



South Africa today

In 1994, a new democratic South African state was born with an inheritance which was anything but auspicious. The first years of democracy saw the introduction of a new constitutional and legislative framework. The Constitution was adopted in 1996 and an average of 90 Acts of new legislation were introduced per year in the first 10 years.

Within that framework, the South African polity has seen progress in:

- voice and accountability
- political stability
- government effectiveness
- regulatory quality
- integrity and legitimacy of the State and the rule of law
- efforts to expose and deal with corruption.

Black people had previously been denied the vote and meaningful access to the economy. From the sports fields to the factory floors, schoolrooms to neighbourhoods, South Africans were divided along racial lines, a divide enforced by repression and the denial of human rights.

The economy, isolated for years by the international community, was stagnating while debt was ballooning.

Since 1994, in line with the Reconstruction and Development Programme (RDP), government has set out to dismantle apartheid social relations and to create a democratic society based on equity, non-racialism and non-sexism.

In 2003, government conducted a review covering the First Decade of Freedom. *Towards a Ten Year Review* assessed how far these objectives had been met through the work of its five clusters, and identified challenges of the Second Decade of Freedom. This was supplemented in 2006 by a report on macro-social trends. The report,

A Nation in the Making, concluded that South African society was making advances in terms of both hard (socio-economic) and soft (identity and social cohesion) issues, but that there were still many challenges to be overcome to fully realise the vision of a better life for all.

Governance and administration

Since 1994, the Public Service has been transformed. On 31 March 2005, 73,9% of the Public Service was African, 3,7% Asian, 8,9% coloured and 13,5% white. With regard to gender, 53,3% was female and 46,7% male. However, at senior management level, 54% were African, 7,5% Asian, 7,7% coloured and 30% white. The gender breakdown for senior management was 28,5% female and 71,5% male.

Government's imbizo outreach programme, including meetings with provincial and local government executives, enables communities to interact directly with government to help speed up the implementation of programmes to improve their lives.

Better service delivery

Policy and implementation are more integrated thanks to the Government's cluster approach, improved provincial and local government co-ordination and a national development framework. The fight against corruption has been given muscle with legislation, national campaigns, whistle-blowing mechanisms and special courts.

Important initiatives include community development workers and the Batho Pele Gateway Portal.

Social cluster

By May 2006, more than seven million children received the Child Support Grant (CSG), while more than 330 000 children received foster care grants.

The overall target set by government for extending the CSG to children under 14 years was 3,2 million children by end of March 2006. By July 2006, over 3,4 million children were receiving the grant. In the age cohort seven, eight and nine and 10 years, the targets had been exceeded. In the age category 11 to 14 years there was still a shortfall of 119 000 children that need to be registered. The 1,2-million target for 11 to 14 years was expected to be reached by the end of 2006/07.

There are almost 1,3 million beneficiaries of the Disability Grant while more than two million people receive the Old-Age Grant.

Millions who previously had no access to electricity, water or sanitation now enjoy these services.

Other achievements:

- Women and children under six enjoy free healthcare.
- Between 1994 and June 2006, 2 881 379 subsidies were approved. As a result of the housing programme, housing beneficiaries increased from 325 086 to 1,8 million beneficiaries in 2006.
- By the 31 December 1998 cut-off date, the Land Claims Commission had 79 696 land claims lodged with it – of these 71 645 had been settled by May 2006. Of the 8 107 remaining claims, 6 975 were rural while 1 132 are urban claims. Just over R6,1 billion had been awarded beneficiaries who opted for financial compensation, benefiting a total of 986 981 beneficiaries and 194 487 households.

Since 1994, government has made steady progress in raising the proportion of spending on social services that goes to the poorest 40% of the people.

Welfare and social assistance, education, land restitution and housing have evolved into strongly redistributive expenditure programmes, bringing the average value of services, of the social wage, that goes to the poorest 40% of households to an estimated R956 a month.

Economic cluster

Performance of the economy

- Stability

Growth averaged about 3% during the First Decade of Freedom, from 1994 – 2004, a considerable improvement on the decade before 1994 when growth averaged 1% per year. Since 2004, growth has exceeded 4% per year, reaching about 5% in 2005. Expectations for the current strong performance to continue are high – forecasts by banks and ratings agencies generally indicate expectations of growth continuing at around 4,5% in the medium term. Business confidence is very high.

The Accelerated and Shared Growth Initiative for South Africa (AsgiSA) will open the way for faster implementation of various government programmes. By addressing the binding constraints to faster growth of the economy, it will create conditions for the speeding up of economic growth to at least 6% a year between 2010 and 2014. This will help halve unemployment and poverty by 2014, as mandated by the electorate in the 2004 election.

- Economic reform

Trade and industry have been restructured to make the country more competitive, while labour reform has created an environment in which both employers and workers have greater certainty and security.

- Employment

With faster growth rate has come rapidly improving employment creation. One million net new jobs have been created over the past three years, and in the last year measured (to September 2005) around 540 000 net new jobs were created. Though unemployment remains high at over 26%, this is considerably better than the 32% unemployment rate reached a few years ago. Recent research indicates that the real incomes of the poorest

20% of South Africans rose by 30% in real terms between 1994 and 2004.

Government is committed to reducing unemployment to below 15% by 2014 and halving the poverty rate to less than one-sixth of households by then.

- **Empowerment**

From the 2005/06 Employment Equity Report, blacks (broadly defined) account for 27,2% and whites account for 72,6% of all top management positions. Females account for 16,5% and males account for 83,3% of all top management positions. In terms of senior management, blacks account for 27,5% and whites 72,4% with females 23,65 and males 76,35. For professionals and middle management, the numbers are black 38,7% and whites 61,3% with females 32,7% and males 67,3%.

Justice, crime prevention and security

South Africa's justice and police resources have, since 1994, concentrated on stabilising crime. Government has identified and prioritised 169 police stations that register the highest levels of contact crime.

The current strategic thrust for policing in South Africa is the reduction of crime levels by between seven percent and 10%.

The latest crime figures were released in September 2006. All eight contact crimes decreased during the last financial year, with four of the eight categories showing significant decreases. Common robbery decreased by 18,3%, attempted murder by 16,6%, common assault by 15,6% and serious and violent assault by 9,6%.

International relations

South Africa's post-1994 success in defining its place in the world is remarkable given its size.

After being shunned by much of the world for decades, South Africa is now actively promoting its own interests and those of the South in all significant regional, continental and multilateral institutions.

Challenges of the next decade

The next decade's challenges arise from lessons learnt in the First Decade of Freedom and new challenges created by the first stage of transformation.

Key challenges will be creating jobs for the millions seeking work, and equipping them for a changing economy in which higher skills are required.

After a decade of freedom and transformation, the Government, elected in April 2004, has embarked on a programme of action to consolidate democracy in South Africa and to put the country on a faster growth and development path.