# Minister Lindiwe Zulu: Social Development Dept Budget Vote 2019/20 NCOP

24 Jul 2019

### Budget Vote 17 speech by the Minister of Social Development, Ms Lindiwe Zulu, MP to the National Council of Provinces

Honourable House Chair, Honourable Members,
Members of the Select Committee on Social Services and Health,
Deputy Minister of Social Development; Ms Hendrietta Bogopane-Zulu,
MECs for Social Development here present,
Chief Executive Officers of our Agencies; SASSA and the NDA and their representatives,
Representatives from civil society organisations and private sector Representatives in the gallery,

Good afternoon.

Hon. Chairperson, it is my honour and privilege to present Budget Vote 17 of the Department of Social Development for the fiscal year 2019/2020, for your consideration and support. The budget we are presenting today is guided by the goal of the ANCs Social Transformation agenda which seeks to empower people to lift themselves out of poverty while creating adequate social safety nets to protect the most vulnerable in our society.

The Department’s allocation for the current financial year is 184 BILLION RAND. Of this amount, 175 BILLION RAND is a direct transfer to social grants beneficiaries. The Department will transfer 212 MILLION RAND to the National Development Agency (NDA) and R7.6 BILLION to the South African Social Security Agency (SASSA) for the administration of the social assistance programme.

In addition, the provincial Departments of Social Development’s main appropriation budget allocations amounts to R22, 416 BILLION for the 2019/20 financial year. The provincial budget includes 518 MILLION RAND Early Childhood Development (ECD) conditional grant from the National Department of Social Development for maintenance and upgrading of 600 ECD centres, for violence against women and children programmes, and our flagship Isibindi programme which is aimed at building resilient and caring communities that look after our children.

Hon. Chairperson, this budget is presented under the theme: “WORKING TOGETHER TO EMPOWER COMMUNITIES FOR SUSTAINABLE LIVELIHOODS”. Sustainable livelihoods is about creating a conducive environment for individuals, families and communities to enhance their capabilities and sustain themselves now and in the future. This will be fully achieved when every South African is able to reach their full potential.

This theme is also central to the core mandate of the Social Development Sector, whose responsibility is to enable South Africans, particularly the poor and vulnerable, to become capable and self-reliant participants in their own development and, to secure a better life for themselves. I would love to see a situation when our citizens (especially our young people) graduate from the social grant system and become self-sufficient - through entrepreneurship or other empowerment programmes so as not to overburden the fiscus. This does not in any way suggest that we do not want to provide social assistance, but that we would prefer to rather have our beneficiaries graduating out of the system over time

Guided by the decisions of the 6th Administration, the national Department of Social Development, together with Provincial departments of Social Development, and our agencies; SASSA and the NDA adopted a portfolio approach which is aimed at enhancing our delivery model that will result in greater impact on the communities we serve. This approach will also include District and Local Municipalities.

Our approach is premised on the understanding that the provision of social grants alone, is not sufficient to lift beneficiaries out of poverty on a sustained basis. We firmly believe that the portfolio approach will enhance the developmental role of the department and its public entities as a catalyst and game-changer in sustainable livelihoods initiatives in line with the National Development Plan (NDP). This will empower our communities to become active citizens – and in the words of our Chairperson of the NCOP, Hon Amos Masondo, “WE SHOULD NOT ONLY BECOME MASTERS OF DOING – BUT ALSO MASTERS OF DOING THINGS RIGHT”.

Two weeks ago, I convened a MinMec Meeting with all MECs for Social Development to better sharpen our approach at transforming the social sector – I will from next week embark upon Provincial visits to meet with MECs, Municipalities and conduct site visit SASSA offices and paypoints, to get a better understanding of the challenges faced by our people and how we can better improve our service delivery model.

Hon. Chairperson, consistent with this commitment, allow me now to outline some of the measures contained in this budget.

The social assistance programme remains one of our government’s most successful poverty reduction interventions. Studies found that social grants plays a crucial role in keeping children, the girl-child in particular, to remain in and complete school. Last year alone, child support grants beneficiaries obtained a pass rate of 78.2% in the National Senior Certificate, an increase of 3.1% from 2017 academic year and we must applaud this.

One of the realities we need to face as a country is the increasing number of young women of working age who are recipients of the Child Support grant. Our goal is to design and implement developmental interventions that impact and empower young women to escape poverty through sustainable livelihoods initiatives.

As a start, we will spent 123 MILLION RAND of the 410 MILLION RAND allocation for the Social Relief of Distress (SRD) programme to procure directly from women and youth-owned cooperatives and small business enterprises – especially those that have been supported by government and indeed through our own National Development Agency. Just this morning I visited Moya Wekhaya Peace Garden Cooperative in Khayelitsha and their members are in the Gallery – they are producing fresh vegetables and herbs and recently started producing oyster mushrooms – Some of their clients include the Mount Nelson Hotel, Ilitha Labantu and Harvest of Hope amongst others. Our NDA supported them with over a quarter of a million rands.

Hon. Chairperson, I have directed SASSA to work closer with the NDA and the Department of Social Development to provide capacity building, mentorship and incubation support programs to civil society organisations and aspirant entrepreneurs, including cooperatives. This is intended to champion the sustainable livelihoods initiatives over the MTEF period and we will again work with all three spheres of government in this regard.

We have noticed an increase in fraud and corruption activities especially with SASSA. We remain committed to fighting this regressive behavior across all our programmes. To this end, we have allocated 68 MILLION RAND to social grants fraud and investigations in the current financial year. As I informed the National Assembly two weeks ago, we have already suspended TWO THOUSAND AND EIGHT HUNDRED potential fraudulent accounts, the majority of which are in the Eastern Cape and Kwa Zulu Natal.

Hon. Chair, in my budget vote speech to the National Assembly, I also pledged to create certainty in the department and its public entities, and specifically by finalizing the structure of the department and that of SASSA. We have started taking decisive steps to do exactly that, starting with the stabilisation of SASSA. We have now appointed a permanent CEO Ms Busisiwe Memela-Khambula and will prioritize the filling of critical posts across the country.

We will also review the SASSA Act, to address governance matters within the Agency. This is an important step forward that seeks to strengthen accountability and operational efficiency within the entity. Other key policy initiatives include:

* the finalisation of the definition of a basket of social security benefits,
* addressing social grant exclusion errors; and
* finalizing the draft regulations on the Social Assistance Amendment Act.

We have considered the recommendations of the Portfolio Committee on Social Development to strengthen the developmental role of the NDA. I have discussed this and other related matters, including the NDA’s limited and skewed budget allocation with the Board. Going forward, we will need the support of this house to extend our provincial reach especially to rural and township areas, as some of the Agency’s challenges are systemic by nature.

Hon. Chair, a responsive developmental welfare approach lies at the heart of an inclusive and responsive social protection system that leaves no one behind. With this in mind, we intend to table a suite of legislative and policy initiatives to Cabinet. These include:

* the White Paper for Social Development,
* the Victim Support Services Bill,
* the Social Services Practitioners Bill; and
* the National Drug Master Plan (NDMP).

One of the most urgent and critical areas of focus, is to step up our efforts to tackle the scourge of alcohol and substance abuse, which has reached epidemic proportions, particularly the increasing levels of addiction to designer drugs like NYAOPE, TIK and WHOONGA.

I urge all South Africans, including members of this august house, to help us to fight this scourge by, among others; supporting Provincial Substance Abuse Fora and Local Drug Action Committees and most importantly by encouraging those family members and friends who are affected by encouraging and believing in them that they have the ability to overcome these additions. We also should condemn the selling of drugs and work with law enforcement agencies to root out these evils from our communities – as they are destroying our young people. WE ALL NEED TO PLAY OUR PART.

We too, condemn with the strongest possible terms, the recent spate of drug-related gang violence terrorizing townships and neighbourhoods across the Western Cape and other parts of our country. We welcome the deployment of the SANDF to reinforce our government’s efforts to restore law and order, and most importantly to protect innocent lives.

Hon. Chair, working together with relevant government departments and other social partners, we have committed to expanding access to treatment, rehabilitation and reintegration services. To date, we have invested in five treatment centers of which three are now fully operational in New Brighton, Port Elizabeth, (Eastern Cape); Kimberly, (Northern Cape), and Seshego, (Limpopo). The two remaining in the North West and Free State Provinces will soon be operational.

We have committed to explore mechanisms to strengthen the Central Drug Authority (CDA) as per the recommendations of the impact evaluation conducted by the DPME. We will also continue with the roll out of the social mobilization and the community capacity enhancement programmes, with specific focus on the interrelations between HIV and AIDS, substance abuse and gender based violence. These actions are central to the implementation of Goal 4 of the National Strategic Plan on HIV and, Tuberculosis and Sexually Transmitted Infections (2017-2022).

We have also committed to increase the cadres of social service professionals in the sector, particularly in light of social ills confronting our communities. I am pleased to inform this house that we have since 2017, converted the Social Work Scholarship Fund to a conditional grant focusing on absorbing social work scholarship graduates. We absorbed 746 social work graduates through the conditional grant in all provinces. In addition, 595 social work graduates were appointed on contract for the implementation of HIV and AIDS social behaviour change interventions.

Whilst this is encouraging, a large number of graduates (i.e., over 5000) who received the scholarship remain unemployed, despite the fact that this profession has been declared a scarce skill. I will engage with my Cabinet colleagues and other partners, including the private sector to explore ways to absorb this large untapped pool of qualified professionals whose expertise are required across all sectors of our society. On a related matter, we have also transferred 126 MILLION RAND to NSFAS to support the 937 social work students who are still to complete their studies.

We have noted and welcomed the report by the Commission on Gender Equality (CGE) regarding the support to organisations that render services to victims of crime and violence. We have thus started implementing some of its recommendations, including those of the Presidential Summit on Gender Based Violence and Femicide. 50 MILLION RAND has been allocated from the Criminal Assets Recovery Account to support shelters and address the identified shortcomings in the current financial year. Just yesterday at Parliament’s gates, I received a memorandum from the National Shelter Movement of South Africa who are calling for improvements in shelters, standardized operations and additional funding – we will look into these requests and respond accordingly.

The Gender Based Violence Command Centre continues to render the much-needed support to victims of gender based violence. Last year alone, the center received over 150 000 calls and over 500 short messages, most of which were referred for psychosocial support services, including legal assistance.

We have made significant investments in ECD as this is a national priority. In 2017/18 financial year, we subsidised over SIXTY THOUSAND vulnerable children through the ECD Conditional Grant. This is in addition to over SIX HUNDRED THOUSAND children subsidised through the equitable share funding. We will double this number over the MTEF period at a projected cost of 1.4 BILLION RAND. In early August, I will be in Mdantsane handing over an ECD centre that has been supported by the NDA – SIYAKHAWULEZA THINA SIHLALO!

Hon. Chair, in response to President Ramaphosa’s call to collaborate and partner with civil society to build a social compact for a South Africa We Want, and the South African who must inhabit it, we conducted dialogues with the civil society sector organisations in all provinces in preparation for the Presidential Social Sector Summit to be held later this year.

Last year, we witnessed a significant increase in the number of NPO registered organisations, from 190 873 to 224 069. We will continue to monitor the NPOs to ensure good governance and compliance to the NPO Act. To this end, we have embarking on a nationwide #KNOW YOUR NPO STATUS campaign. The presence of the representatives of the NPO sector in the public gallery underscores the importance of this campaign. It should be noted that we have transferred both national and provincial levels transfer over SEVEN BILLION RAND to NPOs for the provision of a range of programmes and interventions – in this financial year we will transfer about 162 Million Rands to national organizations. We also intend to table the NPO Act Amendment Bill to Cabinet in the current financial year to further enhance this sector.

In my budget vote speech to the National Assembly, I highlighted the need to plan properly for the increasing number and proportion of older persons in South African. In this regard, we will finalise the Older Persons Amendment Bill, and continue with the implementation of the Active Ageing Programmes. This year’s active ageing programme will be held in the Province of the Eastern Cape during the Social Development Month.

Hon. Chairperson, with this budget, we renew our resolve to keep the ideals of our fore bearers alive.

In conclusion, let me extend my heartfelt appreciation to our Deputy Minister Hendrietta Bogopane-Zulu, former Minister Susan Shabangu, and Members of the Executive Committees for Social Development, the Acting Director-General, the NDA Board and the CEOs of the Public Entities and all staff in the department and agencies for their hard work and support.

I also thank my family for their continued guidance, support and sacrifices they continue to make even as I embark on this new and exciting journey.

I thank you.