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SPEECH BY MS GILL MARCUS, DEPUTY MINISTER OF FINANCE, NATIONAL WOMEN'S DAY, 8 AUGUST 1997

Distinguished Guests, Ladies and Gentlemen,

Thank you for the honour of inviting me to speak to you today on the eve of August 9th, 1997. It is a day on which we pay tribute to all women, for our triumphs and for our tears, for our boldness, brains and beauty, for being the rock on which society is founded.

And therefore it is a fitting day to take stock of the situation of women in South Africa. I was asked to speak on matters such as the effects of globalisation, and where our economy will be in ten years time. I'll come to some of those issues, but I want to start much closer to home.

On Friday, one week ago today, 7-year-old Mamokgethi Malebane was buried. The old adage goes: "give me a child until she turns seven, and she is moulded for the rest of her life". Before her murder, what was the experience of life Mamokgethi knew?

Certainly, a caring, loving mother, Joyce Malebane, who no doubt gave of her best to ensure Mamokgethi went to school, made friends, and would grow up to be a woman of substance. But she also experienced what no one - child or adult - should ever have to endure: rape, brutality, fear and ultimately murder. What an indictment! And the greater tragedy is that what happened to Mamokgethi is not an isolated incident.

Yes, government has a direct responsibility: tighten the bail laws, ensure they are effectively applied, ensure appropriate and adequate training of police and prosecutors, enhance the ability of magistrates to apply the law, develop an integrated national information system to allow better access to criminal records etc. - but if we assume that taking the administrative measures above will solve the problem, we are sorely mistaken. These steps must be taken, but as a society we must deal with the root cause. Whatever resources we allocate will never be enough unless we, as individuals, as a society, turn away from crime and violence.

And we all need to do much more to ensure this happens. We need to start by asking ourselves: what can we do, everyone of us, to help change our brutalised, traumatised society?

We all know that it is frequently the child that is abused who goes on to become an abuser. And the worst legacy the new South Africa has inherited is the way in which our people were abused. It is not about casting blame or making excuses, but it is about recognising that the society of today grew out of the brutalisation and anguish of yesterday, so that we can start, however painstakingly, to heal our nation.

We are a society that was divided by force and law, a people divided by race, by colour, by gender, by education; the divide between rich and poor, mirroring the racial divide. The challenge to all of us is to cross these great divides.

And this brings us back to this meeting, to you and me, the women and men of South Africa. We are a people proud of our achievements, our striving for democracy and human rights. We are a people who have spent our lives determined to be free, and we cannot allow our dreams of freedom to become a nightmare of abuse. We are a people whose history demonstrates our iron will to turn tragedy to triumph.

The challenge is to put meaning back into life for each and every one of us. It is about hope and vision, a caring society in which every life is valuable. For if my life has value, has meaning, I am more likely to respect the right to life of my fellow South Africans.

Essentially South Africans want peace, want to live together, want to build a new country on solid foundations. And it is women, as the nurturers, who bear a particular responsibility.

Violence against women and children is a global issue. For the first time, the United Nations Children's Fund, UNICEF, has included in its annual Progress of Nations report a specific section on violence against women.

This report indicates that progress is not just about economic and quality of life indicators, but is also judged by the degree of protection women have against discrimination and violence. It also recognises that violence against women undermines a nation's health and stability.

In recognising this, our constitution determines equality of sex and gender as a fundamental value. It establishes a Commission on Gender Equality, which became operational a few months ago. And while I do not subscribe to an approach to gender equality based on numbers or a quota system, I have come to recognise that unless determined and committed efforts are made by those in authority, it is extremely difficult to break through the glass ceilings so forcefully in place.

Some statistics are instructive: 27% of MPs are women, while only 15% of the members of the NCOP are women. 19% of those elected at local government level were women, as compared with the OECD countries average of 11%. 49% of public servants are women, with most being employed as teachers, nurses etc. However, they tend to occupy the lowest ranks. For instance, women predominate at primary school level and are under-represented among principals, deputy principals and departmental heads.

In the public service, the percentage of women at senior management level has grown from 3% in 1994 to 10% now. The 1996 White Paper on the Transformation of the Public Service sets as a key target that, in the next four years, 30% of new recruits to middle and senior management echelons will be women.

Thus in elected office and the public sector, a concerted effort is being made to enable the upward mobility of women on merit. Having women in key positions, however, does not guarantee that policy will be gender sensitive.

In an endeavour to target poverty, and recognising the correlation of this with women's status in society, government has initiated a pilot gender budget initiative, co-ordinated by the Office on the Status of Women in the Deputy President's Office and the Department of Finance. It is an initiative linking with the Women's Budget Initiative, a collaborative venture between Parliament's Joint Standing Committee on Finance and NGOs, which has produced reports on the gender implications of government budgets since 1996.

What is the situation in the private sector? Women are still less than 5% of all directors of listed companies, and below this level are primarily found in administrative and support positions. Less than a quarter of those employed in management positions are women, and of these only 9% are African women.

At the lower level disadvantage and discrimination persists. Only 6% of African women who are 20 years and older have graduated from tertiary institutions. Only 12% of African women, and 15% of African men, have matriculated. 20% of African women, and 14% of African men, have had no formal schooling at all. In contrast, fewer than 1% of white women and men have no formal education.

There is also a marked racial and gender difference among those relatively lucky few who have both a university degree and are earning a wage or salary. 82% of white men with a degree were earning R4,000 a month or more in October 1995, compared to 53% of the white women, 47% of the African men, and 36% of the African women.

What comes through in any analysis of the situation of women and men is the lack of acknowledgement of women's contribution to society. The statistics suggest that women contribute less than men, that fewer women are economically active and that more women are unemployed. But what all these statistics miss is the unpaid labour which most women contribute daily to the reproduction and maintenance of society and its people.

Thus the status of women correlates strongly with the very essence of South Africa's challenges. I would now like to briefly look at the nature of the developmental challenge as it affects women in KwaZulu-Natal, how government's macro-economic policy is shaped to deal with such challenges, and review the impact of globalisation on the South African economy.

In 1995, unemployment in KwaZulu-Natal was estimated at 33%, while that of women was 42%, despite the fact that almost one third of South Africa's manufacturing exports, particularly clothing and textiles, are produced in this province.

Government policy is endeavouring to ensure women have the tools they need to survive and function in society: education, health care, access to land, and the ability to find a job.

Of all the initiatives, whether land reform and land restitution, housing programmes and health care, the most critical challenge is to reverse the declining trend in the creation of formal sector jobs.

The government recognises that the economy's failure to create sufficient formal sector jobs has its roots in the collapse of investment during the 1980s, the decline in the economy's labour absorption capacity and the structural constraints imposed by the balance of payments.

We are tackling these issues in three ways.

Firstly, South Africa needs a higher level of investment. For the economy to grow fast enough to absorb just the new entrants to the job market will require investment to increase from its current level of 19% of GDP.

Government's key policies to achieve this are:

- an elimination of government dissaving, and a set of deficit targets to achieve this;
- policies to attract foreign investment, including tax incentives and the elimination of exchange controls;
- policies to reassure domestic investors, including a cap on tax as a proportion of GDP, and an independent central bank.

Secondly, South Africa needs to be able to grow faster without running into a balance of payments problem. In the past, every time the economy began to expand quickly, we experienced a balance of payments problem. This tells us a number of things about the economy:

- we are not exporting enough;
- our economy's supply capacity requires imports long before unemployment declines;
- a policy designed to expand demand, such as a softer fiscal stance, could result not in more jobs, but in higher inflation and higher interest rates to deal with the balance of payments problem; and
- we need to maintain the kind of macro policies that ensure South Africa's access to international capital markets at favourable rates.

What we are endeavouring to do to deal with the balance of payments problems is to encourage exports, have a controlled but accelerated tariff reform programme and maintain a competitive currency.

Thirdly, none of the policies will achieve their targets if we do not address the declining level of job creation. Despite the economy's rapid expansion over the past three years, job creation continues to be disappointing. The impact of trade reform should be to increase manufacturing exports, which are generally more labour intensive than other sectors of the economy.

We are urgently looking into ways of establishing a sustainable public works programme, to create thousands of jobs, particularly in rural areas. The whole question of creating sustainable

jobs, and maintaining those we already have, will receive the focused attention of the country in a Jobs Summit scheduled for later this year.

A critical component of any job creation programme is training. We all know that education was the cutting edge of apartheid. Therefore education and training, in keeping with the technological demands of the 21st century, is of paramount importance.

Finally, I would like to look at globalisation: what does it mean, and what are the risks and opportunities? This is particularly pertinent to this province, as an increasingly outward-oriented economy will favour coastal provinces.

The very nature of the South African economy dictates that we embrace the challenges of globalisation. This is because:

- South Africa's domestic savings are insufficient to provide the level of investment that is required if we are to reverse the decline in job creation. We need to attract further savings of between 3% and 4% of GDP each year to meet investment objectives;
- South Africa needs to increase its foreign exchange earnings through increased exports. This is a double-edged sword. To increase exports requires that imports, as inputs into an exporter's production process, are competitively priced, and that we have access to foreign markets. This means we need to manage a reduction in tariffs. There is a growing body of literature that shows the strong correlation between openness, as defined by the combined level of imports and exports, and growth. This is because increased openness allows an economy to improve its internal resources allocation in line with its comparative advantage.
- Ultimately, a healthy growth in manufactured exports will have a direct spin off in increased labour absorption.

We should, however, recognise that globalisation has certain disciplines. Companies faced with the choice of investing anywhere in the world compare the price and efficiency of the fixed factors of production, namely labour and infrastructure. If we are to attract investment, we need to ensure that our labour and infrastructure are competitively priced.

Investors also want to know, with a degree of certainty, that the prices of today are the prices that will prevail in the future. Thus firms compare macro-management across countries. Therefore, if we want foreign direct investment our fiscal management, taxation levels and exchange controls must be in line with other developing countries.

South Africa cannot achieve its developmental objectives without embracing the challenges of globalisation, and indeed emerge as a winning nation.

All of the above urges us to recognise one imperative: at all levels of society in whatever our walk of life, it simply cannot be business as usual, because that is simply not good enough. I have no doubt that the women of South Africa will rise to the challenge, work to stop the abuse of women, strive to protect, cherish and nourish the girl child.

Let us, as women, together cross the great divides of the past.

Formal apartheid has ended, and the new fight is about being equal citizens of a state where all have the right to live and dream, not in fear and hunger and illness, but in hope of a future that brings peace and stability, prosperity and fulfilment, to our corner of mother Africa.

Thank you for inviting me to be here with you today.

Malibongwe!