



*Southern African Catholic Bishops' Conference*  
**PARLIAMENTARY LIAISON OFFICE**



# **SUBMISSION**

**to the**

**Select Committee  
on Health and Social Services**

**on the**

**National Health Insurance Bill  
[B11B-2019]**

**September 2023**

1. This submission is made on behalf of the Southern African Catholic Bishops' Conference (SACBC) by the Catholic Parliamentary Liaison Office (CPLO). The CPLO is an office of the SACBC, tasked with liaising between the Church and Parliament/Government, commenting on issues of public policy, and making submissions on legislation.

2. The CPLO welcomes the opportunity to comment on the National Health Insurance Bill [B11B – 2019], which seeks to give expression to the policy objective of ensuring that everyone has the right to have access to health-care services as a socioeconomic right under Section 27 of our Constitution.

3. We do not intend to comment on the technical details of the legislation, but rather to make some broad observations, and to express some concerns.

4. **Firstly**, we agree that our current two-tiered health system is an unfair and unequal one, where the majority of South Africans are unable to access quality health services on the basis of need, rather than on a basis of an ability to pay. We are thus in agreement that there needs to be a change in the way that health-care is organised, managed and funded in order to ensure, as far as possible, quality, universal health coverage.

5. **Secondly**, we believe that health-care is a basic human right, as set out in the SA Constitution and in the teachings of the Catholic Church. Sixty years ago, Pope John XXIII, in the document *Pacem in Terris* (Peace on Earth) wrote as follows:

“[People have] the right to live. [They have] the right to bodily integrity and to the means necessary for the proper development of life, particularly food, clothing, shelter, medical care, rest, and, finally, the necessary social services. In consequence, [they have] the right to be looked after in the event of ill health; disability stemming from work; widowhood; old age; enforced unemployment; or whenever through no fault of [their own they are] deprived of the means of livelihood.”<sup>1</sup>

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<sup>1</sup> At para 11, emphasis added. See [https://www.vatican.va/content/john-xxiii/en/encyclicals/documents/hf\\_j-xxiii\\_enc\\_11041963\\_pacem.html](https://www.vatican.va/content/john-xxiii/en/encyclicals/documents/hf_j-xxiii_enc_11041963_pacem.html)

6. **Thirdly**, as a basic human right, the provision of health-care should never be treated as a commodity, to be bought and sold for purely commercial considerations. While there is a place for private health-care, which can help to relieve the burden on public health services, the overriding objective for both public and private health providers must be to ensure that everyone enjoys access to the highest practical standards of health-care.

7. **Fourthly**, while we support the general principles behind the Bill, we are concerned that the cost of funding the initiative may potentially impede its successful implementation and prevent government from achieving its health policy objectives. It is concerning that the National Treasury has as yet not published the accompanying money bill which would have provided an idea of how the initiative will be financed.

The only indication is that the primary source of funding will be the current tax system, through an increase in VAT or in personal tax, or a combination of both. We appreciate the fact that the NHI will be phased in, starting in 2026, but it cannot be assumed that our economy will grow exponentially in the next few years and that unemployment figures will improve significantly, thus broadening South Africa's very small tax base.

Raising VAT is also not sustainable, as the majority of South Africans are already struggle to afford basic food items and other necessities.

Until these crucial questions around the affordability of a NHI are satisfactorily answered it risks remaining an abstract ideal. In this regard it is worth noting that even a wealthy, highly developed country like the United Kingdom, which has operated a national health scheme for 75 years, is today struggling to maintain the system and to find ways to pay for it.

We therefore urge the Select Committee to seek clarity and transparency from government in relation to the funding of the NHI. The adoption of the Bill should only proceed once the money bill from National Treasury is published and adopted.

8. **Fifthly**, and linked to the last point, we question the narrative that suggests that a lack of money is the key obstacle to the provision of basic health-care as required by section 27 of the Constitution. The public health sector is bedevilled by corruption, mismanagement and wasteful expenditure. Simply throwing more money at these problems will not solve them.

For example, according to the Auditor General in the last financial year the Gauteng health department failed to spend R2.6 billion of its budget, and a further R2.6 billion constituted wasteful expenditure.<sup>2</sup>

As another example, more than two years after the murder of the whistleblower Babita Deokaran, nothing has been done to bring an end to the corrupt networks that she uncovered and to punish those responsible.

We share the widespread concern that, unless proper steps are taken to address the mismanagement, corruption, cadre deployment and lack of accountability that have caused so much harm to the public health system, to embark on a national health insurance scheme involving hundreds of billions of Rands would simply be to invite more corruption and more waste of people's hard-earned taxes.

9. In conclusion, we quote Professor Malegapuru Makgoba, one of our country's foremost public health experts, who had this to say on the NHI: "This is a very excellent concept, but for it to work poor infrastructure needs to be addressed, poor leadership, inadequate human resources and poor governance in health need to be addressed."<sup>3</sup>

We wish Select Committee well in its deliberations.

For further information, please contact:

**Kenny Pasensie**

**Project Co-ordinator**

**Catholic Parliamentary Liaison Office**

kenny@cplo.org.za

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<sup>2</sup> <https://www.news24.com/citypress/news/gauteng-health-department-failed-to-spend-r27bn-of-its-budget-yet-wasted-another-r26bn-20230904>

<sup>3</sup> <https://www.dailymaverick.co.za/article/2023-04-18-huge-dose-of-empathy-outgoing-health-ombud-prof-makgoba/>

