



Commissioner for Children

Submission by the Western Cape Commissioner for Children on the MTBPS 19 November 2020

Key messages

The South African government is obliged to **ensure children's rights are realised**, in accordance with the Bill of Rights in the Constitution. Our fiscus must confirm our commitment to the rights and wellbeing of children.

Fiscal austerity measures cannot be regressive. **Investments in socio-economic rights** such as education, health and social welfare especially for children, cannot be decreased.

There are key levers for change that will optimise our investments in children's lives, similar to that suggested by the Financial and Fiscal Commission (FFC 2020). Bolstering **social welfare services** which support the most vulnerable in our society, investing in **early childhood development (ECD)** and ensuring a focus on **disadvantaged learners**, are important opportunities for optimising child rights realisation.

An oversight mechanism for the realisation of child rights is needed that cuts across all sectors and spheres of government.

Technical support could be provided by the Parliamentary Budget Office to prepare an independent technical submission to the Appropriations Committees on the impact of the MTBPS and the Budget on children's rights on a regular basis.

Recommendations

Especially during and after the COVID-19 pandemic, social welfare services should be bolstered as the most vulnerable in society are worst affected by the negative consequences of a national lockdown. The World Health Organization's Nurturing Care Framework confirms the principle of a child's right to life, survival and development and the important roles and responsibilities of social sector actors to make it happen (2018:26).

- Three million jobs were lost between February and April and had not regained by June 2020 (NIDS – CRAM).
- The incidence of child hunger was 15% in May/June 2020 (but lower than adult hunger at 22% which suggests that households had tried to protect children from food insecurity). This declined to 11% in July/August 2020 (and to 16% for adults), still significantly higher than pre-pandemic levels (NIDS – CRAM).



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- Roughly 3.4 million female and 1.7 million male respondents reported that looking after children in June 2020 either prevented them from going to work or made work very difficult. Similar numbers indicated difficulty in seeking work, or working the same hours as before lockdown, as a result of childcare responsibilities (Spaull et al 2020).
- The February 2020 budget projected 13 million children would receive a child support grants (CSG). Between April and September 2020, 12.9 million children were beneficiaries of the CSG. The number of foster child grant (FCG) beneficiaries for the first 6 months of 2020/21 was 374 274, which exceeded the amount of 326 380 which was estimated in February 2020 (National Treasury, 2020a).
- Hundreds of NPOs in four provinces (designated as "essential" in terms of the regulations contained in Government Notice no. 318, published on 18 March 2020) had not received their first allocation for 2020/21, in some cases subsidies had been cut contrary to the circular issued by the national Department of Social Development (DSD) to provincial social development departments, encouraging them to pay subsidies in full based on the 2019/20 amounts (Vetten and Grobbelaar 2020).
- The special COVID-19 Social Relief of Distress (SRD) grant which had reached 6 million additional people, has been extended to January 2020 (R6.796 billion). But the MTBPS announced termination of the temporary increases in other grants, such as the caregiver allowance related to the CSG. This support to caregivers of the most vulnerable children is fundamental to aid children and families to survive and recover in these extraordinary times of hardship.
- **Key recommendation: Extend the caregiver grant until February 2021 and increase CSG to R581 from March 2021, on par with the food poverty line.**

ECD requires the collaboration of the key departments: Health, Education and Social Development. Budget policy must reflect this joint commitment to children in the earliest years of their lives. The five components of the essential care package are: 1) maternal and child health services, 2) nutritional support, 3) support for primary caregivers, 4) social services, and 5) stimulation for early learning (Hall et al 2019:6). Some of these programme interventions are non-centre based and require work with families within their homes.

- By mid-July to mid-August 2020, a month after ECD programmes could re-open, only 13% of children aged 0-6 were attending ECD programmes, compared to 47% in 2018 before the crisis – the lowest in 18 years. It is unclear whether this decrease in enrolment is likely to be temporary or not (NIDS – CRAM).
- The national Minister of Social Development and all the provincial MECs for social development (except the Western Cape) were ordered to pay 100% of subsidies to all ECD centres whether they were operational or not (October 2020 by the Gauteng High Court).



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- The MTBPS notes R588.728 million has been allocated to the Department of Social Development to support ECD and social workers and appoint registration support officers. The 2020 Second Adjustment Estimates released in October indicate that R496.25 million is for the ECD conditional grant to provide unemployment support to 83 333 ECD-related workers for up to six months and top-up payments to 25 500 employed ECD workers for compliance support duties, and R92.478 million is to sustain 1 809 temporary social workers and 500 registration support officers for ECD centres (National Treasury 2020a).
- **Key recommendation: Continue to allocate budgets in all three key departments as the Department of Education cannot fulfil the entire essential care package for ECD.**

Disadvantaged learners need the most financial commitment if we are to decrease poverty and inequality in the longer term. The right to basic education for all children in South Africa (enshrined in s29(1)(a) of the Constitution) includes satisfactory infrastructure aligned to norms and standards, school furniture, suitably qualified educators, scholar transport and addressing the needs of learners with special needs (Xolo, 2020). Despite successful litigation, government has failed to give effect to the Regulations Relating to Minimum Norms and Standards for Public School Infrastructure in all schools.

- the Educational Infrastructure Grant and the School Infrastructure Backlog Grant were cut by R7 billion over the 2018/9 Medium Term Expenditure Framework (Equal Education, 2019).
- 21 080 schools were provided with nutritious school meals every school day through the National School Nutrition Programme, which exceeded the target of 19 950. (second Adjustment Estimates of National Expenditure with the MTBPS). However, a court order was needed to continue the feeding during the lockdown for every province except the Western Cape.
- Only 25% of respondents indicated that a child received a school meal in the last 7 days, compared to 80% pre-COVID (NIDS – CRAM).
- Only 41.26% of public schools received home language workbooks for learners in grades 1 to 6 and 30.45% received mathematics workbooks for learners in grades 1 to 9 during the first half of the 2020/21 financial year, well short of the 100% target (National Treasury 2020a).
- The Accelerated School Infrastructure Delivery initiative completed on 2 of the 31 planned schools projected for 2020/21 from April to September 2020. Only 4 out of 691 targeted schools were provided with sanitation facilities and only 3 out of a planned 125 schools were provided with water (National Treasury 2020a).
- The MTBPS notes the provincial equitable share allocation has increased by R6.998 billion to appoint assistants at public schools. This support will also help save school



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governing body posts at fee paying schools and government-subsidised independent schools where employees have been furloughed or had salaries cut due to reduced income from school fees and fund raising initiatives that have been curtailed due to COVID-19 related precautionary measures. School governing bodies will appoint education assistants and decide on the specific duties of these assistants (e.g. reading assistants, classroom assistants, after school assistants, screeners, cleaners) depending on the needs of the school (National Treasury, 2020c).

- **Key recommendation: Review the decision to reprioritise the funds for school infrastructure to the SAA bailout.**

Child socio-economic rights can be advanced by monitoring government budgets (Streak 2003: i). The Medium-Term Budget Policy Statement is a critical juncture to gauge where children's rights are placed on the political and fiscal agenda, and influence policy makers to put the needs of children first before allocations are cast in stone. The following preliminary observations can be made from **Error! Reference source not found.** which shows projected aggregated spending trends for all national and provincial government departments, public entities and social security funds over the Medium Term Expenditure Framework (MTEF) period from 2021/22 to 2023/24.

- Consolidated spending in aggregate is envisaged to have an annual average nominal growth of 3% over the MTEF period relative to the Budget tabled in February 2020, and 1.5% relative to the COVID-19 supplementary budget tabled in June 2020. The fastest growing expenditure item is debt which is escalating at an annual average growth rate of 16.1% over the MTEF period, posing a threat to fiscal sustainability. Given that the estimate CPI inflation currently stands at 3.2% for 2020, rising to 4.1%, 4.4% and 4.5% in 2021, 2022 and 2023 respectively, non-interest consolidated spending is expected to decline in real terms.
- The sectors on which children are dependent grew at rates below 3%, the average growth rate of consolidated spending: basic education (0.8%), social protection (2.2%) and health (2.9%). However, it is still not possible to disaggregate child health services. This suggests that while child-centric services are likely to receive some degree of prioritisation, they are also very likely to experience cuts in real terms despite added demand as a result of the coronavirus pandemic. During the lockdown routine child health services such as immunization was disrupted. Much will however depend on the detailed allocations which will be announced in 2021. Much of the detail will appear on provincial government budgets where they may not be accorded similar priority.



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Table 1: Consolidated spending by function, 2019/20 to 2023/24

	2019/20 Outcome	2020/21 Revised ²	2021/22 Medium-term estimates	2022/23 Medium-term estimates	2023/24 Medium-term estimates	Average annual growth 2020/21 – 2023/24
R billion						
Learning and culture	383.4	398.3	399.0	406.7	411.3	1.1%
Basic education	261.1	267.8	267.8	272.0	274.5	0.8%
Post-school education and training	111.8	118.7	119.7	123.0	124.9	1.7%
Arts, culture, sport and recreation	10.5	11.8	11.5	11.8	11.9	0.2%
Health	223.2	226.2	235.3	242.0	246.3	2.9%
Peace and security	212.8	216.8	210.7	213.3	214.5	-0.4%
Defence and state security	50.8	52.0	47.2	47.7	48.1	-2.5%
Police services	104.3	104.8	105.3	106.1	106.4	0.5%
Law courts and prisons	47.7	49.5	49.1	49.7	50.0	0.3%
Home affairs	10.0	10.5	9.1	9.9	10.0	-1.7%
Community development	197.0	208.2	221.1	232.2	236.4	4.3%
Economic development	196.7	211.3	224.7	236.3	242.0	4.6%
Industrialisation and exports	37.2	38.6	41.5	41.5	42.3	3.1%
Agriculture and rural development	28.8	29.1	28.2	28.7	28.9	-0.2%
Job creation and labour affairs	21.4	23.1	24.3	25.3	25.6	3.4%
Economic regulation and infrastructure	92.8	103.9	113.7	123.3	127.3	7.0%
Innovation, science and technology	16.5	16.6	17.0	17.5	17.8	2.4%
General public services	66.2	69.8	71.0	70.4	71.2	0.6%
Executive and legislative organs	15.2	15.2	14.6	14.9	15.0	-0.3%
Public administration and fiscal affairs	43.5	46.6	48.4	47.2	47.8	0.9%
External affairs	7.5	8.1	8.0	8.2	8.3	0.9%
Social development	298.7	315.4	312.2	329.9	335.7	2.1%
Social protection	221.7	227.3	228.4	241.0	242.8	2.2%
Social security funds	77.0	88.0	83.7	88.9	92.9	1.8%
Payments for financial assets	66.0	86.5	42.9	26.2	23.7	-
Allocated by function	1 644.0	1 732.6	1 716.7	1 757.0	1 781.0	0.9%
Debt-service costs	204.8	225.9	271.8	317.6	353.1	16.1%
Contingency reserve	-	-	5.0	5.0	5.0	-
Consolidated expenditure	1 848.7	1 958.4	1 993.5	2 079.6	2 139.2	3.0%
Consolidated expenditure including June 2020 budget adjustments	1 848.7	2 037.8	1 993.5	2 079.6	2 139.2	1.6%

Notes: 2020/21 excludes the June 2020 budget adjustments.

Source: National Treasury (2020b:37)

Error! Reference source not found. shows the amounts voted for selected sub-programmes and conditional grants focusing on children in the February 2020 Budget, changes made in the COVID-19 Supplementary Budget in June 2020, and the latest changes in the Second



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Adjustment Appropriations and Second Division of Revenue Act published with the MTBPS in October 2020.

Table 2: Differences between 2020 Budget and the Second Adjustment Appropriations Estimates for selected sub-programmes and conditional grants relating to children

Subprogramme or conditional grant (R Millions)	Budget Vote	Budget 2020	COVID-19 adjustments budget changes	Second adjustment budget changes	Adjusted appropriation	% change	
Child, youth and school health	Department of Health	29.44	-1.15	-4.69	23.59	↓	-19.8%
Foster care grant	Department of Social Development	4 965.28	80.82		5 046.10	↑	1.6%
Child support grant	Department of Social Development	69 765.23	15 120.33		84 885.56	↑	21.7%
Children welfare services policy development and support	Department of Social Development	1 008.30	9.00	512.75	1 530.05	↓	51.7%
ECD conditional grant	Department of Social Development	915.15		496.25	1 411.40	↑	54.2%
School infrastructure	Department of Basic Education	12 751.82	-1 681.00	138.54	11 209.37	↓	-12.1%
Partnerships in education	Department of Basic Education	39.10	-6.33		32.77	↓	-16.2%
Care and support in Schools	Department of Basic Education	7 945.61	-60.95		7 884.65	↓	-0.8%
HIV/AIDS lifeskills education grant	Department of Basic Education	246.70	-59.60		187.10	↓	-24.2%
Learners With Profound Intellectual Disabilities Grant	Department of Basic Education	242.86			242.86	◇	0.0%
Maths, Science and Technology Grant	Department of Basic Education	400.86	-68.00		332.86	↓	-17.0%
National School Nutrition Programme grant	Department of Basic Education	7 665.89			7 665.89	◇	0.0%
School Infrastructure Backlog Grant (allocation in-kind)	Department of Basic Education	1 736.41	540.00	138.54	2 414.96	↑	39.1%
Total		107 712.64	13 873.11	1 281.39	122 867.15	↑	14.1%

Source: Own calculations based on National Treasury (2020a, 2020c)



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- MTBPS illustrates that there have been substantial increases in the Child Support Grant (21.7%), ECD conditional grant (54.2%) and the School Infrastructure Backlog in kind grant (39.1%). Allocations for the grant for learners with profound disabilities and the National Schools Nutrition Programme have remained the same, while allocations to the School Infrastructure Grant declined by 12.1%. Other programmes and grants have also seen some decline.
- For this sample of programmes, on aggregate, resources for children have increased by 14.1%. The Explanatory Memorandum to the Second Division of Revenue Act indicates that R336 million was vired away from the School Infrastructure Backlog grant to fund the South African Airways bail-out (National Treasury, 2020c:24).



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