

Children living in poverty

The majority of children in South Africa are poor and live with families with few resources. Some 66% of the total child population live in households that have access to a monthly income of R1,200 or less. This amounts to nearly 12 million children living in income poverty (1).

There are stark disparities in the levels of poverty across race and province in South Africa. The Limpopo province, for example, has the highest rate of child poverty when using the R1,200 per month income measure, with 81% of its children living in income poverty. Gauteng and the Western Cape are the only two provinces where less than half of children live in poverty. Due to South Africa's history of racial discrimination and underdevelopment, nearly all poor children (95%) are black (2).

According to Section 27 of the South African Constitution, "everyone has the right to have access to social security including, if they are unable to support themselves and their dependants, appropriate social assistance" (3). This means that the government is constitutionally obliged to provide assistance to families with little or no income from wage labour because of high unemployment levels.

The Child Support Grant

Social assistance, a non-contributory type of social security, takes the form of cash grants in South Africa. Grants are the biggest and most effective intervention against poverty, and social security has seen significant growth and deracialisation since 1994.

Introduced in 1998, the Child Support Grant (CSG) is a monthly cash grant paid to the primary caregivers of children living in poverty. The grant had a cash value of R100 in 1998 and was paid to poor children up to the age of six years if their caregivers met the eligibility requirements. Since then, both the amount of the grant and the age-eligibility criteria have been changed. By April 2005, the value of the grant stood at R180 per child per month. This amount will be increased to R190 per child per month from April 2006.

The government announced an extension to the age eligibility in 2003, which was phased in over three years. From April 2005, children under the age of 14 years became eligible, provided that their caregivers meet all the other criteria. There has been much debate about a further extension of the CSG to all poor children under the age of 18 years. Such an extension is supported by child rights groups, as well as from within the Department of Social Development.

Only children up to 14 years of age who live with caregivers with very few resources are currently eligible for the grant. The income of these adults is measured with a means test – an administrative procedure to make sure that only people earning below a certain income level are able to access this income support.

There are two different income levels used in the means test for the CSG. Unlike the age criteria and the grant amount, these income thresholds have not increased in line with inflation since their introduction in 1998. In reality this means that, for caregivers to access the grant now, they must be poorer than caregivers who qualified

Mearly seven
million children
younger than 14
years receive the
Child Support Grant
every month in
South Africa;
another two million
eligible children
are yet to be
reached by
this grant.

for the grant when it was first introduced eight years ago.

The means test limit applied to people who live in rural areas or in informal housing in urban areas is R1,100 per month. A second, lower income limit is applied to people living in formal housing in urban areas. To qualify for support under these conditions, a primary caregiver and his/her spouse would need to earn less than R800 per month in total. These income levels do not take into consideration the number of children supported by the primary caregiver and his/her spouse.

A calculation of real values of the grant shows that, "to keep pace with inflation, the thresholds would have needed to be set in 2004 at R1,123 and R1,544 respectively. Instead in 2004, the value of the means test threshold was equivalent to the buying power of R570 and R784 in 1998" [4].

About Children Count - Abantwana Babalulekile



Children Count – Abantwana Babalulekile is a project of the Children's Institute, University of Cape Town. The project is aimed at monitoring the realisation of children's socio-economic rights in South Africa. It presents child-centred data on basic demographics and care arrangements for children, as well as on the areas of education, health (including HIV/AIDS), housing, nutrition, social assistance, and water. This fact sheet is one of a series aimed at informing the government and civil society about the situation of South Africa's children. The project hosts an interactive website of child-centred data on socio-economic indicators, which can be accessed at: www.childrencount.ci.org.za.

many children are eligible for a Child Support Grant?

Table 1: Number and proportion of children (0 - 14 years) eligible for the Child Support Grant

Province	Total number of children (0–14 yrs)	Proportion of eligible children (%)	Number of eligible children	
EC	2,205,694	73	1,616,774	
FS	725,750	71	511,654	
GT	2,137,682	47	1,006,848	
KZN	2,905,733	71	2,057,259	
LP	1,890,829	72	1,353,834	
MP	999,662	68	681,769	
NC	240,585	65	156,621	
NW	1,131,625	71	804,585	
WC	1,227,683	49	605,248	
SA	13,465,243	65	8,792,804	

Source: General Household Survey 2004. Analysis by Debbie Budlender (4)

By the end of December 2004, some 5.4 million children were able to benefit from the CSG. One year later an additional 1.3 million children were receiving this grant via their primary caregiver - an increase of just over 24% (5).

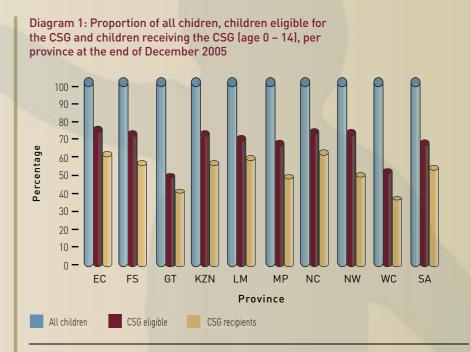
It is clear that an increasing number of children are able to access this vital income support to help with their schooling, nutrition, clothing and basic household goods. But are all children in need receiving the grant?

The government does not have official estimates of how many children are eligible for the CSG. They do however have up-take numbers, which reflect the estimated and budgeted number of children per province that will access grants. These estimates are displayed in the last column of Table 2, which shows that the government has anticipated that 6.9 million children under the age of 14 years will be in receipt of the CSG at the end of March 2006 (6). The Children's Institute and the Centre for Actuarial Research at the University of Cape

Town in 2005 calculated eligibility for the CSG by using 2003 General Household Survey data (7). This analysis applied the means test and other eligibility criteria to this national survey data. The estimates, displayed in **Table 1**, are the most recent eligibility figures published.

The final estimates of eligibility, for each province and for South Africa as a whole, are outlined in Table 2. By our calculations, nearly 8.8 million poor children, from birth to the age of 14 years, are eligible for the CSG. Five of South Africa's nine provinces have a higher than 70% eligibility rate. It is only in the Western Cape and Gauteng provinces that just less than half of children in this age group are eligible for this essential poverty alleviation measure.

By calculating how many children would qualify for the grant if the age eligibility was extended to 18 years - which would include all those considered children by the legal definition – it was estimated that some 11.5 million children would be eligible for the CSG each month (8).



Sources: At all Costs? Applying the means test for the Child Support Grant [4]; SOCPEN database end December 2005 (

many eligible children are receiving the Child Support Grant?

The calculations presented here are based on Department of Social Development figures as of the end of December 2005. Table 2 shows that, while approximately 8.8 million children under the age of 14 years are eligible to receive the CSG, 6.8 million children were receiving the grant as of the first of January 2006. This amounts to a 78% up-take rate, which has been growing steadily since the grant's introduction in 1998. It also means that nearly two million eligible children are not yet gaining access to this vital income support.

receiving the Child Support Grant at the end of December 2005 is already almost equal to the number which the government plans to reach by the end of March 2006. In the three months from October to December 2005, approximately 400,000 new grants were awarded (9).

There is no reason to expect that this growth in the CSG up-take rate will stop or slow down. In fact, there are already more CSG recipients than anticipated in Mpumalanga, Limpopo and the Western Cape. The provinces of the Eastern Cape and KwaZulu-Natal are also already providing Table 2 also shows that the number of children about as many grants as was estimated for by the

end of the age-extension period, despite this still being three months away at the time of writing. This has significant budgetary implications.

Diagram 1 shows both eligibility for and up-take of the CSG as a proportion of all eligible children (0 - 14 years) in each province and nationally. At a provincial level, the Eastern Cape, Gauteng, Mpumalanga and Limpopo all have up-take rates of 80% and more. There is however room for improvement in the North West and the Western Cape provinces, which both have less than 70% up-take of the CSG.

Table 2: Comparing Child Support Grant up-take to eligibility at the end of December 2005

Province	Number of eligible children	Number of eligible children receiving the CSG	Up-take rate: Proportion of eligible children receiving CSG (%)	Number of eligible children who are not CSG recipients	Proportion of eligible children who are not CSG recipients (%)	Government up-take estimates at 31 March 2006
EC	1,616,774	1,301,454	80	315,320	20	1,306,204
FS	511,654	391,190	76	120,464	24	437,302
GT	1,006,848	813,097	81	193,751	19	932,345
KZN	2,057,259	1,557,657	76	499,602	24	1,555,213
LP	1,353,834	1,130,718	84	223,116	16	1,064,417
MP	681,769	572,970	84	108,799	16	506,263
NC	156,621	110,652	71	45,969	29	134,752
NW	804,585	536,115	67	268,470	33	609,649
WC	605,248	403,210	67	202,038	33	380,969
SA	8,792,804	6,817,063	78	1,975,741	22	6,927,114

Sources: General Household Survey 2003, analysis by Debbie Budlender (4); SOCPEN database December 2005 (5); Social Security Grants Targets 2005/06 (6)





Income support for children living in poverty

A study on the impact of social assistance to poor households, commissioned by the Department of Social Development in 2004, indicates that income support is an effective means of poverty alleviation for poor families. It shows that social assistance improves poor families' ability to provide for their basic needs and improves access to food, health and education for children (10). Income support in the form of cash grants is therefore an important vehicle for the realisation of poor children's socio-economic rights, including their right to social assistance.

The nearly two million eligible children not yet receiving the Child Support Grant in the current age group face a range of barriers to access. Many applicants struggle with complicated and burdensome requirements when applying for grants. Significant numbers of eligible children are not able to access grants because they do not have birth certificates or are being cared for by adults without identity documents.

In addition, nearly 43,000 children lost their grant payments over a six-month period in 2005 as a result of the deaths of their primary caregivers (11). There are a few ways in which the department can respond to this situation:

- The new Social Assistance Act provides for such children to continue to receive grants during this vulnerable time. These provisions should be brought into operation as soon as possible.
- The Department is urged to follow up on these cases speedily to ensure that these children are supported in the midst of additional expenses for funerals and other necessities.

Considering the Department of Social Development's commitment to ensure that every eligible child is able to access a CSG, administrative obstacles can be overcome by co-ordinated action within government departments.

The significant increase in the number of children accessing income support is good news, and also proves the effectiveness of social grants as a programme of poverty alleviation. The Department of Social Development is effectively giving millions of poor South Africans access to income support and, as such, addressing their right to social assistance.

However, the figures in this fact sheet also show that there is room for improvement. There are nearly two million children who are eligible for the Child Support Grant who have not yet managed to gain access to this income support. These children and their caregivers face several barriers to accessing the grant. In addition, the planning of grants administration and related budgets can be more accurate if sound eligibility figures are used.

Sources

(1) Statistics South Africa (2005) General Household Survey 2004. Pretoria: Statistics South Africa. Analysis by Debbie Budlender, Centre for Actuarial Research, University of Cape Town. Cited in: Children's Institute (2005) Children Count – Abantwana Babalulekile. Demography of South Africa's children. Viewed 22 February 2006: www.childrencount.ci.org.za

(2) Ibid.

- (3) Republic of South Africa (1996) Constitution of the Republic of South Africa Act 108 of 1996. Pretoria: Government Printers.
- (4) Budlender D, Rosa S & Hall K (2005) At all Costs? Applying the means test for the Child Support Grant. Cape Town: Children's Institute & the Centre for Actuarial Research, University of Cape Town.
- (5) Department of Social Development (2005) Social Pensions Database (SOCPEN). Daily reports as of December 2005.
- (6) Department of Social Development (2005) Social Security Grants Targets 2005/06. Unpublished.
- (7) Budlender D, Rosa S & Hall K (2005) At all Costs? Applying the means test for the Child Support Grant. Cape Town: Children's Institute & the Centre for Actuarial Research, University of Cape Town.

(8) Ibid.

- (9) Department of Social Development (2005) Social Pensions Database (SOCPEN). Daily report October to December 2005.
- (10) Samson M, Lee U, Ndlebe A, Mac Quene K, van Niekerk I, Gandhi V, Harigaya T & Abrahams C (2004) The Social and Economic Impact of South Africa's Social Security System. Cape Town: Economic Policy Research Institute.
- (11) Department of Social Development (2005) Social Pensions Database (SOCPEN). CSG Reports R01 to R05, June to December 2005.

Contact details

Annie Leatt, Child Poverty Programme: Annie@rmh.uct.ac.za Lizette Berry, Children Count – Abantwana Babalulekile: Lizette@rmh.uct.ac.za Children's Institute, University of Cape Town, 46 Sawkins Road, Rondebosch, 7700

Tel + 27 21 689 5404 Fax +27 21 689 8330 E-mail ci@rmh.uct.ac.za Web web.uct.ac.za/depts/ci

Compiled by Annie Leatt. Edited by Charmaine Smith and Lizette Berry. Design by Candice Turvey.

With thanks to Save the Children (Sweden), the Annie E. Casey Foundation and Atlantic Philanthropies for financial support to this project. Opinions expressed and conclusions arrived at are those of the authors and are not necessarily to be attributed to any of the funders.

ISBN: 0-7992-2305-0 ©2006 Children's Institute, University of Cape Town



