

# Children and inequality: Closing the gap Policy brief October 2012

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"It is possible to eliminate poverty and to sharply reduce inequality by 2030." This is the optimistic vision of the National Development Plan, which calls for new and collaborative approaches to tackle persistent poverty and inequality. One of the ways to do this is by intervening in the early years: to break intergenerational cycles, equalise opportunities and shift the life chances of those born into poverty.

This brief provides an overview of some of the key findings and recommendations from the *South African Child Gauge*<sup>TM</sup> 2012. It briefly outlines equality principles contained in the Constitution, and describes on the inside pages some dimensions of inequality among South Africa's children. The back page outlines some of the challenges and opportunities for policy-makers and practitioners.

# **Equality rights and children**

Equality is both a founding value of the Constitution, and a fundamental right. But what does this "equality" mean in practice, and what does it mean for children?

#### Formal equality versus substantive equality

"Formal equality" means treating everybody the same. For example "one person, one vote" is a common way of achieving equality in the realm of civil and political rights. However this approach is not sufficient to address deep-rooted patterns of discrimination and socio-economic disadvantage. In order to achieve "substantive equality", or equal outcomes, it may be necessary to treat people differently to compensate for past inequities and to correct imbalances. Focusing on children provides important opportunities for intervening in substantive ways.

#### Levelling up or levelling down?

One possible way to achieve equality is to "level down" so that everyone receives the same level of service or benefit. However, the courts have indicated that it is preferable to "level up" by extending benefits to those who were previously excluded. This approach is in keeping with the principle that socio-economic rights should be realised progressively.

#### Non-discrimination

The Constitution prohibits unfair discrimination. This may require differential treatment for certain groups of children, including special measures for disadvantaged children and their caregivers. Achieving substantive equality requires moving beyond a one-size-fits-all approach. Policy-makers and practitioners need to consider factors such as children's age, race, sex, location, caregivers' income and relationship status in policy and programme design.

#### The right to what?

The Constitution defines equality to include "the full and equal enjoyment of all rights and freedoms", implying that the right to equality extends to the whole Bill of Rights including children's socio-economic rights. Policy-makers and

child rights advocates will need to draw on both children's equality and their socioeconomic rights to address the impact of discrimination and socio-economic deprivation on children's lives.



**Source:** Southern Africa Labour and Development Research Unit (2012) *National Income Dynamics Study 2008, Wave 1* [dataset]. Version 4.1. Cape Town: SALDRU, UCT [producer], DataFirst [distributor]. Calculations by Ingrid Woolard, SALDRU, UCT.





R12 000

R10 000

R8 000

R6 000

#### Differences in the distribution of children and adults across income quintiles, 2008 (Y-axis reduced to 45%) 45 40 Children 35 Adults Proportion of children (%) 25 20 10-5 -0-2 3 4 5 1 Income (poorest) (richest) quintile Monthly income **Source:** Statistics South Africa (2011) *General Household Survey 2010*. Pretoria Stats SA. Calculations by Katharine Hall, Children's Institute, UCT.

# Rising inequality and a disproportionately poor child population

Contrary to expectations, income inequality has continued to rise since the end of apartheid. This is driven largely by a rise in inequality *within* race groups, although the most striking dimension of inequality remains *between* races.<sup>3</sup> The poorest 10% of the population receives less than 1% of the national income while the richest 10% receives more than half (57%).<sup>4</sup> Inequality is firmly rooted in the labour market and is related to high rates of unemployment and extremely unequal wages.

In 2010, 60% of South Africa's 18.5 million children lived in households with an income of less than R575 per person per month. Child poverty rates have fallen since 2003, but the gap between rich and poor is widening. There are also glaring racial disparities: two-thirds (67%) of African children live below this poverty line, compared with only 2% of White children.<sup>5</sup>

Children are more likely than adults to live in poor households. Forty-one percent of children live in the poorest 20% of households (quintile 1) while 8% of children live in the richest 20% of households (quintile 5).

### Multiple, overlapping inequalities for children

Like poverty, inequality takes many forms. These dimensions are often interrelated, leading to cumulative disadvantage and further entrenching inequality. For instance, poor living environments can lead to poor health and poor educational outcomes. Children in relatively wealthy households are consistently better off and are likely to have better opportunities in life than those who are born poor. In this way inequalities are reproduced across generations.

Particular groups of children – very young children, children in poverty, many African children, children with disabilities, and children living in the former homelands and informal settlements – appear to experience multiple deprivations. Diseases of poverty like diarrhoea and acute respiratory infections drive the high child mortality rates in South Africa and over 65% of child deaths in hospital are associated with malnutrition.<sup>6</sup>

#### **Spatial inequality**

The spatial dimensions of inequality in South Africa continue to reflect the legacy of apartheid: the most deprived areas remain concentrated in the former homelands. Nearly half of all children (43%) in South Africa live in the former homelands, compared with 31% of adults.<sup>7</sup> Further policy-related work is required in the areas of governance and regional planning to strengthen services and opportunities for families and children in these areas.

#### Parental co-residence and inequality

Only a third of children in South Africa live with both their parents, and nearly a quarter live with neither parent. Children living with both parents are more likely to be living in urban areas and to have higher incomes (when household income is divided by all household members) than those living with their mother or with neither parent. Children in the poorest quintiles are more likely to be living in the former homelands. These patterns of care have their origins in the migrant labour system. Many children remain in the care of relatives in the former homelands, while parents seek work in the cities.

#### Unequal access to health care services

South Africa has made progress in providing free health care and expanding the network of public health clinics. But resources are thinly stretched: while the vast majority of children rely on the public health service, only a third of medical practitioners and a quarter of specialists work in the public sector.<sup>8</sup> Nearly half of all health care expenditure in South Africa goes to the private sector, which serves only 15% of the population.

Mother-to-child transmission of HIV has been reduced to an estimated 2.7% at six weeks after birth. This is a great improvement, but inequalities remain. Services are better in urban centres, where 60% of infants born to HIV-positive mothers are tested at their six-week immunisation visit, compared with 41% living in deprived rural districts (41%). Only 12% of doctors and 19% of nurses work in rural areas.

#### **Unequal education**

Investment in public education is high and accounts for over 17% of government expenditure. <sup>12</sup> While school attendance rates are over 95%, outcomes are poor – particularly for children attending school in poor areas. National assessments point to problems with teaching and learning from the foundation phase onwards. Grade 3 learners scored only 35% in literacy and 28% in numeracy in 2011. <sup>13</sup>

Income inequality is strongly related to educational progress and outcomes. In 2010, only 54% of 16 – 17-year-old children living in the poorest quintile had completed grade 9, compared to 89% of children in the richest households. <sup>14</sup> Similarly, by 2008, only 25% of 20 – 24-year-olds in the poorest quintile had completed matric compared to 70% in the richest 20% of households. <sup>15</sup>

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#### **Child outcomes**

Children living in the poorest 20% of households Children living in the wealthiest 20% of households



#### Living conditions

<b>67</b> %	Live in rural areas	10%
37%	Live in inadequate housing	3%
31%	Live in overcrowded households	2%



#### Access to services

54%	<mark>Inadequa</mark> te water	3%
46%	Inadequate sanitation	3%
23%	No electricity	1%



# Care Mother or both parents dead, 196

970	ואוטנוופו טו טטנו	i paieiits ueau	1 70
31%	Mother does not live		10%
	with	child	10%



#### Health

26%	Experienc	e hunger	0%
87	Infants (0 –	12 months)	28
0/	die per 1 00	0 live births*	20



#### **Educ**ation

21%	Travel far	to school	12%
46%		progress school	11%

Source: Statistics South Africa (2011) General Household Survey 2010. Calculations by Katharine Hall, Children's Institute, UCT.

\* World Health Organisation (2007) World Health Statistics 2007, Geneva: WHO.

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It draws directly on the work of various authors who contributed to the *Child Gauge 2012*. The full set of essays and statistical tables is available at www.ci.org.za.

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For more child-centred data, see www.childrencount.org.za

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## **Closing the gap: Opportunities and challenges**

#### Social grants – an essential safety net

Children are dependent on adults and will benefit from inclusive growth and a more labour-intensive economy. In the meantime, grants are the primary source of income for poor house-holds and, along with progressive taxation, have helped to prevent inequality from rising even further. More than half of the income flowing into the poorest 40% of households comes from social grants. Although only R280 per month, the Child Support Grant is associated with increased school attendance, less hunger and better nutrition. 17

- The low take-up of grants for children under six months should be addressed urgently, particularly
  as access to the Child Support Grant early in life improves children's growth and reduces
  stunting.<sup>18</sup>
- A higher value Child Support Grant would achieve greater poverty and inequality impacts. It
  would also reduce the incentive to favour the administratively burdensome Foster Child Grant
  when considering options for poor orphans living with relatives, freeing up resources for child
  protection services.

#### Early childhood development - a window of opportunity

The first few years are a particularly sensitive period for brain development. Investments in early childhood services offer children a good start in life and provide good economic returns.<sup>19</sup> The government has committed to delivering a comprehensive package of care and support for young children.

- Grade R is moving towards universal access, yet early childhood services are failing to reach
  younger children, children with disabilities and those living in households that cannot afford
  to pay fees.
- Greater investment is needed in home- and community-based services which can reach young children, link them to grants and other services, and provide support for caregivers.

#### **Health care – new reforms**

National Health Insurance and the reengineering of primary health care aim to achieve a more equitable distribution of resources between public and private sectors, and to strengthen child health at district level through the leadership of community paediatricians and the establishment of a well-functioning community health worker programme.

- The success of the NHI depends on reducing disparities in general between rich and poor, urban and rural, private and public sectors. This requires large investments in physical infrastructure (such as housing and water), social programmes (such as welfare and education services/programmes) and human resources for health.
- It will be important to disaggregate data on child health and living environments in order to give priority to districts with the poorest living conditions and highest rates of malnutrition and HIV infection.

#### **Education** – a great equaliser

Inequalities persist despite the introduction of pro-poor policies such as no-fee schools. This is partly because schools in richer communities can charge fees and pay for more or better qualified teachers than schools in poor communities.<sup>20</sup>

- Equitable personnel expenditure across schools could alleviate some of the burden placed on teachers in overcrowded and under-resourced classes.
- Improvements in infrastructure, access to books, teacher training and support, and school management are essential if all children are to have an equally good education.

#### Closing the gap – the new imperative

Children born in 2012 will turn 18 in 2030. If we are to achieve the National Development Plan's goal of reducing inequality in the next generation, we need to shift opportunities for children in the present. This extends beyond poverty alleviation and requires levelling the playing field to promote children's optimal development irrespective of their characteristics and the circumstances into which they are born.