

NEVA MAKGETLA: Cost of less reliable census data far greater than savings from cutting budget

More accurate understanding of population movements would improve government spending

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The national census provides critical information, from the size of the population and migration to housing and education. However, the 2022 response rate plummeted, largely due to steep budget cuts and the Covid-19 pandemic.

Stats SA provides improved estimates based on a large in-depth, post-census survey. Still, the costs to the government from less reliable data will undoubtedly far outweigh the short-run savings from cutting the statistics budget.

The 2022 census obtained responses on 35-million people out of a total of 62-million, for an undercount rate of about 30%. That was far higher than in 2011, when the estimated undercount was 14%. In 2001 it was 18%.

It's hard to benchmark these results against international experience. Many countries do not publish estimates for census undercounts, or indeed undertake regular censuses at all. For about 10 countries in the Global North and East Asia, a UN study found undercount rates below 10%.

SA's census undercount results from a toxic combination of the pandemic and budget cuts. In 2021/22 Covid-19 restrictions made it harder to train enumerators or go door-to-door. These challenges were aggravated by deep cuts in funding for Stats SA. Taking inflation into account, the census budget in 2021/22 was 10% lower than in 2011/12, with a 30% fall in the rest of Stats SA's budget.

In both 2001 and 2011 funding for the census equalled about 0.25% of the national budget; in 2022 the figure dropped to 0.18%. In real terms, the census cost R50 per person in 2022, compared with R75 in 2011. The total budget for Stats SA fell from R200 per citizen in 2011 to R80 in 2022.

In these circumstances Stats SA decided to complement in-person interviews for the 2022 census with questions over the phone or through the internet. The census reports don't break down the responses by source, but a similar shift to telephonic interviews for the quarterly labour force surveys during the pandemic proved disastrous. Response rates dived from about 90% in 2019 to less than 60% in late 2021. They recovered to nearly 90% again in mid-2023 after in-person interviews resumed in 2022.

The census findings on internal migration underscore its critical importance for decision-making. The census found that a fifth of all citizens born in the Eastern Cape and Limpopo have relocated to another province. About 1.8-million live in Gauteng, and 1.1-million in the Western Cape. Overall, excluding foreign-born people, 30% of Gauteng residents came from outside the province, as did 24% in the Western Cape. In the rest of the country, only 6% came from another province.

Migration between provinces affects demand for services through differences in age structure as well as overall population growth. In Gauteng and the Western Cape, 29%

of the population is under 19. That compares with 40% in Limpopo and the Eastern Cape and 33% in the rest of the country.

A more accurate understanding of population movements would obviously improve government spending, notably on health, education and housing. Many migrants to the cities cannot afford to pay for housing or utilities. As a result, the government cannot assume the market will provide for them.

Internal migration also has deep effects on economic policies and public investment. A reflexive response in many government programmes is to promote equal investment in lower-income provinces. But no country is equally productive in every corner, and urbanisation inevitably accompanies industrialisation. To ensure more viable investments and sustainable employment creation, SA needs a spatial vision based in a detailed and realistic understanding of internal migration.

Ensuring strong statistics for decision-making is a long-run investment, not a cost to be squeezed in line with the vagaries of fiscal policy. As a minimum, the Treasury should return funding for Stats SA to the per-capita levels of 2011. That would mean doubling its current allocation to R12bn, or 0.6% of the national budget.

- *Makgetla is a senior researcher with Trade & Industrial Policy Strategies.*

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