

## Creating Sustainable Pathways for Beneficiaries of the Child Support Grant (CSG) in South Africa

### Preamble

*The ideas behind this paper emanate from a task undertaken in 2007 for the Department of Social Development, as a response to growing criticisms against the government that social grants increased dependence in South Africa. Many people talked about “linking grants beneficiaries to economic opportunities” whilst we argued for the building of their capabilities in order for them to be productive citizens; as for instance better educational outcomes for the children on the CSG would definitely make them productive citizens in the long run. Our argument was that even in the constrained environment of “grants” developmental outcomes could be achieved – if government actors thought outside the box. For exam-*

*ple procurement policies could be tilted in the direction of care givers or mothers of the children on the CSG. So their skills could be enhanced so that they could play roles in co-operatives and other “ring fenced” government business opportunities which are usually outsourced to service providers. Thus these business activities would be the sole domain of care givers or mothers of the children on the CSG. Thus tenders which are also governed by procurement policies would deliberately bring these women into mainstream economic activities. This we saw in Brazil. However, some of these proposals required political will. The analysis and development of these ideas as well as the ideas themselves are presented in this SASPEN brief.*

### Introduction

Since its inception in 1998, the Child Support Grant (CSG) in South Africa has increased exponentially and now covers a wider population than it was initially envisaged by politicians and policy-makers. Many theorists, policy-makers, civil society actors and politicians have extolled the value of the CSG in playing a “cushioning effect” against want and deprivation in the country and consider it as a very important social protection instrument. Several studies have also been undertaken in order to show the

value or positive impact of the CSG. One research study which was undertaken by the Department of Social Development (DSD), the South African Social Security Agency (SASSA) and the United Nations Children’s Fund (UNICEF) in 2012 found that the CSG promoted nutritional, educational and health outcomes. The study also notes that early receipt of this grant “significantly strengthens a number of these important impacts, providing an investment in people that reduces multiple dimension indicators of poverty,



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In 2015, SASPEN and Friedrich-Ebert-Stiftung Zambia hosted a high level **international expert conference on Sustainability of Social Protection in Johannesburg, South Africa, Oct 20-21.**

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promotes better gender outcomes and reduces inequality.” The study also discovered that adolescents receiving the CSG were more likely to have positive educational outcomes and are less likely to experience child labour or less likely to engage in behaviours that put their health and well-being at risk. Nonetheless, there are many people in the country who have expressed the view that the CSG (as well as other social grants) is placing an undue strain on the national coffers, whilst others have also noted that it is not sustainable. The latter sentiment has even been echoed by some sections of the governing party, the African National Congress (ANC). Furthermore, the economy’s lackluster performance and the high levels of unemployment in the last couple of years have only gone to cement the notion that the CSG is unsustainable or will eventually not be buoyed up by the public purse in the long run. Both view-points seem to have some merit but are not wholly plausible and therefore a middle ground needs to be struck in order not only to accommodate both perspectives, but also to actually provide workable solutions to a seemingly difficult situation.

It must be reiterated here that the CSG emanated from concerns which were raised by the Committee of the Minister of Welfare and the Provincial

Members of the Executive Council (the Welfare MINMEC), at the time, around the future affordability of the then State Maintenance Grant (SMG). Previously, the means-tested SMG was not extended to African women, but to other race groups, namely, whites, Coloureds and Indians. A woman was eligible for this means-tested grant if she applied for financial support from her partner or the father of her children through the Magistrate’s court, and was unable to receive it; or if she was widowed or deserted. After the fall of apartheid in 1994, the SMG was extended to the African population as well. Due to this situation, the question of financing the SMG was raised sharply by the government and civil society actors. Due to such concerns the government established the *Lund Committee on Child and Family Support* in order to investigate the relevance of the SMG in a new South Africa. The Committee which convened in February 1996 was comprised of persons identified directly by MINMEC, as well as co-opted members and representatives of the then Department of Welfare. Ultimately, the Committee recommended that a flat-rate child support benefit should be introduced which should be paid, via the primary care-giver, to all children who qualified in terms of a test of the care-givers’ means. The benefit was also to be aimed at protecting the

poorest children in their most vulnerable years. Of significance, the Committee recommended that the care-giver should be obliged to engage in health related activities in relation to the child or children in her (or his) care for the grant to be awarded, and for the grant to continue. The most likely activities were seen as: growth monitoring, and ensuring that the child was immunised (Republic of South Africa, 1996). Given the foregoing, the purpose of this paper is to propose sustainable pathways for the CSG beneficiaries in South Africa even in a constrained economic environment. This approach is underwritten by the capabilities approach and notion of active citizenry proposed by the National Development Plan (NDP). It is also predicated on a long-term strategic outlook. It is important to note that the NDP seeks to eliminate poverty and reduce inequality in South Africa by 2030. It also envisages a country wherein all citizens have the capabilities to the ever-broadening opportunities available and to change the life chances of millions of South Africans, especially the youth - that remain stunted by the history of apartheid (The Presidency, 2011). Before proceeding it is important to present the theoretical premise of the paper which is the capabilities approach.

## The capabilities approach

According to Clark (2005) the conceptual foundations of the *Capabilities Approach* can be found in Amartya Sen’s critiques of traditional welfare economics, which typically conflate well-being with either opulence (income, commodity command) or utility (happiness, desire fulfilment). Sen distinguishes between commodities, human functioning/capability and utility in the following manner: Commodity equals Capability (to function) which equals Function(ing) and then equals Utility (e.g. happiness). He begins by considering income or commodity command. Like Adam Smith, Sen (1983) cited in Clark (2005) emphasises that economic growth and the expansion of goods and services are necessary for human development. However, like Aristotle, he

reiterates the familiar argument that wealth is evidently not the good we are seeking; for it is merely useful and for the sake of something else. In judging the quality of life we should consider what people are able to achieve. Sen (1983) cited in Clark (2005, p. 3) then observes that different people and societies typically *differ* in their capacity to convert income and commodities into valuable achievements. For example, a disabled person may require extra resources (wheel chairs, ramps, lifts, etc.) to achieve the same things (moving around) as an able bodied person. Moreover, a child typically has very different nutritional requirements from a manual labourer, pregnant woman or someone with a parasitic disease.

Using the Capabilities Approach as a spring-board for intervention, policy-makers will have to take into account that the children on the CSG and the care-givers and mothers of the children have innate strengths which should be tapped into by the government. In this

way, other avenues would need to buttress the CSG in order for the children to be future productive citizens of South Africa, for instance 20 years later. In the interim, the mothers of the children or their care-givers would also be empowered so that they engage in economic

activities. This would help them focus on bringing up the children as they would not be stressed due to financial constraints.

## Setting the agenda: how to “wean” South Africans off the CSG in a developmental way

It is important to note that the CSG forms part of South Africa’s elaborate social assistance programme, and with slightly over 16 million beneficiaries it disburses: *the old age grant, war veterans’ grant, disability grant, foster care grant, care dependency grant and the child support grant (CSG)*. The number of child support grant beneficiaries rose from 5.7 million in 2004/05 to about 11.4 million as a result of the increase in the eligibility age to a child’s 18<sup>th</sup> birthday (National Treasury, 2013). This discussion contends that one way of making the CSG programme in South Africa sustainable would be to link it to the Capabilities Approach. In this way, the children on the CSG would be identified and plotted by government officials so that they can determine where they all are in the country. Presently, much of this information is scattered in various government data banks and thus it has to be centralised and co-ordinated in order to pin-point where the children are in terms of households, neighbourhoods, schools, wards, towns and provinces.

Concerted efforts can also be made to focus on the children on the CSG from primary school to tertiary levels via a **case management approach** where Social Workers and other social service professionals could visit these children on a weekly or monthly basis. The social service professionals would follow up on the children’s educational, nutritional, and health needs, from childhood to young adulthood. This approach would also create clear and viable pathways for the CSG beneficiaries out of poverty. Children on the CSG would also be given a head start in life if they were put through **high quality and universal** Early Childhood Development (ECD), beginning with those in the most remote and

impoverished rural areas and working up from village levels to the urban areas. All children on the CSG would need to be tracked and monitored through-out their years at ECD centres. This approach could also lead to “smart targeting” of CSG beneficiaries by enabling former CSG beneficiaries to study either abroad on government scholarships or at South African universities and colleges, **free-of – charge, but bonded to government for at least three years** after graduating. In those three years, they would be expected to work in rural communities, etc., in order to also “give back” to their country. Another way would be to “ring-fence” CSG beneficiaries from 0-23 years for various capability building interventions. Since there are already talks underway of extending the CSG from 18 years to 23 years, it would be better to have this new thrust underpinned by the Capabilities Approach, if the country is to reap development dividends from such a proposed move. Targeting this population would actually allow the government to create a whole new population of South Africans (who were previously disadvantaged). After 24 years they would be educated, highly skilled and contributing tax which would again be used to invest in the foregoing capability building actions.

Furthermore, government procurement policies could also be tilted in the favour of building the capabilities of the care-givers or mothers of children on the CSG. In this regard, the mothers of the children on the CSG or their care-givers would also be assessed in regard to marital status, skills levels, educational levels and so forth. This would be the prelude to creating economic pathways for the mothers of the CSG beneficiaries or their care-givers. This would help to main-

stream the mothers of children on the CSG or their care-givers into the economy as players and not just consumers. Building the capabilities of mothers of the children on the CSG or their care-givers through “ring-fenced” government procurement mechanisms (after ample training and start-up capital) can be facilitated by the government in the areas of: **School feeding schemes, cleaning of government offices, laundry services** at government institutions such as prisons, hospitals, etc., or making uniforms for prisoners, etc. These women would be the **service providers or private companies** offering the foregoing services. The conditionality here would be that the women formed co-operatives and also played a key role in the education of their children.

## Conclusion

The former approach and proposed actions can only be possible if the notion of “joined up” government is crystallised and that there is a robust evidence-based government-wide research and information system that speaks to each government department. Therefore, more research by government departments and proper information management systems are required for the proposed thrust to be implemented. Also, it is crucial that the whole social development sector is enhanced in line with the developmental social welfare approach which is proposed by the White Paper for Social Welfare 1997 (Ministry of Welfare & Population Development, 1997). This means that the role of social protection within the larger ambit of social development, its objectives as well as funding should be clearly spelt out. Indeed the National

Development Plan could not be more apt on this score:

*The country has built an advanced and comprehensive social protection system with wide reach and coverage, but the system is still fragmented, plagued by administrative bottlenecks and implementation inefficiencies. As a result, the various elements of the social protection system are not operating seamlessly. The priority should be improving efficiency in the delivery of services, addressing exclusions by identifying and reaching those who are entitled to the existing benefits of social protection, reducing the administrative bottlenecks that prevent people accessing benefits. These measures are not costly, but will improve effectiveness and ensure wider coverage (The Presidency, 2011, p. 359).*

## References

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The Southern African Social Protection Experts Network, SASPEN, is a not-for-profit loose alliance of stakeholders, scholars and consultants who engage with social protection in the SADC region. It promotes the fostering, expansion and improvement of social protection in SADC countries and engages in dissemination and sensitisation by providing platforms for exchange regarding social protection programmes, frameworks, research and consultancies and by creating network structures to link participants with each other and to relevant institutions. Activities of the network may include country workshops, international conferences, seminars, publications, joint research, dissemination of information.

The network aims to provide a basis for (i) sharing of experience and information based on research and in-depth knowledge of social protection issues, (ii) constructive debate, discourse, discussion and reflection among experts and with stakeholders and role-players, and (iii) rendering a range of services to support the promotion, development and implementation of social protection in SADC countries, with reference also to strengthening social protection floor initiatives – on a commissioned, requested or self-initiated basis.

The exchange and interaction within the network is guided by the principles of independence of individual participants, collaboration in network activities, professionalism and objectivity.

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