

Open letter to President Ramaphosa and National Treasury

31 January 2019

Sawubona Honourable Mr President and Mr Mboweni.

We are a forum of women pensioners who live in Pietermaritzburg and are organising with other pensioners locally and nationally for all pensioners to receive a substantial increase on our monthly state old-age grant (currently valued at R1 700) and for a bonus in December equal to double the monthly pension.

We have made numerous submissions to National Treasury, the Finance Committee in Parliament, and have written many letters to yourselves and the ANC Caucus in Parliament. To date we have not received a response indicating that the ANC in parliament and in government has listened carefully to our cries and is taking our situation seriously.

We are very worried about our situation as pensioners who rely on the old-age grant to care for our families. We feel that you should be worried too, and that government needs to do something to help us. We are 3,5 million pensioners. Many of us live in families with no employed adult. Our monthly old-age grant of R1 700 is used to support entire families, and to clothe, feed, transport and educate our adult children and grandchildren.

Mr President, the pension is R1 700 a month. We cannot survive on it. It is far too low. We cannot live healthy lives on it, it just keeps us in poverty. This year has been so hard. Everything has gone up. Fuel has gone up. Electricity has gone up. Omalume who take our grandchildren to school has gone up. Masingcwabisane has gone up. VAT has gone up. Food prices have gone up. There are no jobs for our children.

We are of the age group that when we worked, we received the lowest wages, we suffered the worst racial oppression and exploitation in the workplace and did the most horrible types of work. As the new Democracy slowly worked itself out to try and improve working conditions and wages, most of us in vulnerable jobs did not see great improvements in our wages. We did not earn enough when we worked to support our families and to save for our retirement. Our only option when we retired was to apply for the state Old-Age Grant. Mr President we worked our entire lives and contributed to this South Africa we live in today and have now ended up in terrible poverty. The R1 700 takes us nowhere except to lock us and our families into ever deeper poverty and misery. Mr President it is a wicked short-sighted unconscionable thing to not make sure that pensioners receive a proper pension.

When the Department of Basic Education brought forward the start of the New School Year to the 9th of January 2019 it was pensioners who made sure that grandchildren had uniforms and shoes, stationery and books, registration fees and that omalume were paid to transport grandchildren safely to school. No other workers were paid in the first week of January. Families relied on the old-age grant. Where we live, the cost of ensuring these basic educational resources were paid, meant that most of us had almost nothing to eat for three weeks in January. We brought this scenario to your attention in our numerous submissions and letters in early 2018. We told you that we would need help to make sure that our grandchildren were properly prepared for the New School year and well fed, healthy and strong and ready for school. You ignored us. You did nothing to help us. Instead you made it more harder because the start of the New School year was brought forward. 2018 was a difficult one with all the price increases. The small pension was not enough to absorb the price increases and save a little bit for December. We have had to use all our January pension and most of us have also had to go into even deeper debt. This debt will follow us all year. If we borrow R100 we must pay R30 every month until we can pay the full R100 back. Mr President do you know how much a child's school shoes cost? Do you know that shoes get lost? That shoes get scuffed on our roads? That children's feet grow fast and that shoes must be re-bought in the year? Do you know how much little growing boys and girls eat? How hungry they are? How much they cry?

Increasing the pension to a living wage would help us better support our families and make sure that our children and grandchildren's futures are much brighter and more stable. This will be good for teachers in classrooms and nurses in clinics. This would be good for government because it would mean that less money would have to be spent in the public health sector, our children would be able to maximise their education and would be able to gain knowledge and skills which would mean that South Africa would have a much stronger economic base as its workforce will be stronger, healthier and better skilled.

Mr President R1 700 is far too low. We stand in the queue to collect the old age grant and then go and stand in the line to borrow money. It is a poverty grant and it is not enough to help us. We spend all the money in a few hours on food, electricity, transport, education, scholar transport, debt repayments and burial insurance. We come home with nothing. We leave all our money in town.

We have no money to bring home where we live. We have no money to support local economic activities where we live. We make things, but nobody has any money where we live to buy the things we make. We cannot support others who make things too. We also can't grow our small businesses. We would like to invest in our small businesses. We would like to invest in our homes – to expand our houses and fix the walls when they crumble. To create wealth where we live. But we can't because we have no extra money.

Mr President you are struggling to create jobs. You know that your 275 000 jobs a year is not even going to touch sides with the 9,7 million people who are unemployed. The situation is terrible and getting worse every day. You know that no new jobs are going to come fast enough to save us. You need to find a way to put money directly into a lot of people's pockets so that people can spend and force a recovery in the economy. We are 3,5 million pensioners and government has a good system to transfer monies into our pockets. If you use our pockets, we will be able not only to make sure that the future of South Africa's children and therefore our economy, education, health, society and political democracy will be on a much more stable footing and positive trajectory but we, with extra money to spend in town and also where we live; we will be able to change the economy around very quickly. We will be able to create work where we live.

Mr President, why are your financial policies so short-sighted? Why do you wrap yourself in fear and conservatism? By pegging the old-age grant at a poverty level you not only keep millions of people in abject misery but you remove millions of people from being able to participate actively in the economy. You allocate money to us every month, but the little money hardly helps us and it does nothing for you. Increase it and all of a sudden millions of people will be able to spend and invest and support and create work and wealth. See the old-age grant as an investment in society and the economy not as a burden on state resources. Make the money work for all of us. We are 3,5 million people with ideas and knowledge and skills, social networks, financial nous, dreams and aspirations, great wisdom and love for our families and country. We can do wonders with more money in our pockets. Increase our pensions and we guarantee you that our economy and our society will start to thrive.

Mr President we ask that you substantially increase our monthly old-age grant and provide a bonus annually in December equivalent to double the monthly pension.

- 1. We ask that you announce this in the State of the Nation Address on the 7th of February 2019.**
- 2. We ask that you instruct Treasury to budget for the increase in the monthly old-age grant and bonus in December and that these budgetary allocations are announced by Minister Mboweni in the 2019 Budget Speech on the 20th of February 2019.**

Mr President, you are our president. We are the people. South Africa is our country. We have struggled and suffered for so long. We need you to take us seriously. We want to be part of a South Africa that is better for all of us, and where all of us can be part of society, actively participate in the economy, live to see our children and grandchildren thrive; and, before we die, to experience dignity, justice and freedom.

Thina Ogogo.

Pietermaritzburg Pensioners Forum

Contact person:

Gog' Thoko Ngubane 076 772 3521