



# ANC TODAY

**ONLINE VOICE OF THE AFRICAN NATIONAL CONGRESS**

## RURAL DEVELOPMENT

### Building vibrant and sustainable rural communities



19 of June marks the 96<sup>th</sup> anniversary of the infamous 1913 Native Land Act. Many wrongs were created by this notorious legislation. It created reserves for black people over 80 percent of the land was given to whites who made up less than 20 percent of the population.

The Department of Rural Development and Land Reform has recognised that in order to move forward decisively with land redistribution programmes, significant changes have to be made to the Willing-Buyer Willing-Seller model of land redistribution. We have heard the landless people say, that this model does not work. We heard from the ANC's 52<sup>nd</sup> National Congress of 2007 that this model does not work. We must now hear the landed folks of our beloved country.

We will be seeking a much more pragmatic formula to land redistribution, one which should address this issue as part of our country's ongoing effort at national reconciliation. Our strongly held view is that land access and ownership should, first of all, satisfy land needs of South Africans. This objective shall, preferably, be pursued without the need to amend the constitution.

Securing peoples tenure is the foundation of rural development. As a short to medium term measure we will continue to provide legal assistance to the 2.8 million people living without secure tenure on commercial farms in South Africa. Side-by-side until this, aggressive legal protection of the rights of farm tenants and workers on white commercial farms, the former homelands will become a central focus of the government's Comprehensive Rural Development Programme (CRDP) for the next five years.

The strategy for the implementation of the CRDP and land reform is "agrarian transformation" – (meaning) a sustained rapid and fundamental change in the relations of land, livestock, cropping and community for sustainable growth and development.

We are committed to speedily returning the Land Use Management Bill to parliament after undertaking necessary consultations. Without this Bill we may not achieve the goal of dealing with the disintegrated apartheid settlement patterns and the inefficiency with which land use decisions are considered. The Land Use Management Bill will also enable us to improve the capacity of our municipalities, especially the rural ones, in land use and management.

Our five-year strategic plan will be influenced by a new strategy based on the new mandate for government and its key objectives and strategic goals. The strategy of the Department of Rural Development and Land Reform in executing its rural development and land reform mandate is agrarian transformation. Its key objective is the achievement of vibrant and sustainable rural communities. The overall outcome is social cohesion and development (meaning shared growth and development, full employment, equity and cultural progress).

## WEEK IN REVIEW

**Youth Day celebrations and launch of the National Youth Development Agency** | South Africa was abuzz with festivities in commemoration of June 16 Soweto uprisings. President Jacob Zuma also officially launched the National Youth Development Agency that is a merger of the Umsobomvu Youth Fund and the National Youth Commission.

**Confederations Cup** | President Jacob Zuma officially opened Confederations Cup, a world soccer tournament staged in the African soil for the first time. The opening ceremony preceded an opening soccer match between Bafana Bafana and Iraq which ended in a goalless draw. Bafana Bafana won 2-0 in its mid week game against New Zealand.

**Deputy President Motlanthe leads the South African delegation to International Labour Organisation Conference** | Motlanthe led the South African delegation to the 98<sup>th</sup> session of the ILO Conference, where he also participated in the first Summit of the Global Jobs Crisis which comes within the context of global economic and financial crisis.

**Drop in exports hits the economy** | The South African Reserve Bank's Quarterly Bulletin indicated that the exports dropped by 55 percent from the previous quarter and the household spending shrank nearly 5 percent. Growth momentum in the quarter came only from government consumption spending, up nearly 6 percent and a small increase in capital investment of 2.6 percent.

The following strategic goals, or enablers and short to medium term milestones, or mid point accomplishments, will be pursued in the quest for vibrant and sustainable rural communities:

- the establishment of business initiatives, agro-industries, cooperatives, cultural initiatives and vibrant local markets in rural settings;
- the empowerment of rural people and communities, especially women and the youth, through facilitating and mediating strong organisational and institutional capabilities and abilities to take full charge of their collective destiny;
- training rural people in technical skills, combining them with indigenous knowledge and knowledge to mitigate community vulnerability to;
- especially climate change, soil erosion, drought, snow, animal diseases, flooding, tornadoes, other natural disasters and emergencies, and hunger and food insecurity;
- as well as revitalise and revamp the old, and the creation of new, economic, social and information communication infrastructure and public amenities and facilities in villages and small rural towns.

We have developed the broad concept of what the new department will look like. This is work in progress, but we have a clear idea about its core thrust, thanks to the resolution of the ANC's 52<sup>nd</sup> National Conference on rural development, agrarian change and land reform. An important element of this resolution is the establishment of a Rural Development Agency.

We have to speed up settlement of processed land claims and expedite the processing of remaining ones. In Land Restitution and Land Redistribution we will tackle unnecessary institutional constraints in the short term while dealing with external challenges.

With respect to the comprehensive rural development programme, we have adopted a three-phased approach:

In the short-term phase, we need to focus on breaking the back of hunger. We need to energise our people so that they are able to be full participants in all efforts at pulling them out of poverty. It is during this phase that empowerment and training of people will be intensified. The battle cry for this programme is *Siyazondla! Vukuzenzele! Hi ti Hlu ukisa! Phezu komkhono!* This is a homestead and communal land production programme - what could be referred to as mediated form of subsistence production. The catalytic tool for this programme is social, technical and institutional facilitation.

In the medium-term phase, the focus is enterprise development and food security. This programme which is a joint effort by Rural Development and Land Reform and Agriculture, Forestry and Fisheries. Its complexity and enterprise lies in the fact that it must encompass the total value-add in both cropping and livestock farming. The catalytic tool for this phase is economic, social, information and communication and public amenities and facilities infrastructure development.

In the long-term phase the programme will focus on small, micro and medium enterprises and industries, cultural tourism, co-operatives and vibrant village markets. The catalytic tool for this phase is the rural development agency. The small rural towns will feature prominently during this phase.

The Department of Rural Development and Land Reform cannot do all this work alone. Rural development is a transversal function. For the government to achieve its key objective of vibrant and sustainable rural communities, and long-term outcome of social cohesion and development, rural communities have to be both the object and subject of all processes affecting them. This is the fundamental assumption underlying the ANC's people-oriented and people-centred development perspective.

## THIS WEEK IN HISTORY

**19 June 1913:** the Native Land Act was passed because of constant pressure by Whites to prevent the encroachment of Blacks on White areas. It incorporated territorial segregation into legislation. It created reserves for Blacks and prohibited the sale of White territory to Blacks and vice versa.

**23 June 1994:** the United Nations General Assembly recalled resolution 48/258 A and adopted by consensus an invitation to South Africa to resume its participation in the activities of the General Assembly after an absence of nearly thirty years. This date signalled the end as an international outcast for SA.

**24 June 1964:** the General Laws Amendment Act of 1964 also known as 90-Day Act, commenced on this day. It provided for any person to be detained, without trial, for 90 days. On the expiration of such, the person could be re-arrested under the same law for another 90 days, a process this new law allows to be repeated indefinitely. It also allowed for people convicted of political offences to be held in continuous detention after completion of their sentences.

**25 June 1955:** the historic multi-racial convention called The Congress of the People started in Kliptown. The proposition for this gathering came from Prof. Z.K Matthews at the ANC Regional Conference in Queenstown in 1953. It was endorsed by the ANC national conference and approximately 3,000 delegates from different racial groups attended the convention. The Joint Action Committee was set up to coordinate the work of drafting the Freedom Charter, which was adopted by the convention the next day, 26 June 1955. The Freedom Charter is a cornerstone of the Constitution of South Africa.

The role of all the stakeholders cannot be over-emphasised: rural communities themselves, other government departments in both national and provincial spheres, both tiers of municipal government, farmers, traditional institutions, women and youth formations, people with disabilities, farm tenants and workers, labour unions operating on commercial farms, developmental non-governmental organisations, the private sector and state owned development entities.

There is nothing romantic about poverty, inequality, unemployment, cultural backwardness and social fragmentation, and we dare not romanticise these socio-economic ills either, for they are real and are very bad as reflected in rural communities and peri-urban areas across our country. Rural communities have to be assisted and encouraged in a sustainable manner to organise themselves into a productive formations through which they can express themselves in themselves for themselves.

The road to rural development and emancipation will be long. But it is one, which together as a Nation, we must undertake if we are to attain our historic mission of bringing about a better life for all for all our people. We have the possibility of making the hopes and aspirations of our people a reality.

>> This is an edited extract of the Department of Rural Development and Land Reform Budget Speech delivered by Minister of Rural Development and Land Reform, Gugile Nkwinti to Parliament on 17 June 2009

## HEALTH

# National Health Insurance: the truth and the envisaged policy process



In the State of the Nation address, President Jacob Zuma clearly stated that:

“We will introduce a National Health Insurance Scheme (NHI) in a phased and incremental manner. In order to initiate the NHI, the urgent rehabilitation of public hospitals will be undertaken through Public-Private Partnerships”.

This is all in line with the ANC 52<sup>nd</sup> National Conference 2007 Polokwane resolution that: “reaffirmed the implementation of the National Health Insurance System by further strengthening the public health care system and ensuring adequate provision of funding.”

The voters have given the ruling party a clear mandate, and therefore to the current government to implement NHI. It must be said however that the debate in the media came ahead of the release of details.

In order to translate the policy statements on NHI into reality, as a transitional arrangement, a Task Team on NHI was established to prepare the necessary background materials that will form the basis of a plan for NHI to be handed to the Minister of Health. The chair of the Task Team led a team that comprised of individuals from inside and outside government with expertise from health economics, finance, tax collection, health planning, human rights, social security, labour issues, private hospital industry, medical aid and politics. These individuals came from Departments of Health, Social Development, Treasury, South African Revenue Service, science councils, universities, private hospitals, health care funders, private medical groups, labour movement-COSATU, SACP and ruling party, the ANC. The role of the committee is to make evidenced based proposals on both the design and the processes of implementing NHI in South Africa by the South African government.

## LATEST STATEMENTS

SA Ambassador earns accolades for his country at the SA-Cuba Trade Indaba, 16 June 2009

<http://www.anc.org.za/show.php?doc=ancdocs/pr/2009/pr0616.html>

## LATEST SPEECHES

Address by the President Jacob Zuma, at the 33rd Anniversary of the Soweto Student Uprising and the National Youth Day, 16 June 2009

<http://www.anc.org.za/show.php?doc=ancdocs/history/zuma/2009/jz0616.html>

The idea of the NHI has been proposed to cure the ills of the health care system in the country. The public health system has suffered a degree of underfunding which has resulted in deterioration in the conditions of the state facilities, decline in the quality of care and exodus of skilled personnel.

This must be put into its proper context. The formerly 'white only' hospitals were always better resourced and had lower bed occupancy while the overcrowded formerly 'blacks only' institutions were familiar with floor beds and long queues. The integration of facilities brought the reality of the situation to the fore. The increasing burden of disease exacerbated by the HIV and AIDS pandemic together with Tuberculosis, poverty, high unemployment and apartheid backlog in service delivery has put extreme pressure on the public facilities and its hard working and ever-dedicated health care staff.

The private health system has become less affordable. For many years the country's expenditure in private health systems was equal to or more than the expenditure in the public health system. Whereas the private health system catered for 20 percent of the population in the past fifteen years, that number has decreased to about 15 percent. Most of the funds are managed through medical aid schemes which had been increasing the premiums to less affordable levels. This accounts for the increasing percentage of the public (85 percent) relying on the public health service for service. In 2007/08 the expenditure in private health service catering for about 7 million people cost about R56 billion and a similar amount was spent by the provincial Health Departments to collectively cater for 41 million South Africans.

Many doctors in private practice are only too familiar with the situation of members of medical aids who get disqualified from seeing private practitioners because they exhausted their annual medical scheme allocation mid-year. They get dumped into the public health system as they cannot afford the fees in private hospitals.

All the medical aid schemes have the risk rating policy i.e. they recruit the younger and healthier members who are employed and need less medical attention, only to dump them or charge them more when they get sicker with age and cannot afford premiums after life-long contribution to the schemes.

With poor and overcrowded conditions many public institutions cannot compete with the private hospitals, even though they could use the additional revenue from private patients. The costing in the private health sector is not conducted under conditions of transparency raising the question of what drives the spiralling costs. For the economic status and the total expenditure in both public and private health sectors South Africa has unacceptable health outcomes. The morbidity and mortality rates especially on preventable diseases remain worse than countries that spend less on health. This points to the inadequate internal distribution of resources available in the country. This means that rigid separation of the public and private sectors is not desirable, especially since government also contributes in the financing both the public and private health sectors.

The NHI has been proposed to create a mechanism to level the playing field and create equitable distribution of resources resulting in high quality of health services for all the people. Universal access to a basic package of services for both the rich and poor will be achieved by the NHI. With such a well developed private health sector South Africa needs to ensure a regulated coexistence of the two sectors to find a balance between the two extremities. This must include the increased funding for the public health sector and regulating the medical aids industry to pool the resources available for the whole country and create a common platform for improving health outcomes.

Currently principles of the NHI have been accepted by the ruling party. This allows for more detailed work to be completed and consultative processes be embarked upon. Even before the details are publicly debated, it has been generally accepted that revitalisation of all hospitals, improvement of the remuneration packages of the health care workers and transformation and capacity building of management is a pre-requisite for the NHI. This means that there is need for tremendous investment into the public health services. Hence the President announced that this revitalisation of public health institutions requires a public private partnership.

## UPCOMING EVENTS

### **ANC President Jacob Zuma to address Siyabonga Rally**

Sunday, 21 June 2009  
Sy Mthimurwe Stadium (Emalaheni)  
14h00



About 10 years ago, it would have cost R28 billion to revamp all hospitals in the country to a condition of new facilities. The figure may be higher today, but the rescheduling of debt that the PPP arrangements allow, would be affordable even within current financial constraints. This means this is the time for laying of the foundation of NHI and creating environment for better quality health.

The NHI Task Team has a responsibility to design a plan for implementation of National Health Insurance in line with the ruling party's Polokwane policy resolution in December 2007. The initiative focuses on both National Health Insurance as a funding model and delivery models that seek to eliminate the impoverishing out-of-pocket payments and co-payments, redistribute human and material resources in a highly inequitable system, improve the quality of health services, enhance access to essential services and ultimately improve health outcomes for the majority of the people. The proposed initiative is aimed at providing both technical and consultative support to the Task Team on National Health Insurance, as well as research advice, evidence, expert inputs to the design and implementation of NHI plan. Changes to the funding model for health care in South Africa require robust engagements with empirical evidence and key stakeholders if it is to become successful.

We are aware of the debates in the media which are obviously not based on facts because no details of such plan have been officially announced by government. The debates are not only ill-informed but are also highly speculative. We are also aware that the debates are coming from a few individuals from specific sectors of the private sector, who have vested interests in maintaining the status quo in which the majority of our people continue to struggle in accessing quality health care - a Constitutional and a basic Human Right. Accusing the Task Team of pursuing an ideological agenda robs the country of a balanced debate in search of a lasting solution which a strictly market oriented approach cannot solve. We need to acknowledge the role of each of the sectors but seek a solution to correct the shortcomings. For that we require a sober and evidence-based debate, not an alarmist and confrontational discourse that currently characterises the debate in media.

The work of the National Task Team on NHI will be formally released to the public through appropriate channels when it is complete. We appeal to the public to be patient and wait for the release of the formal NHI plan in the near future. The plan will include processes of consultations with all key stakeholders to ensure that the voices of the public, private sector, labour, civil society and others are heard and considered in the finalisation of the plan.

(Dr Zweli Mkhize is an ANC NEC member and Chairperson of the ANC subcommittee on Education and Health and member of Task Team on NHI)

---

## DO IT FOR MADIBA

# Give 67 minutes of your time to the worthy cause



On 18 July - the first president of democratic South Africa, former President Nelson Mandela will turn 91. His values and his example of dedication to the service of humanity is a shining to people all over the world.

An international campaign has been initiated by the Nelson Mandela Foundation and related organisations, called Mandela Day. It will be celebrated on the 18th of July each year and will give people in South Africa and all over the world the opportunity to do something good to help others.

"Madiba was politically active for 67 years, and he taught us that this country belongs to all, black and white. On Mandela Day people all over the world, in the workplace, at home and in schools, are called upon to spend at least 67 minutes of their time doing something useful within their communities, especially among the less fortunate," President Jacob Zuma.

Support Mandela Day and encourage the world to join us in this wonderful campaign.