



NTA South Africa



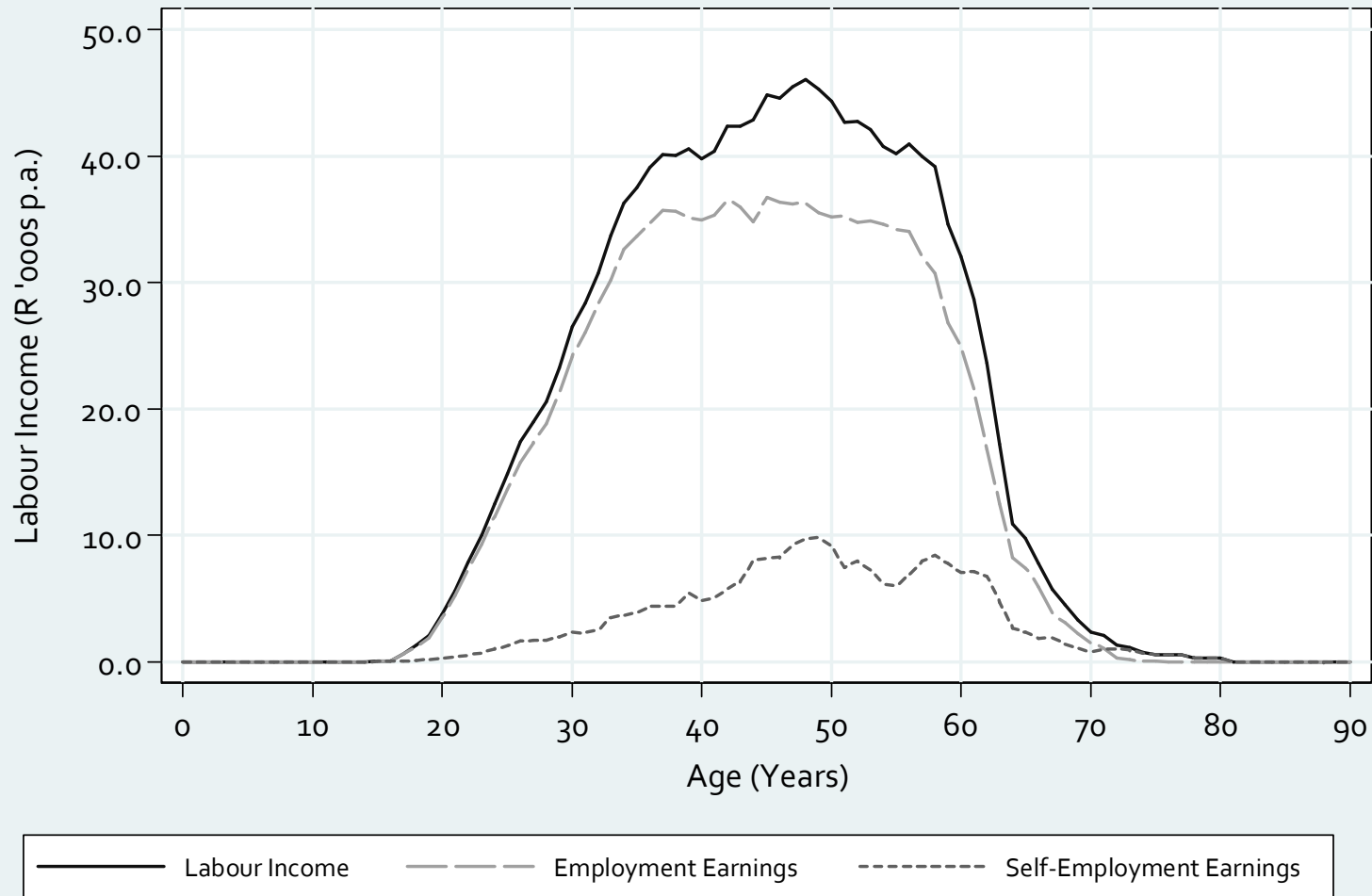
D P R U
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The Lifecycle Deficit in SA:
Our results thus far

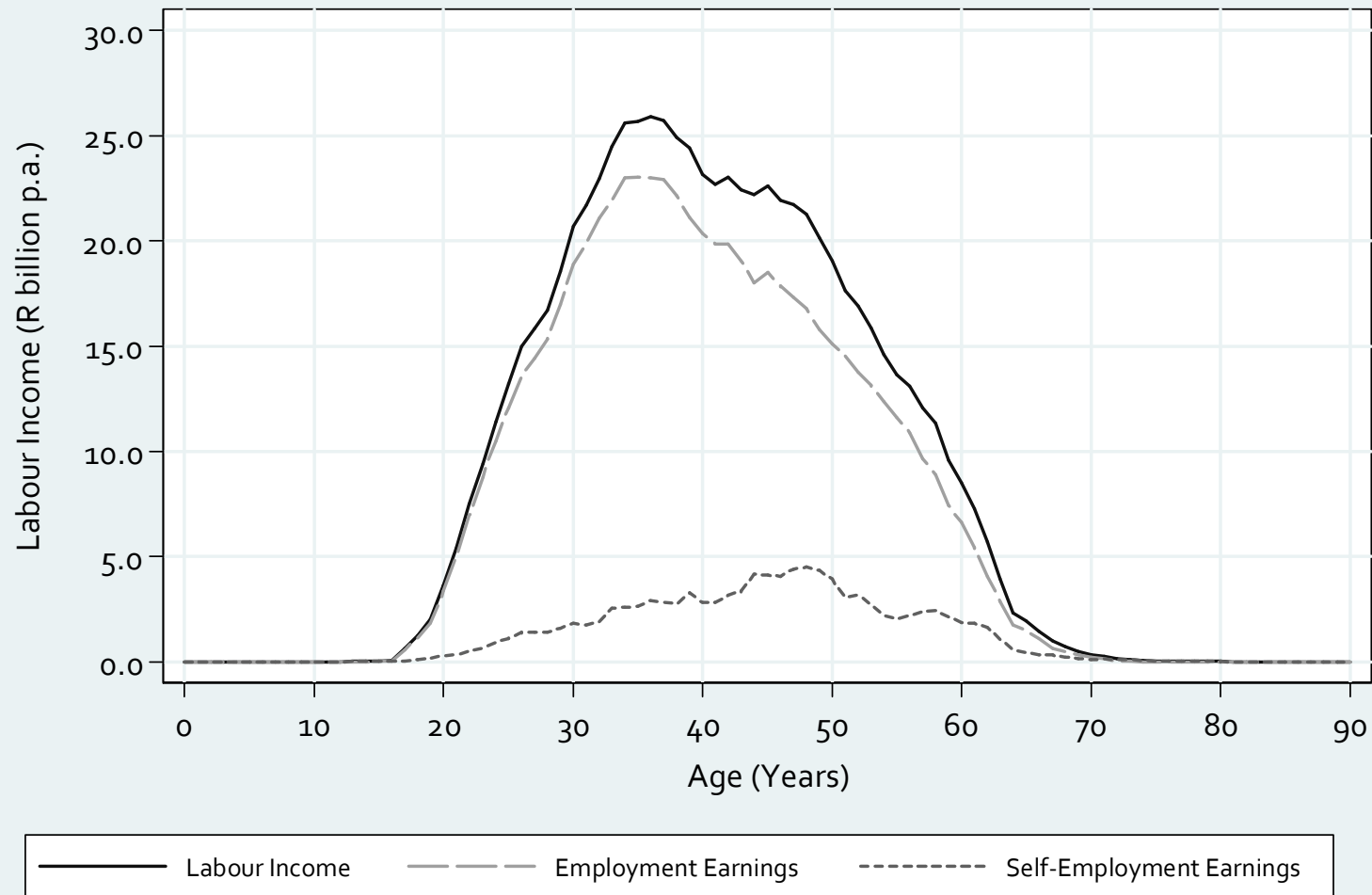
Labour Income (per capita)



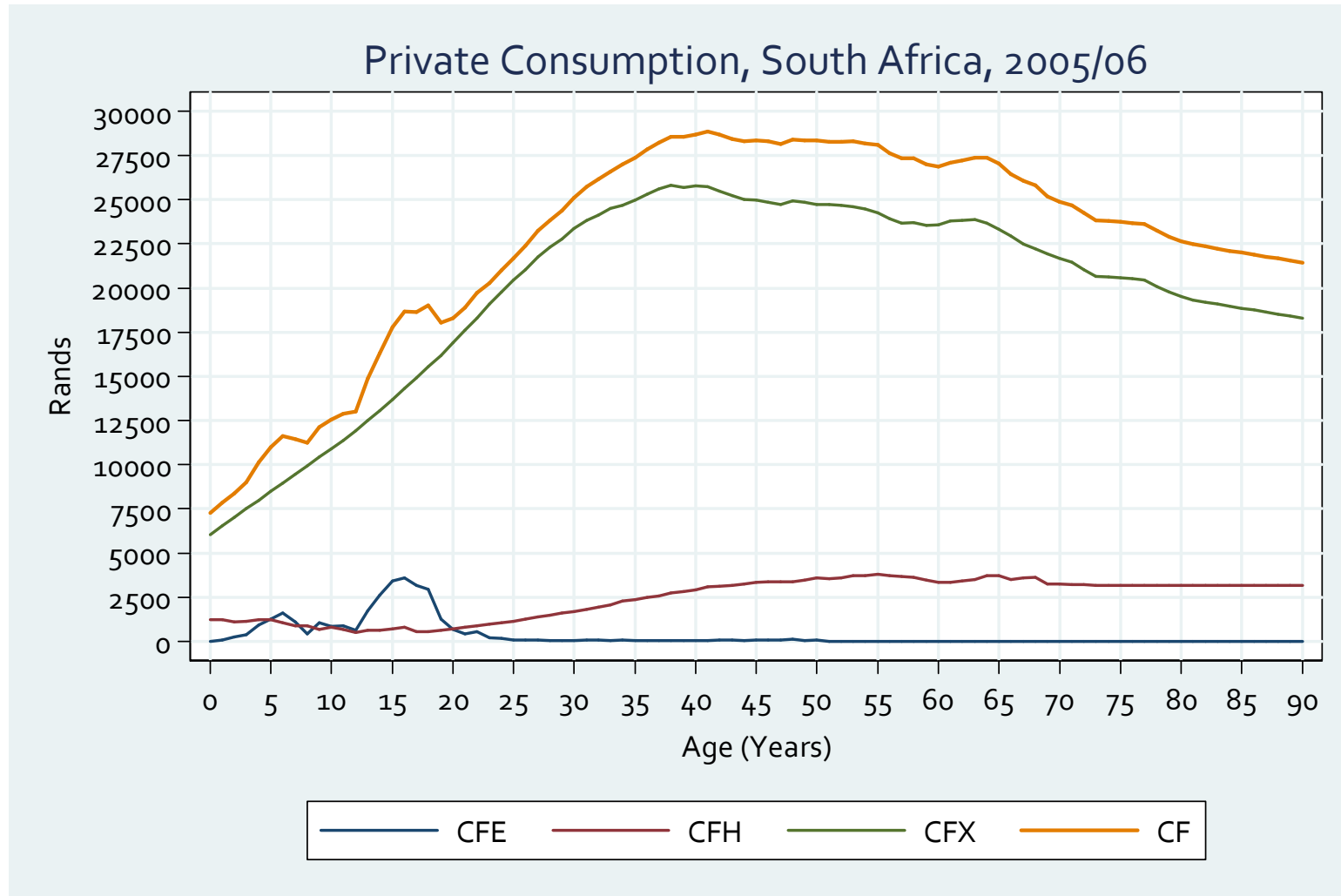
Labour Income (per capita)



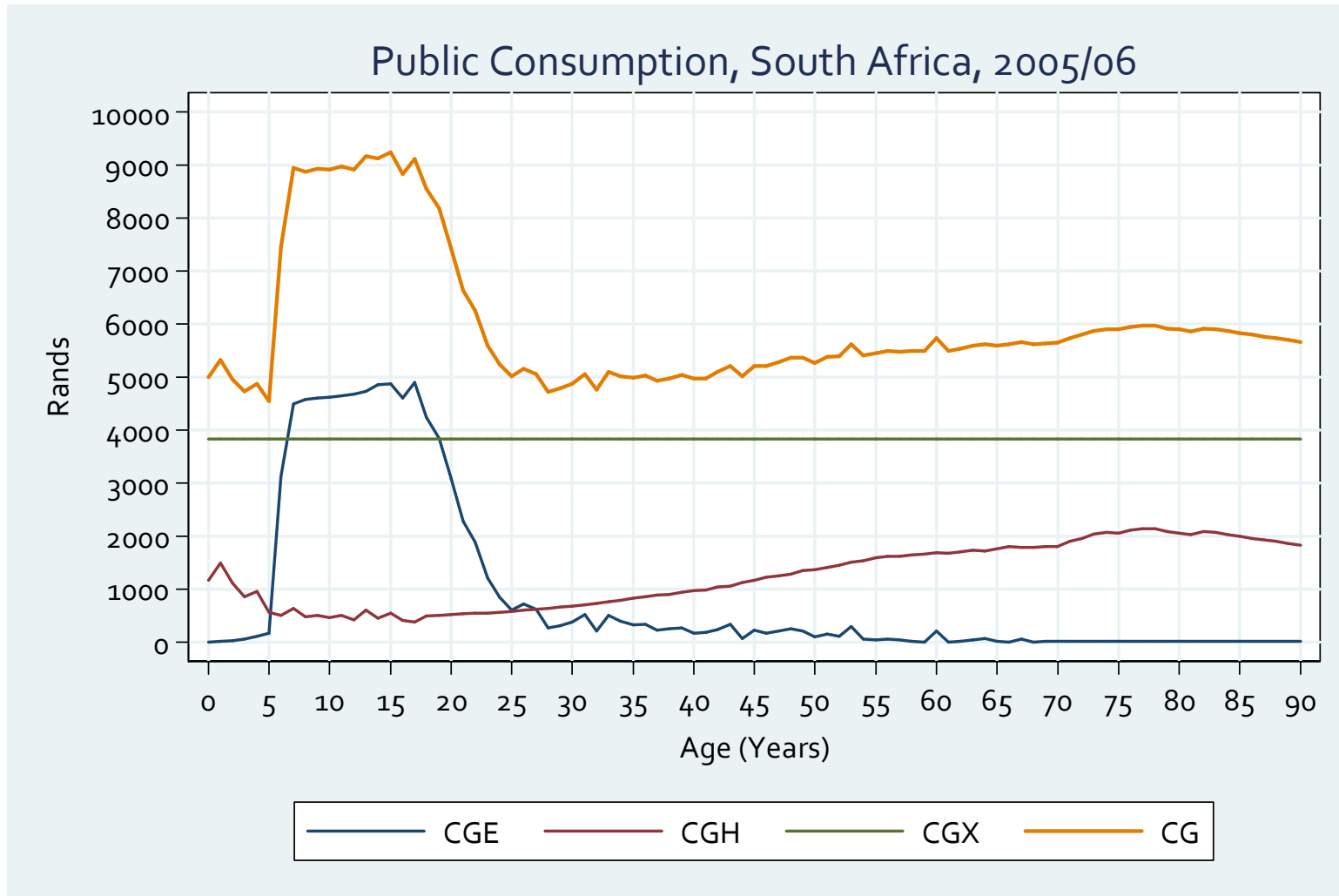
Labour Income (aggregate)



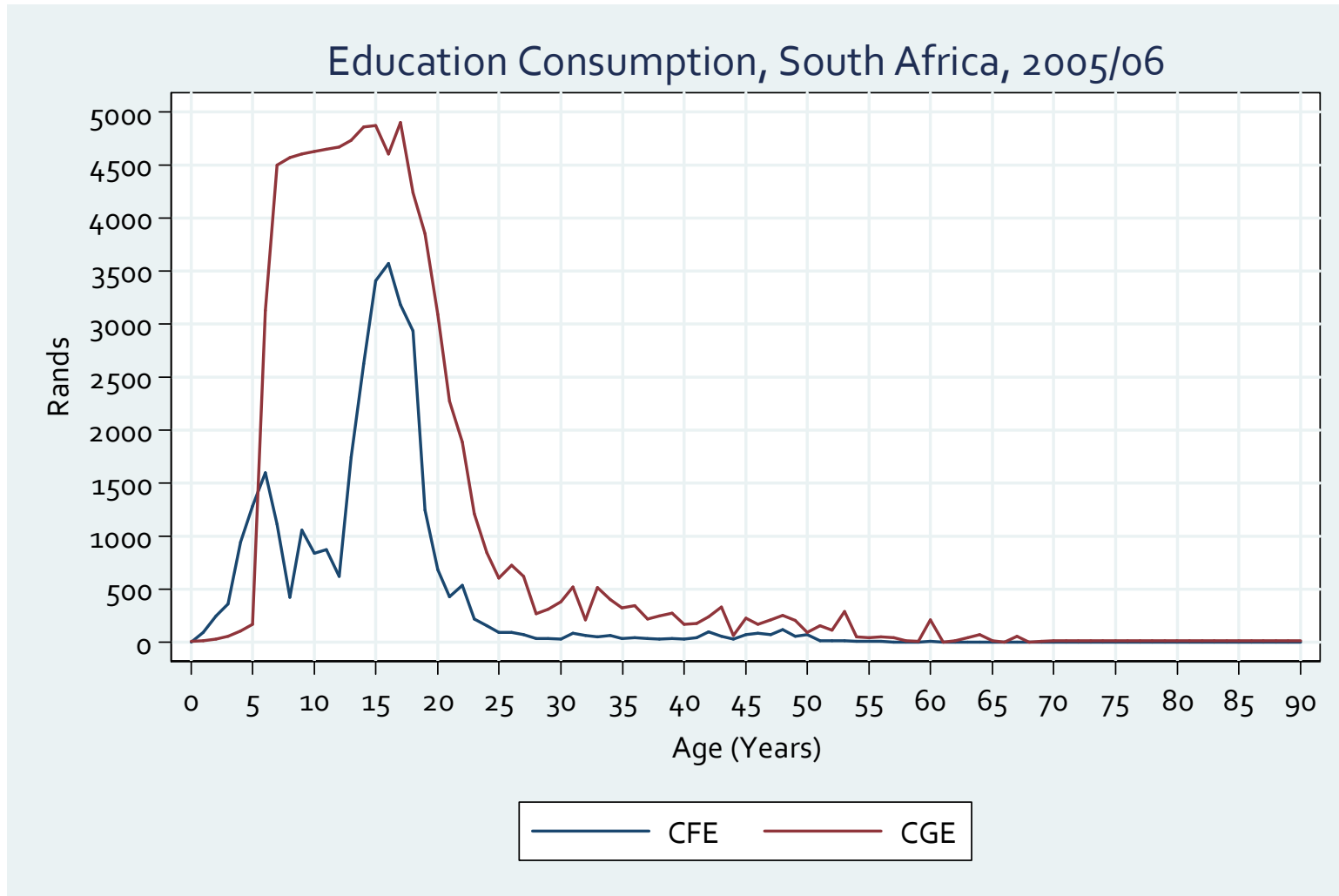
Private Consumption (per capita)



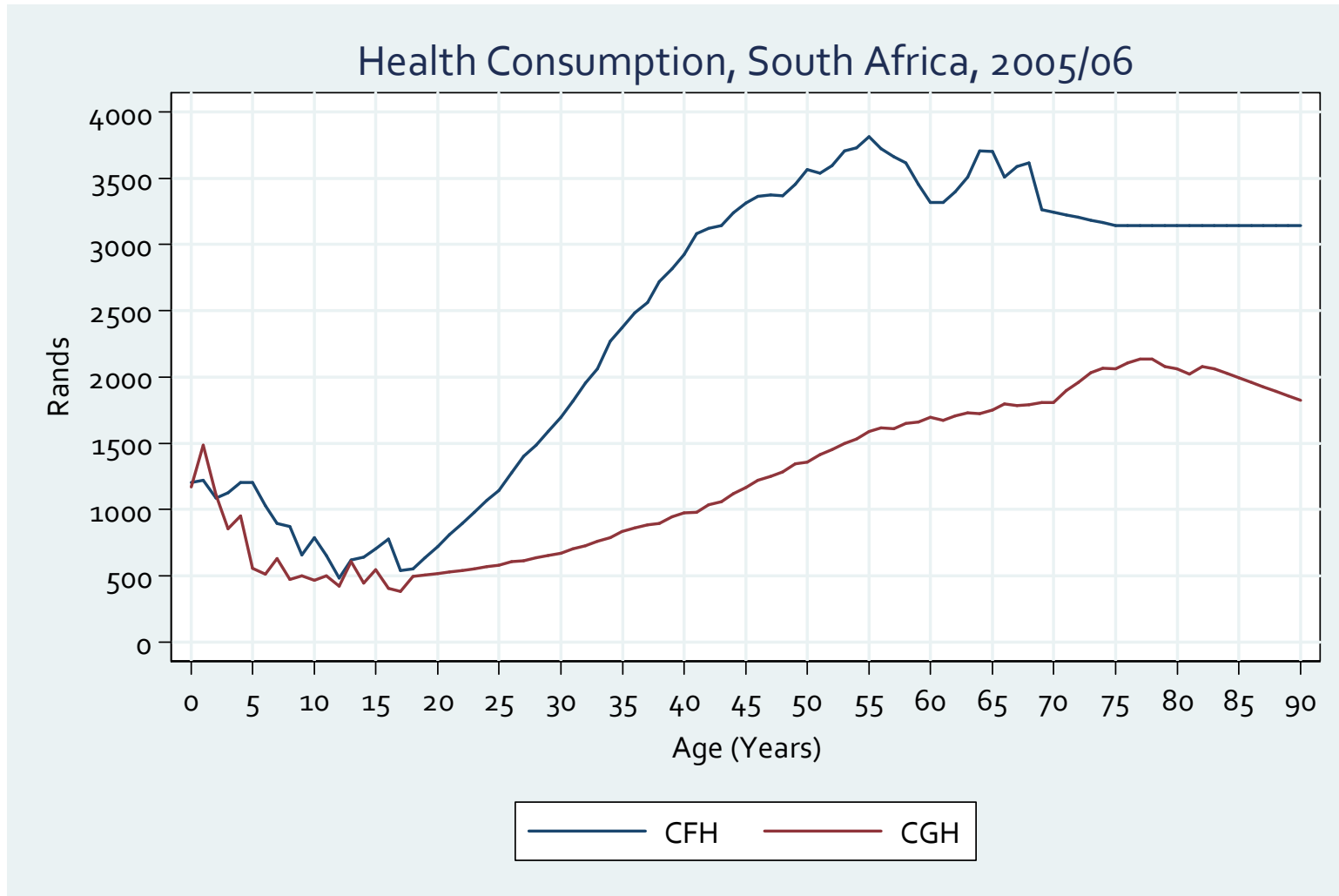
Public Consumption (per capita)



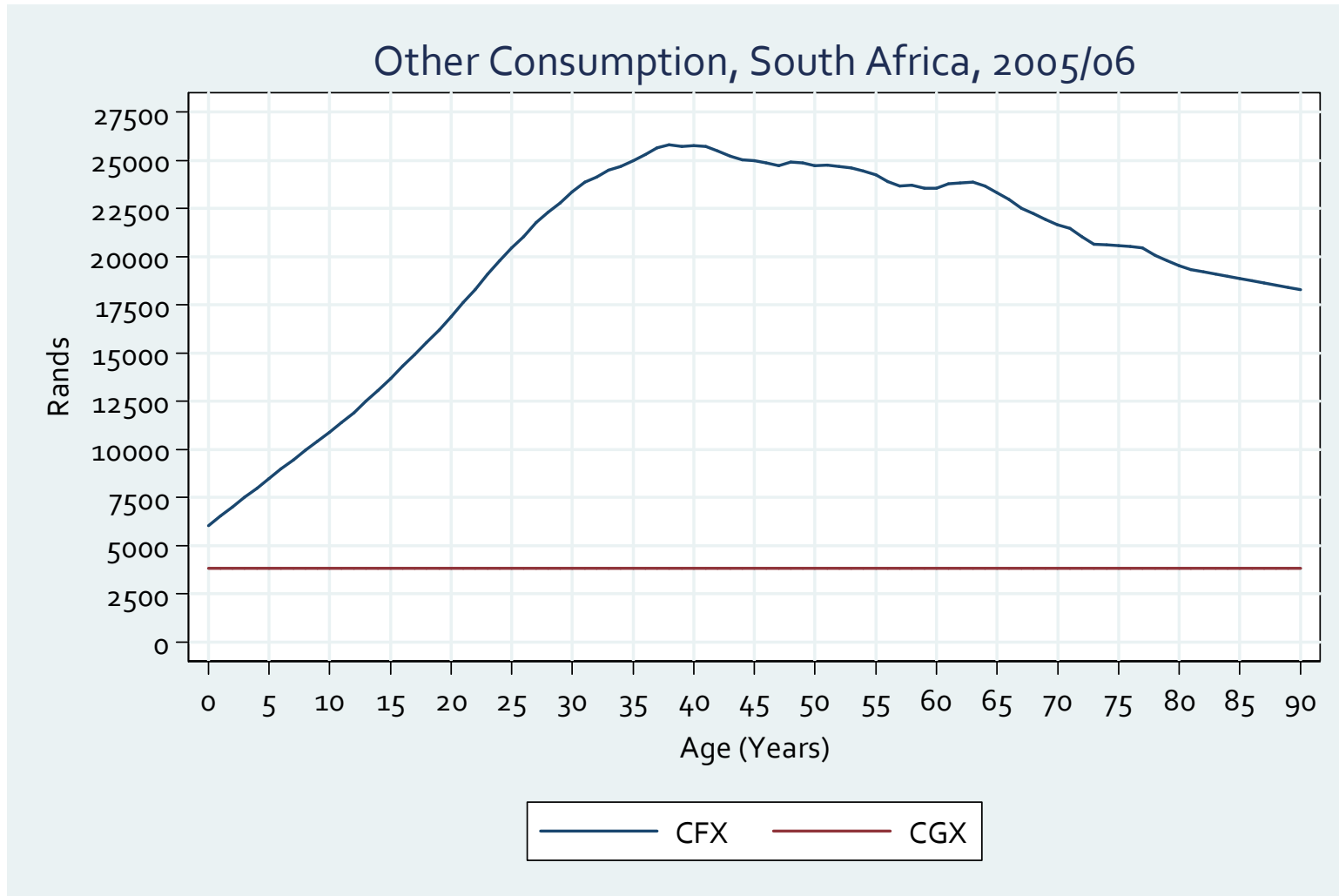
Education Consumption (per capita)



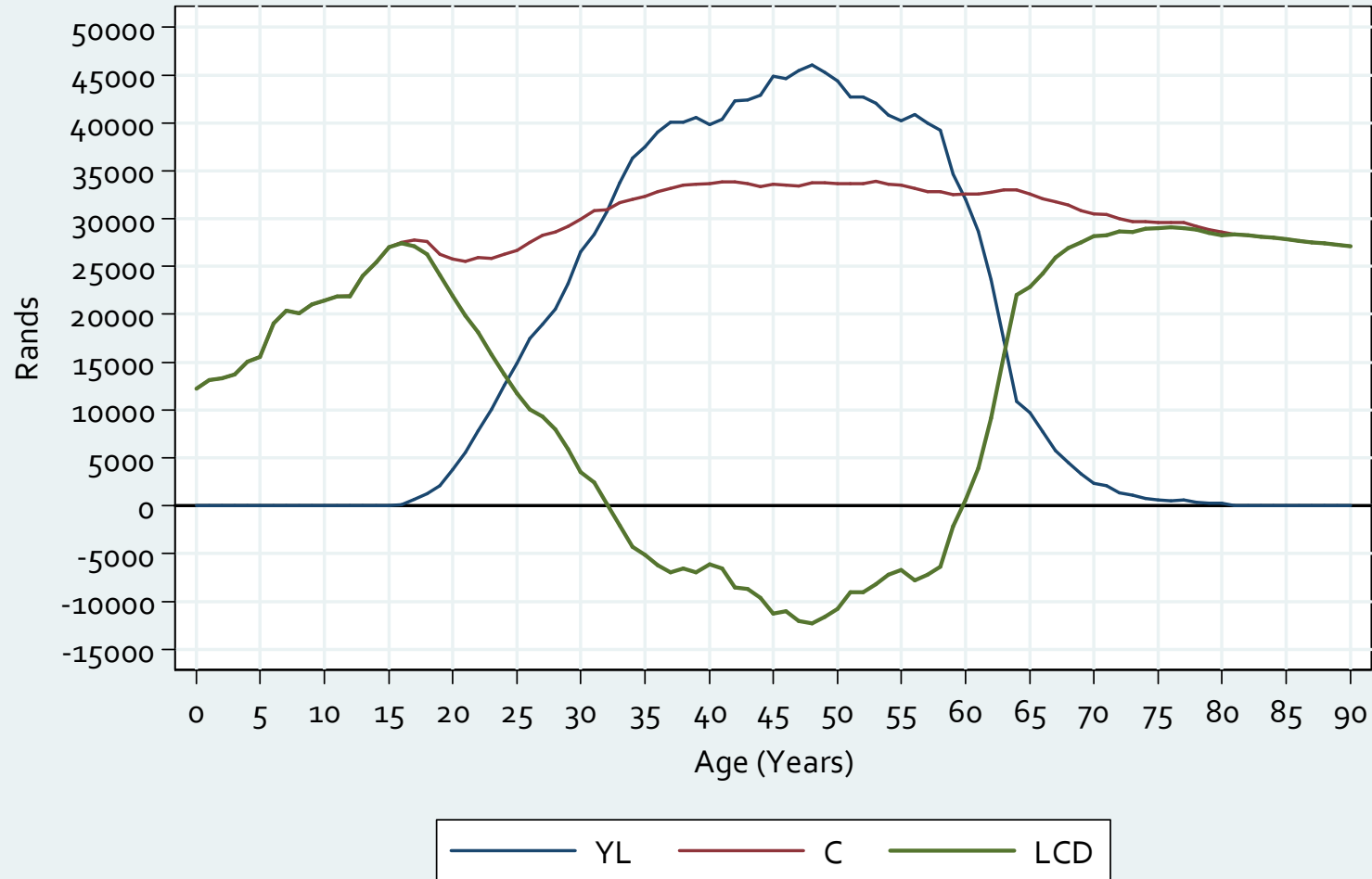
Health Consumption (per capita)



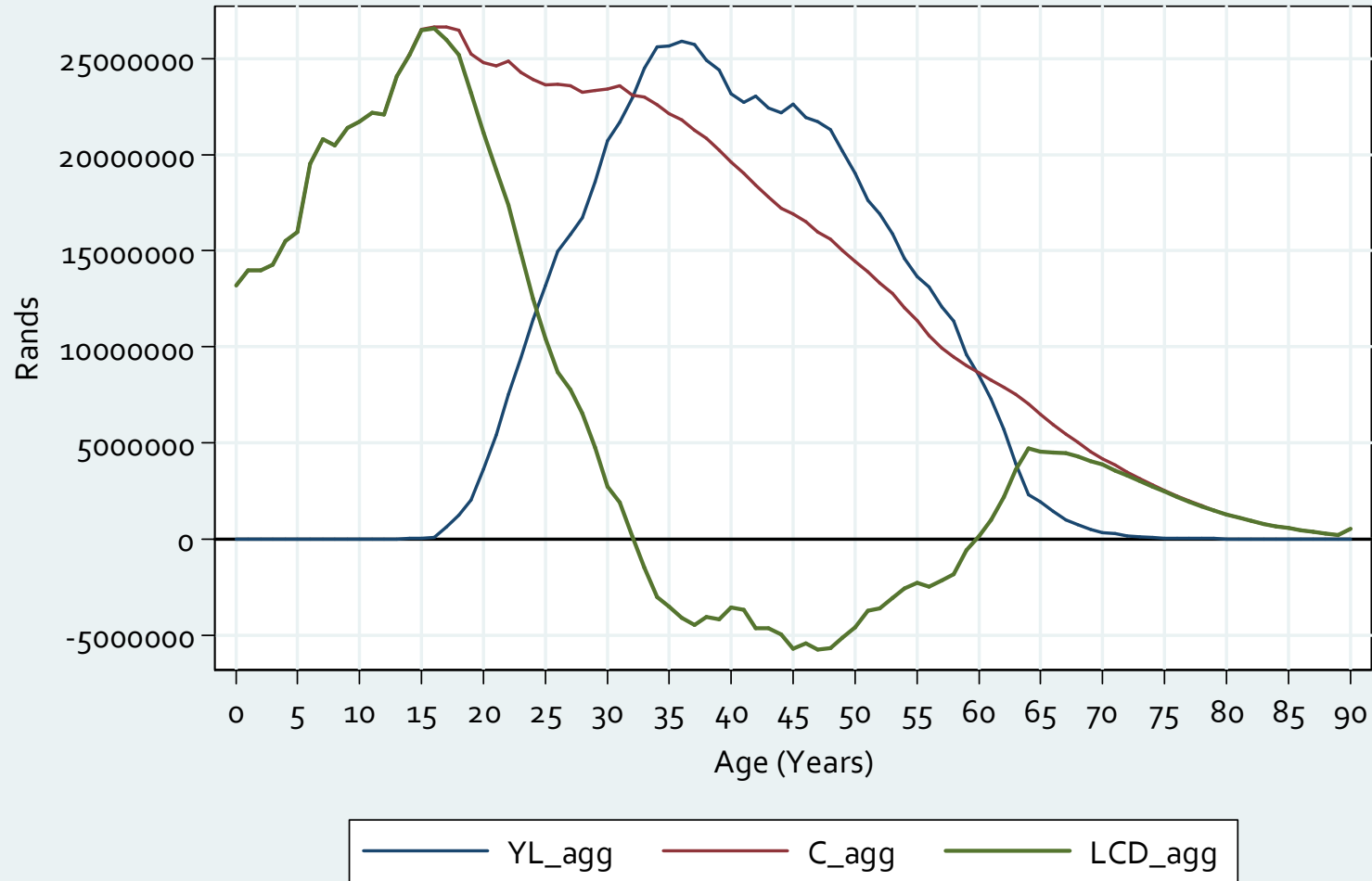
Other Consumption (per capita)



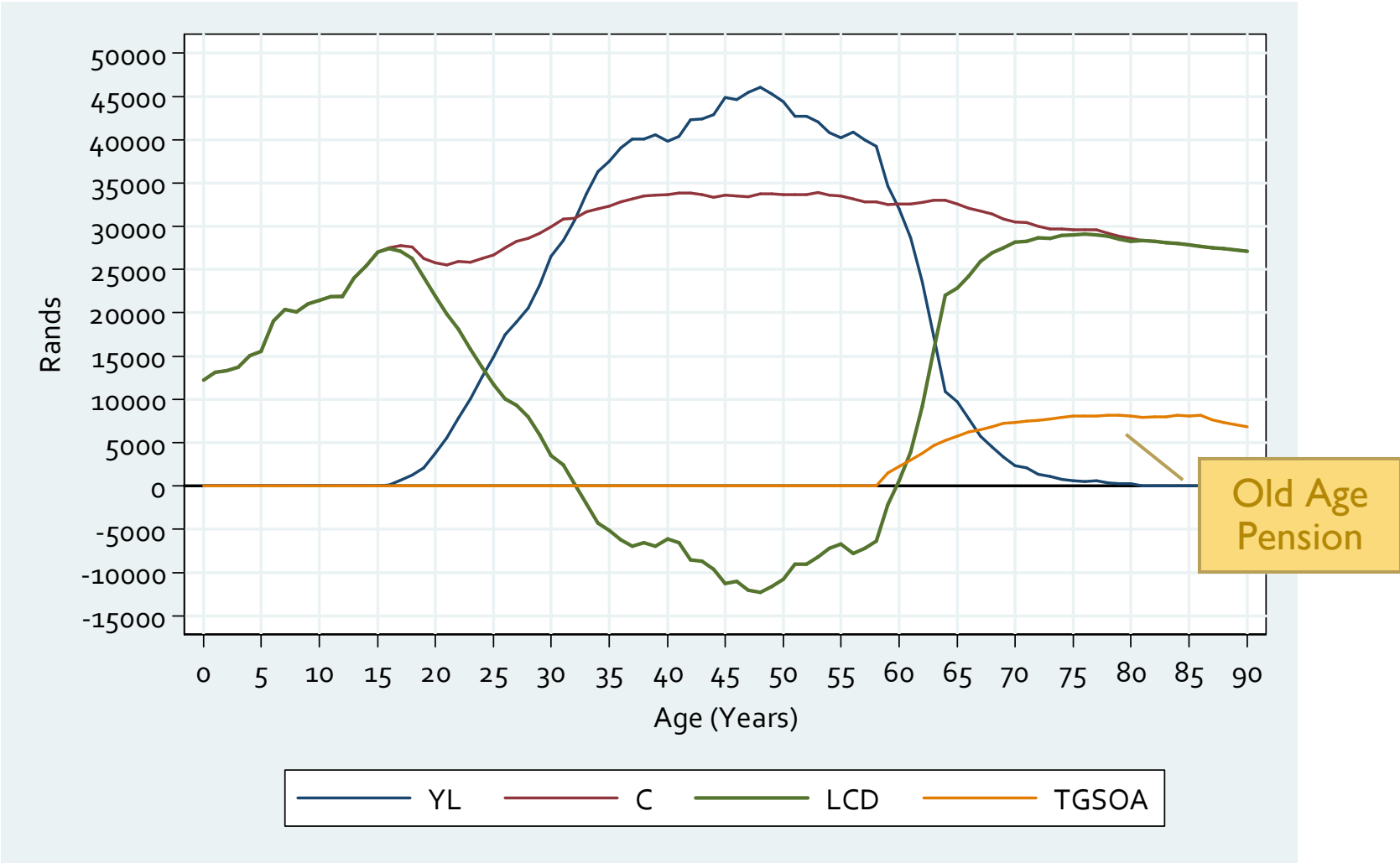
Labour Income, Consumption and the Lifecycle Deficit (per capita)



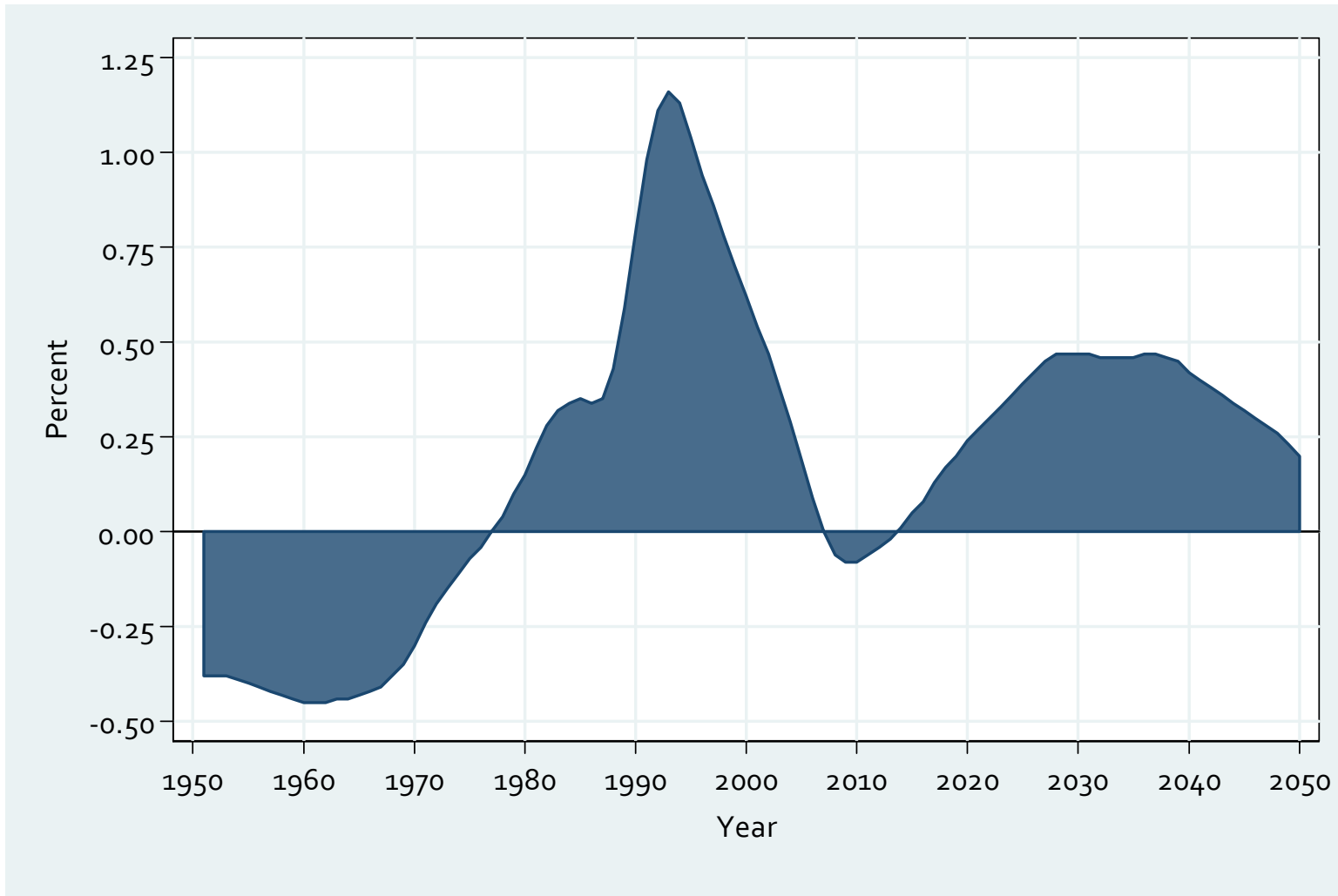
Labour Income, Consumption and the Lifecycle Deficit (aggregate)



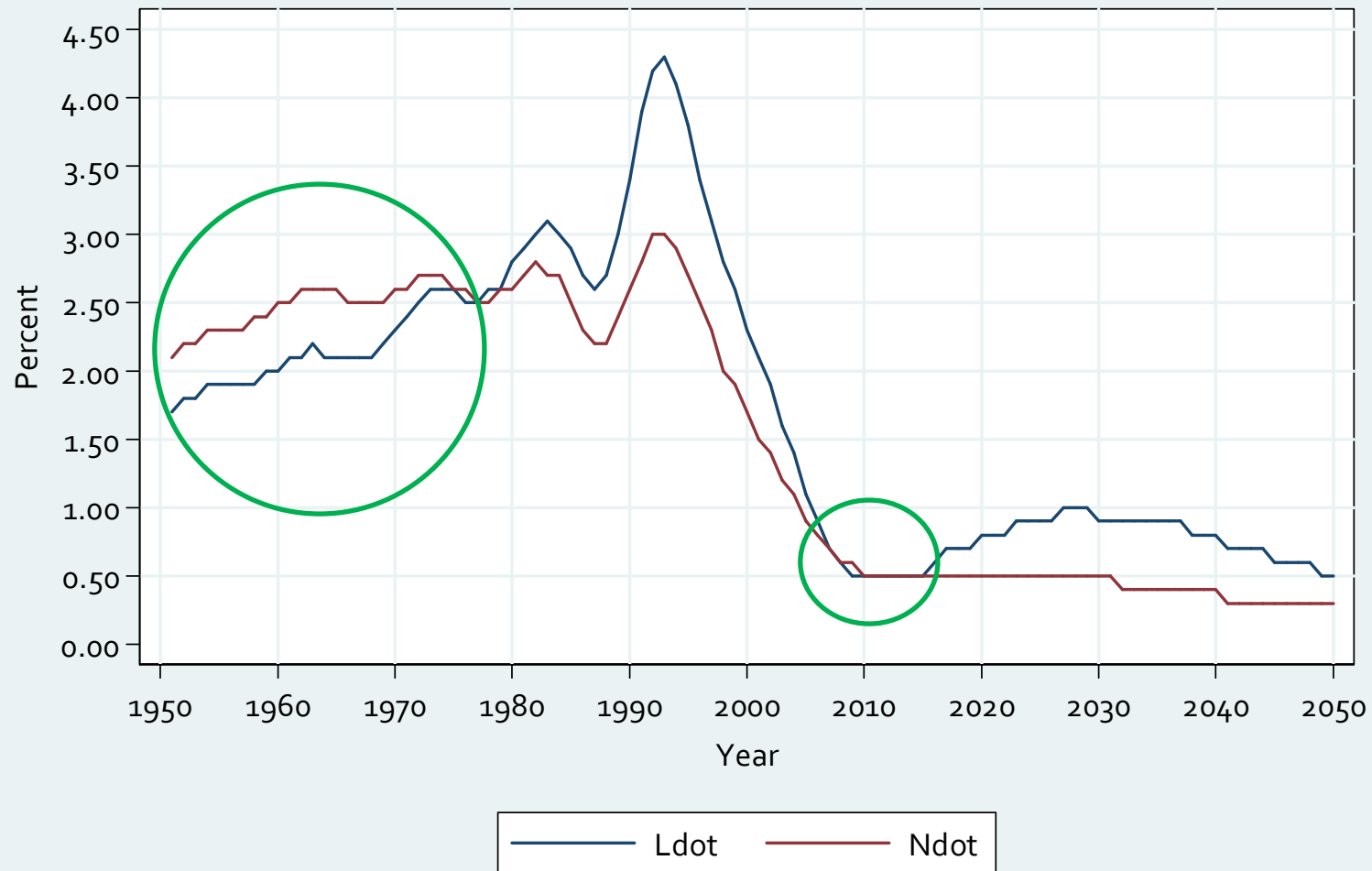
The Lifecycle Deficit and (the first of the) Public Transfer Inflows



First Demographic Dividend



First Demographic Dividend Disaggregated



Current State of Affairs

▶ Labour income sorted

- ▶ Some issues with macro controls persist
- ▶ Mixed income is quite small – roughly equal to imputed rent, with labour's share of mixed income $< 10\%$ of compensation of employees

▶ Private Education, Private Health and Private Other Consumption

- ▶ Pretty much sorted, although will other consumption needs a proper check

▶ Public Education

- ▶ Pretty much sorted, although if I can get hold of official enrolment data that would be brilliant



Current State of Affairs

▶ Public Health

- ▶ Complex budget information
- ▶ Need to go through it carefully to allocate health spending between usage-based and non-usage based spending

▶ Public Other

- ▶ Will change if other public consumption changes

▶ LCD

- ▶ Aggregate deficit seems very large
- ▶ Slow rate of increase of YL results in slow fall in lifecycle deficit and only goes to surplus at age 33. Remains in surplus until age 59 (27 years)



Going forward

- ▶ **Currently working on:**

- ▶ **Public Transfers**

- ▶ Disability grants

- ▶ “Family grants”, which have lumped together the Child Support Grant and other grants

- ▶ Unemployment Insurance

- ▶ **Then:**

- ▶ Move on to taxation and wonder how we will generate an asset income profile...

