

Every Child Deserves to Learn



Monitoring and Evaluating the Realisation of the Right to Basic Education in South Africa

Guest Writer: Shaun Franklin

Following from SPII's policy review, budget analysis and development of indicators for the rights to health care, social security, housing and food, SPII is currently in the process of completing a report which monitors and evaluates the realisation of the Right to Basic Education in South Africa 21 years into democracy. This research follows the 3-step socio-economic rights monitoring methodology that SPII published in its paper 'A framework for monitoring and evaluating the progressive realisation of socio-economic rights' in South Africa. Like SPII's other working papers on health care, social security, housing and food, the monitoring tool will unpack the content of the right to basic education and the obligations placed on the state to respect, protect, promote and fulfil that right. The research report will then review and assess the state's constitutional, legislative and policy development and implementation efforts (step 1), and the allocation and expenditure of national and provincial resources towards the realisation of the right (step 2). Finally, we will develop and use statistical indicators (step 3) to monitor and evaluate the state's efforts in providing for the realisation of the right. The indicators will assess the state's progress in ensuring physical and economic access to the right to basic education, the adequacy of the education services which the state has made available and the impact that the state's education system has had on learners' quality of life.

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Key questions that emerge for the right to basic education include:

- What does it mean for the right to basic education to be immediately realisable when the post-apartheid state inherited such massive education backlogs at the time of the democratic transition in 1994?
- What must the state do to fulfil its obligation to respect, protect, promote and fulfil the right to basic education?
- To what degree has the state developed and implemented policy and budget initiatives that are capable of addressing these backlogs and ensuring that all



South Africans are able to realise their right to a basic education and other related rights, including the right to equality?

- And what level of quality and equality does this right guarantee? .



The justiciable socioeconomic rights guaranteed to everyone in South Africa include the right to basic education.

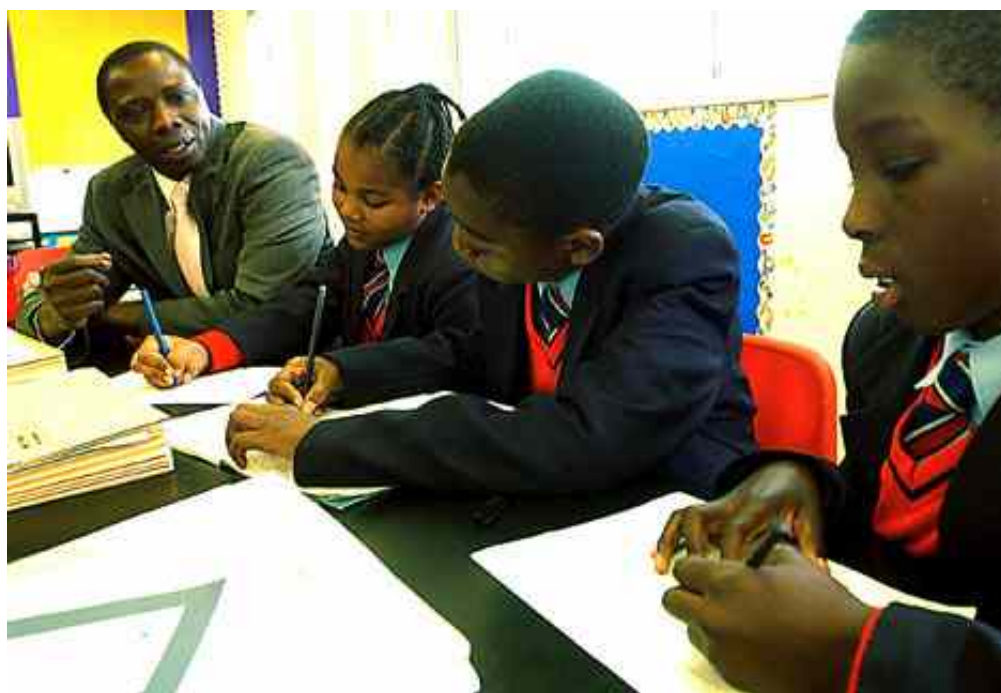
A great deal of national attention has been focused on government's response to what has been widely viewed as an education crisis in South Africa. The poor educational outcomes, systemic inefficiencies and capacity constraints, reports of corruption and patronage, and high degrees of inequality within the system are no secret. Though South Africa spends around 6% of its GDP and 20% of its annual budget on education, poor performance outcomes continue to demonstrate that the system is failing the majority of South Africa's learners. Many schools continue to be plagued by inadequate infrastructure, widespread textbook delivery failures,

SPII's report on the right to basic education will investigate these and other important questions through its policy, budget and outcomes assessments.



Pictured: Poor and inadequate infrastructure in black schools are reminder of the effects of apartheid and the inequalities that remain in South Africa's public education system.

teachers who lack adequate subject knowledge and teaching methodology expertise, and poor school management and accountability practices; deficiencies which allow poor curriculum coverage and high levels of teacher absenteeism and late-coming to dominate. While matric examination pass rates have steadily improved over the years, drop-out rates remain very high, with approximately 50% of learners exiting the system before reaching grade 12. Quality matric passes raise additional concerns. In 2014, only 28% of the learners who did manage to advance far enough to take the matric exam scored high enough to meet the minimum requirements to study at a university.



International tests, such as the Southern and Eastern Africa Consortium for Monitoring Quality (SACMEQ), confirm that South Africa scores poorly in learner performance and teacher subject knowledge when compared to other countries that spend the same or less per capita. SACMEQ III results taken from testing conducted in 2007 also paint a picture of an education system plagued by unequal outcomes, as learners in the wealthiest 25% score significantly higher than the bottom 75% of learners. This vast learning outcome differential supports the widely held conclusion that South Africa's education system is one that essentially functions as two public education systems: one that is functional and is able to provide physical and human resources that are comparable to wealthy, industrialised countries, and another, largely dysfunctional school system that serves the vast majority of South African learners who come from households and communities suffering from low levels of educational attainment and high rates of poverty.

Government policies, such as those that have decentralised the education system to the provinces and have provided degrees of autonomy to schools and school governing bodies, have had the effect of perpetuating many of the inequalities inherited from

the apartheid system. Public schools with greater access to funding are empowered to charge school fees, set admissions policies and limit enrolment. These supplementary funds enable wealthier schools to hire additional teachers, enhance the school's physical infrastructure and provide additional teaching materials such as stocked libraries, computers and science laboratories for their learners. At the same time many of these advantages, which also have the effect of attracting the best teachers to the wealthiest schools, are not provided to schools attended by poor learners.

While these systemic failures contribute to poor outcomes and illustrate low levels of quality and equality across provinces and schools, South Africa has made significant progress since the transition to democracy in some areas, especially in terms of access to education. It is now compulsory for learners aged 7 to 15 to attend school, attendance at schools through grade 9 is now nearly universal and the percentage of learners attending no-fee schools has increased dramatically as a result of the Department of Basic Education's policy to expand no-fee schools to learners attending quintile 1 through 3 schools. The DBE has also significantly increased access to Early Childhood Development programmes, such as grade R. The development of the new CAPS curriculum offers far greater guidance to teachers on what content is to be taught,

how to teach it and how to measure progress. The introduction of Annual National Assessments in primary schools, provision of workbooks to all learners in grades R through 9 and significant expansion of the school feeding scheme programme to feed nearly 9 million learners in quintile 1 through 3 schools are also signs that the system is offering policy responses to some of these systemic weaknesses.

SPII's research will assess the extent to which education laws and policies that have been developed by government and implemented by provinces, education districts and schools have impacted the levels of quality and equality within the education system. Of particular concern is the degree to which the education system's legal and policy framework has been able to effectively maneuver through and address the complex landscape of differing roles, responsibilities, interests, needs and capacity constraints of national and provincial education departments; school governing bodies; teachers and administrators; learner communities; organized labour and civil society.



SPII's Socio-Economic Rights Monitoring Tool, as applied to the right to basic education, aims to serve as a useful tool for education policy makers, for those that exercise oversight over the executive, including Parliament and Chapter Nine institutions (notably the SAHRC), public interest litigants, and broader civil society.

PROJECT UPDATE:

Towards a Decent Living Level (DLL) Project

You're demanding 15 Bucks an hour to slap a burger on a bun? The National Minimum Wage conundrum in South Africa

Author: Isobel Frye

In late May 2015, our Director at SPII, Isobel Frye, attended a five day study tour to Geneva and Berlin as part of community constituency's negotiating team on the national minimum wage (NMW) at National Economic Development and Labour Council (Nedlac), the statutory Nedlac's social dialogue institute in South Africa.

In 2014, the ruling party in South Africa, the African National Congress (ANC) committed to investigating the feasibility of introducing a single national minimum wage in its election manifesto. Currently wage setting in South Africa is undertaken under a number of different auspices, including sectoral bargaining councils, and statutory sectoral determinations set by the Minister of Labour for sectors seen as particularly vulnerable, such as domestic workers and farm workers. Drawing on the significant progress in addressing poverty, inequality and unemployment experienced by Brazil with the victory of former president Lula da Silva and the workers party, the ruling alliance agreed that it was worth investigating the applicability of the three headed reform package introduced in Brazil, which included the introduction of a national minimum wage, a reform of their collective bargaining system and the expansion of the cash transfer bolsafamilia social protection package.

In November 2014, the Deputy President (DP) chaired a labour indaba under the auspices of nedlac. One of the most significant outcomes of this indaba was the commitment of all the social partners to negotiate the modalities of the introduction of a single NMW, with the agreement that a progress report would be submitted to the DP in July 2015.

Since then, two task teams have been established to undertake the preparatory work to enable the committee of principals, which is made up of political principals of the social partners and the DP – to embark on formal negotiations. These two teams are tasked with investigating the modalities of the introduction of a NMW and reducing wage inequalities and promoting social protection, as well as investigating reforms of the current collective bargaining system respectively. The task teams have met frequently and are chaired by the Commission for Conciliation, Mediation and Arbitration (CCMA) commissioner Ronald Bernickow. It quickly became apparent however that the preparatory processes were going to take far more time than was initially supposed and the work of the task teams has been extended for an additional three months. The International Labour Organisation (ILO) has been extremely proactive in terms of supporting the work of the task teams on technical issues. Furthermore, research on design, impact and related issues is also being undertaken

both by the Department of Policy Research Unit (DPRU) at the University of Cape Town and University of the Witwatersrand.

While the proceedings at task team meetings are frequently arduous, progress is being made towards the setting of a NMW. The outstanding questions include:

- The level of a NMW when it is introduced
- Mechanisms for increasing the NMW
- The legal and institutional architecture for the administration of a NMW, similar to the low pay commission in the united kingdom
- The possibility of initial exclusions and exemptions of sectors and/ individual employers, and if this is agreed to, for how long?
- Enforcement and incentives to ensure compliance.

The study tour was arranged by the German social democratic Friedrich Ebert Stiftung through their South African, Switzerland and German offices and it was extremely valuable. On the first two days we met with the ILO in Geneva and met with numerous experts on the topic who provided case studies and data from across the world in respect of the design and impact and options for minimum wages. On the last three days we met with a variety of leaders in Germany who had been involved in the negotiations and design of the national minimum wage introduced in Germany in January 2015, at euro 8,50 per hour. These included ministers and government delegates, German Federation of Trade Unions (DGB), the united service trade union and inMetall (a metalworkers trade union), the German Employers' Association, and last but not least, the formidable 'Zolle', or customs officials whose responsibility it is to enforce the payment of the NMW which is done with great vigour and criminal prosecutions.



It is quite clear that wage policy in South Africa has to shift if we are to break from the apartheid wage structure that continues to dominate the gross income inequalities. The reluctance of certain social partners to embrace this step as a necessary development in the longer term sustainability in South Africa is unfortunate, as are the veiled threats of wide scale retrenchments. Our constitution talks about the need to heal the past divisions in our country – the introduction of a NMW and comprehensive social protection to address the needs of the unemployed as the first step towards the attainment of a decent living level is long overdue and we call on all to support this initiative.

Project Update: The Basic Needs Basket

*No End in Sight for the poor and marginalised:
Basic Needs Basket (BNB) indicates*

By: Toku Fundira



No end in sight for the poor and marginalised: Basic Needs Basket (BNB) indicates



Pictured: The BNB team, which includes the SPII Research Team and 18 dedicated fieldworkers from Association of Community-Based Advice Offices of South Africa (ACAOSA)

The Basic Needs Basket (BNB) is a monthly survey that tracks the cost of 38 food and non-food items across nine provinces in South Africa. The food and non-food items comprise the minimum basket of goods that are commonly purchased by households and reflect the lived realities for households in South Africa. The selected tracked food and non-food prices are building on the Household Expenditure Survey (HES), undertaken in 2011-2012 by SPII with the support of Statistics South Africa in Evaton, South Africa. In that HES, each household would provide the purchased products in the household every month and these food and non-food prices were further explored through focus groups discussion in Alexandra Township (Gauteng), Ngove (Limpopo) and Evaton (Gauteng) in 2014 with different groups, including youth, women and the elderly. SPII in partnership with the Association of Community-Based Advice Offices of South Africa (ACAOSA) have 18 dedicated fieldworkers across the nine provinces that collect data on the 38 identified food and non-food prices every month. There are two data points in each province, in an urban and rural setting.

The Right to Food in South Africa in South Africa: An analysis of the content, policy effort, resource allocation and enjoyment of the constitutional right to food' concluded the following with regards to access to food in South Africa (1) "Despite widespread hunger and food insecurity, there has not been a sufficient coordinated policy effort by government to end hunger ensure and ensure the right to food, (2) The right to food is the only socio-economic right for which framework legislation has not been enacted by government since the Constitution entered into force in 1996, (3) Policies that do exist have suffered from an accountability deficit and an implementation process that has failed to match government's commitment to address food security, especially in terms of scope, coordination and high level support".

"We have a concentrated system in our food value chain, then we have small farmers struggling to sell products and consumers struggling to afford the food" (SPII, 2015).

Highlights from the BNB

- Price increases were experienced for most products that fall under Cereals/ Starch; Toiletries/ Hygiene; and Meat/fish/poultry/ protein products groups between January and March 2015 despite having experienced a period of significant fuel decreases in the last quarter of 2014. These three product groups account for 52% of the Basic Needs Basket price monitored products;
- Within Cereals/ Starch products - Mealie - Samp (2.5kg); Rice (2kg); and White Bread (700g) prices remained relatively stable over the review period, with Maize Meal (5kg) experiencing a 2% price increase during this time;
- Vegetables/ Fruits continued to experience decline in prices during this period, partly attributed to the oversupply of most of these perishables during the summer season/rainy season of the majority of South African Provinces. Perishability as well as oversupply being the main factors for the decline;
- On the overall, we note that within the majority of the 9 Provinces; the total BNB costs were higher in rural areas in comparison to urban areas. The fact that the majority of the poor remain in rural areas makes their plight worsened by higher prices experienced in these areas;
- The most expensive areas taking into account the quarterly average cost were Limpopo (L) Urban; followed by Limpopo (L) Rural; Free State (FS) Urban and Eastern Cape (EC) Rural. The total cost of the BNB in each of these provinces range

from a high of R925 to a lower R891 on average;

According to Statistics South Africa, there has been an increase in the number of people who did not have adequate food. The number of people without access to enough food in South Africa rose from 13.8 million in 2013 to 14.1 million in 2014. The Consumer Price Index (CPI), released Statistics South Africa (2015) states that the "The food and non-alcoholic beverages index increased by 0, 9% between December 2014 and January 2015. The annual rate decreased to 6, 5% in January 2015 from 7, 2% in December 2014. The following components in the food and non-alcoholic beverages index increased: other food (2,0%), cold beverages (1,7%), fish (1,5%), meat (1,4%), sugar, sweets and desserts (1,0%), oils and fats (0,7%), hot beverages (0,6%), bread and cereals (0,5%), milk, eggs and cheese (0,2%) and vegetables (0,1%). The following component decreased: fruit (-1, 0%)".

Proponents against the use of the CPI as an indicator have often noted argued that it is skewed due to the levels of inequality and that it tracks the impact of food price inflation on the middle class. SPII' BNB aims to produce data on what a poor South African household would purchase on a month-to-month basis, and it does not track the nutritional value of the products in SPII's BNB nor does is it weighted.

CPI basket of goods and their associated expenditure are updated annually weighted and updated annually. This process biases avoids potential biases that might arise overtime, such as the development of new goods and services or the tendency of for consumers to move away from buying goods and services which have risen relatively in price. However, the basket provides the prices that people around the country experience on a month to basis, and aims to give a voice for those who spend half their income on food, and the reliance on social grants as food prices

increase and social grants increase not keeping up with food price increase.

Amidst the decrease in the standard of living for many poor and marginalised South Africans, therein lies the policy challenge for policy makers with regards to the rising cost of living, unemployment and income inequality.

As noted in the 2015 Food Report, there are implications on the adequacy in terms of nutrition for poor households, and this has been acknowledged and the school nutrition programme which is aiming to extend meals to breakfast, weekends and school holidays is a welcome relief. Key questions that policy makers have to answer or consider include:

- Issues of distribution of resources in the country, including land;
- The National Minimum wage vs Youth Subsidy debate;
- The call for universal basic income grant, a direct cash transfer with the purpose of providing increased social protection for the most vulnerable groups in society.

Table: National Averages of tracked Food and Non-Food Item across the nine provinces

FOOD ITEMS	Quantity of items tracked	January (2015)	February (2015)	March (2015)	April (2015)	May (2015)	June (2015)
Brown Bread	700g	R 9,62	R 9,61 ↓	R 9,73 ↑	R 9,60 ↓	R 9,44 ↓	R 9,33 ↓
Poultry Products (Chicken Portions)	2 (KG)	R 44,76	R 46,19 ↓	R 45,28 ↑	R 46,76 ↑	R 46,22 ↓	R 46,05 ↓
White Bread	700g	R 10,75	R 10,72 ↓	R 10,83 ↑	R 10,95 ↑	R 10,41 ↓	R 10,25 ↓
Maize Meal	5 (KG)	R 36,01	R 33,63 ↑	R 35,61 ↓	R 39,06 ↓	R 41,82 ↑	R 36,98 ↓
Tomatoes	1 (KG)	R 12,53	R 13,75 ↑	R 13,52 ↓	R 12,46 ↓	R 13,12 ↑	R 12,06 ↓
Beef and Veal	1 (KG)	R 41,76	R 41,03 ↓	R 45,37 ↑	R 46,37 ↑	R 45,81 ↓	R 45,12 ↓
Cabbage Fresh	1 Head	R 11,76	R 11,40 ↓	R 11,28 ↓	R 12,01 ↑	R 11,79 ↓	R 11,91 ↓
Fresh Full Cream Milk	1 Litre	R 14,28	R 13,43 ↓	R 13,07 ↓	R 14,59 ↑	R 13,78 ↓	R 14,40 ↓
Potatoes	1 (KG)	R 11,39	R 16,52 ↓	R 14,27 ↓	R 11,99 ↓	R 13,31 ↑	R 11,87 ↓
Maas	2 (KG)	R 24,10	R 23,57 ↓	R 22,48 ↓	R 23,77 ↑	R 23,01 ↓	R 24,32 ↑
Cooking Oil	2 Litre	R 33,38	R 33,20 ↓	R 34,09 ↑	R 30,95 ↓	R 29,69 ↓	R 29,43 ↓
Mixed Vegetables	2 Litre	R 26,96	R 27,01 ↑	R 27,89 ↑	R 27,50 ↓	R 29,42 ↑	R 29,43 ↑
Rice	2 (KG)	R 20,92	R 21,77 ↑	R 20,84 ↓	R 26,70 ↑	R 21,86 ↓	R 29,55 ↑
White Sugar	2.5 (KG)	R 26,49	R 14,02 ↓	R 27,52 ↑	R 26,72 ↓	R 28,58 ↑	R 24,13 ↓
Large Eggs	6 Dozen	R 9,25	R 15,55 ↓	R 10,35 ↓	R 11,08 ↑	R 15,55 ↑	R 29,64 ↑
Canned Pilchards	400g	R 15,72	R 8,72 ↓	R 16,07 ↑	R 16,02 ↓	R 15,55 ↓	R 9,42 ↓
Onions	1 (KG)	R 7,93	R 6,33 ↓	R 8,77 ↑	R 9,33 ↑	R 9,36 ↑	R 15,65 ↑
Salt	0.5 (KG)	R 6,17	R 18,18 ↑	R 6,60 ↓	R 7,00 ↑	R 6,30 ↓	R 6,32 ↑
Tag less Teabags	0.1 (KG)	R 15,45	R 18,15 ↑	R 16,63 ↓	R 19,52 ↑	R 17,63 ↓	R 16,58 ↓
Apples	1.5 (KG)	R 19,14	R 8,63 ↓	R 19,57 ↑	R 16,94 ↓	R 16,49 ↓	R 16,40 ↓
Baked Beans	410 (g)	R 8,41	R 8,63 ↑	R 8,27 ↓	R 8,86 ↑	R 8,55 ↑	R 8,84 ↑
Margarine spread	0.5 (KG)	R 20,39	R 20,12 ↓	R 18,88 ↓	R 19,50 ↑	R 18,99 ↓	R 18,34 ↓
Mayonnaise	0.75 (KG)	R 20,26	R 20,53 ↑	R 20,59 ↑	R 20,83 ↑	R 20,01 ↓	R 20,64 ↑
Bread Flour	10 (KG)	R 79,80	R 74,85 ↓	R 83,57 ↑	R 85,16 ↑	R 82,06 ↓	R 83,49 ↑
Instant Yeast	200 (g)	R 8,74	R 8,64 ↓	R 8,56 ↓	R 9,92 ↑	R 10,23 ↑	R 4,23 ↓
Sugar Beans	500 (g)	R 12,67	R 16,09 ↑	R 16,31 ↑	R 24,92 ↑	R 15,85 ↓	R 17,97 ↑
Mealie - Samp	2.5 (KG)	R 16,67	R 16,75 ↑	R 20,48 ↓	R 22,90 ↑	R 18,65 ↓	R 20,01 ↑
Coffee	250 (g)	R 26,89	R 29,39 ↓	R 28,88 ↓	R 28,65 ↓	R 28,60 ↓	R 26,90 ↑
Juice	2 Litre	R 20,11	R 22,13 ↑	R 20,48 ↓	R 20,28 ↓	R 20,84 ↑	R 21,39 ↑
NON-FOOD ITEMS							
Washing Powder	2 (KG)	R 41,09	R 41,70 ↑	R 44,74 ↑	R 43,09 ↓	R 42,51 ↓	R 41,99 ↓
Toothpaste	100 (g)	R 8,75	R 9,47 ↑	R 9,02 ↓	R 10,04 ↑	R 9,94 ↓	R 8,62 ↓

Table: National Averages of tracked Food and Non-Food Item across the nine provinces

Toilet Paper		R 33,29	R 34,16 ↑	R 35,32 ↑	R 34,75 ↓	R 33,54 ↓	R 32,95 ↓
Body Cream/ Gel	100 (g)	R 24,92	R 26,67 ↑	R 24,92 ↓	R 23,95 ↓	R 23,06 ↓	R 21,56 ↓
Body Soap	200 (g)	R 9,75	R 10,57 ↑	R 10,46 ↓	R 10,10 ↓	R 10,08 ↓	R 9,57 ↓
Deodorant	500 (g)	R 15,59	R 16,59 ↑	R 16,09 ↓	R 16,03 ↓	R 15,77 ↓	R 16,41 ↑
Sanitary Towels and Tampons	10's	R 18,30	R 17,89 ↓	R 17,22 ↓	R 18,43 ↑	R 17,07 ↓	R 17,01 ↓
Matches	1 Pack	R 6,40	R 6,21 ↓	R 5,82 ↓	R 7,46 ↑	R 6,30 ↓	R 6,70 ↑
Paraffin	1 Litre	R 13,50	R 21,86 ↓	R 27,59 ↓	R 14,39 ↑	R 14,17 ↑	R 15,57
Candles		R 15,76	R 15,15 ↓	R 14,80 ↓	R 14,81 ↑	R 14,17 ↓	R 15,28 ↑
TOTAL COST OF BASKET		R 799,66	R 808,81 ↑	R 841,77 ↑	R 853,39 ↑	R 829,53 ↓	R 836,31 ↑
SECTORAL DETERMINATION							
1. Farm Worker (Min ph 13,37)		R 2 606,78	R 2 606,78	R 2 606,78	R 2 606,78	R 2 606,78	R 2 606,78
2. DOMESTIC WORKERS							
Metro		R 2 065,47	R 2 065,47	R 2 065,47	R 2 065,47	R 2 065,47	R 2 065,47
Non Metro		R 1 812,57	R 1 812,57	R 1 812,57	R 1 812,57	R 1 812,57	R 1 812,57
2. SECURITY OFFICER							
Grades D& E Area 1 (Min ph 15,25)		R 3 172	R 3 172	R 3 172	R 3 172	R 3 172	R 3 172
Grades D&E Area 2 (Min ph 13,95)		R 2 901	R 2 901	R 2 901	R 2 901	R 2 901	R 2 901
Grades D& E Area 3 (Min PH 12,68)		R 2 637	R 2 637	R 2 637	R 2 637	R 2 637	R 2 637
Taxi drivers and admin (Min Ph 13,68)		R 2847.01	R 2847.01	R 2847.01	R 2847.01	R 2847.01	R 2847.01
3. SOCIAL SECURITY							
Child Support Grant (CSG)		R 330	R 330	R 330	R 330	R 330	R 330
Old Age Pension (OAG)		R 1 350	R 1 350	R 1 350	R 1 350	R1350	R 1 350

Project Update:

Social Protection and Local Economic Development (LED): Graduation Pilot Project.

LET'S TALK STOKVELS



Author: Matshidiso Motsoeneng

In recent months there have been a lot of statements made in different platforms, including the media about formal sector financial service's interest in offering financial packages to stokvels. One of the reasons cited for this interest is that over the years there has been an inherent underestimation of the value and of the investment objectives by participants into stokvels. The challenge that persists is that existing literature on stockvels simply dismisses stokvel pay-outs as perpetuating the consumption culture that exist in South Africa and never considers stokvels as an investment for those who remain under serviced by the formal sector services.

The "Social Protection and Local Economic Development (LED): Graduation Pilot Project" undertaken by SPII in Evaton, Johannesburg recently published a policy brief titled 'Getting to know our Stokvels: Project participants share their experiences and use of stokvels. The policy brief provides a rather dissenting analysis of stokvel pay-outs through in-depth interviews with project participants who belong to stokvels. During these interviews, project participants share their lived realities and how they interact with stokvels and debunk the theory that all the stokvel pay-outs are used for conspicuous spending.

National Treasury (2013) notes the poor levels of savings amongst South Africans and if we are to reverse this trajectory, formal financial sector services should provide savings platforms that take into account traditional savings packages. In other words, instead of trying to upstage



Pictured: Project participants at their businesses.

these savings platforms, lessons should be learnt from their successes and savings packages should leverage from these preferred savings platforms. As Rutherford (1999) asserts that "...creating better financial services for the poor start with having a clear idea of just what constitutes good services."

"Tjheleteenayastokvel, e tumellahoreke Tsebahoetsetsabaradibakabokamoso. Kekg onahotsebahoreselemo se seng le sesengkebabolokelletjheletebankengkaleb aka la tjheleteena."

Translation: The money from the stokvel allows me to be able to build a future for my daughters. With this money, I am able to make sure that at the end of every year, there is something that goes to the bank (Participant No.21).



Pictured: Project participants sharing their different stokvel practices

Through the in-depth case studies with 8 project participants, the policy brief is able to bring together the experiences of 8 different individuals and how they interact with stokvels. Through the case studies we trace their use, history and reasons. We also look at the recent developments, with the advent of shopping malls in townships, which bring formal financial services closer to project participants. The following were found during the case study analysis:

- Within the 8 case studies shared and analysed, it was found that people used stokvels for more than just conspicuous spending associated with December holidays. In fact, some of the money was used to finance educational outcomes, especially tertiary. Other spending included household's needs that needed larger amounts which participants would not afford from what they make from their businesses in the absence of a savings platform such as stokvels.
- For female project participants whose cases were shared, the stokvel pay-outs have always been used to send money home to parents and other relatives that depend on them financially. Evaton, area where the pilot project is undertaken, is a peri-urban area; it boasts many migrant labourers that send remittances to their former homelands in the Free State, Eastern Cape or Kwazulu-Natal amongst others.
- Most of the enterprise owners in the pilot project own micro-survivalist enterprise operating in the informal economy without access to any form of support from either state or non-state actors. As a result, stokvels are useful platform for saving for business expansion because of the large sum pay-out from saving through stokvels. For example, a male project participant

who owns a hair salon decided to use his stokvel pay-out to start off another hair salon in another area and hired his son as the manager.

- Despite the risks involved with stokvels due to its informality, it is still the most preferred method of savings and investment for the poor. There is a need to leverage from the successes of these informal savings platforms and if formal financial services are to cater to people who use stokvels and services designed for this market needs to be cognisant of the needs of the people who prefer the sometimes risky informal savings platforms.

RECOMMENDATIONS INCLUDE:

- The design of programmes that promote financial inclusion should be built on existing practices and knowledge of stokvels as compared to low-income households being encouraged to use formal-sector products that do not take into account their needs
- There is need for focused research that can build on current work and knowledge on stokvels with a focus on how the successes can be leveraged to drive local economic development activities such as entrepreneurship and other income-generating activities.
- In design of financial inclusion products, there is a need to be informed by the needs of people in low-income households and take into account their preference for flexibility in depositing and accessing money.
- There is a need to promote easily accessible information regarding financial products in local languages, refrain from unnecessary financial jargon, and provide more information on the financial implication of each account in terms of bank charges and service fees.

- Promotion of dialogue between the different Rotating Savings and Credit Association (ROSCAs) and the Accumulating Savings and Credit Association (ASCAs) could lead to viable solutions towards strengthening these traditional savings mechanisms
- There is a need for a more comprehensive strategy for long-term savings within stokvels that takes into account the needs of those who prefer these savings platforms.



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Universal Basic Income Grant (BIG) in Southern Africa: What are the policy alternatives?

In June 2015, the International Labour Organisation (ILO) and World Bank called for leaders in the international community to endorse and promote universal social protection. This announcement comes as social cash transfers have emerged as an important and key social protection measure to tackling and vulnerability. For example, evidence from countries such as India, Brazil, and results from pilot programmes in the region, which includes these countries: Malawi, Namibia and Zambia indicate that social cash transfers assist recipients in dealing with destitution and mitigates some of the risks associated with being poor such as supporting human capital development and by empowering poor households to left themselves out of poverty.

concentrate the benefits of transfer programmes to the poorest segments of the population. In a nutshell, targeting aims to correctly identify which households are poor and which are not.

The main objective of targeting is to make ensure that available resources for social transfers programmes are directed only to the intended beneficiaries, so as to minimise the coverage of those not intended to be beneficiaries (errors of inclusion) and the non-coverage of intended beneficiaries (errors of exclusion) (Slater & Farrington, 2009). Deveruex (2015) commenting on the ILO and World Bank submission argues that. "Universal' does not necessarily mean universal. 'Universal social protection' sounds like free goodies for all – but it isn't: "cash transfers for all who need them" implies targeting the poor.

Africa (SSA)" The study assessed the effectiveness and effectiveness of social transfers which aim to reduce material poverty, assessed in terms of e.g. income, expenditure, or food security. As Amartya Sen noted "The beneficiaries of thoroughly targeted poverty-alleviation programmes are often quite weak politically and may lack the clout to sustain the programmes and maintain the quality of services offered. Benefits meant exclusively for the poor often end up being poor benefits.



However, over the past decades, debates on the desirability and feasibility of universal basic income have taken place in many different countries – from Alaska to Iran and the timing for the call for such a campaign in SADC could never be better. This is to a large degree due to the empirical evidence from various countries that cash transfers and more specifically basic income is no longer perceived by a number of academics, social activists and public advocacy groups as a utopian 'shot in the wind' idea.

Slater and Farrington (2009) concluded that "the cost and capacity the costs and capacity requirements of designing and implementing approaches that rely on the formal means-testing of households or individuals, or embodies significant 'conditionality' is likely to be prohibitively costly for many countries in Sub-Saharan

In rolling out these social cash transfer programmes however, targeting has been the preferred approach in most instances. Manasan and Cueva (2007) define targeting as a tool that is meant to

Therefore looking at evidence from cash transfer pilots and programmes that have been implemented worldwide, albeit not all in the form of a universal basic income grant (BIG), put credence to the introduction of a universal BIG as this approach has numerous benefits, which include among others:

Improved health and less stress: Money is a major source of stress and may lead to poor mental health, which leads to poor physical health, both of which lead to medical bills, which lead to even more stress about money! “This survival anxiety can be eliminated with a basic income. So people can focus their mental energy on something other than worrying about money;”

Curtailing Crime: more often than not crime is committed not only by bad people, but regular people put in bad situations. The odds someone will steal money is greatly reduced if they do not need it;

Moral: every person is a human being and deserves the same rights. It's unnecessary and unethical to force people to do tricks to survive when there's more than enough resources to go around;

Efficiency: current targeted programmes require means testing that more often than not have high exclusion errors and promote corruption, patronage and come at high administrative costs. Basic Income can easily cut out the bureaucracy and just give the money to everyone.

Transparency: a basic income program is so simple and efficient that it's effectively transparent. So there would be less bureaucracy for government to hide behind.

Affordable: a monthly basic income of US\$15 paid to all residing in SADC (total population estimate of 297 million) will have a cost of US\$54.12 billion annually. This translates to about 5.2% of SADC GDP (PPP). So it's not a question of whether we can afford it. It's just a matter of spending our budget more effectively.

While there are overwhelming reasons for a universal approach to cash transfers, the popularity of targeting still prevails as evidenced in the Malawi Social Cash Transfer program, which provides direct payments of cash—on average, \$13 a month—to families identified as ultra-poor and labour-constrained. An evaluation of the Malawi Social Cash Transfer pilot program conducted by the Centre for Global Health and Development (CGHD) in 2008, in which 23,561 households in seven of Malawi's 28 districts received monthly cash transfers to alleviate poverty and vulnerability revealed that cash transfer recipient families:

- had fewer missed meals;
- lower rates of underweight children;
- fewer reported sicknesses;
- higher school enrolment and fewer absences;
- better access to medicines and health care; and
- a reduction in instances of young children working to help support their families.

This evidence has led to the Government of Malawi (GoM) to scale up cash transfer initiatives throughout the country. As of August 2013, the GoM has since expanded the programme, to reach approximately 30,000 households and 100,000 individuals. Over the next five years, the program is scheduled to expand to include five more districts, with the average size of transfer being \$14 per month per beneficiary family. According to a presentation by Salima District Council Director of Planning, Blessings Nkhoma the programme has targeted 300,000 ultra-poor households by 2016 in Malawi.

So, if evidence exist that cash transfers work (see Appendix 1 on Namibia BIG Pilot below) and that targeting may not yield the desirable effects, then why so much resistance to universalism? The issue of availability of resources, while being a rational one, has often been used as a scapegoat by governments to justify failure of providing universal access to social protection in general. As Sophie Plaggerson noted “While in some instances, a targeted

policy may represent a government's first and welcome step towards fulfilling the mandate to protect its people, on the whole, budgets are not as limiting as National Treasuries make out. The issue is less 'we can't afford it', but 'we are choosing to spend our money in other ways'. This comes back to ideology.” Furthermore, as Yannick Vanderborcht puts it, “as long as there is no insight into the necessity of the end of Basic Income, there is no reason to support this idea. The strongest resistance against Basic

Income is the current situation which is considered as unchangeable and while we are powerless it is not wanted, but accepted with all its injustice.”

In conclusion “While it is government's responsibility to ensure that all people are provided with equal opportunities, the systems in place in most African countries have somewhat provided an unfair advantage to those who already have access to capital and other productive resources and have left the marginalised and vulnerable in a state of hopelessness.” A universal basic income can be part of the solution and help change the current status quo.

For South Africa:

- The Basic Income Grant is an affordable option for South Africa, it will only cost R78 billion annually or 1.8% of GDP (excluding existing grant recipients) with each person receiving approximately R180 per month;
- There are feasible financing options for a Basic Income Grant;
- The optimal financing package will involve a mix of tax sources, including proceeds from mineral resources/ extractives industries;



Key Recommendation

Revisit and consider the 2002 Taylor Committee recommendation for the introduction of a Basic Income Grant as part of a comprehensive social protection package intended to eliminate extreme poverty, reduce inequality, stimulate local economies, and create jobs in South Africa.



Picture:1st payout - Johannes Seibeb (born 2001-10-13) - children's money is received by primary care-giver. 5th payout - food security through BIG(Picture courtesy of Basic Income Grant Coalition)

CASE STUDY 1: THE NAMIBIA BIG PILOT PROJECT



Piloting the Basic Income Grant in Namibia

In January 2008, the Basic Income Grant pilot project commenced in the Otjivero-Omitara area, about 100 kilometres east of Windhoek. All residents below the age of 60 years received a Basic Income Grant of N\$100.00 per person per month, without any conditions being attached. The grant was given to every person registered as living there since July 2007, whatever their social and economic status.

The BIG pilot project was designed and implemented by the Namibian Basic Income Grant Coalition and was the first universal cash transfer pilot project in the world. The BIG Coalition consisted of four big umbrella bodies in Namibia, namely, Council of Churches (CCN), the Namibian Union of Namibian Workers (NUNW), the Namibian NGO Forum

(NANGOF) and the Namibian Network of AIDS Service Organisations (NANASO) Funds to start the pilot project were raised through voluntary contributions from supporters of the idea from all sections of Namibia's society and by support from people, churches, organisations and donors from other countries. The BIG pilot project was conducted for a period of 24 months from January 2008-December 2009.

Benefits of the BIG Pilot Project in Otjivero

- Before the introduction of the BIG, Otjivero-Omitara was characterised by high levels of unemployment, hunger and poverty. Most residents had settled there because they had nowhere else to go, their lives were shaped by deprivation and they had little hope for the future.
- The introduction of the BIG ignited hope and the community responded by establishing its own 18-member committee to mobilise the community and to advise residents on how to spend the BIG money wisely.
- As the BIG was only introduced in one particular location, there was significant migration towards Otjivero-Omitara. Impoverished family members moved into Otjivero, attracted by the BIG, even if migrants themselves did not receive the grant. Therefore, pointing to the need to introduce the BIG as a universal national grant in order to avoid in-migration to particular regions, towns or households.
- Since the introduction of the BIG,
- household poverty data has dropped significantly. Using the food poverty line, 76% of residents lived below this line prior to the commencement of the BIG. However, since the BIG was introduced in January 2008, 37% of the households were living below the food poverty line. Amongst households that were not affected by in-migration, the number dropped to 16%.
- Furthermore, the BIG resulted in a huge reduction in child malnutrition. Using a World Health Organisation measurement technique, the data shows that children's weight-for-age has improved significantly in just six months since the BIG from 42% of underweight children in November 2007 to 17% in June 2008 and 10% in November 2008.
- HIV positive residents' access to ARVs was hampered by poverty and lack of transport before the introduction of the BIG. The BIG enabled them to afford nutritious food and be able to take their ARV medication with the prescribed nutritious food items.
- Before the introduction of the BIG, almost half of the school-going children did not attend school regularly. Pass rates stood at about 40% and drop-out rates were high. After the introduction of the BIG, more than double the number of parents paid school

fees and most of the children now have school uniform.

In 2014, the ELCRN secured funding from the Waldensian Church that has enabled the payment of the BIG to the inhabitants of Otjivero for another year.



Pictures: 6
month research - Joseph Ganeb started a brick making business (Picture courtesy of Basic Income Grant Coalition). Sister Mbangi from the government clinic - the clinic's income grew fivefold with BIG, people come earlier to the clinic and have money to pay the clinic fee

Join the movement: Supporting a campaign for universal SADC wide cash transfer in the form of a Basic Income Grant (BIG)



The SADC BIG Coalition invites your organization or you in your individual capacity to join with us in our bold call to support the campaign for a universal SADC-wide cash transfer in the form of a Basic Income Grant (BIG) to be paid to every SADC resident, funded predominantly from proceeds on extractive industries but also other funding sources.

CASE STUDY 2:

About the SADC BIG Campaign and SADC BIG Coalition

The SADC BIG Coalition invites your organization or you in your individual capacity to join with us in our bold call to support the campaign for a universal SADC-wide cash transfer in the form of a Basic Income Grant (BIG) to be paid to every SADC resident, funded predominantly from proceeds on extractive industries but also other funding sources.

The Goal of the Campaign: The roll-out of a universal SADC BIG to all SADC residents including refugees, economic migrants and asylum seekers by 2020.

The Campaign draws on principles of economic and social justice, including tax justice and the fact that the proceeds of extractive industries in SADC need to be more fairly distributed to break the crippling levels of poverty and inequality that exist in the region and to provide the necessary investment by our governments in human capital development through universal social protection.

The Need: The SADC Basic Income Grant Coalition shares a common vision to eradicate poverty and reduce inequality in SADC. The introduction a SADC BIG is a

crucial intervention to combat poverty and to improve the lives of the majority of vulnerable SADC residents, and grow solidarity to include social cohesion within the sub-region as we continue efforts to create economic opportunities in the region.

A Basic Income Grant would provide rapid and sustained relief to all SADC citizens by:

- providing everyone with a minimum level of income;
- enabling the regions poorest households to better meet their basic needs;
- stimulating equitable economic development;
- promoting family and community stability; and
- Affirming and supporting the inherent dignity of all.

The Principles: The SADC BIG Campaign is founded on the following fundamental principles:

- **Universal Coverage:** It should be available to everyone and should not be subject to a means test.
- **Relationship to existing grants:** It should expand the social security net. No individual should receive less in social and assistance grants than before the introduction of the Basic Income Grant.
- **Amount:** The grant should be no less than US\$15.00 per person per month on introduction and should be inflation indexed.
- **Delivery Mechanisms:** Payments should be facilitated through Public Institutions, using for example community Post Banks and would have the additional benefit of enhancing community access to much-needed banking services and promote financial inclusion
- **Financing:** A substantial portion of the cost of the grant should be funded through a tax on extractives. Other funding options include progressive recovery through the tax system above the income tax threshold.



Picture: Taku making a case for SADC BIG at the Namibian Non-Governmental Organisation Forum (NANGOF)

We urge SADC BIG Coalition Partners to re-commit themselves to working together with all relevant stakeholders to make the Basic Income Grant a reality in Southern Africa by signing below.



The Right to Food in South Africa

Author: Daniel McLaren

Launching the report “The Right to Food in South Africa in South Africa: An analysis of the content, policy effort, resource allocation and enjoyment of the constitutional right to food” at Constitution hill



Pictured: Deputy Minister of Justice and Constitutional Development giving the keynote address at the Constitution Hill before launch of the report

Author: Daniel McLaren

On the 27th of July 2015, the Socio-Economic Rights (SER) project launched the “**The right to Food in South Africa: An analysis of the content, policy effort, resource allocation and enjoyment of the Constitutional right to food**” at the Constitution Hill, Johannesburg, with Deputy Minister John Jeffrey giving the key note address, and PreggsGovender, Deputy Chair at the South African Human Rights Commission (SAHRC) providing the closing remarks.



Key finding from the report include:

- Despite widespread hunger and food insecurity, there has not been a sufficient coordinated policy effort by government to end hunger ensure and ensure the right to food.
- The right to food is the only socio-economic right for which framework legislation has not been enacted by government since the Constitution entered into force in 1996.
- Policies that do exist have suffered from an accountability deficit and an implementation process that has failed to match government's commitment to address food security, especially in terms of scope, coordination and high level support.
- Even in rural areas, most households are deficit food producers and therefore consume more food than they produce. This is evidence that food security is largely about the ability of households to purchase food and linked more to employment and social protection policies than agriculture. In spite of this, South Africa's policies around food security have focused strongly on production. Government still equates food security- and agricultural output in particular-rather than with economic access to sufficient, nutritious food.
- The failure to mention the right of children to basic nutrition in the recent National Food and Nutritional Security Policy is a serious oversight, highlighting the lack of public participation in the drafting of this policy, and should be addressed.



Pictured: PreggsGovender, Deputy Chair, South African Human Rights Commission (SAHRC)

Please visit www.spji.org.za to access the full report and the executive summary



SPII

Matters



ANNUAL REPORT

Our annual report for 2014 is now available on our website www.spii.org.za

FORTHCOMING EVENT:

1. Seminar: Decent Living Level (DLL) Workshop

Focus: Communication Strategy for Dissemination of the Decent Living Level

Date: To be confirmed

Time: To be confirmed

Venue: The Parktonian Hotel, Braamfontein

2. Seminar: SADC Basic Income Grant (BIG)

Focus: 2nd SADC Basic Income – Bi-Annual Conference: Building & Strengthening National Coalitions, Strategies for Grassroot Campaign Movements

Date: 18-19 November 2015

Time: 10:00 AM

Venue: The Parktonian Hotel, Braamfontein

Please contact Fortunate Mabuza at SPII should you wish to have any information about any announcement or events partnering SPII.

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Building up knowledge to break down Poverty