



Alliance for Children's Entitlement to Social Security

A C E S S

EXTENDING THE CHILD SUPPORT GRANT TO ALL CHILDREN UNDER 18 YEARS

CHILDHOOD POVERTY IN SOUTH AFRICA

Three quarters of children in SA live in dire poverty:

“It is estimated that in 2002 about 11 million children under 18 years in South Africa are living on less than R200 per month and hence are desperately in need of income support”.¹

The Constitution of South Africa gives children “the right to basic nutrition, shelter, basic health care services, and social services” [Section 28(1)(c)]. In addition to the Constitutional obligations, there are international human rights documents that South Africa has ratified which commits South Africa to meet its obligations to children. Some of these include social security benefits to the family and child, and efforts to ensure basic rights and a minimum acceptable standard of living for children. The most important being the United Nations Convention on the Rights of the Child, which states that “Every child has the right to a standard of living adequate for his/her development” (Article 27).

The current Child Support Grant (“CSG”) is a cash transfer from the government for 0 to 6year-old children to support poor families in providing for children’s basic needs. The CSG has had a positive impact on many families, however millions of poor children are unable to access the CSG due to the age-limit and means-test. In order for the government to fulfill its obligations to children, it needs to extend the CSG to *all* children under the age of 18 and remove the means test, as the first phase of the Basic Income Grant.

SOCIAL SECURITY INTERVENTIONS

There are many mechanisms by which governments address poverty. These include providing employment, access to basic services, free basic education, access to good health care, community development programmes, family support measures, grants and direct benefits, such as feeding schemes. Social security interventions are an essential part of the poverty reduction programme, and should be implemented with the other measures mentioned above. Social security interventions are attempts by the state and society to protect people from falling into poverty when a family member loses their job, or becomes ill, cannot find a job, or is no longer able to work due to ill health.

The ANC describes their strategy regarding poverty alleviation as: “... *Our attack on poverty must seek to empower people to take themselves out of poverty, while creating adequate social nets to protect the most vulnerable in our society. A combination of policies around social welfare, social grants, as well as programmes aimed at engaging people in the reconstruction of our communities can make a meaningful contribution towards the eradication of poverty*”.²

Family and child benefits in South Africa currently include:

- the Child Support Grant (CSG) for poor children under seven years of age,
- the Care Dependency Grant (CDG) for severely disabled children,
- the Foster Child Grant (FCG) for children placed in foster care,
- free primary health care services,

¹ Streak J. 2002 “*Child Poverty Monitor*” No. 1, IDASA.

² ANC Policy Conference Recommendations 2002. Available at www.anc.org.za

- exemption from school fees,
- primary school feeding programmes,
- maternity benefits,
- private maintenance provisions.

THE CHILD SUPPORT GRANT

The Child Support Grant (CSG) is a cash grant from the government to support the income of the household to enable them to care adequately for the child, and to provide for his/ her basic needs. It is means-tested, in order to target the poorest families.

The CSG was introduced in 1997 to replace the State Maintenance Grant (SMG), which was a larger amount but did not benefit the majority of children in need. The intention was to phase in the CSG through incremental age increases; the first age group to be targeted was the 0 to 6 year-olds, as the most vulnerable to poverty, illness and underdevelopment. It was hoped that the nutritional feeding schemes would then assist the child once he/she attended school.

In the State of the Nation address on 14 February 2003, the State President finally announced that the CSG will be extended to eligible children under the age of 14. This is in line with the decisions taken at both the ANC Policy Conference in September 2002 and the National Conference in December 2002.

Shortly thereafter, the Minister for Social Development, announced that the extension to 14 years would be '*phased in*' over the next 3 years. A plan for phasing in the extension is now laid down in the Regulations to the *Social Assistance Act (No. 59 of 1992)*.

According to the Regulations, the CSG will be extended progressively over three years to cover children under the age of 14.

- As of 1 April 2003, children under 9 qualify.
- As of 1 April 2004, children under 11 will qualify.
- As of 1 April 2005, children under 14 will qualify.

[Government Gazette No. 24630, 31 March 2003]

The international and local evidence prove that increasing family incomes through cash transfers or subsidies reduces poverty levels in households, and enhances the children's development, educational achievement and health status. The current CSG is spent in 75% of cases directly on the child, or it is pooled and the entire household benefits, including the child. Cash transfers are found to be effective for immediate relief of needs for poor children. However, other services and interventions are also essential for a comprehensive attack on poverty.

The Application Requirements and Process

The Social Assistance Act and Regulations (1998 & 2001)³ provides for social assistance to persons, national councils and welfare organizations. The Act provides procedures to be followed in applications for all the grants. With regard to the grants for children, the child must have an identity document or birth certificate bearing a 13-digit identity number. The applicant must be the primary care-giver of the child and must also provide his/her identity document. Where the children are not her/his biological children or legally adopted children, she or he shall be entitled to such grant in respect of a maximum of six children.

The CSG is means-tested and proof of income must be provided. The threshold income for people living in urban areas is R800 per month, while for people living in rural areas it is R1100 per month. The means-test incorporates the income of the care-giver applying and her (or his) spouse. The primary care-giver must not receive remuneration for the care of the child concerned, nor be in receipt of any other grant for the child. The child must not be in an institution referred to in the Child Care Act.

A Critique

The main limitations of the current CSG are the age limit, the means-test, administrative hurdles and the inadequate amount of the grant.

³ Proudlock P. 2002 "Current Regulations regulating the application process for the Child Support Grant". Paper presented for the ACES meeting.

- The new phased-in increase in the age-limit for the CSG from 7 years to 14 years is welcomed by the Children's sector and will make a difference to the lives of those children. However, the Constitution defines a child as a person below the age of 18 years, and therefore the age restriction on the CSG continues to discriminate against children from 14 to 17 years old.
- The CSG is currently R160 (as of February 2003). The Children's sector is of the opinion that this amount is inadequate to meet the basic needs of the child. In addition, the small amount is usually distributed throughout poor households to feed the whole family, which further undermines the little benefits to the child. The practical effect of having the grant at such a low level is that potential beneficiaries do not believe that the administrative hurdles they have to face are worth the effort.
- Means-testing, in practice, is rarely used correctly, is administratively demanding, causes delays and has been reported as demeaning. The costs of administering the means-test could be better channelled into providing a universal grant to more recipients. Poor people usually cannot meet the administrative criteria that is required and this then excludes those most in need. The two tier means-test for the CSG (rural versus urban threshold incomes) may be problematic, considered unfair, leading to discrimination and administrative complexity.⁴

The current threshold amount for the means-test is very low and therefore excludes many low income households. The threshold has not been increased since its inception in 1997. It should have increased according to levels of inflation.

- The public's lack of awareness of the grants available, the application procedures and requirements leads to their reduced access to the grants.⁵ Problems of incorrect documentation delay or prevent application processes. Up to 51% of children⁶ are without birth certificates and ID numbers. The removal of discretion for accepting alternative proof of identity prevents those most in need from receiving assistance.
- Lack of uniform standards, assessment guidelines and procedures within and between the departments cause discrepancies and subjective interpretation by Officers. Lack of awareness of processing requirements and eligibility by welfare officials themselves also hinders applications. There is an obvious lack of inter-sectoral collaboration, essential to the development of a holistic approach to the provision of social security.

Administrative hurdles and means-testing prevent eligible people from accessing the CSG. This has resulted in poor uptake rates across the country, with worse accessibility in the poorer provinces. The National Department of Social Development has undertaken a massive public awareness and registration drive for the CSG and other grants in Oct 2002, and this has increased the uptake rates over the last few months⁷.

**Currently (May 2002) 2.7 million children under 6 years are receiving the CSG.
This represents 52% of the total 5.2 million poor children under 6years.
(Using IDASA's poverty estimates: Streak 2002)**

IMPROVING THE IMPACT OF THE CSG ON POOR FAMILIES AND CHILDREN

The extension of the CSG to children under 14 years of age will greatly ease dire poverty for these children and is welcomed by the Children's Sector.

However, even if the Department of Social Development manages to reach all the poor children under 14yrs living in poverty, there will still be:

⁴ Bolani E et al. "Family Support" in Olivier MP (eds). 1999. Social Security Law: general principles. Butterworths: Durban.

⁵ Guthrie T. 2002 "Family Benefits" in An Introduction to Social Security Law. Butterworths. Durban.

⁶ Smart R. 2000 "Children living with HIV/AIDS in South Africa. A Rapid Appraisal." Interim National HIV/AIDS Care & Support Task Team.

⁷ Guthrie T. (2002). Analysis of Government's Expenditure and Uptake Rates of Grants for Children. (SOCPEN April to Dec 2001). CI. Working Document.

- 3 million 15to18yr-olds living in poverty without any assistance, of which 2.5 million are living in *dire* poverty.
- 60% of the adult population who are living in poverty, will continue to receive no assistance.

The recommendations made by Sogaula *et al* (2002) from their study in the Mt Frere district include:

"Extending the CSG to all children under 18 years and removing the means-test would, we suspect, make a very significant impact on poverty in the area. The removal of the means-test would have the effect of reducing the administrative burden and allowing existing resources to be deployed more effectively". (p.57).

BENEFITS OF THE CSG - FROM THE CHILDREN THEMSELVES

Two large child participation processes were undertaken by the Children's Institute, UCT, and the Alliance for Children's Entitlement to Social Security (ACCESS), which highlight the children's need for the grant and their suffering due to a lack of support from the government. The majority of the children who participated were not currently receiving the CSG.

Children Speak on Poverty

"Government can help us by paying school fees, we will be happy if we can get money to buy food, uniform."

"I don't have uniform for school. I will be happy if I can have money for transport because I am far away from school. I walk a long distance without having something to eat. I also need pen, glues, ruler etc. We need money to buy these things."

"I would use money for school fees because I love school with all my heart."

Copied directly from: ACCESS. Children Speak Out on Poverty. Report on the ACCESS Children's Participation Process, 2002.

Children share their experiences of being affected by HIV/AIDS

"I do not have mother. I stay with my grandmother and my father. At home there is no food most of the time. My grandmother and father do not have money. They are not working. My father is ill. I need food".(8 yr old)

"I live with 2 uncles and they are not working. It is hard because my grandmother is very ill. I need them to get employment because they pay my fees. I need money to buy my medication. To get money, I need to tell everybody that I am HIV+ even if I don't want to tell them. If government can improve the process of finding the grant. Their process takes too long... to help us get healthy food. We need clean water ..." (16 yr old)

Quoted directly from: Giese S, Meintjes H, Proudlock P. 2002. National Children's Forum on HIV/AIDS: Workshop report. Children's Institute, UCT.

RECOMMENDATIONS FOR IMPROVING THE IMPACT OF THE CSG

1. **Extension of the CSG to all children under 18 years.**
2. **A Basic Income Grant for all must be introduced.**
3. **The immediate scrapping of the Means Test.**
4. **The regulations guiding the delivery of social grants must be amended to allow the applicants for the CSG to submit alternative identity documents as temporary proof of birth and identity.**
5. **Strategies for capacity building and training of social security personnel.**

CONCLUSION

The effectiveness of the CSG in poverty alleviation is seriously hampered by the small benefit amount and the limited age eligibility. The extension of the grant from 6 years to fourteen years will greatly increase its potential to assist poor children. However, the CSG would have maximum impact if all children under 18 years could receive the grant. There are strong arguments for a universal grant for children, based mainly on removing the means-test which creates perverse incentives and creates access obstacles for poor families.

Prepared for ACCESS by Solange Rosa (ACCESS), and Teresa Guthrie, Children's Institute, UCT. Nov 2002.