



## **Retirement Planning Practices of Black South African Entrepreneurs/Business owners**

### **Systematic Literature Review**

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## Executive Summary:

This executive summary provides an overview of the comprehensive literature review conducted on retirement planning among Black South African entrepreneurs and business owners. The primary objective of this review was to gain insights into the current understanding of retirement planning within this specific demographic. By exploring the theories, concepts, and determinants of retirement planning in general and its unique implications for entrepreneurs, the study aimed to contribute to a deeper comprehension of this critical aspect of financial preparation. The literature review delved into a wide array of scholarly works and research articles particularly focusing on its application to Black South African entrepreneurs and business owners. The analysis revealed several key findings and trends:

- **Entrepreneurial Context:** The review highlighted the distinct characteristics of entrepreneurship that influence retirement planning. Entrepreneurs often face variable income streams, unpredictable business cycles, and a strong emotional attachment to their ventures. These factors pose unique challenges to retirement planning compared to traditional employment settings.
- **Limited Awareness:** A significant finding was the limited awareness and emphasis on retirement planning among Black South African entrepreneurs. Many entrepreneurs tend to prioritize their businesses over personal financial planning, leading to insufficient retirement provisions.
- **Cultural and Social Factors:** Cultural norms and societal expectations were found to play a substantial role in retirement planning decisions. Filial responsibilities and family support structures influence retirement strategies among Black South African entrepreneurs.
- **Financial Literacy:** The review emphasized the importance of financial literacy and education in enabling effective retirement planning. Lack of financial knowledge was identified as a barrier to making informed retirement decisions.
- **Retirement Vehicle Diversity:** The study explored the various retirement vehicles available to entrepreneurs, such as pension funds, provident funds, individual retirement accounts, and investments. It identified the need for tailored retirement solutions that align with the entrepreneurial lifestyle.

In conclusion, this systematic literature review significantly contributes to the understanding of retirement planning among Black South African entrepreneurs and business owners. By examining the theories, concepts, and determinants of retirement planning in both general and entrepreneurial contexts, the review sheds light on the challenges and opportunities associated with preparing for retirement in this specific demographic. The findings underscore the need for targeted interventions, improved financial education, and policy adjustments to ensure a secure and prosperous retirement for Black South African entrepreneurs. This study serves as a foundation for future research endeavors and practical initiatives aimed at enhancing retirement planning outcomes within this vital segment of the population.

## Definitions and Terminology

1. **Retirement Planning:** The process of setting financial goals and making decisions to ensure a comfortable and financially secure retirement, involving strategies for saving, investing, and managing resources. Retirement planning is a methodical and strategic process that helps individuals or households acquire knowledge and expertise in financial management, establish specific objectives, and take purposeful measures to guarantee financial security and well-being during their post-employment years. It involves evaluating one's financial resources, forecasting future expenses, and devising a comprehensive plan that encompasses savings, investments, and potential income sources to achieve desired retirement goals (Nivalainen, 2022; Beblo and Schreiber, 2022).
2. **Black South African Entrepreneurs/Business Owners:** Individuals of Black African descent who own and operate businesses in South Africa, contributing to the country's economic growth and development.
3. **Systematic Literature Review:** A research methodology that involves systematically searching, selecting, evaluating, and synthesizing existing literature on a specific topic to provide a comprehensive overview of the current state of knowledge.
4. **Theories:** Frameworks or conceptual models that explain and predict phenomena. In this context, theories might refer to concepts explaining factors that influence retirement planning behavior among entrepreneurs.
5. **Concepts:** Abstract ideas or notions that help explain and understand various aspects of retirement planning. For example, concepts might include risk tolerance, financial literacy, and cultural norms.
6. **Determinants:** Factors or variables that influence or determine a particular outcome. In this context, determinants could refer to factors that influence the retirement planning decisions of entrepreneurs.
7. **Financial Literacy:** The knowledge and understanding of financial concepts, including budgeting, investing, debt management, and retirement planning, necessary to make informed financial decisions.
8. **Entrepreneurial Context:** The unique circumstances, challenges, and opportunities faced by entrepreneurs, including factors such as irregular income, risk-taking, and business ownership. Entrepreneurs are business owners that seek to generate value, through the creation or expansion of economic activity, by identifying and exploiting

new products, processes, or markets according to The Organisation for Economic Cooperation and Development (OECD). Notably, there exists a multicity of definitions and characterisations for entrepreneurship (Ahmad and Seymour, 2008). Entrepreneurial activity is classified as enterprising human action aimed at the generation of value, through the creation or expansion of economic activity, by identifying and exploiting new products, processes, or markets according to OECD (Ahmad and Seymour, 2008).

- 9. Cultural Norms:** Shared beliefs, values, and practices within a particular cultural group that influence behaviors and decision-making. Cultural norms can impact retirement planning preferences and strategies.
- 10. Government Policies and Regulations:** Laws, rules, and guidelines established by the government that affect various aspects of retirement planning, such as tax incentives, retirement fund regulations, and social security programs.
- 11. Retirement Vehicles:** Financial instruments or accounts designed to help individuals save and invest for retirement, such as pension funds, retirement annuities, and individual retirement accounts (IRAs).
- 12. Financial Education Programs:** Initiatives aimed at improving individuals' understanding of financial concepts and skills, often offered through workshops, seminars, online courses, and educational resources.
- 13. Financial Preparation:** The act of making necessary arrangements, both in terms of savings and investments, to ensure a financially secure future, particularly in retirement.

## Abbreviations

- EBO's - Black entrepreneurs and Business owner

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## **1. Contribution and importance of the Literature review**

The literature review plays a pivotal role in addressing a significant gap in research within the South African context, specifically focusing on retirement planning among Black entrepreneurs and Business owners (EBO's). While various global studies, such as Alterman, Froidevaux, Fasbender, & Xie (2020) and Wennberg & DeTienne (2014), have developed conceptual frameworks tailored to entrepreneurs, there remains a dearth of in-depth exploration within the South African entrepreneurial landscape. This research aims to bridge this gap by conducting a comprehensive review of pertinent literature, including papers, articles, and publications, to elucidate the theories and determinants underpinning retirement planning for EBO's. By synthesizing existing knowledge, this review serves as a critical foundation for constructing a novel conceptual framework. This framework will be uniquely attuned to the circumstances and intricacies of the South African context, offering insights that can guide and inform retirement planning strategies for entrepreneurs in this specific environment. Additionally this conceptual framework will inform the data analysis of semi-structured interviews amongst this population.

Crucially, this effort holds substantial implications for addressing the needs of Black South African entrepreneurs. By amplifying the voices and experiences of Black entrepreneurs, this research contributes to a more inclusive understanding of retirement planning, ensuring that strategies are not only effective but also equitable.

In terms of structure, the paper is organized as follows: The first section offers a concise overview of the retirement planning landscape. Following this, the second section delves into a thorough literature review, assimilating existing knowledge and identifying gaps. Lastly, the third section consolidates the findings from the literature review, drawing conclusions, and presenting practical recommendations. Through this systematic approach, the research offers valuable insights into an underexplored aspect of entrepreneurship, catering to the unique needs of South African EBO's and propelling the discourse forward.



## **2. Defining Retirement planning**

Retirement is a crucial stage in an individual's lifecycle which is associated with the withdrawal from active employment. Retirement occurs in various forms such as early or on time; partial or complete; voluntary or involuntary. To plan effectively for retirement, individuals must solve present value problems in the wake of unknown facts such as their future asset returns, earnings, tax rates, health status and life expectancy (Brucker & Leppel, 2013). However, some people do not plan at all or plan haphazardly leading to post-retirement challenges. For instance, studies by Wang, Koo & O'Hare (2016) affirm that not engaging in retirement planning could result in an individual not having adequate retirement savings to meet their needs and sustain their lifestyles which could lead to old age poverty. To address the above-mentioned challenge, retirement planning requires individuals to develop adequate retirement savings to supplement their income during their active years in employment. Briefly, according to Gutierrez & Hershey (2015), retirement planning can be described as the process by which knowledge is gained and goals are established for the retirement period to enable strategic behaviours to achieve these goals. Whereas retirement planning activities are commonly associated with a set of actions aimed at wealth accumulation to cover post-retirement expenses (Alkhawaja & Albaity, 2022).

Saving for retirement poses a greater challenge for entrepreneurs when compared to those in formal employment. The self-employed do not receive government-mandated benefits or sick leave, rather they have to provide for their pensions and healthcare (Parker & Rougier, 2007). Typically, these individuals are subject to entrepreneurial income risk, given the variable nature of their income streams (Heaton and Lucas, 2000). Additionally, entrepreneurs are deemed ineligible for many retirement fund products due to the volatile nature of their income streams (National Treasury, 2021). Furthermore, these entrepreneurs are faced with increasingly complex decisions such as entrepreneurial exit (Kołodkiewicz, Kaciak, & Wojtyra-Perlejewska, 2022). This paper aims to examine the theories and determinants of retirement planning for this unique subset of the population in South Africa, particularly in the context of EBO's. Firstly, a brief background to the retirement planning landscape both locally is necessary to provide the context to the study.

## **2.1. The Retirement Planning for EBO's in South Africa**

The South African context is governed by weak economic growth, high unemployment rates and inflationary pressures in recent times (SARB, 2023). These factors have resulted in relatively low savings rates by households when compared to other emerging markets such as China and India (Ting & Kollamparambil, 2015). More recently, EBO's are being viewed as a vehicle to combat the challenges of job creation, economic growth, and redistribution of income in the South African context (Fatoki, 2014). A majority of EBO's are situated in the informal sector, in South Africa which presents challenges relating to data (Essop & Yu, 2008). Appendix A depicts the sector distribution of Total early-stage Entrepreneurial Activity (TEA), a common measure of entrepreneurial activity. Notably, "Spaza Shops" dominate the SME market share in South Africa. TEA in the agricultural, manufacturing and Information and Technology (IT) sectors has been on the rise according to the Global Entrepreneurship Monitor (GEM) (Bowmaker-Falconer and Meyer, 2022).

EBO's are a key component of the economy, which provided 60% of employment in South Africa and contributed to between 51% and 57% of the GDP (Ngek & van Aardt Smit, 2013). The failure rate among these EBO's is between 50% and 60%, although most EBO's fail due to a lack of financial literacy and access to capital (Maduku & Kaseeram, 2021). The failure of these enterprises has implications for any retirement planning efforts of SME owners given they rely on their businesses to sustain them during retirement. Furthermore, the variability of entrepreneurial income leaves entrepreneurs excluded from most retirement products except for relatively costly annuities (National Treasury, 2021). Appendix B depicts the fund contribution by members, interestingly enough employers made the largest contribution to pension funds, followed by employees, provident funds, and annuities. Rusconi (2021) argues that there has been inadequate pension coverage extended to the self-employed, temporary workers and those in the informal sector to mitigate against any retirement risks. More recently, the government has proposed retirement reforms such as a two-pot retirement system; autoenrollment for vulnerable, contract and temporary workers and the overhaul of the retirement annuities industry (National Treasury, 2021). These changes in legislation would benefit the retirement-saving efforts of EBOs

### **3. Retirement Planning for Entrepreneurs: A Unique Perspective**

Entrepreneurs face distinct retirement planning challenges, shaped by both objective and subjective factors. Key considerations include the valuation of their business, potential succession planning, and emotional attachments to their ventures. Entrepreneurial passion, for instance, can both facilitate and hinder effective retirement planning (McCullough, 2012'; Alterman et al, 2020). Elements influencing the retirement planning decisions of small business owners, that can foster increased adoption of retirement plans and subsequently enhance national retirement savings; include retirement goal clarity which acts as an intermediary between retirement planning activities and three pivotal behavioral factors: engagement with the business, overall satisfaction, and an individual's perspective on the future. However, EBOs are deeply engrossed in their daily operations and those with a "live for today" mindset are less inclined towards retirement planning (McCullough, 2012). Conversely, those who derive great satisfaction from their business display a stronger inclination towards planning for retirement.

#### **3.1. The South African Context**

The retirement planning landscape of Black South African entrepreneurs is intricately woven into the tapestry of the nation's socio-economic history, marked by the enduring legacy of apartheid. This historical backdrop casts a shadow over contemporary retirement practices, as disparities in human and social capital accumulation reverberate through the generations, thereby influencing retirement planning decisions (Shagaran, 2020).

##### **3.1.1. Individual Differentiators**

Historical context sheds light on prevailing disparities. Historically, black women, facing educational constraints, leaned on informal savings groups and familial support during retirement, invoking the "Black Tax" dynamic (Willows & October, 2021). Furthermore, income variances influence access to retirement planning resources (Tondini, Ardington & Woolard, 2017). Adequate retirement provision does not necessarily only affect the retiree but also the family unit of the retiree as a whole, as the vast majority of households in developing countries such as South Africa rely solely on one breadwinner (Shagaran, 2020).

### **3.1.2. Governance and Objective Factors**

Governance practices in family-run businesses, where business and family realms often intertwine, impede clear retirement planning (Visser & Chiloane-Tsoka, 2014). Estate planning, in this context, emerges as a pivotal consideration (Van der Merwe, 2009).

### **3.1.3. Subjective Dynamics**

While financial literacy is cardinal to retirement planning, a significant knowledge gap exists among South African entrepreneurs, necessitating the indispensable role of financial planners. Intricacies related to psychological ownership and entrepreneurial identity further shape retirement decisions (Visser & Chiloane-Tsoka, 2014).

## **3.2. Conclusion**

This review sheds light on the multifaceted determinants shaping the retirement planning behaviors of Black South African entrepreneurs. By recognizing these nuances and promoting financial literacy and planning, there is potential to transform retirement outcomes for this critical segment of the population.

## **4. Theoretical framework**

Understanding retirement planning practices among different demographic and occupational groups is crucial to inform tailored policies and interventions. This literature review specifically focuses on the theoretical frameworks underpinning retirement planning to provide insights into the potential practices and behaviours of Black South African Entrepreneurs/Business Owners.

### **4.1. Lifecycle Theory**

Introduced by Ando and Modigliani (1963), the lifecycle theory suggests that individual consumption patterns are primarily driven by long-term income, considering both present earnings and future potential earnings (Amari, Salhi, & Jarboui, 2020). Black entrepreneurs, like others, might go through a phase of higher consumption during their early years in business, with a potential deficit covered by loans or debts. As their businesses stabilize and grow, they may accumulate wealth, aiming to decumulate during retirement. This theory offers a fundamental framework to understand the savings and spending behaviours of entrepreneurs throughout different stages of their entrepreneurial journey (Brucker & Leppel, 2013).

### **4.2. Behavioural Lifecycle Theory**

Shefrin and Thaler's (1988) Behavioural Lifecycle Theory provides a nuanced perspective by incorporating psychological factors such as self-control, impatience, and mental framing. For Black South African entrepreneurs, societal and cultural factors might impact their financial decisions, leading them to adopt certain rule-of-thumb practices. For instance, while they may understand the importance of retirement planning, societal pressures or personal inclinations might prompt them to prioritize immediate needs or societal contributions over future savings. The idea of mental accounting, as proposed by this theory, might see entrepreneurs allocate funds to specific types of consumption or investment (Shefrin & Thaler, 1988).

### **4.3. Theory of Planned Behaviour**

Fishbein and Azjen's (1975) theory emphasizes the role of subjective attitudes, societal norms, and perceived behavioural controls in influencing intentions and behaviours. For Black entrepreneurs in South Africa, societal norms around business success, community contributions, and personal wealth might shape their retirement planning practices. An

entrepreneur's intention to plan for retirement would likely be stronger when their personal attitudes towards retirement align with societal norms and expectations (Forster-Holt, 2011).

#### **4.4. Life Course Theory**

According to the Life Course Theory, retirement is a significant transition that might result in shifts in identity, preferences, and meaning (Moen, 1996). For Black South African entrepreneurs, factors such as education, age, gender, and their business's nature might play pivotal roles in their retirement decisions (Elder Jr, 1998). This theory sheds light on how historical and socio-cultural factors might shape entrepreneurs' perspectives on retirement, further influencing their planning practices (Von Bonsdorff et al., 2009).

#### **4.5. Conclusion**

While the theories outlined provide a comprehensive understanding of the factors influencing retirement planning, it is essential to consider the unique socio-cultural, historical, and economic context of Black South African entrepreneurs. These theories lay the groundwork for a more in-depth exploration of how these factors intersect and play out in the specific context of Black entrepreneurs in South Africa. Further studies can delve deeper into the practical implications of these theories, providing a holistic view of retirement planning practices among this demographic.

## 5. Determinates of retirement planning

The nexus of entrepreneurship and retirement planning in Black South African communities is complex, situated within a unique socio-historical context. This paper synthesizes the literature, offering an academic lens on factors affecting retirement planning practices among these entrepreneurs. A wide spectrum of factors influencing retirement saving are broadly categorized into individual preferences, environmental influences, and psychological processes.

### 5.1. Demographic Variables and their Impacts

Demographics such as age, education, gender, and income consistently emerge as determinants of savings behaviors. Moreover, traditional gender roles have previously positioned retirement planning as a predominantly male responsibility, affecting savings behaviors across genders.

- **Age:** Age is a fundamental variable when analyzing determinants of retirement planning. As entrepreneurs advance in age, the horizon for retirement nears, often bringing about a more deliberate effort to save and invest. Younger entrepreneurs might have a propensity to focus more on immediate business needs and expansion, sometimes neglecting long-term retirement planning. However, the dynamic entrepreneurial environment in South Africa means that older entrepreneurs, who may have started businesses later in life, could be faced with the dual challenge of establishing their business while considering imminent retirement (Zamora Lobato, 2021)
- **Education:** Education plays a pivotal role in shaping savings and retirement behaviors. Entrepreneurs with higher educational levels tend to have enhanced financial literacy, aiding in making informed decisions about investments and savings (Osvaldo, García, Mata, 2021). In the South African context, where there are historical disparities in educational access and quality, understanding the nuanced role of education in shaping retirement planning is crucial.
- **Gender:** Traditional gender roles have, in many cultures, positioned retirement planning as a predominantly male responsibility. This has ripple effects in societies like South Africa, where patriarchal norms might influence financial decisions in households (Zeka, 2017). Women entrepreneurs, especially in the South African context, might not only grapple with the challenges of running a business but also face societal pressures related to retirement savings. Encouragingly, there's a growing

recognition of the need to promote financial literacy and retirement planning among women entrepreneurs.

- **Income:** The income levels of entrepreneurs significantly impact their ability to save for retirement. While higher income brackets might allow for more substantial and consistent savings, fluctuating incomes - a reality for many entrepreneurs - can pose challenges to consistent retirement planning (Osvaldo, García, Mata, 2021). South African entrepreneurs, particularly those in the informal sector or those facing competitive market dynamics, might find it challenging to allocate consistent funds for retirement.

## **5.2. Environmental Considerations**

Environmental factors encompass a wide range of influences. Central among these is the work environment, which affects the propensity to save and eventual retirement decisions (Beehr et al., 2000). Juxtaposed against work factors are non-work characteristics, such as aspirations for post-retirement activities and personal family obligations.

### **Work Environment**

The work environment undoubtedly holds significant sway over an individual's financial behaviors and retirement planning. Several facets of one's professional life, such as job stability, income predictability, exposure to financial information, and organizational retirement benefits, heavily influence an individual's saving habits.

For instance, entrepreneurs who operate within well-established industries may enjoy a greater degree of financial stability than those in emerging or volatile sectors. The predictable revenue stream in a stable industry might encourage consistent savings. On the other hand, a business owner navigating the unpredictable waters of a start-up might prioritize business reinvestment over personal retirement savings, viewing the business itself as a retirement asset.

Additionally, companies that offer retirement benefit plans or financial literacy training can positively influence employees' retirement savings behaviors. These organizational provisions not only ease the financial burden of retirement but also instill a culture of forward-thinking and planning among employees.



#### **4.2.2. Non-work Characteristics**

Outside of the professional realm, non-work characteristics also exert a profound influence on retirement decisions. Personal aspirations for post-retirement life, for instance, can shape savings behaviors. An individual dreaming of a leisurely retirement filled with global travels might be more inclined to save more aggressively than someone who envisions a quiet, home-bound retirement. Family obligations and commitments, another vital non-work characteristic, play a substantial role. An entrepreneur with a responsibility towards children's higher education or a family member's medical treatments might prioritize these immediate needs over long-term retirement savings. Conversely, someone without such obligations might have the freedom to allocate a more significant portion of their income towards retirement.

Moreover, cultural and societal perspectives on post-retirement life can also influence savings patterns. In societies where the elderly are primarily cared for by their families, individuals might not prioritize extensive retirement savings. In contrast, in societies emphasizing independent living for the elderly, robust retirement planning becomes crucial.

### **5.3. The Psychological Paradigm**

Psychological determinants, including information processing, learning trajectories, and attitudes, play a crucial role in retirement planning. Significantly, financial literacy has been underscored as pivotal to effective retirement planning (Lusardi & Mitchell, 2009). The nexus of financial attitudes, values, and beliefs further molds retirement-related behaviors.

## **6. The Financial Planner's Role in Shaping Retirement Decisions**

Financial literacy, or the lack thereof, is a pressing concern, especially in the context of the intricate and often overwhelming realm of retirement planning. In recent years, an increasing reliance on financial planners has emerged, emphasizing their indispensable role in navigating this complex domain. The correlation between financial illiteracy and suboptimal retirement decisions has been repeatedly highlighted in academic circles. It underscores the imperative need for professional guidance in these arenas.

Financial planners bring to the table a comprehensive understanding of market dynamics, the intricacies of investment instruments, tax implications, and the strategic allocation of assets

Their expertise is not just restricted to crafting financial portfolios. They are adept at translating the often esoteric language of finance into digestible insights, tailored to an individual's risk appetite, life goals, and financial situation. This personalized approach ensures a holistic financial strategy that doesn't just address immediate needs but also long-term aspirations.

Moreover, the behavioral aspect of financial planning cannot be understated. Financial planners serve as anchors, mitigating the effects of emotional decision-making which can lead to detrimental financial choices, especially in volatile markets. They encourage consistent saving behaviors, strategic investment, and foresight, aiding in the development of a robust retirement corpus. Research shows not only reiterates the value of professional financial counsel but also accentuates the measurable enhancement in retirement savings outcomes. The amplification in financial well-being when guided by a financial planner is, thus, a testament to their pivotal role in shaping retirement decisions.

## **7. Conclusion and Recommendations for future studies**

The study aimed to discuss relevant theories, determinants and frameworks related to entrepreneurs to facilitate the development of a conceptual framework for South African SME owners. Given the ensuing discussion above, retirement planning is a multi-faceted field of study which incorporates theories, determinants, and frameworks from various fields of study to explain retirement planning decision-making and savings patterns. However, the retirement decision-making process for the self-employed differs from the general populous which to some degree follows the framework set out by Engel, Blackwell, & Miniard (1990). The entrepreneur is faced with decisions relating to the liquidation of their enterprises and succession planning all the while enduring a financial situation governed by variable income and a lack of an employment-mandated pension plan. Moreover, psychological factors such as entrepreneurial passion only serve to lengthen their years in active service. When examining small firms, factors such as succession planning; business-family conflicts come into play and further complicate the retirement decision-making process (Wennberg & DeTienne 2014; Alterman, Froidevaux, Fasbender, & Xie, 2020).

In the South African context of EBO's, intersectionality and income levels are predictors of retirement behaviour in line with traditional retirement literature (Zeka, 2017). Although, the Apartheid context brings about issues of financial inclusion for the majority Black population

in South Africa. These individuals are also faced with family contributions which hamper their ability to save for retirement. South African EBO's are also plagued with governance issues which have implications for succession and estate planning. Although, psychological factors such as financial literacy, psychological ownership and entrepreneurial passion are in line with the literature. The lack of financial literacy leads SME owners to rely on financial advice from financial planners to aid these individuals in retirement (Visser & Chiloane-Tsoka, 2014). However, there is limited research examining the retirement planning practices, determinants and conceptual frameworks of entrepreneurs in the South African context. The doctoral dissertation will address this gap and further elaborate on the insights from this report to develop a framework for South African EBO's.

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## 9. Appendices:

### 9.1. Appendix A: Total Early-Entrepreneurial Activity by Sector

	2015	2016	2017	2019	2021	Africa Region 2021	Level C Economies 2021 (average)	GEM Global 2021 (average)
Agriculture	0.1	2.9	4.1	4.2	4.1	9.4	5.9	5.4
Mining	6.3	6.6	6.9	4.9	3.7	2.4	3.6	5.3
Manufacturing	3.6	5.8	7.3	13.1	6.8	12.8	11.6	9.6
Transportation	5.1	9.7	3.3	4.7	4.6	3.9	3.2	3.4
Wholesale/retail	50.4	50.6	52.5	46.1	56.7	52.2	53.8	37.2
Information/communication technology	1.0	1.6	2.6	2.9	3.2	1.3	2.0	4.6
Finance	2.5	4.2	3.9	1.7	2.3	1.9	1.9	4.1
Professional services	3.1	2.7	1.0	1.2	0.7	1.7	3.4	8.1
Administrative services	2.5	6.1	2.9	3.9	2.6	2.2	2.0	4.3
Health, education, gov.t & social services	16.8	8.5	10.9	16.2	14.8	10.9	11.3	15.5
Personal/consumer services	1.6	1.4	4.6	1.3	0.5	1.3	1.2	2.6

**Source:** Bowmaker-Falconer and Meyer (2022)

### 9.2. Appendix B: Fund Contribution by Member

Tax year	Total	Pension: employee	Pension: employer	Provident: employee	Provident: employer	Retirement annuity
2011	4,882,693	2,858,053	0	1,405,231	0	1,485,455
2012	4,974,950	2,907,731	0	1,424,492	0	1,548,314
2013	5,181,628	2,947,824	0	1,564,589	0	1,619,897
2014	5,344,076	2,974,068	0	1,704,501	0	1,648,594
2015	5,480,548	3,001,332	0	1,836,035	0	1,635,156
2016	5,562,945	3,024,830	0	1,930,519	0	1,577,381
2017	6,884,845	2,941,065	2,850,786	2,777,879	3,321,877	2,278,073
2018	6,751,578	2,935,220	2,834,200	2,771,154	3,354,107	1,746,229

**Source:** National Treasury (2021)