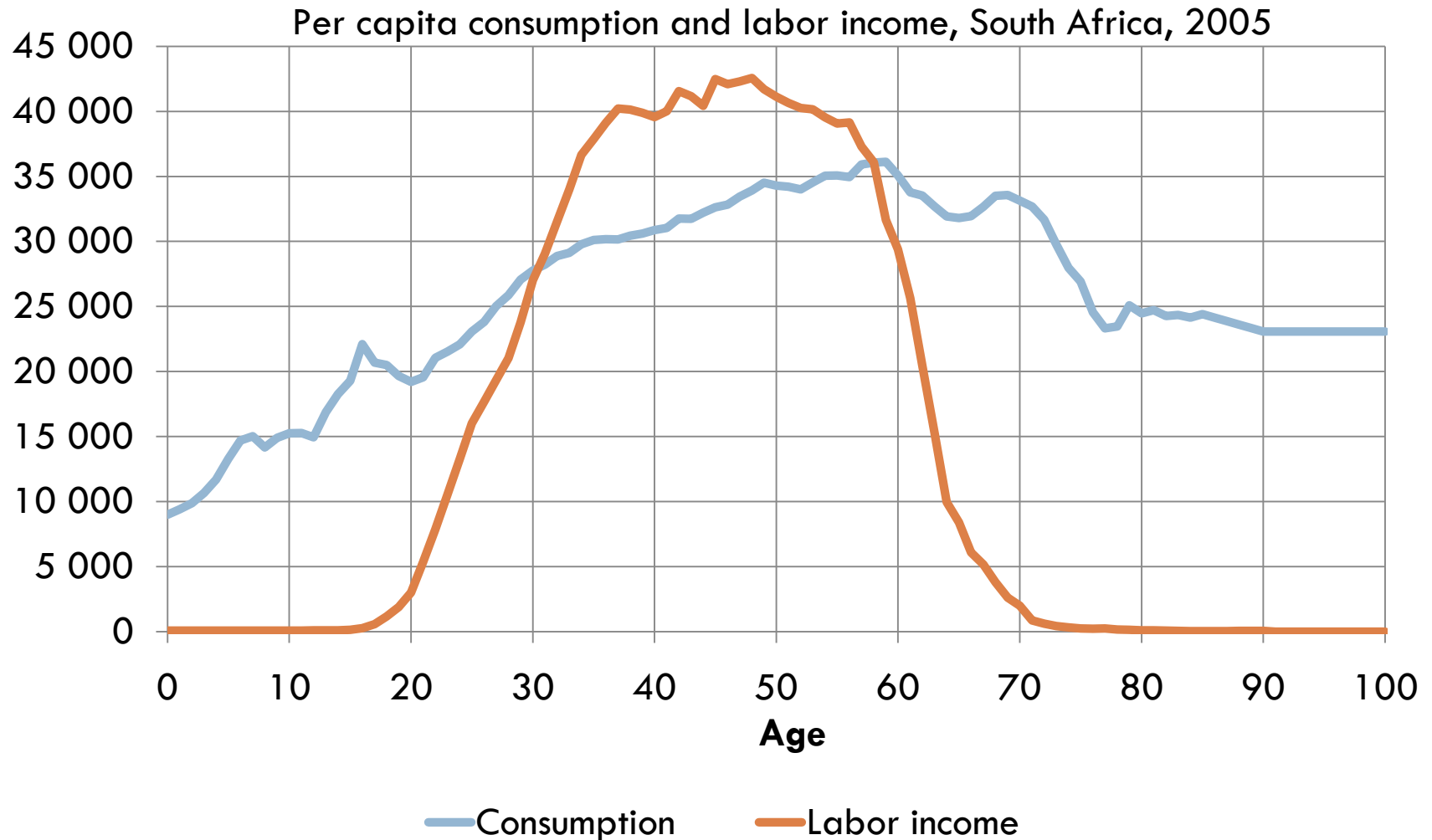


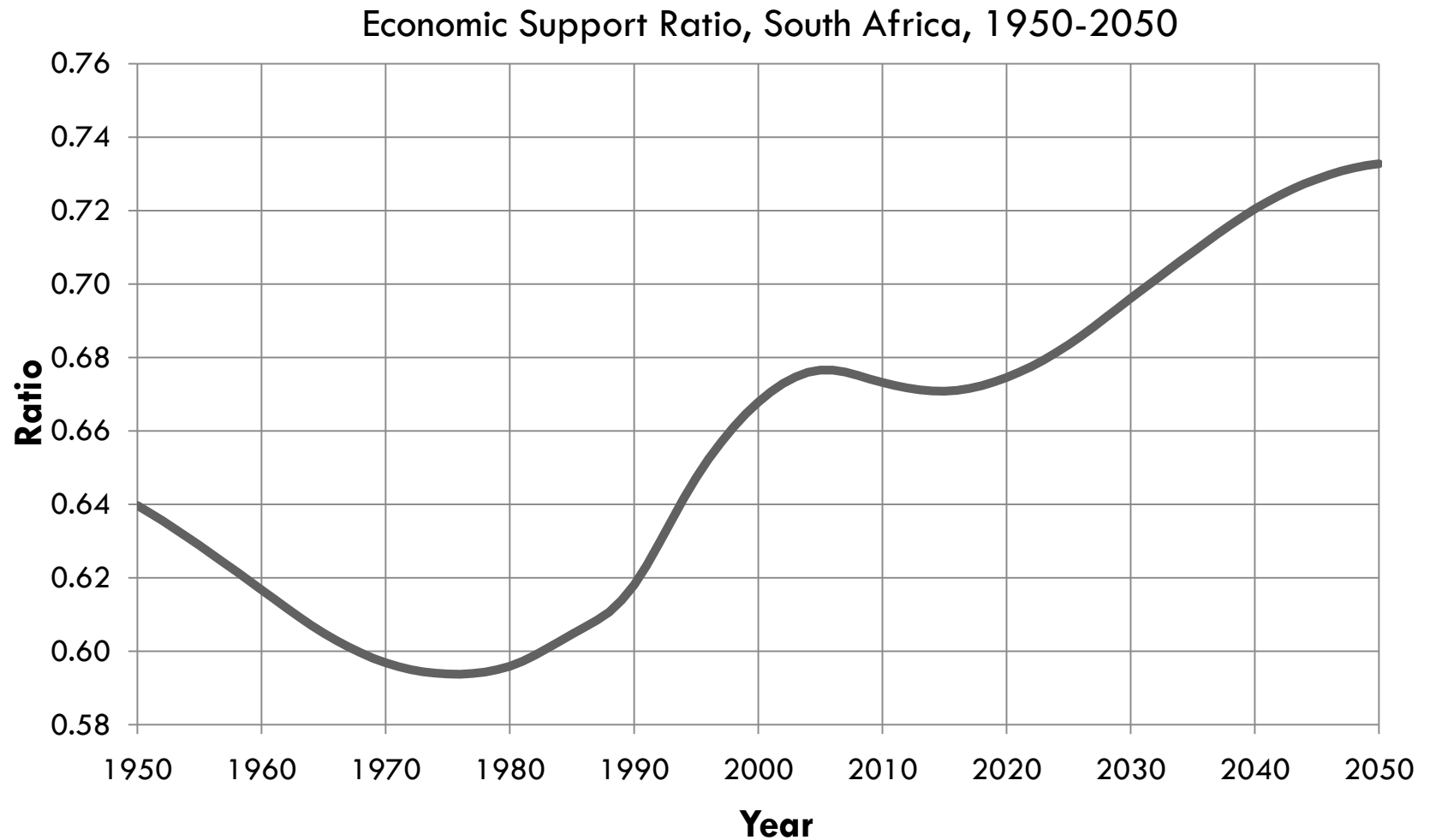
# SOUTH AFRICAN NATIONAL TRANSFER ACCOUNTS

An Update – Final Presentation

# First Demographic Dividend

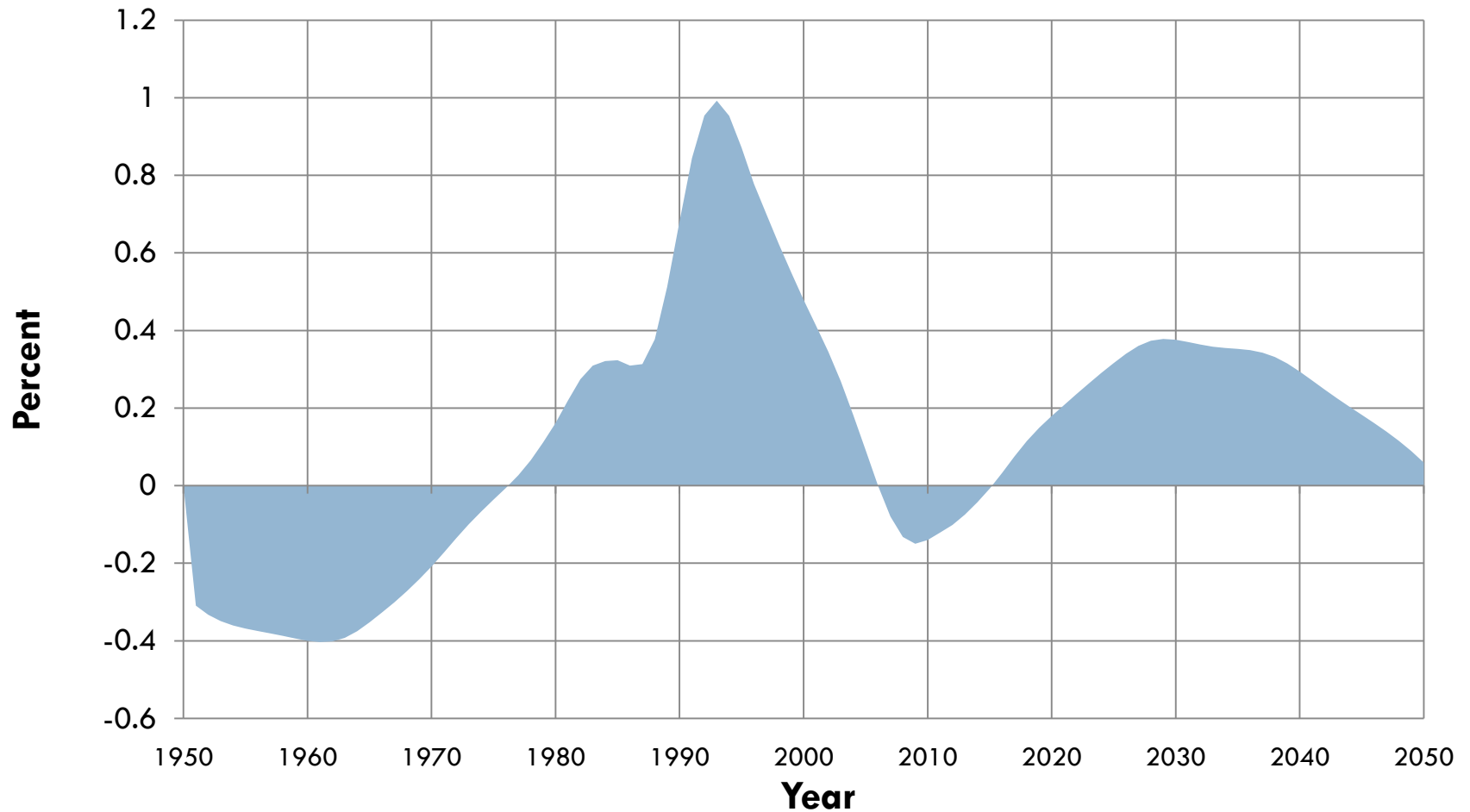


# First Demographic Dividend



# First Demographic Dividend

The First Demographic Dividend, South Africa, 1950-2050



# Where we stand now



- Constructed labour income, private consumption and public consumption profiles and LCD
- Have begun the process of going back to the start and checking, rechecking and refining calculations

# Current Challenges

- Current division of responsibilities between different levels of government (national, provincial, local) → health, education and welfare are provincial competencies
  - Education:
    - National budget includes only tertiary education
    - Nine provincial budgets include non-tertiary education
    - Also separate budgets for ABET, ECD, FET colleges etc
  - Health and Welfare:
    - Similar situations

# Where to from here

## □ Labour Income

- ▣ Address the “Operating surplus/mixed income” problem in NIPA
- ▣ May result in (significantly) higher labour income: aggregate control may  $\uparrow$ YLS instead of  $\downarrow$ YLS

## □ Private Consumption

- ▣ CFX is problematic
  - Will plot CFX age-profile for the separate race groups.
  - Will reconstruct the variable from its individual component to check.
  - If this doesn't work, we'll try and locate the 'problem' by inspecting individual components.

# Where to from here

## □ Private Consumption

### ▣ Private Education

- Relook spending by level of education to ensure comparability with public education consumption
- Incorporate publicly available official enrolment statistics by level of education

### ▣ Private Health

- Why do we keep getting negative coefficients?
- Possibly need to disaggregate by race first?



# Where to from here

## □ Public Consumption

### ▣ Education:

- Reconstruct from provincial and national budgets, by level of education.
- Incorporation of age-specific programmes (e.g. ABET, ECD)
- Consultation with DoE

### ▣ Health:

- Reconstruct from provincial and national budgets
- May require race-specific utilisation rates given the deep public-private split in the SA healthcare system (utilisation of public health services is correlated with income and race)