

requirements for all able-bodied parents over age 21, and adoption for children whose parents are unable to provide support through work, family or private charity ...” The real issue, research has shown, was not the increasing cost (which was actually relatively small) but that “welfare” has operated as a code-word for tensions over race, gender and ethnicity, focused overwhelmingly on young African-American women, allegedly breeding a criminal “underclass”.

The result of workfare is that while welfare rolls have declined, it has resulted in little sustainable job creation. Analysis of the low-wage labour market into which nearly all of the workers from these families have been diverted reflects an abundance of part-time, temporary, contract or contingent work with no benefits, and for which there is often quite stiff competition. Despite the rising prosperity brought about by sustained economic growth, the proportion of the population below the poverty line continued to rise – from 11,8 per cent in 1997 to 12,8 per cent in 1998. Of the 34 million poor, some 13,8 million survived on incomes less than one-half of the poverty line.

Despite this background, there have been suggestions that workfare is a viable concept for developing countries. However, workfare policies require the existence of jobs. In a context of structural unemployment, as is the case in South Africa, such policies are unlikely to have any positive impacts. Further the workfare experience in the US has shown itself to be very administrative-intensive and expensive system, with little sustainable job creation.

Apart from these more technical drawbacks, in the South African context a workfare scheme, generated on notion of an “undeserving poor”, or past apartheid state’s manipulations of the labour market, may counteract the democratic state’s efforts to rid society of its race-coded prejudices.

3.4 Defining an appropriate concept of comprehensive social security for South Africa

It follows from the earlier discussion that the extent to which one can adopt the traditional employment-centred concept of social security for South Africa can be questioned.

As a result of these weaknesses in the traditional concept of social security, the concept of “social protection” has originated, largely to accommodate the realities of developing countries.

The United Nations (UN) Commission on Social Development describes social protection as:

Social protection embodies society’s responses to levels of either risk or deprivation ... These include secure access to income, livelihood, employment, health and education services, nutrition and shelter.

Further, the UN Commission notes that:

The ultimate purpose of social protection is to increase capabilities and opportunities and, thereby, human development. While by its very nature social protection aims at providing at least minimum standards of well-being to people in dire circumstances enabling them to live with dignity, one should not overlook that social protection should not simply be seen as a residual policy function of assuring the welfare of the poorest – but as a foundation at a societal level for promoting social justice and social cohesion, developing human capabilities and promoting economic dynamism and creativity.¹¹

Clearly a broad conceptualisation of social protection has many merits for South Africa.

- First, it incorporates developmental strategies and programmes more appropriate to a developing country such as South Africa. For instance, it increases opportunities for people doing “informal” work to gain access to social protection coverage.
- Second, it provides a coherent framework for integrating existing and proposed social and economic policy interventions. These wider functions and objectives of social protection are better able to address socially and economically embedded problems, new risks and increased vulnerabilities.
- Third, social protection could create added potential for integrated and linked private, public and community sector interventions and benefit systems.

For these reasons, the Committee of Inquiry has taken on board the concept of social protection.

However, such a system in South Africa, even more than suggested by the UN Commission, needs to be embedded in economic organisation and social relations enabling it to address the country’s underlying structural and material basis of social exclusion.

For this reason, the Committee of Inquiry has settled on the term Comprehensive Social Protection (CSP). The Committee defines comprehensive social protection thus:

Comprehensive social protection for South Africa seeks to provide the basic means for all people living in the country to effectively participate and advance in social and economic life, and in turn to contribute to social and economic development.

Comprehensive social protection is broader than the traditional concept of social security, and incorporates developmental strategies and programmes designed to ensure, collectively, at least a minimum acceptable living standard for all citizens. It embraces the traditional measures of social insurance, social assistance and social services, but goes beyond that to focus on causality through an integrated policy approach including many of the developmental initiatives undertaken by the State.

This definition is consistent with that of the White Paper for Social Welfare of 1997, which began to map out the need for a broad conceptualisation of social security in South Africa. At the time it gave the objective of comprehensive social security as the

“provision of a national social security system” with the ultimate goal of ensuring that “all South Africans have a minimum income, sufficient to meet basic subsistence needs, and should not have to live below minimum acceptable standards”.

3.4.1 A comprehensive social protection “package”

CSP will work through a variety of mechanisms, embracing a “package” of social protection interventions and measures. The need for a package derives from an understanding that there are certain basic requirements that should be available to all, and not subject to being traded off against each other. For example, it is not acceptable to ask a poor parent to choose between attaining a certain level of household income or sending their children to school, though this is not an uncommon choice in reality.

Further, a package approach enables one to achieve a degree of balance between measures focused on reducing income, services (capability) and asset poverty. In this way, a dependence on cash benefits, ignoring the potential for basic service cost inflation, is avoided, or vice versa. Rather a poor person is guaranteed some cash support and a basic level of service delivery. This allows comprehensive social protection to better deliver on minimum acceptable living standard outcomes.

The “capabilities” approach developed by Amartya Sen, the recent Nobel-laureat, has been useful in developing the content of the CSP

Table 6
Matrix of means and ends¹²

| Ends to promote | Means | | |
|-----------------|---|--|--|
| | Creation of entitlements | Improvements in terms of exchange | Building capacities |
| Healthy | Access to healthcare, water, sanitation | Grants and institutional reforms | |
| Productive | Redistribution of assets | Restructuring of markets and redistribution of opportunities | Improving access to and affordability of education and economic services |
| Secure lives | Tenure rights | Social welfare and safety nets | Community and individual safety |

package. Basic incomes, services, and assets emerge as central components of the “capabilities” approach. This is set out in table 6.

In identifying the practical aspects of such an approach, and taking into account necessary adaptations for South Africa, the Committee of Inquiry has arrived at the following:

a) Measures to address “income poverty” This includes measures to ensure that people have adequate incomes throughout their life cycle, covering childhood, working age and old age. Income poverty can be addressed through a range of measures. However, the CSP package should comprise at least one primary income transfer which ensures that all South Africans have some income to mitigate or eradicate destitution and starvation. A basic level of income would also have other developmental spin-offs related to enabling that person to participate more effectively in the economy (for example, afford the bus fare to engage in job search).

b) Measures to address “capability poverty” This can be achieved through the provision of certain basic services deemed crucial to

enable a person to live and function in society. This includes the provision of basic (lifeline tariff) water and electricity, free and adequate healthcare, free education, food security, and affordable housing and transport.

c) Measures to address “asset poverty” This includes income-generating assets, such as land, and social capital such as community infrastructure. This addresses the key underlying structural basis of poverty and inequality in South Africa.

d) Measures to address “special needs” This includes mainly standard measures to address special needs such as disability or child support.

In the CSP package, (a) + (b) + (c) are core elements of the comprehensive social protection basic platform that should be available to all South Africans (including certain categories of non-citizens). In general, these components need to be established as a universal-as-possible package of income transfers, services and access provided in a non work-related manner and whose availability is not primarily dependent on an ability to pay.

**Table 7
Comprehensive social protection package and components**

| | Application | Key components |
|--------------------|--|--|
| Income poverty | Universal (a) | <ul style="list-style-type: none"> • Basic Income Grant • Child support grant • Maintained state Old Age grant |
| Capability poverty | Universal/ Eligibility criteria (b) | <ul style="list-style-type: none"> • Free and adequate publicly-provided healthcare • Free primary and secondary education • Free water and sanitation (lifeline) • Free electricity (lifeline) • Accessible and affordable public transport • Access to affordable and adequate housing • Access to jobs and skills training |
| Asset poverty | Universal/ Eligibility criteria (c) | <ul style="list-style-type: none"> • Access to productive and income-generating assets such as land and credit • Access to social assets such as community infrastructure |
| Special needs | Eligibility (d) criteria | <ul style="list-style-type: none"> • Reformed disability grant, foster care grant, child dependence grant |
| Social insurance | Eligibility (e) | <ul style="list-style-type: none"> • Cover for old age, survivors’, disability, unemployment, and health needs |

To this basic floor, (d), which addresses special needs, and largely as it currently applies, will be added. A social insurance component (e), reformed for purposes of inclusivity, equity, consumer protection and efficiency of the benefit types, completes the package.

Crucially, what are the key components of such a CSP package? After detailed analysis of the social and economic cost-benefits of possible components, the key income transfers, services, assets and special needs measures put forward by the Committee of Inquiry are set out in table 7.

3.4.2 Determining the “minimum” requirements for the CSP package

The Constitution obliges the state to take positive action to meet the needs of those living in extreme conditions of poverty, basic services, and suffering from a lack of access to constitutionally stipulated socio-economic rights.

The difficulty for the state, and anyone insisting on the state’s obligations, is that the “minimum essential level” must be described for each of the socio-economic rights (for example, the right to adequate housing). As the Constitutional Court, in *The Republic of South Africa et al v. Grootboom et al*, has observed:

It is not possible to determine the minimum threshold for progressive realisation of the right to access to adequate housing without first identifying the needs and opportunities for the enjoyment of such a right. This will vary according to factors such as income, unemployment, availability of land and poverty. The differences between city and rural communities will also determine the needs and opportunities for enjoyment of such a right. Variations ultimately depend on the economic and social history and circumstances of the country.

While the Grootboom case has emphasised that it is incumbent on the state to take reasonable measures to give effect to each one of these rights, the Committee believes that this should be translated into making available a minimum level or measure of provision to everyone. As a result, it may be advisable for the State to

stipulate up front its considered minimum obligations for service delivery, such as it is doing for the free water programme, and its intended schedule for progressively realising this.

Further, even while the state is rolling out these medium- to long-term programmes, it is has to ensure “temporary” relief for the poor who are “particularly vulnerable”. In all likelihood, the state will be unable to ensure that all of its capability and asset programmes adequately have built-in measures for temporary relief for those most vulnerable. The result is that the state is again exposed to Constitutional Court challenges, and instances where the poor feel forced to take matters into their own hands (such as with land invasions).

In this regard, the “income poverty” aspect of the CSP package is relevant, particularly for three reasons:

First, income poverty measures are easier to rollout in the short term than more infrastructural and institutional intensive “capabilities” and “asset” poverty programmes.

Second, people who are in “capability” and “asset” poverty, or for that matter having “special needs”, are invariable also facing “income poverty”.

Third, the Constitutional Court has recognised that if the state were providing better social assistance to the poor there would be less pressure on other socio-economic rights.

The poor are particularly vulnerable and their needs require special attention. It is in this context that the relationship between sections 26 (housing) and section 27 (social security) and other socio-economic rights is most apparent. If under section 27 the state has in place programmes to provide adequate social assistance to those who are otherwise unable to support themselves and their dependants, that would be relevant to the state’s other obligations in respect of other socio-economic rights.

In other words, the state could buy time for progressive realisation of its other socio-economic rights if it improved income transfers to the poor in the short term.