

AN ANALYSIS OF THE ADDITIONAL SUPPORT NEEDS OF HOUSEHOLDS ELIGIBLE FOR THE CHILD SUPPORT GRANT

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Abstract

The Child Support Grant (CSG) was introduced in South Africa in 1998 to ensure that the primary caregivers of children (of all races) in poverty can access funds to supplement household income. This financial assistance was aimed at contributing to the costs of caring for the child's needs, particularly their food requirements (CASE, 2008). Child welfare grants have regularly received negative publicity due to the possible unintended consequence of increasing teenage pregnancies. Authors including Sawhill (2000), Goldblatt (2005) and Makiwane (2010) have dismissed this claim and suggested further research on situations facing young mothers in poverty.

Additional support needs for households experiencing child poverty identified in this paper include promoting early childhood development, increasing the quality of education, empowering women, acknowledging children's rights and improving service delivery to rural areas. The support is suggested to be provided through partnerships between government, Non-Government Organisations (NGOs) and communities.

The conclusion is reached that strategies, to uplift children and break the cycle of poverty, should be multidimensional, as the challenges faced are of such a multifaceted nature.

JEL Codes: H53 and I38

1. INTRODUCTION

THE INTERNATIONAL COMMUNITY, through the Millennium Development Goals (2000), has recognised and is helping raise awareness of the importance to reduce child poverty. UNICEF (2011) noted that children were identified as the focus of the UN's goal aiming to reduce poverty by half by 2015. Furthermore, it was illustrated that six of the eight goals related directly to children, meeting the goals would be most essential for children, children also have rights and poverty alleviation starts with children (UNICEF, 2011). In South Africa, the Child Support Grant (CSG) was implemented as a social assistance programme, in 1998, to alleviate child poverty and promote child development (Streak, 2011). The grant replaced the State Maintenance Grant (SMG) which was aimed at White, Indian and Coloured families and provided allowances to both parent and child

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(Goldblatt, 2005). In contrast the CSG provides funds to primary caregivers on behalf of children of all races in poverty. The removal of the SMG has resulted in allowances no longer being provided to the parent but only to the child, through the primary caregiver.

Primary caregivers (recipients) are provided with a cash transfer of R260 per month through the CSG. In order to qualify for the grant primary caregivers must have an asset and income threshold of less than R31 200 or R62 400 per annum if single or married respectively, and supporting children born after 31 December 1993 (17 years of age)². The amount granted increased since it was originally implemented, in 1998, when it provided financial assistance of R100 per month for caregivers of children under the age of seven (CASE, 2008:1). The purpose of the grant is to contribute to the expenses involved in caring for a child's (beneficiary's) needs, particularly their food requirements (CASE, 2008:1). Due to the asset income threshold, the CSG is classified as a targeted cash transfer and recently has become a conditional targeted cash transfer, with the addition of the condition that beneficiaries must be attending school. It enshrines the right, set out in the South African constitution, of 'appropriate social assistance' from the state to all citizens who are unable to support themselves or their dependants (Goldblatt, 2005). In South Africa, the CSG has been the fastest expanding grant from approximately 34.5 thousand beneficiaries in 1999 to approximately 10 million in March 2011, and is currently reaching more beneficiaries than any other grant (FFC, 2009 and SASSA, 2011). The second largest grant in terms of beneficiaries reached is the Old Age Grant (OAG) with approximately only 26% (2.7 million) the number of beneficiaries compared to the CSG (SASSA, 2011).

Additional anti-poverty programmes in South Africa are employed to aid the grant system by addressing poverty through providing food, employment opportunities and improved access to health and educational facilities (CASE, 2008). The extension of the CSG to include older children and the condition requiring them to attend school has the intention of improving human development by encouraging secondary education to be obtained (Streak, 2011). However, it is evident that still more needs to be done with the severe challenge of reducing the poverty experienced by approximately 12 million children in South Africa (Children's Institute, 2009). Adesina (2009) suggested that poverty alleviation and welfare issues need to be addressed not only by the state but that the community has a part to play.

A successful example of an additional support initiative aimed at reducing women and child poverty is the Urban Basic Services for the Poor (UBSP) programme in India, which was administered by means of a community-government partnership. One of its main features was the involvement of women in the "participatory process of planning and action by women from poor neighbourhoods to improve health, education, environment, access to credit and improved incomes and other basic rights for their children, themselves and their families" (UNESCO, 2011:1). The programme was facilitated at national level but the responsibility of implementation undertaken by the communities and families. The programme has been successful in becoming a way of life

² The asset and income threshold results in the grant being classified as a targeted cash transfer.

and the lives of many women and children have improved amongst the urban poor as a result of the many positive impacts produced (UNESCO, 2011).

Minujin *et al* (2005:6) noted that to “break the cycle of poverty, children must be provided with the appropriate food security, shelter, healthcare, education, public services (i.e. water and sanitation), and with a voice in the community” (UNDP, 2004 in Minujin *et al*, 2005:6). By increasing the income of poor households the CSG can thus assist in providing for children but it is evident that to completely break the cycle of poverty more will need to be done either by communities, government or Non-Government Organisations (NGOs).

In assessing the CSG, this paper, by means of a literature study and analysing data on the demographics of recipients and beneficiaries, aims to firstly identify how the CSG is helping households in poverty and, and then what additional needs exist. The research questions are therefore: what is the CSG achieving in terms of reducing poverty and which issues still need to be addressed? In section 2, some of the literature on targeted cash transfers and the CSG will be discussed. Section 3 will identify the demographic characteristics of households in poverty receiving the CSG and Section 4 will discuss the additional social assistance needs.

2. TARGETED CASH TRANSFERS AND THE IMPACT OF THE CSG IN SOUTH AFRICA

a) The theory

Targeted cash transfers, fall under the broader category of social safety-net programmes, and are aimed at alleviating poverty by increasing the income of poor households. Social programmes include subsidies, in-kind transfers, cash transfers, feeding schemes and user fee waivers and are subject to both criticism and support. Generally cash transfer can be targeted (narrowly or broadly) and can be conditional or unconditional. The CSG is a narrowly targeted cash transfers (as it is focused on poor households) and although it started out as unconditional has progressed to become a conditional cash transfer by adding the condition of school attendance by beneficiaries (Streak, 2011:9). According to Van de Walle (1998) criticism of narrowly targeted cash transfers includes the administration costs, perverse incentives or unintended behavioural responses resulting in recipients remaining in poverty and political consequences from those not supporting such “social wages”. Other concerns raised regarding “social wages” include the large portion of the national budget which grants constitute (FFC, 2010) and the problem of leakages to the non-poor (CASE, 2008). Support stems from the belief that the state should provide social assistance and safety-nets for those citizens who are most vulnerable and unable to support themselves or their dependants, which is a constitutional right in South Africa (Van de Walle, 1998 and FFC, 2010).

³Cash transfers are noted by authors such as Van de Walle (1998), Guthrie (2002), Samson *et al* (2004) and FFC (2010) to have efficiency benefits over other social safety-net programmes. Quantifying and identifying the negative impacts of targeted cash transfers, such as the CSG, is generally complex except for the administration costs (costs in administrating and obtaining information for grants), for which there is more available, measurable data. Each of the multifaceted criticisms will be discussed in turn, followed by the arguments in support of cash transfers.

i) Criticisms of cash transfers and grants

The first criticism is that of perverse incentives or unintended behavioural responses resulting in recipients remaining in poverty. The idea is that grants, by targeting, may change behaviour in favour of receiving the grant or lower effort by the recipients to move out of poverty (Das *et al*, 1993 and Streak, 2011). An example discussed by the Department of Social Development (DSD) (2006), in the case of the CSG, is that it may encourage young women to have children in order to access the grant. Increasing fertility rates in South Africa over the period 1995 – 2005 for teenage girls and mothers in their early twenties was noted as potential evidence that there was a correlation between teenage pregnancies increasing with the CSG (DSD, 2006). However, counterevidence was also presented by the DSD (2006) in that only 5.3% of CSG recipients of the age group 15-19 years were young mothers, and the group as a whole (teenagers as well as those in their early twenties) accounted for only 18% of all mothers receiving grants in the 2001 census (FFC, 2009:67). This evidence is however not complete in proving young women are or are not falling pregnant to access the grant as there is no certainty regarding what would be happening if grant was not available. Goldblatt (2003), Makiwane (2010) and the SAIRR (2011) however rejected the suggestion that young mothers are falling pregnant to access the grant. Makiwane (2010) showed that although teenage girls contributed 15% to national fertility rates, only 3% benefited directly from grants. Makiwane (2010) also demonstrated falling fertility rates with the number of births per 1000 women aged 15 – 19 fell from 106 to 52 over the periods 1980 – 1986 and 2006 – 2009 respectively. This meant that there were fewer births per 1000 teenagers in the early 21st century with the CSG, compared to the early 1980s when the CSG was not available.

Goldblatt (2003) noted that the suggestion that teenage girls fall pregnant to access the grant is nothing but a myth and although there may be the odd case of this happening, for the most part CSG recipients were desperately poor and need the grant to feed their children. According to Goldblatt (2003:82) there is a need for gender equity and empowerment of women and concluded that: “If any woman has to choose to have a child to feed herself and her family, this is a shocking indictment on our society. We need to deal with the terrible poverty, lack of bodily autonomy and other forms of sexual

³ Cash transfers, unless otherwise specified, encompasses those broadly and narrowly targeted and conditional and unconditional cash transfers.

oppression that force young mothers into desperate situations. This seems more constructive than blaming the grant or the women who claim it” (Goldblatt, 2003:82).

Another unintended behavioural response is that social grants may create dependency, resulting in recipients remaining in poverty (CASE, 2008). In light of this possibility, Adesina (2010:14) promoted a holistic outlook to poverty alleviation based on the norms of equality and solidarity and prescribed the need for social, economic (economic growth accompanied by structural improvements) and political development. This includes an emphasis on education for all, as well as “labour market activation”. The aim is to escape ‘welfare dependency’ through effective and efficient social security policies and thereby avoid the suggestion that programs for the poor are ‘poor programs’ (Van de Walle, 1998). Korpi and Palme (1998) suggested that focussing on poverty alone is likely to result in little success in reducing poverty. This reiterates the view by Steve Biko that “handouts do not improve your self-esteem: doing it for yourself does” (Sunter, 2011:1) and it is this esteem that is needed for citizens to lift themselves out of poverty.

The question remains – how does a state ensure that citizens have opportunities to support themselves? CASE (2008:44) claims that in order for grants, such as the CSG, to be effective they “must be accompanied by access to other poverty alleviation programmes and developmental initiatives if they are to have a noticeable impact on reducing poverty. This would require increased provision of, and access to, other services.”

Aware of the need to avoid ‘welfare dependency’, the South African government has embarked on a holistic anti-poverty policy focusing on growth and employment, and including a number of interventions to improve the poverty-alleviating effect of economic growth (FFC, 2010). Interventions include the Extended Public Works Programme; human capital investments; “social wages” including access to basic services and cash transfers; and improving access to capital for disadvantaged households. Social grants thus form but a part of the overall anti-poverty strategy in South Africa (FFC, 2010).

Secondly, with regards to possible negative political consequences, Adesina (2010) noted that although there is support for cash transfers (Case *et al* 2005, Samson *et al* 2004, 2005, Samson 2008, Schubert 2004, and Wilman *et al* 2007; quoted in Adesina, 2010), political consequences may exist. Adesina (2010:15) stated that “making the poor dependent on the generosity of the rich creates a zero-sum outcome; non-universal social provisioning tends to produce resentment among those whose taxes fund the benefits or social grants (cash transfers) to the poor”. Buy-in by all citizens is therefore necessary for grant systems to be totally successful.

Thirdly, the issue of affordability is presented, given the concerns surrounding sustainable budget deficits and the significant amount spent on grants (FFC, 2009). For example, the 2010/11 Budget provided R30 860 million for the CSG and R89 368 million in total on social grants (CASE, 2008 and FFC, 2010). Two recommendations by the FFC (2010) to control the financial burden on the budget were firstly not to extend the CSG to children up to the age of 18 years and secondly not to increase it in real terms (increase by less than inflation). With the grant to be extended to children up to the age of 18 years in 2012 (SASSA, 2011) and the observation by CASE (2008) that the CSG has

increased with inflation - it therefore appears neither of the recommendations have been followed. The opportunity cost of the amount of the budget spent on grants is also a point to be considered by authorities.

Lastly, leakages to the non-poor are discussed as another possible cost of targeted cash transfers (Das *et al*, 1993, Van de Walle, 1998, Van der Berg, 2009 and CASE, 2008). For cash transfers to be cost effective errors of inclusion of the non-poor (leakages) are to be limited (Streak, 2011). Monies reaching the non-poor as opposed to the poor are an inefficient allocation of the national budget's poverty alleviation funds. The Community Agency for Social Enquiry (CASE) (2008) research study was commissioned, by the Department of Social Development (DSD), South African Social Security Agency (SASSA) and United Nations Children's Fund (UNICEF), to identify the impact of the CSG, specifically in low-income areas in South Africa. An independent household survey of 2 700 primary caregivers of children aged 0 – 13 (which was the cut off age for eligibility of the CSG in 2007 when the survey was conducted) was conducted in the areas of low-income. Results from the CASE (2008) study included that the CSG is well targeted at those who are most vulnerable, including those with a limited degree of access to basic services and disadvantaged groups. These included primarily women with lower levels of education compared to their non-eligible counterparts. Leakages were thus found not to be a problem in the case of the CSG. A bigger problem, noted by CASE (2008), was the high percentage (21%) of those who were eligible and were not receiving the grant primarily due to administrative problems.

ii) Support for cash transfers and grants

Support of “social wages” such as the CSG stems from the belief that the state needs to provide safety-nets for those who are not able to provide for themselves or their dependants (which is in line with the South African constitution) and as a means of poverty relief. Goldblatt (2003) rejected the idea that individuals have to be employed to contribute to the economy. She believed women caring for children are performing a fulltime job and if unable to sustain themselves and their children, need support from the state. The need for safety-nets for children in South Africa is vital given the shocking reality that approximately 12 million South African children living in poverty (live on less than R570 per month) (Children's Institute, 2009). Without support for these children, breaking the cycle of poverty is highly improbable.

The efficiency of targeted cash transfers, for example the CSG, as previously noted, is a reason for its implementation as a social safety-net: “In Southern Africa, the cash transfer scheme, as a major instrument of social protection intervention, has been widely celebrated (Case *et al* 2005, Samson *et al* 2004, 2005, Samson 2008, Schubert 2004, and Wilman *et al* 2007)” (Adesina, 2010:3). Reasons given are plentiful, one being that through narrow targeting, leakages to the non-poor are curtailed, as highlighted earlier to be the case with the CSG in South Africa (CASE, 2008). Secondly, once the programme has been set up, on-going administration costs relative to benefits achieved may be low, particularly compared to other programmes (FFC, 2010). Thus the programme is subject to increasing returns to scale. In addition, on the basis that children have many needs,

not only food or health services but also for example clothing, housing, uniforms and transportation, by increasing household income, cash transfers assist the caregiver to meet these needs (Guthrie, 2002). A further positive effect is that a cash transfer relieves the opportunity costs of schooling. For example, a household can forego the contribution that a child makes to the household income and rather send the child to school (Samson *et al*, 2004:61). Since 2009, the CSG has added school attendance of the child as a condition to receive the grant. Although by accompanying cash transfers with conditions additional costs may occur (Das et al, 1993; van de Walle, 1998; and Streak, 2011), the benefit of such a condition is that it encourages human development and is a long term approach to helping children move out of poverty (Streak, 2011). Conditional cash transfers also help raise public support for programmes, which has the potential to reduce political costs (Streak, 2011:214).

The theory on cash transfers, such as the CSG, highlights the importance of careful design and an all-encompassing poverty-alleviation social policy, while limiting the negative incentives (increased pregnancy, ‘welfare dependency’, etc.), which may accompany such grants. The importance of economic, social and political development is also emphasised. Given the theoretical background to cash transfers the paper now examines empirical findings on the impact of the CSG in South Africa.

b) The evidence

The positive impacts, in the form of non-money metric measures of poverty alleviation, since the introduction of the CSG are discussed next. These include: reduced hunger, improved school attendance, and increased employment among female recipients (Case *et al*, 2005; Budlender and Woolard, 2007; Williams, 2007; CASE, 2008; and FFC, 2009). The reduction of poverty, using money metric measures, as a result of the social grants system in South Africa is also documented (FFC, 2009).

Firstly, on the issue of reducing hunger the FFC (2009), using General Household Data, found that in households receiving the CSG (with children of eligible age for the grant) the number of children and adults going hungry (sometimes, often or always) declined from 35.8% and 36.8% to 19.8% and 20.1% respectively over the period 2003 – 2006. This would indicate that the CSG has had a positive impact in reducing hunger. However, children and adults in households who had children who were of eligible age and who did not receive the grant also had a significant reduction in hunger for both children and adults from 26% and 27.5% to 12.5% and 12.7% respectively, over the same period (FFC, 2009). This finding is therefore not significant in proving that the CSG has reduced hunger as it illustrates that in households receiving the grants, child and adult hunger declined by a lower percentage than in households where the CSG was not received.

Williams (2007) however found a significant positive impact of the CSG on child hunger. Firstly, Williams (2007) confirms what the FFC (2009) demonstrates that children in households receiving grants or eligible for grants experience more hunger than those not eligible. Williams (2007) continues to prove, using General Household survey data, that “for households whose head does not have a matric, a CSG makes it 8.4% less

likely that any child has experienced hunger in the past year”. This is a significant impact for households struggling to provide food for their children. CASE (2008) noted that as the CSG improved early childhood nutrition, thus had positive impacts on the development of a child and ultimately the long-run impact was that it could contribute to greater productivity and wages later in life (Auguero *et al*, 2007 in CASE, 2008). The importance of this finding is that a long-term benefit could result from the CSG as a child growing up with better nutrition, as a result of the grant could prove to be a more productive adult, which in turn could translate into higher earnings and less dependence later in life on the state for social/financial assistance. Grantham-McGregor *et al* (2007) confirmed the finding that both the occurrence of early childhood stunting and the number of people living in absolute poverty are linked to poor cognitive and education performance in children, which is therefore likely to contribute to the intergenerational transfer of poverty. It was important that caregivers accessed the grant early in the child’s life (0 – 26 months) and CASE (2008) noted that this was an area in which the administration of the grant could be improved. Although a high proportion of caregivers had enquired about the grant in the first 6 months of the child’s life “the time taken to obtain and submit the required documentation (birth certificates in particular) and for the payment to be processed and to reach the caregiver meant that caregivers may only receive the grant several months after the first enquiry” (CASE, 2008:4). Thus, the delays were noted to have a negative impact on the development of vulnerable children. Furthermore, as the grant has been in place for less than 15 years, research into whether the grant, as a result of improved early childhood nutrition is having the benefit of increasing adult productivity and therefore decreasing welfare dependency, is not yet possible. This is however an issue recommended for research in the future.

The school nutrition scheme was also introduced to provide free food to vulnerable school-going aged children and help reduce hunger, improve learner concentration and encourage school attendance and performance. The CSG and school nutrition scheme thus work hand-in-hand to reduce hunger and could be partly responsible for the decrease in hunger amongst CSG beneficiaries with 74% reported to be receiving free food at school (ages 7 – 13 considered) (CASE, 2008). The scheme was however not without challenges which included it not being implemented everyday as it should be, basic materials were often lacking and it suffered from maladministration and corruption, resulting in leakages from the scheme (Public Services Commission, 2008 in TI, 2011:41). The scheme was therefore not as cost-effective as it could be and unless other alternatives were available children would go hungry on the days which it did not operate. Furthermore, the school nutrition scheme could not benefit children in their early (preschool going) years.

Case *et al* (2005), Budlender and Woolard (2007), Williams (2007) and CASE (2008) all noted that the CSG has had a positive impact on school attendance. This finding stands strongly in favour of the CSG, with education being one of the main drivers behind poverty alleviation (Woolard and Leibbrandt, 2001, in Botha, 2010). Budlender and Woolard (2007) noted an increase in school attendance of the direct beneficiaries of the CSG and although the percentage point increase in school attendance was small, it was to be expected given that school attendance is already high amongst children under the age

of 15 years, as it is compulsory. Secondary school attainment in South Africa is poor with only 37.5% of the population having obtained some secondary education and 26.2% having obtained Grade 12 in 2009 (GHS, 2010). However, with the condition of requiring beneficiaries to attend school and the extension of the CSG to older children it is expected that school attendance of secondary school learners from low income households will improve and as a result also the attainment of secondary schooling. The research by Case *et al* (2005) conducted in Kwa-Zulu Natal noted a positive and significant association between grant receipt and school enrolment amongst children age six to seven, which at that stage were young enough to have been eligible for the grant. Williams (2007:64) noted a significant positive relationship between school attendance and the CSG stating that “receiving a CSG increases the likelihood a child is attending school by 2.4 percentage points, using either the median or mean effect size.” Of importance was that the results were slightly stronger for children in rural areas or those living in informal dwellings where poverty is most prevalent. CASE (2008) noted that there was an increase in the likelihood by beneficiaries of the CSG attending a crèche or preschool compared to non-beneficiaries of the same age group – this stands to benefit early childhood development. However, with the increases in school attendance noted as a result of the CSG, the quality of schooling in South Africa is hindering the education of children. Transparency International (TI) compiled a report focusing on transparency in basic education services as part of the *Transparency and Integrity in Service Delivery in Africa* (TISDA) programme (TI, 2011). The report noted a lack of service delivery at provincial level to schools and a concern by principals that money meant for schools was being embezzled. At the school level teacher absenteeism, sexual harassment and embezzlement of money were noted by the school governing body as areas of concern. Furthermore, less than 50% of teachers believed they were completely trained. Major problems in the learning environment (both safety and infrastructure) were illustrated as three out of four principals estimated they did not have the requirements to run the school and one out of two learners were not always provided with a desk. With these conditions in the country’s primary schools, children struggling to break out of poverty are being further disadvantaged, instead of supported in respect of education. The TI Report (2011:40) identified that South Africa performs poorly in terms of educational achievement stating that “According to Cas Prinsloo, chief education specialist at the Human Sciences Research Council, in ‘national comparative pupil assessments and trends in international maths and science surveys, particularly at grades 4 and 8, showed that South Africa was ‘at the bottom of the log’.” The report noted the reasons for the low quality of education were diverse, however identified that “poor teacher training, high levels of teacher absenteeism, lack of parental support and shortages in educational resources as particular challenges to providing quality education” (TI, 2011:40). No fee schools, serving the poorest communities and mainly in rural areas, were noted to provide a particularly poor quality of education. Forty per cent of educators agreed the quality of education was lower than in other schools. The communities in which no fee schools are located are possibly where child poverty is most prevalent. The quality of education therefore needs to be raised in these areas if the children are going to be allowed the opportunity of improved living standards later in life.

A noteworthy impact of the CSG identified by Williams (2007) was that it positively raised labour-participation by caregivers. Williams (2007) found that the CSG afforded mothers the opportunity to hold down a job given the grant provided income stability. This meant the grant was to some degree promoting gender equity and in such a situation could aid in lifting the family out of poverty. The study by Williams (2007) concluded that as the CSG improved labour-market participation by caregivers, decreased hunger and increased the enrolment of children at school it had the desired impact of alleviating poverty.

The FFC (2009) noted that social grants had decreased the incidence of poverty in South Africa. Van der Berg, Yu and Louw (2008 in FFC, 2009) found that “grants raise the income share of the poorest 40 % of households from 4.7 % of pre-transfer income to 7.8 % of post transfer income”. The money metric study by Samson *et al* (2004) noted that the CSG decreased poverty but that the effect varied based on the poverty line chosen. Other evidence of a reduction in the incidence of poverty is that poverty headcount rates, from AMPS (the All Media and Products Survey) data, demonstrated that poverty decreased by 7 percentage points between 2001 and 2006 (FFC, 2009).

Research illustrates that in South Africa the CSG is well-targeted, supported by other anti-poverty policies and helps reduce poverty by increasing school attendance, decreasing hunger and improving the labour-participation of caregivers. In addition the FFC (2009) noted that the incidence of poverty had decreased with expanding social grants in South Africa. Financial sustainability of the grant is voiced by the FFC (2010) as a point of concern.

Furthermore, the study by CASE (2008) highlighted that early childhood is a vulnerable time in a child’s development and it is important that children benefit from the grant as early as possible. Delays in receiving the grant, from the first enquiry by caregivers, was thus noted as a challenge to be addressed (CASE, 2008). In addition, the TI report (2011) emphasised the need for the improvement in the quality of education in South Africa.

Although labour-participation and poverty are noted to have improved – the problem of unemployment is still severe at 25% of the labour force (STATSSA, 2011). With the growing number of beneficiaries (over 10 million) of the CSG, despite the improvements in poverty, many families are still struggling to survive and more needs to be done, whether by the state, private organisations or by the communities themselves (Landman *et al*, 2003 and Adesina, 2010). Adesina (2010:18) suggested that a wider vision for social, economic and political development is needed and should not be something that “the state does”. Instead, a “transformative social policy” is needed with state-community partnerships and where community buy in and ownership is observed.

To further identify the areas of support needed by households with child poverty, an analysis of the demographic characteristics of CSG household recipients will be conducted in the next section.

3. DEMOGRAPHIC CHARACTERISTICS OF CHILD SUPPORT GRANT HOUSEHOLDS

Assessing the demographics (using the 2006 General Household survey) of recipients of the CSG, the FFC (2009) found that 60% of recipients were resident in the Eastern Cape, Kwa-Zulu Natal and Limpopo. Furthermore, 60% of recipients were in rural areas and about 94% of recipients were Black. Thus, a typical recipient of the CSG was Black (male or female) and resident in rural areas in the Eastern Cape, Kwa-Zulu Natal or Limpopo.

The household demographics of recipients of the CSG in 2006 (FFC, 2009) showed that the household size was larger than households of non-recipients⁴ (mean of 6.47 with a standard deviation of 2.67). In majority of the cases the household head was female (compared to non-recipients of eligible age where majority were male headed), Black (94.4 % of household heads) and had incomplete primary schooling or had no schooling. Only 52.3% of the household heads were married and majority were over the age of 45. Furthermore, most of the households had two or three generations living in the same dwelling.

An additional characteristic of CSG households, noted by CASE (2008), is that 40% of household income of survey respondents in their study came from the CSG and that in the majority of the cases the grant was pooled with the rest of the household income. With the large household sizes the question remains as to what percentage of the grant is actually benefiting the beneficiary as opposed to the household as a whole? This is a principal-agent issue, where the child is totally dependent on the choices made by the caregiver and the possibility exists that the way the grant is spent may not be in a manner that accounts for the child's best interests. CASE (2008:2) noted that the grant was acting "as a lifeline for many households in the face of high levels of unemployment and limited opportunities for economic development".

Given the literature on cash transfers, the research findings on the impact of the CSG in South Africa and the demographics of households receiving CSG and noted as vulnerable, the paper turns to discuss the additional social assistance needs.

4. ADDITIONAL SOCIAL ASSISTANCE

The issues identified as requiring additional social assistance by either the government, NGOs or communities in order to address child poverty are discussed below.

Firstly, with regards to possible negative consequences of the CSG, although no proof is given that teenage pregnancies are resulting from the CSG, efforts need to be made to reduce teenage pregnancies given the negative social and economic consequences which may result. Goldblatt (2005) notes that South Africa has a high number of teenage pregnancies and negative costs of this include the physiological problems and poverty associated with teenage mothers and reality that most of these pregnancies take place

⁴ Non-recipients are those households not receiving a CSG. The main reason would be because they do not satisfy the means test and therefore 'wealthier' than recipients.

outside of the marriage, which means that poor support is often provided by the father (Makiwane, 2010:193).

Secondly, the CSG has only been in place for 13 years and as a result long-term benefits are not yet completely evident. However, to ensure such benefits, early childhood development and high quality education is noted as areas requiring additional attention. It is vital that primary caregivers can adequately provide children with nutrition early in their development and with delays in the administration of the CSG this possible benefit from the grant is not always achieved (CASE, 2008). Additional support in the form of food for toddlers provided to caregivers could be one way of assisting in this regard. This could be administered by the state, NGOs or the communities themselves. However, the costs and benefits associated with such a scheme would need to be investigated.

The finding by the TI (2011) with regards to the low quality of primary school education are concerning. Although Williams (2007) observed that the CSG has improved the attendance at school by beneficiaries, without quality education children may be disadvantaged in their development. Improving teacher training, tackling budget concerns and teacher absenteeism and improving services to schools and school facilities are all identified as challenges to be addressed (TI, 2011). No fee schools in the most disadvantage communities were expressed as most in need of improvement. Learners and parents have the responsibility to voice their concerns with regards to the level of education they are receiving and the relevant authorities need to hear and address problems.

Thirdly, the empowerment of women, considering the large number of CSG households with female heads, is a matter noted as needing attention. Goldblatt (2005) emphasised that “barriers such as disempowerment, violence and shame need to be removed if rights and capabilities [of women] are to be realized”.

The demographic analysis of households and beneficiaries receiving the CSG furthermore highlighted that recipients were living in relatively large households with two or three generations and thus income earners in the household were more than likely responsible for providing for both the older and/or younger generation. If the generation which was of working age did not have employment then the household would become heavily reliant on grants. The pressure on the income earners and lack of employment opportunities for the household heads of CSG households thus need further attention.

The low levels of education of the household heads was also noted in the analysis, which reiterates the point made above on the need for quality education throughout South Africa. Furthermore, Black households and children living in rural areas need particular attention. For such households to improve their livelihoods poor service delivery and high unemployment in rural areas needs to be addressed. As noted above, the challenges facing women fighting poverty were also highlighted by the analysis. CASE (2008) noted that the additional social assistance programmes in South Africa were aiding in proving employment, however the problem is far from solved with continuously high levels of unemployment.

Finally, CASE (2008) highlighted that the income from the grant is shared throughout the household. To ensure the CSG is benefiting the children, it is essential that it is being spent in the best interest of the child. Caregivers need to be fully aware and informed of the purpose of the grant and the rights of the child upheld.

The example of a successful government-community partnership, in India, aiding to alleviate poverty of women and children (discussed above) illustrates that additional assistance programmes can make a difference. The problems are many and diverse but a long-term outlook is needed and government, NGOs and communities need to work together to address child poverty. This reiterates Adesina's (2010:18) suggestion that a wider vision for social, economic and political development is needed and should not be something that "the state does". State-community partnerships are needed and community buy in and ownership should be observed.

5. CONCLUSION

With the Millennium Development Goals focused on children and the growing amount of the budget being spent on grants in South Africa, the stage is set for research on alternative and/or additional ways to reduce child poverty. Cash transfers do not come without their costs but the need to improve the situation of vulnerable children and families and the efficiency benefits from such a safety net, makes it an attractive policy choice. The impact of the CSG in South Africa has been noted as positive with regards to decreasing hunger, improving school attendance, labour market participation and reducing poverty. It has been identified that more research is to be conducted on the incidence of teenage pregnancies, which has been identified as one of the possible negative incentives of the CSG. On the issue of affordability and sustainability of the grant by the government, National Treasury is encouraged to pay close attention to the sustainability of the grant system in South Africa.

The research findings of the impact of the CSG thus far and the demographics of CSG recipient households and beneficiaries highlighted additional areas of support for these families. These include the need for quality education, early childhood development, empowering women, and paying more attention to children's rights. Beside the efforts by the state, the paper emphasises that the community and NGOs also have a role to play to improve not only the economic, but also the social challenges in fighting poverty. As a lack of community support and not having a voice within the community are characteristics of child poverty, these are areas where the community can play a role in addressing child poverty.

To break the cycle of poverty it is noted that children's basic needs should be provided including: suitable food security, access to public services including water and sanitation, appropriate housing, high quality healthcare and education, their rights respected and voices be heard within the community. The problem is therefore not one dimensional and the strategies to improve the lives and provide future opportunities for South African children should encompass all the relevant aspects. Furthermore, continuous research on the CSG is recommended as its impacts will become more apparent overtime.

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