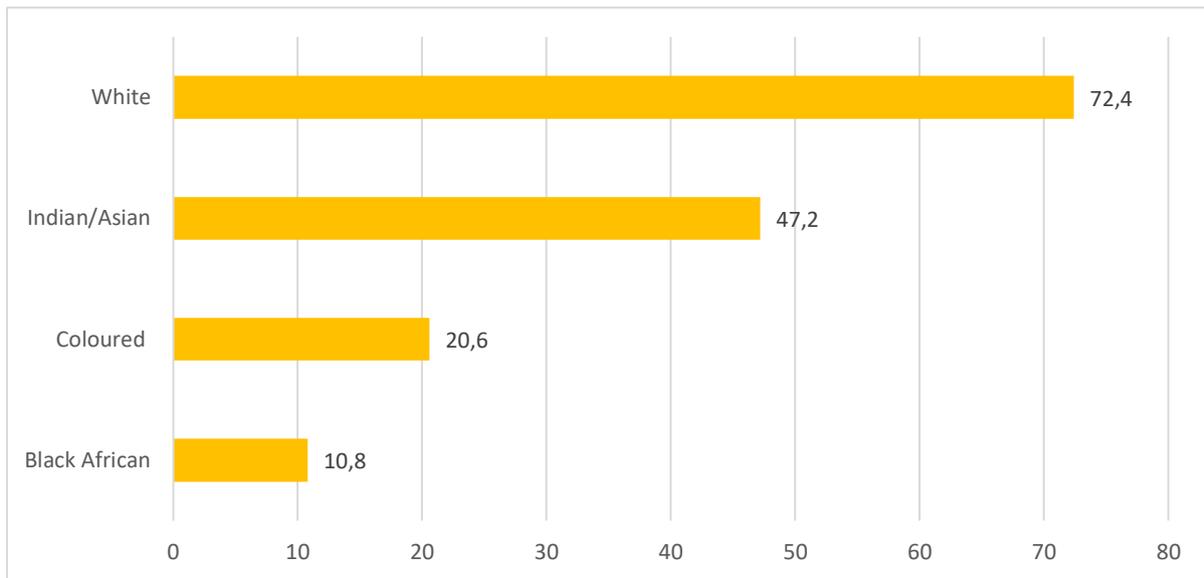
**Figure 20: Percentage of individuals who are members of medical aid schemes per province, 2019**



StatsSA: General Household Survey, 2019

About 17,2 percent of South African individuals in 2019 were covered by medical aid scheme. Gauteng and Western Cape were the highest provinces with individuals covered by medical aid in the country at 24,9 and 24,1 percent respectively. During this period, the number of individuals who were covered by a medical aid scheme in Limpopo Province were recorded at 9,9 percent, the lowest in the country.

**Figure 21: Percentage of individuals who are members of medical aid schemes by population group, 2019**



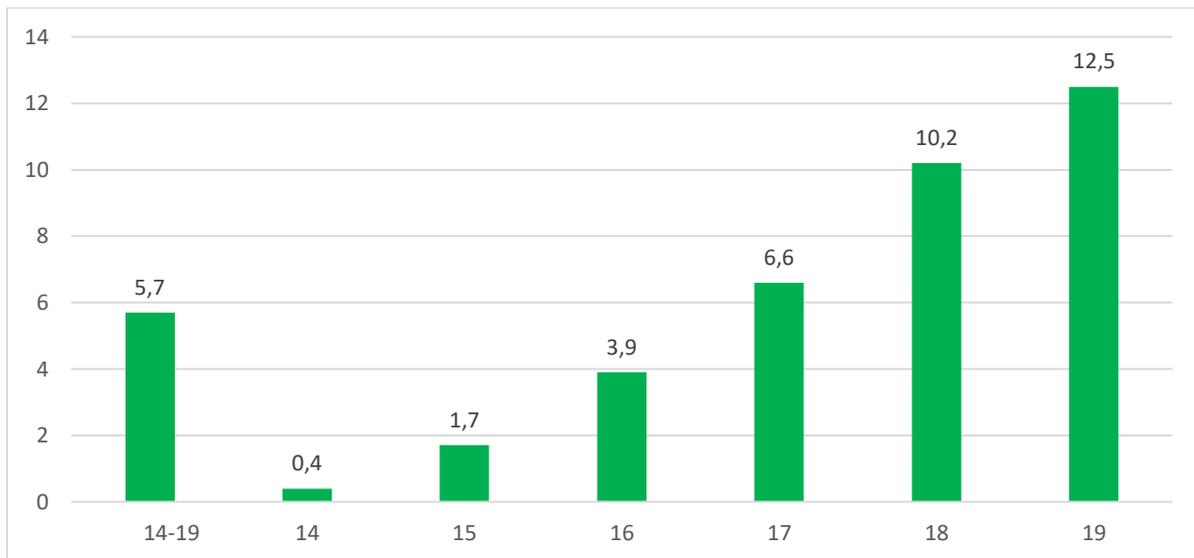
StatsSA: General Household Survey, 2019

About 72,4 percent of white individuals in South Africa were members of a medical aid scheme compared to about one-half or 47,2 percent of Indian/Asian individuals. By comparison, only 10,8 percent of black Africans were covered by a medical aid scheme. This explains the low level of medical aid coverage in the Limpopo province.

### **5.3 Teenage pregnancy**

A debate currently exists in South Africa on whether the child grant leads to higher levels of teenage pregnancy. This section will assess the results for teenagers aged 14 to 19 years of age in terms of pregnancy prevalence. It was found that 5,7 percent of females in the age group 14–19 years were at different stages of pregnancy during 2019. The prevalence of pregnancy increased with age, rising from 0,4 percent for females aged 14 years, to 12,5 percent for females aged 19 years.

**Figure 22: Percentage of females aged 14–19 who were pregnant during the year preceding the survey, 2019**



StatsSA: General Household Survey, 2019

It is a concern that more than 1 out of 10 of the 18 and 19 year olds in South Africa, is pregnant. Research indicates that the availability of grants does not lead to more teenage pregnancies. Teenage moms with one child is less likely to get a second child when they receive a grant than teenage moms who do not receive a grant.

#### **5.4 The impact of the Corona Virus (Covid-19) on health care**

According to the World Health Organisation (WHO), COVID-19 is a contagious disease caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The first case was identified in Wuhan, China, in December 2019. It has since spread worldwide even to countries like South Africa, leading to an ongoing pandemic. Symptoms of COVID-19 are variable, but often include fever, cough, fatigue, breathing difficulties, and loss of smell and taste. Symptoms begin one to fourteen days after exposure to the virus. Of those people who develop noticeable symptoms, most (81 percent) develop mild to moderate symptoms (up to mild pneumonia), while 14 percent develop severe symptoms (dyspnoea, hypoxia, or more than 50 percent lung involvement on imaging), and 5 percent suffer critical symptoms (respiratory failure, shock, or multi-organ dysfunction).

At least a third of the people who are infected with the virus remain asymptomatic and do not develop noticeable symptoms at any point in time, but they can spread the disease. Some patients continue to experience a range of effects known as long COVID-19 for months after recovery, and damage to organs has been observed.

The preventive measures for the virus include physical or social distancing, quarantining, ventilation of indoor spaces, covering coughs and sneezes, hand washing, and keeping unwashed hands away from the face. The use of face masks or coverings has been recommended in public settings to minimise the risk of transmissions. Several vaccines have been developed and various countries have initiated mass vaccination campaigns. Although work is underway to develop drugs that inhibit the virus, the primary treatment is currently symptomatic. Management involves the treatment of symptoms, supportive care, isolation, and experimental measures.

#### **5.4.1. Corona Virus in South Africa**

On 5 March 2020, South Africa recorded its first case of Covid-19. By the 11th of March, the WHO declared Covid-19 a global pandemic. South Africa's first Covid-19 related death occurred on 27 March 2020. Subsequently, President Ramaphosa announced an international travel ban, amongst other measures, and by early April, the age mortality profile of the disease was shared with health practitioners, academics, statisticians and planners. Countries which have populations that are on average older, (which tend to be the more developed countries), experienced significantly higher numbers of Covid-19 related deaths among their elderly. However, developed countries also have better functioning health systems. Although the health burden may be greater in developed countries due to their age profile, they have greater ability to meet it. South Africa, recognising its vulnerabilities, immediately responded with a lockdown to curb the spread and flatten the infection curve and provide healthcare systems with time to prepare their institutions for the possible surge in infections.

**Figure 23: SA Corona Virus numbers as of 31 January 2021**



Source: South African COVID-19 pandemic [dashboard](#) 2021

As at 31 January 2021 South Africa recorded 1,453 million cases, with 1,299 individuals who had recovered and 109 thousand still being active, while around 44 thousand has succumbed to the virus. The country has performed around 8,279 million tests. The high recovery rate is an indication that the management of the crisis by government was relatively successful.

#### 5.4.2. Provincial Corona Virus

The Limpopo province was fortunate enough not to be one of the COVID-19 hotspots in the country during the first wave of outbreaks. During the second outbreak the Capricorn district was identified as a hotspot.

In terms of the provincial infections, Gauteng (388 thousand), KwaZulu Natal (315 thousand) Western Cape (269 thousand) are the three most infected provinces, with Limpopo (57 thousand), North West (57 Thousand) and Northern Cape (32 thousand) being the least infected.

**Table 10: Provincial corona virus as at 31 January 2021**

Province	Cases	Deaths	Recoveries	Active Cases
	Total	Total	Total	Total
<b>Gauteng</b>	388 620	8 198	366 964	13 458
<b>KwaZulu Natal</b>	315 033	8 578	260 195	46 260
<b>Western Cape</b>	269 633	10 247	243 019	16 367
<b>Eastern Cape</b>	191 997	10 654	178 325	3 018
<b>Free State</b>	76 279	2 716	64 499	9 064
<b>Mpumalanga</b>	65 054	988	59 511	4 555
<b>Limpopo</b>	57 981	1 269	53 217	3 495
<b>North West</b>	57 154	933	46 440	9 781
<b>Northern Cape</b>	32 010	581	27 450	3 979
<b>Total</b>	1 453 761	44 164	1 299 620	109 977

Source: South African COVID-19 pandemic [dashboard](#) 2021

## 5.5 Social Development services

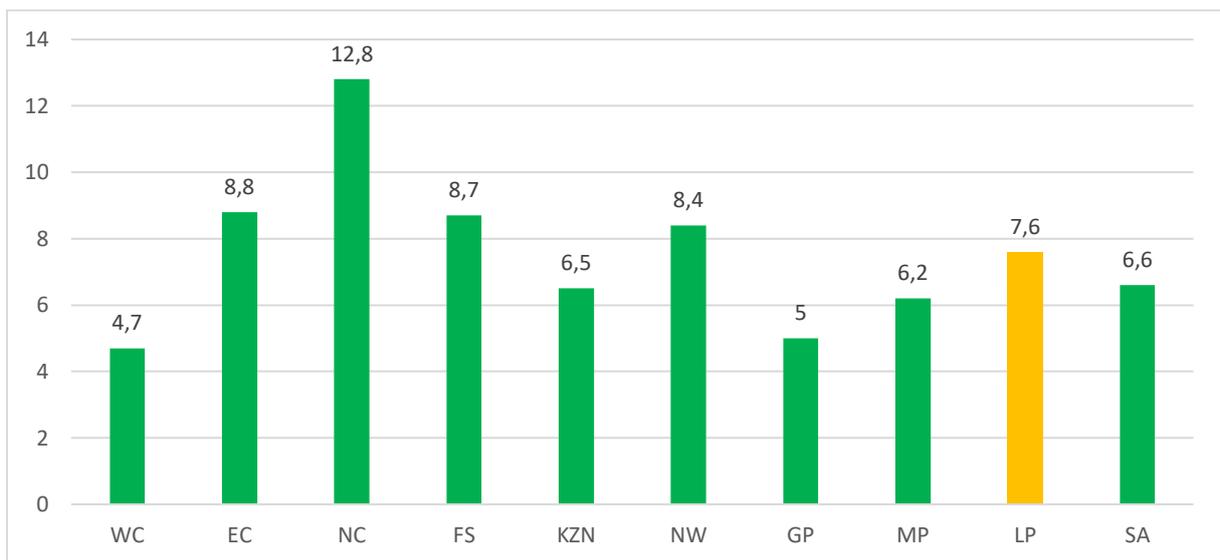
### 5.5.1 Disability

The People with disabilities has been identified as a key constituency in South Africa. The White Paper on the Rights of Persons with Disabilities 2016, broadly outlines the responsibilities and accountabilities of the various stakeholders involved in providing barrier-free, appropriate, effective, efficient and coordinated service delivery to persons with disabilities.

During the Statistics SA General household survey, individuals in the household were required to rate their ability to perform a range of activities such as seeing, hearing, walking a kilometre or climbing a flight of stairs, remembering and concentrating, self-care, and communicating in his/her most commonly used language, including sign language. During the analysis, individuals who said that they had some difficulty with

two or more of the activities or had a lot of difficulty, or were unable to perform any one activity, were classified as disabled. The analysis was only confined to individuals aged 5 years and older as children below the age of five years may often be mistakenly categorised as being unable to walk, remember, communicate or care for themselves when it may be due to their level of development rather than any innate disabilities they might have.

**Figure 24: Individuals aged 5 years and older with disability by gender and province, 2019**



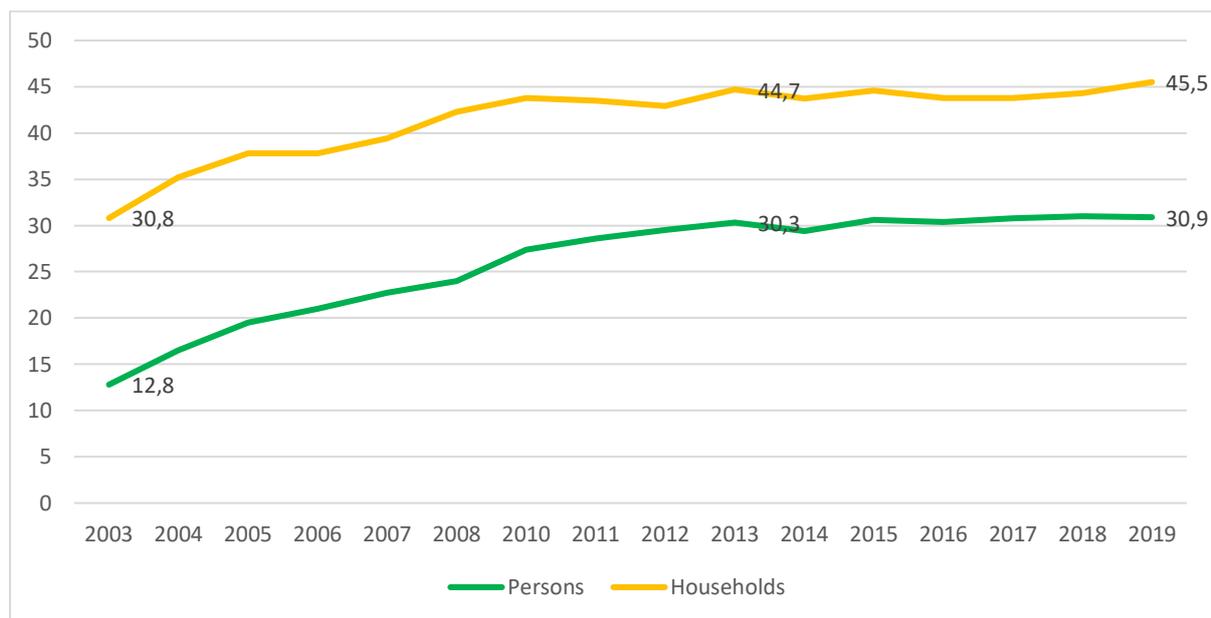
StatsSA: General Household Survey, 2019

About 6,6 percent of South Africans aged 5 years and older were classified as disabled in 2019. Northern Cape (12,8 percent), Eastern Cape (8,8 percent) and Free State (8,7 percent) presented the highest prevalence of disability in the country. Western Cape (4,7 percent) and Gauteng (5,0 percent) have the least percentage of people with disability. Limpopo province percentage of disability was recorded at 7,6 percent.

## 5.6. Social grant beneficiaries

Social grants remain a vital safety net, particularly in the poorest provinces of the country such as Eastern Cape and Limpopo. This can be attributed to the high levels of unemployment in the rural areas, leaving almost half of the population to depend on this source of income.

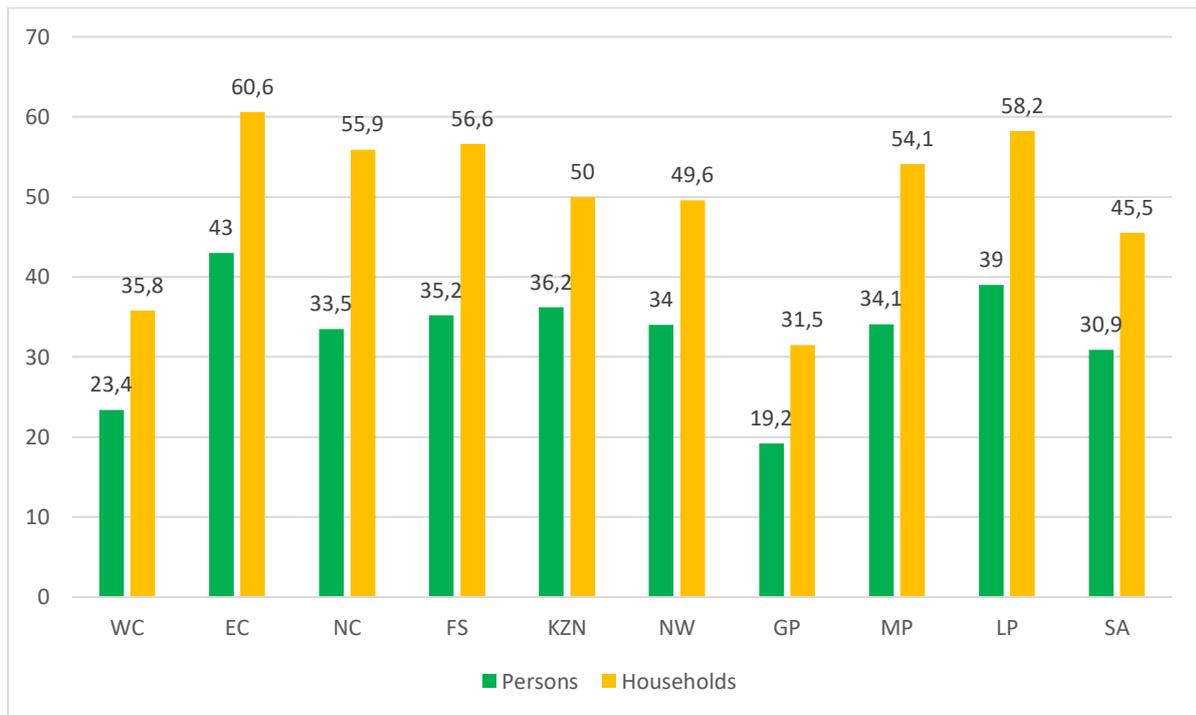
**Figure 25: Percentage of households and individuals who have benefited from social grants, 2003–2019**



StatsSA: General Household Survey, 2019

According to the General Household Survey (2019) the percentage of households and persons who benefitted from a social grant have increased notably since 2003. About 30,9 percent of persons benefitted from a grant in 2019, an increase from 12,8 percent in 2003. In terms of households, about 45,5 percent of household received one or more grants in 2019 compared to 30,8 percent of households in 2003. The above diagram shows a significant increase in both the individuals and household percentage in terms of social grant recipients in the country. Currently approximately 18 million people receives grants on a national level. The current tight fiscal situation limits government scope to further increase the provisioning of grants.

**Figure 26: Percentage of individuals and households benefiting from social grants per province, 2019**



StatsSA: General Household Survey, 2019

Eastern Cape and Limpopo are the provinces in terms of households who reported the highest percentage of households that benefited from social grants in 2019 at 60,6 and 58,2 percent respectively, while Western Cape and Gauteng are the provinces that reported the lowest percentages at 35,4 and 31,5 percent respectively. When we compare the persons who receives social grants in the provinces, Eastern Cape (43 percent) and Limpopo (39 percent) remain the highest, while Western Cape (23,4) and Gauteng (19,2) remain the lowest.

## 5.7 Crime

### 5.7.1 Overview of household crime level

The below table presents a summary of the number of victims of various types of crime together with the percentage of the population that the number represents.

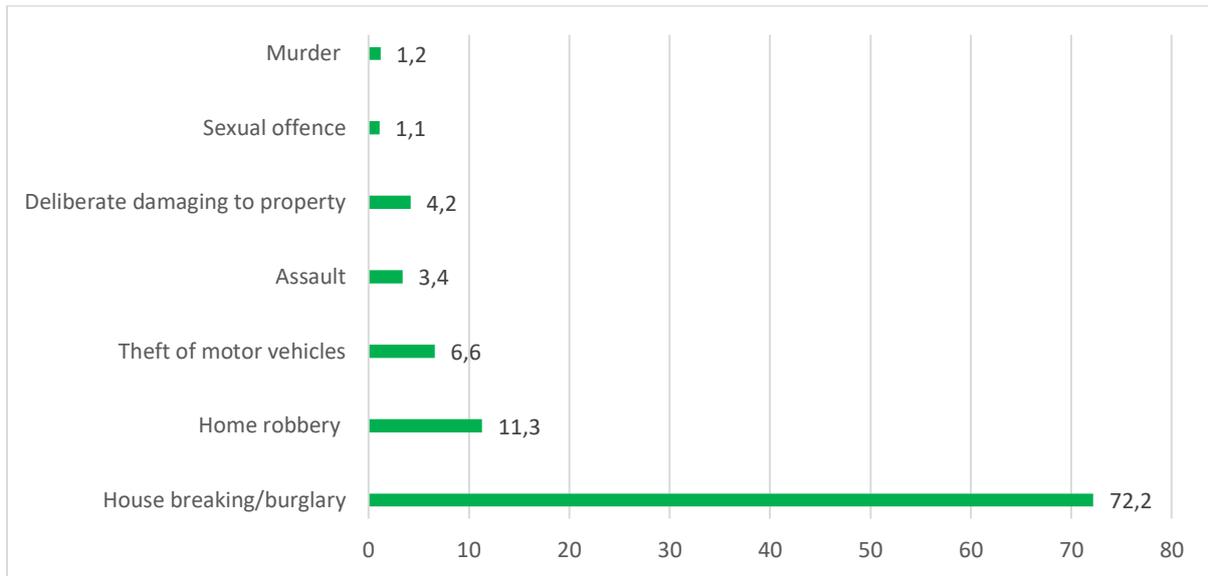
**Table 11: Number and percentage of households that experienced a specific type of crime in the 12 months preceding the survey, 2018/19–2019/20**

Indicator	Number in thousands	2018/19	2019/20
House breaking/burglary	Number	970	891
	Percent	5,8	5,3
Home robbery	Number	184	139
	Percent	1,1	0,8
Theft of motor vehicles	Number	68	82
	Percent	0,4	0,5
Assault	Number	103	42
	Percent	0,6	0,3
Deliberate damaging to property	Number	54	52
	Percent	0,3	0,3
Sexual offence	Number	15	13
	Percent	0,1	0,1
Murder	Number	12	15
	Percent	0,1	0,1

Source: Statistics SA

About 891 thousand households in South Africa experienced housebreaking in the reference period. Approximately 139 thousand households experienced home robbery, 82 thousand experienced theft of a motor vehicle, 42 thousand experienced assault, 52 thousand experienced deliberate damage to their properties, 13 thousand had sexual offence encounter and about 15 households experienced murder.

**Figure 27** Percentage distribution of type of crimes experienced by households in the 12 months, 2018/19–2019/20



StatsSA: GOVERNANCE, PUBLIC SAFETY, AND JUSTICE SURVEY 2019/20

The figure above shows the percentage distribution of the type of crimes experienced by households. Housebreaking accounts for 72 percent of the household crimes, followed by home robbery 11,3 percent, theft of motor vehicle 6,6 percent, and deliberate damaging to property at 4,2 percent. Murder and sexual offences respectively contributed around 1 percent to the total percentage of household crimes.

## 5.8 Conclusion and recommendations

Generally, South African citizens are found to be in good state of health. Social and physical activities that promote healthy life styles need to be introduced and encouraged by the provincial government, as this will lead individuals in the rural areas of the province to be kept healthy and out of the hospitals, as it has already been identified that the hospitals in the country and the province cannot deal with high influx of patients as exposed by the Covid-19 challenges. The Province and the Department of Health need to channel more resources in improving the state of provincial hospitals, as it has been identified that the public hospitals and clinics play a major role as the first point of entry for individuals who felt ill.

Teenage pregnancy continues to be a challenge facing the youth of the province and the country. The provincial government should partner with parents and encourage them to provide their children with sex education from an early age to enable the girls to make more informed decisions about their sexual behaviour. This in turn will assist in reducing the number of young people who are dependent of social grants.

The safety of the provincial citizens and that of the country is one of the key priorities for the government, especially crimes that are affecting children and women. Educational roadshows on Gender based violence (GBV) need to be strengthened by the Department of Community Safety, especially in schools, as it will be beneficial to educate the boy child and young girls of the issues of GBV at a young age. More resources need to be channelled towards community safety as this has negative effects on possible new investors to the province as investors will be reluctant to invest in areas where their assets will not be secured.

## **Chapter 6: Education**

### **6.1 Introduction**

Human capital development through improved education is an important contributor to higher economic growth and personal growth and development. Primary and secondary education all raise the productivity of workers. Countries with high literacy rates stand a greater chance of developing faster than those with low literacy rates. The tertiary education on the other hand supports the development of capable states. Countries with better educated citizens are more equipped to deal with new challenges and technological advances.

While countries are at different points in their COVID-19 infection rates, most governments around the world have temporarily closed educational institutions in an attempt to contain the spread of the COVID-19 pandemic. Some countries have implemented localized closures impacting millions of additional learners. With this sudden shift away from the classroom in many parts of the globe, some are wondering whether the adoption of online learning will continue to persist post-pandemic, and how such a shift would impact the worldwide education market. While some believe that the unplanned and rapid move to online learning, with no training, insufficient bandwidth, and little preparation, will result in a poor user experience that is uncondusive to sustained growth, while others believe that a new hybrid model of education will emerge, with significant benefits.

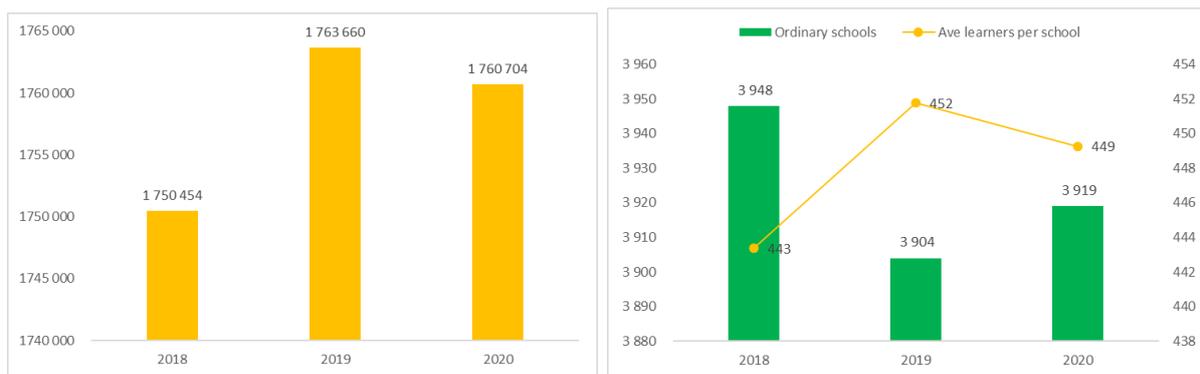
Government needs to adapt to the new digital economy by embracing the fourth industrial revolution in school curriculum, digital literacy and ICT infrastructure at schools.

### **6.2 Learner Enrolment and number of ordinary schools**

As the provincial population grows, the learner enrolment has also increased over the years. The learner population in the province rose from 1.750 million in 2018 to 1.763 million in 2019 (an increase of 13 206) and moderated to 1.760 million in 2020. This

increase in the school going population is the reason why education infrastructure spending, either through new infrastructure or maintenance of existing infrastructure, continues to be a priority. However, the number of ordinary schools decreased from 3 948 in 2018 to 3 919 in 2020, with the learner to school ratio at 449 in 2020. The more schools are available, the lower the learner to school ratio which also contributes positively to the learner to teacher ratio over time.

**Figure 28: Learner Enrolment and number of ordinary schools - Learner School ratio**



Limpopo Department of Education 2020

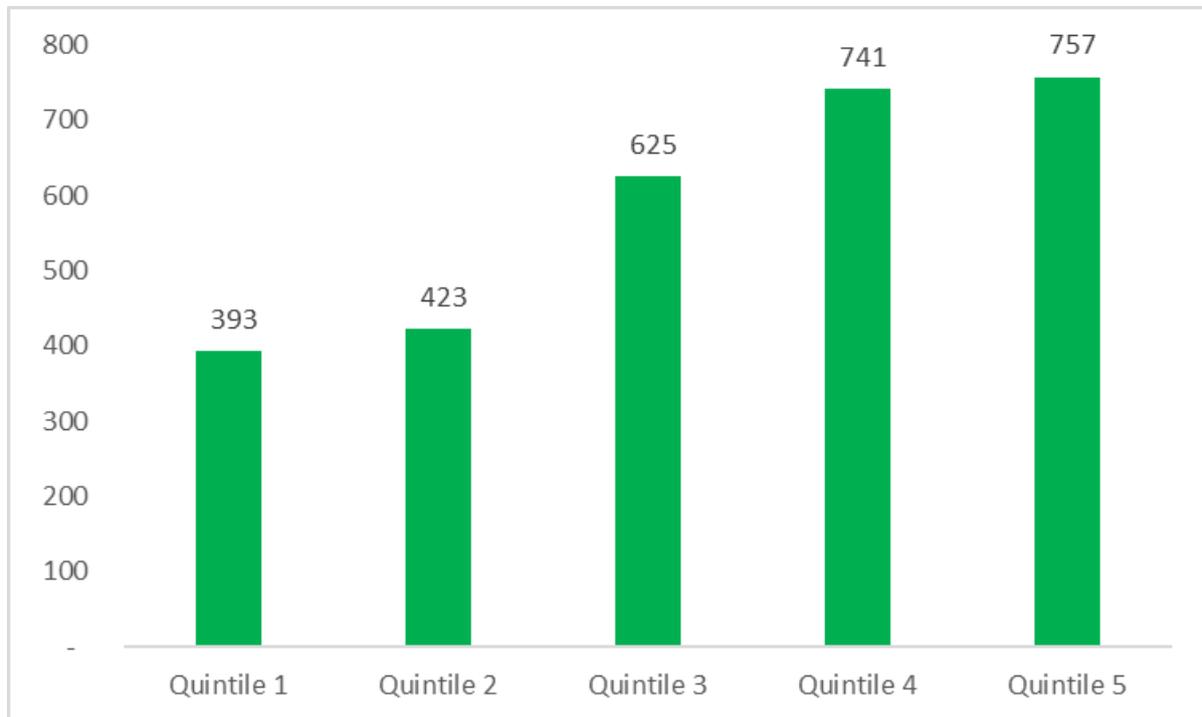
### 6.3 Learner School ratio

Quintile 1 and 2 schools on average have less learners compared to the provincial average of 449 learners per school. Generally, there are more schools in rural areas as compared to urban areas. However, some of the schools are relatively small (farm schools in particular) and do not have enough of learners or teachers for them to remain viable in the long run. It is for this reason that the province embarked on rationalising rural or farm schools to improve the quality of education, to expedite the resourcing of schools, and to promote access to schools in rural areas.

Among other reasons for school rationalisation are a decline in the admission of learners at rural or farm schools, the cost effectiveness of maintaining such schools and the schools being unable to provide adequate curriculum choices. The proximity of public schools on private property may complicate access to the school by educators, learners, parents, government officials, contractors and other service providers. Many rural and farm schools do not function properly due to the lack of

adequate facilities such as, no water in the school yard, no proper functional toilets and dilapidated buildings.

**Figure 29: Learner School ratio per Quintile**



Limpopo Department of Education 2020

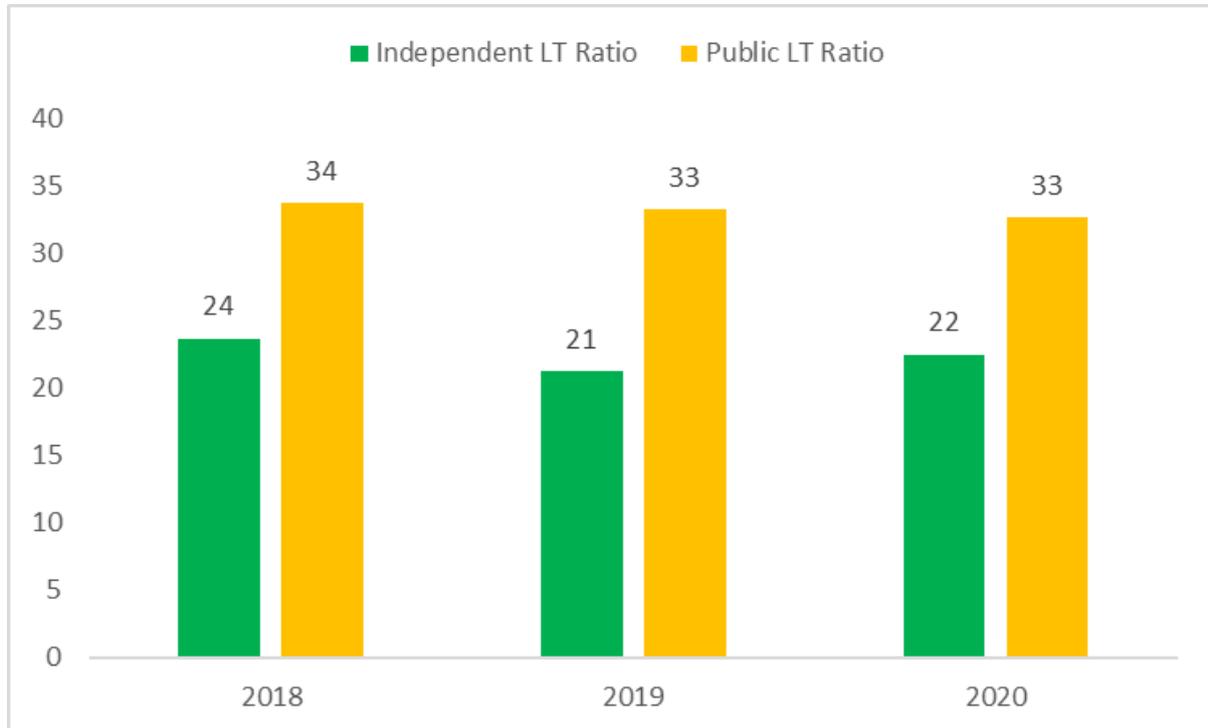
#### **6.4 Learner Educator ratio**

Generally independent schools have relatively low average number of learners per class room. In 2020 the average number of learners per educator was 22 learners while in public schools was 33 learners. Bayo (2005) found that smaller classes benefit all pupils because of individual attention from teachers, but low-attaining pupil's benefit more at the secondary school level than at primary school level. Pupils in large classes drift off task because of too much instruction from the teacher to the whole class instead of individual attention, and low-attaining students are most affected. Students benefit in later grades from being in small classes during early grades.

Learner performance in the province is likely to improve when lower grades learner teacher ratio is relatively low in order for educators to provide all learners adequate attention to cover the required syllabus. In this instance rural schools will have a

compromised learner performance, in general, due to relatively high learner teacher ratio as compared to urban schools.

**Figure 30: Learner Educator (LT) ratio**



Source: Limpopo Department of Education 2020

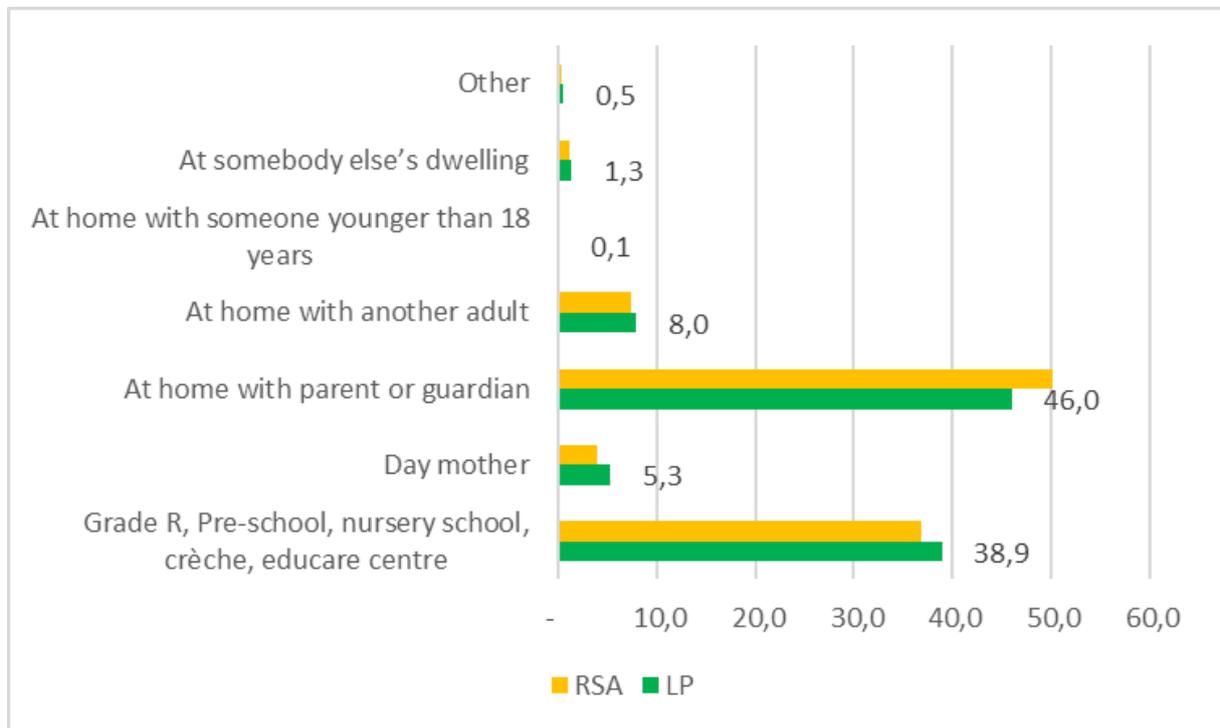
## 6.5 Early Childhood Development

Many children do not reach their full human potential because of their families' income status, geographic location, ethnicity, disability, religion or sexual orientation. They do not receive adequate nutrition, care and opportunities to learn. Policy decisions and investments by government related to access to Early Childhood Development (ECD) provisioning has increased over time. This was important as the majority of the people in the country live in poverty and cannot afford private child development education.

39 percent of children below the age of 5 years in Limpopo attend early childhood development centres (Grade R, Pre-school, nursery school or crèche), while 54 percent are at home with a parent or a guardian or another adult. Limpopo is characterised by a relatively low skills base (low levels of education attainment), it therefore follows that the children, staying at home with the parents or guardian, are

often not receiving the adequate childhood education thereby compromising the child’s development, acquisition of language, learning to read and write, basic numeracy concepts and skills, problem-solving skills, and the establishment and maintenance of relationships.

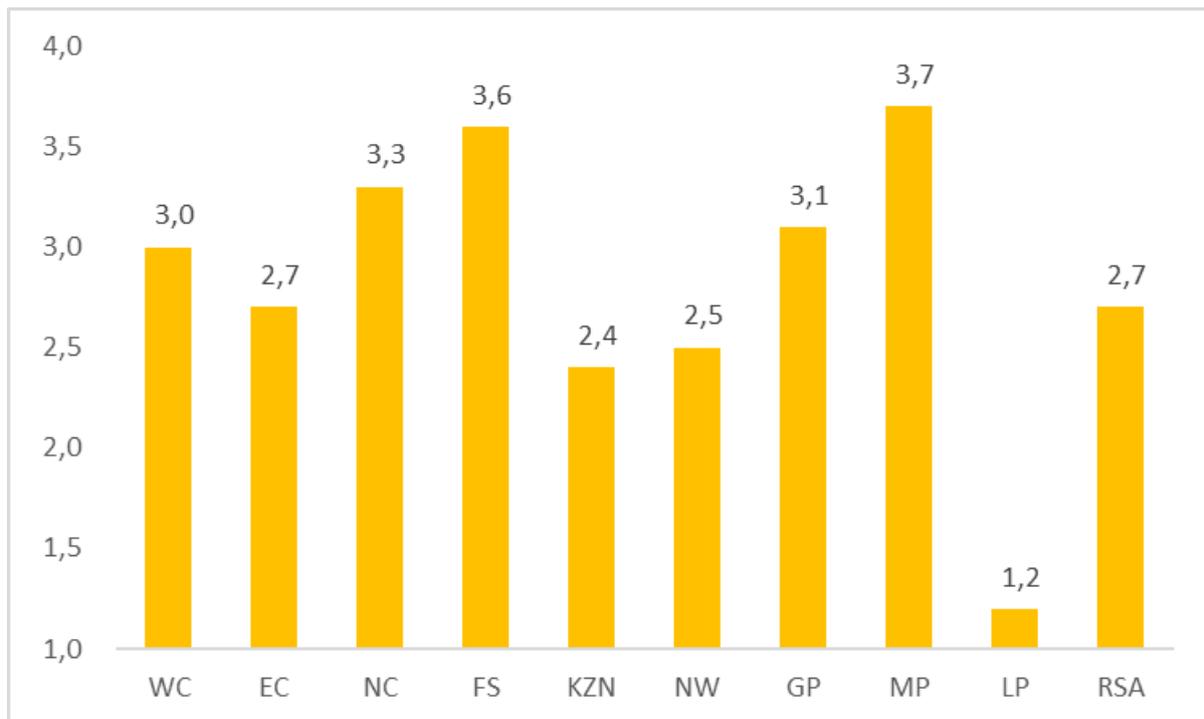
**Figure 31: Percentage of children aged 0–4 years using different child care arrangements by province, 2019**



Source: StatsSA (GHS 2019)

The Limpopo province has the lowest percentage of people aged 5 years and older attending early childhood development centre at 1.2 percent compared to the national average of 2.7 percent. This may be attributed to a number of issues such as availability of Early Childhood Development (ECD) centres in the province, limited funding for ECD centres, low average household income and inability to afford ECD centres fees and related issues.

**Figure 32: Percentage of individuals aged 5 years and older who are attending ECD centres.**



Source: StatsSA (GHS 2019)

## 6.6 Levels of education

The World Economic Forum (WEF) survey on future jobs stated that in 2025 most of the industries would have adopted technology to enhance the performance in the firms and also cut the costs. Many human jobs will be displaced by the new technology and robotics. It is expected that new skills will be needed in response to the new jobs that will emerge from the adoption of new technology work force. There will be an increase of jobs such as Data Analysts and Scientists, Artificial Intelligence (AI) and Machine Learning Specialists, Big Data Specialists, Digital Marketing and Strategy Specialists, Process Automation Specialist and Software and Applications Developers. An increase in unemployment is expected in the following jobs: Data Entry Clerks, Administrative and Executive Secretaries, Bank Tellers and Related Clerks, Door-To-Door Sales, News and Street Vendors. Some of the routine functions of even professional careers like accountants and lawyers, will also be taken over by technology.

New technology is set to drive growth in future industries. The Mining industry, Finance services industry and Transportation industry are expected to adapt these technological systems quicker than other sectors in the economy. This development will create a need for new skills for the employees to adapt to the new technological enhanced environment.

Limpopo is characterized by a low skills base with 93.4 percent (46.8 percent at primary level and 46.5 percent at secondary level) of the population have matric or lower as their highest level of education. This is a fundamental impediment for development in many aspects. Government has made strides in reducing the number of people who have never been to school in the past ten years, however the number is still high at 621 711 people in 2019. The risk of a low literate society is the comprehension and adaptation to new technology and the digital economy. The fourth industrial revolution is based on advanced skills and knowledge of highly qualified employees and will put low skilled jobs at risk.

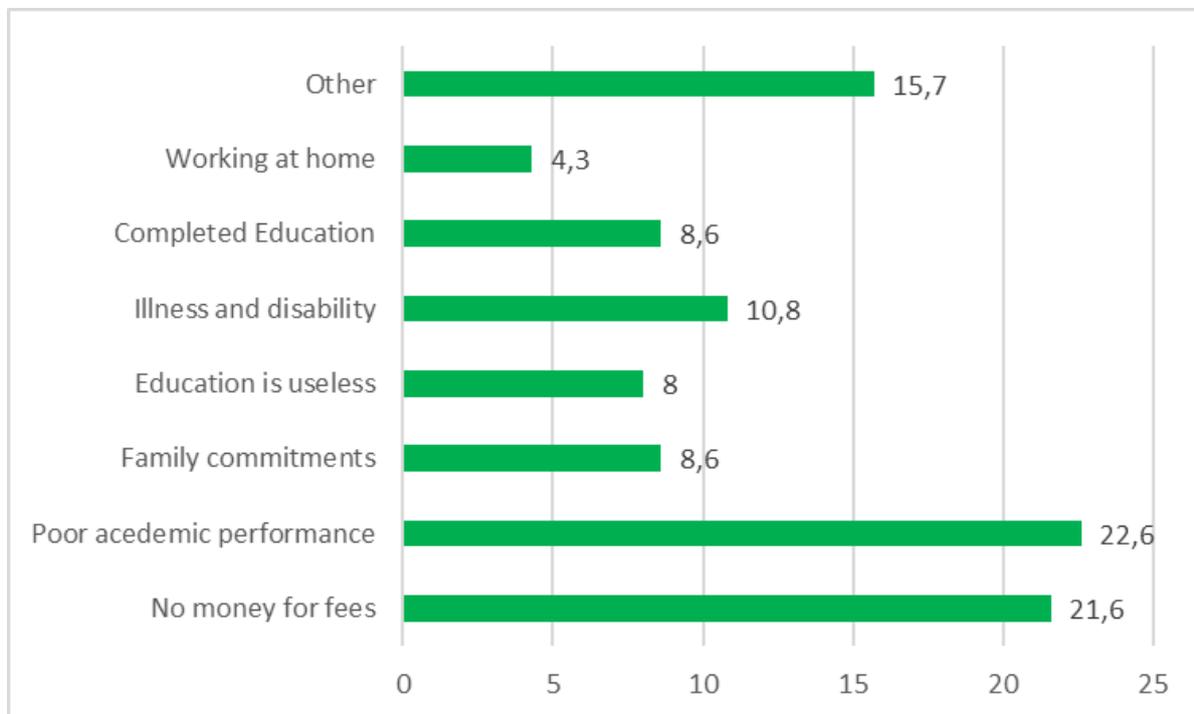
**Table 12: Education Level in Limpopo**

Level of Education	2009	2019	% of Population (2019)	
98: No schooling	842 056	621 711	11,9%	46,8%
00: Grade 0	88 597	241 098	4,6%	
01: Grade 1/Sub A	233 131	199 487	3,8%	
02: Grade 2/Sub B	172 037	193 770	3,7%	
03: Grade 3/Standard 1	212 029	210 827	4,0%	
04: Grade 4/Standard 2	229 876	223 088	4,3%	
05: Grade 5/Standard 3	232 179	230 967	4,4%	
06: Grade 6/Standard 4	245 774	238 081	4,6%	
07: Grade 7/Standard 5	311 089	289 857	5,5%	46,5%
08: Grade 8/Standard 6/Form 1	351 606	369 669	7,1%	
09: Grade 9/Standard 7/Form 2	316 287	342 910	6,6%	
10: Grade 10/Standard 8/Form 3/NTC1	372 400	453 625	8,7%	
11: Grade 11/Standard 9/Form 4/NTC11	362 039	482 113	9,2%	
12: Grade 12/Standard 10/Form 5/Matric/NTC111	557 076	782 890	15,0%	6,6%
13: Less than matric & certif/dip	15 222	13 803	0,3%	
15: Certificate with Grade 12	58 460	90 148	1,7%	
16: Diploma with Grade 12	110 782	145 158	2,8%	
17: Bachelor's Degree	32 859	47 239	0,9%	
18: Bachelor's Degree and Diploma	15 266	16 210	0,3%	
19: Honours degree	13 648	23 599	0,5%	
20: Higher Degree (Master's, Doctorate)	7 406	11 454	0,2%	

Source: Quantec 2020

About 44.2 percent of the people between the ages 7 and 18 years have sighted poor academic performance and no money for education fees as the major reasons for not attending an educational institution. About 8 percent of them feel education is useless.

**Figure 33: Percentage distribution of main reasons given by individuals aged 7 to 18 years for not attending an educational institution**



Source: StatsSA (GHS 2019)

## 6.7 Impact of Covid-19 on Children's Education in Africa

The COVID-19 pandemic is first and foremost a health crisis. Many countries have decided to close schools, colleges and universities. The crisis crystallizes the dilemma policymakers are facing between closing the economy and closing schools (reducing contact and saving lives) and keeping them open (allowing workers to go to work and educators to go to school to maintain the economy). The severe short-term disruption is felt by many families around the world with home schooling, which is not only a massive shock to parents' productivity, but also to children's social life and learning. Teaching is moving online, on an untested and unprecedented scale.

The following are but some of the effects that Covid-19 has had on learners:

1. Many children received no education after schools closed across the continent in March 2020
2. Many children received no instruction, feedback, or interaction with their teachers.
3. Students frequently studied fewer topics or less content through distance learning.
4. Many students shared feelings of stress, anxiety, isolation, and depression, which they linked to the lack of contact with their school community
5. Many parents were burdened by costs associated with trying to continue educating their children during school closures.
6. Girls faced unique barriers to continue to follow formal education from a distance. Girls are often expected to take on childcare responsibilities and household chores.
7. The digital divide due the limited access to technologies such as radios, television, computers, internet, and data left many students unable to engage in remote learning.
8. Digital literacy, for students and teachers, is increasingly recognized as an indispensable element of children's right to education.
9. Caregivers with no to low levels of formal education have greater difficult supporting children with home learning.

## **6.8 Conclusion**

School closures caused by the pandemic exacerbated previously existing inequalities, and that children who were already most at risk of being excluded from a quality education have been most affected. Before schools physically re-open, those offering remote learning should track which students participated, reach out to those that did not participate, and try to help them re-engage. Governments should recognize that digital literacy and access to the Internet are increasingly indispensable for children to realize their right to education, and should take all possible measures to provide affordable, reliable and accessible internet service for all students.

To keep the world's children learning, countries have been implementing remote education programmes. Yet many of the world's children, particularly those in poorer households, do not have internet access, personal computers, TVs or even radios at

home, amplifying the effects of existing learning inequalities. Students lacking access to the technologies needed for home-based learning have limited means to continue their education. As a result, many face the risk of never returning to school, undoing years of progress made in education around the world.

## **Chapter 7: Basic services**

### **7.1 Introduction**

COVID-19 has adversely affected the provision of basic services due to governments need to reprioritise public funds into supporting the health sector and providing for social relief for the many unemployed and poor citizens of the country. Furthermore, lockdowns and government regulations have halted a number of economic activities that led to supply shortages and project stoppages. In essence, COVID-19 has not only affected the provision of public services but has regressed many people to deprivation which will inevitably lead to high reliance on government for basic services.

The prevailing conditions are raising policy and pragmatic questions on whether government needs to evaluate public service provision. There is clearly a need to introduce innovation in the provision of public services that should result in augmenting service provision with less resources in an efficient and effective way.

### **7.2 Household infrastructure**

#### **7.2.1 Access to dwelling**

Sustainable provision of housing in Limpopo should follow a rigorous forward looking urban and rural planning framework inspired by the growth point model. Infrastructure provision is relatively expensive and takes long to complete, and it is therefore befitting for government to be prudent with economic and social infrastructure roll out in the province to achieve optimal outcomes.

The number of households that live in a house or brick structure on a separate stand or yard improved from 62.0 percent in 1999 to 86.0 percent in 2019. This is indicative of the Human Settlement Department's efforts in building the indigent population decent houses and improved average disposable income of households who have the ability to build themselves decent homes. There are only 5 percent (70 287 households) that still live in Traditional dwelling/hut structures made of traditional

materials. The COVID-19 pandemic infected less people in rural areas than in the cities due to the low population density of settlements. The risk is, however, that a high number of people are often sharing one house which limits the options for social distancing and may increase the chances of COVID-19 infection.

**Table 13: Number of households with access to dwelling**

Dwelling	1999	2009	2019	1999	2009	2019
	Number			Percent		
Total - Type of dwelling	1 203 771	1 355 777	1 549 950	100%	100%	100%
House or brick structure on a separate stand or yard	752 276	999 484	1 333 032	62%	74%	86%
Traditional dwelling/hut/structure made of traditional materials	255 349	169 137	70 387	21%	12%	5%
Flat in a block of flats	8 632	9 907	11 141	1%	1%	1%
Town/cluster/semi-detached house (simplex, duplex or triplex)	7 710	8 894	10 010	1%	1%	1%
House/flat/room, in backyard	26 648	21 223	18 132	2%	2%	1%
Informal dwelling/shack, in backyard	21 304	27 264	35 977	2%	2%	2%
Informal dwelling/shack, NOT in backyard, e.g. in an informal/squatter settlement	54 610	54 039	46 358	5%	4%	3%
Room/flatlet not in backyard but on a shared property	11 265	12 870	16 801	1%	1%	1%
Other/unspecified/NA	65 977	52 959	8 113	5%	4%	1%

Source: Quantec

### 7.3 Access to electricity

The province has majority of households electrified which 87 percent of households use electricity for lights. Only 11 percent use candles and 1 percent still use paraffin. There is a very insignificant number of households that use solar for lighting. According to the United Nations (UN) Sustainable Development Goal (SDG) seven, that aspires affordable and clean energy, further requires that there needs to be improved access to clean and safe cooking fuels and technologies to support the fight against global warming and its adverse consequences.

**Table 14: Number of households with access to electricity**

Electricity	1999	2009	2019	1999	2009	2019
	Number			Percent		
Total - Energy for lighting	1 203 771	1 355 777	1 549 950	100%	100%	100%
Other/unspecified	9 304	3 884	0	1%	0%	0%
Electricity	699 379	1 001 584	1 351 753	58%	74%	87%
Gas	3 446	2 588	2 299	0%	0%	0%
Paraffin	127 830	61 197	13 394	11%	5%	1%
Candles	361 239	279 845	170 382	30%	21%	11%
Solar	2 573	5 013	7 737	0%	0%	0%
None	0	1 665	4 385	0%	0%	0%

Source: Quantec

#### 7.4 Access to refuse removal

Only 21.0 percent of the provincial households had access to formal refuse removal in 2019. This is an improvement from the past two decades which stood at 15.0 percent. The concern is that 66 percent of the households dispose their own refuse, which remains a concern due to lack of proper management over refuse removal. The waste is often dumped polluting the air, soil, and water which, results in damaging the environment in the worst way possible.

**Table 15: Number of households with access to refuse removal**

Refuse removal	1999	2009	2019	1999	2009	2019
	Number			Percent		
Total - Refuse removal	1 203 771	1 355 777	1 549 950	100%	100%	100%
Unspecified / other	5 167	4 802	12 321	0%	0%	1%
Removed by local authority at least once a week	185 676	248 785	324 301	15%	18%	21%
Removed by local authority less often	11 701	11 715	10 692	1%	1%	1%
Communal refuse dump	21 008	17 765	21 422	2%	1%	1%
Own refuse dump	792 538	895 682	1 024 265	66%	66%	66%
No rubbish disposal	187 681	177 028	156 949	16%	13%	10%

Source: Quantec

## 7.5 Access to sanitation

There is a relatively low number of households with flushing toilets in the province at 23.0 percent, while 68.0 percent of households have access to Pit latrine sanitation. The topographic and scattered nature of rural settlements has posed a significant challenge to roll out sanitation reticulation in the province, prompting solutions suited for rural settlements.

**Table 16: Number of households with access to sanitation**

Sanitation	1999	2009	2019	1999	2009	2019
	Number			Percent		
Total - Toilet facility	1 203 762	1 355 762	1 549 950	100%	100%	100%
Flush or chemical toilet	234 960	293 006	349 010	20%	22%	23%
Pit latrine	698 227	834 226	1 056 566	58%	62%	68%
Bucket latrine	7 608	8 875	9 720	1%	1%	1%
None of the above	262 968	219 655	134 654	22%	16%	9%

Source: Quantec

## 7.6 Access to water

Only 18 percent of households have access to piped water inside the dwelling, while 34.0 percent piped water inside yard, 20.0 percent piped water on community stand: distance less than 200m. from dwelling, and 13.0 percent Piped water on community stand: distance greater than 200m. from dwelling. There is 3.0 percent (49 590 households) accessing water from dams, rivers, streams, and springs.

**Table 17: Number of households with access to water**

Water	1999	2009	2019	1999	2009	2019
	Number			Percent		
Total - Access to water	1 203 771	1 355 777	1 549 950	100%	100%	100%
Piped water inside dwelling	151 082	192 363	280 678	13%	14%	18%
Piped water inside yard	338 159	435 623	527 174	28%	32%	34%
Piped water on community stand: distance less than 200m. from dwelling	244 264	238 065	317 706	20%	18%	20%
Piped water on community stand: distance greater than 200m. from dwell	207 197	246 274	205 714	17%	18%	13%
Borehole/rain-water tank/well	74 841	55 460	39 841	6%	4%	3%
Dam/river/stream/spring	124 119	107 863	80 740	10%	8%	5%
Water-carrier/tanker/Water vendor	20 728	32 813	49 590	2%	2%	3%
Other/Unspecified/Dummy	43 382	47 316	48 508	4%	3%	3%

Source: Quantec

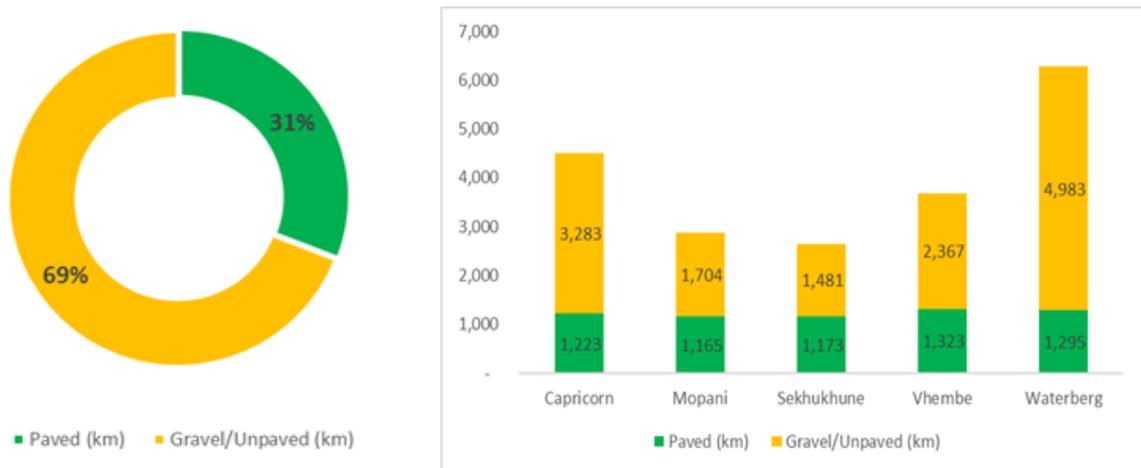
## 7.7 Roads infrastructure

The natural disaster that the country experienced early in 2021 has regressed some progress the government has made in roads infrastructure. The province witnessed erosion of bridges and roads that are critical to facilitate humans and goods mobility. The most affected are citizens in rural areas, with limited access road options.

Limpopo is largely rural and about 79.3 percent of the population resides in the rural areas. This generally presents a unique situation and presents a unique policy response towards rural development and regional development. Rural areas can thrive economically with conducive and targeted infrastructure development. As it stands, Limpopo's paved roads constitute 31 percent of the total road network, implying that the majority of the population in rural areas contend with unpaved roads and not reaping the maximum dividends of good road infrastructure. Rural communities' economic sustenance is in Agriculture, Mining and Tourism. Furthermore, some rural economies thrive due to the presence of Community services sector (mainly government services and NGO operations). This therefore requires government to have a targeted infrastructure development plan to maximise on the existing economic activities, by boosting their productivity.

All the provincial districts have a low percentage paved roads in its road network, with Waterberg and Capricorn have the largest backlog. However, the decision to develop infrastructure in the districts must be weighed against the economic and social benefit. Waterberg has the lowest aggregate population, however, there is a lucrative game farming business and tourism attracting sites that will have to be considered in the process. The Waterberg is also the energy hub for the country.

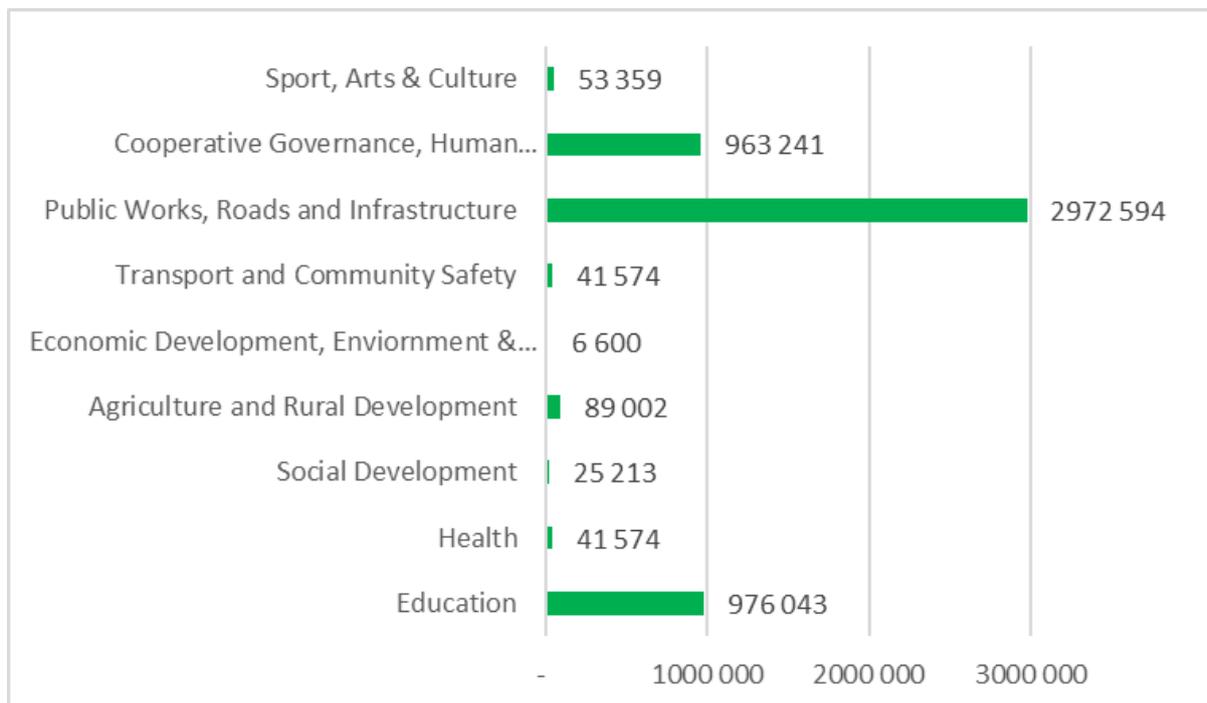
**Figure 34: Status of the provincial road network**



Source: Limpopo Provincial Treasury

The three departments with the largest infrastructure spending in the province are Public Works, Roads and Infrastructure, Education and Cooperative Governance, Human Settlement & Traditional Affairs. The departments that have low infrastructure spending are Economic Development, Environment & Tourism, Transport and Community Safety,

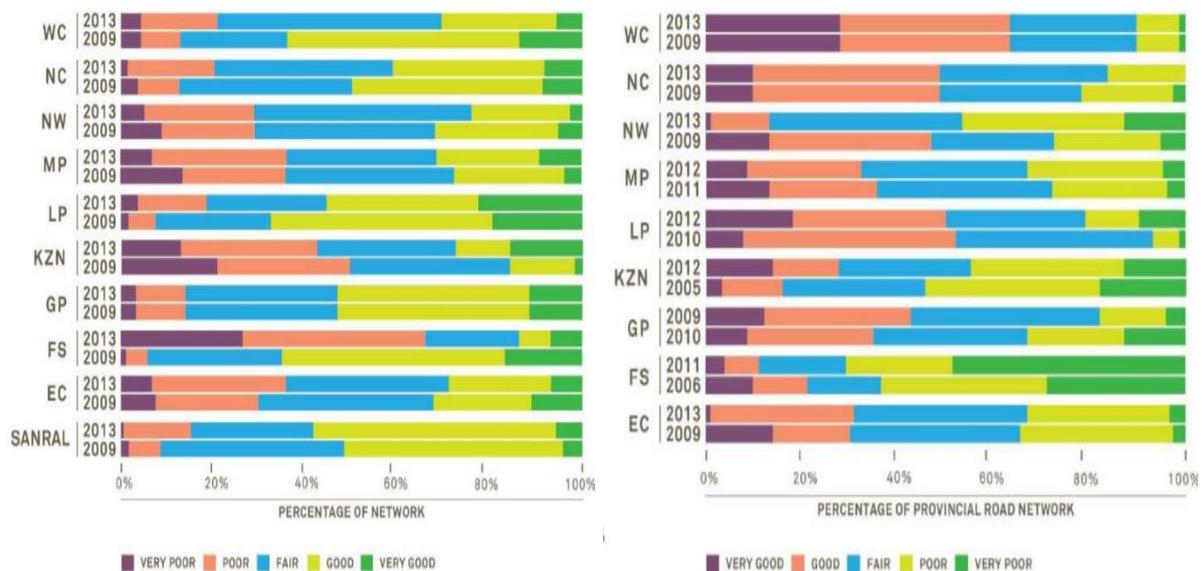
**Figure 35: Infrastructure spent by departments**



Source: Limpopo Provincial Treasury

According to Department of Public Works (2017) the visual condition index (VCI) per province derived from the latest Road Asset Management Plans (RAMPs) submitted per province. The provinces that reported an increase in the total length of road that is classified as “poor” and “very poor” are, Limpopo, the Free State and the North West. The rest of the provinces reported a decrease in length of road that is classified poor” and “very poor”, indicating an improvement in overall road conditions in these provinces

**Figure 36: RAMPS condition of road networks**



Source: Department of Transport

## 7.8 Conclusion

New technologies are required in the provision of basic services (houses, water infrastructure and roads) that are resilient to natural disasters. A province such as Limpopo, given the infrastructure backlog, requires sustainable durable infrastructure stock rather than large quantity inferior stock that will require periodic overhaul- which is both expensive and counterproductive in the long run.

Furthermore, a coordinated infrastructure approach will aid the province in achieving optimal social and economic outcomes inspired by the growth point model. The Centre

Periphery Model (Growth Points model) is the most ideal framework for the province given the vast nature of the province and human settlement is unequally spread. With the limited fiscal resources, government must be seen to have an impactful fiscal policy that generates sprouts of development. Uncoordinated fiscal policy will create white elephants or less optimally utilised infrastructure due to lack of other complimentary infrastructure. The province is mostly characterised as rural and majority of the population reside in rural areas. This implies that in order to accelerate rural development, there must be a base for agglomeration of economies (centres) that will act as a potential market for rural economies and as employment centres for those not participating in the rural economy.

## **RECOMMENDATIONS**

### **Chapter 1: Economic Overview**

- The vaccination programme should be expedited to get to herd immunity to limit the impact on the economy.
- More foreign direct investment should be attracted to the Province
- The complexity of the exports should be increased
- The growth potential of the provincial economy should be increased

### **Chapter 2: Labour market**

- The school system should provide learners with the skills needed in the economy
- Emphasis should be placed to create jobs for the low skilled workers in the Province

### **Chapter 3: Demographics**

- The province should try and benefit from the demographic dividend
- The youthful nature of the province should be highlighted in provincial planning and implementation

#### **Chapter 4: Development indicators**

- Policies to address the triple challenge of unemployment, poverty and inequality should be implemented
- The recommendations in the NDP and LDP should also be incorporated

#### **Chapter 5: Social services**

- The Department of Health should be supported in the fight against COVID-19.
- More jobs should be created to limit the number of people available from grants.
- The crime levels should be reduced to contribute to improve investor confidence

#### **Chapter 6: Education**

- Better tertiary study opportunities should be provided to limit the brain drain
- The quality of the matric pass rate should be improved with better marks in mathematics and science, with more learner getting access to go to university
- The general move to e-education should be supported with improved ICT infrastructure at schools.

#### **Chapter 7: Basic Services**

- A bigger focus should be placed on expenditure on infrastructure
- A maintenance strategy should be developed for the Province
- The expenditure on infrastructure should be optimized in terms of the economic impact
- The Province also needs a renewed focus on the provisioning of infrastructure in the rural areas in Limpopo



# LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

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