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Honourable, SN Buthelezi, MP, Chairperson: Standing Committee on Appropriations.

P. O. Box 15
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Written submission and request to make an oral presentation at the public hearings on the 2022 Division of Revenue Bill on Wednesday, 16 March 2022. Submitted by amandla.mobi, on behalf of various members of the public.

Dear Members of the Standing Committee on Appropriations, the tabling of the 2022/2023 Budget and Division of Revenue Bill are technical documents that will directly impact tens of millions of lives. This submission presents to you the demands and concerns of those who will be most impacted by decisions that underpin the 2022/2023 Budget. In addition to the below-written submission and attached comments from the public, we wish to make an oral presentation to the committee members on Wednesday, 16 March 2022. The presentation will include additional comments from members of the public addressed to the committee.

First, we welcome the year-long extension of the R350 grant, but the amandla.mobi community is disappointed that the grant was not increased and expanded to include more people. We are disappointed by the budget tabled by Finance Minister Enoch Godongwana and especially concerned that the Minister did not mention anything about allocating funds towards implementing a Basic Income Support, which is supported by over 300,000 people who have signed a petition we are running with Black Sash. The dignity of over 10 million people hangs in the balance. Instead of increasing social spending, Minister Godongwana's budget cuts social spending, which fails the poor majority but helps the rich.

For three years, amandla.mobi presented to this committee various demands to help protect the majority poor. The demands included:

[Extending and increasing the R350 grant, expanding it to include more people and turning it into a Basic Income Support for people aged 18 to 59 with little to no income](#) - over 64,000 signatures;

[Basic Income Support for people aged 18 to 59 NOW!](#) - Over 325,000 signatures;

[Tell Pres. Ramaphosa to give pensioners R2500 and a 13th cheque in December](#) - Over 58,000 signatures;

[Demand a Maternity Support Grant to help reduce stunted growth in our children](#) - Over 2,000 signatures;

On the question of where must the money come from to fund these increases and reverse budget cuts to health, education, sanitation and other areas of social spending. National Treasury, the Finance Committees, and this committee know full well that the below campaigns have demands that will help raise the funds necessary.

[Increase the sugary drinks tax to 20%](#) - Over 5,000 signatures

[Implement a wealth tax on the richest 1%](#) - Over 59,000 signatures

The above demands are not new, and we keep them to remind this committee and everyone that they are urgent matters that should be acted upon with urgency. The committee members are well aware of our submissions and the presentations we've made in the past years; some have even noted that we have been coming to the public hearings to present and demand the same things. As many may agree, it has become repetitive, and it exposes a key flaw in our democracy. Parliament, including members of this committee, must hold the National Treasury, the Minister of Finance, the President and the rest of the Executive to account for approving a budget that fails the poor majority. By passing anti-poor budgets, Cabinet and Parliament are choosing to keep Mzansi as one of the most unequal countries in the world in terms of income and wealth [1].

Many times we have been told that there is simply no money to fund adequate grant increases or Basic Income Support while at the same time failing to increase taxes that could help reduce poverty. Had a net wealth tax been implemented last year, researchers estimate it could have raised between 70 and 160 billion rands [2]. If National Treasury had stuck to their original proposal of a Sugary Drinks Tax of 20%, how many additional funds for our health budget would have been saved? While taxation is an area that the finance committees deal with, this committee cannot work in isolation. The only way to increase social spending members of the public are calling for is to coordinate with the finance committees and together hold National Treasury and the Executive to account.

National Treasury's current approach to public consultation and the creation of the budget appears to be based on the principle of one rand, one vote. Those with the least money struggle the most to engage with National Treasury and the budget process. Many still do not know about public hearings and participation, and many are left out of these processes.

As the committee may be aware, the gogos (pensioners) have been coming to this committee to present their needs and demands, pleading with the government that the old age grant is increased to R2500, and get a 13th cheque in December. The gogos, who at some point travelled from Pietermaritzburg to Cape Town by bus, have been trying to appeal to parliamentary committees and National Treasury to increase their grant so they can afford basic needs for themselves and their families. However, their demands have fallen on deaf ears, only seeing a R30 increase last year and a R90 increase this year, as announced in the budget speech tabled in February.

The gogos have requested a meeting with the Minister of Finance for years. It is a matter of public record that former Finance Minister Tito Mboweni promised to meet with them but refused to honour this, even when the

gogos travelled from Pietermaritzburg to National Treasury's offices in Tshwane. After the MTBPS last year, a member of the finance committee said he could not see why Treasury should not meet with the gogos. To this day, Treasury has still not met with the gogos. We hereby request that this committee formally requests Finance Minister Godongwana to meet with the gogos and allow them to explain in detail why it is important that more funds are allocated towards their Old-Age grant.

amandla.mobi and its members are not economists, but our members are experts when it comes to the impact of budgets on their household and their local school or clinic. It is critical that the committee begins to consider and discuss practical recommendations and actions that ensure National Treasury and the Executive fulfil the obligations to listen to and make decisions that are in the best interest of the people, especially the marginalised majority.

Regards,

Tlou Seopa on behalf of amandla.mobi, various members of the public and the Pietermaritzburg Pensioners Forum.

[1] ANALYSIS: Baleka Mbete, the World Bank and that Al Jazeera interview, Cayley Clifford & Lloyd Hazvineyi for Africa Check, 7 November 2019.

[2] A wealth tax for South Africa, Aroop Chatterjee, Leo Czajka and Amory Gethin for Wits University, January 2021.