**UNREVISED HANSARD**

**MINI PLENARY - NATIONAL ASSEMBLY (VIRTUAL)**

***THURSDAY 12 MARCH 2012***

***PROCEEDINGS OF EXTENDED PUBLIC COMMITTEE – NATIONAL ASSEMBLY***

Members of the mini-plenary session met on the virtual platform at 12:00.

The House Chairperson (Mr Q R Dyantyi) took the Chair and requested members to observe a moment of silence for prayer or meditation.

The ACTING HOUSE CHAIRPERSON (Mr Q R Dyantyi): Good afternoon members, I welcome all members. Hon members, before we proceed, I would like to remind you that the virtual mini- plenary is deemed to be in the precinct of Parliament, and constitute a meeting of the National Assembly for debating purposes only. In addition to the Rules of virtual sittings, the Rules of the National Assembly including the Rules of the debate apply.

Members enjoys the same powers and privileges that apply in a sitting of the National Assembly. Members should equally note

that anything said in the virtual platform, is deemed said in the House, and may be ruled upon. All members who have logged in, shall be considered to be present, and I will request them to mute their microphones, and unmute when recognised to speak. This is because the mics are very sensitive, and may pick up noise which is very disturbing to the attention of other members.

When recognised to speak, please unmute your microphone and connect your video. Members may make use of the icons on the bar and bottom of their screens, which is an option that allows a member to put up his or her hand to raise a point of order. The secretariat will assist in alerting the Chairperson the members requesting to speak. When using the virtual system, members are urged or refrain or desist from unnecessary points of order or interjections.

We shall now proceed with the order of this mini-plenary session which is a subject for discussion in the name of the hon S August on, why South Africa can no longer afford to delay implementing a permanent Basic Income Grant to address the basic needs and dignity of its most marginalised citizens? Hon members, I now recognise hon S August to speak.

**WHY SOUTH AFRICA CAN NO LONGER AFFORD TO DELAY IMPLEMENTING A PERMANENT BASIC INCOME GRANT TO ADDRESS THE BASIC NEEDS AND DIGNITY OF ITS MOST MARGINALISED CITIZENS**

**SUBJECT FOR DISCUSSION (Mr S N AUGUST):**

Mr S N AUGUST: Hon Chairperson, I firstly want to apologise for the video due to bad signal. Hon the Minister of Social Development and members of the House, thank you for the opportunity to present the debate on the GOOD Party score for the urgent implementation of the Basic Income Grant. Before I begin, on behalf of GOOD, I would like to express our deepest condolences to the royal family and the Zulu nation on the passing of His Majesty, King Goodwill Zwelithini. May He Rest in Peace.

Hon Chair, in the toughest of economic funds that we are now in, we know that there will be people who question if this country can afford it? In our view, that question is incorrectly framed, it should be, can we afford not to? This is not a new debate. In 2002, the Taylor Committee Report recommended implementing a Basic Income Grant. But the government of the day had other priorities such as funding the amnesty. At the time, the poverty level was in decline.

But for the past decade, the most vulnerable members of our population have faced increasingly difficulties to feed, clothe and shelter their families. Statistics SA, Stats SA, had World Bank data of the past 10 years, records rising unemployment, declining per capita, Gross Domestic Product, GDP, and an increasing proportion of South Africans that are living in below the poverty. One in four South Africans live below the poverty line, according to the Human Rights Commission, HRC.

Then, when we could least afford it, the Covid pandemic structure exposed our serious it really is. The chronic situation that we are in, is not because we are a poor country without any resources, it is because of poor decision-making by government. It is because government prioritises other things besides haemorrhaging vast sums of money to the looting brigade. Among apartheid’s defining characteristics was inequality.

Twenty-seven years into our democracy, we remain the most unequal society on earth. With precious few exceptions, the racial pattern of inequality mimics lacks of apartheid. It is a gross betrayal of the poor, and it is unsustainable. It is unsustainable for families to be expected to survive on fresh

air alone without any money. It is unsustainable to send children to school with just sugar and tea in their stomachs. It is unsustainable for the unemployment to seek work, if they can’t afford a train ticket or data to submit their CVs.

It is unsustainable to live in such an unequal society. For how long do we imagine we can stretch this rubber band before it slips? Hon members, we have to start somewhere, and one of the good things the Covid lockdown delivered, was to amplify the crisis that is the daily life, reality of poor families. It forced government’s necessity for urgent relief of the poor, and this resulted in implementation of the temporary COVID-19 social relief grant. Now, we must make this temporary relief permanent.

The sooner we do so, the sooner we demonstrate our compassion and commitment to justice for all. The sooner we can begin to build the bridges of common purpose, that it is the sustainable society means. The researchers say that, if we implement the Basic Income Grant in 2002, many people would have been able to struggle the way out of poverty by now. We cannot change the past, but we can change the future. Hon Chair, the Basic Income Grant is a matter of life and death for those who do not know where the next meal will come from.

It is a means to restore dignity, alleviate trauma and provide a glimmer of hope for better life. It is a time for government to take good decisions that will create stable foundation for inclusive growth, the decisions that are good for rich and poor South Africans alike, that recognises the inherent dignity of all and their dependence on each other. We already provide grants to the elderly, disabled and the children. In many instances, these grants are the only income that sustains extended family, but many of our most citizens are elderly, disabled or with children.

They are unemployed, youth and adults who are marginalised and starving. With an official rate of 32%, the millions of our compatriots fall under this category. What is our message to them? What should they do? Chairperson, GOOD is disappointed that COVID-19 grants are scheduled to stop. This is a mistake. What happens in May and June? Chronic poverty won’t simply disappear. The temporary COVID-19 grant has been hugely important. The process has developed data basis and contact details for the most vulnerable people in the country, and the technological ability to distribute relief.

Now, we must find a way to implement the temporary grant as a permanent Basic Income Grant, BIG. The BIG must be developed

with all our social partners involved, including the National Economic Development and Labour Council, Nedlac, the Department of Social Development and civil society organisations. Of course, the big question is how to fund it? The reported R500 billion lost to corruption and mismanagement before, places this number into perspective. This huge amount of money proves that we can afford the BIG, if this government directs its budgets to where they are most needed.

If our law enforcement agencies could recover their loss to corruption, they can make an excellent stance. Thereafter it’s about growing priorities, it’s about managing government expenditure on itself, managing waste, maladministration and corruption. But mostly, it’s about realising that no nation can thrive, when millions of its people are suffering, just as no plane can take off without fuel in the tank. It’s not about charity, but necessity, and it will benefit us all.

Therefore, GOOD calls on all political parties to support the Basic Income Grant. It shouldn’t be about politics, but the bulk of common basic humanity. We cannot leave our citizens to starve on the streets. Twenty-seven years ago, we celebrated as the team, a new South Africa. We have made mistakes and taken each other for granted. Implementing a Basic Income

Grant, affords us the opportunity for new beginnings, to create sustainable country in which all people are regarded as equally precious. I thank you.

Ms N Q MVANA: Chairperson, I am also encountering loadshedding. Chairperson, this basic income grant, BIG, provides the historical call by the ANC and the Mass Democratic Movement, MDM, structures. The ANC’s Reconstruction and Development Programme, RDP, significantly noted that no political democracy can survive or flourish if the mass of our people remains in poverty without land and without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of our democratic government.

It is within this context that I briefly state the discussion of introducing a comprehensive social security system to meet the basic needs of our people and the introduction of a basic income grant. This is really not a new discussion as the previous speaker has said. These discussions are there in our policy documents and they are underpinned by the theory of social development that is the key tenet in the building of a social protection system that is responsive to human development, economic inclusion and social stability.

Our policy positions are based on the urgent task of improving the lives of the people through the development programmes — a key component to the envisaged development. Social welfare is on the need to develop a national social security system to meet the needs of workers in both the formal and informal sectors and of the unemployed.

It must be noted that the social security system inherited by the democratic government has fundamental gaps which needed to be urgently addressed through policy preset commissioned by the Congress of South African Trade Unions, Cosatu, in 1997.

The research reviewed gaps in the social security system and alternative solutions were provided to address these challenges.

One of the main findings was that the introduction of BIG would be the most effective way of addressing the defects in the social security system inherited from the apartheid regime. This research gave Cosatu tools to strongly advocate, in the 1998 job summit and in the 2000 conference on jobs and economy, for the introduction of the BIG in South Africa.

Chairperson, I would also like to say that the 1997 White Paper on Social Welfare which is a legislative expression of

the ANC’s RDP notes in its clauses that every South African should have a minimum income sufficient to meet basic subsistent needs, and should not live below minimum acceptable standards. That is what the ANC was seeking to address through the progressive instruction of a BIG.

The ANC and its alliance partners, through the progressive introduction of the BIG, addressed the realities of growing poverty and the inadequacy of the inherited social security system. This is one of the ... [Inaudible.] ... that the ANC in the late 1990s and early 2000s proactively advocated for the reformation of the social security system and the introduction of a BIG. The BIG was viewed as a vehicle that would significantly reduce poverty, unemployment and inequality.

The ANC continues to commit to the implementation of a comprehensive social security system. It is argued that a basic income grant may be considered as an integral part in this system as it is important in addressing the plight of the poor and the unemployed. The introduction of a BIG for the unemployed has the ability to boost the economy and help our people to provide for their basic needs.

The other point, Chair, there is a writer by Victor Hugo who was correct when he said, “There is nothing more powerful than an idea whose time has come.” The lockdown has exposed the socioeconomic challenges that are confronting our economy. The poverty headcount in 2015 drawing from the Living Conditions Survey indicated a 25,2% population living below the food poverty lines. These conditions speak to deeper structural problems of the economy which remains unchanged and is contributing to increasing levels of poverty and unemployment, and deepening levels of inequality.

The BIG is viewed as one of the most effective ways of addressing income poverty. One of the major recommendations by the 2002 Tayler Committee was the introduction of BIG to combat poverty. It asserted that BIG had a potential, more than any other possible social protection intervention, to reduce poverty, promote human development and sustainable livelihoods and is easier to rollout in the short-term than offer poverty programmes.

These assertions were supported by the BIG Coalition which urged that a BIG will alleviate poverty and provide all households with a minimum level of income to enable them to better their basic needs, stimulates equitable economic

development, promote family and community stability and affirm and uphold the dignity of all people.

Lastly, Chairperson, originated from the research and submission made to the job summit and job and economic conference, there is sufficient scientific evidence to support the call for the progressive introduction of BIG as part of a comprehensive social security system. It will also be an important solution to advance the Social Transformation agenda pursued by ANC-led government. It will be instrumental for economic and human development and will be fundamental to the restoration of the dignity of the majority of our people. We must ensure that the BIG can be a tool to achieve some of the key priorities of the government which includes ensuring that within this decade we end and eradicate poverty and inequality.

Evidence-based research from developing countries such as Brazil, Kenya and Namibia, which I physically visited, who albeit for a short period, conducted studies and piloted projects by rolling out a BIG indicates the positive impact that BIG had in addressing social economic challenges.

Contrary to a popular view that a BIG will entrench dependency, BIG recipients from these countries have proven that it can be used to assist the poor to enter economy activity which has helped them break the poverty trap.

Chairperson, in Brazil it has helped promote greater participation of women in the labour market as well as school going children. This means that it created a degree of economic independence which empowered women and other vulnerable such as female and child-headed families.

In conclusion, Chairperson ... [Time expired.] It is us who said better life for all. That is why we support the establishment of BIG. Thank you.

*IsiZulu*:

Nk B S MASANGO: Sihlalo ohloniphekile mangidlulise amazwi enduduzo emndenini waseBukhosini nesizwe samaZulu ngokukhothama kweSilo Samabandla.

*English*:

Hon Chairperson, the recent announcements on the Basic Income Grant has received considerable coverage from near and far.

They have been hailed by some as the answer to a country that

has one of the highest unemployment rate in the world. This is understandable given the devastating effects of the COVID-19 lockdown on South Africa’s workforce, where many people, most of them breadwinners, lost their jobs. South Africa was already battling under the increasing levels of unemployment, rendering 49,2% of the population over the age of 18 to fall below the upper bound poverty line.

On 23rd April 2020, the hon President Cyril Ramaphosa announced a set of safety net interventions to cushion our society against the economic and human consequences of the lockdown. These included a solidarity fund financed mainly by the voluntary donations – a temporary employee relief scheme – for employees of companies in distress and a tax subsidy for low income private sector workers.

Regardless of these interventions, several groups remain at high risk of collapse because of a lack of protection from the state. Current data suggests that there are between 9 million and 15 million people who do not have access to a social grant or to the Temporary Employer/Employee Relief Scheme, Ters.

Already the global COVID-19 pandemic has led to severe economic and labour market shocks.

The impact of unemployment has been severe for countless people, particularly those in the formal sector, service sector and performing manual routine jobs.

In South Africa today, social protection for the poor is very limited. This is due, in the main, to people missing out on family-based social protection systems and who still do not have access to employment-based social protections system.

These gaps in essence can adversely impact people’s lives and

generate negative consequences that would be felt long-term.

In the current COVID-19 pandemic, inclusive social protection is even more vital to protect particularly young people who are already at a higher economic and social risk. The reasons why South Africans can no longer afford to delay the implementation of the Basic Income Grant have been valid for decades. Under these increasingly difficult conditions, which have been triggered by this government’s poor decisions and a lack of political will when it comes to the poor and vulnerable, millions of additional South Africans have joined the ranks of those dependent on grants.

Despite the country’s bleak picture, the government has made

numerous promises backed by billions of rands in funding in

various areas of the economy. As usual, along with these promises, comes disappointment. The Basic Income Grant being the biggest promise and the biggest disappointment.

From as early as 2002, when South Africa’s extended

unemployment rate was sitting at 37%, with a population of

46 million, the ANC proposed the Basic Income Grant in the consolidated report of the committee of inquiry into a comprehensive social security system for South Africa. It highlighted the need for a Basic Income Grant and even made reference to how the HIV/Aids pandemic had exacerbated unemployment and poverty. Research conducted by the committee found that a B I G could close the poverty gap by nearly 74%.

Fast forward, 19 years today, we are even in a worse situation. At the height of COVID-19 when scores of people were losing jobs daily, I would argue, most of them breadwinners, the Minister of Social Development mentioned the Basic Income Grant again just to raise people’s hopes who were in dire need to survive the virus, the hunger and poverty.

Their hopes were dashed when reports of a meeting of the ANC national executive committee emerged at where the Basic Income Grant was put on back burner again. Another ANC promise not kept.

As recently as Wednesday, this week, after calls from members of this House for the Basic Income Grant, government once again said let’s discuss it. Discuss what exactly? We have done nothing but discuss it for 19 years. Where poor and vulnerable are concerned, papers are developed and tabled at committees but are never implemented.

There is no doubt that a desperate need exists for government to provide some form of sustainable social security to its people. However, promises and proposals of security have been made since 2002 to no avail. It seems as if the ANC’s government proposals are trotted out to the poor and the vulnerable, dangled like a political carrot to secure electoral support and to be perceived as caring.

There has been an old argument from the government that there isn’t enough funding for the Basic Income Grant. This is hard to believe, Chairperson, as the Minister of Finance cut allocations to social grants during the last Budget Speech.

This is morally indefensible. Social spending should be protected and prioritised.

In order to provide safety net for our most vulnerable, we need to fix the failures of the department. That starts with

improving capacity, management and systems; eradicating corruption and fraud; maladministration and wasteful expenditure. We need a government that has the basics right.

The truth is that South Africa can no longer afford the current government ... [Time expired.] Thank you.

Ms L H ARIES: Thank you very much, Chairperson, my condolences to King Goodwill Zwelithini and his family. May his soul rest in peace.

Chairperson, long before COVID-19, the EFF has consistently for the introduction of a Basic Income Grant. In our 2014 election manifesto, we committed to investigating the possibility and practice of grants for unemployed people, and in particular, the Basic Income Grant. Long before the COVID-

19 pandemic, the majority of South Africans were already living in dire economic situation, faced with poverty, unemployment and inequality. The COVID-19 has worsened these conditions, pushing more South Africans deeper into poverty.

At the moment, approximately 18 million of the most vulnerable in our society, mostly children, the elderly and people with disabilities ... However, given high levels of poverty,

unemployment and inequality, there are millions of people with no or little income that are excluded from the social security programme, condemning them to hunger and starvation.

Far too many people live in poverty. More than half of the population live in poverty. Far too many people cannot find work. Just under 10 million people cannot find work. Far too many people cannot afford to feed themselves and their families. According to statistics presented to the portfolio committee in June 2020, more than 14 million South Africans were food insecure prior to the COVID-19 and only 5,2 million people access government feeding. Millions of people in this country could not be reached to be fed.

On daily basis, mothers with small children, the elderly and disabled people sleep outside the offices of the SA Social Security Agency, Sassa, and the Post Office with the hope of being assisted by these entities. The humiliation and painful situation in this country deepens every day.

We shouldn’t have waited for this long and not for a global pandemic to introduce a Basic Income Grant. South Africa has discussed the introduction of the Basic Income Grant for well over 20 years now.

A basic income grant is the most critical and decisive intervention in addressing poverty in South Africa. We are both politically, morally and constitutionally obliged to it. The Constitution entrenches the right for everyone to have social security. The fact that the ruling party has failed to deliver Basic Income Grant is shameful.

We want to take this opportunity to dismiss the nonsensical idea that if people receive a Basic Income Grant, they will not look for work or will be dependent on that. Our people want to work, put a roof for their families and do it with dignity. We should not repeat the mistake that we once made of listening to the Treasury that will throw around figures and use scaremongering tactics to continue with its austerity fiscal policies.

The Treasury has a tendency of being alarmist and restricting constructive debates, without putting solutions on the table.

We know that when Mr Cyril Ramaphosa deleted his tweet wherein he announced that the ruling party has decided to extend the Basic Income Grant only to delete it a few minutes later because he takes instruction from Treasury when it is supposed to be the other way around.

A Basic Income Grant will restore the dignity of many hopeless people in this country. Our people live in dehumanizing conditions. The Basic Income Grant is more than a grant. It is one way we can begin to fight homelessness, gender-based violence and hunger. It is also a way to stimulate demand, give our people buying power and revive the demand in the economy.

The temporary Social Relief of Distress Grant should be made permanent and should be increased at least to R1 000 a month. I thank you.

Ms L L VAN DER MERWE: House Chairperson, may I start by remembering His Majesty King Goodwill Zwelithini kaBhekuzulu, the king of the Zulu nation. Isilo sa Mabandla was passionate about the upliftment of South Africans. It was his life’s work. He felt deeply the pain of the poverty of our people and always sought ways to address this. May his soul rest in peace!

The ruling party often speaks of a developmental state, but the said reality is that we are fast moving towards an unsustainable welfare state. Twenty-seven years of mismanagement, corruption, unethical leadership and a lack of

good governance has led to deepening levels of inequality where growing numbers of our people are desperate, hopeless and dependent on a mere SA Social Security Agency, Sassa, grant alone for their survival. With each passing day we are moving further and further away from the promised ideal of a better life for all.

The 2020 SA Child Gauge report by the Children’s Institute at the University of Cape Town, UCT, revealed last month in its report titled *The slow violence of malnutrition* that nearly half of South Africa’s mothers and children went hungry for large part of 2020. This despite government’s interventions. The study also revealed that poverty, unemployment and hunger rose dramatically during lockdown. An amount of 14 million people are hungry as we speak.

As law-makers, as those tasked with protecting the most vulnerable this frightening reality should be keep us up at night. We know that the COVID-19 pandemic ha exacerbated the plight of the most vulnerable. But, hon members, poverty, starvation and deprivation have replaced the hopes and dreams of millions. It is against this background that we must consider a basic income grant. The IFP support a call for such a grant to be implemented without further delay. But we must

also ask ourselves some tough questions first such as whether South Africa has the resources and capacity to roll out such an ambitious project. Government’s COVID-19 responses offered us some insights into these questions. Firstly, consider that the SA Social Security Agency, Sassa, continues to bleed millions each month and each year to defraud corruption and illegal deductions from grant recipients. Everyday we are confronted with stories of government officials, police officers, syndicates and other fraudsters looking from Sassa coffers. Yet just two days ago when I asked the Minister of Social Development of what she has done since taking office in 2019 to stop the wide scale looking of Sassa funds meant for the poor, she had nothing to say about this. Then consider the unforgivable theft of food parcels during the lockdown period by ruling party officials, but not a single person being in jail.

Further consider that government officials paid and collected Unemployment Insurance Fund, UIF, and the R350 grant for themselves. Again, nobody has been jailed for this. Think about countless people who died in long Sassa queues or those who were water-bombed waiting on a little bit of government help.

Simply put, this cannot be our reality if we are to consider a basic income grant. The basic income grant will not be sustainable unless we rid this government of all forms of corruption, mismanagement and poor service delivery. We need the criminal justice system that will deal harshly and ruthlessly with those who steal resources meant for the poor and the vulnerable. The IFP believes strong in self help and self-reliance. The basic income grant should be an enabler. It should enable peple to seek job opportunities anD stimulate economic growth.

In addition, it is the IFP’s conviction that a basic income grant must be implemented with support mechanisms such as monim5oring and evaluation, skills development and self- empowerment targets.

Uplifting South Africans out of poverty, hunger and hopelessness should be our only mission collectively. By reprioritising our resources carefully, we can do so. The big has been promised time and time again. Let us not just dangle a political carrot of hope again, but let us act. We can no longer afford inaction. The IFP supports these proposals. I thank you.

Mr W W WESSELS: Hon House Chairperson, we are in a unsustainable position. Poverty has increasing and the hopes and dreams of really eradicating poverty and bettering the livelihoods of South Africans are fainting and fading away. The fact of the matter is that we do need economic growth to actually sustainably eradicate poverty. We need job creation. I want to quote President Nelson Mandela who stressed in his 1994 state of the nation address that, government will confront the scourge of unemployment not by way of handouts, but by creation of work opportunities. We cannot have work opportunities when government is not prioritising creating a conducive environment to actually stimulate the economy.

We are faced with a situation that is unsustainable. More and more people are dependent on social relives and social grants. The fact of this is that a lot of these grants are insufficient and that the actual only way to really uplift the people of South |Africa is by job creation. We will achieve job creation by a basic income grant. I hear what a lot of other speakers have said and I agree with you, hon August that if government did not allow the scourge of corruption in South Africa, a basic income grant would have been more affordable and more feasible. But still it would not have been the solution to eradicate poverty sustainably. We need a

responsible government which creates equal opportunities for all. We should consider systems such as a voucher system which enables jobseekers to get the opportunities and to be able to, at the end of the day, have money and disposable income to go for a job interview and to do what is necessary to get a job, but not necessary a grant.

The reality is we are not in an ideal world. The reality is that we have a Budget deficit. And the reality is we are in a vicious circle where more social dependency creates a bigger Budget deficit, creates the fact that government cannot spend money on what is actually important to grow the economy which in turn creates a situation where taxes are raised, VAT is raised and at the end of the day companies do not have money to invest and create jobs they then get rid of certain employees and unemployment increase and dependency on grants increase. It’s a vicious circle. We need change; we need real change and not only short-term change. That can only be achieved by economic growth. Economic growth will only be achieved if there is really a change in the way we govern, in the way we address our problems, the way we prioritise infrastructure development, service delivery, stop corruption and create equal opportunities. Then we will eradicate poverty. I thank you.

Ms M E SUKERS: Hon Chairperson, the ACDP joins the House in expressing our sadness at the passing of His Majesty King Goodwill Zwelithini and extend our sincere condolences to the Zulu nation. There are two scriptural contexts which the ACDP wishes to highlight in the debate today. Jesus said, “The poor you will always have among you.” and secondly, Paul the Apostate said, “The ox that works the field must not be muzzled”. These two texts highlight the crucial combination for social stability, social welfare to provide for the poor and a fair wage for the men and women who works hard. Our people want to work. They do not want to be life-long grant recipients. We need new plans and actions that will empower our citizens and emphasise our citizens from every group and sector of society, citizens and the state to create the jobs we need. This will grow our tax base, pull us back from the edge of the fiscal cliff we stand on and ensure we have the resources to take better care of the poor.

However, yhe state is a poor steward of what the people already paying taxes. State is unable to fulfil its constitutional duty set out in section 27(c), a duty to provide access to social security including if they are unable to support themselves and their dependents appropriate social assistance. This impetus of the state is demonstrated by the

thousands of South Africans sleeping in front of our social services offices to apply for grants. Why has our state failed? Before all else the state fails to appreciate that taxes are not just a number on the payslip. What our people give you is not just a number, it is a pair of shoes for a child, it is a more reliable car to get to work and it is a textbook for a university. That is what that number means to them. They give that to you, the state, so that you will help their fellow South Africans and be there for them when they may need you. You have broken faith with us. Our state is corrupt and when our civil servants or politicians sell our state they are selling not just a number, but a child’s pair of shoes, and worse, that child’s dream.

There is a less obvious form of corruption that is ineffective structure our civil service. Our civil service needs urgent reform now. The civil service is not fit for purpose. It needs a complete organisational redesign. We cannot expect a corrupt state to do this so we need an open and transparent process that all our people can scrutinise. With the effective civil service we will find the money we need to provide the social net that is needed in this current crisis to pay that [Inaudible.] and create the conditions for inclusive economic growth.

Now is the time for the good stewards and servant leaders, both in politics and the state... [Time expired.]

*Xitsonga:*

Man N K BILANKULU: Mutshamaxitulu, ndzi lava ku sungula hi ku yisa marito yo chavelela eka hosi ya Mazulu Goodwill Zwelitthini lava va nga hi siya namuntlha. Ndzi vula tano leswaku a va chaveleleki hi nchavelelo lowukulu xikan’we na xifundzankulu hinkwaxo.

Ndzi lava ku amukela leswi Holobye wa Ndzawulo ya Nhluvukiso wa Vanhu na Presidente wa tiko va nga swi endla ku vona leswaku mpfuneto wa R350 wu ya emahlweni wu nyikiwa lava va nga ringanela ku pfuniwa. Eka nhlikani wa namuntlha ndzi lava ku tsundzuxa Yindlu leyi, xikan’we na muchaviseki Aries, muchaviseki Van der Merwe na muchaviseki Suker, leswaku i ntiyiso vanhu va Afrika-Dzonga a va lavi ku tshama va ri karhi va nyikiwa mudende, kambe leswi va lavaka swona i swakudya, swiambalo na ku xavela vana swa xikolo hinkwaswo. Kambe mi ri yini hi vanhu lava va nga tirheki, lava vona loko va kume mali leyi ya R350 emutini wa vona ku va ku ri na vutomi? Ndzi vulavula hi ndzavisiso lowu wa ha ku endliwaka kwala Cape Town laha Neville Lucas De Koker a nga kombisa leswaku hi mali leyi

u swi kotile ku xavela vana va yena yunifomo ya xikolo na hinkwaswo leswi va faneleka ku swi tirhisa exikolweni.

Nakambe [A swi twali.] wa 20 wa malembe u kombisa leswaku hi mali leyi ndyangu wa ka vona wu kotile ku ya emahlweni wu hanya va kota ku xava swakudya. Lava va nga na mahlo ya ku vona leswinene a hi yeni emahlweni hi languta leswi mfumo lowu wu nga eku swi endleni. Lava va nga hava hi ri, hi ri ANC a hi nga tivavisi hi ku lava ku tsakisa vona handle ka ku vona leswaku vaaki va hina va hlayisekile naswona va tlhela va kuma mpfuneto lowu va nga ringanela ku wu kuma.

*English*:

Ms N K BILANKULU: Hon Chairperson, in contextualisation this debate it remains significant to acknowledge that upon assuming office, the ANC-le government has, as one of its primary task, reforming the social protection system. This is likely because it did not represent the type of social system that should exit under a democratically elected government.

This government had to ensure that it progressively addresses the social system that it inherited which was fragmented characterised by inequalities and low services for black people. The underpinnings of the system are deeply rooted in policy papers and resolutions of the ANC which has

consistently argued for integrated vision of social policy, to promoter human development, economic inclusion and social stability. This social system was comprehensively articulated in the 1997 White Paper of social welfare. The White Paper advocate for a comprehensive social protection system and established minimum standard linked to a social wage. The social protection system was one that eliminated racial inequalities and introduced some new guarantees and benefits.

Commissioned by the late former Minister Zola Skweyiya, the Taylor commission of 2002 made profound recommendations that have helped and impact on the future of the social protection system of the country. It was only the recommendations of the basic income grant that was rejected due to its flexibility and sustainability.

Section 20(7)(2) of the Constitution enjoins the state to take reasonable legislative and other measures within its available resources to achieve the progressive realisation of the social security and social assistance. The challenge remains that the government still has not implemented a comprehensive socials security system for the country. The ANC has been consistent in its call to expand social wage with universal and subsidised access to basic services.

In its 2019 national elections, it committed to continue to maintain and expand the social security system to protect the vulnerable and reduce poverty. This commitment finds expression in the Medium-Term Strategic Framework as Priority

3 consolidating the social wage through reliable and quality basic services.

The National Development Plan recommends that one of the main considerations for the future of social protection is a funding of the system. Ultimately, the state must generate sufficient income from the active groups in the population to be able to distribute to those that are less active while meeting other policy priorities.

The debate on the future of the basic income grant in South Africa cannot be left out of the discussion when it comes to the expansion of the comprehensive social security system and in the future funding of the social protection system.

Globally, the discourse on the universal basic income grant is not new. In fact, COVID-19 has reviewed the call for countries to look at gradually implementing a universal basic income grant. The debate on the universal basic income grant has forced the countries to rethink their social protective

measures, poverty reduction and the role of the state in development. Currently, there is no country that has a universal income grant in place. Only two countries Mongolia and Iran have had a national universal basic income grant in place for a short period. Globally, a few countries have tested the feasibility of a universal basic income grant by piloting it in a small community within the country. Namibia is one of them, and Kenya has been in a decade-long pilot project. The financial sustainability, inflation-linked pensions, relationships to minimum wages and the political economy are some of the factors that pilots cannot respond to and that prevent a universal basic income grant from being fully implemented. There have been considerations in countries like India to implement Quasi universal basic rural income as a variant of a traditional guaranteed minimum income programme.

A range of policy considerations backed by evidence-based research should inform the content of a big in South Africa. One of the crucial questions of universal basic income grant is whether the grant will be universal or will be based on a means test. Having a universal big will result in supporting person already living beyond the minimum living wage or above the poverty life whereas a basic income grant based on a means

test has a specific target group it seeks to cover. And in our socioeconomic context a means test basic in come grant focuses on the poor amongst those between 18 and 59 who are not covered by the current social security system in desired in appropriate.

Another dimension on the universal basic income grant debate is whether the grant will be conditional or unconditional.

Unconditional grant is a cash payment without an expected responsibility or obligation. A conditional grant is a cash payment with an attached responsibility or obligation.

Currently, our grant system has no conditionalities.

The social security system in Brazil called the Bolsa Familia programme has conditionality in education and health. This has led to e healthier citizenry and improved education outcomes by encouraging beneficiaries to send children to school and health centres. Conditionality requires extra institutional and administrative capacity in order to implement programmes to achieve the objectives of the condition.

The social security in Mexico called Prospera also has condition on education and j=health. Prospera promotes the linkages of the recipients through expanded education services

to use through scholarship or vocational training and favours their access to formal employment through the national employment service.

A basic income grant policy imperative of social security with conditionalities will require more institutional capacity.

This is another trajectory our socials security system can embark on.

The ANC’s Reconstruction and Development Programme, RDP, policy framework provides an important background to the evolution of the development welfare system because its principles and ethos are central to the process for transforming social welfare. This was the ANC’s foundation for developing and inclusive new welfare system premised on the theory of social development. This theory of social development is one that is redressing past imbalances and about the empowerment of individuals and communities. The ANC supports the... [Inaudible.] [Time expired.] I thank you, Chair.

Mr A M SHAIK EMAM: House Chairperson, the topic is Basic Income Grant, BIG. Now, the question that we need to ask ourselves is, why is there a need for a Basic Income Grant?

Clearly, it is because there is a very high level of unemployment in the country. There is very little hope in the near future. A number of people that are now beyond the poverty line have increased in South Africa. We remain one of the most unequal societies in the world, twenty-seven years into democracy.

Now, hon Chairperson, the easiest thing to do, is to come out on this platform and ask us to give Basic Income Grant, other grants, give social assistance and make this country a dependant state. The question I want to ask, in whichever security local government is, what have you done in local government level, to boost economic growth in your own area, create jobs and get your people to live a better quality of life? Currently, our people are not even able to access the most basic services like food, clothing and shelter.

Now, even at a local level, if you could attract investment, boost the economy and keep people living in those rural areas, rather than them all going to urban areas, yes indeed, you would create a better society. But let us not speak to the audience because there is a local government’s election to come and want them to vote for us. Are we able to sustain the

Basic Income Grant at the moment? No. Do we have the money? No. but can we find the money? Yes.

If we can just better manage to ensure that there is less looting and ensure that there is less corruption in the world, yes indeed, we can do that, particularly in the country. The question is, are we willing and have the passion and commitment? No. So, Chairperson, I think we all, even the opposition political parties should come together, and find a solution because our people cannot survive in this R500 or R600 Basic Income Grant.

Why the NFP supports this? It is because we believe that a lot more need to be done to create a healthier and a better society so that we address the high levels of high inequality in the country. Finally, Chairperson, the NFP wishes to extend its condolences on family of King Goodwill Zwelithini on his untimely passing on. On behalf of the NFP and our leader, B Z Magwaza-Msibi, we extend our deepest condolences to his family and the Zulu nation. I thank you.

Mr M G E HENDRICKS: Hon House Chair, let me talk about the capacity and resources as raised by the hon member, Van der Merwe. By the next tax year, all taxpayers must get Basic

Income Grant of R6000 that they can credit to the tax liability. So, when the time comes, this can be extended to those that are not taxpayers. Employers must pay an extra 1% of their pay roll to fund this. This will help to undertake the implementation of permanent Basic Income Grant.

We have leaders like the Minister of Social Development to make all this to happen, but she must get the support of the minister of Labour and also the Minister of Finance. The grant must be given to all citizens between the ages of 16 to 59, who are not receiving social grants. Hon House Chair, why do I say as young as 16? The reason is that, many of our learners, because of poverty, they now have to get pregnant to have a child, in order to get the grant to sustain them.

So, if we give then this grant at the age of 16, then we will solve the problem of teenage pregnancies. Al Jama’Ah would like to preserve the decision taken by government to provide grants during the pandemic, it has proven, hon members that the relief funds help to put food in the table. Day in and day out, the Post office became a home for the unemployed South Africans, where we have witnessed people sleeping from outside for the funds.

This is evident enough, hon House Chair, that many rely fully on the grants. The implementation of the Basic Income Grant will benefit every member of society in their different ways. Allow me to express our condolences to the royal family, the Presidency and the Zulu Nation. Today, we are the Zulu Nation. Thank you very much, hon House Chair.

The ACTING HOUSE CHAIRPERSON (Mr Q R Dyantyi): Hon Hendricks, let me thank you. As I call hon Abrahams, I will also hand over to hon Lesoma.

Ms A L A ABRAHAMS: Thank you Chair, and due to load shedding I will not put my video on.

We are all witness to the ever-growing and now faster than ever rate of unemployment in South Africa. We are a country in desperate need of solutions. Is the basic income grant one of them or is it just opportunistic local government election campaigning?

Our country’s fiscal situation is clear. The state purse is depleted; actually empty ... [Inaudible.] ... the social grant budget will be cut over the next few years; so empty that vulnerable SA Social Security Agency, Sassa**,** temporary

disability grant beneficiaries were abandoned by the governing party in January, citing financial constraints — as we heard in the House on Wednesday — the same governing party we are hoping will bring us a basic income grant.

As previously said, this is not a new topic and one would have expected that by now a formal policy on the basic income grant would be presented so that members could use this opportunity to get into the nuts and bolts of what a viable and implementable basic income grant could look like in South Africa. So far all we have to go on is a June 2020 draft ANC party document circulated in the media with little focus on implementation and much focus on how to fund the basic income grant by making adjustments to the income tax structure. It is proposed that hardworking South Africans foot the bill.

We must assist the vulnerable and we must find ways to reduce the inequality gap that continues to grow but you cannot have a basic income grant and still have job-killing policies such as black economic empowerment, BEE. You cannot demand that hardworking South Africans pay more tax while wasting revenue on state-owned enterprise, SOE, bailouts with corruption running rampant.

The Social Relief of Distress, SRD, R350 grant was needed and welcomed by all. It also gave us a glimpse into how a basic income grant could be managed. Those of us who sit on the Portfolio Committee on Social Development will know in detail that the SRD R350 grant was riddled with problems and still is. There are thousands of people who never received their money, standing day and night at a post office with no grant in hand.

So, until such a time that we receive a formal basic income grant policy ... [Inaudible.] ... opportunities ... [Inaudible.] ... Africans do not want handouts. They want to be able to work, bringing about dignity, respect, pride and a sense of self-worth. A debate focussed on reality.

More and more people depend on grants every year but their quality of life is not improving. Why? Existing grants alone are too little to make a meaningful difference. Grants do not increase with inflation. Grants like the R450 and from April R460 child support grant is still below the food poverty line. Children constitute 51% ... living below the lower-bound poverty line. Childhood stunting is still ... [Inaudible.]

The ACTING CHAIRPERSON (Ms R M M Lesoma): Thank you hon

Abrahams. Your time is expired, ma’am.

Ms A L A ABRAHAMS: Since 1990 ... Chairperson, I have five

minutes and that’s only been three and a half minutes.

The ACTING CHAIRPERSON (Ms R M M Lesoma): No, but the front Table is ...

Ms A L A ABRAHAMS: I’m busy timing this.

The ACTING CHAIRPERSON (Ms R M M Lesoma): One second; the front Table is advising me that your time is up. Let me double-check with the front Table again.

Ms A L A ABRAHAMS: Okay, I have paused my time on my side.

The ACTING CHAIRPERSON (Ms R M M Lesoma): Yes, it’s fine. Okay

proceed.

Ms A L A ABRAHAMS: Okay, thank you. The DA has repeatedly called for an increase of the child support grant to at least R561 in line with the food poverty line. This will go further in ensuring that children are more likely to receive the

nutrition they require. Our focus must be on partnerships, such as the German Development Bank and Cape Town’s Violence Prevention through Urban Upgrading, VPUU, which through an initiative called Co-Care has funded 2 775 pregnant women from disadvantaged communities with a 300 fortnightly digital grant. Pregnant mothers from disadvantaged communities are vulnerable citizens too.

In closing, until such a time that the House is provided with a formal policy ... [Inaudible.] ... our offer on the [Inaudible.] ... in South Africa in our economics justice policy; a sustainable development goal model and a plan for South Africa to beat the past and build the future. It is the only viable option we have to bring back dignity, respect, pride and a sense of self-worth to the lives of South Africans.

The MINISTER OF SOCIAL DEVELOPMENT: Chairperson, thank you very much. I also have a network problem. I had to leave my house because we have load shedding, but thank you very much for the opportunity. May I ...

*IsiZulu:*

... ngokuzithoba okukhulu nokuhlonipha iNdlu engikuyo namhlanje. Ngicela ithuba nje ngithi sisebuhlungwini kakhulu siyisizwe samaZulu. Ngithi njengomntwana waseNkalabuthaba nami ngicela ukukhulumela oNdabezitha baseNkalabuthaka, sibuhlungu ngakhulu ngeSilo sethu ebesisithanda kakhulu uGoodwill Zwelithithi kaBhekuzulu. Khothama ngokuthula Ndabezitha iNdlunkulu nesezwe sonke samaZulu sicela ukuthi sithandazelwe ukuze umsebenzi wakhe uhambe kahle. Ngifuna ukuthi ikakhulukazi sibonga imisebenzi yakhe esiyaziyo sonke kodwa ke akulona ilanga namhlanje lokuthi ngikhulume kakhulu ngalokho. Ngicela ukuthi bese ngiya kwinkulumo yanamhlanje.

*English*:

I sincerely wish to thank all the members who have spoken today, in particular hon August and his party for holding the bull by its horns and presenting this motion to the House; a motion which comes at an opportune time and an opportune moment. I do want to say that this is not the time for us to be playing politics around this issue because, in my view, this is an issue that should enable us to respond to the needs of the people of South Africa. So when I say, as the Minister of Social Development, the struggle for the poor people of South Africa who are poor, people of South Africa who are confronted by poverty and hunger, people of South Africa who

are confronted by unemployment, inequality and poverty, this is the right moment for us to start somewhere as hon Shaun August said to us. He said, compassion and justice for all. This is the moment for us to do just that. This is the moment for us, as hon Hendricks said when he spoke ... a time for me as Minister of Social Development, my department and my entities, to get the necessary support from government departments and government at all spheres of government, to appreciate this opportune moment of ensuring that we move beyond discussion, we move beyond policy proposals, we move beyond anything else that has been done in the past because the past ... It is the ANC that put the discussion on the basic income grant ... and I think all the members of the ANC who spoke today have already indicated the exact journey that we have taken to be where we are today.

Therefore, I thank all members of this House today across the political spectrum, who are saying to us it’s no longer a question of whether; it is a question of how and when, and it is a question of who do we bring on board to make sure that this discussion moves beyond just a discussion.

I also want to clear this as I speak. The issue of the basic income grant has been brought back to the table and may I say

to all the members who think that this basic income grant was brought back on the table simply because we are looking at elections ... Can I dispel that notion because it was at a time when we were discussing what must happen after the R350 SRD that was announced by President Cyril Ramaphosa ... Right at the beginning when we started implementing it, I frankly and honestly asked the department, can we look at what else we are able to do to make sure that when the time comes that the R350 SRD ends we have something that we can put on the table to make sure that there is sustainability? I also requested the department to start looking at research and to find out what research has been there with something that can be sustainable.

I put it to this mini-debate and this House today that there was no thinking of any election at that point in time. There was only the thinking of what we can do, and do better, for the people of South Africa, especially those that we call the missing middle. It was at that time that the department, which I was newly in by the way, told me ... the units that had been working on this told me that there had been a long drawn discussion about the basic income grant. I wish to thank both Brenda and Brenton at this point because they are the ones from the department who then said to me, Minister, there are

proposals ... there are policy proposals that were put to the department quite a while back and they traced it back to the time which was elaborated here in this discussion.

It was at that time that I said, can we look at the document so that we are able to present it back to the ANC which had proposed it in the very first place? I said, can we dust it and put it back, because in my view ... hearing you, I don’t think we need to start from scratch looking for something when there is something that is already available. They put that on the table. The first thing we did was to go back to Prof Taylor whom I realised had produced this document which was called *Social protection and pathways to a basic income grant*. They then called it *Beyond COVID-19.* I must also thank Prof Taylor at this point in time because she was very excited about the fact that we were bringing back the work that they had done so long ago and that they were able to put it back on the table.

So, let us dispel the notion. This has got absolutely nothing to do with elections. This has got everything to do with the ANC responding to the challenges and the needs of our people, something that has been expressed here by all members across political parties ... that we need a basic income grant.

As to what form and what shape it should be, this is what we should be discussing as members so that we are united in our approach because I have great respect for the work that is done by the hon members in their oversight. I also think that members are going to be able to assist us in ensuring that the basic income grant goes beyond discussion and debate.

I also want to say that I listened clearly to the Minister of Finance when he spoke, and in particular when he spoke recently. It was the words of the Minister of Finance himself who said that we cannot afford to have so many poor people. We cannot afford to have the numbers of the unemployed and those that do not have jobs growing without us responding.

Therefore, the issues that are being raised by members here in terms of whether we can afford it or not ... our approach as a Department of Social Development is that we should be asking ourselves the other question. Can we truly afford to have people who go to sleep hungry? Can we afford so much unemployment? Can we afford that missing middle of people not being able to go and look for a job ... get into a taxi or bus or get into something? Can we afford that?

The question that we need to be responding to is, can we afford to have anyone in South Africa, in a country that is

wealthy, never mind the fact that of course our economy is not doing very well ... The question that we need to answer is, can we afford ... [Inaudible.]

The ACTING CHAIRPERSON (Ms R M M Lesoma): Hon Minister, start wrapping up. Your time is expired.

The MINISTER OF SOCIAL DEVELOPMENT: Okay Chairperson. I think what I would like to say is that the most important thing that we need to do now is to find pathways towards introducing the basic income grant. It is for us to mobilise for a social compact so that we are able to implement it. Government alone cannot implement it. We need to work together ... private, public ... people-centred approach. I’m sure that we are putting it on the table because we believe it is possible. I’m making a call to us all ... to say that the ANC has brought back this discussion because we ... [Time expired.]

Mr S N AUGUST: Thank you hon Chair. I appreciate almost every one of us ... in support of this basic income grant and I want to thank Minister Zulu for committing to take up this issue with her executive colleagues to start this process.

I agree that it is a question of how soon we can implement it. Let me remind this House that the Minister of Finance introduced zero-based budgeting. So, although I mentioned earlier that the basic income grant is not a new idea, we are entering a new budgeting approach. This places the responsibility for each of us to mobilise our respective parties to lobby for a basic income grant. It requires us to reduce nonessential budgets, reduce waste and stop corruption so that we have more funds available for critical spending like the basic income grant. All municipalities, provinces, national departments and SOEs must cut their waste and spending to support the country in this effort.

Every study on the basic income grant has shown that it is affordable if government prioritises in the right places. Pilots on basic income grants have already been run in countries like Iran, Morocco, Mexico, Philippines and Indonesia. To my colleague the hon Wessels from the FF Plus, a basic income grant pilot in Namibia found that the majority of people in the community were able to increase their work or self-employment and that income had risen more than the amount of the grants. The evidence also found a decrease in child malnutrition.

The evidence is overwhelmingly in support of the basic income grant and the need for this essential relief is critical. We cannot afford not to fund the basic income grant. Extreme poverty is like COVID. It is upon us, whether we like it or not, but the action to reduce this impact is within our collective action.

In the same way we had to reprioritise budgets to respond to COVID, we must look to also reprioritise our budgets to address extreme poverty and inhumane hunger. We could not afford to ignore COVID and we cannot afford to ignore extreme poverty.

I thank all the political parties for their overwhelming support for the basic income grant and hope to see this same level of vocal support during this year’s Budget debates and Votes. The basic income grant is a good idea and is essential to overcome extreme poverty and inhumane hunger.

Since there is no opposition to the grant expressed here, I trust our government will finally implement it and implement it now. Thank you Chair.

Debate concluded.

The mini-plenary session rose at 13:22.