



**Address by Zwelinzima Vavi, General Secretary of the Congress of South African Trade Unions at the launch of Section 27, 7 May 2010, Johannesburg**

Thank you very much for inviting me to speak at this very important conference. I am privileged, on behalf of COSATU, to have been invited to deliver this address.

Firstly let me congratulate you on launching such an excellent campaign, to combine law and struggle to confront the critical challenges we face. Although we have enjoyed 16 years of parliamentary democracy, we cannot allow our public debates to be restricted to parliament. We need to revive our great traditions of mass mobilisation and create space for the participation of thousands of South Africans to have their voice heard in public debates.

The Section 27 Campaign, the Equal Education Campaign, and others will open up a new chapter in civil society struggle and I appeal to the media, who are becoming more and more obsessed with the lives of a small elite, to publicise initiatives like the Section 27 Campaign which tackle the challenges facing the majority of South Africans.

I am sure that the new campaign will build on the successes achieved by the Aids Law Project and the TAC in using Section 27 of the Bill of Rights and other laws, combined with mass mobilisation, to bring about the transformation of our approach to HIV/Aids.

Now we can use that experience to broaden our outlook and use the same strategies to start to transform our whole healthcare system and all other areas of our social life.

Healthcare provision is a critical indicator of how far we are moving forward in transforming our nation. The ANC's election manifesto spelled out some of our achievements. Our free primary healthcare has expanded and 1 600 more clinics have been built. About 248 out of 400 public hospitals have been revitalised and refurbished.

The public antiretroviral therapy programme has enrolled more than 480 000 people living with HIV and Aids, making our programme amongst the best and most comprehensive in the world.

COSATU enthusiastically supports the HIV Counselling and Testing Campaign, launched by President Zuma on 25 April 2010. We must all work together to make sure it succeeds, that everyone is persuaded to get tested and all those needing antiretroviral treatment receive it.

But have we really fully implemented the promises made in Section 27, to give all South Africans equal access to healthcare?

The answer has to be a resounding NO. Despite the successes outlined in the manifesto, our health system is in crisis. Although some health statistics have slightly improved during the democratic dispensation, most have got worse.

According to the UN's Millennium Development Goals (MDGs), maternal deaths have increased from 230 mothers per 100,000 dying in 2000 to 400 in 2005, with latest estimates as high as 623 deaths. Yet the MDG target is 38! South Africa stands out internationally for the extent of the deterioration of its health statistics since 2000 when the MDGs were introduced.

This deterioration began before 2000, much of it as a result of the HIV/AIDS pandemic, with 1,000 AIDS-related deaths *every day* in South Africa, and another 1,450 people becoming HIV infected each day. Our death statistics - with the young and those of working age dying in droves - are what you would expect in a country in the throes of a terrible war.

At least 70% of the caseload in the public health system now consists of HIV/AIDS cases, crowding out the capacity to treat other medical conditions. The number of people needing antiretroviral treatment is going to rise to 5, 5 million within five years, which again shows how vital the HCT campaign is.

Although we rank 79<sup>th</sup> globally in terms of GDP per capita, we rank 178<sup>th</sup> in terms of life expectancy, 130<sup>th</sup> in terms of infant mortality, and 119<sup>th</sup> in terms of doctors per 1000 people.

South Africa performs worse than countries with far lower levels of per capita health expenditure. There is a disconnection between national policy and the allocation of resources. Management information systems are insufficient for decision-making, and decision-making powers are generally wrongly located, so that for instance a hospital CEO doesn't meaningfully control staff, budget or procurement.

Comrades and friends

The process of transforming any health service is informed by the strengths and weaknesses of the current system and the extent to which these need to be adjusted to ensure that the needs of the total population are adequately catered for at all times.

In South Africa's case the core problem with our health service crisis is not just the overall levels of health care provision but the fact that the system grossly discriminates according to race, gender and class.

South Africa's healthcare provision demonstrates one of the most unequal levels of service in the world, as demonstrated by the 2006 World Development Report, which begins its overview of the state of global inequalities by a story of two South Africans, one black and female and the other white and male.

The black female South African has a 7.2% chance of dying in the first year of her life, whereas the white male has a 3% chance of dying. We also learn from this report that the black South African female can expect to live 12 years less than the white male, and that an average male Swede can expect to live 30 years more than an average black South African female<sup>[1]</sup>.

It is black people and the working class that face humiliation in dysfunctional public institutions whilst the rich and the middle class enjoy better resources and care in the private hospitals.

Life expectancy of South Africans was at its highest in 1992 - at 62 years. Since then life expectancy has dropped to 50 years in 2006<sup>[2]</sup>. The situation appears to have got even worse since 2006. According to a 2009 South African Institute of Race Relations Survey, the life expectancy of a white South African now stands at 71 and that of a black South African at 48. Whites therefore expect to live 23 years more than blacks.

Equally outrageous in the inequality according to class, because of the stark gap between the levels of service in the private and public health sectors. Currently, the public sector caters for an estimated 41 million people and spends about R89 billion while the private sector caters for about 7 million people and yet it spends R74 billion.

This translates into R2, 170 per person per year in the public sector while it is R9, 860 in the private sector, almost five times as much per person. Why is the media silent on this appalling statistic? Why is there no a public outcry? The answer has to be that the victims are the marginalised and powerless. That is why we need campaigns like Section27!

The challenge of cost escalation in the private health sector has worsened over the years, despite some measures put into place by government to redress the situation. Many medical schemes increase premiums annually way beyond inflation levels.

To make matters worse, the oligopolistic nature of the private health services market, particularly the private hospitals and specialists, has significantly contributed towards pushing the costs of healthcare services to levels that are unaffordable to many South Africans who actually need them.

The lack of a proper referral system in the private sector also implies that people access services at inappropriate levels and that no proper treatment is provided for conditions such as HIV & AIDS and TB which leads to inefficient use of resources.

The disparities between what the public and private health sectors spend on healthcare in the country are unsustainable and if this situation is allowed to continue the national health system will collapse.

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<sup>[1]</sup> World Development Report (2006): Equity and Development.

<sup>[2]</sup> World Development Indicators, 2009.

We have to change the culture of service in public healthcare. All our managers, nurses and doctors must be well paid, but in return they must devote themselves to the service of their patients. We cannot tolerate a situation where staff who moonlight in private hospitals treat their patients with respect, but when they return to their day jobs in the public sector treat them with scorn and contempt.

These challenges must be addressed via extensive health sector transformation. This must include restructuring the way we mobilise resources for the national health system and how these resources are actually used to deliver and provide health services to the people.

Comrades and friends

Our ANC-led government has made a bold decision to introduce national health insurance (NHI). It will be founded on the core principle of universal coverage, so that all South Africans will have access to health care at all times and not be dependent on ability to pay premiums to a medical scheme, with all unnecessary barriers kept to the minimum. This principle will enable us to start to implement Section 27.

Protecting individuals from catastrophic health expenditures is a key factor in avoiding poverty and indigence, which in turn is linked to their poor health status and thus positively contributes to social security and protection. It also results in a healthy and productive workforce.

Improving the funding of the health system will ensure that health resources are located where they are needed most. These resources will include attracting health professionals back to the public health sector and ensuring that the medicines and other essential supplies are made available and managed efficiently.

The NHI will be structured in a way that ensures that healthcare resources are leveraged to yield the best health outcomes for the population, through centralised purchasing, risk-pooling and strong subsidisation mechanisms to promote social solidarity. The monopoly purchasing strength of the NHI will be used to bring down the escalating costs of healthcare and the efficiency savings generated from this will imply more money for health services delivery, especially for the poor.

There will be significant improvements in the quality of healthcare services for all, irrespective of their socio-economic status, and improving the quality of health care in all types of health facilities.

The NHI will offer a comprehensive set of clearly defined health entitlements to all. An important part of the transformation of the healthcare system will be the overhaul of its governance structure. The standards and norms of what constitute a decent healthcare system should be monitored and enforced and the migration towards an integrated electronic record system must be undertaken to improve efficiency.

Local manufacturing of medicines should be urgently pursued and progress towards the formation of a state-owned pharmaceutical company needs to be reviewed.

So far government has heroically defended the logic of the NHI against a systematic and well-orchestrated campaign by the right wing. But there are concerns that the government may be giving in to capitalist pressures and is now prioritising the introduction of Public/Private/Partnerships, which will lead to privatisation.

COSATU will, together I am sure with Section 27, our communities and all those opposed to the privatisation of health care, mount a campaign in defence of the NHI and to advance a state-driven healthcare system.

Health - like education, unemployment, lack of housing and income inequalities - remains a fault line inherited from the apartheid state. In all these areas it is imperative that civil society gives a lead and begins the process of transformation from below.

That is why the launch of this Section 27 Campaign is so important and so welcome. It will create a tsunami of public protest that will sweep along government and business, and all those with vested interests in the present unjust and inefficient health service, and take us forward to a healthy nation.

Finally I must pay my respects to Comrade Bomber Ntshangase, a long-serving member of the SACP in Mpumalanga, who was brutally murdered on Wednesday. We send our condolences to his family and comrades. It seems that he is yet another victim of the 'tenderpreneurs' in the province who have been assassinating anyone who stands in the way of their greed to accumulate wealth. This makes us all the more determined to wage war on corruption and save our movement from this alien culture.

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