GOOD BUT NOT GOOD ENOUGH: LIMITATIONS OF THE CHILD SUPPORT GRANT

Introduction

The Child Support Grant is lauded as an effective policy tool against child poverty in South Africa. It reaches more than 11 million children, transferring R320 a month per child under 18 years. While it is evident that the CSG is important in tackling child poverty, it is not without shortcomings as a poverty alleviation instrument.

These are several limitations associated with the CSG however, this piece will only discuss those relating to barriers to access, adequacy, and the social context in which the grant is implemented.

The limitations of the CSG raise important questions about the capacity of cash transfers to make a significant difference in the lives of poor children and their families if they are neither substantial nor linked to other poverty measures in developing country contexts.

Barriers to CSG access

While the take up rates of the CSG have improved significantly since its introduction from 20% of eligible children in 2000, to the current rates that are well above 70%, serious barriers to accessing this important grant remain.

One of the main design weaknesses of the grant which impact on take up is means-testing. The CSG remains a means-tested grant, despite the fact that the qualifying ceiling has been lowered

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1 This opinion piece was written for PAN: Children by Dr. Wanga Zembe from the Southern African Social Policy Research Institute (SASPRI) and the Medical Research Council (MRC) February 2015.
significantly since it was first introduced, with eligible applicants currently required to have a monthly income less than 10 times the amount of the grant².

For as long as the CSG has been a means tested cash transfer, interest groups have been lobbying for the grant to be turned into a universal program that can be accessed by all children³. Efficiency arguments are often given as the rationale for means-testing social assistance in developing country contexts, as, in theory at least, this ensures the equitable use of limited resources by directing assistance to where it is most needed. However, in many cases, as in the case of the CSG, such arguments are rendered impotent by the realities of low and middle-income contexts where the administration of such programmes becomes extremely costly, and where it is difficult to distinguish with any precision those who meet the means test criteria from those who do not. More importantly, eligibility tests are incompatible with the view of social assistance as a social right of citizenship.

Further, over the years research evidence on the CSG has consistently and repeatedly confirmed the arduous process that countless CSG applicants continue to undergo in order to comply with application requirements, denying many deserving eligible children the chance to access what is often the only source of income for a significant number of households in South Africa. In particular administrative barriers, such as the documentation needed to apply for the grant, and long queues have been the most persistent in limiting take-up of the grant. Specifically, applicants struggle to amass the documentation required, especially the two main documents - a Birth Certificate for the child and the Identity Document of the primary caregiver. Part of the problem with barriers to accessing the grant relates to poor linkages between the two main institutions that are critical to the successful application of a grant: SASSA who dispense the grant, and the Department of Home Affairs which processes and provides the documentation required to access the grant.

²Currently R3200 per month
³However, it is important to note that recently there has been some controversy or at least some dissent in the hitherto consensus on the need for a universal CSG among some practitioners especially as reflected in the 2013 South African Child Gauge
CSG adequacy

A second limitation of the grant is the very low amount transferred to beneficiaries, currently at R320 per child per month. Evidence shows that families find a way to make a little go a long way by pooling resources such as additional social grants (including the Old Age grant), and by utilising social support networks to access income support and informal credit.

While it is acknowledged that fiscal constraints exist and genuinely limit the scope for the grant to be substantially increased, current benefit levels are simply too low - lower than the current minimalist poverty line - to make a substantial difference in the lives of children. At the very least, the CSG needs to be able to meet the nutritional needs of the child beneficiaries for whom it was established. This can be done by using a more realistic measure of need that is different to the apartheid-era Household Subsistence Level upon which the initial CSG benefit level was based. The benefit level of the grant can also be linked to food price movements.

A frequent rejoinder in debates about the adequacy of the CSG is that it forms part of a broader package of poverty alleviation strategies, including other grants, school feeding schemes and free services such as education, free electricity and housing, and does not therefore need to be increased. However, many of these services are poorly coordinated and access to them is limited and comes with hidden costs that are borne by the poor.

The social context

Third, the social context in which the CSG is implemented limits it in important ways. In South Africa there have been many concerns, often propagated by the media, about recipients using the CSG to meet needs and wants unrelated to the children on behalf of whom mothers receive the cash transfer. Specifically, there have been anecdotes of recipients spending the grant on liquor, hairstyles and trendy clothing. There are other concerns about the CSG creating a perverse incentive for (young) women to fall pregnant in order to access the grant. It is important to note that thus far, no research evidence supports any link between the receipt of the CSG and increased (teenage) fertility rates.
Recent research evidence reveals that there are recipients who also engage in this self-censure where mothers who receive the grant believe that everyone but themselves, misuses the grant. This is not unique to South Africa as literature from the North shows that welfare recipients are likely to conform to the public stereotypes held about recipients while seeing themselves as exceptions to the rule\(^4\). In the case of the CSG, self-censure demonstrates a lack of solidarity among recipients, and in my opinion reflects the hostile context in which recipients of social assistance in South Africa live, which “creates internal tensions and contradictions”\(^5\) among recipients. It is not only the public that facilitates this, but the Government’s own seeming support of punitive, suspicious views about CSG recipients which, not surprisingly, communicates in a very powerful way the detachment of social assistance receipt from the concepts of rights, citizenship, claims, entitlements, and solidarity.

**Conclusion**

The Child Support Grant holds immense potential as a transformative tool for poverty alleviation in South Africa. Even in its current limited form it plays an important role in the lives of many children in South Africa. However, to truly fulfil its potential, and indeed its mandate to the children of South Africa, the limitations needs to be addressed.

Inroads have already been made into addressing some of these limitations. For instances in cases where documentation is available and proving one’s eligibility is straightforward, processing and turnaround times for CSG applications have improved immensely, with many recipients reporting receipt within one month of applying for the grant. Further, current considerations to universalise the CSG are encouraging. When the first announcement about plans to universalise the grant was made by the Minister of Social Development in 2012 it was emphasised that this decision had been bolstered by evidence which shows that the CSG ‘significantly reduces poverty’ and that means-testing “has lots of hiccups...” which limit access to the grant\(^6\). Turning the grant into a universal program is going to improve the current administration system of the CSG as there will

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\(^6\)Dlamini, 2012
no longer be a need to determine access by assessing the means of prospective applicants. More importantly, universalizing the grant will promote solidarity among the citizenry.

The social context in which the CSG is implemented needs to improve. The delivery of the CSG must be linked to and communicate a belief in social assistance as a social right of citizenship, and should enhance rather than weaken social solidarity.