

South Africa

Human Capital Index 2020

This brief provides an update to the Human Capital Index (HCI). First launched in 2018, the HCI measures the amount of human capital that a child born today can expect to attain by age 18. It conveys the productivity of the next generation of workers compared to a benchmark of complete education and full health. Worldwide a child born in 2020 can expect, on average, to be 56 percent as productive as she could be when she grows up. All data represent the status of countries pre-COVID-19.

THE HUMAN CAPITAL INDEX

Human Capital Index. A child born in South Africa today will be **43 percent** as productive when she grows up as she could be if she enjoyed complete education and full health. This is higher than the average for Sub-Saharan Africa region but lower than the average for Upper middle income countries. Between 2010 and 2020, the HCI value for South Africa remained approximately the same at 0.43. Figure 1 shows how the HCI and each of the components evolved over time.

- **Probability of Survival to Age 5.** 97 out of 100 children born in South Africa survive to age 5.
- **Expected Years of School.** In South Africa, a child who starts school at age 4 can expect to complete **10.2 years** of school by her 18th birthday.
- **Harmonized Test Scores.** Students in South Africa score **343** on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- **Learning-adjusted Years of School.** Factoring in what children actually learn, expected years of school is only **5.6 years**.
- **Adult Survival Rate.** Across South Africa, **69 percent** of 15-year olds will survive until age 60. This statistic is a proxy for the range of health risks that a child born today would experience as an adult under current conditions.
- **Healthy Growth (Not Stunted Rate).** 73 out of 100 children are **not** stunted. 27 out of 100 children are stunted, and so are at risk of cognitive and physical limitations that can last a lifetime.

DIFFERENCES IN HCI ACROSS GENDER AND SOCIO-ECONOMIC GROUPS

In South Africa, the HCI for girls is higher than for boys. Table 1 shows gender disaggregation for each of the HCI components.

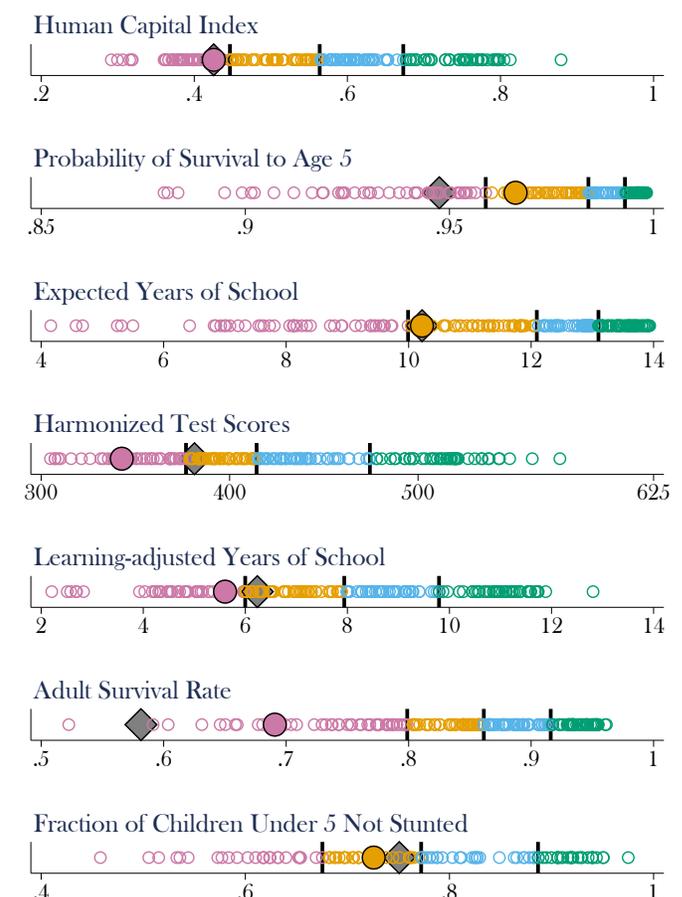
In South Africa, there are not sufficient data to disaggregate HCI by socio-economic groups.

Table 1. HCI by Gender and Socio-economic Group

Component	Boys	Girls	Overall
HCI	0.41	0.45	0.43
Survival to Age 5	0.96	0.97	0.97
Expected Years of School	10.2	10.1	10.2
Harmonized Test Scores	328	359	343
Learning-adjusted Years of School	5.4	5.8	5.6
Adult Survival Rate	0.63	0.76	0.69
Not Stunted Rate	0.70	0.75	0.73
HCI Ratio (richest / poorest 20 percent)			-

For more on socioeconomic disaggregated HCI, please visit <https://www.worldbank.org/en/publication/human-capital/brief/insights-from-disaggregating-the-human-capital-index>

Figure 1. HCI and Components



Note:

- Large circle represents South Africa in 2020
- Diamond represents South Africa in 2010
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution

The outlook for the next generation has been improving in most African countries. Efforts are being made to protect these human capital gains against setbacks such as COVID-19 and accelerate progress. The WBG Africa Human Capital Plan identifies game-changers for human capital, including women's empowerment to accelerate the demographic transition, a focus on fragile settings, increased use of technologies, and smarter investments at scale.

DOMESTIC RESOURCE UTILIZATION AND MOBILIZATION

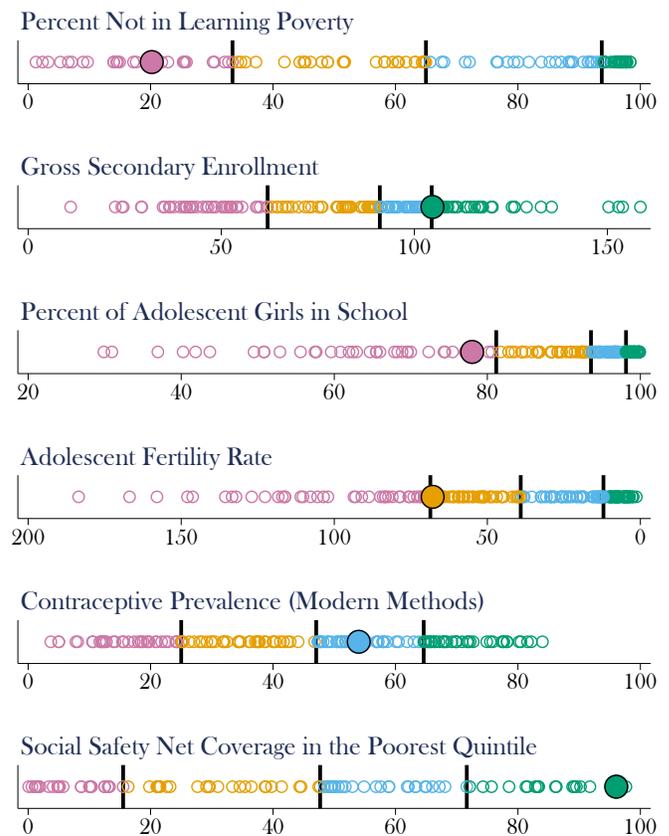
- **Health Spending.** South Africa spends **4.4 percent** (2017) of its GDP in public spending on health. This is higher than both the regional average (2.4%) and the average for its income group (4%). **1 percent** (2010) of the population incurs catastrophic health expenditure measured as out-of-pocket spending exceeding 10% of household consumption or income.
- **Education Spending.** South Africa spends **6.2 percent** (2018) of its GDP in government education spending. This is higher than both the regional average (4.0%) and the average for its income group (4.7%).
- **Social Assistance Spending.** South Africa spends **3.4 percent** (2016) of its GDP on social assistance. This is higher than both the regional average (1.5%) and the average for its income group (1.5%).
- **Government Revenue.** General government revenue in South Africa is **29 percent** (2018) of GDP. This is higher than the average for its region (20.6%) but lower than the average for its income group (30.6%).

COMPLEMENTARY INDICATORS

- **Learning Poverty.** In South Africa, **80 percent** (2016) of 10-year-olds cannot read and understand a simple text by the end of primary school. This is similar to the average for its region (80%) but higher than the average for its income group (38%).
- **Gross Secondary Enrollment.** In South Africa, the gross enrollment ratio in secondary education is **105 percent** (2017). This is higher than both the average for its region (50%) and the average for its income group (91%).
- **Adolescent Girls Out Of School.** In South Africa, **22 percent** (2017) of adolescent girls are out of school. This is lower than the average for its region (33%) but higher than the average for its income group (10%).
- **Adolescent Fertility Rate.** In South Africa, there are **68 births** (2018) per 1,000 women ages 15-19. This is lower than the Africa Human Capital Target for 2023 (83).
- **Contraceptive Prevalence.** In South Africa, **54 percent** (2016) of women ages 15-49 use modern contraceptive methods. This is higher than both the average for its region (28%) and the average for its income group (45%).
- **Maternal Mortality Ratio.** In South Africa, for every 100,000 live births **119 women** (2017) die from pregnancy-related causes. This is lower than the average for its region (445) but higher than the average for its income group (66).
- **Universal Health Coverage (UHC) Index.** The index, ranging from 0 to 100, measures coverage of essential health services based on tracer interventions. In South Africa, the UHC Index score is **69** (2017). This is higher than the average for its region (46) but similar to the average for its income group (69).
- **Social Safety Net Coverage.** In South Africa, **96 percent** (2014) of the poorest quintile is covered by social safety nets. This is higher than the Africa Human Capital Target for 2023 (30%).
- **Electricity.** In South Africa, **91 percent** (2018) of the population has access to electricity. This is higher than the average for its region (50%) but lower than the average for its income group (96%).

- **Internet Connectivity.** In South Africa, **56 percent** (2017) of the population uses the internet. This is higher than the average for its region (22%) but lower than the average for its income group (60%).
- **Open Defecation.** In South Africa, **1 percent** (2017) of the population practices open defecation. This is lower than the Africa Human Capital Target for 2023 (15%).

Figure 2. Complementary Indicators



Note:

- Large circle represents South Africa
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution

This brief is based on the most recent data available from the Human Capital Project, World Development Indicators, Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE), UNESCO Institute for Statistics, WHO Global Health Observatory and Global Health Expenditure Database, IMF World Economic Outlook, selected national sources and World Bank staff estimates.

For more information on the definition of indicators and data sources, please visit: www.worldbank.org/humancapital