

# Exploring a human rights economy to address poverty and inequality in South Africa

18 October 2024

Regional Office for Southern Africa

# The 2030 Agenda is...



# 2030 Agenda is Grounded in Human Rights...

10. The new Agenda is guided by the purposes and principles of the Charter of the United Nations, including full respect for international law. **It is grounded in the Universal Declaration of Human Rights, international human rights treaties,** the Millennium Declaration and the 2005 World Summit Outcome Document. It is informed by other instruments such as the Declaration on the Right to Development.

19. We reaffirm the **importance of the Universal Declaration of Human Rights, as well as other international instruments relating to human rights and international law.** We emphasize the **responsibilities of all States,** in conformity with the Charter of the United Nations, **to respect, protect and promote human rights and fundamental freedoms for all,** without distinction of any kind as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, disability or other status.

## ARTICLE 1

ALL HUMAN BEINGS  
ARE BORN FREE AND EQUAL  
IN DIGNITY AND RIGHTS.

UNIVERSAL DECLARATION  
OF HUMAN RIGHTS

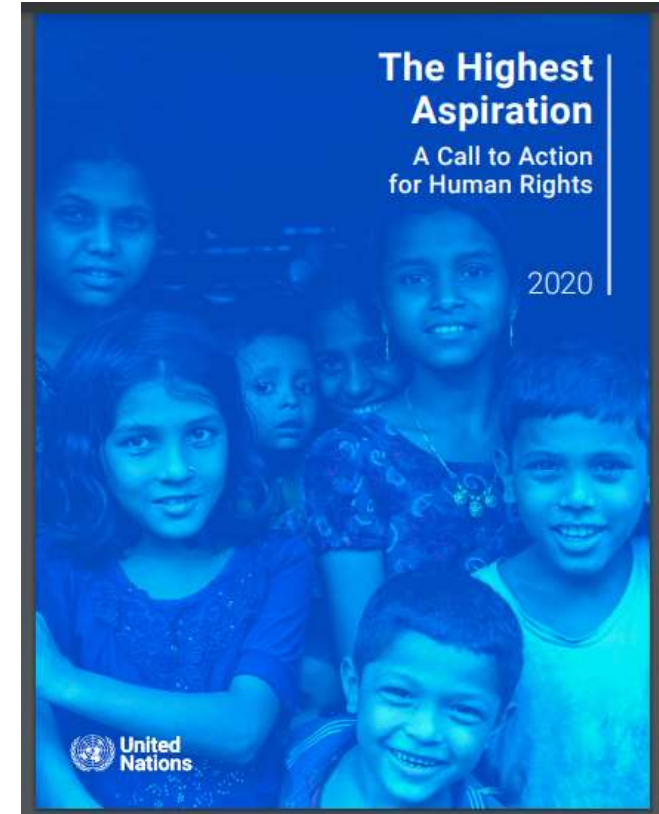


# Human Rights Permeate the 2030 Agenda for Sustainable Development

*“When we take a **human rights-based approach to development**, the outcomes are more **sustainable, powerful and effective**. This is why human rights permeate the 2030 Agenda for Sustainable Development. The 17 Sustainable Development Goals are underpinned by economic, civil, cultural, political and social rights, as well as the right to development.”*

Source:

[https://www.un.org/sg/sites/www.un.org.sg/files/atoms/files/The\\_Highest\\_Aspiration\\_A\\_Call\\_To\\_Action\\_For\\_Human\\_Rights\\_English.pdf](https://www.un.org/sg/sites/www.un.org.sg/files/atoms/files/The_Highest_Aspiration_A_Call_To_Action_For_Human_Rights_English.pdf)



# An integrated and multidimensional approach underpinned by Human Rights

EXAMPLES

Right to food  
Right to health  
Right to education  
Right to social security

Right to an adequate standard of living  
Right to work & just conditions of work  
Right to land  
Right to housing

EXAMPLES

EXAMPLES

Right to health  
Right to food  
Right to water  
Right to development

Right to life & security of the person  
Right to participate in public life  
Right to access to justice  
Right to equality & non discrimination

EXAMPLES

Right to development  
Right to self determination  
Right to enjoy the benefits of scientific progress

EXAMPLES



## Inequality in South Africa

“Poverty levels are consistently highest among female-headed households, black South Africans, and children below the age of 15 and these groups tend to have a higher risk of falling into poverty.” – World Bank

According to the World Bank, race, the legacy of apartheid, the “missing middle” in wage distribution, and the historically high inequality in land ownership drives persistent inequality in SA.

Other factors common to SACU include place-based disadvantages (rural-urban, subnational regions); low intergenerational mobility; poor functioning of urban labour markets; dominant role of educational attainment; large gender gaps in earnings; and constrained rural land markets.

*World Bank, Inequality in Southern Africa: An Assessment of the Southern Africa Customs Union (2022) 2.*

# How is the current economic model faring?

- ❖ Upper-middle-income poverty rate hovering at 63%
- ❖ Gini index of 63
- ❖ Unemployment rate 33.5% in Q2 2024 – just under record high of 35.3% in 2021
  - ❖ Expanded definition: 42.6%
  - ❖ Provincial differences: North West expanded unemployment rate at 54.2% versus Western Cape at 27.3%
  - ❖ Youth aged 15-24 years: 60.8% and 25-34 years: 41.7%
  - ❖ Unemployment rate higher amongst women, young women and the Black African population group

# How is the current economic model faring?

## Maximum available resources

UN Committee on Economic, Social and Cultural Rights (CESCR), 2018

16. With a Gini coefficient of 0.63 and a Palma ratio of 7.1, the State party is among the most unequal countries in the world; market inequalities, before tax and redistribution, are even more striking. While the Committee is well aware of the historical roots of such inequalities and welcomes the efforts pursued since the ending of apartheid, the persistence of such inequalities signals that the model of economic development pursued by the State party remains insufficiently inclusive. The Committee is deeply concerned about such unacceptably high levels of economic and social inequality. Although it welcomes the National Treasury's introduction in 2017 of rurally focused indicators, it regrets the significant geographical disparities in the State party, both between provinces and between rural and urban municipalities. The State party's fiscal policy, particularly as it relates to personal and corporate income taxes, capital gains and transaction taxes, inheritance tax and property tax, does not enable it to mobilize the resources required to reduce such inequalities; and it is not sufficiently progressive in that regard. The Committee notes that the recent increase in the value added tax was not preceded by a human rights impact assessment, and although certain items, including 19 basic food items, farming inputs, educational services, and rents were exempted, the Committee remains concerned about the impact of this increase on low-income households. It is also concerned at the prevalence of illicit financial flows and tax avoidance, which has a serious impact on the ability of the State party to meet its obligation to mobilize the maximum available resources for the implementation of economic, social and cultural rights (art. 2 (1)).



# How is the current economic model faring?

## Austerity measures

18. The Committee is concerned that the State party has introduced austerity measures to relieve the debt level without defining the time frame within which such austerity measures should be re-examined or lifted. It is also concerned that these measures have resulted in significant budget cuts in the health, education and other public service sectors, and that they may further worsen inequalities in the enjoyment of the rights under the Covenant, or even reverse the gains made, particularly in the health and education sectors. The Committee notes that such fiscal consolidation measures have been adopted even though the auditor general has identified instances of irregular expenditure (made in violation of procurement laws) and fruitless and wasteful expenditure, and even though instances of mismanagement of State-owned enterprises have been identified, thereby reducing the capacity of the State party to adequately finance public services (art. 2 (1)).

UN Committee on Economic,  
Social and Cultural Rights  
(CESCR), 2018

# How is the current economic model faring?

## Precarious employment in the formal and informal economies

30. The Committee is concerned that a large number of workers, including those who are self-employed, are working in the informal economy without labour rights and sufficient social protection. It is also concerned that there is no legislative framework regulating the informal economy, thus exposing workers therein to the risk of abuse by employers and law enforcement authorities. It is further concerned at the increasing casualization of employment in the formal economy and the fact that the measures taken to mitigate the situation, including the amendments to the Labour Relations Act, remain insufficient. It regrets the lack of information on the scale of the informal economy and the situation of workers therein (arts. 6 and 7).

## Unemployment

28. Unemployment in the State party stands at 27.5 per cent among the general population and at 39 per cent among young people, and grows further, to 37 per cent and 67 per cent, respectively, once those who are discouraged from seeking employment are included in the calculation. While taking note of the range of programmes already in place to help job seekers find employment, the Committee is concerned at such high rates of unemployment. It is also concerned at the low level of employment of persons with disabilities and the inadequate implementation of the 2 per cent employment quota for persons with disabilities in the private sector (arts. 2 (2) and 6).

## Gender pay gap and equal pay for work of equal value

41. The Committee is concerned at the gender pay gap, which stands at 27 per cent, owing to persistent vertical and horizontal occupational segregation by gender, as well as at the predominance of women in precarious employment and its effect on their enjoyment of their rights under the Covenant throughout their lives. It is also concerned that labour laws and collective agreements do not incorporate the principle of equal pay for work of equal value (arts. 3, 6 and 7).

UN Committee on Economic,  
Social and Cultural Rights  
(CESCR), 2018

## Economic, social and cultural rights (ESCR) in South Africa

- ❖ **SA Constitution** guarantees right of access to adequate housing (s 26), health care services, sufficient food and water, social assistance (s 27), the right to education (s 29), children's ESCR (s 28), ESCR in detention (s 34)
- ❖ The Universal Declaration of Human Rights (**UDHR**) guarantees various ESCR including the rights to social security, work, education, an adequate standard of living
- ❖ ESCR are guaranteed in several international human rights treaties ratified by South Africa, principally the **International Covenant on Economic, Social and Cultural Rights (ICESCR)**
  - ❖ ESCR are also enshrined in the Convention on the Rights of the Child (**CRC**), Convention on the Rights of Persons with Disabilities (**CRPD**), Convention on the Elimination of All Forms of Discrimination against Women (**CEDAW**), International Convention on the Elimination of Racial Discrimination (**ICERD**)

# The UN human rights mechanisms

## Observations and recommendations on poverty in South Africa

### Education, including vocational training and guidance

40. The Committee is concerned about:

- (a) The limited access to quality and inclusive education for children with disabilities, pregnant teenagers and adolescent mothers, asylum-seeking, refugee and migrant children, and children in disadvantaged socioeconomic situations;
- (b) The high dropout rates at the end of the compulsory school phase, due to poverty, remoteness, disability or pregnancy;

### Non-discrimination

16. The Committee notes the State party's legislative and policy measures related to non-discrimination against children, such as the Protocol for the Prevention, Elimination and Management of Unfair Discrimination in Schools, the Intersectoral National Intervention Strategy for the Lesbian, Gay, Bisexual, Transgender and Intersex Sector and the National Action Plan to Combat Racism, Racial Discrimination, Xenophobia and Related Intolerance. However, it remains concerned that children are discriminated against in terms of equal and full access to basic protectional, educational and health services, and to infrastructure, and in terms of their standard of living on the basis of prevailing social norms, race, language, social and economic status, and geography, with a disproportionate disadvantage for children living in rural areas and in poverty.



4.1

4.5



3.8



1.4

1.2



4.5

4.a



9.1



10.3



# The UN human rights mechanisms

## Observations and recommendations on poverty in South Africa

### Rural women

55. The Committee notes the statement made by the delegation during the dialogue indicating that the State party has taken measures to fast-track women's access to land under its land redistribution programme. However, it remains concerned that rural women are disproportionately affected by poverty. It also notes with concern the persistence of discriminatory customary practices that continue to restrict rural women's access to land ownership, property and inheritance, despite the amendment to the Recognition of Customary Marriages Act (Act No. 120 of 1998) regulating the property consequences of customary marriages.

#### Concerned persons/groups

- Persons living in poverty
- Persons living in rural areas
- Women & girls

#### Country

- South Africa

#### Human Rights Themes

- Equality & non-discrimination
- Human rights & poverty
- Discrimination against women
- Land & property rights

#### Type

- Concerns/Observations



5.1

5.a



1.4

# The UN human rights mechanisms

## Observations and recommendations on poverty in South Africa

Universal Periodic Review,  
2022

143.120 Continue efforts to combat poverty and inequality (Egypt);

Concerned persons/groups	Country	Human Rights Themes	Position	Recommending State	Type
<ul style="list-style-type: none"> <li>Persons living in poverty</li> </ul>	<ul style="list-style-type: none"> <li>South Africa</li> </ul>	<ul style="list-style-type: none"> <li>Equality &amp; non-discrimination</li> <li>Human rights &amp; poverty</li> <li>Right to an adequate standard of living</li> </ul>	<ul style="list-style-type: none"> <li>Supported</li> </ul>	<ul style="list-style-type: none"> <li>Egypt</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations</li> </ul>



[A/HRC/52/17 \(UPR 2022\)](#) ▶

143.121 Further enhance efforts to prioritize social development to combat poverty and inequality (Barbados);

Concerned persons/groups	Country	Human Rights Themes	Position	Recommending State	Type
<ul style="list-style-type: none"> <li>Persons living in poverty</li> </ul>	<ul style="list-style-type: none"> <li>South Africa</li> </ul>	<ul style="list-style-type: none"> <li>Equality &amp; non-discrimination</li> <li>Human rights &amp; poverty</li> <li>Right to social security</li> <li>Right to an adequate standard of living</li> </ul>	<ul style="list-style-type: none"> <li>Supported</li> </ul>	<ul style="list-style-type: none"> <li>Barbados</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations</li> </ul>



[A/HRC/52/17 \(UPR 2022\)](#) ▶

143.122 Set up and implement targeted programmes to fight against poverty, for a radical "socioeconomic" transformation, taking into account the fact that South Africa is the second most unequal country in the world (Morocco);

Concerned persons/groups	Country	Human Rights Themes	Position	Recommending State	Type
<ul style="list-style-type: none"> <li>Persons living in poverty</li> </ul>	<ul style="list-style-type: none"> <li>South Africa</li> </ul>	<ul style="list-style-type: none"> <li>Equality &amp; non-discrimination</li> <li>Human rights &amp; poverty</li> <li>Right to social security</li> <li>Right to an adequate standard of living</li> </ul>	<ul style="list-style-type: none"> <li>Supported</li> </ul>	<ul style="list-style-type: none"> <li>Morocco</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations</li> </ul>



# The UN human rights mechanisms

## *Observations and recommendations on poverty in South Africa*

UN Committee on Economic,  
Social and Cultural Rights  
(CESCR), 2018

### Social security

47. The Committee notes that social grants have been an important instrument in reducing poverty in the State party and that significant progress has been made in this regard in recent years. It remains concerned, however, that, while the poverty ratio in the State party stood at the unacceptably high level of 55.5 per cent in 2018:

- (a) There is no composite index on the cost of living that provides the State party with a benchmark to adequately set the levels of social benefits consistent with the requirement to ensure an adequate standard of living for all;
- (b) The levels of all non-contributory social assistance benefits are too low to ensure an adequate standard of living for recipients and their families;
- (c) Those with no or little income who are between the ages of 18 and 59 and are capable of working are not covered by existing schemes;
- (d) The coverage of the Unemployment Insurance Fund benefits remains low and excludes workers in the informal economy, seasonal workers and the self-employed;
- (e) Data and bank accounts belonging to social grant recipients have been misused and a large number of unauthorized deductions from social benefits have been recorded (arts. 9, 10 and 11).

## SA making insufficient progress on social protection

In its follow-up assessment of South Africa in 2021, the Committee on Economic, Social and Cultural Rights (CESCR) deemed progress by Government of South Africa as “insufficient” for all 4 follow-up recommendations, 3 of which relate to social protection.

The 4 follow-up recommendations from the **CESCR’s 2018 Concluding Observations for SA** were:

Paragraph 48 (a): Preparation of a **composite index on the cost of living** (Assessment: Insufficient progress)

Paragraph 48 (c): **Access to social assistance for adults between 18 and 59 years of age** (Assessment: Insufficient progress)

Paragraph 57 (c): Adoption of the **Social Assistance Amendment Bill** (Assessment: Insufficient progress)

Paragraph 73 (c): Access to education for undocumented migrant, refugee and asylum-seeking children (Assessment: Insufficient progress).



# Operationalizing a Human Rights Economy in South Africa

## High Commissioner for Human Rights:

- ❖ Globally, current economic models are not working, and the world is far off track to achieve the SDGs.
- ❖ Need for “human rights economies” that center people (and their rights) and planet over profit

# Operationalizing a Human Rights Economy in South Africa

Pathways to a Human Rights Economy  
include:

- ❖ Renewed action to implement economic, social and cultural rights and the right to development
  - ❖ Reinforces Secretary-General's prevention agenda
  - ❖ Requires multi-dimensional measurement to monitor enjoyment of ESCR and achievement of related SDGs
- ❖ Grounding fiscal policies in human rights
  - ❖ Requires evidence across dimensions

# Operationalizing a Human Rights Economy in South Africa

## ❖ Renewed action to implement economic, social and cultural rights and the right to development

E/C.12/ZAF/CO/1 (CESCR 2018)

### Maximum available resources

17. The Committee recommends that the State party:

- (a) Review its fiscal policy with a view to improving its capacity to mobilize the domestic resources required to bridge existing gaps and to increasing its redistributive effect;
- (b) Consider revising the provincial and local government equitable share formulas to reduce regional disparities in the enjoyment of the rights under the Covenant;
- (c) Assess the impact of the increase in value added tax, particularly on low-income households, and take corrective actions as necessary;
- (d) Intensify its efforts to combat illicit financial flows and tax avoidance with a view to raising national revenues and increasing reliance on domestic resources, including by combating trade mispricing within multinational corporations, and seek international cooperation with relevant international organizations, as well as the countries of origin of multinational corporations, to this end;
- (e) Re-examine its growth model in order to move towards a more inclusive development pathway.

# Operationalizing a Human Rights Economy in South Africa

- ❖ Renewed action to implement economic, social and cultural rights and the right to development

E/C.12/ZAF/CO/1 (CESCR 2018) ▲

## Austerity measures

19. The Committee reminds the State party that, where austerity measures are unavoidable, they should be temporary, covering only the period of the crisis, necessary and proportionate; should not result in discrimination and increased inequalities; and should ensure that the rights of disadvantaged and marginalized individuals and groups are not disproportionately affected. The Committee recommends that the State party:

- (a) Increase the level of funding in the areas of social security, health and education;
- (b) Task the Department of Planning, Monitoring and Evaluation with ensuring that public policies are directed towards the realization of the rights covered by the Covenant;
- (c) Ensure that the Standing Committee on Public Accounts within the national parliament (and its equivalents within provincial parliaments) takes such rights into consideration in assessing the budgetary choices of the national and provincial governments.



# Operationalizing a Human Rights Economy in South Africa

## Pathways to a Human Rights Economy include:

- ❖ Accelerating efforts to counter discrimination and inequalities
  - ❖ Requires disaggregated data (national averages can mask inequalities) and multi-dimensional measurement to identify people at risk of being left behind
- ❖ Measuring economic success beyond gross domestic product (GDP)
  - ❖ Similar to the need to measure poverty beyond income

“All human beings are born free and equal in dignity and rights”

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**STAND UP  
FOR HUMAN  
RIGHTS**

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#STANDUP4HUMANRIGHTS