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Report of the Social Sector on the Implementation of the Reconstruction and Development Programme

INTRODUCTION

The achievements of the ANC during the past two and a half years have been remarkable, notwithstanding the challenge of transforming a fascist regime into a people's government founded upon sound democratic and constitutional principles. This review comes at a critical time during our term of office. We are convinced that this government is on course. We will renew our strength and commitment to implement the goals of the Reconstruction and Development Programme. The budget constraints should not distract us from our main objective to improve the lives of our people and to provide their basic needs.

This report reflects on the social sector and hence attempts to reflect in the South African reality how we are ensuring that a good education is accessible to all, health services are available to all, social security and social welfare and meeting the basic needs through food security, water, housing, sport and recreation. The above mentioned are not only conditions but objectives of social development and integration.

1. MINISTRY OF HEALTH

1.1 OBJECTIVE

The primary objective of the ANC is to create a single, comprehensive and integrated National Health System which includes public and private sector resources and is organised at national, provincial and local level.

1.2 GOALS

Our goals were to unify the fragmented services that we inherited, to entrench primary health care, to promote equity, access and appropriate utilisation of all health resources, to invest in human resource development and to ensure community participation in the planning, provision, control and monitoring of health care services.

1.3 RDP TARGETS

a. To form a single National Department of Health.

Within 6 months in government, we amalgamated all the fragmented health departments and formed one national health department and nine provincial health departments. Now that local government has been democratised, we are engaged in discussions with organised local government to establish the district health system as a model for health care delivery at the local level.

- b. Free health care for children under 6 years of age.**
At the opening of Parliament on 24 May 1994, the President pronounced that health care for children under 6 years of age will be free in all public health care facilities. This presidential decree was implemented in June 1994.
- c. To improve access to women's health.**
This was implemented simultaneously with the free health care for children. As from 1 June 1994, every woman in South Africa was entitled to free health care during pregnancy, birth and after child birth.
- d. Immunisation coverage of children to reach 90% by 1997**
A study which was done in 1994 revealed that only 63.3% of children at 1 year were appropriately immunised in SA. This is mainly due to lack of primary health care facilities especially in rural areas as well as lack of adequate logistical support. Because we have launched a major clinic upgrading and building programme, it will be possible to reach an immunisation rate of between 80% - 90% by 1999. The World Health Organisation target for the year 2000 is 80%.
- e. Eradication of polio and measles by 1996.**
South Africa has been declared a polio-free country. Measles has not been eradicated yet. In 1994 our measles coverage for children under 1 year was 84.5%. It is doubtful whether we will reach our RDP target by 1996 because our primary health care network is still expanding. We are establishing an epidemiological surveillance system to keep this problem under control.
- f. Right to choose whether or not to have early termination of pregnancy.**
One of our most recent victories was the passing of the Termination of Pregnancy Bill which will be implemented during 1997. This Act will save over 400 women who die annually and thousands suffer serious infections due to back street abortions.
- g. Programme to eradicate Tuberculosis.**
Tuberculosis still remains a major problem in South Africa. There are on average approximately 222 infected persons per 100,000. In 1995 there were 90,000 new cases of TB and 3,000 deaths reported. A team led by the World Health Organisation conducted a review of our TB control programme. They proposed a strategy that has been proven worldwide to reduce tuberculosis. The Department has adopted this strategy and we are monitoring progress. The target is to achieve a cure rate of 80% in smear positive cases.
- h. Sexual health and HIV/AIDS.**
HIV/AIDS still remains a serious threat to humanity and the economy of South Africa. Unfortunately, conventional methods of promoting disease prevention are not effective in preventing the spread of HIV/AIDS. HIV prevalence continues to rise sharply, especially amongst the youth. Each day, there are more than 500 new HIV cases. The most affected provinces are KwaZulu-Natal, Mpumalanga and Gauteng. HIV/AIDS is not just a health problem. We need a concerted and coordinated effort on the part of government, non-governmental organisations, the private sector and civil society.

- i. Improved access to emergency services through provision of more 24hr services.**
This target has not been achieved in full. Since July 1996, provinces have commissioned more clinics that will provide a 24hr service. One of the major problems in realising this target is the shortage of human resources, especially doctors in peripheral and rural areas. In some areas health workers are refusing to work beyond their normal working hours, even with overtime pay, especially local government employees. The provinces are pursuing discussions with organised labour and local government regarding this. Violence is also a threat to health personnel working after hours especially in remote areas. Communities need to be mobilised to protect these services. The ambulance service still needs a major restructuring
- j. National Health Information System.**
It is critical to have adequate and reliable information for planning. We have established a National Health Information Committee which has members from the national health department, provincial health departments, private sector and research institutions. A national health information strategy has already been developed. It has been decided to organise this information at provincial level first and then consolidate it nationally. All the province have identified financial resources to purchase computer hardware. The majority of provinces have already issued tenders for the software. We are confident that this target will be achieved by 1999.
- k. Human resource development**
Human resource development is one of our key strategies for transforming the health sector. During the past two years we have concentrated on training primary health care nurses who can work as independent practitioners with minimum supervision especially in peripheral, rural and remote areas. We have also focussed on management training. The retraining and re-orientation of health workers has unfortunately been slow.
- l. Free health care in 5 years.**
Since 1 July 1996, all South Africans have enjoyed free health care services at the primary level. This has been achieved to a large extent through the re-prioritising of the current health budget. Initially the implementation of this programme caused problems as all facilities were heavily utilised by the public. The full benefit of this programme will never be realised as its value cannot be quantified in rands and cents but by the diseases which have been prevented and deaths which have been averted.
- m. Equitable allocation of resources.**
Until the 1996/7 financial year, the National Department has been responsible for distributing the budget amongst all the provinces. A formula base on population and other relevant health indicators was used to ensure equity in distributing resources. As from this year the Financial and Fiscal Commission (FFC) has made new recommendations on how resources will be distributed amongst the various provincial departments, i.e. via block grants to provinces. The implications for equity using this method have not been studied.

n. **National Drug Policy and Essential Drug Policy.**

We have developed a national drug policy which will ensure that high quality drugs are accessible and affordable to all South Africans. Since April 1996, an essential Drug List (EDL) was introduced at primary health care level. We are confident that an EDL will be available at all levels of care by 1998. During this year we will pass regulations on the licensing of dispensing doctors. To make drugs affordable a professional fee will be paid for dispensing instead of a profit mark up.

We will consider parallel importing of essential drugs if we cannot purchase drugs at affordable prices locally. We will deal with the theft of drugs effectively.

o. **Intersectoral Collaboration**

Health problems have many and complex causes whose solution demands an intersectoral approach. Up to now there has been very little collaboration amongst the various sectors to maximise the health benefits for the nation. Although it is important to improve access to health services, it should also be recognised that this will have limited impact on reducing the burden of disease and the gross discrepancies in health status. An intersectoral approach is necessary if the extensive role of other interventions in health promotion is to be fully recognised and promoted. The present initiative of cooperation and collaboration amongst the ministries representing the social and economic sectors must be encouraged and sustained.

p. **Social Health Insurance**

Private health care financing, particularly through medical schemes, faces a number of problems, such as the cost escalation, undermining of cross subsidisation and risk pooling, and poor supervision and management. People who are employed and covered by medical schemes are increasingly being forced to opt out of the private sector and utilise public hospitals, which they do without paying fees. This is mainly due to increasing costs of medical schemes. The Department of Health has established a technical task team to investigate the development of a health insurance coverage. This insurance will allow public hospitals to bill employed workers and their families for hospital treatment, thus bringing more revenue into the public health system.

q. **Local Government**

We welcome the democratisation of local government. This will enhance the delivery of health care services at the local level. In the medium to long term, primary health care services at local level should be delivered by local government. However, in many instances, provinces will continue to deliver these services in many areas whilst also building the necessary capacity in local government to take over these functions. We have adopted a district based model for the delivery of health care services at local level to ensure that the delivery of these services is decentralised to the lowest appropriate level and the rational utilisation of available resources, taking into account economies of scale and capacity within local government. We have already commenced discussions with local government with a view to integrating the delivery of health services at local level and to systematically build capacity in local government to implement the district health system.

r. **Rehabilitation of Health Facilities**

We have recently completed the first ever audit of all our hospitals. This audit revealed that 27% of hospitals are in a bad state of disrepair and we need between R6bn - R8bn over a period of 8 years to replace these facilities. Our biggest challenge is to develop innovative financing strategies to fund the replacement and rehabilitation of these hospitals which are necessary for the delivery of high quality health care.

s. **National Health Bill**

A National Health Bill will be tabled in Parliament during this year. This Bill will replace the current Health Act and establish a legal framework for implementing all the policies developed by the Department.

2. **MINISTRY FOR WELFARE AND POPULATION DEVELOPMENT**

2.1 **OBJECTIVES**

A new model for Social Welfare has been established through the white paper process that is consistent with the approach as outlined in the RDP base document. A high level of public participation was achieved and there is a general sense of enthusiasm about the new direction among stakeholder organisations. The vision for welfare is to have *a welfare system which facilitates the development of human capacity and self-reliance within a caring and enabling socio-economic environment*. The mission statement commits us *to serve and build a self-reliant nation in partnership with all stakeholders through an integrated social welfare system which maximizes its existing potential, and which is equitable, sustainable, accessible, people centred and developmental*. This vision and mission will be realised progressively through the implementation of five year strategic plans.

2.2 **GOALS**

The department facilitated a process during 1996 to develop a Social Welfare Action Plan (SWAP) for implementation during the first five years. The SWAP will be refined once the white paper is finalised by Parliament. The Social Welfare Action Plan, contains the following goals for the first five years:

- 2.2.1 To develop an inclusive, unifying and integrated institutional framework for the delivery of social welfare services in close partnership between the government and all stakeholders with due recognition for diverse needs.
- 2.2.2 To develop the human resource capacity in the welfare field in close partnership between the government and all key role players.
- 2.2.3 To develop comprehensive legislation at all levels of government in close cooperation with stakeholders.
- 2.2.4 To develop a financial and performance management system, which will link policy planning and resource allocation, monitor and report on progress of welfare programmes in respect of the public and private welfare sector.

- 2.2.5 To develop effective developmental welfare programmes to meet needs and to promote social integration in close partnership between the government and all role players.

2.3 RDP TARGETS

a. *Implementation of a National Social Security System*

The social grants programme is one of government's biggest poverty reduction programmes involving a budget totalling R12,3 billion. The largest number of beneficiaries is old age pensioners who are the primary beneficiaries of the R430 that they receive on a monthly basis. Most of the old age pensioners are breadwinners as their pension is the only source of income in three-generation families. On average the old age pensioners in a rural area shares the pension with about 12 other people in the household. There are currently 1 455 110 old age pensioners in the country. This figure excludes the former Ciskei and Transkei for whom no reliable figures are presently available. The breakdown per grant type is as follows: Old age (145 510); Grant-in-aid (10 576); Disability (620 813); Veterans (12 071); Maintenance (200 644); Foster Care (38 412); and Care Dependency (10 000)

A major focus of the Department is the re-engineering of the management, information and payment system so as to eliminate fraud and corruption. We are in the process of amalgamating the 14 computer systems and this process will be completed by March 1997. A committee under the chairmanship of reverend Frank Chikane has completed its investigation into the effective management of social security and the evaluation of the macro system and existing information in order to establish the nature and extent of fraud. A final report will be submitted in January 1997. The Department of Welfare has already taken steps to put in place certain initiatives to action some of the critical recommendations of the report. These include steps towards the re-registration of pensioners, training of personnel in the Social Assistance Act, 1992; institution of an audit section; a system of disciplining officials and the out sourcing of payment of pensions. With regard to the management of the system, the Department has prepared a memorandum to inform Cabinet of a need for a national organised social security system. Measures are being taken to centralise the processing of application so that the time between an application and approval should not exceed 35 working days. Pension committees consisting mostly of volunteers assist pensioners in ensuring that they receive what is due to them. The automation of the payment system and the use of fingerprints as a form of positive identification will further ensure that pensioners get what is due to them. The Department is working in close collaboration with Home Affairs and the NCPS. Plans that exist to ensure that pensioners have the easiest possible access to pay points, include encouraging beneficiaries to utilise the Post Office. Mobile units who serve pensioners in or near their communities are already operating in parts of all the provinces except N.West, N.Cape and Free State where mobile units will be in operation in 1997.

b. *Expanding access to family and child support benefits.*

A report was compiled after an investigation by the ...

c. **The flagship programme**

A flagship programme targeting unemployed women with children under five was launched during 1996. The intention of the programme is *inter alia* to provide impoverished women with an opportunity to develop skills and to become economically independent and not to be reliant on state grants. After the launch of all the planned programmes countrywide, the total number of women who will benefit will be 1,560. The number of children benefitting will vary according to family size. Taking the average number of children as 4 per family, it is estimated that the number of children who will be reached by this programme, is 6,240. If the programme proves successful in the different areas, it will be replicated and will reach more people. The programme is to run for 18 months before replication is considered.

d. **The implementation of developmental social welfare**

We have started a process to move away from expensive institution based services to community-based services, especially in the field of caring for the aged. It is hoped that through this process, services will be expanded particularly in poor and black communities. By 1997, community support programmes will be in place in all provinces, targeting marginalised groups for integration into society, for released prisoners, persons with HIV/AIDS and children in conflict with the law. Similarly, inter-sectoral community development programmes will be developed in the provinces geared towards targeting women and youth for economic empowerment and skills development. In this regard the *Poverty and Inequality Report* will be used as an important tool to reducing the gap between the governmental programme and poverty needs. On the basis of this, longer term measurable targets will be set.

e. **Creating an enabling environment, consolidating relationships with NGO's and developing new partnerships**

A range of strategic interventions to improve the functioning of NGO's will be put in place. The Department is in the process of finalising new legislation for the not-for-profit-sector. Government mechanisms to replace interim mechanisms are being developed and social service personnel retrained to enable the NGO sector to participate in developmental social welfare delivery. A new policy framework for government funding of NGO's with clear funding criteria and a tender system will be finalised by May 1997.

From the total annual welfare budget of R12,3 billion, R1,2 billion is for transfers to NGO's and national councils for welfare services in various communities.

f. **National Crime Prevention Strategy**

Our goal is to contribute meaningfully and effectively to the NCPS. This is done through the establishment of integrated support services for victim empowerment; the development of existing services on governmental and non-governmental level; the dissemination of information on the abuse of women and children (especially sexual abuse), rights, procedures; the promotion of voluntarism in victim support work; and the training of criminal justice and social service personnel for victim empowerment by June 1997

g. Transformation of the child and youth care system

At a provincial level, intersectoral committees have been established for pilot projects and secure care. Five projects are well established and are already producing positive results - Inanda, KwaZulu/Natal on family preservation; Pretoria, Gauteng on family group conferencing; King William's Town, Eastern Cape on residential care; one-stop youth justice centre in Port Elizabeth; and arrest, reception and referral project in Durban, KwaZulu/Natal. These projects will continue till 1997 after which the research will be reviewed and replication will be planned. The rebuilding and restructuring of secure care facilities has been initiated in Northern Province, Mpumalanga, Gauteng and the Eastern Cape. Staffing will be looked at as the next phase in 1997. Two hundred probation officers have received training in probation services and 1 500 child and youth care workers in state residential care facilities received training in basic child and youth care practice up to June 1996. In June 1996 the IMC has completed a thorough investigation into schools of industry, reform schools and places of safety and reported in August to Cabinet on the outcome and concerns. Cabinet approved immediate action steps to rectify serious problems on children's rights violations highlighted in the report. The IMC has received considerable funding from the Dutch government through the RDP.

h. National management information system

A reliable national management information system is vital to measure impact of welfare delivery. By 1998 the system should be in place to enable us to create scenarios and plan more effectively. This is also important for communicating the achievements of government.

i. Additional RDP Considerations

The Welfare White Paper and the Social Welfare Action Plan generally capture Reconstruction and Development values and goals. The Welfare Department remains conscious of the need to maintain visible delivery that will build confidence among South Africans. The Flagship Programme for unemployed women with children under five and the transformation of the child and youth care system are but some examples. Of concern though, is the need for the broader mobilisation of South African society around RDP goals. The breakdown of basic human, community and family values lies at the heart of most of the social ills experienced in the country. Restoration of the values for the respect of dignity of life, "ubuntu", "simunye" and the community and family unit are essential. Welfare is well placed to co-ordinate an inter-sectoral campaign aimed at the community broadly and the youth in particular to build on a progressive value system that impacts positively on delivery through promoting a culture of service and voluntarism. Consideration should be given to a mass based campaign to draw on the creative energies of churches and other religious organisations, community organisations, educational institutions and state department in a coordinated effort to build the moral fibre of South African society.

3. MINISTRY OF EDUCATION

3.1/2 GOALS AND OBJECTIVES

- a. As stated in our White Paper on Education and Training, the over-arching goal of policy must be to enable all individuals to have access to lifelong education and training, irrespective of race, class, gender, creed or age. This we want to achieve through an integrated approach to education and training, which links one level of learning to another, and enables learners to progress to higher levels from any starting point in the education and training system.
- b. To achieve the Ministry of Education, in collaboration with the Ministry of Labour, has appointed the South African Qualifications Authority, which will develop the National Qualifications Framework (NQF). The Ministry aims at ensuring that all levels of the NQF will be in operation by the year 2004. It is for this reason that the Ministry is targeting 1998 as the first year for the implementation of the new, outcomes-based curriculum. Our target again is that by the year 2004 the new curriculum will have been implemented at all levels in all grades.
- c. The provision of 10 years of free and compulsory general education is another of our stated goals, and as we say in our White Paper, achieving this goal is central to the national development strategy, with its emphasis on human resource development. Again it is our considered view that we should target 2004 for the full implementation of this goal.
- d. What this implies is that we must extend access into the education system by increasing the number of schools and classrooms. In this regard the Ministry aims to build 5,000 new classrooms by 1999. This will mean that we will have catered for approximately 100 000 more learners.
- e. We will also need to reach out to a number of adult learners. Our aim is to reach 400,000 adult learners through our programmes by 1999.
- f. As part of our drive to make education accessible to all, we will also address the education needs of learners with special needs. Our aim is to ensure that by 1999 we have started implementing policy recommendations that will have come from the Commission on Learners with Special Education Needs, which is currently working in this area. We hope this will enable us to begin to reach the majority of learners with special needs, especially in those areas that have been deprived before, by year 2004.
- g. Another major aim is to do away with gender related problems in education, be they related to access or the curriculum. In this regard we hope to establish a gender equity unit in education as soon as we have received a report on how this should be done from the task team investigating this at the end of 1997.

By 1999 we hope to have established this very important unit, and by 2004 we hope to have eliminated obvious barriers to access for girls, such as teenage pregnancy related problems, etc.

- h. We also aim to increase participation in Mathematics, Science and Technology, and to improve the quality of teaching in those areas. By the year 2005 we hope to have produced more than 10,000 properly trained and qualified maths, science and technology teachers.
- i. One of our goals is to transform our higher education and to make it responsive to the needs of our country. This will require us to raise the participation levels of black students, and to change the inverted pyramid such that more participation takes place at technikons and colleges.
- j. Finally, it is our hope that we will have achieved equity in education spending by 1999.

3.3 RDP TARGETS

a. Education system.

With regards to getting the systems in place we are halfway through the mark, and we hope that by 1999 we will have all the provinces functioning well, and all our structures as envisaged in the new system in place.

b. Free and compulsory education.

In the implementation of free and compulsory education, we have just introduced an Act which makes it compulsory for learners between certain ages to be at school. Our own calculation is that while this provision is now in place, it will take some time for us to realise it, since we have a lot of backlogs in the provision of classrooms. By 1999 we should be well on the way in getting enough places for these children. But we will still need more years to be able to meet the need, especially with a high population growth as we have. We may safely say that 80% of the children will be able to find places by the year 2004. We are greatly concerned when it comes to free education. Indicators are that we will only be able to provide free education for a small section of our community in 1998. Our view as the Ministry is that we should be implementing this policy on a gradual basis until we have done so fully in the next century. As we will indicate in the section, we are finding a number of obstacles in the implementation of this policy.

c. School building and renovation programme

Regarding our school building and renovation programme we have a target of 8,000 schools that have been identified for renovation in all the provinces. Of the 8,000 schools, 2,300 have been completed. The remaining schools will be finished by 1999. There was an initial delay in the renovation of the schools due to many factors, particularly the capacity of provinces to develop business plans in line with reconstruction and development requirements.

However, these seem to have been overcome, and a number of business plans have been approved recently, and the renovation is expected to accelerate in 1997. The school building programme is also continuing and approximately 200 schools have been built in all provinces so far. As stated earlier the target for 1999 is 5,000 new classrooms.

d. **Changes in targets**

It is our view that in education the targets we set ourselves for 1999 were realistic, and if a few minor obstacles are removed, they could still be reached. We therefore do not believe that these should be changed. However, we are concerned that the impact of the Macro-Economic Framework on these and other targets may be very big.

4. **MINISTRY OF WATER AFFAIRS AND FORESTRY**

4.1/2 **GOALS AND OBJECTIVES**

Community Water Supply and Sanitation

The Department of Water Affairs and Forestry's Community Water Supply and Sanitation Programme was initiated in 1994 to achieve a Constitutional objective of ensuring that all South Africans have access to sufficient water and a healthy environment.

Forestry

Trees play a vital role in most South African households not only as an enhancement of the environment, but also and especially in rural and informal settlements, as an energy source for more than one third of South Africa's population. These people still depend directly on trees as a source of timber for housing, kraals and local craft industries and of fruits and medicinal products. In order to address this need and to increase the sustainable and accessible supply of wood to those people who rely on it for survival, the Department facilitates community forestry development throughout the country by initiating and supporting community-driven development and management of the resource.

4.3 **RDP TARGETS**

a. **Community water supply and sanitation**

Over 700,000 previously unserved people have already been supplied with water and R300 million spent. Over 10,000 person-months of paid work has been generated and more than 35,000 person-days of training given. This is in addition to the approximately 6 million people served by existing schemes operated by the Department. A network of provincial planning forums to guide the community water supply and sanitation programme was established and a national assessment of water and sanitation needs was completed. R1 585 million was allocated by the end of 1996 and 706 projects started which will ensure that a total of 6.4 million people gained access to water supplies and 100,000 to adequate sanitation. The 4th annual programme projects to serve a further 2.1 million people at a cost of R650 million has recently been announced. It is expected that R700 million will be spent in 1997 and R1 000 million in 1998.

If these targets are reached, a further 1 700 000 people will be served in 1997 and two million in 1998. Where capacity exists the operation of existing water supply schemes at local level, particularly in the Northern province and Mpumalanga, will be handed over to local government or water boards. Actions are underway to establish new water boards to ensure effective operation of existing schemes and to promote regional water supply in the following areas: Mpumalanga Lowveld, Kwazulu-Natal Tukela Region, Eastern cape and Western Cape Peninsula.

Water Services (water supply and sanitation) legislation will be introduced in 1997 to establish a framework whereby central government can establish norms and standards for the provision of such services and provide the support necessary to local government to achieve the equitable and sustainable provision of services. This will also provide the basis for the promotion of water conservation at local government level. The programme is promoted within the policy framework established by the 1994 White Paper on Water Supply and Sanitation. A White Paper on Sanitation Policy was produced on an inter-Ministerial basis in 1996 and a National Sanitation Coordination Office established to promote the joint sanitation strategy. During 1996, guidelines on the involvement of the private sector in service provision were issued and are already being applied.

b. Flood management

The Department successfully switched its attention in 1996 from managing the consequences of drought to dealing with the other extreme of climate - flooding. The tragic loss of life in the Xmas of 1995 floods in Pietermaritzburg obscured the overall success in managing a session of very high rainfall in 1995/6. Through the management of the national dam infrastructure and the issuing of early warnings to affected communities, flood damages were kept to a minimum. The management of the flood in the Vaal river was particularly successful.

c. National water conservation campaign

The national water conservation campaign is worthy of special mention. The various educational and promotional activities of the campaign continued to raise consciousness about the value of water resources and the "Working for Water Programme" has proceeded successfully.

d. Community forestry

A total of 635 major community forestry projects and 1445 minor projects were initiated throughout the country. The impact of the Community Forestry Programme is evident in the total of 1,9 million trees that have been planted. It is anticipated that the community forestry programme will directly promote the planting of approximately 1 million trees over the next 3 years. Since the introduction of the Community Forestry Programme in 1996, extension staff of the Forestry Chief Directorate have been involved in initiating and overseeing community forestry projects of various kinds, such as woodlots (community and individual), community nurseries, home nurseries, windbreaks, school greening and many more. Excess staff from the commercial forestry operations in the former homelands are being re-deployed in community forestry activities.

Community forestry is to a large degree still a new concept and although much progress has been made, further developments may be impeded by the lack of capacity and funds within the Department to provide the necessary support and extension services on the one hand and lack of understanding and competences on the part of the communities. Strong support by the international community (especially by the Finnish, Danish and Irish governments) has however been very encouraging.

5. MINISTRY OF HOUSING

5.1+2 GOALS AND OBJECTIVES

The ANC, in its election campaign, promised the electorate the delivery of 1 million houses in the five years to 1999.

Discussion

In implementing this goal a number of factors had to be addressed, which has taken a considerable period of time. Besides the policy and institutional legacies of the apartheid era, the major policy obstacles mitigating against success in the housing sector include these:

- ~ the overwhelming poverty of the majority of the population;
- ~ the fiscal constraints on government;
- ~ the legacy of inappropriate institutional, legal, financial policies and frameworks;
- ~ a fundamental breakdown of the housing sector in the period before the elections;
- ~ long lead times;
- ~ time required to implement a new policy, within the framework of a new Constitution;
- ~ and other factors, many of which have been experienced by other ministries.

Because of the long lead times, and the policy uncertainty that existed in the first period of government, a broad dual approach was adopted. On the one hand, attention was paid to the policy formulation, design and implementation process (a national framework) while, simultaneously, housing demand was stoked through the continuous feeding of subsidies into the system. The two approaches started to merge in 1996.

5.3 RDP TARGETS

a. 1 Million houses in 5 years (1999).

The ANC can and should remain committed to the target of 1 million houses that will be completed or in construction in the period to 1999. In January 1997, we can report that a total of 115,000 houses have been completed or commenced for families qualifying for the subsidy. Over 80% of the subsidies are being received by households with an income of less than R801 per month - the poorest of the poor. Because of the poverty factor, only 16% of houses subsidised thus far have been able to access private sector finance, although the trend is improving.

Conditions for success

In committing the Ministry and the Department to reaching this goal, however, the following fundamental environmental factors need to be in place: the support of government's social partners; respect for due legal processes, and the vigorous enforcement of legal contract; the programmatic enhancement of capacity at provincial and local levels; long term budgetary certainty at national level; the timely provision of land and services (local govt.); support for a saving-driven delivery culture by housing consumers. In short - the Ministry and the Department are confident that as a government and as a movement, we can meet the housing commitments made for the election, but cannot do so without the clear and ongoing support indicated above.

In keeping with the figure of 1 million houses, however, political integrity will require us to be clear that are talking about this government having subsidised a million houses that are either completed or in construction in the period to 1999. This is in keeping with the Declaration of Commitment made by the National and Provincial governments, and endorsed by all relevant national interests, at Botshabelo in 1994. Our current projections indicate that, during 1997, an additional 192,765 subsidised housing units will enter (and, in many cases, complete) production. Details of the expected housing delivery programme are set out in the table below.

MILLION HOUSING STARTS: PROGRAMME

PROVINCE	1996	1997	1998	1999	TOTAL
EASTERN CAPE	5 129	16 000	24 000	20 000	74 000
FREE STATE	10 211	14 000	22 000	25 000	71 000
GAUTENG	29 660	56 000	110 000	152 000	348 000
KWAZULU-NATAL	11 440	34 000	55 000	59 000	159 000
MPUMALANGA	13 541	14 000	15 000	17 000	60 000
NORTH WEST	8 269	12 000	15 000	17 000	52 000
NORTHERN CAPE	4 309	3 000	5 000	7 000	19 000
NORTHERN PROVINCE	23 824	10 000	9 000	9 000	52 000
WESTERN CAPE	9 199	25 000	45 000	58 000	138 000
TOTAL	115 582	184 000	300 000	379 000	973 000

The projected accumulative total of 973 884 housing units constitutes a variation on the goal of 1 million houses within 5 years of only 2.6%. The deviation is within acceptable tolerance limits considering the immense scope and vagaries of the programme.

6. MINISTRY OF LAND AFFAIRS

6.1+2 GOALS AND OBJECTIVES

The land reform programme has 3 major legs: *restitution of land rights, redistribution of land, and land tenure reform*. The purpose of the programme is to redress historical injustices created through forced removals; to achieve a more equitable distribution of land and rights in land, in order to improve both household food security and effective and productive use of land; and to provide secure tenure to the millions of people who currently have insecure tenure and encourage investment in the land. The programme has a particular focus on the land rights of women, who traditionally and currently seldom have independent rights to land. The programme also aims to have a stabilising impact on widespread current and potential conflict over land issues.

Discussion

Fundamental constraints:

The implementation of land reform operates under four fundamental restraints, some of which are referred to below in more detail. These are the following:

- a. Land reform is a fundamentally *new programme* of government. It is not a matter of re-shaping or re-prioritising existing programmes. The consequence of this is that new policies, laws, and implementation mechanisms have had to be devised, and new staff have had to be employed and sometimes trained. Existing staff have had to be re-trained.
- b. The *staff* available in terms of the new establishment approved late in 1994 are extremely limited. There are only 400 posts available for land reform. It is obvious that this is a very small number of dedicated posts for a large national programme. The process of filling those posts is only now being completed.
- c. The *budget* available for land reform is very limited. It is approximately 0,33% of the national budget after interest payments have been deducted.
- d. The *disadvantaged position of women* is the result of a large number of factors, only some of which can be addressed through land reform. The achievement of the work being done by other Departments to deal with this therefore has a fundamental impact on the ability of Land Affairs to address this issue.

6.3 RDP TARGETS

a. Restitution:

As required by the Constitution, the Restitution of Land Rights Act was passed in 1994 to create the legal framework and process for restitution. The Commission for Restitution of Land Rights and the Land Claims Court were established. Progress thus far has not been acceptable.

So far four communities have returned to their land: Mogopa, Riemvasmaak, Rooigrond and Elandskloof. This involved approximately 2 500 people. Altogether some 11 000 claims have been received. This number can be misleading because in many instances one claim is represented by a large number of individual claims, particularly in urban areas (eg District Six, Cato Manor, Fairview). It is difficult to predict future progress because restitution is dependent on finalisation of the claim by the Land Claims Court. At least another 25 communities should return to their land during 1997. This represents at least a sixfold increase on past achievements. There are two major limiting factors on progress: the limited capacity of the Commission on Restitution of Land Rights, which has four Commissioners and 58 permanent staff, and the fact that the interim Constitution requires that every case must be processed by the Commission before the Land Claims Court can deal with it. This creates a bottleneck. Two steps have been taken to deal with this. The Cabinet has approved the Restitution of Land Rights Amendment Bill, which will make it possible for claimants to have direct access to the Court, thus removing the bottleneck. And the capacity of the Commission is being increased by 40% by the appointment of an additional Commissioner and through the use of donor funds from the Netherlands Government.

b. Redistribution:

A fundamentally new policy has been put developed. A pilot programme was established in each province, and two-year contracts were entered into with provincial governments to run the programmes on an agency basis. These are now coming to an end, and new arrangements have been negotiated with each province. The redistribution process involves a fairly long project cycle: typically, between one and two years. This involves planning by the community, with the assistance of a planning grant, on how they are to use the land; negotiations for the acquisition of land (usually privately owned); establishment of a legal entity to hold the land; planning with other Departments (provincial and national) to provide services to the people; designation of the land for settlement; and transfer of the land. The result is that the budget for 1994/5 and 1995/6 was very substantially under-spent, as projects started during these years are only now coming to fruition. 240 communities have received planning grants. During 1994 and 1995, 23 projects were designated (this means the project has been planned and approved, a legal entity has been established, and the funds are to be released). The pace is now picking up, as the projects come to fruition. During 1996, 37 projects were designated - 60% more than during the previous two years together. Thus, far, 56 149 ha have been redistributed. It is anticipated that during 1997, not less than 1,2 million ha will be distributed through this programme. The Land Reform (Labour Tenants) Act was passed in 1996. This gives labour tenants the right to acquire ownership of land. Land acquisition by labour tenants will start during 1997.

c. Tenure reform:

Tenure reform provides security to people who are vulnerable to eviction, and ensures that land is no longer allocated on a basis which discriminates against women. It gives those on the land the security which is necessary to enable them to invest in the land. The Interim Protection of Informal Rights to Land Act was passed in 1996. This gives protection to the large number of people, mainly in the former Bantustans, who can not prove a legal right to the land which they occupy.

The Communal Property Associations Act was passed in 1996. This creates a new legal institution through which communities can hold land on a democratic and nondiscriminatory basis. The first communal property association has now been registered. The Land Reform (Labour Tenants) Act of 1996 gives labour tenants (estimated at 40 000 people) immediate security on the land they have occupied for two generations.

Progress anticipated during 1997, 1998 and 1999

a. Restitution

As set out above, land reform is now taking off. The rate of restitution cases will increase at least *sixfold* during 1997. The amount of land transferred through the redistribution will increase from less than 60 000 ha so far, to not less than 1,2 million ha during 1997. Policy on *redistribution* will be further developed. The two most promising changes are: making municipal commonage land available to the poor living in towns and villages (the first two projects have been approved to test the policy); and developing a smallholder policy which makes it easier for individuals to acquire land.

b. Land tenure

Two major developments will take place in *tenure reform*. Legislation will be introduced to prohibit unfair evictions of rural dwellers, and to assist them to obtain long-term security of tenure. And policy is being developed and implemented on a "test case" basis to transfer former Bantustan and SA Development Trust land to the beneficial occupiers. (At the moment, almost all of this land is owned by the State). As this policy is implemented, ownership of a large amount of land will be transferred to the present occupiers - probably about 10% of the land in the country. This will take place between 1997 and 1999.

c. Redistribution

On the basis of present progress, it is projected that the anticipated transfer of 1,2 million ha in 1997 through the *redistribution* programme will be maintained and increased to a limited extent in 1998 and 1999. The total land transferred during the three years in question should therefore be *between 4 and 5 million ha*. Together with the *restitution* programme, the total should be *more than 5 million ha*. Any more substantial increase is dependent on staff to carry out this activity, and funds for the purchase of private land. We anticipate that during the 1997/8 financial year, for the first time, the full budget allocation will be spent. State land is a potentially valuable resource for redistribution. However, this depends on the existence of a comprehensive register of all State land and how it is currently being used. Work is being done on this in co-operation with the Department of Public Works. The RDP stated that the aim of the programme must be to redistribute 30% of agricultural land within the first five years of the programme. This included "strengthening property rights of communities already occupying land". The statistics above demonstrate that this will not be achieved under present constraints. If all of the projections set out above are met, the total land redistributed (including tenure reform in the former Bantustans by transferring ownership to the present occupiers) will not exceed 15% of agricultural land. This figure is itself ambitious, and depends on speedy and effective implementation of tenure reform, which is a staff-intensive activity. At present the staff to carry it out do not exist.

7. MINISTRY OF AGRICULTURE

7.1+2 GOALS AND OBJECTIVES

The overall aim of the RDP with regard to agriculture is to ensure food security, become competitive and a prosperous economic sector in the country. Aimed at the redistribution of 30% agricultural land. This was seen as a resource. It sees agriculture as an important element for rural development with the previously disadvantaged farmers as its principal beneficiaries. Its specific objectives within agriculture are to:

- ~ de-racialise the sector;
- ~ broaden access of the previously disadvantaged farmers to mainstream agriculture;
- ~ transform the public sector institutions e.g., civil service and parastatal agencies;
- ~ provide agricultural support services e.g. research, finance, markets, extension and training;
- ~ build the human resource capacity of especially the previously disadvantaged communities; and
- ~ redistribute 30% of agricultural land by 1999.

Vision

The vision of the White Paper on Agriculture is a highly efficient and economically viable market-directed farming sector, characterised by a wide range of farm sizes, which will be regarded as the central economic and social pivot of rural South Africa and which will influence the rest of the economy and society. Its critical policy goals are production, marketing, sustainable utilisation of natural agricultural resources, agricultural financing, institutional infrastructure, information and agricultural technology, research, extension and training. And its specific objectives are:

- ~ developing a new order of economically viable, market-directed commercial farmers, with family farms as the basis;
- ~ the broadening of access to agriculture via land reform should be enhanced by adequate agricultural policy instruments, and supported by appropriate means of the provision of appropriate services;
- ~ financial systems should focus on the resource-poor and beginner farmers, enabling them to purchase land agricultural inputs;
- ~ trade in and the marketing of agricultural products should reflect market tendencies;
- ~ agricultural production should be based on the sustainable use of the natural agricultural and water resources; and
- ~ developing agriculture's important role in the regional development of Southern Africa and other countries.

7.3 RDP TARGETS

a. Agricultural land redistribution

The RDP Goal is to redistribute 30% or 30 million ha of the total 99 million ha agricultural land within the first 5 years of our democratic government. This implies the redistribution of about 6 million ha every year. Available state-owned agriculture land is about 1 million.

To date, less than 10% of this state-owned agricultural land has been transferred to the previously disadvantaged farmers through leasehold in the various provinces. It must be noted that the figure could be more when one takes into consideration restitution cases as well as redistribution of land where either communities by land as groups or individuals. The difficulty where land is bought in groups the extend of agricultural activity cannot be guaranteed. At the current rate of redistributing agricultural land, it is doubtful whether the original target of 30 million ha will be realised by the year 1999. The formula for redistribution of agricultural land needs to be changed by, among others: clearly identifying the different beneficiaries of agricultural land redistribution; removing all artificial credit, financial, marketing, and procurement distortions as a prerequisite for the success of an agricultural land redistribution programme; investigating a range of options to fast-track the delivery of agricultural land; extending long-term rental or lease agreements (at least 30 years) on all state owned agricultural land to targeted farmers and; addressing the total farming investment requirements of a targeted beneficiary in order to realistically determine the state grant and its elements that is absolutely necessary for a viable family farming unit.

b. De-racialisation of the sector both in production and public sector representation

There has been a growing involvement by commercial black farmers in the various agricultural industries such as horticulture, sugar cane, livestock and grain. The contribution of these farmers in terms of their market share, whether in the specific industries or in the entire production is still negligible. There is potential to increase and improve the market share of these farmers by focusing both on the challenges faced by the already existing black commercial farmers and the new entrants who will benefit from the land reform programme. Specific programmes which are targeted to the various types of the farm sector need to be designed and implemented. These could include programmes that target young people and women into the sector. It may also mean targeting specific industries where in black farmers may be encouraged to invest.

c. Support Services

Specific complementary programmes such as re-training extension in the Northern Province in collaboration with GTZ (German Development Agency) has been implemented. The overall objective of the new agricultural financing programme is to broaden its access to all farmers, especially the new emerging farmers. Since 1993/94 to 1996/97 financial years, a total of R171 million was budgeted for various assistance schemes for emerging farmers. Over the period, R34 million was actually extended as credit to a total of 9000 new farmers. The combination of research, technology development and transfer has the capacity to increase the ability of smallholder farmers to gain higher productivity and realise reasonable return on their investment. This however, will depend on the capacity of the extension to keep abreast of developments in these fields

d. Transforming Public Sector Institutions

Government structures:

Inter-government Forum on Agriculture together with its technical committees have been established and is fully functional. IFA provides the leadership as well as the secretarial services on the national agricultural policy process. Within the NDA an Employment Management Team as a change agent has been established with the purpose of ensuring that;

- ~ the employment process within the NDA improves representativeness;
- ~ the BATAT process effected a policy shift and the implementation of new programmes in the department;
- ~ the re-direction and re-prioritisation of budget to deal with the new policy objectives;
- ~ the de-centralisation of operational functions, budget and personnel to provinces and the NDA retaining the policy development function of establishing norms and standards regarding such decentralised function;
- ~ the overseeing function on the implementation of agricultural programmes and policies throughout the country and management of agricultural international relations.

Parastatals and Agencies

There has been a total removal of statutory powers of control boards and the introduction of the new agricultural marketing act. There has been a consolidation and restructuring of former bantustan development corporations with the aim of establishing new and single provincial development corporation. There has been a review of development and financial institutions with the aim of introducing a more streamlined and an effective rural financial services institutions.

e. Building Human Resource Capacity

Public Servants:

The following has been implemented in the efforts to improve and harness the capacity of public servants to manage their functions better; viz.

- ~ Training of 45 public servants in banking and rural financial/credit course under the Cochrane Programme,
- ~ 18 South Africans will be trained within the next 15-months in food security programme managed by SADC Food Security Unit.

- ~ 255 South Africans will be trained in agricultural public sector policy analysis through the EDI/World Bank training programme in the next three years. Local universities will finally internalize and take ownership of the training programme with the support of the NDA which will provide bursaries to students.

There has been a concerted effort to re-design agricultural training curricula at agricultural colleges with the aim of complementing current deficiencies of existing staff. Internships and in-service training form the core of the strategy of re-orientating the current extension staff. A working group on Extension and Training has been established and is fully operation in effecting the above.

Farmers and Agribusiness:

International exposure trips to the Asian countries, Latin America and Africa were undertaken with the aim of exposing South African farmers to operational conditions of fellow farmers in these countries. To complement farmer organization development strategy, there are efforts to promote commodity producer organisations with the aim of exposing the core business of such commodities to emerging farmers. Beef, vegetables, sorghum and grape farmers are in the fore-front of such new strategy approaches. The support of national and provincial farmers unions structures is the issue that will be attended in the ensuing year. The NDA will commit financial resources to implement these programmes during 1997.

MINISTRY FOR PROVINCIAL AFFAIRS AND
CONSTITUTIONAL DEVELOPMENT

REPORT ON PROGRESS WITH DELIVERY OF MUNICIPAL SERVICES

1. Goals and Targets

The targets used by the Department are based on the original RDP targets, which are:

- a) The RDP's short term aim is to provide every person with adequate facilities for health. The RDP will achieve this by establishing a national water and sanitation programme which aims to provide all households with a clean, safe water supply of 20-30 litres per capita per day (lcd) within 200 metres, an adequate/safe sanitation facility per site, and a refuse removal system to all urban households.
- b) In the medium term, the RDP aims to provide an on-site supply of 50-60 lcd of clean water, improved on-site sanitation, and an appropriate household refuse collection system. Water supply to nearly 100 per cent of rural households should be achieved over the medium term, and adequate sanitation facilities should be provided to at least 75 per cent of rural households. Community/household preferences and environmental sustainability will be taken into account.

It is envisaged that all South Africans can be given access to a basic minimum level of service, compatible with these targets, over a ten year period.

2. Progress with Implementation

There has been a substantial programme of investment in infrastructure by municipalities over the last 2 years. The total capital expenditure budgeted for 1996/97 is R10,6 billion, which will largely be spent on municipal infrastructure services and social amenities.

The Department has complemented and facilitated this investment programme through a system of grants (the "Municipal Infrastructure Programme") which assist local authorities to provide services to the poor up to at least a basic level, as well as to rehabilitate existing services.

A total of R1351,7 million has been allocated to provinces in this regard, of which R1265,5 million has already been committed to actual projects. All project funds will be spent by the end of 1997. A total of 1089 projects will be supported by these funds, of which 369 projects are currently on site, and 115 projects have already been completed. It is estimated that these projects will provide new or rehabilitated infrastructure services to 12,14 million beneficiaries.

The funds have also leveraged additional contributions from local authorities and the private sector, as per the following table:

Source of Funds Committed

		R millions	
MIP funds	:	1265.5	(70.76%)
Local Authority funds	:	339.98	(19.01%)
Other funds	:	182.95	(10.23%)
Total funds committed	:	<u>1788.43</u>	(100%)

The following is a summary of the committed funds by project categories:

Water	:	721.87	(57.04%)
Sanitation	:	374.45	(29.59%)
Roads	:	134.52	(10.63%)
Refuse	:	9.23	(0.73%)
Electricity	:	12.58	(1.00%)
Community & Health Care facilities	:	12.58	(1.02%)
		<u>1265.5</u>	(100%)

Significant employment and training opportunities are also being created by this programme. The projects currently in the implementation phase are providing employment for the following:

Men	:	68 096
Women and Youth	:	<u>10 901</u>
Current Total		<u>78 997</u>

3

The projects currently in the implementation phase are also providing the following numbers with training:

Vocational Accredited Training:

Men	:	28 204
Women and Youth	:	<u>2 514</u>
		<u>28 357</u>

It is estimated that by the end of the 1998/99 financial year the following targets will have been met:

- a total of 29 million people will have benefitted from improved or rehabilitated municipal services;
- 1939 municipal projects will be either completed or under construction on-site;
- a total of 316 000 jobs will have been created;
- 123 200 people will have been trained through the projects.

THE IMPACT OF THE MACRO-ECONOMIC FRAMEWORK

Most developing countries have been increasingly obliged to make adjustments in their economies in response to macroeconomic problems of imbalance between aggregate demand and supply, inflation, unemployment, and shortage of foreign exchange. The sources of these problems are both external and domestic. This government is doing everything in its power to tighten its belt and re-prioritise budget expenditure. Nonetheless our economy continues to be eroded, the rand is depreciating, unemployment has reached unacceptable levels and more resources are needed to provide basic needs such as health, education, housing, water and sanitation to the majority of South Africans.

Though we support Growth, employment and Redistribution (GEAR) strategy, it must go hand in hand with improvement in revenue collection so that the cut backs on resources available for provision of social needs are not drastic. We cannot deny the fact that in the short term, the imminent budget cuts will affect the delivery of basic services adversely. We will experience some difficulties in making ends meet especially at the point of service delivery, but this will not deter us from our goal of providing a better life for all South Africans. We are therefore committed to operate within the budget constraints and to re-prioritise our budget to ensure that we continue to provide essential health services which will have maximum impact on the lives of our people.

Ministries regarding the impact of our policies on the macro-economic framework. These are:

1. Health will do everything to cushion the budget cuts but is concerned that the current funding levels should not be eroded as this will have a major impact on the delivery of basic health services. Another challenge faced by the Health Ministry is the funding of the rehabilitation programme for the health facilities. A recent audit of all our hospitals revealed that 27% of our capital stock is in a bad state of disrepair and would require between R6 - R8bn to replace over a period of 10 years. We are investigating innovative means of funding this programme in collaboration with the private sector.
2. The social sector particularly education, health and welfare are all concerned that with the block grants there is no guarantee that the agreed priorities will be funded. It is critical, therefore, for the ANC to make sure that those priorities like education, primary health care and social grants, especially for the rural poor families for whom this may be the only safety net, are guaranteed.
3. The Ministry of Education is perturbed by the budget cuts which are implied in the Macro-economic framework. If these cuts are real, the implementation of the policy of free and compulsory general education will be seriously threatened including bridging the backlog.

4. The Ministry of Housing is committed to reaching the goals of the RDP provided the following fundamental environmental factors are in place, i.e. the support of government's social partners; respect for due legal processes, and the vigorous enforcement of legal contract; the programmatic enhancement of capacity at provincial and local levels; long term budgetary certainty at national level; the timely provision of land and services (local government).
5. Thus far the macro-economic framework has not yet had an impact on land reform. Existing budgetary constraints have so far not substantially limited land reform. Their major concern is the insufficient human resources to effectively carry out the programme. There has also been no discernible impact by the Macro-economic Framework on the redistribution of agricultural land. It is however evident that increased budgetary and human resources will need to be allocated when the process of agricultural land redistribution comes into full swing. This will necessitate re-prioritisation of programmes and budgetary expenditure. Areas that need to be un-blocked in order to facilitate greater agricultural land redistribution include the restructuring of the statutory financial institutions such as the Land Bank, equalisation of lending rates by the statutory financial institutions at both the national and provincial levels to encourage efficient and accountable management of agricultural financial resources; and the resolution of the current R1.3 billion debt to the state.
7. The Macro Economic framework has provided a broader context for the substantial programme of investment envisaged for municipal infrastructure. It has increased the priority status of the Municipal Infrastructure Programme, emphasised the importance of job creation and training in the programme, and created a greater emphasis on partnerships between public and private sectors in the delivery of municipal infrastructure. The Department of Provincial Affairs and Constitutional Development has played a key role in implementing the strategy for Growth, Employment and Redistribution by focusing on investment in municipal infrastructure, promoting partnerships between the public and private sector at local government level, stabilising local government finances and improving the municipal debt problem.

In Summary, every Ministry is committed to the Macro-economic Framework. They are concerned about budget cuts in the social sector which may fall to below the existing funding levels because this will compromise the implementation of RDP policies and targets to which this government is committed. Perhaps better understanding and coordination between the social and economic sectors will allay their fears and lay the foundation for political leadership in the implementation of the RDP within the framework of a coherent growth and development strategy.