NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY QUESTION NUMBER: 1656 [NW2002E] DATE OF PUBLICATION: 21 JUNE 2013

1656. Mr M G P Lekota (Cope) to ask the Minister of Finance:

Whether he intends to request any entity or person to devise a methodology for supplementing the quarterly gross domestic product (GDP) figures with socially relevant economic statistics on the (a) gain or loss of quality jobs, (b) improvement, stagnancy or decline in levels of income distribution, (c) rise or decline in delivery of new houses in all categories (details furnished), (d) growth or decline in incomes of participants in the informal economy and (e) increase or decrease in government infrastructure expenditure as a percentage of its total expenditure; if not, why not, in each case; if so, what (i) entity or person and (ii) are the further relevant details in each case?

NW2002E

REPLY:

It should be noted that GDP growth is a primary indicator of the health of an economy. Strong GDP growth generally indicates an economy where investment is increasing and jobs are being created. Since taxes are levied on economic activity, high GDP growth rates increase the size and value of the tax based that pays for public spending.

Quarterly GDP data is already supplemented by a range of regular data releases from Statistics South Africa, including labour market and social statistics. In addition to these data releases, the Presidency publishes Development Indicators for South Africa on an annual basis, also covering many of the economic and social indicators you mention.

With respect to the specific areas you have raised

a) Gain or loss of quality jobs

It is not clear what is meant by "quality jobs" in this context. Notwithstanding this, every quarter, Statistics South Africa produces both a quarterly labour force survey and the quarterly employment statistics which provide important information about employment.

The labour force survey is a household survey that measures the number of jobs in the formal and informal sectors, consistent with definitions from the International Labour Organisation. It includes data about conditions of employment.

The quarterly employment statistics data provides a detailed breakdown of employment and earnings by sector. Although this information is only available for employees of non-agricultural companies registered for VAT, it is still an important indicator of formal employment trends.

b) Levels of income distribution

Every five years, Statistics South Africa publishes the results of the Income and Expenditure Survey (IES), which covers the expenditure and income patterns of 33 000 households. The survey is comprehensive and includes diary-records of expenditure purchases as well as follow up interviews. The latest IES was released in October 2012.

Statistics South Africa also publishes the Living Conditions Survey, the latest report of which was released in March 2008.

The quarterly employment statistics also provide useful information on a more frequent basis to understand the earnings of those in formal, non-agricultural employment.

c) Housing statistics

There are a range of providers of information on the housing market in South Africa, with each focusing on a slightly different area.

Statistics South Africa provides monthly information on the number of building plans passed and completed in the major metro areas on residential, non-residential and additions and alterations, financed by the private sector, from the largest local government institutions in South Africa. The monthly survey represents about 86 per cent of the total value of buildings completed but excludes the bulk of low-cost dwelling-houses.

The Department of Human Settlements produces annual information on the number of RDP houses in construction and those completed, by province.

The Deeds Registry provides information on all property transfers and land registrations, including the value of the house.

d) Incomes of participants in the informal economy

The IES and LCS surveys described earlier capture spending and income information for all South Africans, not just those in the formal economy.

e) Government investment spending.

Government provides detailed information on its spending plans and actual expenditure. Table 7.2 in the Budget Review outlines the investment figures in detail. The Estimates of National Expenditure also record total capital investment spending and the type of investment spending by Budget vote.

Statistics South Africa is under the direction of the Minister in the Presidency: National Planning Commission. Should there be any additional follow up questions, the Statistician-General and responsible Minister would be best placed to provide the further information.