

Social assistance for children: Looking back, thinking forward

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This issue of the *South African Child Gauge* provides an opportunity to reflect on factors that have underpinned the development and successes of the CSG over the past eighteen years, in order to inform future policy development. The Child Support Grant (CSG) is an important investment in child well-being and that has been successful in improving child outcomes. But some challenges remain, and the State has a constitutional obligation to progressively realise children's right to social assistance.

This concluding essay addresses the questions:

- Why invest in social assistance for children?
- What factors contributed to the successes of the CSG?
- Thinking ahead: How can we build on the strengths of the CSG?

Why invest in social assistance for children?

Childhood disadvantage has long-term effects, and it is therefore important to intervene in the early years. In this regard, the South African government undertakes numerous interventions targeted at children through health, education and social security programmes. In particular, the social grants system plays an important role in redistribution and poverty reduction.

While the CSG has contributed to poverty reduction, its effects on reducing inequality are muted in the short-term because of its low cash amount. Nonetheless, social grants serve an important purpose in redistributing income from the rich to the poor. If one takes a long view and considers the CSG as an investment in human development, then social assistance, together with interventions such as early childhood development programmes, basic education and health, could play a role in reducing inequality over the long-term.

In the public discourse it is often pointed out that there are large numbers of grant recipients. However, no connection is made to the fact that South Africa has high poverty levels. Moreover, the role that the CSG plays in significantly reducing poverty is often overlooked. There is a large body of evidence that has shown its positive effects on nutrition and education, and its effect on these dimensions of poverty are also important, both in the short term as well as the long term.

Employment and social grants are often viewed as competing rather than complementary sources of income (see p. 62). Instead of being an alternative to jobs, social grants provide income support when people are unable to find work, or when they are working but do not earn enough to support themselves and their

families. A combination of historical factors, poor education and an increasingly knowledge-based economy means that many people are unable to find employment or earn low incomes. For those who cannot find employment at all, social grants are an essential safety net. Social grants are not intended to address the challenges of poverty alone, and employment creation and inclusive economic growth are essential. But as the National Development Plan (NDP) 2030 notes:¹

Structural factors make job creation difficult. Addressing structural constraints is a priority, but structural change takes time. In the interim, large numbers of South Africans will remain unable to participate meaningfully in the economy – yet have no other access to means of support.

In the absence of well-paid work, social grants such as the CSG provide low-income households with a vital source of reliable income and are an investment in human development in the country. Social grants assist in reducing the risks associated with poverty and can provide a buffer against financial shocks, as happened when the CSG protected children from the worst effects of the 2009 financial crisis.²

What factors contributed to the successes of the CSG?

In 1994 the newly elected government inherited a relatively well-developed system of social security, although it was targeted mainly at whites, coloureds and Indians. The government appointed the Lund Committee in 1995 to investigate alternatives to the State Maintenance Grant, which included a child component and remained racially and geographically skewed. The Committee commissioned research, undertook some consultation and recommended the CSG as an alternative to the State Maintenance Grant in order to promote equity and redress – at the time a controversial trade-off between equity and affordability. (as outlined in essay on p. 39)³

An evidence-based approach

This policy reform is an important example of a relatively inclusive, evidence-based policy process. A key feature of the Lund Committee recommendations was that the design of the grant responded to the reality of South African families as multigenerational and often living in different places (see p. 33): The grant was designed to follow the children and is paid to the child's primary caregiver. Numerous other policy reforms in the democratic period have not been as sensitive to the South African context.

Engagement around policy reform

Over the last eighteen years there have been numerous changes to the CSG (see p. 60). Among these have been the extension up to the age of 18 years, the adjustment of the means test and attention given to the administrative obstacles encountered by applicants. This reform process attests to vibrant engagement and contestation between the government and civil society in order to ensure the progressive realisation of the right to social security as envisioned in the Constitution.

Social assistance as a justiciable right

The Bills of Rights in the Constitution guarantees everyone the right to have access to social security – within available resources – and expressly refers to social assistance as one of the measures that should be adopted to support those who are unable to provide for themselves. This right, together with the relevant legislation, makes government accountable for delivery. Socio-economic rights such as this can be enforced in a court of law, and such claims contributed to the expansion of the CSG and improvements in administration.⁴

Implementation and institutional reform

The implementation of the CSG has been very successful, as outlined in the essay on p. 60. When the CSG was introduced in 1998, the plan was to phase it in over a five-year period. The target at the time was to reach three million of the poorest children, and in the 1998/1999 financial year a Child Support Implementation Conditional Grant was introduced to assist with the implementation process.⁵ This built on the infrastructure that already existed. Initial take-up rates were slow but increased exponentially in the early 2000s. The phasing-in of the CSG was seen as a problem at the time, but with the benefit of hindsight, the slow implementation in the first few years is one of the factors that contributed to the successful implementation of the CSG, as it allowed for the capacity to deliver the grant to be built up over time. Another factor was advocacy by NGOs who highlighted the onerous eligibility and documentary requirements.

Institutional reform is another element that has contributed to improved implementation. Setting up the South African Social Security Agency (SASSA) to administer grant payments and working with the private sector to deliver grants was pragmatic. Using technological innovation to disburse grants and manage fraud and corruption was another factor that contributed to successful implementation. It remains to be seen whether SASSA's decision to manage grant payments directly rather than contracting private companies to do so will contribute or detract from the implementation of the grant programme.

Challenges that remain

The take-up rates for infants 0 – 1 years old remains relatively low, yet research evidence shows that early receipt makes a significant impact on nutrition outcomes. This is a challenge that requires creative solutions as it is a critical missed opportunity for those children who are eligible but not in receipt of the grant.

Another area that requires further research and intervention is people's experiences of the grant delivery system, as a recent study on dignity shows that grant recipients experience stigma and discrimination at the point of delivery. The issue of unauthorised and unlawful deductions, which erode children's right to social assistance, also needs to be addressed and resolved.⁶

Thinking ahead: How to build on the strengths of the Child Support Grant?

The essay on p. 44 demonstrates, social grants work: They are widely regarded as government's most successful strategy in tackling the challenges of poverty, and have improved the lives of millions of children.

This issue of the *South African Child Gauge* outlines selected social assistance policy proposals that could potentially build on the strengths and success of the CSG. These proposals are not exhaustive, and are in different stages of development and suggest quite different future directions, although some could be combined, as discussed in the essay on p. 95. The aim of presenting and reflecting on them is to stimulate informed debate and engagement among policy-makers and within civil society to inform future directions of social assistance for children. Decisions about social assistance policies impact on the lives of many, so it is vital that there is critical engagement with such proposals. In doing so, it is important to consider their alignment with the longer-term vision for progressively realising the right to social assistance for children, and how the policy proposals outlined in this issue of the *Child Gauge* articulate with the comprehensive social security reform proposals⁷ and with social protection strategies more broadly.

Basing policy decisions on empirical evidence should be central to the policy-making process, but decisions about social policy are also political in nature. The report of the Lund Committee, for example, was described by the chairperson as "a research-based vehicle that had to travel a political road".⁸ Social policy-making requires making choices about how to distribute state resources. Decisions about the design of social assistance programmes involve questions about who should receive assistance, and how comprehensive or limited their social assistance should be, and reflect our vision of society. They are not simply "technical" decisions, but are informed by values and ideological positions, the extent to which the causes of poverty are seen as structural or individual in nature and how the role of the state in providing support is heard. The issues of affordability and sustainability are also political and often contested, as they depend in part on spending priorities.⁹

Policy choices made now can have far-reaching implications, and should be based on a clear and simple vision for supporting the well-being of children. The essay on p. 77 introduces a framework of constitutional and good governance principles, which together with the reflections on p. 95 provides a starting point for weighing up and interrogating social assistance policy proposals in support of children.

Social assistance as part of a social protection strategy

Social grants support multiple positive outcomes for children living in poverty, but to support children's optimal development they need to be integrated with other services and interventions.

This includes accessible, high quality education and healthcare, and responsive social welfare services; as well as other policies aimed at supporting vulnerable children and families such as free schooling and health care, nutrition programmes, and access to subsidised housing and basic services, amongst others.

An ongoing challenge is that programmes and services tend to operate in isolation. Greater effort is needed to increase coordination and synergies between social grants and other services to reinforce and strengthen their positive impacts for children. Access to social grants from birth; adequate nutrition; quality learning opportunities and health care from a young age; and community-based support for vulnerable families and caregivers will go some way to addressing childhood disadvantage and the poverty and inequality it perpetuates.

As part of the strategy for addressing poverty and inequality in the country by 2030, the NDP calls for the establishment of a social protection floor which specifies a minimum standard of living and "brings social solidarity to life".¹⁰ Basic income security, along with other services, would form an essential part of this package of social benefits. This social floor should ensure that "all children should enjoy services and benefits aimed at facilitating access to nutrition, health care, education, social care and safety".¹¹

Investment in children now and in the future

Growing up in poverty places children at a disadvantage from an early age, and limits their life chances. Given widespread and persistent poverty and inequality in the country, the CSG is an investment in the development and potential of children. Together with investments in other services, social grants can build the resilience of children and their families with social and economic benefits to society in the long-run.

References

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- 5 Sadan M (2001) Does Welfare Prioritise Children? In: Cassiem S, Perry H, Sadan M & Streak J. *Children and the Budget 2000: Are Poor Children Being Put First?* Cape Town: Idasa.
- 6 Wright G, Neves D, Nshongwana P & Noble M (2015) Social assistance and dignity: South African women's experiences of the Child Support Grant. *Development Southern Africa*, 32(4): 443-457.
- 7 Department of Social Development (2016) *Summary Report on the Review of the White Paper for Social Welfare, 1997*. Pretoria: DSD.
- 8 Lund (2008) *Changing Social Policy: The Child Support Grant in South Africa*. Cape Town: HSRC Press. P. ix.
- 9 Seekings J (2016) Redefining the 'Affordability' of Social Assistance Programmes: The Child Support Grant in South Africa, 1998 – 2014. CSSR Working Paper 379. Cape Town: UCT.
- 10 See no. 1 above. P. 42.
- 11 See no. 1 above. P. 62.