NATIONAL ASSEMBLY QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 3965 [NW4933E]

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3965. Dr D T George (DA) to ask the Minister of Finance:

Whether the National Treasury and the Department of Social Development have agreed on a comprehensive social relief package to address the growing levels of food insecurity in the Republic; if not, why not; if so, what are the relevant details?

NW4933E

REPLY

The two departments are still engaging on this very complex policy framework given the challenges faced fiscally and the need for better economic growth. As Minister of Finance stated in the MTBPS, "Discussions on the future of the grant are on-going and involve very difficult trade-offs and financing decisions. Despite the provision made in this budget, I want to reiterate that any permanent extension or replacement will require permanent increases in revenue, reductions in spending elsewhere, or a combination of the two."

Ongoing discussions on social relief responses involve the Department of Social Development, Presidency, Department of Employment and Labour, Department of Public Works and Infrastructure, and are exploring various options taking into account affordability, efficacy in addressing poverty, and possibilities of enabling developmental and long-term economic inclusion outcomes as opposed to focusing only on short term food provision.

DPME is coordinating some of the work assessing performance against the National Food and Nutrition Security Plan, 2018 - 2023. Assuming that 70% of social grant expenditure is spent on food, we estimated that approximately R182.1 billion was spent on food related interventions in 2021/22, as shown in Table 1 below. This includes spending on the school nutrition programme, feeding in ECD centres, clinic based nutritional support and other areas. In our view, the major problem pertaining to access to food is due to demand side factors, such as low household incomes, as opposed to supply side factors.

Table 1. Summary of food and nutrition spending

R'000	2018/19	2019/20	2020/21	2021/22
Social grants (estimated 70% for food)	113 890 000	133 210 000	153 230 000	157 150 000
Department of Education (provinces)	7 231 459	7 628 847	7 609 266	8 786 549
Department of Agriculture (National)	4 364 208	4 765 405	8 761 877	11 127 615
Department of Correctional Services	1 305 806	1 173 239	1 105 364	1 207 599
Early Childhood Development (provinces)	800 000	900 000	1 000 000	1 100 000
Department of Agriculture (provincial)	381 174	582 330	550 300	678 266
Department of Health (provinces)	1 031 849	1 093 881	1 060 575	1 317 986
Department of Higher Education	385 408	400 047	290 618	441 138
Department of Social development (prov) (70%				
of poverty relief and social relief programmes)	93 385	97 565	351 670	272 489
Department of Health (national)	27 195	28 801	23 759	27 623
Total	129 510 484	149 880 116	173 983 430	182 109 265

There is some evidence that child malnutrition and fatality rates from malnutrition have declined over the years (see table 12 and Figures 22 inserted in Annexure 1). There is also some indication that the substantial increase in social grants and UIF during COVID-19 gave some protection against hunger (see Figure 5).

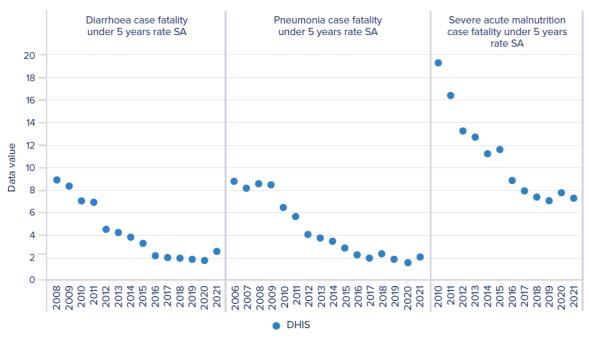
Nevertheless, we acknowledge the pressures on households arising from substantially higher inflation. This is partly why the MTBPS indicates that the SRD 350 grant will be extended by a further year and why temporary support was given to cushion the fuel price increase. The MTBPS suggests that total non-interest expenditure will increase by R52.4 billion in 2023/24 (as compared to Budget 2022 projections). Extension of the SRD 350 grant will be by far the biggest item within this and this reflects prioritisation given to this area.

ANNEXURE 1

Table 12: Child health indicators, by province

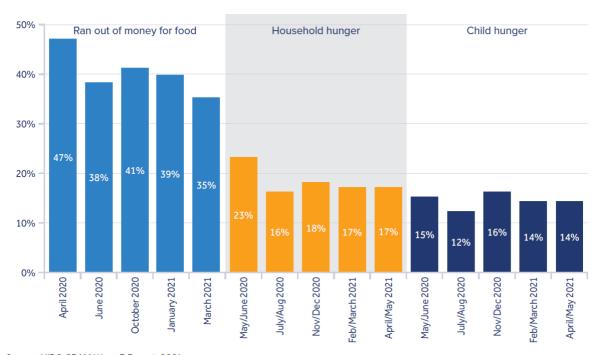
Indicator	Period	SexlAgelSerieslCat	SA	EC	FS	GP	KZ	LP	MP	NC	NW	wc	Ref
BCG coverage	2020	both sexes WHO/UNICEF	86.0										a
	2020/21	both sexes DHIS	88.4	68.0	93.2	102.5	73.0	93.2	98.7	106.7	65.3	94.9	b
Child under 5 years pneumonia incidence	2018/19	both sexes DHIS	27.2	13.8	33.5	17.7	39.3	15.9	4.5	25.6	8.3	84.1	b
	2019/20	both sexes DHIS	23.6	10.3	32.2	16.8	28.9	14.2	4.0	27.7	8.4	80.8	b
	2020/21	both sexes DHIS	12.6	5.5	13.1	10.5	11.6	5.8	3.3	12.3	3.4	48.1	b
Child under 5 years severe acute malnutrition incidence	2017/18	both sexes DHIS	2.2	0.7	4.2	1.5	2.4	3.1	1.5	5.1	4.0	2.0	b
	2019/20	both sexes DHIS	1.9	0.8	5.9	1.5	1.9	1.1	0.8	8.3	4.3	1.7	b
	2020/21	both sexes DHIS	1.5	1.3	4.1	1.1	1.3	1.5	0.7	5.6	2.1	1.0	b
Diarrhoea case fatality under 5 years rate	2018/19	both sexes DHIS	1.9	3.0	1.1	2.1	2.2	2.2	2.3	2.4	3.4	0.1	b

Figure 22: Trends in national case fatality under 5 years rate



Source: DHIS

Figure 5: Lack of money for food, household, and child hunger – 2020 to 2021



Source: NIDS-CRAM Wave 5 Report, 2021.