

## UBIC Scorecard prompts positive responses and policy commitments from political parties

24 May 2024

The ANC released a far-reaching <u>statement</u> on Wednesday committing to a universal and redistributive basic income grant (BIG), to be progressively achieved by expanding the coverage and the value of the Social Relief of Distress (SRD) Grant, if it is in government after the election. This builds on and deepens commitments in the party's manifesto and policies.

This statement comes partly in response to the Basic Income <u>Election Scorecard</u> released last week by the Universal Basic Income Coalition (UBIC). In producing the scorecard, UBIC reached out to all major parties. Several responded with further clarity on their policies, including the ANC.

Parties' scores on the UBIC scorecard ranged from A to F, reflecting large differences in the level of commitment to expanding the social security net. Of the other parties that responded to UBIC, both the <u>UDM</u> and <u>GOOD</u> also adopted additional policies or statements affirming their commitment to UBIG, and (in GOOD's case) the removal of unfair barriers to access to social grants.

The scorecard process highlights the value and importance of dialogue between civil society and political parties on the detail and implementation of their policies.

The new statement provides a basis by which civil society can hold the ANC accountable to concrete targets and tangible outcomes after the election in the event that the ANC remains the governing party.

The ANC's statement is encouraging because it:

- 1. commits to finalising a policy for a universal BIG within two years,
- rejects conditionalities being attached to BIG,
- 3. commits to values linked to poverty lines,
- 4. commits to progressive financing of the grant,
- 5. commits that the BIG will not replace existing social security such as the Child Support Grant (CSG) or existing public services, and

6. commits to addressing problems with the existing SRD.

We do note however, that achieving these commitments will require a transition to a developmental macroeconomic policy, which contrasts with the policy framework of the current government. This will require a departure from austerity measures that have contributed to approximately 50% of eligible persons (6 million people) being excluded from the SRD grant each month, as well as post office and pay point closures, long queues and a lack of capacity within SASSA to assist, all of which disproportionately impact the most vulnerable, such as mothers with babies, and rural communities. It will also be important for the party to carefully review the systems and infrastructure of grant administration, which has resulted in high exclusion errors and privacy and surveillance risks for SRD grant applicants.

One further issue we will continue to engage with the ANC on is the need to restore the Child Support Grant (CSG) to the Food Poverty Line, and to ensure it maintains parity with the BIG. This is crucial both to meet the basic needs of children, and also to ensure that caregivers (predominantly women) are not left behind in the social security system, creating further gender inequity.

A wealth of rigorous research shows that a UBIG in South Africa would stimulate local economies, boosting <u>consumption</u> and productivity and helping to bring more people into <u>employment</u>. This in turn will <u>boost</u> GDP and government revenue, and, if combined with other developmental macroeconomic and industrial policies, help to catalyse a virtuous cycle of inclusive <u>economic growth</u>.

While there is an ongoing need for dialogue and vigilance, we are extremely encouraged to see political parties taking note of what civil society has to say. We encourage political parties to affirm a clear, progressive commitment to evidence-based social protection policy. We are also happy to present our <u>position paper</u> to any stakeholders or political party interested in discussing the issues, or mapping a pathway to universal basic income.

NOTE | UBIC does not endorse nor is affiliated to any political party.

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## **UBIC** is comprised of the following organisations:

- Africa UBI Observatory
- Alternative Information and Development Centre (AIDC)
- Basic Income Earth Network (BIEN)
- Black Sash
- Children's Institute, UCT

- Congress of South African Trade Unions (COSATU)
- Family Caregiving
- Global Reformed Platforms for Engagement (GRAPE)
- Institute for Economic Justice (IEJ)
- #PayTheGrants
- RightfulShare An Income Movement
- Social Policy Initiative (SPI)
- Women on Farms Project
- Youth Lab