

Healthcare welcomes injection of funds

By  [Katja Hamilton](#)

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A post BudgetSpeech2022 roundtable analysis, which was hosted by Brimstone Investments, saw SA Finance Minister Enoch Godongwana open the floor to some promising and constructive feedback. In particular, the Health sector's budgetary allocations were warmly received.



Source: [Pixabay](#)

A highlight of the meeting, which was attended by ministers of parliament and top-tier businessmen, was Minister of Finance and Economic Opportunities, David Maynier's comment welcoming the additional budget allocations to provinces, like the Western Cape.

"We welcome the fact that, after being forced to absorb huge budget cuts, additional allocations have now been made to provinces like the Western Cape," Maynier said.

These include:

- * R15.6bn for Health, to deal with the effect of budget reductions and the impact of Covid-19;
- * R3.3bn for Health, to deal with the placement of medical interns and community services doctors; and
- * R1bn for Health, to deal with the rollout of Covid-19 vaccines.

"This will go a long way to support provinces absorb huge spending pressures, especially in health in provinces like the Western Cape," Maynier said.

Continued Covid-19 response

Echoing this sentiment on the fiscal allocation to provincial health departments, Dr Ryan Noach, CEO: Discovery Health added: "We particularly welcome the increased fiscal allocation towards strengthening critical public services, specifically the financial allocation to provincial health departments in support of their continued response to Covid-19.

"We are hopeful that - together with private-sector partners - in continuation of the solidarity developed during the country's response to Covid-19, this can build towards an integrated health system to enhance access to high quality, affordable care and improved clinical outcomes for all South Africans."

Medical-scheme tax credits

Commenting on medical-scheme tax credits, Noach said: "The welcomed 4.5% increase of medical-scheme tax credits is a progressive mechanism of enhancing access to healthcare, keeping pace with wage inflation. This preferentially benefits lower-income employees in the formal employment sector so that they are able to retain their medical-scheme cover."

"In the context of current regulatory considerations of Low Cost Benefit Options (LCBOs), this could potentially supplement employer contributions to avail access to affordable primary healthcare cover for lower-income employees. This is a critical consideration for social benefit and economic productivity while easing the burden on public-sector resources."

Imtiaz Sooliman of Gift of the Givers, represented the non-profit sector. His feedback on the Budget Speech was critical of Government's job-creation opportunities particularly in the Health sector.

Call for more job-creation opportunities in the Services sector

"You can budget for and procure all the equipment for hospitals but if there are no personnel to run the hospitals, this makes no sense," Sooliman said. "Over 1000 healthcare workers have died since Covid broke out two years ago and we still haven't replaced them. We need to put a moratorium on job creation in hospitals."

He spoke of creating more work and training opportunities in the Health sector for psychologists.



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"We need many more psychologists. If you go to the universities, they tell you that out of 300 students they're taking 21 for Masters: 7 (Educational); 7 (Counselling); and 7 (Clinical). The country is in a mess in terms of healthcare. If healthcare workers are asking for psychologists, can you imagine the shortage of psychologists for the rest of the country? For the police, the teachers? And parents who have lost children, and children who have lost parents during the pandemic? We need to increase the number of psychologists - this is job creation; with purpose connected to it."

Corruption remains main disruptor

Imtiaz also fingered corruption as a primary disruptor of economic growth in the South Africa's health sector. He highlighted the large discrepancy in payments for the procurement of medical equipment in the oncology departments in the private sector versus in the public sector. "You can buy a machine in the private sector for R20m and pay R100m for it in the public sector," he said.

"Corrupt societies and organisations say governments are corrupt. But who corrupts government? The corporates have a huge role to play in corruption. That's why we have State Capture and we need to fix the system up," Sooliman said. "This country needs morality and spirituality, values and ethics - we don't need money. We need these values to fix the system and when these values are in place, we can fix the country."

Sooliman said Government shouldn't be left working alone to achieve this.

"We need Government, together with the private sector as well as civil society, to work together. Together we can set the template of tough love for State owned Enterprises (SOEs) and create much-needed service-oriented jobs."

ABOUT KATJA HAMILTON

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