



Policy Debate Statement by the Minister of Social Development, Ms Lindiwe Zulu, MP on the occasion of the tabling of Budget Vote 19 to the National Council of Provinces (NCOP)

Wednesday, 22 July 2020

Honourable Chairperson and Deputy Chairperson of the NCOP;

Deputy Minister of Social Development;

Honourable Members;

MECs of Social Development here present; and

Fellow South Africans

As we present this budget vote, we mourn the loss of the last surviving Rivonia trialists, Baba Andrew Mlangeni who devoted his life to advance the causes of freedom and social justice for all. These are the causes that lie at the heart of the work we are presenting before this august house today. In the same breath, we pay tribute to the late Comrade Zindzi Mandela, who was a leader and a fierce fighter for liberation in her own right. As we reflect upon the magnitude of the sacrifice of Baba Mlangeni and Zindzi Mandela, we renew our commitment to build a nation of which these fallen heroes would be proud.

Today I present Budget Vote 19 of the Department of Social Development in the eye of a turbulent storm unlike any we have ever faced before. This storm is occasioned by the outbreak of the novel coronavirus of 2019 (COVID-19) pandemic. The unwelcomed waves of the COVID-19 pandemic that have reached our shores are the most extraordinary test to our collective resolve as a society. From our encounter with the offensive of COVID-19, each of us

will hold together with fellow country people to protect ourselves, our households and communities against this harmful invisible enemy.

Our lives and South Africa are all we have, and we will not lose these to the COVID-19 pandemic. It is for this reason that each and every one of us hereby commits to change, promote and support life sustaining behaviours and attitudes in the times of COVID-19. With these, South Africans will enjoy the benefits of a secure and healthy society, sustainable living and prospering economy; and with these we will improve the current and future prospects of our youthful population.

In Sesotho we say, **Ntwa ha e lwana ha ho tshoisanwe** [**We take a serious posture when we fight our enemy**]. South Africans will determine the terms upon which our society will transition to the “***new normal***” that is accompanying the reality of the COVID-19 pandemic. In so doing, and as part of the collective effort, the Department of Social Development together with its entities — the South African Social Security Agency (SASSA) and the National Development Agency (NDA) — and the provincial departments of social development confronted the critical question: ***does the magnitude of our response match the scale of the challenges that accompany the COVID-19?***

Honourable Chairperson, we pose this question because we notice that most of our old weapons are not suitable to address the new challenges that accompany COVID-19 pandemic. Therefore, today’s normal demands that we must let go of yesteryear’s responses. It demands our collective and critical self-assessment towards addressing novel challenges. The COVID-19 pandemic is foremost among today’s challenges. Touching all facets of life, and involving all sectors, our government’s responses to the COVID-19 pandemic are the cornerstone upon which the Department of Social Development is counted among those in the frontlines. It is in this regard that we urgently assumed a stance by which we are strengthening the capabilities of our programmes relative to the challenges that accompany the COVID-19 pandemic.

As we confront these challenges, we remain mindful of the weight of our people’s aspirations. These demand that we formulate and implement responsive, impactful and qualitatively life improving solutions. Within the

context of the COVID-19 pandemic our programmatic responses are guided by the mandate to work hard towards improving what is good for our society, and bettering the quality of life of every South African.

I hereby reassure you all that, under the leadership of the African National Congress (ANC), the Sixth Administration of our democracy is ceased with the unwavering commitment to urgently meet our people's felt needs. Therefore, the advent of the COVID-19 crisis has served to magnify our resolve for agility and innovative service delivery towards meeting our people's aspirations. It is for this reason that we will not rest until the felt needs of every South African in each household and community, and throughout our society are fulfilled.

True to its character as the leader of society, the ANC government under the leadership of President Cyril Ramaphosa, has stepped up to the occasion when the COVID-19 pandemic arrived on our shores. We proactively institutionalised COVID-19 responsive measures that are targeted at protecting our society and economy. These are the centrepiece that will sustain hope and human solidarity in our unprecedented fight against this pandemic. Practically, our government earmarked five hundred billion Rand (R500 billion) with which, among other objectives, we are: investing in cushioning South Africans against the adverse impact of the COVID-19 pandemic; and saving lives and their means of livelihood.

Within the real constraints we are in, this is the most decisive and meaningful investment by our government in the face of a potent social and economic offensive. Not only has our government effectively faced the enemy head-on, it further innovated socially - and economically-responsive disaster mitigation programmes. On the basis of these, each South African is combining efforts with fellow citizens towards defining our contributions to humanity and rewriting our history. Noting the novelty of COVID-19, our responses are among some of the exemplary known in the world.

Honourable Chairperson, this is the essence of this amended Budget, and it coincides with the commemoration of Nelson Mandela Month. As we table

this Budget and navigate these uncharted territories, we draw on the wisdom and the selfless spirit of democratic South Africa's first President: an illustrious global figure comparable to less than a handful ever known. Delivering the 18th Nelson Mandela Day Annual Lecture a few days ago, the Secretary-General of the United Nations (UN), António Guterres, reminded us that the COVID-19 pandemic helped to expose the persistence of inequalities, poverty and racism that abound our society.

To these I add hunger pangs, the plight of gender-based violence and femicide (GBVF), and the structural nature of youth economic exclusion. To paraphrase the UN Secretary-General, it is noteworthy to mention that the COVID-19 pandemic is the ultimate disruptor. It is uncovering the systemic "fallacies", "falsehoods", "lies" and "myths" that created and sustain our people's adversities. Henceforth, our society cannot continue with these as defining features of our society.

In the words of the UN Secretary-General, António Guterres (**I quote**) "*...while we are all floating on the same sea, it's clear that some are in superyachts while others are clinging to the floating debris* (**unquote**).

Social Behavioural Change

Underlying this Budget is the call to each South African to pull together and mobilise hers/his deep-seated courage to overcome and triumph over the fear of our newly-encountered, self-imposed and unprecedented challenge: COVID-19. We are better off being reminded that President Nelson Mandela bestowed us the gift to: *take charge of our decisions and destiny; conquer our darkest fears; and improve our lives and the living conditions of those among us*. President Mandela cherished life. Therefore, I urge each and every South African to us to bring hers/his behaviours to those that will keep them safe, healthy and alive in the presence of the COVID-19 pandemic.

President Ramaphosa

Consequently, the reading of this 2020/2021 Budget Vote of the Department of Social Development sharply draws greater attention to President Mandela's emphasis of the role, resourcing and effective implementation of

government's social policy. Within our government's social policy, the 2020/2021 Budget Vote of the Department of Social Development is framed within the parameters of President Cyril Ramaphosa's proclamation that the global pandemic (**I quote**) "...calls for an extraordinary response; there can be no half measures (**unquote**).

This Budget Vote calls upon all of us to muster the requisite amounts of extraordinary courage to innovate extraordinary policy, programmatic and service delivery initiatives and society-wide partnerships that are intentionally-targeted at flattening the curves of inequalities, poverty, experiences of hunger, gender-based violence and femicide (GBVF), youth economic exclusion and substance abuse.

Infused in the collective priorities and programmatic targets of the social development portfolio: comprising of the national Department of Social Development, the South African Social Security Agency (SASSA), the National Development Agency (NDA) and the provincial departments of social development, is the enduring intention to flatten existing and emergent and undesirable curves. Today's Budget reflects this approach, and its relevant priorities are aligned with the Medium Term Strategic Framework (MTSF) as much as they are implementable within the district-centred service delivery model.

Budget in Numbers

Honourable Members, the measures outlined in this adjusted budget are directed at responding not only to the pandemic, but will further enable our people to rebound to productive lives faster, thereby ensuring that they actively define and build our collective future: the South Africa we want.

The Department had a budget reduction of **fifteen billion and four hundred and eighty million Rand (R15.48 Billion)** from the initial baseline budget. This means our budget was reduced from **one hundred ninety-seven billion seven hundred twenty million Rand (R197.72 Billion)** to **one hundred eighty-two billion two hundred forty million Rand (R182.24 Billion)**. However, when the National Treasury presented the Supplementary Budget that is government's

funding response of COVID-19 spending priorities, the Department received an additional twenty-five billion five hundred million Rand (R25.5 Billion). This amount was supplemented by fifteen billion four hundred eighty million Rand (R15.48 Billion) that was reduced from the baseline, and thereby bringing the total budget allocation for the COVID-19 response to **forty billion nine hundred fifty-five million Rand** (R40 955 Billion).

Consequently, the annual budget of the Department was readjusted upwards to **two hundred and twenty-three billion one hundred and ninety-two million and one hundred and fifty-seven thousand Rand** (R223 192 157 000.00) for the current financial year (2020/21). This is a significant budget increase of **eight point thirteen percent** (8.13%) when the inflation rate is at **four point six percent** (4.6%). The increase was caused by budget reallocations to three budget items, namely: Social Assistance Grants — fifteen billion and four hundred and seventeen million Rand (**R15 417 000 000**); Early Childhood Development (ECD) Conditional Grants — **sixty-four million five hundred thousand Rand** (**R64 500 000**); and Operational Funding — **fifty-six million Rand** (**R56 000 000**).

SASSSA

SASSA's administrative costs remain unchanged at **seven billion seven hundred million Rand** (R7 700 000 000) as no additional funding was not received for this function in the current financial year. As such, these costs had to be funded from re-prioritised funding. Consequently, SASSA reprioritised a total of **two hundred ninety-six million one hundred eighty-three thousand Rand** (R296 183 000).

Honourable Chairperson, allow me to now turn the attention of the house to some of the key interventions in this Budget. Our social assistance programme has enabled over eleven million **(+11 000 000)** grant beneficiaries to weather this unprecedented storm.

Inani labantu abemukel'izimali zama-grant wakwa SASSA lingaphezulu kwezigidi eziyishumi nanye.

Cabinet decided on the **two hundred and fifty Rand** (R250) emergency top-up for all social security grant types, including the once-off top-up of **three**

hundred and fifty Rand (R350) for the Child Support Grant (CSG). Likewise, the payment of five hundred Rand (R500) to primary caregivers of eligible children was approved. These emergency responses represent government's continued provision of significant relief where and when it is needed most. Through these responsive policy initiatives, we are putting money directly in the hands of those who need it the most. In meaningful ways, these measures are affording their beneficiaries a significant amount of dignity and the ability to provide for their families during these times of unprecedented adversities.

In addition, our government took a bold policy position of introducing the Special COVID-19 Social Relief of Distress (SRD) Grant of R350. This grant is targeted at providing support to unemployed individuals as well as those who have lost their livelihoods as a result of the impact of the COVID-19 pandemic on economic activities. The introduction of this grant was a big test on SASSA's technological innovation and data management capabilities. As a result, SASSA had to set up a new grant application, verification, administration and payment system within a very short space of time.

This Agency had to work around the clock to address the initial teething problems that the Special COVID-19 SRD Grant presented. Right now, SASSA is preoccupied with enhancing the grant application processes, turnaround time and consistency of payments. I am pleased to inform this house that we are now on track and we are paying all eligible applicants on time.

To date, we have received over seven point eight million (7.8 million) applications for the Special COVID-19 SRD Grant. Of this number, we have approved over four (4) million applications to whom just over one point seven billion Rand (R1 7 000 000) will be disbursed.

Honourable Members, I would also like to inform this house that SASSA has commenced with the payment of applications received in May to those who still qualify for both June and July. The payments are effected as a single payment of R700 to cover the two (2) months. Payments will be effected as far as possible in batches of five hundred thousand (500 000) qualifying applicants per day. This will avoid system overload. We will finalise these

payments by the end of this month.

As we announced previously, all applicants that were previously disqualified due to database errors have since been reconsidered and those eligible have since been notified and paid. The Special COVID-19 SRD Grant has since been extended to include asylum seekers and special permit holders under the Angolan Dispensation, the Lesotho and Zimbabwe Exemption Permit Dispensation whose section 22 permits or visas are valid or were valid on 15 March 2020.

On this note, allow me to express my deepest gratitude to the CEO of SASSA, Ms Totsie Memela-Khambule and all the employees of SASSA for their continued work in serving our people in the midst of the COVID-19 pandemic.

Since the proclamation of the lockdown in March, I have been inundated with concerns from members of the public and organisations representing persons with disabilities, including some Honourable Members of this house regarding the intake for disability grants. SASSA is currently exploring ways in which we can safely and progressively reintroduce these services and we will make an announcement in due course. We have contracted 465 doctors across the nine (9) provinces to expedite all outstanding assessments in line with the relevant legislative provisions. In addition, I am considering a further extension to the period for which temporary disability grants will be paid to ease the administrative burden on applicants.

Honourable Chairperson, the COVID-19 pandemic has amplified the urgently needed acceleration of long-overdue business re-engineering processes to better serve our people with dignity. Key amongst these initiatives, which we implemented in the early stages of the outbreak, was the staggering of social grants payment which has significantly improved beneficiaries' experience by reducing long queues and overcrowding at pay points. The pandemic has prompted us to thoroughly interrogate the role that SASSA can and should play in advancing the radical economic transformation agenda. As we embark on this path in the coming months, we will need the full support of this house.

Universal Grant

The pandemic has also brought back the discussion about some form of universal grant. As we look at ways to extend the social protection coverage to those aged 18 to 59 years in the period beyond October 2020.

The lack of social protection coverage for this group calls for an acceleration of efforts to put in place an inclusive and responsive social security system that is envisaged in the National Development Plan.

Discussions are currently in the early stages and we look forward to working with the Members of this House to shine a spotlight on this important issue and advance solutions to ensure that the “missing middle” among our population is not left behind.

In line with President Ramaphosa’s assurance that our people’s health and welfare will be taken care of despite the country being in the midst of this global storm, we provided food and nutritional relief to three point three million (3.3 million) beneficiaries across the country. Our long term plan, starting in the current financial year is to introduce the food voucher system and expand it beyond well-established retailers for communities to buy directly from their local food suppliers who are small, medium and micro enterprises, community-owned or cooperatives. This approach has multiple ways in which local economic development can be stimulated and economic participation grown.

As we strive to build a caring and self-reliant society in line with the Department’s vision, our primary focus is to empower our people to be resilient and self-reliant. It is in this context that we have revised our plans and budget as part of the response to the COVID-19 pandemic. We have taken a decision to involve the entire sector in our daily work. Some of the Government Departments and entities, and Private Sector, Civil Society Organisations (CSOs) and Non-Governmental Organisations (NGOs) partners are already on board. As a collective, we have embarked on the role of working together through the District-centred Development Model.

NDA

The second entity of the Department which is the National Development

Agency (NDA) depends largely on government grants and remains dependent on the departmental additional funding to deal with the impact of COVID-19. The NDA did not receive any additional funding from the Department during the supplementary budget allocations. Out of its transfer budget of two hundred twenty-four million five hundred thousand Rand (R224.5 million), the NDA reprioritised an amount of thirty-nine million Rand (R39 million), from its allocated budget towards funding its COVID-19 priorities.

Of this, thirty-two million Rand (R32 million) has been set aside for the Volunteer Intervention Programme, whilst five million Rand (R5 million) has been set aside for purchasing COVID-19 personal protective equipment (PPEs) for NDA's staff. Additionally, the NDA has dedicated an amount of two million Rand (R2 million) towards digitising its delivery of services to Civil Society Organisations (CSOs). The provision of the services of the NDA by means of e-solutions will assist to capacitate the NDA to levels where it can optimally deliver its legislated mandate. This digital approach towards empowering CSOs is going to empower 300 with various specialised development interventions.

From its original budget allocation of seven million Rand (R7 million) the NDA targets to benefit Cooperatives and CSOs, especially those involved in the production of COVID-19 related PPEs. The revised budget has enabled NDA to create two thousand (2 000) job opportunities for the youth. This is done through the NDA's Volunteer Programme that is being implemented in partnership with 200 CSOs. We are proud to announce that seventy percent (70%) of these volunteers are women and we know that when you empower a woman, you empower generations.

The volunteers have been instrumental in supporting the Department's community programmes in areas such as: the distribution of food and nutrition packages to vulnerable households through the Community Nutrition and Development Centres (CNDCs); and the dissemination of COVID-19 information in local languages to build community awareness and data collection on poverty status. CNDCs are part of Outcome 13 of the National Development Plan (NDP) Vision 2030, which seeks to address poverty dimensions through protective measures such as nutrition and food

security. To achieve this goal, volunteers have assisted with the distribution of soap packages during hygiene education. With its limited resources, the NDA continues to make meaningful impact in the community development space by partnering with the Civil Society Organisations (CSOs). Last year, the NDA trained four thousand (4 696) Civil Society Organisations in legislative compliance. Five thousand and twenty five (5 025) other CSOs were trained in management roles. In terms of economic empowerment and through our portfolio approach, the NDA also linked four hundred and twenty-two (422) cooperatives to opportunities to provide SASSA's Social Relief of Distress (SRD) programme with products and services.

Consequently, these cooperatives manufactured and supplied thirty-one thousand four hundred twenty-six (31 426) school uniforms from which they collectively generated an income of fifty-six million three hundred and fifty-two thousand three hundred and fifteen Rand (R56 352 315). To augment its budget, during this financial year, the NDA will pursue and enter into partnerships through which it would unlock one hundred million Rand-worth (R100 million) of CSO development interventions and resources. While these partnerships will be at a local, regional and global levels, they will be informed by the need for to ensure the long-term sustainability of CSOs.

Department

Honourable Members, during the lockdown, the Department absorbed the services of 108 thousand social workers on a three months' contract to deal with societal behavioural change.

As a result, this increased the Compensation of Employees' budget from five hundred thirty-seven million eight hundred sixty thousand (R537 860 000) to five hundred seventy million eight hundred sixty thousand Rand (R570 860 000). We applaud the Free State Province for extending the contracts of its social workers by another nine (9) months.

This will mean that these social workers will be in the employ of the province for a full year. The Provincial Department continues to engage the Provincial Treasury to look into possibilities of employing these contract social workers on a full time basis. This is critical as the country needs more social service

professionals (SSPs) during and beyond the state of disaster and national lockdown. Social service professionals remain important as the country battles with high prevalence of gender-based violence and femicide (GBVF) which are increasing at an alarming rate. Honourable Chairperson, GBVF is a curse on our society and is holding our collective future prospects.

To deal with this problem, we have also increased the number of social service professionals that our Gender Based Violence Command Centre (GBVCC) has employed. We are grateful to the President and Cabinet for reinstating the ban on the sale of alcohol as alcohol consumption correlates with the increases in the number of GBVF and child-targeted violence.

Partnerships

To realise the benefits of the the District-centred Development Model which is linked to our portfolio approach, two weeks ago, the Department signed a Memorandum of Understanding (MoU) with the Church of Jesus Christ of Latter-day Saints. The church has donated more than R24 million Rand to the Department. This will be spent on procuring twenty thousand (20 000) food parcels and two thousand (2 000) baby packs. This will be distributed across all provinces in need of the Social Relief of Distress (SRD).

Since we cannot work alone, especially during this pandemic, we are working closely with the Department of Cooperative Governance and Traditional Affairs (COGTA) to remove homeless people from the streets into temporary shelters. Some of these have re-joined their families and relations.

This pandemic has made us to evaluate the future by utilising the present experience complemented by issues raised at the recent Social Development Portfolio Committee meeting. In response to issues raised by the Committee, we are required to move swiftly towards deriving the highest benefit from the digital and data-driven infrastructures.

We have been tasked by the Portfolio Committee to monitor whether children

who are recipients of the Child Support Grant (CSG) are going to school. One other task, was to find ways of employing contract social workers on a permanent basis.

Through my continuous discussions with the Minister of Communications, the Honourable Minister Stella Ndabeni-Abrahams, the Department and SASSA are strengthening working relations with the South African Post Office (SAPO). We are optimistic that we will reach a working configuration of relations that benefits all South Africans.

The lessons learnt from the COVID-19 pandemic have taught us to review plans and revise our budget so that we can positively contribute towards the lives of the poor and vulnerable. SASSA has limited the face-to-face interactions between its staff and the public.

ECDs

To uplift the hopes and aspirations of our people, we see it befitting to guide and support Early Childhood Development (ECD) programmes. ECDs have a huge responsibility of caring and mentoring children whom we expect to grow and become this society's future leaders.

As a result of the national lockdown, ECDs had to close for the protection and wellbeing of children, ECD Practitioners and their families. To further deepen and safeguard ECDs from being epicentres of COVID-19, the Department has published and gazetted directives on the re-opening of ECDs. These directives outline the measures that ECD centres should but in place to protect children.

In the interest of ECD centres the Department launched the Vhangasali programme that encourages ECD centres to formalise themselves by registering with the Department. *Vhangasali* is a Xitsonga phrase meaning, "Do Not Leave Them Behind!" This initiative targeted at ensuring that informal and unregistered ECDs are not left behind. In being formalised,

ECDs can qualify to receive government support. Another important aspect about *Vhangasali*, is for ECDs to share information with the Department through assessment forms which can be accessed from the Provincial Departments.

The aim of *Vhangasali* is to make sure that the unregistered and partially registered ECDs comply with the norms and standards and receive assistance from Government.

We will continue to provide the necessary support to ECD centres and ensure that they comply with the COVID-19 safety regulations. In line with the North Gauteng High Court judgment, we have gazetted the directions for the phased reopening of early childhood development and partial care facilities across the country. I want to categorically state that the directions are based on the best available health information that addresses the practical realities of managing an ECD centre or a partial care facility, and not intended as a one-size-fits all solution.

Taking into consideration the unique context of each centre, we have repurposed an amount of sixty-one million Rand (R61 000 000) from the ECD Infrastructure Conditional as support package for struggling centres to access essential protective personal equipments (PPEs) for children and staff. We do not want to leave anything to chance when it comes to the safety and health of our children.

On a related matter, we have recently partnered with the Nelson Mandela Foundation to roll out the *Vhangasali* campaign throughout the country. The aim of this campaign is to ensure that all existing ECD programmes and services, including partial care facilities are registered in terms of the Children's Act. To date, we have reached over twenty-six thousand (26 000) centres.

We appeal for the assistance of Honourable Members in ensuring that centres in your respective constituencies are duly formalised and registered. This is not for mere compliance with the law, but also to ensure the health

and safety of our children.

Legislative Programme

From a legislative point of view, the Department is looking forward to presenting the Children's Amendment Bill, Fundraising Bill, NPO Bill and the Social Assistance Bill before the NCOP. The Department finalising the White Paper on Social Policy which will serve as the cornerstone of the Social Policy Act to speed up change into the lives of our people. I am confident that these policies will add value into the quality of many lives.

In closing, my appeal to members is that they welcome the presented budget as we reaffirm that we shall continue to work hard in the midst of the COVID-19 storm.

Our continuous efforts will not be for our own glory but for the sake of the poor and marginalised South Africans.

I would like to call upon all South Africans to abide by the national call and assist in the fight against Covid-19. This we can do by working together, taking care of each other. I therefore call upon all South Africans, to make a difference in the lives of their fellow brothers and sisters. Let us continue to support those who are infected or affected by the Covid-19 pandemic.

Conclusion

Honourable Chairperson, let me conclude by extending my heartfelt appreciation to the Deputy Minister Ms Hendrietta Bogopane-Zulu; all the Members of the Executive Committees for Social Development; the Acting Director-General, Mr Linton Mchunu; the CEO of SASSA, Ms Totsie Memela Khambule; the CEO of the NDA, Ms Thamo Mzobe and to all hard-working staff in the department and agencies during the times of COVID19.

I thank you.

