

SOUTH AFRICA AT 30 YEARS OF DEMOCRACY:

THE NPC CALLS FOR HOLISTIC MEASUREMENT OF POVERTY AND INEQUALITY

The <u>National Planning Commission</u> (NPC), an independent advisory body appointed by the President to advise government and society on the country's long-term plan, the National Development Plan: Vision 2030 (NDP), participated in the conference hosted by the South African Labour Development Research Unit (SALDRU) titled, '<u>South Africa at 30 Years of Democracy</u>'. The conference was held from 2-4 April 2025 at the University of Cape Town with key partners in the Presidency and the *Agence Française de Développement* (AFD), as well as the European Commission through the EU-AFD Research Facility on Inequalities.

The NPC's involvement in the conference, therefore, focused on the overall objectives of the NDP, specifically those related to eliminating poverty and reducing inequality and unemployment.

Commissioners Boitumelo Ramatsetse and Julian May addressed the opening plenary of the conference on government's perspective on 30 years of democracy on 2 April 2025 by outlining some of the challenges with meeting the NDP's 2030 goals as captured in the NPC's Ten-Year Review of the NDP.

In outlining the solutions proposed in the <u>Call-to -Action</u> that accompanied the Ten-Year Review of the NDP, Commissioner May stated, 'The realisation of NDP Vision 2030 hinges on stronger collaboration between government, private sector and civil society all united in shared responsibility to drive economic growth and sustainable development for long-term national prosperity.' He emphasised the importance of co-ordinating planning by all spheres of government and the critical role that private-public partnerships of these goals are to be achieved.



Commissioners Lebohang Pheko, Tshepo Feela, Makhiba Mollo, and May participated in a panel discussion on 'Addressing Poverty and Inequality' on 3 April 2025. In her intervention, Commissioner Pheko questioned the deficient and limited manner in which poverty is generally defined. Challenging the prevailing dogma of seeing GDP as the primary index of development and of growth, Commissioner Pheko suggested alternative economic metrics to development and well-being that define poverty and inequality, including safety, health, access and inclusivity. Unlike the GDP, these encompass material and intangible forms of lack and deprivation, including social, emotional, political and environmental.

Commissioner May challenged the conventional manner in which poverty is measured, how work is remunerated, and how the redistribution of wealth occurs in the economy beyond a monetary-based measure.

Commissioner Feela analysed the challenge faced by the South African labour force where there is a mismatch between the opportunities and the available skills in the market, resulting in high levels of unemployment. This is because the structural transformation and the shift to high-productivity industries will require skills-intense labour. Commissioner Feela stressed the importance of using education to change this situation and to prepare the country for jobs of the future.

Commissioner Mollo identified the gap between capital markets and public policies, asserting that there were many opportunities within the green economy and impact or responsible investing. She reiterated the importance of promoting public-private partnerships and leveraging private capital to develop public infrastructure. She stated that emphasis needs to be on creating momentum around alternative means of funding, such as raising Environmental and Social bonds.

The discussions following the NPC's inputs focused on defining poverty and the relevance of the poverty line, understanding and fixing the skills' challenges, ensuring that the additional costs of the vulnerable, specifically persons with disabilities, are included in the discussions about poverty, and taking an approach that engages with the complexity of the challenges faced.



In addition, during the Social Security presentation (Coverage and Outcomes) on 2 April 2025, Gemma Wright from Southern African Social Policy Research Insights, who focused on progress and gaps in the country's provision, drew on a <u>paper</u> that was co-authored by Commissioner Phakama Ntshongwana. The paper highlighted the false dichotomy of independent self-upliftment through paid work versus passive social grant receipt. Living in a state of poverty – whether unemployed, in low paid or precarious employment, or undertaking unpaid care work – is extremely hard work in itself. The article recommends the integration of social security and employment policies for a mutually enhancing outcome.

In the concluding session of the conference, the convening role of the NPC was identified as a key resource in future. The outcomes of the discussions at the conference will form part of the ongoing research that SALDRU will undertake.

SALDRU first convened an enquiry into poverty and inequality in the country in the 1980s with the Second Carnegie Conference and hosted the 'Towards Carnegie 3: Strategies to Overcome Poverty and Inequality' conference in 2012.

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