

Osagyefo Mazwai

HOMETOWN Johannesburg

UNIVERSITY Rhodes University

FUNDING Parents

In 10 years' time ...

'I will own and run my own fund.'



Essay synopsis

Osagyefo's essay finds a National Health Insurance (NHI) programme is an important key to fixing the health system. He examines the proposed funding model, which looks at raising such funds through a compulsory payroll levy for all employed South Africans, an increase in VAT, and/or an income tax surcharge. The use of VAT, he finds, will be far more detrimental to society as a whole in the face of rising interest rates, rising food prices and high inflation. He advocates for the use of a payroll levy as an appropriate revenue-raising instrument, provided the system is an effective one. This levy, he states, should be linked to the National Health Insurance Fund, and this should function in the same manner as the Unemployment Insurance Fund – funds should be managed through bodies such as the Public Investment Corporation, which has the capacity and skills to manage revenue raised through the NHI. Tax authorities should also address the exodus of tax revenue from South Africa to tax havens; once that has been resolved, a foundation of funding can be laid for the NHI.

His final consideration is the skills drainage that could occur in the instance of private sector professionals moving from South Africa as a result of lower salaries. He finds that it would be more feasible to build more medical schools and nursing colleges to increase the number of medical specialists, and address the inefficiencies in the public healthcare system to encourage doctors to migrate from the private to the public sector.

More about Osagyefo

Favourite subjects:

Macroeconomics, Monetary Economics, Financial Economics and Derivatives

Interests:

Reading, watching sports, going out, hunting

Inspired by:

Daniel Kahneman, Nelson Mandela

Main achievements:

- Bachelor of Commerce Honours in Economics
- Academic excellence: Econometrics
- Academic excellence: Macroeconomics
- Delegate: International Round Square Youth Conference (2008)
- Finalist: Nedbank Old Mutual Budget Speech Competition