



2020 COVID19 ECONOMICS AND HUMAN RIGHTS FACT SHEET #1

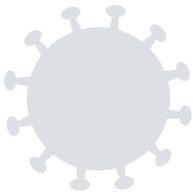
# BUDGETING FOR HUMAN RIGHTS DURING COVID-19

**The Duty to Use the Maximum Available Resources During the Covid-19 Pandemic**



*This fact sheet is endorsed by the Solidarity Center.*





## INTRODUCTION

The COVID-19 pandemic has shown how important it is to invest in social programmes. Many of South Africa's public services, including the public health system,<sup>1</sup> remain underfunded, despite increased investment since democracy. This exacerbates high levels of inequality, now worsened by the lockdown measures to curb the spread of the pandemic. In this context, the government's response to the pandemic should be more focused on maximising available resources to protect human rights: to support access to water and sanitation; food sovereignty; resilient healthcare and education systems; and to ensure essential support for households hard hit by the pandemic and economic depression.

As a party to the International Covenant on Economic, Social and Cultural Rights (ICESCR),<sup>2</sup> the South African government has an obligation to mobilise the maximum available resources for the realisation of social and economic rights.

This should be read together with the Constitution, which stipulates the progressive realisation of social and economic rights.<sup>3</sup> This involves raising, allocating, and spending money in a way that prioritises people's rights.

In 2018, South Africa submitted its first report on the steps it has taken to implement its obligations under the ICESCR. The government's report, and additional evidence submitted, largely by civil society organisations, was evaluated by the

United Nations Committee on Economic, Social and Cultural Rights (the "Committee").<sup>4</sup>

The Committee's Concluding Observations found the government wanting in many areas. The concerns raised by the Committee, including those regarding the government's obligation to mobilise resources for the progressive realisation of social and economic rights, have become even more urgent during this COVID-19 crisis.

This fact sheet highlights some of the Committee's recommendations and how the government can implement these recommendations in mobilising resources for its COVID-19 response, particularly with regards to resourcing healthcare, social security and education.

1. See SECTION27 & Institute for Economic Justice (IEJ). (2019). Fact Sheet: Funding the right to health. Retrieved from: <https://iej.org.za/funding-the-right-to-health/>.

2. South Africa ratified the treaty in 2015.

3. Constitution of the Republic of South Africa, 1996 sections 25 – 27.

4. The United Nations Committee on Economic, Social and Cultural Rights (CESCR) is the body authorised to oversee the implementation of the Covenant.





## THE COMMITTEE'S CONCERNS EXACERBATED BY COVID-19

The ICESCR places obligations on countries to ensure the raising, allocation, and utilisation of resources advances the realisation of social, economic, and cultural rights (see next section).

The Committee raised concerns that the persistence of extreme levels of inequality in South Africa indicates failure to do so and that "the model of economic development

pursued by the State party remains insufficiently inclusive".<sup>5</sup> Actions taken in response to the COVID-19 pandemic threaten to entrench, rather than dislodge this.

 COMMITTEE'S CONCERN	 IMPACT OF COVID-19
<b>Revenue Raising</b>	
<ul style="list-style-type: none"> <li>• The government has failed to raise domestic resources sufficiently and equitably through taxes and to assess the impact on low-income households of increasing the value added tax (VAT).</li> <li>• The IEJ has highlighted how South Africa tax policy does not go far enough to address inequality and mobilise resources for the progressive realisation of social and economic rights. For example:<sup>6</sup> <ul style="list-style-type: none"> <li>• VAT was increased from 14% to 15% in 2018, reducing disposable incomes for poor and low-income households.</li> <li>• Personal income tax rates have fallen since 1997 and are not as progressive as peer countries such as Brazil, Mexico and Ethiopia.</li> <li>• Corporate income tax rates have also fallen dramatically, from 50% in 1990 to 28% in 2018. Overall South African businesses are taxed below emerging market norms.</li> <li>• Wealth taxes are comparatively low by international standards, and there is no annual "net wealth tax".</li> </ul> </li> <li>• The Committee also raised concerns over the large amount of illicit financial flows and tax avoidance.</li> </ul>	<ul style="list-style-type: none"> <li>• The pandemic has increased the need for resources to equip the health care system and those gravely affected by the imposition of the lockdown. The lockdown has also caused an estimated R300 billion loss in tax revenue as businesses were closed and jobs were lost.</li> <li>• More resources could have been mobilised through taxation and internal borrowing. However, the government has failed to use the opportunity to tax wealth, and income from wealth. A study conducted by the Southern Centre for Inequality showed that a wealth tax on the top 1% would raise R143 billion in revenue.<sup>7</sup></li> <li>• There has also been a failure to implement a short-term solidarity tax on excess corporate profits made during the pandemic.<sup>8</sup></li> <li>• The government has resorted to borrowing US\$4.3 billion from the IMF and is expected to borrow more from the World Bank. Relying on international loans from international financial institutions has its dangers. That these loans are in foreign currency, potentially exposing South Africa to exchange rate risks. In times of crisis, where exchange rates are volatile, this can increase the cost of the loan. Historically, the structural reforms associated with these loans have led to increased inequalities and failure to achieve economic growth.</li> </ul>

5. Committee on Economic, Social and Cultural Rights (CESCR). (2018). Concluding observations on the initial report of South Africa. E/C.12/ZAF/CO/1 para 16.

6. Isaacs, G. (2018). Tax. IEJ Job Summit Policy Brief Series Stream 2, Policy Brief 3. Retrieved from: <https://iej.org.za/jobs-summit-policy-briefs/>. Also see Sibeko, B. (2019). The cost of austerity: South Africa case study. *IEJ Working Paper Series, No 2*, page 24. Retrieved from: <https://iej.org.za/wp-content/uploads/2020/02/The-cost-austerity-lessons-for-South-Africa-IEJ-30-10-2019.pdf>.

7. Chatterjee, A., Gethin, A. & Czajka, L. (2020, April 28). Coronavirus: why South Africa needs a wealth tax now. *The Conversation*. Retrieved from: <https://www.wits.ac.za/scis/publications/opinion/why-south-africa-needs-a-wealth-tax-now/>.

8. Budget Justice Coalition (BJC). (2020). Submission to the Select and Standing Committees on Finance on the 2020 Supplementary Budget, page 19. Retrieved from: <https://iej.org.za/wp-content/uploads/2020/07/BJC-Submission-to-Finance-Committees-on-Supplementary-Budget-2020.pdf>.





## EXPENDITURE ALLOCATION AND UTILISATION

The Committee raised concerns over the introduction of austerity measures and how these “have resulted in significant budget cuts in the health, education and other public service sectors” which “may further worsen inequalities ... particularly in the health and education sectors”.<sup>9</sup>

 COMMITTEE'S CONCERN	 IMPACT OF COVID-19
<b>Austerity</b>	
<ul style="list-style-type: none"><li>• The government’s continued implementation of austerity measures – focused mainly on budget cuts, with some tax increases – indicates priority is not being given to social and economic rights.</li><li>• Since 2016, the average spend on social and economic programmes (non-interest expenditure) has been lower than population and GDP growth.<sup>10</sup> This means that spending per person, particularly within the health and education sectors, has been declining despite the social challenges faced by the population.<sup>11</sup></li><li>• Austerity is being adopted despite identified alternatives, such as tackling instances of irregular expenditure, fruitless and wasteful expenditure, corruption, and a lack of effective implementation of policies. This is further weakening government’s capacity to deliver essential services.</li></ul>	<ul style="list-style-type: none"><li>• Despite the increased need for resource allocation in social programmes to curb the impact of the pandemic, the government introduced further measures to reduce spending in the Supplementary Budget tabled on 24 June 2020.</li><li>• Programmes which are essential in providing water and sanitation infrastructure in public schools, for example, as well as those that curb gender-based violence, have seen cuts to their budget or a lack of additional resource allocation.</li><li>• Programmes which are essential in addressing the long-term effects of the crisis, such as research and development of vaccines (higher education), have also seen reductions in resources allocated.</li><li>• This is despite the regulations under the Disaster Management Act stipulating that any measures taken in response to COVID-19 be implemented “as far as possible, without affecting service delivery in relation to the realisation of the rights contemplated in sections 26 to 29 of the Constitution”.<sup>12</sup></li></ul>

9. (CESCR). (2018). Concluding observations on the initial report of South Africa. E/C.12/ZAF/CO/1 para 18.

10. See CESR, IEJ & SECTION27. (2018). Joint Submission to the Committee on Economic, Social and Cultural Rights on the occasion of the review of South Africa’s first period report at the 64th Session, page 3. Retrieved from: <http://section27.org.za/2018/09/submission-to-un-committee-on-economic-social-and-cultural-rights/>. Also see BJC. (2019). Budgeting in a Time of Austerity and State Capture: Submission to the Finance Committee in Parliament. Retrieved from: <https://budgetjusticesa.org/advocacy>.

11. Sibeko, B. (2019). The cost of austerity: South Africa case study. IEJ Working Paper Series, No 2, page 19. Retrieved from: <https://iej.org.za/wp-content/uploads/2020/02/The-cost-austerity-lessons-for-South-Africa-IEJ-30-10-2019.pdf>.

12. Regulation 2(4)(b) (18 March 2020). Regulations issued in terms of section 27(2) of the Disaster Management Act, 2002.





## Education

- Funding for education has been decreasing absolutely in real terms and relatively compared to other government expenditures in recent years.<sup>13</sup> Between 2009/10 and 2018/19 spending fell, in real terms, from R20 612 to R19 917 per learner.<sup>14</sup>
- The Committee noted that public school infrastructure was very poor with many schools failing to access water and sanitation and electricity due to budget cuts.
- Schools closed during the initial lockdown, this had a number of consequences. First, poorer schools without IT infrastructure have been unable to provide remote learning for learners, increasing disparities within the education system.
- Similarly, the failure to implement the Norms and Standards for School Infrastructure<sup>15</sup> means that over 3 500 schools lack water, security and safe sanitation,<sup>16</sup> posing increased COVID-19-related health risks.
- Second, the lockdown resulted in the closure of the National School Nutrition Programme which provides food for 9 million children, compounding food insecurity.<sup>17</sup>

## Healthcare

- Although public health spending has increased over the last 25 years, health services continue to be chronically underfunded and do not meet the needs of the population.
- The Committee noted concern over the deeply unequal nature of the health sector. In 2018 it is estimated that there was one public-sector doctor for every 2 457 people not covered by medical aid and one doctor in the private sector for every 429 to 571 patients.<sup>18</sup>
- When COVID-19 hit South Africa, there were an estimated 38 217 vacant posts in May 2018 – many of which have been frozen due to budget pressure. There are also shortfalls in funding for medicines, emergency medical services, and maintenance of healthcare facilities.<sup>19</sup> Despite the tabling of the revised National Health Insurance (NHI) Bill in 2019, the Committee flagged failure to pass the Bill and a lack of clarity over how it will be financed.<sup>20</sup>
- The government implemented a national lockdown in order to slow the spread of the virus and buy time to capacitate the healthcare system for the eventual increase in cases. During lockdown, the government made strides in resourcing the healthcare system, through increasing capacity and employing more healthcare workers;<sup>21</sup> increasing screening and testing; and improving healthcare facilities.
- However, these measures are not enough to equip a public health system following years of underfunding. The pandemic has put a strain on the healthcare system and South Africa continues to suffer from a chronic shortage of health care workers; personal protective equipment; and hospital beds.<sup>22</sup>

13. Equal Education, SECTION27 & Equal Education Law Centre. (2020). Joint Submission on the 2020 Adjustments Appropriations Bill, pages 4-6. Retrieved from: <http://section27.org.za/wp-content/uploads/2020/07/Appropriations-Committee-Submission-on-the-2020-Adjustments-Appropriation-Bill-4-1.pdf>.
14. Spaul, N., Lilienstein, A. & Carel, D. (2020). The Race between Teacher Wages and the Budget The case of South Africa 2008-2018. Retrieved from: <https://nicspaull.files.wordpress.com/2020/06/spaull-lilienstein-carel-2020-the-race-between-teacher-wages-and-inflation-19jun20-1.pdf>.
15. Regulations Relating to Minimum Uniform Norms and Standards for Public School Infrastructure. Retrieved from: <https://www.equaleducation.org.za/wp-content/uploads/content/2015/02/12/RegsMinimumNormsandStandardsforSchoolInfrastructure.pdf>.
16. Inside Education. (May 2020). Anger Over Schools Without Water Mounts as Education Department Plans to Re-open. Retrieved from: <https://insideeducation.co.za/2020/05/04/anger-over-schools-without-water-mounts-as-education-department-plans-to-re-open/>.
17. See Equal Education and Others v Minister of Basic Education and Others (2020) ZAGPPHC 306.
18. IEJ. (2018). Funding the right to health. Accessible at <https://iej.org.za/funding-the-right-to-health/>. Also see Medical Brief (2018, August) Africa Check puts together the numbers on doctor-patient ratios. *Media Brief*. Retrieved from: <https://www.medicalbrief.co.za/archives/africa-check-puts-together-numbers-doctor-patient-ratios/#:-:text=%E2%80%9CUsing%20this%20coverage%20data%2C%20the,public%20healthcare%20sector%2C%20Day%20said>.
19. SECTION27 & IEJ. (2019). Fact Sheet: Funding the right to health. Retrieved from: <http://section27.org.za/wp-content/uploads/2019/05/2019-IEJ-S27-Health-Fact-Sheet.pdf>.
20. SECTION27 & TAC. Submission on the NHI Bill. Retrieved from: <https://section27.org.za/2019/11/56382/>.
21. Investec. (2020, July 13). Is SA's healthcare system prepared for Covid-19?. Retrieved from: [https://www.investec.com/en\\_za/focus/beyond-wealth/is-south-africas-healthcare-system-prepared-for-covid-19.html](https://www.investec.com/en_za/focus/beyond-wealth/is-south-africas-healthcare-system-prepared-for-covid-19.html).
22. Harding, A. (2020, July 14). Coronavirus in South Africa: Inside Port Elizabeth's 'hospitals of horrors'. *BBC*. Retrieved from: <https://www.bbc.com/news/world-africa-53396057>.



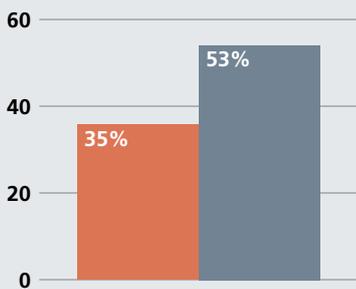


Social Security

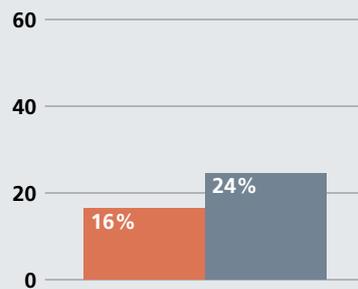
- The Committee drew attention to the fact that as of 2015, 55.5% of the population live below the official national upper bound poverty line (UBPL), up from 53.2% in 2011. This is more than 30 million people. Half of female-headed households live below the UBPL, compared to a third of male-headed households.
- Due to slow and unequal wage growth, employment is not a guaranteed way out of poverty. Large numbers of young people, black Africans, and women are unemployed or underemployed.<sup>23</sup> As a result, South Africa's dependency ratio (non-working age population compared to the working age population) is high, at 52%.
- This means social security is a significant source of income for many households. Despite gains made, the committee noted with concern:
  - Social grant benefits were not set against a composite index on the costs of living as this does not exist;
  - Levels of social assistance "are too low to ensure an adequate standard of living for recipients and their families";<sup>24</sup>
  - There is little or no coverage for those capable of working between the ages of 18 and 59 (despite the fact that recommendations to implement a basic income grant were made as far back as 2002);<sup>25</sup> and
  - Coverage of the Unemployment Insurance Fund remains low and excludes workers in the informal economy.

- Many families have been driven further into poverty as households have been unable to work or have lost their jobs and income.
- The National Income Dynamics Study (NIDS) – Coronavirus Rapid Mobile Survey (CRAM) found that two out of five adults lost their main source of income since the lockdown started.<sup>26</sup> This is true for grant beneficiaries and households which do not receive grants.
- At the same time the cost of living has escalated significantly.<sup>27</sup> Together this has resulted in widespread hunger, as visible in Figure 1.
- Existing and temporary social grants are insufficient to ensure an adequate standard of living for beneficiaries and their families. Many of the Committee's recommendations are yet to be implemented.
- The impact of COVID-19 is likely to extend beyond the period in which grant increases and temporary grants were allocated for. As yet, no plans have been made to extend these further.
- The provision of a universal basic income grant was announced by government in July 2020, this is yet to be finalised and implemented.

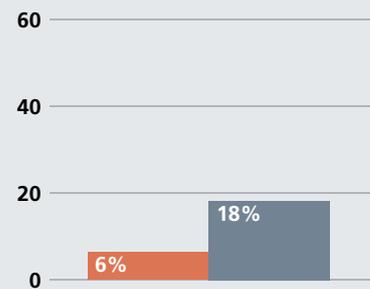
RAN OUT OF MONEY TO BUY FOOD IN APRIL



ANYONE GONE HUNGRY IN LAST 7 DAYS



CHILD GONE HUNGRY IN LAST 7 DAYS



NON-GRANT HOUSEHOLD  
GRANT RECEIVING HOUSEHOLD

Source: NIDS-CRAM wave 1, May-June 2020.

Notes: Estimates by household grant receipt. Weighted & clustered. Unit of analysis is the individual.

23. See Fact Sheet on Right to Work.

24. (CESCR). (2018). Concluding observations on the initial report of South Africa. E/C.12/ZAF/CO/1 para 47.

25. Discussions on basic income grant started in 1998 between COSATU and the government. See Brown, D. (2020). Universal basic income – an idea whose time has come. *Daily Maverick*. Retrieved from: <https://www.dailymaverick.co.za/article/2020-05-25-universal-basic-income-an-idea-whose-time-has-come/>.

26. Wills, G., Patel, L., van der Berg, S. & Mpeti, B. (2020). Household resource flows and food poverty during South Africa's lockdown: Short-term policy implications for three channels of social protection. *National Income Dynamics Study (NIDS) – Coronavirus Rapid Mobile Survey (CRAM)*, Policy Brief 12.

27. Yet, in March 2020, the National Minimum Wage was increased by less than inflation, at only 76 cents per hour (making it R 20,76 per hour), an increase of only 3.8%.





# WHAT DOES THE OBLIGATION TO UTILISE MAXIMUM AVAILABLE RESOURCES MEAN FOR THE SOUTH AFRICAN GOVERNMENT?

## ARTICLE 2.1

### The International Covenant on Economic, Social and Cultural Rights (ICESCR)

Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realisation of the rights recognised in the present Covenant.

The obligation involves three interconnected dimensions:

#### 1. To Generate Resources

The government must do everything within its power to mobilise resources to fund the progressive full realisation of social and economic rights.<sup>28</sup> This includes domestic resources raised through taxation, borrowing and donation from private lenders. Governments can also mobilise resources through international cooperation and assistance. International assistance can include borrowing from foreign lenders, though this may have the disadvantages of incurring high interest rates, exchange rate risks, and strict loan conditions. The government must avoid loan conditions which violate human rights, such as those which reduce expenditure on social and economic programmes.

#### 2. To Allocate Resources

Resources must be allocated equitably and target programmes that realise rights, such as social security, healthcare, and education. This is done through the budget process. Where resources are scarce, a plan must be in place to ensure that there is no negative impact on these rights.

#### 3. To Utilise Resources

Spending must be effective and efficient at ensuring that everyone has access to, and enjoys, their rights equally. This involves implementing policies that curb corruption, and ensuring transparent processes which hold government

departments accountable.<sup>29</sup> These funds must be fully utilised and should not be diverted elsewhere.<sup>30</sup>

It is true that there are difficulties faced by governments across the world that hinder the immediate and full realisation of social and economic rights. Therefore, the ICESCR requires that states mobilise resources in a way to ensure that constant progress is made towards achieving rights as expeditiously as possible.

To achieve this, the government must:

#### 1. Constantly move forward!

The enjoyment of rights must continuously be improved through proactive policies and plans.

#### 2. Avoid moving backwards!

The government must not take steps which have a negative impact on the realisation of rights, except in the most exceptional circumstances. In times of crisis, the government must ensure that burdens are shared equitably and that people are protected from being pushed further into poverty.<sup>31</sup> In line with fundamental principles of human rights, such as equality and non-discrimination, states must maintain access to safe drinking water, food, housing, and healthcare. These are essential to sustain human life. These minimum standards are to ensure that those most disadvantaged and marginalized are not pushed further behind.

28. Resources referred to in the ICESCR can include financial; human; technological; organisational; natural and information resources. However, the principles that have been developed through litigation and by the UN, are concerned with the mobilisation, allocation, and use of financial resources.

29. CESR. (2020). Topic 1: Governments' obligation to invest 'maximum available resources' in human rights. *COVID-19 Recovering Rights*.

30. Blyberg, A. & Hofbauer, H. (2014). The use of maximum available resources.

31. See CESCR General Comment No. 3: The Nature of States Parties' Obligations (1990) E/1991/23 para 9. Also see CESCR. (2016). Public debt, austerity measures and the International Covenant on Economic, Social and Cultural Rights. E/C.12/2016/1. Retrieved from: [https://tbinternet.ohchr.org/\\_layouts/15/treatybodyexternal/Download.aspx?symbolno=E%2fC.12%2f2016%2f1&Lang=en](https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=E%2fC.12%2f2016%2f1&Lang=en).





## WHAT DID THE COMMITTEE RECOMMEND?

The Committee advised the government to review its fiscal policy, with a view to improving its capacity to mobilise the domestic resources required to bridge existing gaps and to increase its redistributive effect.

### Mobilise Maximum Available Resources

In mobilising the maximum available resources domestically, the Committee recommended that South Africa:<sup>32</sup>

- Intensify its efforts to combat illicit financial flows and tax avoidance with a view to raising national revenues and increasing reliance on domestic resources.
- Re-examine its growth model in order to move towards a more inclusive development pathway.
- Assess the impact of the increase in value-added tax, particularly on low-income households, and take corrective actions as necessary.<sup>33</sup>
- Improve the government's capacity to adequately resource essential services through tackling corruption, misuse, and waste of funds.<sup>34</sup>

### Allocate and Utilise Maximum Available Resources

In allocating and utilising the maximum available resources, the Committee recommended South Africa consider revising the provincial and local government equitable share formulas (the formulas which determine the distribution of funds across levels of government and regionally) to reduce regional disparities in rights enjoyment. It also identified a number of areas where resources should be expanded:

- Increase funding for social security, health and education.<sup>35</sup>
- Expedite the transition to an universal healthcare

system which is adequately financed and governed in a transparent manner.<sup>36</sup>

- Address the large disparities between the public and private healthcare systems and rural and urban areas, by securing a sufficient number of medical professionals; improving medical equipment; and expanding the range, and improving the quality, of public healthcare services, particularly in the primary and community healthcare sectors and in rural areas.<sup>37</sup>
- Allocate and effectively manage a sufficient level of funding to improve school infrastructure and ensure that all schools have access to water, sanitation facilities, and electricity.<sup>38</sup>
- Increase social security to a level that ensures an adequate standard of living for recipients and their families.<sup>39</sup>

### Austerity Measures

The Committee reminded the South African government that if it does implement austerity measures, it must follow strict guidelines:

- Where austerity measures are unavoidable, they should be temporary, covering only the period of the crisis, necessary and proportionate;
- should not result in discrimination and increased inequalities; and
- should ensure that the rights of disadvantaged and marginalised individuals and groups are not disproportionately affected.<sup>40</sup>

32. CESCR. (2018). Concluding observations on the initial report of South Africa. E/C.12/ZAF/CO/1 para 17.

33. Ibid.

34. Ibid para 18.

35. Ibid para 19.

36. Ibid para 64.

37. Ibid.

38. Ibid para 71.

39. Ibid paras 48 and 57.

40. Ibid para 19



# WHAT HAS THE SOUTH AFRICAN GOVERNMENT DONE?

OBLIGATION	GOVERNMENT RESPONSE	LIMITATION IN RESPONSE	PROPOSED ACTION
<b>Mobilising maximum available resources</b>	<ul style="list-style-type: none"> <li>In April, the President announced a relief package amounting to R500 billion.</li> </ul>	<ul style="list-style-type: none"> <li>The government is failing to mobilise and allocate the maximum available resources to ensure the progressive realisation of social and economic rights during the crisis.</li> <li>In the June Supplementary Budget, very little new money - only R36 billion - was allocated. Instead, the government cut R109 billion of funding from social programmes and reallocated this to pandemic expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Short-term borrowing from the private sector and the South African Reserve Bank can raise enough money to cover households and businesses tax and payment deferrals.<sup>41</sup></li> <li>Government-issued social solidarity bonds, which can be purchased by the Public Investment Corporation and the private sector.<sup>42</sup></li> <li>A solidarity income tax for people earning above R1 million which could raise funds for social security.<sup>43</sup></li> <li>Expediting the introduction of a net wealth tax and increasing the taxation of income derived from wealth, to increase the tax base.<sup>44</sup></li> <li>Abandon harmful austerity budgeting and increasing funding to key departments such as health, social security, housing and education for a social stimulus to lift households and the economy out of recession.<sup>45</sup></li> <li>Enhance public participation earlier in the budget process.<sup>46</sup></li> </ul>
<b>The right to quality healthcare</b>	<ul style="list-style-type: none"> <li>R2.9 billion in funding was channelled towards the health system to deal with COVID-19, with cash strapped provincial health departments expected to cover most of the cost from within their existing baselines.<sup>47</sup></li> </ul>	<ul style="list-style-type: none"> <li>This is not enough to cover PPE, community screening, increasing testing capacity, additional beds in field hospitals, ventilators, medicine and staffing.</li> <li>It was originally announced that R20 billion would be allocated towards healthcare support. Analysts have shown that only R2.9 billion of this is new money.</li> </ul>	<ul style="list-style-type: none"> <li>More resources are required for the healthcare system to adequately respond to the pandemic. At least R20 billion will be required to improve facilities.<sup>48</sup></li> </ul>

41. IEJ. (2020). Fact Sheet: An emergency rescue package for South Africa in response to COVID-19. COVID-19 Fact Sheet, No. 1, page 4. Retrieved from: <https://iej.org.za/covid-19-an-emergency-rescue-package-summary/>.

42. Ibid.

43. Ibid.

44. BJC. (2020). Submission on the Supplementary Budget. Retrieved from: <https://budgetjusticesa.org/advocacy>. Also see Chatterjee, A., Gethin, A. & Czajka, L. (2020). Coronavirus: Why South Africa needs a wealth tax now. *The Conversation*. Retrieved from: <https://theconversation.com/coronavirus-why-south-africa-needs-a-wealth-tax-now-137283>.

45. Ibid.

46. Ibid.

47. BJC. (2020, June). Government fails to live up to COVID-19 socio-economic relief promises. *BJC Press Statement*. Retrieved from: <https://budgetjusticesa.org/media/detailed-analysis-of-the-supplementary-budget-proposals-on-spending-debt-and-raising-more-revenue/>.

48. IEJ. (2020). Fact Sheet: South Africa's Covid-19 Rescue Package Scorecard. *COVID-19 Fact Sheet*, No. 2. Retrieved from: <https://iej.org.za/south-africas-covid-19-rescue-package-scorecard/>.



OBLIGATION	GOVERNMENT RESPONSE	LIMITATION IN RESPONSE	PROPOSED ACTION
<b>The right to education</b>	<ul style="list-style-type: none"> <li>R1.7 billion was cut from school infrastructure grants, and R4.4 billion has been reallocated from these grants to cover COVID-19 expenditure needs.</li> </ul>	<ul style="list-style-type: none"> <li>With schools reopening, the underfunding of the education system makes it unlikely that the education system will be able to implement the extensive health and safety measures required to ensure that learners and teachers are not exposed to risk.</li> </ul>	<ul style="list-style-type: none"> <li>Improve school infrastructure and ensure that all schools have access to water, sanitation facilities, and electricity by allocating and effectively managing a sufficient level of funding.<sup>49</sup></li> </ul>
<b>The right to social security, including social insurance</b>	<ul style="list-style-type: none"> <li>The COVID-19 Social Relief of Distress grant was introduced, providing R350 per month per person for six months. It is for those who are currently unemployed and do not receive any other form of social grant or UIF payment.</li> <li>An R300 increase in the Child Support grant in May, and from June to October an extra R500 each month per caregiver. All other grant beneficiaries to receive an extra R250 per month for May–October 2020.</li> </ul>	<ul style="list-style-type: none"> <li>Social grants were only allocated R41 billion rather than the R50 billion that was promised by the President.<sup>50</sup></li> <li>The COVID-19 Social Relief of Distress grant is still below the poverty line of R1,227.<sup>51</sup></li> <li>Despite temporary increases, the Child Support Grant is also below the poverty line.<sup>52</sup></li> <li>The Child Support Grant was increased per caregiver and not per child. This means that caregivers with multiple children are not receiving adequate support.</li> <li>Informal workers who have not been contributing to the UIF face systemic challenges in accessing unemployment benefits.</li> <li>Extensive delays in the payment of the special COVID-19 Distress grant. Two months after the lockdown was initiated only 10 people had been paid. While that number has increased subsequently it remains a proportion of those eligible.</li> <li>Millions have been excluded from accessing the COVID-19 Social Relief grant, including immigrants.<sup>53</sup></li> <li>A basic income grant is yet to be introduced.</li> </ul>	<ul style="list-style-type: none"> <li>Utilisation of the UIF which currently has surplus funds, for social grants, food parcels, increasing unemployment benefits and wage guarantees.<sup>54</sup></li> <li>Extend the time period for the special COVID-19 grant and all other grant increases</li> <li>Raise the level of non-contributory social assistance benefits to a level that ensures an adequate standard of living for recipients and their families.</li> <li>Implement actions to move towards the introduction of a universal basic income grant.</li> </ul>

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## CONCLUSION

It is clear from these proposals that there are numerous channels through which the government can mobilise the maximum available resources, to be allocated towards the progressive realisation of social and economic rights — ensuring that no negative impacts are felt by the most disadvantaged in our population during the pandemic.

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