

BUDGET VOTE 17 SPEECH BY THE MINISTER OF SOCIAL DEVELOPMENT, MS LINDIWE ZULU, MP TO THE NATIONAL ASSEMBLY

Friday, 12 July 2019

Parliament, Cape Town

Honourable Chairperson, Honourable Members, and Members of the Portfolio Committee on Social Development; MECs for Social Development here present;

Act. Director General of the Department of Social Development, Mr Mzolisi Toni, CEO of SASSA; Ms. Busisiwe Memela- Khambula, CEO of NDA; Ms Thamo Mzobe, UN Population Fund Country Representative to South Africa, Ms Beatrice Mutali; Social grant beneficiaries, as well as beneficiaries from other programmes of the DSD Portfolio; Representatives of development agencies, cooperatives and civil society organisations in the public gallery;

From the onset, please allow me to tender the apology of the Deputy Minister of Social Development, Ms Hendrietta Bogopane-Zulu who is unable to join us due to a family bereavement. Please join me in expressing our deepest condolences and in wishing her family hope and comfort during this time of grief.

I am presenting Budget Vote 17 of the Department of Social Development for your consideration and support under the theme: "WORKING TOGETHER TO EMPOWER COMMUNITIES FOR SUSTAINABLE LIVELIHOODS". I do so, full of optimism and hope to serve our people as we enter the 6th Administration.

The theme of this budget is a major thrust of our social transformation agenda as we continue to build, brick by brick, the South Africa we want. The core mandate of this Department is to provide comprehensive social protection services that enable the poor and vulnerable to live sustainable livelihoods. This mandate is complemented by the work of the two public entities, SASSA and the NDA.

SASSA is responsible for the provision of a comprehensive social security system against vulnerability and poverty within the constitutional and legislative framework. The NDA contributes towards the eradication of poverty and its causes through grant funding and strengthening of civil society organisations that provide services to build resilient and self-sustainable communities.

Taken together, the work of this Department is to provide investment in programmes and services that enable individuals and communities to participate in their own development.

To achieve this, we will use a portfolio approach (that is the Department working together with its agencies hand in hand) while we simultaneously build collaborations with other partners within government, the private sector and civil society organisations.

Hon. Chairperson, the work of this Department is central to the realisation of the ideals of the Freedom Charter. Fifty-Six years ago on this day, 11 July 1963, during the dark days of the apartheid regime, the notorious police force raided the ANC's safe house, Lilliesleaf Farm, in Rivonia-Johannesburg. They arrested the leadership nucleus of the armed wing of the ANC, Umkhonto We Sizwe, including Andrew Mlangeni, Walter Sisulu and Ahmed Kathrada.

This day will forever be marked in South African history books as the start of a process, known famously as the Rivonia Trial, which eventually saw Nelson Mandela and seven other freedom fighters sentenced to life in prison at the Robben Island. As we present this budget, the sacrifices of this generation of leaders will continue to guide and inspire our actions.

This budget could not have come at a better time than the month of July, as we celebrate the birth of our first democratically elected President of the Republic of South Africa, uTata Nelson Rolihlahla Mandela whose legacy embodies the work of this Department.

Hon. Chairperson, we are reminded of Madiba's words and I quote:

"THE WORLD REMAINS BESET BY SO MUCH HUMAN SUFFERING, POVERTY AND DEPRIVATION. IT IS IN YOUR HANDS TO MAKE A DIFFERENCE".

Close quote.

As we begin the new term of this 6th administration, we want to create certainty by putting people first, by responding timeously to the pressing needs of our people, while charting a path towards resilience and sustainable livelihoods.

This Budget comes as we celebrate the silver jubilee of freedom and democracy. While we acknowledge that the South Africa we want is still a work in progress, we have every reason to celebrate the journey we have traversed thus far. We have every reason to celebrate the unprecedented progress we have made in lifting up our people out of abject poverty; the most vulnerable of our society.

As the democratic government, we have expanded access to lifesaving treatment, free primary health care, free education at primary, secondary and tertiary levels. This ANC government has improved life expectancy and we have enabled more girls to attend school than ever before. Through our investments in the social assistance and child protection programmes, we have enabled vulnerable children to remain and complete school. We have assisted over ONE HUNDRED AND FORTY THOUSAND social grants beneficiaries to further their studies through the National Students Financial Aid Scheme (NSFAS).

We do not take these successes lightly. We are keenly aware of areas where we are still lagging behind, particularly today as we table this budget against a challenging economic environment.

Given the foregoing, we remain cognisant that we cannot do everything all at once, BUT WE WILL DO ALL THAT WE CAN, AND WE WILL DO IT WELL.

WE WILL DO IT, NOT BECAUSE IT IS RIGHT, BUT ALSO BECAUSE SUSTAINABLE DEVELOPMENT AND LIVELIHOODS LIES AT THE HEART OF THE WORK OF THIS DEPARTMENT.

The Chairperson of the NCOP, Hon. Amos Masondo directed us not only to be masters of doing, BUT ALSO, TO BE THE MASTERS OF DOING THINGS RIGHT by tackling poverty now and by addressing issues that will end intergenerational poverty in the next 25 years and beyond. I hasten to add that the effectiveness of the programmes and strategic interventions in this budget, depend on joint action across all spheres of government and on partnership the private sector, civil society and community based organisations, some of which are in the public gallery.

Yesterday, I held my first meeting with MECs where we unanimously agreed on certain priority areas over MTEF period.

These include, but not limited to:

- fighting the scourge of alcohol and substance abuse that causes immeasurable damage to our country especially the youth;
- child abuse, neglect and exploitation, which rob our children of the joys of childhood;
- gender based violence which is an affront to the ideals of the Freedom Charter of building an equal and non-sexists society;
- improving the provision of developmental welfare and community development services to deliver better results for the most vulnerable;
- deepening comprehensive social assistance by extending the scope of social security provisions:
- enhance our coordination mechanisms, integration, planning, monitoring and evaluation to measure the impact of our interventions

We have committed ourselves to clean governance and administration that create a sense of certainty to deliver our services timeously and with honesty. We also agreed to work much closer with districts and local municipalities as the first port of call in service delivery value chain.

Hon. Chairperson, the tabling of this budget coincides with this year's commemoration of the World Population Day under the theme: "25 YEARS OF INTERNATIONAL CONFERENCE ON POPULATION AND DEVELOPMENT: LOOKING BACK, LOOKING FORWARD". This theme resonates with the gains of the 25 years of freedom and democracy; the 21 years of the anniversary of the South African population policy as we journey towards Vision 2030 and beyond. However, key challenges still remain.

According to Statistics SA, South Africa's population size grew from 40.6 MILLION in 1996 to 57.7 MILLION in 2018. Data shows that South Africa continues to have a relatively youthful population, with 39% between 15 and 35 years of age. We also note that we are undergoing an age transition from a young population to an ageing population.

While the child population, which is children under 15 continued to decline from 34.3% in 1996 to 29.5% in 2018, the population of older persons significantly increased from 2, 8 MILLION in 1996 and 4, 1 MILLION in 2011 to 4, 8 MILLION in 2018.

Given the above, it is imperative that we implement an integrated approach that is responsive to the present needs of our youthful population, while at the same time addressing the long term needs of the growing ageing population.

Currently, we have too many young people who are not in employment, education or training (NEET).

For this reason, we are making strategic investments critical for sustainable development, starting with early childhood development, training and creation of work opportunities, with particular focus on Science, Technology, Engineering and Mathematics. These investments are critical in the context of the fourth industrial revolution.

Hon. Members, our youth development programme is guided by the words of Mama Nomzamo Winnie Mandela, an activist, anti-apartheid veteran and a pioneer social worker who said and I quote:

“The hopes of South Africa’s future development lies in its youth, so it is important for us to give them hope”

Close quote.

The growing ageing population in South Africa presents challenges for the provision of public services such as health, welfare, housing, retirement savings and benefits, amongst others. In this regard, we will expand programmes that improve the quality of life and dignity of older persons, focusing on community based care and support services. This includes active ageing programmes, prevention of elder abuse and income support. We are encouraged by the work of the South African Older Persons Forum, which continues to champion the rights of older persons.

We have a window of opportunity TO ACT FAST AND TO ACT NOW to meet our population challenges. Some of the policy responses are contained in this budget we are presenting today, including the work of the Inter-Ministerial Committee on Population Policy. We will continue to work towards the realisation of the full range of sexual and reproductive health and rights for all.

Attention will be paid to the marginalised groups, including persons with disabilities, LESBIAN, GAY, BISEXUAL, TRANSGENDER, INTERSEX, QUEER, ASEXUAL (LGBTIQ+) people, rural, urban poor as well as young people.

South Africa’s population policy recognises migration, including international migration as a fundamental human right issue. The dynamics of internal and international migration remain a challenges for proper planning.

Hon. Chairperson, the South Africa envisioned in the NDP accords a central role to an inclusive and responsive social protection system. In tackling the triple challenges of poverty, inequality and unemployment, the allocation for this financial year is 184 BILLION RAND. Of this amount, 175 BILLION RAND is a direct transfer to social grants beneficiaries, which constitutes 94.8% of the Department’s budget allocation over the MTEF period. This accounts for 3, 2% of South Africa’s Growth Domestic Product. Expenditure on this programme increases at an average annual rate of 7.6%, from 162.9 BILLION RAND in 2018/19 to 202.9 BILLION in 2021/22.

The Department will transfer 212 MILLION RAND to the NDA and 518 MILLION RAND of the ECD Conditional Grant to provinces. The balance goes to the Department and SASSA for administrative costs.

It is important that we remind this august house where we come from.

In 1994, we inherited a fragmented and discriminatory social security system that catered for the few along racial lines. While black people were receiving their Old Age Grant pay out every second month, their white counterparts were receiving it monthly. Twenty five years down the line, we have not only eliminated the barriers that excluded the majority of our people, but we have also extended coverage to the most vulnerable in our society. These are the ANC government’s achievements worth noting.

To date, we have extended social grants from 2 MILLION on social grants in 1994 to over 17 MILLION beneficiaries. Of this number, 12.5 MILLION is Child Support Grant, followed by Old Age Grant at 3.5 MILLION, Disability Grant just over 1 MILLION and the balance covering Care Dependency, Foster Care, Grant-in-Aid and the War Veterans Grant.

For two successive financial years, the social assistance programme has shown growth, with total uptake increasing by 1.7 % between 2017/18 and 2018/19. The Older Persons Grant grew by 3.8% while the Child Support Grant by 1.5%. At the same time, there was an increase in the number of adult beneficiaries in need of regular care and support in the form of Grant-In-Aid, which grew by 15.5%. These figures show that the increase is mainly amongst the grants targeting the most vulnerable groups, that is children and older persons.

Hon. Chairperson, the 54th National Conference of the ANC directed us to finalise a number of social security reform policy proposals.

This includes work on the definition of what constitutes a basket of social security benefits, addressing the social grants exclusion errors and the revised policy on mandatory cover for retirement, amongst others. We will also prioritise comprehensive social security reforms endorsed by NEDLAC.

On the legislative front, we have commenced with the review of the SASSA Act and draft regulations on Social Assistance Amendment Act. This work will contribute towards achieving the ANC's bold goals of ensuring that between now and June 2029, "NO PERSON IN SOUTH AFRICA WILL GO HUNGRY". This is at the heart of the 2030 Sustainable Development Goals (SDG) Agenda of ensuring that we end poverty in all its forms and that no one is left behind.

Hon. Members, key to our goal of building a capable, ethical and developmental state is to stabilise our institutions. On this note, I am pleased to inform this house that we have appointed Ms Busisiwe Memela-Khambula as the CEO of SASSA. Her vast experience in the private, public and development sector has already brought the much-needed stability as we work towards ensuring that the Agency fulfil its core legislative mandate.

The current partnership between SASSA and the South African Post Office (SAPO) is continuing without any major hurdles.

We are improving social grants beneficiaries' experience by amongst others, ensuring that payments are done through multiple access channels such as SAPO outlets, cash pay points, retail stores and automated teller machines (ATMs).

Most importantly, we will remain vigilant more than ever, before to ensure that social grants are paid to eligible beneficiaries NJALO!. In this regard, we have taken temporary precautionary measures by suspending over TWO THOUSAND AND EIGHT (2 800) suspected fraudulent accounts. I have directed both CEOs of SASSA working with the CEO of SAPO to investigate and furnish me and the Minister of Communications and Digital Technologies, with a comprehensive report and action to address this matter, including complaints from social grants beneficiaries we received in the last 18 months. To address this fraudulent activities, we have allocated 68 MILLION RAND to social grants investigations in the current financial year.

The days of rampant fraud and corruption and massive illegal deductions are numbered. We will keep a close watch on fraud and corruption because social grants are meant for the poor and vulnerable. We strongly condemn criminal syndicates, who without shame exploit the vulnerability of our people and undermine our efforts in tackling poverty.

Hon. Members, while we mitigate the impact of poverty on the poor and vulnerable, we place greater priority on actions that will have a positive impact for them in a long term, targeting mainly young women in our social grants system.

Empowering our communities to contribute meaningfully to our development trajectory is fundamental to our approach, particularly given the fact that over 45% of the recipients of our social grants are young women below the age of 35.

As a developmental state, our uppermost and urgent task is to ensure that in years to come, the children of the current generation of social grants beneficiaries embark on different pathway to sustainable livelihoods to realise their full potential. To this end, we will use government's procurement and investment in the social assistance programme to stimulate local economic development initiatives.

In the current financial year, we have allocated 410 MILLION RAND to the Social Relief of Distress (SRD) programme to support families who go through undue hardship. Of this amount, 123 MILLION RAND. This is in addition to the 30% procurement policy of government contracts for small and medium enterprises (SMEs). We will continue to foster an integrated approach, with the view to address barriers that hinder greater participation of women and youth owned enterprises.

Hon. Chairperson, while still on the subject of supporting cooperatives, allow me to turn the house's attention to the work of the NDA.

Over the past 25 years, the agency has provided direct grant funding to civil society and community based organisations to the value of 1.3 BILLION RAND.

Last year alone, the agency linked over ONE THOUSAND cooperatives to business opportunities to the value of over 280 MILLION RAND. These cooperatives were linked to SASSA's SRD programme. We acknowledge the work of the organisations that are making a significant contribution to sustainable livelihoods in the war against poverty.

This includes the MHANI GINGI social entrepreneurial network based in Athlone, which we visited this morning and the MOYA WE KHAYA PEACE GARDEN is one of the cooperatives funded by the NDA. These organisations are making a dent on poverty and transforming the lives of women, their families and communities in which they live. MHANI GINGI has just confirmed a contract with the Netherlands Embassy to provide some of their products to them. Through these initiatives, we are setting up our people on a trajectory to throw off the colonial economic shackles. To paraphrase Isithwalandwe, former President Rolihlahla Mandela, our long walk to freedom and democracy was not just about gaining political power.

While important, the attainment of political freedom, DOES NOT, and MUST NOT, mark the end of a bigger fight that lies ahead. This is a fight that our generation must never shy away from.

This is the fight for ECONOMIC EMANCIPATION of our people. Our long walk to freedom was, and remains about giving the majority of our people the first and firm foothold on the ladder of economic opportunities towards sustainable development.

Hon. Chairperson and members, we remain committed to accelerating the transformation of welfare services and the sector as a whole. The provision of developmental welfare services to the most vulnerable is an integral part of our social protection agenda in the NDP. Accordingly, we have commenced with a number of initiatives that we will table to Cabinet in this financial year.

Key amongst these is the White Paper for Social Development, the Social Services Practitioners Bill and the National Drug Master Plan.

The finalisation of this work will enable us to begin to implement key recommendations of the Ministerial Committee on the Review of the 1997 White Paper for Social Welfare. These include the demand and supply model for social service practitioners; resource allocation; establishment and enforcement of a simple, effective and standardised data system; to name a few. Once completed, the White Paper for Developmental Social Welfare will culminate into the Social Development Act.

On a related matter, the supply and demand model for social service practitioners has been approved, with concurrence by key departments and partners.

This model is key in forecasting future needs and demands for both services and categories of social service professionals in the form of social workers, auxiliary social workers, community development practitioners and as well child and youth care workers.

By the NDP's conservative estimation, we require close to 55 000 social service professionals in the sector to respond effectively to the social development needs by 2030. In the next few months, I will be engaging with the Ministers of Police, Health, Basic Education and Treasury towards creating a consolidated approach to explore ways of increasing the number of quality social workers, social auxiliary workers, and community development practitioners that can be fed into the system.

We have taken a deliberate policy decision to ensure that we continue to support students in the social work scholarship programme to complete their studies. To this end, we have transferred an amount of 126 MILLION RAND to the NSFAS to assist TWO THOUSAND AND NINE (2 009) social work students.

Last year, we absorbed 237 social work graduates through the conditional grant. An additional number of 595 were appointed through the implementation innovative social behaviour change interventions. While this is encouraging, a large number of social work and auxiliary social work graduates remain unemployed.

Hon. Members, we must unite across the length and breadth of this country, irrespective of our political affiliations, to resist any force that threatens us and the future potential of this country. Particularly disturbing is that, behind the spine-chilling statistics and death toll of this crisis, are our young people.

In line with spirit of KHAWULEZA, we are determined to strengthen prevention and demand reduction programmes. We will also expand treatment, rehabilitation and reintegration services to affected individuals and their families. Part of expanding treatment involves building new public treatment centres, especially in areas where none existed before. Our target is to build at least one in each province. Three of the five newly built treatment centres are now fully operational and the remaining two will be operational in the near future.

Hon. Chairperson, with regard to the provision of services to victims and survivors of gender based violence, we note and welcome the recent report by the Commission on Gender Equality (CGE). The report, titled "State of Shelters in South Africa", highlights inadequate funding, poor infrastructure and support, amongst its findings.

We have determined to implement without hesitation, the recommendations of the CGE report and the Presidential Summit on Gender Based Violence and Femicide. In fact, work is already underway in this regard. 50 MILLION RAND has been allocated from the Criminal Assets Recovery Account to support shelters.

The finalisation of the Victim Support Services Bill is a direct key policy responses to some of the identified challenges.

We will continue to provide support to survivors through the Gender Based Violence Command Centre. Last year alone, the GBV Command Centre received over 150 000 calls and over 500 short messages, most of which were linked to legal and psychosocial support services.

In 2012, the ANC government took a conscious decision and declared ECD a public good and committed us to work towards the attainment of universal access. In line with the NDP, we will work towards the finalisation of the package of services, including the FIRST 1000 DAYS CAMPAIGN. We are pleased to inform this house that by the end of 2017/18, sixty thousand, three hundred and seven poor children were subsidised through the ECD Conditional Grant.

We expect that ONE HUNDRED AND TWENTY THOUSAND (120 000) children over the medium term will be subsidised by this grant at a projected cost of 1.4 BILLION RAND. This is in addition to those subsidised by provinces through equitable

share funding. As part of the facility maintenance component of this grant, it is expected that between SIX HUNDRED (600) and EIGHT HUNDRED (800) ECD centres will be upgraded over the MTEF period at a cost of 265.4 MILLION RAND.

Recently, President Ramaphosa announced the transfer of the overall coordination of the ECD function, including the monitoring of the National Integrated ECD Policy from Social Development to the Department of Basic Education. As part of the National Micro Organisation of the State (NMOS), to ensure a seamless transition.

Hon. Chairperson, let me turn to another key priority of this administration, which is the improvement in the provision of services to persons with disabilities. It takes an integrated approach to improve the lives of people with disabilities. We have begun work for the full implementation of the White Paper on the Rights of Persons with Disabilities.

The White Paper reaffirms that all persons with all types of disabilities must enjoy all human rights and fundamental freedoms. It contains measurable and time-specific actions that relate to the areas of education, employment, provision of public services, special access to housing, health, accessible public transport and personal safety, amongst others. In April this year, we signed the African Union Protocol on the Rights of Persons with Disabilities.

I take this opportunity to particularly commend the work of my colleague and comrade, Deputy Minister Bogopane-Zulu for providing leadership in this regard. Following the transfer of the disability function to The Presidency, work is at an advanced stage to finalise this process before the end of the year.

We will scale up the Household Food and Nutrition Security Programme, targeting the most vulnerable who otherwise would not have access to safe and nutritious food.

In the previous financial year, we guaranteed access to nutritious food to over ONE MILLION vulnerable individuals through the Community Nutrition and Development Centres. This is key to breaking the intergenerational cycle of hunger and malnutrition.

Hon. Members, Non-Profit Organisations (NPOs) are key to the work of government, and the social sector in particular. Government funding remains the single largest source of funding for most organisations in the sector. We currently transfer over 7.5 BILLION RAND for the provision of a range of programmes and early intervention services in the sector. This year, we have decided to transfer over 700 MILLION RAND to national organisations.

As part of our ongoing efforts to improving the policy and regulatory environment in which NPOs operate, we will table the NPO Act Amendment Bill to Cabinet in the current financial year. The Presidential Social Sector Summit, which I have been tasked to coordinate will be held later this year. The Summit will culminate into a social pact, will give impetus to the sector's contribution towards the realisation of Vision 2030.

Hon. Chairperson and Members, as we step into the next chapter of this great nation, we do so with immense pride and confidence that our programme for social transformation agenda is well on course. We do so with determination to make our families and communities safer, and we do so more determined than ever before, to wipe away the hunger and the fear on children's faces.

As I conclude, I want to build on the constructive engagement of our first meeting, and reiterate our commitment to work with the Portfolio Committee in the years ahead to contribute our efforts in building the South Africa we want.

Let me extend my heartfelt appreciation to our Deputy Minister Hendrietta Bogopane-Zulu, former Minister Susan Shabangu, Members of the Executive Committees for Social Development, the NDA Board, the Acting Director-General, the CEOs of the Public Entities and all staff in the Ministry, department and agencies for their continued endeavour to make the Freedom Charter a living reality for the masses of our people.

I also thank my family for their continued guidance, support and sacrifices throughout the years and as I embark on this new journey.

KE A LEBOGA!!