



SP II talk

STUDIES IN POVERTY AND INEQUALITY INSTITUTE VOLUME 26 | 4th Quarter | Oct - Dec '16



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Poverty is about money, but never just about money, as underlined by UNESCO's 2016 World Social Science Report. It is also about power, different kinds of powers. In South Africa we are seeing historically disempowered people using their innate power to articulate their demands, and conventional entrenched power, refusing to engage with it, responding with force. This is a zero sum game, and we need to change the mode of exchange.

The key to successful poverty and inequality reduction rests in political determination, driven by sharing solid knowledge about the causes, mechanisms and consequences of poverty with the grassroots individuals who are most directly affected. Governments, citizens, businesses and civil society leaders are challenged to become the primary custodians of measures to heal this social ill.

#DECENTSTANDARDOFLIVING CONFERENCE 2016

This is an extract from the SPII DSL
Conference, Keynote address by William
Gumede on 10 November 2016.

"...What role for civil society? Civil society groups and activists have vigorously protested official abuses – through court action, taking to the streets and individual and collective public criticisms. This should continue.

But civil society groups should also play a stronger role in managing social, political and economic conflicts, which government, the president and the ANC leadership are increasingly unable to do, because of lack of credibility.

Business leaders should also play a pro-active role in holding government to account. The pledge by CEOs of large companies to support Finance Minister Pravin Gordhan against politically motivated prosecutions was a good one. However, business leaders must go further. They must pledge to become better corporate democratic citizens.

They must genuinely implement affirmative action, invest in skills development, pursue sustainable empowerment policies which genuinely empower current and former employees, local communities and support grassroots entrepreneurs, rather than politically connected capitalists.

South Africa urgently needs partnerships in every key economic sector where business, employees, trade unions and communities can foster

social pacts in which each agree to compromises and commitments at either a sectoral level or at the level of the factory or mine, to grow the sectors or the mine or factory, whilst at the same time tackle inequality, poverty and unemployment.

What can individuals do? Individuals must express their outrage against undemocratic behaviour, join civil society groups in public action and persuade those in their immediate spheres of influence to do the same.

The instinctive reaction of many who care about their country is to withdraw from public activities and turn inwards to family and even group. However, individuals must become more involved in public activities, whether it is sitting on school boards, attending the meetings of local municipalities and challenging the councillors there, to volunteer in or support community organizations and charities with money and time.

These organizations fill the gap when government fails. Of course, we want government to actually do the job. Volunteering to teach in a poor school, whether it is teaching mathematics, life skills or a sporting skill, will make a difference. Furthermore, form lobby groups to protest, for example, anything from potholes to corrupt policemen or laws that do not make sense. Make sure that such groups have members of other race groups also: such issues affect all, no matter race."

Gumede is associate professor at the School of Governance, Wits University, and chairperson of the Democracy Works Foundation.

He is the author of *Restless Nation: Making Sense of Troubled Times*.



IMMINENT REALITY: A MEANINGFUL NATIONAL MINIMUM WAGE #NMW

By Isobel Frye

BACKGROUND AND CONTEXT:

2016 has been a momentous year in relation to wage policy in South Africa, specifically as we see the progress reached on the negotiations on the National Minimum Wage and Labour Relations.

The idea of a national minimum wage as one way to address the crippling levels of poverty and inequality in South Africa was contained as one of the primary freedoms contained in the Freedom Charter which was adopted by the Congress of the People, in Kliptown, Johannesburg, on 26 June 1955.

This was captured by the ANC in their 2014 National Election Manifesto, in which the ruling party committed itself to:

"Investigate the modality for the introduction of a national minimum wage as one of the key mechanisms to reduce income inequality".

At the 2014 19th NEDLAC Annual Summit, Deputy President Cyril Ramaphosa committed once again to such an investigation, which resulted in



the Labour Summit held in Ekurhuleni on 4 November 2014, at which agreement was reached by all four social partners at NEDLAC (Community, Labour, Business and Government) to establishment of a high level Committee of Principals (COP) who would guide the process that would culminate in the adoption of a meaningful national minimum wage, comprehensive social security and reforms to address the increasing levels of fatal tensions in the labour relations arena.

Since then, the two task teams established through NEDLAC have met on regular occasions and hammered out many agreements between them that will lead, amongst other things, to the introduction of a meaningful National Minimum Wage in 2017.

WHY IS THIS NECESSARY?

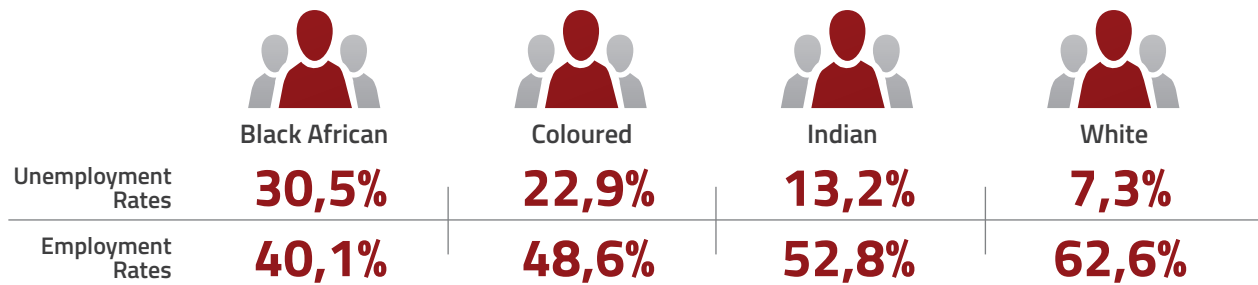
In short, South Africa's wages policies have not shifted fundamentally since colonial and Apartheid times. Under these regimes, black workers were seen as a limitless reservoir for cheap, unskilled labour that facilitated maximum profits for the extraction of minerals such as gold and diamonds, the provision of affordable food for the nation through agriculture, and many other underpaid jobs which led to extraction of human value, not just mineral value.

This short term approach to the maximisation of profits in these primary sectors also however led to a stifling of the opportunity of developing our economy into an innovative economy that could compete with international developments.

The political freedoms we won in 1994 have, sadly, not miraculously translated into an equalised labour market. Fundamentally, this is because the drivers of poverty, inequality and unemployment are structural, and need well thought through, and well resourced, structural solutions. This pertains to the structure of the economy, in which we have seen our manufacturing sector shrinking¹; local investment flow offshore, or remain un-invested due to qualms about policy stability. The decisions to drop our import tariffs with such speed at the beginning of democracy led to the saturation of local production by cheap imports, leading to the loss of many jobs, including in the garment workers sector. And to this we have to add a toxic waste of our education system, which continues to produce under-educated and often un-employable matriculants who are just not equipped to be able to compete on innovation and technological-driven careers with their peers in most other parts of the world.

The result of this has been increasing wage inequalities on a racial basis, as well as high levels of unemployment, especially amongst black South African youth. Unemployment amongst all youth in the ages 15 to 24 in Q3, 2016, was 54,2%, with only 12,3% being in employment. This age cohort does however include learners and students. The unemployment rate for people between 25 and 34 for the same period was 32,1%, with an employment rate of 50,7%².

Unemployment and employment rates for the 3rd Quarter of 2016 were as follows: (Statistics SA, PO211. Table 2,1)



In the same period, 61,9% of employed White men were skilled, 57,9% of employed women, while only 14,8% of employed Black African men were skilled, and 18,6% of Black African women.

Wage inequalities however were found in an OECD study undertaken in 2010, to be a greater driver of income inequalities than unemployment: as

the report states: *“most of the inequality in shared household earnings is the result of unequal wage incomes, rather than the fraction of household members that are of working age or who are actually working”*.

While in 2015, the average wage of all workers in South Africa was R8 669 per month, at least 50% of workers earned below R 3 640 per month, and many far

below this amount. Work undertaken by Arden Finn suggests that the threshold for individual survival of both food and non-food items was R1 319 in 2015, or R5 276 for a family of four. Lower income earners, especially Black Africans in South Africa tend to have a far higher dependency ratio on income earners than other race groups, given the higher levels of unemployment.

A NATIONAL MINIMUM WAGE:

Within the context, the idea of developing and implementing a meaningful NMW should be seen for what it is: a deliberate and historic break from the exploitative and extractive wage policies of our past.

Currently, an Advisory Panel established by the Deputy President, have recommended to him and to the NEDLAC Committee of Principals, that a NMW should be introduced of R3 500 per worker per month, or R20 per worker per hour (with certain provision about the minimum number of hours deemed worked per day).

This is an important step. There are still many details to be ironed out, specifically regarding the issue of exemptions and exceptions of employers who may not be able to pay this, the use of Unemployment Insurance funding to compensate such workers, the feasibility of having reduced ‘tiers’ for domestic and agricultural workers for a limited time frame, the issue of enforcement of the payment of a NMW, and

the establishment of an inclusive institution that would have the task of making recommendations to the Minister of Labour regarding annual increases of the NMW and the relationship between this and consumer price index versus the inflationary pressures felt by the poor.

ADDITIONAL ISSUES – COMPREHENSIVE SOCIAL SECURITY:

From Community Constituency’s position, of which SPII is part, there is the additional concern about comprehensive social security. As far back as 2002, the Taylor Committee of Inquiry into a Comprehensive Social Security System in South Africa identified the failure of any social security or assistance system to provide any cover for working age poor and unemployed people beyond the limited assistance for those in the formal sector who had previously contributed to the UIF. The Committee recommended the introduction of a comprehensive, universal cash

transfer – a Basic Income Grant. This is a concept that is receiving growing traction in other parts of the world as providing alternatives to income distribution that go beyond a globally unequal and shrinking labour market.

We have received reassurance from the Deputy President that once an accord on the NMW is signed, NEDLAC will devote equal attention to the establishment of an inclusive comprehensive social security system.

We shall be there, holding all social partners to it.

In the interim, we call on you as active citizens to join the call for a meaningful National Minimum Wage hosted on SPII’s website on behalf of a growing number of partners, towards the realisation of the vision of a Decent Life for all in South Africa.

#NMW
SPII.org.za/nmw

#DSL
www.spil.org.za/index.php/decent-standard-of-living



by Nkateko Chauke
SADCBIG Project Coordinator

THE AFRICAN PARADOX: THE MINERAL WEALTH RESOURCE CURSE

Since the discovery of gold and diamonds in Africa, it has continued to be a continent rich in mineral assets. The variety of minerals found on the continent is wide. 12% of global oil reserves, 40% of the world's gold, 80% of platinum group metals and 85% of phosphate reserves are in Africa. A United States (US) Geological Survey conducted by the US government showed that by 2017, Africa will have increased its metal and mineral extraction by 78%.¹

A SNAPSHOT OF THE EXTRACTIVE INDUSTRIES IN SADC:

SOUTH AFRICA²	GDP: 1.55	Poverty Rate: 53.8	Gini: 0.63	Unemployment Rate: 25.1
NAMIBIA³	GDP: 5.66	Poverty Rate: 28.7	Gini: 0.61	Unemployment Rate: 18.6
MALAWI⁴	GDP: 2.95	Poverty Rate: 50.7	Gini: 0.46	Unemployment Rate: 7.5
ZAMBIA⁵	GDP: 3.22	Poverty Rate: 60.5	Gini: 0.56	Unemployment Rate: 13.3



Gold



Chrome Ore



Platinum



Diamonds



Zinc



Uranium

Revenue: In 2013 to 2014 *South African* mineral sales increased by 5.8% to R384.9 billion. The Chamber of Mines reported that the mining industry has contributed R2.4 trillion to the South African GDP during the previous decade. South Africa is a leading producer of platinum, chrome ore, manganese and vanadium. In 2013, manganese sales increased by 33.2% accumulating R14.4 billion. Iron ore sales increased by 20% accumulating R63.1 billion. Chrome sales increasing by 42%, accumulating R11.8 billion. Gold, platinum group metals, iron ore and coal accounted for 79.5% of South Africa's mineral sales in 2013. Mineral sale exports were a total of R279.5 billion in the reported period of 2013-2014.

Revenue: The *Namibian* economy is extremely reliant on its extraction industry for exporting and processing minerals. A substantial portion of the GDP, 11.5% is generated from mining and it results in 50% of foreign exchange earnings. The industry is also a growing one, with the year period of 2012 and 2013 increasing diamond production by 24%. The majority of the countries revenue comes from diamond mining, which accounts for 7.2% in GDP. Namibia is also a market leader in uranium production. It is the world's fifth top producer of uranium. Expansion in uranium mining in Namibia is expected to commence in 2017. The Chinese owned HUSAB uranium is due to start production in the country next year. The projections of this expansion are expected to place Namibia as the world's second largest producer of uranium. Namibia also produces large quantities of zinc.



Copper



Cobalt



Uranium

Revenue: The discovery of copper changed the state of the *Zambian* economy drastically. During the early 1960s Zambia became a major contributor in the world copper industry, with the country providing 12% of the world supply. Copper mining in Zambia was so lucrative that by 1965 the country got classified as a middle income economy. Zambia remains Africa's largest copper (and cobalt) producer. Growth in the mining industry in Zambia has led to a boost in other sectors such as transport, construction and manufacturing. 2013 statistic reports show that 80% of the country's export earnings came from the mining industry. By 2013 copper production had reached 763 000 tonnes, showing a growth in the industry.

Revenue: Unlike many other African countries *Malawi* has a smaller mining and extractive industry. A US\$185 million mining project in the Northern part of the country has been undertaken April 2009. More recently a geophysical survey by the World Bank and the European Union has revealed new mineral deposits. An estimated 2.8% boost in the economy is expected from the contributions of these deposits.

Supported by: Church of Sweden

In spite of an abundant amount of resources across the continent and impressive mining and extractive industry revenue and production figures, the vast majority of the African population is living in poverty.

WHAT IS THE AFRICAN PARADOX?

The "African paradox" is a contradiction of large amounts of natural resources and pervasive poverty. Observers and critics have explained this paradox as a result of revenues from resources being shifted overseas due to illicit financial flows, tax avoidance and evasion. The results have devastated the continent leaving it as the most poor and most vulnerable part of the world. The majority of the African population lives under US\$5.00 per day, an estimated 80% and over half of the population lives under US\$2.00 per day.⁶

Sub-Saharan Africa hosts 75% of the world's poorest countries. The Democratic Republic of Congo has been ranked as the world's poorest country in an IMF study from 2009-2013. One in three people in sub-Saharan Africa are undernourished and the Food and Agriculture Organisation estimated that hunger affected at least 239 million people in a study done in 2010.⁷

The burden of poverty is also disproportionately carried by women; the majority of those living in extreme poverty are women and children. Characterised by restricted access to resources and very much needed services, the gap between men and women continually widens, trapping generations of women in a cycle of poverty.

In Africa female-headed households are commonplace, women bear the brunt of childcare, household maintenance, provision of food and basic necessities while simultaneously assuming some sort of economic engagement. Labour migration, the HIV/AIDS epidemic, persistent patriarchy and the devaluation of girl's education have all contributed and exacerbated the denial and restriction of the social and economic mobility of women in the African continent.

THE RESOURCE CURSE.

One of the biggest injustices of the extractive industry is the illicit financial outflows of revenue that deprive the people of Africa a chance at sustainable development and economic redistribution to the poor. In 2010, Oxfam reported that although Africa's oil, gas and minerals exported accumulated to US\$333 billion, the illicit financial outflows were estimated to be at least US\$200 billion⁸ of that amount, substantially reducing the revenue that could have gone into host countries. Africa is home to 34 of the world's poorest countries. Tax evasion, trade mispricing and tax havens are just some of the ways in which Africa is losing billions of dollars in the extractives industry.

A report released by the Africa Union's panel on illicit financial outflows revealed that in the last three decades the continent has lost an estimated US\$850 billion to illegally transferred finances. African revenues lost annually range from at least US\$60 billion.⁹ And this amount is just the tip of the iceberg, illegal transfer schemes are suspected to be shipping off way more than the reports have revealed thus far.

Some analysts have cited resource wealth as having worsened the socioeconomic conditions affecting Africa, the so called "resource curse". The scramble for Africa's resource has led to social and political instability and even blood-shed in some parts. The wealth of countries endowed with minerals and extractives has seldom been translated into progressive

sustainable development. The rich have gotten richer and the poor have remained poor and even worse off. To make matters worse, is the fact that once a mineral has been extracted it can never be replaced. What will then be left of Africa once all the diamonds and gold has been mined? What will the people of Africa have left to show?

RELEVANCE FOR SADC BIG.

The answer to these questions lies in transformative policy shifts as well as a progressive approach to tax regime reform, inclusive of designing and implementing sustainable development programmes that utilise the resources at hand. The SADC BIG Campaign calls for the use of mineral wealth to contribute to growth and the eradication of poverty through a basic income grant funded by a tax on extractives. Africa has the possibility to recapture its wealth and lift millions out of poverty through progressive social protection cash transfer schemes as successfully demonstrated by the Social Cash Transfer programme in Zambia, and previously, the Basic Income Grant Pilot in Namibia. For the people of Africa and generations to come, political will is needed together with a transparent accounting system of concessions and agreements concluded in the extractive sector. It is time that we begin to live each other's realities, and acknowledge that a SADC-wide basic income grant is not only feasible, but necessary.

***Our right, our share, our wealth!
Let's make the resources work for us.***

¹ Besada et al, 2015, *Regulating Extraction in Africa: Towards a Framework for Accountability in the Global South*

² South African Chamber of Commerce, *Facts and Figures 2013/2014*

³ Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/wa.html>

⁴ Ministry of Mines and Energy: <http://www.mme.gov.za/files/publications/MMEAnnualReport.pdf>

⁵ Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/mi.html>

⁶ Southern African Institute of Mining and Metallurgy: <http://www.saimm.co.za/Journal/v116np491.pdf>

⁷ Kaufmann, D. 2012. *Poverty in the Midst of Abundance: Governance Matters for Overcoming the Resource Curse*

⁸ Business Insider: <http://www.businessinsider.com/the-23-poorest-countries-in-the-world-2015-7>

⁹ Business Day : <http://www.bdlive.co.za/africa/africanbusiness/2014/08/15/illicit-outflows-from-africa-mostly-from-extractive-industries>

⁹ The Guardian: <https://www.theguardian.com/global-development/2015/feb/02/africa-tax-avoidance-money-laundering-illicit-financial-flows>

DEMOCRACY IS NOT SECURITY...DID YOU KNOW?

HUMAN RIGHTS REMAIN INSUFFICIENT IF SECOND GENERATION RIGHTS ARE NOT ADHERED TO

Mawethu Nkolomba & Corlett Letlojane
(Human Rights Institute of South Africa)

The link between democracy and social security has always been globally contested. While there are views supporting peace as indispensable for democracy, other views are that peace cannot be achieved without economic freedom. It is in this line that we argue human rights are inter-related, interdependent, indivisible and inalienable, as there are no rights that are superior to other rights.

South Africa has just observed its 22 years of independence from the Apartheid regime. We aim to interrogate the milestones made in addressing past iniquities and the policies implemented by government towards eradicating abject poverty, more in particular the social security scheme. Discourse on poverty and social security is entangled in contested paradigms, relative to emerging democracies or developing states. Most of these contestations are not aloof to the importance of poverty and inequality alleviation - but the concerns have been centred on

whether social security programmes solely allow for the poor to break free from poverty?

Another concern has been the idea that social security grants are very exclusionary and do not even cover the 50th percentile of the destitute. In response to the former contestation, we argue that social grants, at least as observed in the South African context, are not a social upward mobility tool for the poor as they do not fully redress the injustices of the past and are evidently a medium term solution to poverty alleviation. The #FeesMustFall movement demonstrates this supposition.

To the latter argument - there is again striking statistics that more black South Africans live on and below the poverty line. Also those who receive social grants are unable to live the basic minimum standard as measured by the Basic Needs Basket test.



Social security policy is a widely used poverty alleviation and prevention policy instrument and is recognised in Article 22 of the Universal Declaration of Human Rights , which states that:

“Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.”

*Section 27 (1) (c) of South African Constitution states that;
“everyone has the rights to have access to social security, including if they are unable to support themselves and their dependants, appropriate social assistance”.*



South Africa has various social security grants including the child support grant, pensioner's grant, foster care grant and social relief grant amongst others. A means test is used to determine who qualifies for social security – the applicant needs to convince the Department that they are truly destitute, in order to qualify for the grant.

South Africa's social security model has been regarded as developed for a middle income economy due to its framework, objectives and reach compared to other middle income economies. The social security grant has perhaps to a certain degree minimised the threat of abject poverty but not fully, especially when one scrutinises the rise of the #FeesMustFall movement (as consequent to the exclusion of education in the security scheme framework). The fees must fall movement is a student led social movement that was incited by high university fees. A majority of the students in the movement are from the Black community and stricken by the legacy of apartheid and the state inadequacy to properly redress the economic and educational inequalities in non-White communities.

Many Black students in South African universities are under the NSFAS scheme – a study loan offered by government

to individuals as aid to access institutions of higher learning. However, this loan has proven to perpetuate generational impoverishment and rather disadvantages individuals. The NSFAS loan is termed “a debt trap for the poor”. The interest incurred strains individuals and the Black community from wealth creation; more so with reference to “Black tax”.



Social security programmes need to be implemented simultaneously with other development tools to ensure recipients live a sustainable life after the grants and are not ensnared in repayments.

South Africa's constitutional imperatives guarantee security of the person to their bodily and psychological integrity – which is internationally supported by UN and AU mechanism promoting right to peaceful existence as well as right to participate in the promotion and maintenance of peace. However, peace and stability are threatened by abject poverty, economic inequality and unemployment. South Africa is a party state to various international treaties and thus needs to ensure that its social security framework abides to regional and international legislations. Human Rights remain insufficient if second generation rights are not adhered to.

“HASHTAG” THE #CAUSE



#SADCBIG

	
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LIKES 972	TWEETS 1 255

#DSL

#SERPROJECT

#NMW

Change the Lives



#SPII

Millions of South Africans

**WE CALL ON ALL CONCERNED
INDIVIDUALS AND ORGANISATIONS
WHO SUPPORT THE CAMPAIGN FOR A
DECENT NATIONAL MINIMUM WAGE**

to sign on here:

WWW.SPII.ORG.ZA/NMW

VOICES FROM THE GROUND: COMMUNITY MAPPING OF HUMAN RIGHTS CHALLENGES IN EVATON - COMMUNITY MEETING PROJECT OUTCOMES & FEEDBACK, 30 NOV 2016

Matshidiso Motsoeneng

Earlier this year, SPII embarked on a citizen-based monitoring pilot project in Evaton, situated south of Gauteng. Evaton is the oldest free- hold township for black Africans in South Africa, but also has people living in RDP houses and some in informal backyard dwellings. The project, as part of SPII's Socio-Economic Rights Monitoring Tool, aimed to bring to communities the opportunity to identify and monitor their own level of enjoyment of human rights. The project, funded by the Foundation for Human Rights (FHR), is an 8-month pilot project which aims to strengthen and promote meaningful and effective participation at a community level, by mapping out Human Rights challenges in Evaton.

The mapping exercise was conducted by community activists/fieldworkers



MATSHIDISO MOTSOENENG // RESEARCHER

Matshidiso Motsoeneng is a researcher for the Socio-Economic Rights project at SPII. She is currently pursuing a Bachelor of Arts Honours in International Relations and Political Studies at the University of Johannesburg. She is a co-founder of the Bophelong Tutoring Programme which is a registered NGO which provides academic assistance and career guidance to learners from disadvantaged schools in the Vaal area. She has published work in the field of human rights, local economic development as well as presented at international and local conferences, visit www.spii.org.za

who together with the broader community set out to map Human Rights challenges using participatory action research methodologies. The project activities completed so far include: training of community activists in participatory action research methodologies, phase 1 and phase 2 of mapping human rights challenges with the community; analysis of the data collected and the presentation of the preliminary findings at a community engagement meeting held on the 30th November 2016 in Evaton.

The project has benefitted from the great support and insight of expert reference group members made up of Human Rights experts, Local Government experts as well as government representatives including the local Parliamentary Constituency Office (PCO) which linked the project with some local councillors in Evaton.

The community report back meeting was well attended with a record of over 200 people in attendance. The aim of the community meeting was to allow for broader participation in disclosing human rights challenges in Evaton. The meeting also brought together other stakeholders, such as community-based organisations and specific interested members of the public, to have a constructive dialogue on issues of human rights. Many of the issues raised and interrogated at the meeting included access to social security in the form of cash support grants from the government. The local South African Social Security Agency (SASSA) office was present to try and respond to the issues raised regarding this process. Another prominent issue that featured in the mapping exercise was access to housing in Evaton. People indicated that



they had been placed on the 'housing list' in the 1990s and yet had never gotten the houses. Others indicated that the municipality refused to even show them the list. The lack of access to adequate housing in Evaton has impacted negatively on them as they are subjected to exorbitant rental prices.

The youth in Evaton raised the issue of unemployment. They indicated that this is a major issue in the community. Unemployment was also linked to rampant drug abuse problem in the community as well as high levels of crime.

The project is due to release a full length report at the end of February 2017 reflecting on what came out of the mapping exercise, the broader community engagement as well engagement with local authority structures such as councillors, and municipality which is yet to take place.

SPII also hopes to obtain an additional cycle of funding from the FHR arising from this pilot, to enable us to work alongside communities in the enforcement of their human rights, the deficit of which were identified through this preliminary pilot process.

TOWARDS A DECENT STANDARD OF LIVING

THE NEW FRONTIER IN POLICY DEBATE

The discussion regarding a decent standard of living in South Africa has received renewed impetus with the ratification in 2015 by the South African government of the UN International Covenant on Economic, Social and Cultural Rights, which former President Nelson Mandela signed at the UN in September 1994. The South African National Development Plan 2030 too makes specific reference to the attainment of a decent standard of living for all in South Africa as a central pillar to its vision. New research work is also currently advancing the question of what ordinary South Africans consider should constitute a decent standard of living for all.

Building on our past work in this regard, Studies in Poverty and Inequality Institute, in partnership with the Friedrich Ebert Stiftung, hosted a one day Social Dialogue on 10 November 2016 in Johannesburg to explore the new dynamics and thinking in this field. This built on SPII's institutional commitment towards encouraging government to adopt a formal roadmap that seeks to map out based on broad consultation, how a decent standard of living will be enjoyed by all by 2030.

One of the strongest arguments that emerged from the social dialogue was the unbreakable nexus between the right to dignity, the attainment of a decent standard of living, and the Constitutional promise of social justice in South Africa.

MAIN DISCUSSION POINTS:

- The traditional narrative of absolute poverty and targeting the 'poorest of the poor' needs to be fundamentally subverted and replaced with a new thought- and policy-trajectory under a human rights framework.
- The fundamental human and Constitutional right to Dignity is denied by poor living standards. The majority of people experience a daily state of living that is far removed from the notion of a decent standard of living.
- Income and asset inequality in South Africa is still heavily racialized. White and Indian wealth has grown exponentially since 1994, indicating new drivers of inequality which compound historical Apartheid policy outcomes.
- Policy makers need to engage on a process of national consultation to understand what ordinary South Africans believe would constitute a decent standard of living. This should be adopted as an aspirational goal, to be achieved through progressive realisation of comprehensive and linked in policies across tiers and departments of government.
- A roadmap must be adopted with clear time frames and yardsticks that allow for regular monitoring and evaluation of the progressive realisation of this goal.
- The concept of a 'social floor' should not be confused with absolute minimum provision. The social floor should be seen as an initial guarantee of what no-one should be without, and the starting point for the progressive realisation of a decent standard of living.
- South Africa has Constitutional as well as international obligations under the ICESCR to realise this right for all in South Africa. There is a wealth of jurisprudence that can guide decision makers in adopting the best approach to such realisation.
- From a methodological perspective, there are a variety of methods that can be used to develop a national understanding of what constitutes a decent standard of living that can be adjusted for household type and location, including an adaption of the Minimum Income Standards approach.

IN ESSENCE, THE GESCR'S GUIDANCE ON THE QUESTION OF AN ADEQUATE STANDARD OF LIVING INCLUDES:

- The right to an adequate standard of living is a nexus of a number of rights, rather than one discernible right, i.e. it is a composite right.
- Guidance is given specifically on the rights to food, housing and water. The Committee however has affirmed the necessity of realising equally the rights to Health, Education, Just and Favourable Conditions of Work, and the right to Work.

THE RIGHT TO ADEQUATE FOOD: GENERAL COMMENT 12

HOW DO WE FARE?⁵

- The right to food and to inherent dignity are inseparable and without food you cannot fulfil other rights.
- Each state is obliged to ensure for everyone minimum essential food, which is sufficient, nutritionally adequate and safe, to ensure that they are free from hunger.

A quarter of South African's regularly experience hunger and a further quarter are at risk of experiencing hunger. Stunting (low height for age due to prolonged malnutrition) increased from 21.6% to 26.5% of children between 1999 and 2012. One in five men and one in four women are overweight and obesity now accounts for 7% of all deaths in South Africa.⁶

THE RIGHT TO ADEQUATE HOUSING: GENERAL COMMENTS 4 AND 7

HOW DO WE FARE?

- This right is critical to the enjoyment of all social, economic and cultural rights.
- It should be seen as a guarantee of more than just a roof, but the right to live somewhere in security, peace and dignity.
- It must be affordable, have adequate services, be culturally adequate, and its location should provide access to employment, health services, schools and ECD centres, and other social facilities.

Almost 15% of South African's live in informal dwellings with poor access to water, sanitation and with little protection from the elements. On average, house prices are 2 – 4 times higher than median income earners can afford, while the number of new bonds issued annually in metropolitan areas by the major banks has halved since 2008.⁷

THE RIGHT TO ADEQUATE WATER: GENERAL COMMENT 15

HOW DO WE FARE?

- This right is one of the most fundamental conditions for survival.
- Sufficient water of adequate quality must be available and physically and economically accessible to everyone.
- Adequate sanitation that is safe and physically accessible is also necessary for the enjoyment of the right to privacy, dignity and health.

15% of South African's do not have access to piped water consistent with the minimum national (RDP) standard. A quarter of South African households do not have access to a flush toilet, and 5% of the population still rely on the 'bucket system'. Millions more rely on shared sanitation facilities, which are often unsafe. Of those surveyed by Statistics South Africa, 20% reported that their shared toilet was full and / or blocked and 10% reported that the facility was not maintained by the state.⁸

OTHER RELATED RIGHTS RECOGNISED BY THE COMMITTEE AS BUILDING TOWARDS AN ADEQUATE STANDARD OF LIVING INCLUDE:

- Right to Health
- Right to Education
- Right to Just and Favourable Conditions of Work
- The Right to Work

⁵The South African snap shots are derived from various research reports issued under SPII's Socio-Economic Rights Progressive Realisation Monitoring Project, which can be found at www.spii.org.za.

⁶McLaren, Moyo, Jeffery 'The right to food in South Africa' (2015) Studies in Poverty and Inequality Institute, Working Paper 9. Available at: www.spii.org.za/wp-content/uploads/2015/07/SPII-Working-Paper-11-The-Right-to-Food-in-South-Africa-2015.pdf.



BUDGET ANALYSIS FOR ADVANCING SOCIO-ECONOMIC RIGHTS (#SERPROJECT)

Daniel McLaren

RELEASE OF SPII GUIDE TO BUDGET ANALYSIS FOR ADVANCING SOCIO-ECONOMIC RIGHTS

Despite government's commitment to progressively realise socio-economic rights within its maximum available resources, claims are frequently made that it does not have sufficient resources to meet its obligations as defined in the South African Constitution and international human rights instruments that South Africa has ratified. Unpacking how budgets operate and are prioritised by the government is becoming more relevant to rebut these claims and hold the government accountable to its obligations as articulated in various laws and policies.

Socio-economic rights budget analysis is the systematic study of budgets from a rights-based perspective. It fundamentally seeks to advance these rights (to housing, health care, food and water, education, social security and others), by evaluating government revenue and spending patterns in terms of the key obligations provided for in the Constitution and the International Covenant on Economic, Social and Cultural Rights (ICESCR), which was ratified by South Africa in April 2015. These obligations include:

- *Progressive realisation;*
- *Maximum available resources;*
- *Minimum core; and*
- *Substantive equality.*

Understanding how government generates, allocates and spends resources is thus key to ensure that these abstract legal obligations and principles are implemented and monitored in real terms, to advance socio-economic rights.

Beyond reaffirming socio-economic rights as rights to which citizens are entitled – rather than mere outcomes of economic development – it is necessary for human rights practitioners and advocates to understand the nuances of

state budgets to further ensure that the claims they make are capable of enforcement. However, the efficacy of conducting socio-economic rights budget analysis is dependent on various factors. These include the ability to monitor state allocations over time; the transparency and accessibility of budget information to the general public; the effectiveness of budget analysis as a monitoring mechanism; and contending with the often-held ideological presumption that budgeting falls exclusively in the realm of the legislature and executive for determination.

On 16–17 November 2016, SPII brought government and civil society budget analysts together at a Roundtable discussion hosted by the SA Human Rights Commission (SAHRC). The goal of the Roundtable was to discuss:

whether the government budget is formulated and implemented in a manner that advances or inhibits the progressive realisation of socio-economic rights.

Based on the outcomes of these discussions, and previous work conducted by SPII and the SAHRC, a Guide to Budget Analysis for Advancing Socio-Economic Rights was produced and launched on 15 December 2016.

The Guide explores the conceptual challenges and opportunities of engaging in SER budget work; how the South African Constitution and ICESCR informs budget prioritisation, formulation and implementation; the availability of data that is transparent and accessible; and the practical implications of monitoring the advancement of SER through budget analysis. In 2017, SPII and the SAHRC will be implementing this guide through the development of a Working Paper which will monitor and assess the extent to which the South African government has utilised maximum available resources on the fulfilment of socio-economic rights since the democratic Constitution entered into force.

CONCLUDING REMARKS

- | | | |
|---|--|---|
| <ul style="list-style-type: none">• Raise income levels:<ul style="list-style-type: none">- Increase wages.- Raise the Child Support Grant.- Increase the old-age pension. | <ul style="list-style-type: none">• Find a way to make sure everyone has access to affordable, good quality nutritious food. | <ul style="list-style-type: none">• Is it possible to talk of dignity in a context of economic injustice? |
|---|--|---|



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BUDGET ANALYSIS FOR ADVANCING SOCIO-ECONOMIC RIGHTS

*Tools and methods used for formulating and
analysing government budgeting for the progressive
realisation of socio-economic rights*

Thandiwe Matthews and Daniel McLaren

November 2016

*A Guide for
State and
non-State
Human Rights
Advocates and
Researchers*

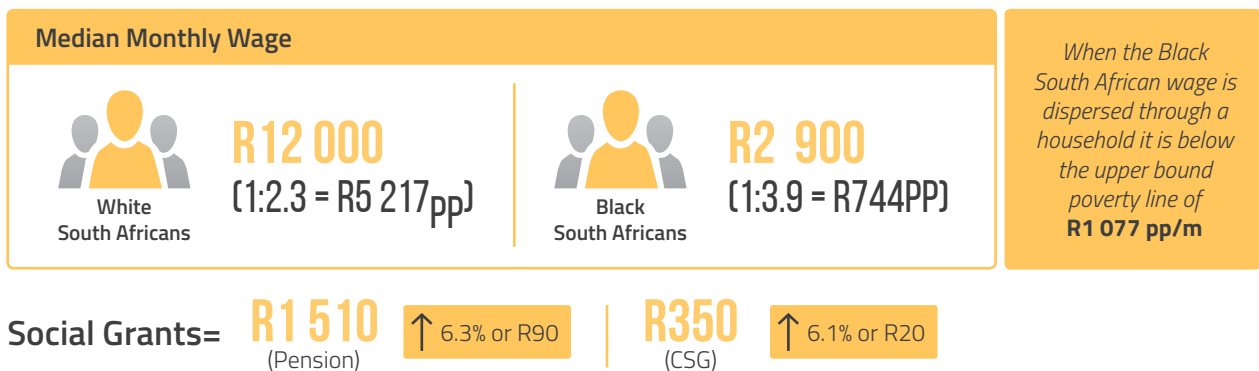
PACSA: SHIFTS IN PRICING OF GOODS

Food is core to the human endeavour. All our developmental outcomes and aspirations as a country rest on the ability to secure affordable good quality nutritious food. South African households are net buyers of food and food availability is not generally a problem. The problem is food price affordability. We do not have enough money to buy the food we need. We locate the problem not as an agricultural one but as a political and economic one. We analyse food prices through the lens of affordability...

THE PACSA FOOD PRICE BAROMETER

- Index of monthly food prices in the food baskets of low-income households from Sept 2015 to Sept 2016.
- Shows the impact of food price inflation for low-income urban households in Pietermaritzburg but is able to express a picture of what is happening in low-income homes across South Africa.
- Food prices, rand-value expenditure on food, and food expenditure as a proportion of income is a proxy for the deep crisis around incomes, wage levels and the cost of goods and services in the economy.

INCOME LEVELS: VERY LOW BASELINE WAGES



Data sourced from Stats SA Quarterly Labour Force Survey, Q2, 2016 & Stats SA Mid-year population estimates, 2016 & STATS SA Labour Market Dynamics Survey, 2014)

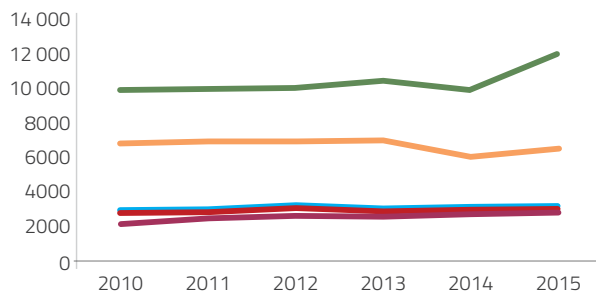
COST OF THE PACSA FOOD BASKET SEPT 2015 - SEPT 2016

*PACSA Food Basket
Increased by*

R243

Taking the total cost of the PACSA Food Basket from **R1 617** in Sept 2015 to **R1 860** in Sept 2016.

MEDIAN MONTHLY EARNINGS BY POPULATION GROUP



ADEQUATE STANDARD OF LIVING

CRC (1989) Article 27 'States Parties recognise the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development'

CRPD (2006) Article 28(1) 'States Parties recognize the right of persons with disabilities to an adequate standard of living for themselves and their families, including adequate food, clothing and housing, and to the continuous improvement of living conditions, and shall take appropriate steps to safeguard and promote the realisation of this right without discrimination on the basis of disability'

ELEMENTS OF AN ADEQUATE STANDARD OF LIVING: THE RIGHT TO ADEQUATE FOOD (ART. 11(1) ICESCR)

CESCR GENERAL COMMENT 12, RIGHT TO ADEQUATE FOOD (1999)

- The right to food and the inherent dignity of the human person are inseparable and without food it is not possible to fulfil other rights.
- Every State is **obliged** to ensure for everyone under its jurisdiction **access to the minimum essential food** which is **sufficient, nutritionally adequate and safe, to ensure their freedom from**

hunger (GC 12 para 14).

NORMATIVE CONTENT

- Precise meaning of "adequacy" is to a large extent **determined by prevailing social, economic, cultural, climatic, ecological and other conditions** certain factors must be fulfilled in any context (GC 12 para 7)
- The right to adequate food is realised when every man, woman and child,

alone or in community with others, has **physical** and **economic access at all times to adequate food or means for its procurement** (GC 12 para 6)

- The right to adequate food shall therefore not be interpreted in a narrow or restrictive sense which equates it with a minimum package of calories, proteins and other specific nutrients

OTHER RELATED RIGHTS

RIGHT TO JUST AND FAVOURABLE CONDITIONS OF WORK (ARTICLE 7 ICESCR)

- Comment No. 23 (2016)
- The enjoyment of the right to just and favourable conditions of work is a prerequisite for, and result of, the enjoyment of other Covenant rights, for example... an adequate standard of living through decent remuneration (GC 23 (2016) para 1)

THE RIGHT TO WORK (ARTICLE 6 OF THE ICESCR)

- General Comment 18, Right to Work (2005)
- The right to work is essential for realising other human

rights and forms an **inseparable and inherent part of human dignity** (GC 18(2005) para 1)

THE RIGHT TO HEALTH (ARTICLE 12 TO ICESCR)

- CESCR General Comment 14, The right to the highest attainable standard of health (2000)
- Normative content para 12
- Core obligations paras 43-45

RIGHT TO EDUCATION (ARTICLE 13 ICESCR)

- General Comment No. 13 The right to education (1999)
- Normative content –para 6
- Core obligations para 57

General Comment 1, Reporting by States parties (1989)
General Comment 2, International technical assistance measures (1990)
General Comment 3, The nature of States parties' obligations (1990)
General Comment 4, The right to adequate housing (1991) –Art. 11(1)
General Comment 5, Persons with disabilities (1995)
General Comment 6, The economic, social and cultural rights of older persons (1996)
General Comment 7, The right to adequate housing: Forced evictions (1997) – Art. 11(1)
General Comment 8, The relationship between economic sanctions and respect for economic, social and cultural rights (1997)
General Comment 9, The domestic application of the Covenant (1998)
General Comment 10, The role of national human rights institutions in the protection of economic, social and cultural rights (1998)
General Comment 11, Plans of action for primary education (1999)
General Comment 12, Right to adequate food (1999) –Art. 11(1)

General Comment 13, The right to education (1999)
General Comment 14, The right to the highest attainable standard of health (2000)
General Comment 15, The right to water (2002) –Art.11(1)
General Comment 16, The equal right of men and women to the enjoyment of all economic, social and cultural rights (2005)
General Comment 17, The right of everyone to benefit from the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he or she is the author (2006)
General Comment 18, The equal right of men and women to the enjoyment of all economic, social and cultural rights (2006)
General Comment 19, The right to social security (2008) General Comment 20, Non-Discrimination in Economic, Social and Cultural Rights (2009)
General Comment 21, Right of everyone to take part in cultural life (2009)
General Comment No. 22, Right to sexual and reproductive health (2016)
General comment No. 23, Right to just and favourable conditions of work (2016)

CONCLUDING REMARKS

1. The right to an adequate standard of living is a composite right which is constituted by a number of rights.
2. A number of rights emanate from, and are indispensable for, the realisation of the right to an adequate standard of living.
3. Precise meaning of "adequacy" is to a large extent **determined by prevailing social, economic, cultural, climatic, ecological and other conditions** but this is subject to the applicable normative content which should be fulfilled in any situation with respect to each right.
4. The right to an adequate standard of living imposes certain minimum core obligations on states to ensure the satisfaction of, at the very least, minimum essential levels of each of its constitutive rights.

SPII *Matters*

FORTHCOMING EVENTS

10 February 2017

THE 7TH ALTERNATIVE MINING INDABA

It's almost that time again where stakeholders from across the continent gather to address the issue of the continued exploitation of Africa's resources. The 7th Alternative Mining Indaba will be held on the 10th of February in Cape Town and the SADC BIG Campaign will be participating with various stakeholders and civil society organizations.

February 2017

ALTERNATIVE PEOPLE'S BUDGET

The SER Project will coordinate an Alternative Peoples' Budget Speech which will be published during Budget Week in late Feb.



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www.spii.org.za/index.php/video

Please contact Fortunate Mabuza at SPII should you wish to have any information about any of the announcements - Email: fortunate@spii.org.za



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SPII provides the following services:

Bringing people together, "honest broker" at roundtables and seminars

Conference host, bringing together a verity of stakeholders to share new information

Basic Needs Basket research – a representative sample of poorest members of society

Research project

Policy support and analysis

Training in research methodologies – on request

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