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CENTRE FOR  
CHILD LAW



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# Advancing children's rights while making tough financial decisions!



In October 2020, the Minister of Finance Mr. Tito Mboweni delivered the Medium-Term Budget Policy Statement (MTBPS) against the gloomy economic backdrop exacerbated by the COVID-19 pandemic. The MTBPS gave us government's policy goals over the medium term as well as the context in which the annual budget speech in February will be presented.

The MTBPS allows government to improve the quality of long-term planning and in line with this objective, the Centre for Child Law analyzed the MTBPS with a child rights lens to assess the outlook of children's rights in planning and budgetary processes.

This advocacy brief highlights the child rights issues we would like National Treasury and government in general to keep in mind when they allocate and discuss funding priorities for the 2021 budget. The brief starts by looking at what was stated in the 2020 MTBPS and will end with what we hope to see in the 2021 budget.



## BUDGET CUTS AND CHILDREN'S RIGHTS






Given the weak fiscal position, cuts in government spending are inevitable. In the 2020 Medium Term Budget Policy Statement (MTBPS) the South African government has shown what it deems worthy to save and what is worth letting go. The budget indicates where government's priorities lie and which programmes politicians put their political weight behind to protect. Prior to announcing the MTBPS, the Minister of Finance had repeatedly stated that SAA will not be given another bailout. However, in the MTBPS that is exactly what SAA received- another bailout. This brief looks at important items from the 2020 MTBPS and highlights key action points which government needs to prioritize in order to take children's rights forward in terms of budgeting.

# 01 STATEMENT OF PRIORITIES

The 2020 MTBPS demonstrates just how easy it is (or has been) for Cabinet to source funding for a programme if there is enough political will. We saw this with the reprioritization of funds to fight the Covid-19 pandemic as well as the continued bail-outs for the failing national airline.

In light of the high number of South African children who are multidimensionally poor and the magnitude of problems surrounding children's rights in general, we would like to advocate for increased prioritization of children's rights issues in the national budget.

## IMPORTANT TAKEAWAYS FROM THE 2020 MTBPS

-  Cuts for the SAA bailout were made uniformly across national departments and provincial conditional grants
-  R336 mil from School Infrastructure Backlogs
-  Grant R240 mil from National Health Insurance Grant
-  R224 mil from HIV, TB, Malaria and Community Outreach Grant
-  R8.5 bn from across national departments

## ACTION POINTS

Cutting departmental and provincial budgets by a fixed percentage is wrong. We encourage national and provincial government departments to adopt a principled approach to budget cuts.

They must show that they have:

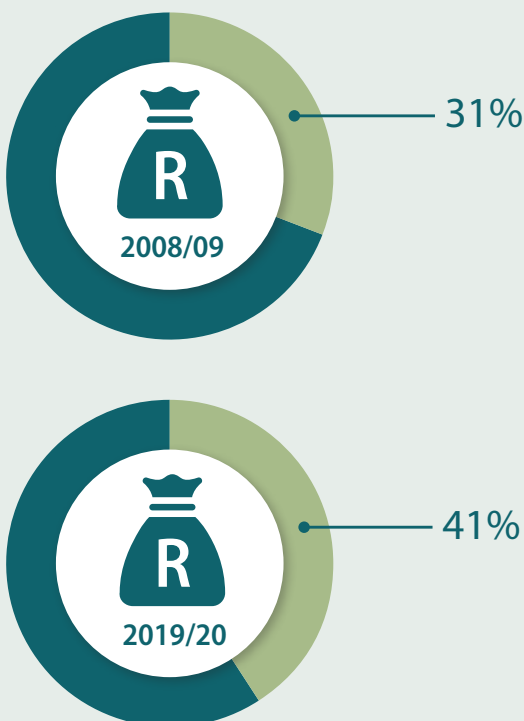
- Cut all wasteful, non-core or ineffective items (processes, projects, positions etc.) without impacting negatively on core services.
- Improved efficiency-get rid of inefficient admin processes, initiatives or programmes.
- Cut least impact spending – identify core services that can be cut because they have least impact on vulnerable groups, current/future costs to government or society.

PES cut by R23bn




# 02

## ARE CUTS TO PROVINCIAL EQUITABLE SHARE DIRECTLY RELATED TO GOVERNMENT MISMANAGEMENT?

### SHARE OF COMPENSATION SPENDING OF CONSOLIDATED SPENDING



## IMPORTANT TAKEAWAYS FROM THE MTBPS

-  The MTBPS shows that the growth in the government wage bill is largely driven by salary increases and not an increase in the number of staff.
-  Compensation spending was equivalent to 31% of consolidated spending in 2008/09 and has increased to 41% in 2019/20.
-  This squeezes spending on non-personnel items like infrastructure and service inputs such as medicines, textbooks, transfers to NPOs, etc.

## ACTION POINTS

- Government and unions need to be pushed at all levels to implement resolutions regarding the freeze on compensation increases over the next three years.
- The children's rights sector must insist on a place at the negotiating table to ensure that children's needs are considered during discussions. Evidence suggests that these negotiations have a direct impact on spending on children's rights.

The amount of money available in the national budget has been constrained for a number of years and this is unlikely to change any time soon. In such a constrained economic climate, government is looking to invest in programmes with the highest returns. Children's rights programmes compete for resources with other national and provincial priorities.

### IMPORTANT TAKEAWAYS FROM THE MTBPS



Continued fragmentation of a grant may lead to grant inefficiency which could in turn lead to the discontinuation of such a grant.



Between April and September 2020 only 4 schools were provided with sanitation facilities, even with the lockdown in place this is pitiful and even more alarming is that the target for the provision of sanitation facilities has been revised from 691 to zero. Why?



Government is not in a position to immediately fund additional programmes, unless it makes departments make savings elsewhere in their budgets.



DBE reallocated funds (R28mil) from the School Infrastructure Backlogs Grants towards computers, teaching toolkits and audit costs.

### ACTION POINTS



Keep children's rights programmes on the political agenda so that they are seen as core, and the government makes additional funds available through reprioritisation from non-core areas.



Lobby for detailed and costed implementation plans to back each government programme, these should clearly set out choices made, actions that government needs to undertake and their sequencing.



Know what is important for a successful budget bid and lobby specific departmental units to improve budget bids to Treasury for adequate programme funding.



Strategise about how to influence key processes and people directly related to budget processes.



Engage key national and provincial treasury officials in the Public Finance unit for the respective programmes.



Engage key politicians in Parliamentary Portfolio and Select Committees to underscore the need for children's rights to not only be represented but prioritized. This can be done by feeding empirical evidence into political processes.



# KEY MESSAGE AND RECOMMENDATIONS FOR THE 2021 BUDGET: A CHILD RIGHTS PERSPECTIVE

We are calling for National Treasury and government broadly, to make the 2021 national budget more child friendly



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

We note with appreciation that the visibility of children’s rights in government financing has significantly improved over the years. However, ongoing economic decline owing to the Covid-19 pandemic poses a great threat to key areas and sectors for the implementation of children’s rights.

Children are not in a position to lobby for their rights or influence the provision for their needs. Therefore, we implore the government to increase the overall priority given to children in the national and provincial budgets in light of the burdens imposed by Covid-19.

## GOING FORWARD WE NEED THE 2021 BUDGET TO BE RESPONSIVE TO THE FOLLOWING ISSUES

**CHILDREN WITH DISABILITIES:** South Africa’s education, training and health systems need to be adequately funded if we want them to fully cater to children with disabilities’ needs.

- A significant number of children with disabilities were not in school before the Covid-19 pandemic and we would like government to place children with disabilities on their priority list. One important way of doing this is to ensure that the *Draft Guidelines for Resourcing an Inclusive Education System 2018* is finalized and implemented as soon as possible to ensure the funding of inclusive education for all.
- Government also needs to adequately fund support, as well as proper health and safety measures, for all learners with disabilities who will be returning to special schools and special school hostels, as well as to those who remain at home during the COVID-19 pandemic.

**EFFICIENT SPENDING:** Government needs to ensure that social sector spending is efficient; unnecessary costs must be contained and equity in access to social services must also be achieved.



**BASIC EDUCATION:** The need for continued investment in education taking into account the impact Covid-19 has had on increasing the pressure on school infrastructure, furniture & textbooks due to demands for social distancing.

**INCREASED SOCIAL ASSISTANCE:** Government needs to increase social protection measures for families and children to tackle food insecurity as well as other deprivations.