

# The Importance of the **SOCIAL PROTECTION FLOOR**

## What is a social protection floor?

It is a complex 'system' of instruments that serve to provide people with protection against specific risks that may occur throughout their life cycle. It is a basket of goods and services everyone should have access to from the time they are born to the time they die.



### Conditional cash transfers

Cash distributed to individuals or households on condition that they undertake specific activities. E.G work seekers grant.



### Means-tested

Also called the targeting method, is how government targets individuals/households for social protection based on an economic or financial need criteria.

### Labour Market Programmes

Consists of active interventions intended to stimulate employment and increase individuals' earning potential.

### Coverage

Refers to the population reached by the programme.

### Food poverty line

The minimal amount of money an individual need to be able to purchase sufficient food to provide them with an adequate diet- having less that means someone is living in poverty. Rand values for FPL are set annually by Statistics South Africa.



### Contributory social protection

Programmes where individuals make direct contributions to be able to access specific social protection mechanisms. Usually regulated and come from salaries and wages. Eligibility is based on an individual's past contribution. E.g UIF.

### Conditional in-kind transfers

In-kind benefits to participants upon fulfillment of conditions.

### Non-contributory mechanisms

Is a strategic framework spearheaded by the National Planning Commission (NPC) and aimed at addressing the country's social, economic, and political issues by 2030. It focuses on eliminating poverty and reducing inequality through promoting economic growth, improving infrastructure, enhancing education and healthcare quality, and building a capable and inclusive state.

## National Planning Commission (NPC)

A strategic policy advisory body within the Government of South Africa, established in 2020 to advise the government on issues of long-term planning that affect the future development of South Africa.

## National Development Plan (NDP)

Programmes that provide social protection benefits without requiring direct contributions from individuals; usually tax-subsidised and provided based on certain eligibility requirements.

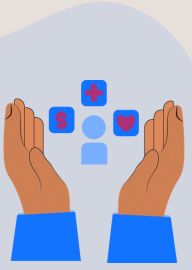
## Universal Coverage

Refers to the principle that social protection measures should be accessible to all individuals in society, regardless of socio-economic or other status.

## Subsidies

Typically refers to essential goods and services that government pays part of in order to lower the cost to the consumer (such as subsidising cost of essential food items by making them zero-VAT rated).


### Social assistance



Typically refers to tax-funded cash grants to people in need; it is non-contributory in that it is not granted based on an individual's contribution via tax or otherwise.


### Social care services

Government provided services for those facing social risks such as violence, abuse, exploitation, discrimination and social exclusion. E.g women's shelters.




### Social insurance

A contributory system of benefits that can be claimed by people have contributed and who qualify to contribute; contributions are obligatory and regulated by government – examples are the UIF and RAF.



### Social Protection

A broad concept that includes social security, social assistance, social insurance as well as goods and services such as healthcare, education, basic services (water, sanitation, energy), housing etc.



### Social Security

Typically refers to social assistance plus social insurance.

# INTERNATIONAL DEFINITIONS



## United Nations International Convention on Economic, Social and Cultural Rights (ICESCR)

South Africa ratified the ICESCR- an international agreement- in January 2015, meaning that it committed to enforcing its provisions. By doing so South Africa has agreed to implement the rights that are guaranteed in this treaty.

Article 2 of the covenant stipulates that states must use the maximum of its available resources to the realisation of the rights recognition in the Convention. Article 11 outlines one of these as the right to an adequate standard of living.

Article 9 of the ICESCR says that countries who are part of this covenant must recognise the right of everyone to social security, including social insurance.

This right creates the right of individuals to social security and a duty on South Africa to provide social security. The ICESCR Right to Social Security lists nine minimum contingencies for which the system must provide cover:



1. Health care



2. Sickness



3. Disability



4. Maternity



5. Family and child support



6. Employment injury



7. Unemployment



8. Old Age



9. Death of a family member

**The International Labour Organisation**  
ILO has an extensive programme on a social protection floor, whose definition is widely used:

*"Social protection floors are nationally defined sets of basic social security guarantees that should ensure, as a minimum that, over the life cycle, all in need have access to essential health care and to basic income security which together secure effective access to goods and services defined as necessary at the national level."*

Both the ICESCR and ILO definitions for social protection emphasise the need for instruments that cover risks that emerge over a person's lifetime.

**ILO sets out what it considers to be the minimum components of an SPF:**

- Essential healthcare for all: access to a nationally defined set of goods and services, constituting essential health care, including maternity care, that meets the criteria of availability, accessibility, acceptability and quality;
- Basic income security for children, at a nationally defined minimum level, providing access to nutrition, education, care and any other necessary goods and services;
- Basic income security, at least at a nationally defined minimum level, for persons in active age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability;
- Basic income security for older people

# SPF THROUGH THE LENSE OF CORE INDIVIDUAL NEEDS

Social protection is meant to cater for the needs of individuals as they arise over the course of their life cycle. Populations have different needs and different vulnerabilities at various stages in their lives, due to biological and other life events- social protection provisions must also be sensitive to societal dynamics of gender-based violence and unequal division of domestic and childcare responsibilities. When access to basic services, healthcare is decreased it is often women who assume the role of carer.



## Infancy

- Healthcare
- Nutrition



## Childhood

- Healthcare
- Nutrition
- Education



## Working Age Adults

- Healthcare
- Adequate Income
- Maternity Care
- Disability
- Unemployment Cover



## Elderly

- Healthcare
- Adequate Income
- Disability

## SOCIAL PROTECTION IN SOUTH AFRICA CURRENTLY:

While much policy work, research and advocacy has been done on the topic of social protection in South Africa, there is no legislated or policy framework which defines what a SPF and/or decent standard of living in the South African context.

The pursuit of comprehensive social protection is hampered by the lack of defined thresholds for what constitutes social protection and the minimum protections (or 'floor') below which no person should fall in this respect.

South Africa has several instruments, including transfers, free and subsidised goods and services that comprise its social security system but there are glaring gaps and shortcomings that need to be addressed.

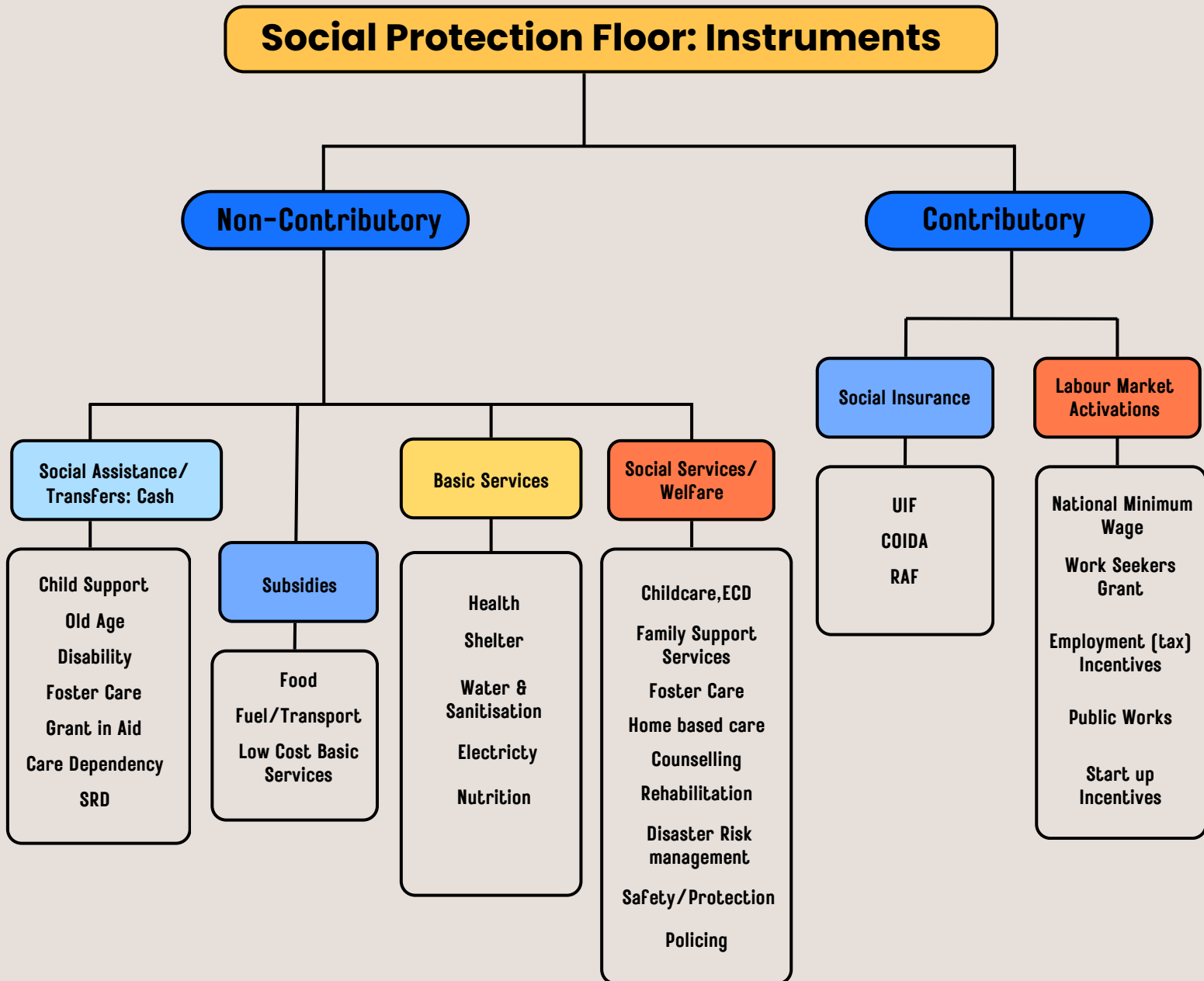
Gaps in protection are largely a result of a misdiagnosis of the problem of structural poverty, inequality and unemployment in South Africa. Social protection is imagined to treat specific contingencies (such as being elderly or disabled).



Although existing social protection instruments have had a positive impact on poverty and inequality in South Africa, they are insufficient and fail to provide individuals with basic social protections required to live a decent life, or even to live at all.

Below is a catalogue of the social protection landscape in South Africa:

## SOCIAL PROTECTION IN SA: CURRENT INSTRUMENTS



### WHY IS A SPF IMPORTANT IN THE SOUTH AFRICAN CONTEXT?

South Africans continues to face the challenge of inequality and unemployment—this combined with landlessness, climate change, digitisation, corruption and high levels of crime and gender-based violence means that the risk of people falling into poverty is the most pervasive.

Many people in South African are living below the food poverty line. Increasing levels of poverty and inequality with no solution to structural unemployment in sight threaten social cohesion. The SRD grant (in response to Covid-19) presents a window of opportunity for expanding the levels and coverage of social protection in South Africa.

## SOCIAL PROTECTION IN SOUTH AFRICA:

# CHALLENGES

There are three levels of challenges currently facing social protection in South Africa, including:



### (1) LEGISLATIVE AND POLICY GAPS

- There is no legislated definition of social protection or social security and no central minimum standards for social protection.
- Poor integration and alignment of policies, and instruments which are spread across many state institutions.
- Inadequate - grants for example are too low to be transformative and ensure an acceptable standard of living above the food poverty line.
- The national budget does not prioritize human rights.

### (2) POOR IMPLEMENTATION

- Limited state capacity, expertise and funding prevents proper management and delivery of social protection programs
- A poor communication strategy with regarding eligibility criteria or the availability of social protection grants contribute to low take-up rates.
- Barriers to access leaves out deserving individuals or groups from receiving the intended benefits of social protection programs. These barriers include application processes and private costs (such as transportation) for access.
- Fraud and corruption in the administration of grants and resources compromise delivery.

### (3) POOR RESULTS

- Interventions are not addressing structural drivers of poverty and inequality.
- Structural unemployment has not shifted in three decades and remains deeply entrenched.
- Persistent perception in society that grants are charity and not rights.



## NEED FOR AN SPF FOR SOUTH AFRICA

The need for an SPF in South Africa is articulated by the NPC who argue that the National Development Plan (NDP) targets for poverty will not be reached at the current rate and there is an urgent need to reinforce focused attention on the role social protection plays in reducing poverty and social inequalities, as well as promoting economic development.

SPF measures are a lifeline for the poorest and most vulnerable, as demonstrated during the COVID-19 and other crises and consensus on an SPF may facilitate social cohesion. Ensuring the elements of a SPF are delivered will radically reduce poverty and social inequalities, exclusions and continued instability.

# WHAT ARE SOME OF THE BENEFITS OF AN SPF?

Historically in South Africa, social security was not conceived of as a system - instead it evolved as a series of discrete programmes addressing specific needs and there are significant gaps in protection and administration and oversight.

## Some of the benefits of having a nationally adopted definition of an SPF:

### A systemic approach:



It promotes a 'big picture' understanding of social protection as a "system" of multiple policies and instruments that together provide a minimum level of protection - this approach to social protection is essential for addressing existing gaps.

### Legal and institutional clarity:



A clear definition could have useful legal and institutional implications. It could serve as the basis for a more precise legal framework for social protection and would require clarification of the roles and responsibilities of various government departments and agencies involved in its implementation.

### Coverage:

A well-defined, context-specific SPF can highlight gaps and motivate for expanded coverage.



### Policy consensus and coordinated policy responses:

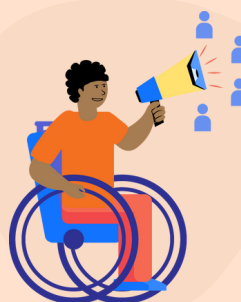
Having a South African definition of an SPF can facilitate coordinated policy adjustments, ensuring that changes made in one area do not inadvertently undermine the effectiveness of the broader social protection system.

### Measurement and accountability:



A defined SPF could provide a standardised basis for objective measurement of its implementation and effectiveness. This allows for assessment and comparison against set benchmarks, which can be tracked and used to hold government accountable for its obligations.

### Public awareness:



Having a nationally defined SPF can contribute to greater public awareness of rights, empowering individuals to understand their entitlements and advocate for them.


There have been calls for South Africa to adopt an SPF in the past, the NDP vision for 2030 states that by 2030 “...a social protection floor is defined and a multipronged strategy recommended to ensure that no household lives below this floor” (NDP, Ch 11, 2012)

## CONCEPTUALISING SOCIAL PROTECTION

In the context of South Africa, and many developing countries, vulnerability is conceptualised as emerging from and embedded in the socio-political context and is a structural risk!

In these contexts, vulnerability because of poverty is pervasive, structural and chronic (or on-going). In this case the focus is then to minimise risk for a range of vulnerable groups. Here are the 4 different ways in which an SPF has been conceptualised:

### 1. PROTECTIVE measures:



Have the objective of guaranteeing relief from deprivation for those who are already vulnerable; impact is immediate and directly felt by vulnerable persons. Usually equated to social assistance and other non-contributory social protections.


### 2. PREVENTIVE measures:

Directly seek to avert deprivation or prevent individuals and households from falling into poverty; it focuses on preventing risks and vulnerabilities that could lead to economic or social hardships. Associated with social insurance and contributory social protections.

### 3. PROMOTIVE measures:

Aim to enhance human capital and promote employment; focuses on creating conditions that allow individuals and communities to improve their well-being and economic prospects. Can be equated to labour-market activation policies.

### 4. TRANSFORMATIVE measures:



Aim to address systemic issues such as structural poverty and inequality. They are often complementary components that add a transformative element to the first three.

Protective measures offer immediate relief and support to those who are already in vulnerable situations – they include income support, healthcare, nutrition and access to basic services.

By prioritising these measures, government can address the urgent needs of individuals and families facing poverty and deprivation, and without which the attainment of other more preventive and promotive aspects of social protection is not possible.

Note however that these categories overlap. Protective mechanisms can be transformative – for example, when people have access to necessities like food, shelter, and healthcare, they can begin to engage more actively in activities aimed at self-improvement and long-term planning.

Access to social assistance and protective programs allows people to participate more actively in educational opportunities, skills training, or entrepreneurship initiatives aimed at breaking the cycle of poverty and inequality.

There is accumulating evidence to show the positive relationship between protective measures and promotive and transformative social protection effects – that is economic growth and poverty reduction.

For example: A school feeding scheme – it provides protective (immediate and direct) relief to children who are malnourished or hungry but also may encourage them to attend school (promotive), while also indirectly improving education outcomes and thus income opportunities later in life (transformative).





## One form of social protection is a basic income grant!

### One form of social protection is a basic income grant!

There is evidence-backed research demonstrating the positive relationship between protective measures in the form of a basic income grant and transformative effects on employment, poverty and inequality. Studies show a wide range of social and economic benefits, which include:

- Support job seeking;

- Support nutrition and health;

- Help mitigate negative economic 'choices' – for example, excessive debt;

- Stimulate local economies as the poor tend to spend greater percentage of income locally;

- Increase school attendance, and reduce child labour;

- Assists agricultural and informal businesses;

- Benefits carers, those not remunerated for care work;

- Has a positive impact on social solidarity and individual wellbeing.

## NATIONAL FRAMEWORKS AND POLICIES

While South African is yet to define an SPF (or its equivalent, a 'decent standard of living' or 'dignified life') and the necessary "goods and services" to realise this in the South African context we can use the obligations set out in our Constitutional and its laws as a guide.

### SOUTH AFRICAN CONSTITUTION

Section 27(1)(c) of the South African Constitution ensures the protection of fundamental rights, including the right to dignity. Dignity can be understood having access to a decent life. According to the Constitution, everyone has the right to have access to social security, including, if they are unable to support themselves and their dependants, appropriate social assistance.



Furthermore, social protection, in South Africa's context of structural poverty and unemployment, is necessary for the realisation of a number of related rights in the Constitution and Bill of Rights, including:

- The right to dignity
- The right to housing
- The right to food and water
- The right to education
- The right to life
- The right to healthcare
- The right to work
- The right to safety and security

While the realisation and implementation of some socio-economic rights are subject to qualifications of available resources, the state is required by the Constitution to:

- 1.) Have a plan in place for their progressive realisation AND
- 2.) Provide for a minimum core of rights that are not subject to available resources and that must be implemented immediately.

### OTHER LAWS:

Aside from the Constitution, there are national legislative frameworks that provide more specific guidance on the socio-economic services that the state should provide to specific groups of people.

These include:



- Children's Act
- Acts relating to the elderly, people living with disabilities
- The National Health Act
- The South African Schools Act
- Unemployment Insurance Act
- Compensation for Occupational Injuries and Diseases Act
- The National Water Act
- South African Social Assistance Act

- Births and Deaths Registration Act
- Water Services Act
- Housing Act
- National Water Act
- Local Government: Municipal Structures Act
- Promotion of Administrative Justice Act
- Local Government: Municipal Systems Act

### GOVERNMENT POLICY AND PLANNING DOCUMENTS

There are a number of policy documents that communicate the state's intentions to define and adopt an SPF in South Africa, the need for an SPF and what should constitute an SPF.

Most notable are:



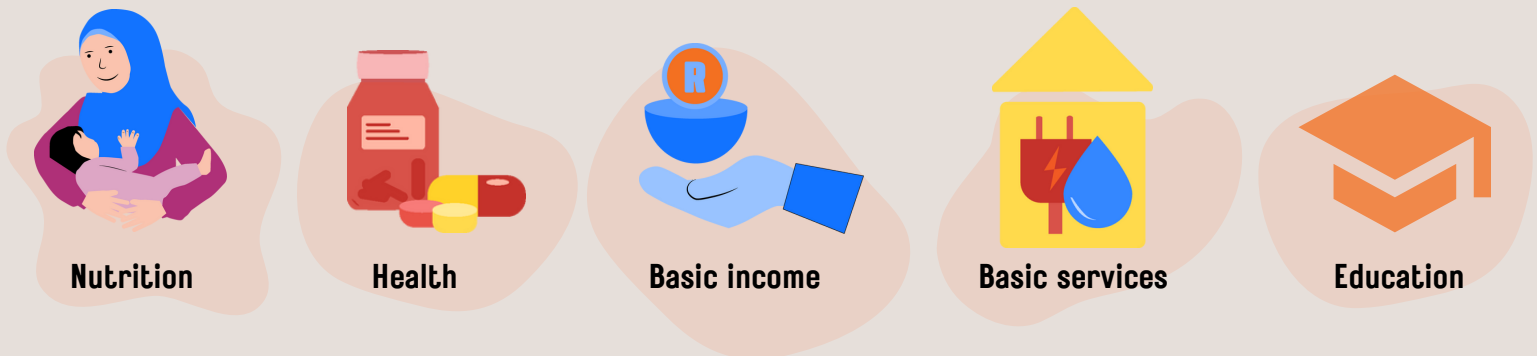
#### NATIONAL DEVELOPMENT PLAN TO 2030 (2012)

- Although it has not yet done so, the NDP vision for 2030 is that "a social protection floor is defined and a multipronged strategy recommended to ensure that no household lives below this floor" (NDP, Ch 11, 2012).
- A 2020 the National Planning Commission affirmed government's commitment to defining an SPF. It recognised the need for a defined SPF, comprised of a minimum basket of 'goods and services' and a combination of existing social wage benefits, to live a dignified life, and below which no person should fall - at any stage in their life.

## In 2020, the NPC said that South Africa must:

1. Specify the minimum guaranteed level of entitlements to social benefits including minimum wages, income support (grants), health care, education, basic social welfare services, free basic services and VAT-exempt basic foods.
2. Determine the availability, distribution, adequacy and sustainability of the benefits.
3. Ensure that specific entitlements and benefits have a defined path to their full realisation and implementation over a phased period (between 2015–2025).
4. Indicate a set of norms, standards and specific criteria for basic and other types of social services that are provided and specify who should receive what benefits.
5. Indicate the package of services, type of social infrastructure, human resource requirements and institutional arrangements to deliver the elements of a social protection floor.

## Five critical elements of an SPF:



## These elements of the SPF share the following characteristics

- They are part of the basic rights guaranteed in the Constitution – including that everyone has the right to a life of dignity- without access to which it is not possible for persons to live a life of dignity;
- While arguably not sufficient, they are among the necessary elements required for a person to live a dignified life.
- These are part of the basic promises made by the South African government to its people.
- They are interdependent - the achievement of some cannot be met without the achievement of others.
- They are protective measures, providing immediate and direct relief to vulnerable people, with strong potential to be transformative.

Note that the above five components are not priorities, but what we see as a starting points for us to engage in an SPF for South Africa. They are also those that overlap with international frameworks of minimum standards and are considered relatively fundamental to an individual's survival and a life of dignity.