Income change (comparison of 1996 and 2011)	
Indicator group:	Socio-Economic
Indicator number:	I_003
Document location:	H:\Projects_2015\Indicator\Income_change_2015
Geodatabase:	I:\BE\SPS\Resources\Indicators_GDB\

Description:

Household income is a measure often used by planners and economist. It consists of the combined incomes of all people sharing a particular household or place of residence. It includes every form of income, e.g., salaries and wages, and government transfers like grants, etc. The monetary well-being of a country's citizens can often be measured by using household income as an indicator. Mean or median net household income, after taxes and mandatory contributions, are good indicators of standard of living, because they include only disposable income and acknowledge people sharing accommodation benefit from pooling at least some of their living costs (http://en.wikipedia.org/wiki/Household_income).

In a recently completed report on household income and expenditure patterns in South Africa for the year 2011 a classification on income levels per household was developed by the Bureau of Market Research at Unisa (2013).

Income levels and household classification defined by the BMR were:
- Poor (R0 - R54 344 income per annum)
- Low emerging middle class (R54 345-R151 727 income per annum)
- Emerging middle class (R151 728-R363 930 income per annum)
- Realised middle class (R363 931-R631 120 income per annum)
- Upper middle class (R631 121-R863 906 income per annum)
- Emerging affluent (R863 907-R1 329 844 income per annum)
- Affluent (R1 329 845+ income per annum)

To establish the proportion of households living in poverty for this study, the *Poor* income category as defined by BMR was used. This definition cannot be directly extracted from the 2011 census income categories and these had to be adapted in order to calculate the total number of households within the *Poor* range. The first category in the 2011 census data is R0 – R48,000 per household per annum (R4000 per month). This category and a proportional number of households from the R48,000 to R96,000 category was added together to bring this in line with the BMR cut off of R54,355. This approach was based on the assumption that the number of households within each income bracket is equally distributed.

The 1996 census data's first category is 0 to R24,000 per household per year. To calculate the relative 2011 income category for comparative purposes the CPI from 1996 to 2011 was used to inflate R24,000

(1996) to establish the equivalent cut off of this group in 2011. Table 1 shows the CPI value and inflated values of R24,000. This amounts to R53,447 and is close to but slightly below the R54,344 cut off of defined by BMR. The same proportional allocation method as described above was used to add the additional amount of households to the category in order to bring it in line with the BMR categories.

Table 1. Census 1996 household income values inflated with CPI

	Year	CPI	Inflated value
	2011	6.41	53 447
	2010	3.37	50 227
	2009	6.04	48 590
	2008	9.35	45 822
	2007	7.57	41 904
	2006	4.82	38 955
	2005	2.02	37 164
	2004	2.20	36 428
	2003	-1.63	35 644
	2002	13.51	36 235
	2001	4.59	31 923
	2000	6.99	30 523
	1999	2.24	28 528
	1998	8.95	27 903
	1997	6.71	25 610
Base year	1996		24 000

After the number of households in the *Poor* category was established for the 1996 and 2011 census years, the proportional amount of *Poor* households to the total number of households per settlement type was calculated (Beukes, et al., 2014; Van Huyssteen, et al., 2014).

Indicator:	Household income change, 2011
Geographic coverage:	South Africa
Unit type:	Local municipality
Time period:	2001-2011 (only two periods)
Source:	CSIR BE produces the processed tables and maps at LM scale
Origin (if processed):	Census 2011
Date published:	May 2015
Update(s)/version:	No update
Background:	Refers to all receipts by all members of a household, in cash and in kind, in exchange for employment, or in return for capital investment, or receipts obtained from other sources such as social grants, pension, etc.
Statistical and methodological information:	This item was developed during a research project undertaken where research findings from recent projects was accessed and provided in a report to support the broader Integrated Urban Development Framework. The report is cites as follows: Mans, G. et.al. 2013. Integrated Urban Development Framework: Background Research Paper. Module 1: demographic change. 31 March 2014 (Document prepared and submitted to the South African Cities Network.
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Citation information:	*CSIR BE. 2015. Indicator – Income change. (Prepared in support of SACN – State of the Cities Report 2015).*
Further information:	This information was created as a draft working item. Other relevant documents are: Beukes, A., Maritz, J., van Niekerk, W., Mans, G., van Huyssteen, E., & Green, C. (2014). *A Comparative Analysis of City Regions.* Unpublished PG research report. Pretoria: CSIR. Van Huyssteen, E., Mans, G., Maritz, J., van Niekerk, W., Le Roux, A., Green, C., et al. (2014). *Regional and temporal dynamics of South African cities and towns.* Unpublished PG research report. Pretoria: CSIR.