

**Public Service Performance:**  
Towards a better life for all.

**Aubrey Matshiqi**  
Senior Political Affairs Associate

**Policy: issues & actors**

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**Aubrey Matshiqi**

Senior Political Affairs Associate

**Centre for Policy Studies**

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Centre for Policy Studies  
1st Floor  
Rosepark South,  
6 Sturdee Avenue,  
Rosebank,  
Johannesburg, South Africa

P O Box 1933  
Parklands  
2121  
Johannesburg, South Africa

Tel +27 11 442-2666  
Fax +27 11 442-2677  
e-mail: [portia@cps.org.za](mailto:portia@cps.org.za)

[www.cps.org.za](http://www.cps.org.za)

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## 1. INTRODUCTION

Has the government and, therefore, the Public Service delivered on the promise of “a better life for all” that was made to South Africans prior to the 1994 elections? This paper examines the extent to which this ‘better life for all’ - in the context of the performance of the Public Service - has become a reality in the period since the 1994 elections. It further examines the context in which performance enhancement has to occur in relation to the unique developmental challenges of South Africa. It also examines the reforms that were instituted during the first decade of democracy and the delivery record of government over the same period and, therefore, interrogates the challenges that have emerged as a result of policy and implementation deficits exposed by this record. Finally, the challenges that face the Public Service in this second decade of democracy are identified.

## 2. THE MANDATE OF THE PUBLIC SERVICE

The Constitution states that “within public administration there is a public service for the Republic which must function and be structured, in terms of national legislation and which must loyally execute the lawful policies of the government of the day”.<sup>1</sup>

In terms of section 195 (1) of the Constitution, public administration in this country is governed by the following basic values:<sup>2</sup>

- A high standard of professional ethics must be promoted and maintained
- Efficient, economic and effective use of resources must be promoted
- Public administration must be development oriented
- Services must be provided impartially, fairly, equitably and without bias
- People’s needs must be responded to and the public must be encouraged to participate in policy-making
- Public administration must be accountable
- Transparency must be fostered by providing the public with timely, accessible and accurate information
- Good human resource management and career-development practices to maximize human potential must be cultivated

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<sup>1</sup> See The Constitution of the Republic of South Africa, section 197 (1)

<sup>2</sup> See The Constitution of the Republic of South Africa, 1996

- Public administration must be broadly representative of the South African people with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation

Clearly the Public Service must pursue the agenda of the post-Apartheid 'developmental'<sup>3</sup> state by delivering services in an accountable, efficient, effective and cost effective manner. Since in many cases, especially during the first term of the democratic government, the delivery deficits occurred as a result of capacity deficits, the government instituted measures, as we shall see in later sections, to promote effective delivery.

One of these measures was the introduction of the 'Batho Pele' (People first) approach whose objectives were:<sup>4</sup>

- To introduce a new approach to service delivery which puts people at the centre of planning and delivering services;
- To improve the face of service delivery by fostering new attitudes such as increased commitment, personal sacrifice, dedication; and
- To improve the image of the Public Service;

By government's own admission, the culture of service within the public service, even after 1994, needed to be re-engineered hence the argument that government has "noted that many public servants have not yet internalised Batho Pele as part of their day-to-day operation while providing services to members of the public. In order to deal with this, the Department of Public Service and Administration has developed a "Batho Pele revitalisation strategy" whose aim it is to inculcate the Batho Pele culture among the public servants and improve service delivery in the public service"<sup>5</sup>. Writing in 2004, Richard Levine - the current head of the DPSA - argued that "The infusion of a culture of Batho Pele throughout the ranks of the public service is central to improving and integrating service delivery. Many lower level public servants continue to operate according to an outdated rules based culture that is citizen-unfriendly and which disregards Batho Pele. There has been limited suffusion of the new principles and values at these levels and changing organisational styles and culture has often proved to be elusive".<sup>6</sup> One of the things the Constitution calls for in section 195(1) is the encouragement of public participation in policy making processes. The principle of Batho Pele must, therefore, also give effect to the idea of public participation and participatory democracy in a way that goes beyond the positioning of citizens in relation to the State as

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<sup>3</sup> There is growing debate about whether the post-Apartheid State should be regarded as a developmental state. See, Edigheji, o. The Discourse of the Developmental State and a "People's contract" in South Africa.

<sup>4</sup> See Batho Pele Home Page at [www.gov.za](http://www.gov.za)

<sup>5</sup> Ibid.

<sup>6</sup> See, SDR vol. 3 N0. 2 2004 for a more comprehensive engagement with service delivery and the developmental state.

mere recipients of the results and outcomes of public policy. In this regard, we must not make the mistake of thinking that presidential “imbizos” which come after the policy fact are an adequate response - they tend to limit the role of citizens to sentiments about implementation of government programmes, as they have already been excluded from the role of policy initiators. Reflecting on this point, Steven Friedman<sup>7</sup> argues that government has a tendency of locking itself up in forums instead of giving ordinary citizens the “voice” to express their policy preferences, and therefore shape the policy process and outcomes. What this highlights is the fact that we must conceive of the mandate of the public service in terms of both its procedural and substantive dimensions. In addition, this conception of the mandate of the public service must take into account the nature of the specific challenges that face the post-Apartheid State.

### 3. CONTEXT AND CHALLENGES

#### 3.1 The RDP

The 1994 democratic elections were a defining moment in the transition from an Apartheid State to a Democratic State. The new state was faced with the key challenge of creating a society that in content and form, would be the antithesis of apartheid society. Because of the ravages of apartheid policies on the social and economic well-being of black people in general and Africans in particular, the democratic state was faced with the challenge of creating a constitutional order, institutional reform, economic reform and the delivery of a better life for all South Africans. To this end, there was a need to re-orientate the Public Service to meet these new challenges. The broad challenges entailed the creation of a new culture of service, a new work ethic, the engineering and re-engineering of structures, systems and processes, human resource development, the creation of a new strategic policy and legislative framework, the setting of new strategic goals and objectives in line with the overall goal and imperative of creating a better life for all. In the Reconstruction and Development Programme (RDP), which was prepared for the African National Congress prior to the 1994 elections, it is argued that “Poverty is the single greatest burden of South Africa’s people”.<sup>8</sup> The RDP recognised that the amelioration of the poor social and economic conditions of the majority was a key challenge. Implicit in this recognition was the realisation that the new state will be judged by this poverty-stricken majority on the basis of its ability to craft policies and deliver programmes that will impact positively on the lives of the poorest of the poor in particular. The RDP also recognised the need to create a relationship between the Democratic State and the historically oppressed and disadvantaged that would empower as opposed to creating a culture of dependence. This did not mean that the state would be absolved of its primary responsibility of alleviating poverty, creating job opportunities, building houses and fighting disease. For this reason, the RDP identified the

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<sup>7</sup> Ibid.

<sup>8</sup> See RDP, p. 14

need for “creating opportunities for all South Africans to develop to their full potential”<sup>9</sup> as one of the key bases for a development strategy.

The following needs were identified<sup>10</sup>: land reform; housing and services; water and sanitation; energy and electrification; telecommunications; transport; environment; nutrition; healthcare; social security and social welfare.

In order to meet these basic challenges the RDP identified four pillars<sup>11</sup>, namely:

- Creating opportunities for all South Africans to develop to their full potential;
- Boosting production and household income through job-creation, productivity, efficiency, improving conditions of employment, and creating opportunities for all to sustain themselves through productive activity;
- Improving living conditions through better access to physical and social services, health care, and education and training for urban and rural communities; and
- Establishing a social security system and other safety nets to protect the poor, the disabled, the elderly, and other vulnerable groups.

To give effect to these strategic priorities the developmental strategy of the new democratic state was to proceed on the basis of the following key programmes<sup>12</sup>:

- Meeting basic needs;
- Developing our human resources;
- Building the economy;
- Democratising the state and society; and
- Implementing the RDP.

Reflecting on South Africa’s first decade of democracy and the government’s delivery record between 1994 and 2003 the Human Development Report of the United Nations Development Programme articulates the challenge facing South Africa in the following terms:

*“The ultimate aim of economic growth and development is to improve the standard of living of the population”<sup>13</sup>.*

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<sup>9</sup> See RDP, P16

<sup>10</sup> RDP, p. 16

<sup>11</sup> RDP, PP. 15 - 16

<sup>12</sup> RDP, P. 7

<sup>13</sup> Human Development Report 2003, p. 13

In a later section the assessment of government performance by the United Nations Development Programme will be examined.

Our understanding of the context in which the post-Apartheid State in general and the public service in particular have to deliver on the promise of 'a better life for all', and of what has been achieved in this regard over the past thirteen years must in part be based on the following analytical framework:

- We must acknowledge the gains that have been made since 1994.
- We must recognise the delivery deficits that have emerged since the advent of democracy as a result of subjective weaknesses in policy choices and implementation programmes.
- We must acknowledge the existence of objective factors in the domestic and global environment and how these impact on the capacity of the democratic state to deliver on the promise of a 'better life for all'.
- We must also bear in mind that the core challenge of our transition is not constituted by a tension between the expectations of citizens and lack of delivery. The tension is between the expectations of citizens - specially the historically oppressed - on the one hand, and the scope and pace of delivery on the other.
- The success of South Africa's developmental project will depend on the **nature** and **role** of our democratic state.
- Our developmental project must be understood in terms of the position of South Africa as a developing African country.

As indicated above, the challenges facing the public service must, amongst other things, be understood in terms of the nature and role of the post-Apartheid State. The discourse on the State and state typologies in this country has been dominated by debates over whether the post-1994 democratic state is a developmental state. It is not intended in this paper to venture comprehensively into the notion of a developmental state. The characterisation of the post-Apartheid state as a developmental state is, therefore, done in very broad, brief and limited terms in this paper.

According to Geraldine Fraser-Moleketi (Business Day, July18, 2005) the Minister for Public Service and Administration, a developmental state must be understood as "a state that requires capability for the specific purpose of improving the lives of all by improving the delivery of public services". Her colleague and Minister of Social Development, Zola Skweyiya (2004), argues that "The adjective "developmental" focuses attention on processes rather than structures" and "highlights the ethical dimensions of economic and social policy". These conceptions of the developmental state place emphasis on the intended outcomes of government programmes and, therefore, betray an ideologically prescriptive conception of the post-apartheid state which may not reflect the total reality of the interface between the

state and the expectations of citizens. In fact, Edigheji (2006) argues that “development and governance have, today, become state-centric, with citizens reduced to passive recipients of service delivered by the state”. This, however, and as we shall see in the delivery record of the post-apartheid government, does not completely belie what has been achieved since 1994. What it does, is to raise the question - as Evans (1995) does - of defining the developmental state in terms of the “connection between development impact and structural characteristics of the state”.

### 3.2 Productivity and Performance in the Public Sector

In order to improve the standard of living of the population, the Public Service has to concern itself with issues of performance, performance management and productivity. In South Africa during the first decade of democracy these issues became critical as capacity, policy and implementation deficits came to the fore. During the second term of the democratic government, it became necessary to adopt measures for the improvement of performance and productivity in the Public Service with the aim of accelerating delivery. Performance also became an issue because a tension between the expectations of the population and the pace of delivery occurred despite what the new government had been able to deliver in redressing some of the imbalances caused by decades of apartheid policies. Another tension that necessitated a rethink of public sector performance was that between the expectations of the population and the quality of the services delivered. Pursuant to this, this section examines, albeit briefly, what constitutes performance and productivity.

According to Gerrit van der Waldt (2004), “public institutions use scarce resources (input), both human and material, to produce outputs for consumption by the ‘citizens’ or ‘consumers’ in order to achieve valued outcomes”.<sup>14</sup> The effective management of performance within the public sector is crucial for sustaining a productive relationship between inputs, outputs and outcomes. Joubert and Noah (2000) define performance management as “a formal management process for harnessing and directing, measuring, evaluating and rewarding human effort, competence and talent in realizing an organisation’s mission and vision within a framework of core values”.<sup>15</sup> For the purposes of this discussion, performance management also refers to “specific systems for managing and developing individual performance, especially performance appraisal systems”.<sup>16</sup> Since ‘human effort’ and ‘individual performance’ lie at the centre of performance management, the relationship between management and non-management staff in the public sector should aim to forge an effective alignment between the deployment of resources, results and customer (citizen)

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<sup>14</sup> See, van der Waldt, p. 39

<sup>15</sup> See, People Dynamics, February 2000, p. 18

<sup>16</sup> See, van der Waldt, p. 39

satisfaction. Effective performance management has benefits for both organisations and clients. Some of these, as identified by van der Walddt, are:<sup>17</sup>

- It enables top managers to set goals while managing the relationship with clients thus facilitating the use of client requirements in organizational goal-setting.
- It helps managers set effective goals and targets for their teams as a result of a greater understanding of the mission of their organisation thus resulting in a more effective culture of delegation.
- It improves the understanding of staff of organizational targets, improves the autonomy of staff members and enhances staff development.
- It enhances support functions.
- It should enable the organisation to turn customer needs into effective business plans resulting in increased levels of customer satisfaction.
- It clarifies strategy and makes it accessible.
- It transforms strategy into operations, vision into action thus leading to greater strategic alignment.
- It clarifies roles and responsibilities - political and managerial.
- It clarifies expectations of the institution and individuals.
- It improves accountability and participation.

Another important challenge facing the public sector is that of improving levels of productivity because “public administration has come to be associated with delays, red tape, insensitivity and inefficiency in the regulation of cost and time”.<sup>18</sup> In the South African context, productivity in the public service is about creating ‘a better life for all’ and ensuring that the alignment between political and administrative goals, the deployment of government resources and the needs of citizens, result in an improvement in the lot of the poor who still constitute the majority of our population. Sardana (2000) defines productivity as an indication of the “extent of actual accomplishment of Performance Objectives in relation to the attainable level in a given external environment”.<sup>19</sup> In South Africa this ‘external environment’ is constituted by abject poverty, the challenge of HIV/Aids and other diseases, unemployment, homelessness and the contradiction between sound economic fundamentals and poor socio-economic conditions for many South Africans. This external

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<sup>17</sup> See, van der Walddt, pp. 41 - 42

<sup>18</sup> See, Productivity, April - June 2000, p. 48

<sup>19</sup> Ibid.

environment is also defined in terms of the expectations of citizens. The following are some of the things ordinary citizens expect from the public sector:<sup>20</sup>

- Value for money;
- Curbing of expenditure, maladministration and unnecessary extravagance;
- Sensitivity to their needs, civility and politeness;
- Interrupted essential services;
- Exposing corruption, theft and fraud; and
- The provision of maximum output, or the most goods and services at the minimum cost or least input.

But the following may be contributing towards a decline in certain areas of performance in the Public Service:<sup>21</sup> poor leadership; poor management styles; rapid technological advances; increased complexity of work; poor labour relations; lack of proper incentive schemes and reward systems; and lack of receptiveness to innovation.

Some of the problems listed above are a feature because our country, like other developing countries, is faced with the challenge of modernizing the public sector while simultaneously transforming the state machinery in line with the challenges of the transition. These problems are exacerbated by a mismatch between available skills in the public service and desired levels of service delivery. In provinces such as the Eastern Cape, resistance to a new ethic and culture of public service has proved to be one of the major challenges faced by the democratic state over the past thirteen years.

Other factors, which may undermine performance management and productivity, are:<sup>22</sup>

- Inadequate remuneration;
- Poor management;
- Absence of career planning;
- Poor working conditions;
- Work overload and stress (in areas such as education educators are also faced with the problem of policy overload); and
- Inadequate opportunities for organizational development and learning.

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<sup>20</sup> See, van der Waldt, p. 75

<sup>21</sup> See, van der Waldt, p. 78

<sup>22</sup> See, van der Waldt, p. 78

Over and above the need to align inputs, outputs and outcomes, enhancing the performance of the Public Service and improving the productivity of the public sector as a whole are important, given the fact that public administration “acts as a catalyst of social change, economic development and cultural enrichment”,<sup>23</sup> all of which are important challenges of the transition from an apartheid state to a democratic state. In the Country Review Report<sup>24</sup> of South Africa’s performance since 1994, the African Peer Review Mechanism panel argues that, “South Africa suffers from a severe skills shortage. It is most acute at the provincial and local government levels, where delivery of basic goods and services is paramount”.<sup>25</sup>

#### 4. DELIVERY RECORD 1994 - 2004

The South African government and, therefore, the Public Service, has received a mixture of accolades and brickbats for what has been achieved during the first decade of democracy and criticism for the policy and programme implementation deficits that have emerged over the past thirteen years.

In a special edition of the international news magazine *TIME* on ten years of democracy in South Africa, the article balances the view that “parts of old black townships have been reborn - with new roads, new houses and supermarkets where once there were muddy fields” with the observation that “... an estimated 40% of households still fall below the official poverty line of \$53 per month”.<sup>26</sup>

An article in *AFRICA Today* is, however less kind in its assessment of the performance of the South African government between 1994 and 2004. It argues that “ten years into liberation ... the slums and shanty towns of urban South Africa proliferate and the racial and class divides are even more sharply accentuated. Despite a resurgent rand and the efforts of the respected financial Czar, Trevor Manuel, these slums are urban hell-holes of seething discontent and violent crimes. For the teeming hordes of black South Africans, the misery index remains as grim as ever and decent employment as well as educational empowerment remains the illusory pipe dream they were under apartheid ...”. It further contends that “Despite the collapse of apartheid and the triumph of the democratic ideal, South Africa remains essentially a Third World struggling to maintain a First World economic structure, its state machinery straddling the nether zone between bureaucratic rationality and a potential relapse into the irrationality of the patrimonial fiefdom, its ruling elite stranded between

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<sup>23</sup> See, Productivity, April - June 2000

<sup>24</sup> At the time of writing this paper, the African Union had not adopted the report (APRM Country Review Report No. 4) yet

<sup>25</sup> See, APRM Country Review Report No. 4, pp. 253-4

<sup>26</sup> See *TIME* April 19, 2004, p.36

the realm of modernity and modernization and the superstitions, the shenanigans and corrupt rituals of the dark age.”<sup>27</sup>

The Authors of the APRM report are critical but more acknowledging of what has been achieved since 1994. Their general assessment is that “South Africa can be proud of the gains and advances recorded since 1994. A lot has been achieved, and the country is rightly viewed as a success story and a sign of hope in Africa. This, however, should not lead to the premature conclusion that the country’s process of democratic consolidation has been accomplished”.<sup>28</sup> We should attach an interpretation of this statement which speaks to both what has been achieved since 1994 and the deficits that have emerged in the context of the substantive and procedural realms of our democratic project.

#### 4.1 The Government’s Perspective

This section deals with the government’s own assessment of its performance during the first decade of democracy. The review details the achievements of government but blames its failures on objective constraints imposed by areas of performance in which it did not have direct control and influence. The review does, however, make an attempt at acknowledging gaps between desired outputs and outcomes and actual results.

The ten year review sought to answer two questions:<sup>29</sup>

1. Has the government achieved its policy objectives? and
2. Are these the appropriate objectives?

The following indices were used in the analysis:<sup>30</sup>

- Infrastructure
- Quality of life
- Political participation
- Economic participation
- Economic preparedness
- Safety and security

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<sup>27</sup> See AFRICA Today, April 2004. p.13

<sup>28</sup> See, APRM Country Review Report No. 4, p. 265

<sup>29</sup> See Towards A Ten Year Review, p. 2

<sup>30</sup> See Towards A Ten Year Review, p. 6

- Social inclusion

The overall assessment made in the Ten Year Review suggests that “government has made remarkable progress in transforming the state machinery to make it more responsive to the needs of citizens and to make it more accountable”.<sup>31</sup>

The following are listed as successes:<sup>32</sup>

- The rationalization and integration of the former fragmented Public Service is almost complete.
- Institutions are being restructured to meet the needs of their clients in a more efficient manner.
- The Public Service has come close to meeting the targets set for representivity.

But it is acknowledged in the review that capacity constraints have meant that almost 25% of the government’s procurement budget is now spent on consultants primarily providing information technology, policy advice and project management services. In the review it is also argued that:<sup>33</sup>

- The promulgation of the Public Finance Management Act (PFMA) in 1999 improved accountability within government and to Parliament.
- The implementation of the PFMA and the change to a medium-term budget cycle has improved budgeting and financial management in the national and provincial spheres of government.

Local government, however, still has to be brought in line with these budgeting and planning cycles. In an effort aimed at improving the performance of the Public Service, the following measures were adopted especially on the basis of the lessons learnt during the Mandela Presidency:<sup>34</sup>

- The National Planning Framework has been introduced to enhance integration in the area of strategic policy prioritization and to improve the policy decisions of government.
- The framework includes the National Spatial Development Perspective, which seeks to facilitate dialogue between and within spheres about the country’s spatial priorities regarding infrastructure investment and development spending.

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<sup>31</sup> See Towards A Ten Year Review, p. 11

<sup>32</sup> See Towards A Ten Year Review, pp. 11 - 12

<sup>33</sup> See Towards A Ten Year Review, p. 13

<sup>34</sup> See Towards A Ten Year Review, p. 13

- The introduction of Integrated Development Plans, the departmental cluster approach and the Forum of South African Directors-General, the Presidential Co-ordinating Council, and the restructured Cabinet Committees have all contributed to the better co-ordination of policy making and programme implementation processes. But, as indicated earlier, public participation at local level especially among the poor remains weak.

The South African government, like all sectors of South African society, acknowledges that poverty and unemployment remain the two key challenges facing the democratic state. In the SABC/Markinor opinion poll whose results were published a week before President Thabo Mbeki announced the date for the April 2004 elections, the respondents expressed their understanding of the challenges facing the country as captured in the following two tables:<sup>35</sup>

**Table 1**

**What are the most important issues or problems facing this country that the government should address? (Spontaneous responses)**

ISSUE/PROBLEM	%
Unemployment/job creation	90
Crime	64
Poverty	48
HIV/Aids	48
Health in general	22
Corruption	21
Education	16
Development/ infrastructure	15
Land issue	9
Brain drain	4
Build houses	2
Other	6

**Table 2**

**Which of the issues you just mentioned is the most important to you personally?**

ISSUE/PROBLEM	%
Unemployment/job-creation	54
Crime	18
HIV/Aids	11
Poverty	6
Health in general	3
Corruption	3
Development/infrastructure	2
Education	1
Land issue	1
Brain drain	
Build houses	
Other	1

<sup>35</sup> See SABC/Markinor, Opinion 2004, p.

In their spontaneous responses the respondents mentioned unemployment/job-creation and poverty with a 90 per cent and 48 per cent frequency respectively. Fifty-four per cent of the respondents thought that unemployment/job-creation was a major concern with six per cent highlighting poverty. The two taken together indicate a very high level of concern about poverty among South Africans. This concern is born out of the reality of the poor socio-economic conditions that continue to plague many South Africans notwithstanding the gains made during the first ten years of democracy. The tables below provide a summary of government's view of its own delivery record during this period:<sup>36</sup>

**Table 3****Social Grants**

<b>Social Grants</b>	<b>1994</b>	<b>2003</b>
<b>Expenditure</b>	<b>R10b</b>	<b>R34,8b</b>
<b>Beneficiaries</b>	<b>2.6m</b>	<b>6,8m</b>

**Table 4****Education**

<b>Education</b>	<b>Period</b>	<b>Quantity</b>
<b>Adult Literacy Rate</b>	<b>1996</b>	<b>83%</b>
	<b>2001</b>	<b>89%</b>
<b>Literacy Rate (15 - 24)</b>	<b>1996</b>	<b>83%</b>
	<b>2001</b>	<b>96%</b>
<b>Matriculation Pass Rate</b>	<b>1996</b>	<b>54%</b>
	<b>2000</b>	<b>69%</b>

**Table 5****Life Expectancy**

<b>Life Expectancy</b>	<b>Period</b>	<b>Quantity</b>
<b>Life Expectancy UNDP</b>	<b>1995</b>	<b>65 years</b>
	<b>2000</b>	<b>52 years</b>
<b>Life Expectancy MRC</b>	<b>1995</b>	<b>57 years</b>
	<b>2000</b>	<b>55 years</b>
<b>HDI UNDP</b>	<b>1995</b>	<b>0,72</b>
	<b>2000</b>	<b>0,70</b>
<b>HDI MRC Life Expectancy</b>	<b>1995</b>	<b>0,63</b>
	<b>2000</b>	<b>0,71</b>

<sup>36</sup> See Towards A Ten Year Review, pp. 17 - 36

**Table 6****Services**

Services	Period	Quantity
Proportion of households with access to clean water	1996 2001	60% 85%
Expenditure on water and sanitation	1995 - 2003	R5b
Access to sanitation	1994 - 2003	49% - 63%
Increase in electricity connections	1996 2001	32% 70%
Use of electricity in poor areas for heating		49,1%

**Table 7****Housing**

Housing	Period	Quantity
Subsidies approved	1994 - 2003	1,985 m approved for an expenditure of < R24,22b
Subsidies women	1994 - 2003	49% of all women
Housing received	1994 - 2003	6m citizens
Transfer of deeds	1994 - 2003	481 373

**Table 8****Macro-economic stability**

Macro-economic stability	Period	Quantity
Budget deficit	1993 2003	9,5% of GDP 1% OF gdp
Public sector debt	1994 2003	64% of GDP 50% OF gdp
Net open forward position (SARB)	1994 1998 2003	\$25b \$22b \$0
Foreign reserves		Risen from one months import cover to 2,5 months cover

**Table 9****Employment**

Employment	Period	Quantity
Employed people	1995 - 2002	9 557 185 - 11 157 818 (1 600 633 net new jobs)
Unemployed people Including women from rural areas	1995 - 2002	1909 468 - 4 271 302 (an increase of 2 361 834)
Temporary workers (out of 8,9 m workers)	2002	1 115 000 (12,5%)
Casual workers		567 000 (6,4%)
Contract workers		365 000
Seasonal workers		62 000 (0,7%)

The ten-year review comes to two key conclusions about the performance of the democratic state and the Public Service:<sup>37</sup> The architecture of the new democratic State is in place, yet in many areas of service delivery the performance of the Public Service requires much improvement. Areas where government has less direct influence such as with the behaviour of the civil service and interaction with civil society are much slower to show improvement.

Despite these challenges, President Thabo Mbeki notes in his 2007 state of the nation address that, “The number of employed people has been increasing at about half-a-million a year in the past three years”<sup>38</sup>, and further noted that:

*It is a matter of pride that, in line with our commitment to build a caring society, we have since 2004 improved service provision and other aspects of the social wage. While beneficiaries of social grants numbered about 8 million in 2004, today 11 million poor South Africans have access to these grants.*

*The housing programme has seen close to 300 000 new subsidies allocated in the past two years.*

*Access to electricity, water and sanitation has improved. By 2005, South Africa had already achieved the Millennium Development Goal in respect of basic water supply, with improvement of access from 59% in 1994 to 83% in 2006. According to the United Nations Development Programme (UNDP), South Africa is one of the few countries that spend less on military budgets than on water and sanitation.*

*An examination of education and skills acquisition shows improvement of quite a high base by 2004, though at a slow pace. This applies to literacy levels, gross school enrolment and tertiary participation rates. The fluctuating Matric pass rates do indicate that much more needs to be done to stabilise the system and ensure steady improvement. At the same time, the number of Matric students who pass Mathematics at the higher grade is only slightly better than in 1995. We also continue to show weaknesses in implementing the Adult Basic Education programme.*

## 4.2 The Human Development Report

The Human Development Report of the United Nations Development Programme (UNDP) makes the following assessment of government performance during the first decade of democracy:<sup>39</sup>

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<sup>37</sup> See Towards A Ten Year Review, pp. 75 - 76

<sup>38</sup> See, State of the Nation Address 2006 at [www. Gov.za](http://www.Gov.za)

*“After nine years of democratic government, the primary problems of poverty and unemployment remain enormous”. “... employment opportunities remain inadequately low and are, therefore, unable to reverse or even slow the dominant trend of massive unemployment. Moreover, the distribution of jobs, occupations and income correlates strongly with race, gender, age, disability and spatial factors. “... the unemployment rate has increased significantly during the last nine years reaching 31,2 per cent (strict definition) or 42,1 per cent (expanded definition) in March 2003.*

In the section on the delivery of education<sup>40</sup>, the following achievements and challenges were identified:

- The creation of a single national department of education;
- The creation of non-discriminatory school environments;
- A formidable architecture of policies and laws to govern education was put in place;
- Small but important increases in end-of-school or matriculation pass rates represent another achievement by the new government especially in the second phase;
- The creation of new institutional typologies and the delivery of certain basic services e.g. learning materials have improved;
- South Africa has been able to maintain very high enrolment rates in education;
- There has been a significant nominal increase in current expenditure on education since 1995- from R31,1 billion in 1995 to R59, 6 billion in 2002;
- The sheer extent of backlogs in apartheid education demands an investment far greater than existing levels of budgetary allocations;
- The political agreements that allowed for uncapped parental contributions to schooling have effectively diminished the impact of the equity-based funding that favours black schools;
- The poor management capacity of provincial education departments remains an important constraint to delivering education services;
- The real decline in the education budget during 1994 - 2001 made extremely difficult to finance teacher development programmes, materials expenditure, classroom and school buildings and other related non-personnel costs;
- The efficiency factor in the provinces remains very low;

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<sup>39</sup> See Human Development Report, pp. 13 - 20

<sup>40</sup> See Human Development Report, pp. 22 - 26

- The larger and poorer provinces continue to be plagued by high dropout rates and high repeat and failure rates; and
- The policy mechanisms that seek a redistribution effect on the education system have not demonstrated an impact on the poorest schools.

In the area of health services<sup>41</sup> the Report had the following to say about the delivery record of government:

- The drastic rise in HIV/AIDS related deaths have significantly changed life expectancy in South Africa.
- Between 1995 and 2002, life expectancy at birth is estimated to have declined by 16, 3 per cent, from 61, 4 to 51, 4 years.
- South Africa has experienced a very high incidence of TB in recent years. This is largely the result of historical neglect and, sometimes of poor and fragmented health services and systems.
- In 2001 a total of 323 342 TB cases occurred, of which 52,5 per cent were HIV positive.
- The future demographic impact of HIV/AIDS will in future put pressure on the provision of health services.
- Estimates of HIV-positive infections show that the share of the infected population increased by 9,8 per cent between 1995 (2,8%) and 2001 (12, 6%).
- Free health care for children under the age of six continues to be provided at all government hospitals and clinics. But the quality of service varies.
- The health department promised to set minimum standards for all government hospitals and clinics.
- The percentage of children who are fully immunized now stands at 73 per cent compared to the 63 per cent of previous years.
- Public hospitals account for more than 50 per cent of public health expenditure.
- There are over 4 000 clinics, 2 298 of which have been upgraded as of 2001.
- Five hundred mobile clinics have been provided since 1994, and public hospitals provide 110 143 beds. However, there are still significant challenges:

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<sup>41</sup> See Human Development Report, pp. 26 - 32

- The 1996 health audit found that one third of public facilities needed rehabilitation by 2000, it was reported that 40 per cent of hospital infrastructure required replacement or major repair.
- Maintenance spending in the health sector currently ranges between 0,5 and 1 per cent of total asset value as opposed to the recommended 3 per cent.
- The cost of adequate maintenance and replacement of medical equipment in the South African health system is estimated at R1,02 billion per year which is much higher than the existing allocated budget.
- Budget constraints have led to massive shortages in basic items such as medicines, medical and IT equipment, beds, linen, food and other essential items and facilities.
- The health budget has slightly increased in real terms between 1995 and 2002 from R14,5 billion to R16,9 billion.
- In the months leading to the 1994 elections the African National Congress (ANC) promised to build a million houses in five years if it became the party of government. This was in recognition of the dire need for shelter among the poorest of the poor. The Report gives the following assessment of delivery in this area:<sup>42</sup>
- According to the Department of housing 1,5 million houses were completed between 1994 and June 2003.
- Depending on the province between 28 and 54 per cent of all housing subsidies were approved were granted to women headed households.
- Despite this delivery record, 36 per cent of households were still living in informal, traditional, backyard and other dwellings in 2003.
- While the housing backlog in 1994 was estimated to be about 1,5 million units, the figure for 2003 was 3 million units.
- It is estimated that the backlog has increased from about 178 000 per annum to around 208 000 at present.
- Many housing projects tend to be located in peripheral areas.
- Many new government-subsidised houses do not offer good shelter because of poor thermal performance and low resistance to damp.
- Few houses completed between 1994 and 1999 complied with building regulations.

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<sup>42</sup> See Human Development Report, pp. 33 - 36

- Quoting a report by the Built Environment Support Group, it is argued that 70 per cent of the houses built during this period did not meet the minimum requirement of thirty square metres or more.
- A lack of understanding about what constitutes adequate housing, together with insufficient funding resulted in the building of sub-standard houses.
- The size of houses is diminishing despite the need for larger houses among the poor compared to more affluent citizens.
- Subsidies are justified in terms of the poverty of the recipients but since these subsidies have to be topped up with bonds and municipal rates and services must be paid, there is often very little money left to fund other needs.
- Repossessions rates are at about 12 per cent and banks tend to redline poorer areas meaning that in such areas a house is not an asset that appreciates in value.
- Housing planners do not always survey or address the needs of local communities.
- Because there is a mismatch between the high demand for subsidies and the actual supply of subsidy finance, the Department of Housing runs the risk of providing houses of a less than desirable quality.

The APRM Country Review Report<sup>43</sup> argues in similar vein that. “The capacity of state institutions to deliver services effectively will remain weak for as long as skills constraints persist”.

This lack of capacity has resulted in under-spending by certain provincial governments notwithstanding housing backlogs and challenges of sanitation and rural electrification.

The government should proceed expeditiously with regard to “the establishment of a single and unified public service to allow for skills and human resources allocation across the three spheres of government”.

## **6. CONCLUSION: THE CHALLENGES**

There is no doubt that the government has achieved unprecedented service delivery levels in the short space of thirteen years with most of the gains made during the first decade of democracy. This notwithstanding, many challenges still remain as we approach 2014. Many of these challenges have a lot to do with the need to improve performance and productivity in the public sector. Some of these challenges are:

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<sup>43</sup> See, APRM Country Review Report, pp. 253 - 4

- Managing uneven levels of performance in the public sector between the different tiers of government and between the different provincial governments.
- Managing the performance of the local state.
- Managing policy inconsistencies in areas such as education and housing.
- Enhancing the policy formulation capacity of the public sector, especially, the interface between the political and the administrative.
- Improving the capacity of public sector managers in aligning policy, strategic planning, programme design, programme implementation and financial management.
- Better co-ordination of monitoring and evaluation processes.
- Developing standard and public sector wide procedures for measuring productivity and performance.
- Improvement in the service conditions of public sector employees.
- Enhancing the objectivity of the performance-based incentive instrument.
- Auditing public sector reform and innovation measures to gain a better understanding of the relationship between actual performance in the Public Service and the goals, which informed such reform and innovation.
- Current efforts in the fight against corruption should be enhanced.

This paper provided what amounts to a proposal with regard to the direction research into the performance of the South African Public Service should follow. A more comprehensive research project is required into benchmarking, performance and productivity in the South African public sector. Such an exercise requires investments in time and resources of a nature that will enhance and sophisticate the work done in this paper.

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