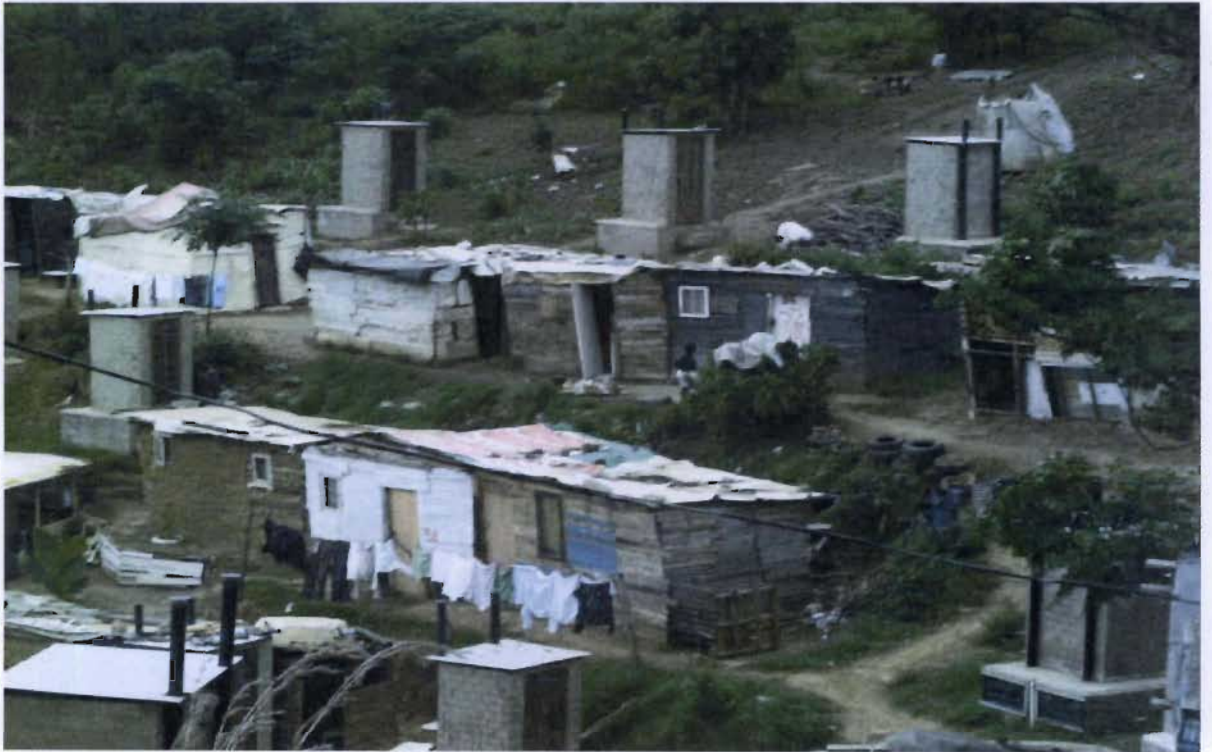


**Can recipients of the Child Social Grants in Banana City Informal
Settlement generate an adequate standard of living from the Grant?**



By

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Abstract

The study **“Can recipients of the Child Social Grants in Banana City Informal Settlement generate an adequate standard of living from the Grant?”** examines whether the child support grants is accessible and sufficient to generate the livelihoods of beneficiaries. The study evaluates the impact of the grant on low income households particularly beneficiaries in Banana City Informal Settlement. The challenges facing the recipients in accessing the grant are identified and recommendations advanced. The lack of proper Identity Documents was identified as the key challenge facing qualifying and intended beneficiaries of the Child Support Grant. The findings of the study reveal that there is a need for continuous synergy between various governmental departments in ensuring that the Millennium Goal of halving poverty by 2015 is achieved. The research draws from international practices of social welfare measures in countries such as Brazil, India and China.

Declaration

I hereby declare that this work is my own investigation and that all the sources used have been indicated by means of complete reference and bibliography. This work has not been concurrently submitted to any university or technikon.

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Thanks to all my friends your encouragement and advice are countless

Dedication

**This dissertation is dedicated to my family, thank you for everything -
*‘ditebogo tšaka difeta noka e tletše’.***

Abbreviations

African Christian Democratic Party (ACDP)
African National Congress (ANC)
Alliance for Children's Entitlement to Social Security (ACCESS)
Basic Income Grant (BIG)
Conditional Cash Transfers (CCT)
Care Dependency Grant (CDG)
Centre for Development and Enterprise (CDE)
Child Support Grant (CSG)
Democratic Alliance (DA)
Department for International Development's (DFID)
Foster Care Grant (FCG)
Gross National Product (GNP)
Human Science Research Council (HSRC)
Institute for Democracy in South Africa (Idasa)
International Labour Organization (ILO)
Legal Resource Center (LRC)
Minimum Living Level (MLL)
National Council of Provinces (NCOP)
Non-Governmental Organization (NGO)
Organization for Economic and Cooperation and Development (OECD)
Poverty Relief Programme (PRP)
South Africa (SA)
South African Civil Society Information Service (SACSIS)
South African Regional Poverty network (SARPN)
Social Attitude Survey of South African (SASAS)

State Maintenance Grant (SMG)

Statistical Packages for Social Sciences (SPSS)

Unemployment Insurance Fund (UIF)

United Kingdom (UK)

United Nations Children's Fund (UNICEF)

United Nations Educational Scientific and Cultural Organization (UNESCO)

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Chapter One

Can recipients of the Child Social Grants in Banana City Informal Settlement generate an adequate standard of living from the Grant?

1.1 Introduction

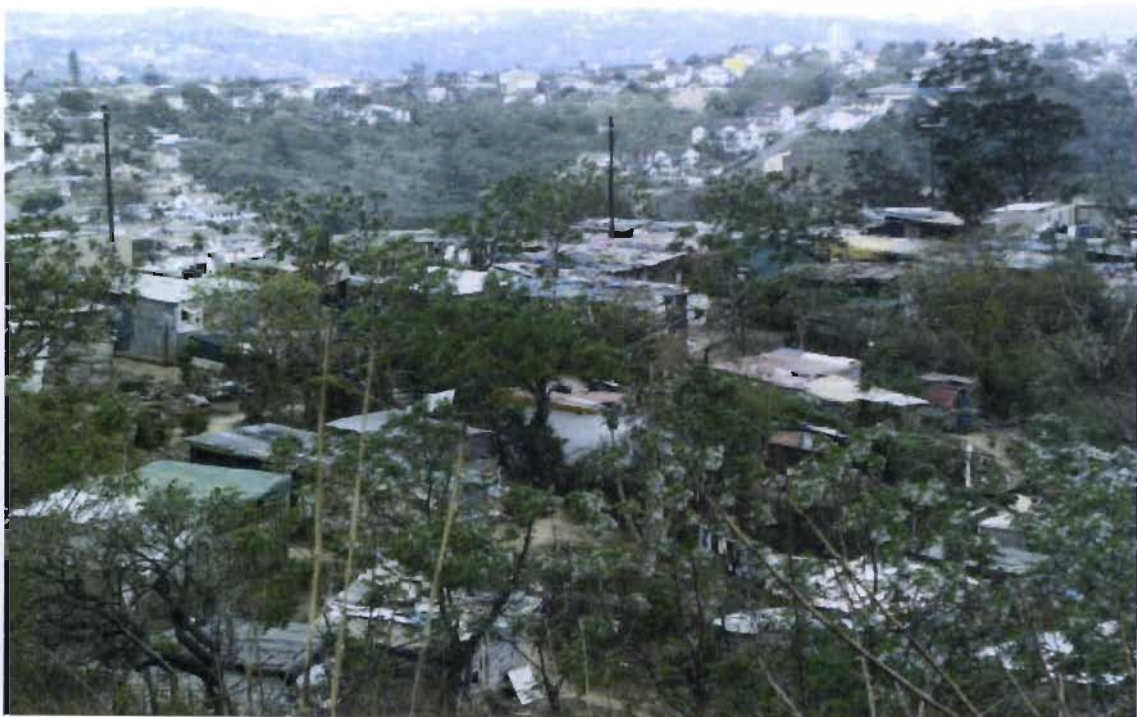
The battle in developing nations which is captured in the United Nations Millennium Development Goals (2005) objectives is to halve poverty by 2015. Development practitioners argue for welfare measures to be put in place which will ensure that this objective does not remain a distant utopian dream. As a first step in curbing the problem, grants were extended to cover the most vulnerable: children. Child poverty is both severe and widespread in developing countries. My preoccupation in this study is with South African children under sixteen years old, in families where the total income is less than R 1 200.00 per month, and who are therefore entitled to a social grant.

South Africa's social grants target, as well as poor families with children, households other than those of the parents who are taking care of children, elderly people, disabled war veterans, and other people in need – the unemployed or disabled by ill health. The primary focus of this study is the Child Support Grant (CSG) which targets poverty stricken children who are South African citizens and residing in South Africa. In 1998 children from the age of 0 – 11 were eligible for the CSG; then in 2002 the policy was amended and the age limit was increased to 14 years. In 2008 the government decided to accommodate children affected by poverty from 0-15 years. In applying for CSG, the main determining factor of eligibility is parental household income. In 1998 children were eligible for this grant if their primary caregiver and his/her spouse jointly earned R800 per month or less in income and lived in an urban area and a formal house. Those who live in rural areas or informal housing in urban areas must earn R1,100 per month or less to qualify for this grant. In 2009 the income threshold is R2,400 per month for a single caregiver or a maximum of R4,800 per month for the joint incomes of caregiver and married spouse (Pendlebury, Lake and Smith, 2009).

The CSG is payable to a primary care-giver in respect of a child under the age of fifteen. The CSG was introduced in 1998 as a replacement for the former State Maintenance Grant (SMG).

1. 2 Background

According to Mantzaris and Cebekhulu (2007), Banana City is an informal settlement located within the boundaries of the Westville campus of the University of KwaZulu-Natal, probably the first such settlement in the annals of both urban development and tertiary education alike. According to the eThekweni Municipality statistics of 2006, the population of Banana City is between 477 and 500 people. The informal settlement is sandwiched between the Westville suburban area and the Reservoir Hills suburban area (see appendix C). The number of children residing in Banana City is approximately 90, of whom 99.5% receive CSG.



Banana City informal settlement: Photograph by Mathapelo Lifa Phoku

A survey carried out by the Institute for Democracy in South Africa (Idasa) confirmed that 29% of the 18 million children in South Africa live in households in which the next

meal is not guaranteed and the children of Banana City in most cases belong to this group. About one quarter of such deprived children live in KwaZulu-Natal and another quarter in the Eastern Cape. In 2007 Zola Skweyiya (then Minister of Social Development) was quoted as saying, “too many of South Africa’s children go to bed without food”. Skweyiya believed that increasing all social grants above the inflation rate in (2007) would mitigate the effects of poverty and social exclusion in poor families.

According to research conducted by the Economic Policy Research Institute (2005), the provision of social grants is the government’s biggest Poverty Relief Programme (PRP). The research report of 2004 on the Social and Economic Impact of South Africa’s Social¹ Security System indicated that a “10% increase in the take-up of old age pensions reduces the poverty gap by 3.2%, while full take-up reduces the poverty gap by 6.2%”. The report found that the greatest poverty-reducing potential lies with the ‘progressive extension of CSG to 14 years of age, which would yield 57% poverty gap reduction. Such governmental efforts were made in order to reach out to those people that are eligible to receive social assistance grants.

According to Case, Hosehood and Lund (2005) the Basic Income Grant (BIG) is ‘the single most effective way of intervening in poverty, reducing it by 75%.’ They further stated that even if there was a full uptake of grants, on the current system, the poverty gap would be reduced by only 36%. In households that consist only of working-age adults, the BIG would close the poverty gap by 56% (compared with 8% in the current system). In households with children but no pensioners, the poverty gap would be closed by 66%. For skipped generation households [households where grandparents are looking after children in the absence of their parents], 95% of the poverty gap would be closed; for three-generation households, the gap would be closed by 85%, and rural households would be entitled to 53% of the benefits.

¹ Examples of other Poverty Relief Programmes: Adult Basic Education and Training (ABET), Expanded Public Works Programme (EPWP), National Intergrated Plan (NIP) for children and youth infected and affected by HIV/AIDS.

In 2004, the Social Attitude Survey of SA (SASAS) results, which examined the extent of access to food and income, revealed that the majority of South African black respondents did not agree that their households were able to get enough food for their needs. The survey showed that white respondents succeeded better than other respondents in securing needs such as food, education, clothes.

Another survey by the SASAS in 2005 interrogated the household income to determine whether it was enough for household needs (in this case food and water): a total of 74% of white respondents agreed that the household income was sufficient, compared to 71.5% of Indians², 39.3% of 'Coloured' and 34.4% of the 'black'³ respondents. In this 2005 survey, 65.6% of black respondents claimed that their household income was inadequate for their needs.

In the Minimum Living Level (MLL) the US\$1-a-day-level has gained prominence, hence in a South African context, the MLL figure is used as the cut-off point below which people live in poverty. The benchmark as determined by the Bureau of Marketing Research in March 2003 was R1 871 per month for a household of 4.7 people. It is defined by considering the poorest 40% of households (about 19 million people or just fewer than 50% of the population), giving a monthly household expenditure level of R353 per adult equivalent (Statistics South Africa, 2007).

The Social Indicators of Poverty in South Africa, as defined by the Bureau of Marketing Research, indicate that South Africa has a per capita Gross National Product (GNP) of USD3690 p.a. (in 1998 dollars); yet about 15% of adults are illiterate and 9.2% of children under the age of five years are malnourished. Of the 44 million people in the country in 2000, about 8 million were surviving below the MLL poverty line and 18 million were living on less than two dollars per day. 2. 37% of households survived on less than R1000 per month (in 2002 Rands). Sixty percent of the poor received no social transfers; and health expenditure amongst the poor was 7% of GNP, but less than half of

² The term 'Indian' within this study refers to South Africans of Indian descent.

³ The term 'black' will be used to designate people of African descent.

this was in public health institutions (Basic Indicators, Bureau of Marketing Research, 2002).

From the investigation made by the Democratic Alliance (DA) in 2002 on the importance of the BIG, it emerged that many South Africans believe that since unemployment is one of the major problems facing South Africa, the BIG would help parents who are unemployed to afford the cost of child-care whilst looking for employment. Elder siblings in parentless households would be able to take care of household needs and people with low incomes would be able to afford basic needs such as food, water and electricity.

Van der Berg argues that South Africa already spends relatively large sums on direct assistance to the poor, but if the BIG were to be implemented, the following costs would accrue: (i) a grant of R100 per month to 45 million individuals, i.e. R54 billion per annum; (ii) R20 per month, the cost of transferring the funds, to 45 million individuals, i.e. R10, 8 billion per annum. Thus the BIG would add about R65 billion (7% of GDP) to the cost of social assistance. One-sixth of this, or about double the 2002 budgeted annual public spending on housing, would be a dead loss – it would not reach the intended beneficiaries, but would be the cost of transferring the funds. The State would also need additional personnel to supervise the process (Van der Berg, 2002).

The then Minister of Social Development, Skweyiya, when responding to the President's State of the Nation Address in 2007 stated that as a caring nation, poverty alleviation [depends on] efficient and effective welfare services. He continued that one of the ANC government's targets was to ensure that the destitute and vulnerable within societies find help until they are able to survive on their own (Zola Skweyiya, 2007).

Sogaula, van Niekerk, Noble, Waddell, Green, Sigala, Samson, Sanders, and Jackson (2002) study on conditions in the Mount Frere district of the Eastern Cape concluded that extending the CSG to all children under 18 years and removing the means test would make a significant impact on poverty in the area. The removal of the means test would

have the effect of reducing the administrative burden and allowing existing resources to be deployed more effectively. However, Spicker (2005) argued that incentives cannot be understood in isolation from social realities because they vary according to the context in which they are applied. A grant of R240 cannot be an incentive that motivates women to get pregnant. A number of factors need to be considered: a teenager may receive R240 per month for a child, but may lose in terms of opportunities later in life. Each person is faced with an individual choice that can be represented, at least in part, in terms of a balance sheet. In other words, some incentives should be understood in terms of a calculation of costs and benefits of the decision.

Joffe's findings (2007) show that in 2006 there were about 11 million people or 22% of South Africa's population who were receiving social assistance from the state. This figure includes more than seven million children who benefit from CSG and more than two million people who receive old age pensions. Masondo (2004) argues that South Africa's social assistance programme is helping to reduce poverty, contributing to social cohesion and has a positive impact on the economic opportunities of households.

A study conducted by the Economic Policy Research Institute (2001) shows that the greatest poverty-reducing potential lies with the progressive extension of CSG to 14 years of age, which would yield a 57% poverty gap reduction. The study found that the provision of grants contributes to an increase in the number of children enrolling in schools, while living in a household that receives grants correlates with a higher success rate in finding employment. The report as a whole evaluates the role of social grants in reducing poverty and promoting household development, as well as examining their effects on health, education, housing and other social services.

According to a recent research report from the UK Department of International Development (2008), social transfers (grants to households) can have significant positive effects on human development for the poor, and particularly on health and education, even when the grants are not specifically targeted at those sectors. The report further highlighted that cash transfers also address some of the underlying causes of inequalities

in health and education outcomes, such as poverty, social exclusion and malnutrition. A regular source of income whether conditional or not allows extremely poor households to eat better food more regularly, leading to improved nutritional status. Improved nutrition in young children will in turn benefit their health, and is important for children's cognitive development and ability to benefit from teaching. Education in turn will lead to children who are better equipped for adult life and these benefits will be passed on to the next generation. Adults with enough to eat are less likely to be ill, and good nutrition is essential for effective treatment with anti-retrovirals (African Studies Center; University of Pennsylvania. Africa: Social Transfers, 04/02/06).

The poverty statistics by Joel Netshitenzhe (2007) indicate that poverty is decreasing annually, because the number of social grants beneficiaries is increasing tremendously. For example in 2003 government's expenditure on social grants was 2.9% (36 982 million) and in 2007 rose to 3.29% (62 238 million). The total of beneficiaries of Social Assistance Support Grants in 1999 amounted to 2 587 373, in 2003 there were more than double the number: 5 808 494; in 2007 the figure had risen to 12 021 554. The development indicators show that 40% of households still live below a poverty line estimated by the Treasury to be about R480 per person per month.. The sharp decline of economic growth to 2,2 in 2001 (from 3,4 in 2000) is mainly attributed to the greater availability of social grants and the creation of jobs. Contrary, the poverty headcount index of population living below R3 000 per annum as per development indicators of poverty headcount index in 1993 was 50.1% and it rose to 43.2% in 2006.

1.3 Hypothesis

The increase in expenditure on CSGs is closely related to the state of the South African labour market in which many prospective job seekers, especially women, find that CSGs are their only or main source of income.

My hypothesis is that:

There is a negative relationship between the amounts paid in CSGs and the need to generate income by the parent or other adult recipient; grants, in fact, are an insufficient resource to supply recipients with an adequate standard of living.

1.4 Objectives and key questions

The general problem facing social development in South Africa is that of preventing the disbursement of CSGs to recipients who do not reside with beneficiaries in their households. Hence the objectives of the study are:

- to determine whether the CSG recipients are rightful beneficiaries of the grant;
- to ascertain whether the CSG recipients utilize the grant effectively in the household;
- to evaluate whether CSG recipients' standard of living within the household in which the child resides have changed for the better since they started receiving the grant; and
- to determine what other support mechanisms can be made available to struggling households.

The key questions upon which the study is constructed are:

- Do recipients use CSG to purchase household necessities such as food, electricity?
- Is the CSG improving the standard of living of recipients?

1.5 Principal theory upon which the research will be constructed

Liberal Theory

Liberals advocate the provision of welfare to citizens as a strategy to overcome the moral shortcomings of the market (Moon in Wilson, 1993). The liberal argument is relevant in the context of South Africa, considering the high unemployment rate which is further exacerbated by a high illiteracy rate and the prevalence of illness, especially in the rural areas and townships. Cebekhulu (2008) argues that since the market cannot accommodate the high percentage of the population who lack marketable skills, welfare provision becomes a substitute.

Starr (2007) argues that liberalism suggests that a state can be strong but retains an obligation to supply its citizens with education and other requirements for human development and security, aimed at advancing equal opportunities and personal dignity and promoting a creative and productive society. To guarantee those rights, liberals have supported a wider social and economic role for the state, counterbalanced by more robust

guarantees of civil liberties and a wider social system of checks and balances anchored in an independent press and pluralistic society.

Liberals argue that the free market system allows for capital accumulation which may impair the capacity of manufacturing enterprises, for example, to use labour-intensive practices. Social grants therefore palliate the inequalities of the market. In contrast, Marxism is of the opinion that distributing social grants postpones the realization of the imperfections of the capitalist system and creates a dependency syndrome. This doctrine is one of the greatest weaknesses of the Marxism theory in relation to the social welfare.

1.6 Research Methodology

Out of the 180 shacks in Banana City, only 117 shacks have the CSG recipients. A sample of 39 CSG recipients was drawn from 117 shacks, which statistically denotes that one respondent represents three recipients. As the researcher, I interviewed the recipients of the CSG in their households. A probability sampling technique (known as systematic sampling, where every third house in the total list is chosen systematically for inclusion in the sample) was used to select a sample of 39 respondents who were CSG recipients. The method afforded all of the households who are grant beneficiaries in Banana City to have the same probability of being selected. From the 117 shacks, every shack was allocated a number and the researcher chose every third element from that.

1.6.1 Data collection Instruments

Questionnaires were used to collect data. The first part of the questionnaire consisted of the biographical data section and the second part contained closed and open-ended questions which focus on the adequate standard of living of respondents as CSG recipients. Furthermore, two focus groups interviews were conducted with a group of 5-8 CSG recipients. The process enabled the researcher to draw rich qualitative data which was crucial in the analysis phase.

1.7 Outline of Chapters

Chapter One consists of the introduction which looks at the adequate standards of living analysis of the recipients of CSGs. Chapter Two unpacks the theoretical foundation on which the study is rests and interrogates related scholarly input on the discourse under investigation. **Chapter Three** deals with international trends in social grants, comparing the current CSG system of South Africa with that of other developing countries such as Brazil, India and China. **Chapter Four** deals with the research methodology, data analysis and interpretation. Lastly, **Chapter Five** contains the conclusion and recommendations.

Chapter Two

Theoretical Framework and Literature review

2.1 Introduction

The use of theory and the descriptive commentary and evaluation contained in literature simultaneously has brought about a great intellectual victory for social science scholars in the 21st century. Scholars who use both methods attest to the fact that there is a growing understanding of the importance of theory and literature.

2.2 Origin of Liberalism as a Theory

Liberalism as a theory originated as a defensive reaction to the horrors of the European wars of religion of the sixteenth and seventeenth centuries. Its basic ideas were given formal expression in works by John Locke who argued that the power of the sovereign is ultimately justified, not by divine right, but by the consent of the governed, given in terms of a hypothetical social contract. Liberalism refers to a broad array of related ideas and theories of government that consider individual liberty to be the most important political goal. It is founded on the natural goodness of humans and the autonomy of the individual and favoring civil and political liberties, government by law with the consent of the governed, and protection from arbitrary authority (Locke, 1689).

In the economic realm, liberals in the eighteenth and nineteenth centuries advocated the end of state interference in the economic life of society. Following Adam Smith and his “invisible hand”, liberals argue that economic systems based on free markets are more efficient and generate more prosperity than those that are partly or completely state-controlled. In response to the great inequalities of wealth and other social problems created by the Industrial Revolution in Europe and North America, liberals in the late nineteenth and early twentieth centuries advocated limited state intervention in the market and the creation of state-funded social services, such as free public education and health insurance.

In the United States the New Deal program undertaken by President Franklin D. Roosevelt was an example of modern liberalism in its vast expansion of the scope of

governmental activities and its increased regulation of business. After World War II a further expansion of social welfare e programs occurred in Britain and Scandinavia. Economic stagnation, beginning in the late 1970s, led to a revival of classical liberal positions favouring free markets, especially among political conservatives in Britain and the U.S. Contemporary liberalism remains committed to social reform, including reducing inequality and expanding individual rights (Answers dictionary, 2009).

Liberalism believes that a state ... can be strong but constrained – strong because constrained ... Liberalism also advocates the right to education and other requirements for human development and security, and also aims to create equal opportunities and advance personal dignity in order to promote a creative and productive society. To guarantee those rights, liberals have supported a wider social and economic role for the state, counterbalanced by robust guarantees of civil liberties and a wider system of checks and balances anchored in an independent press and pluralistic society (Starr, 2007). Despite an enduring myth that a single liberal tradition has dominated American history, the central liberal values of generosity toward the poor and toleration of diversity have always been contested (James, 2003).

Bhattacharjee's argument is that liberals defined the welfare state as one where organized power is deliberately used (through politics and administration) to modify the market forces in three different ways. Firstly, by guaranteeing individuals and families a minimum income, irrespective of the market value of their work or their property; secondly, by narrowing the extent of insecurity which might lead otherwise to individual and family crises and thirdly, all citizens are offered the best standards available in relation to a certain agreed range of social services (Bhattacharjee, 2006). To grasp the exact significance of the welfare state we need a conceptual framework of both kinds of state, on the one hand a free, open society and on the other hand a centralized, controlling and interventionist Marxist state.

The classical liberal presupposition that human beings are rational agents found its formulation in Hobbes's methodological injunction in "De Cive" that we should

“consider men as if but even now sprung out of the earth; and suddenly come to full maturity without any kind of engagement to each other” (Hobbes in Bhattacharjee).

Moving away from the Hobbesian idea of freedom as ‘the absence of external impediments’, the essential problem as he sees it is not who governs, but what government is entitled to do. Liberal constitutionalism aimed to combine an endorsement of the coercive role of the state as the enforcer of civil peace and collectively binding decisions with an endorsement of the right to protection of individuals and social groups from the power of the State. The ‘interventionist state’ (a state which takes initiatives for the public welfare) complimented the law-and-order state (in which the law merely prevents or punishes crime) due to the socio-political and economic dislocations caused by industrial capitalism. The state in Britain, for example, during the nineteenth century became ever more involved in the economy and, especially towards the end of the century, also acted as a provider of social welfare. Furthermore, the ‘entry of the masses’ (as they were enfranchised by the Reform Bills) into politics raised the question for liberalism as to how to square the status of economic dependency with the theoretical assumptions regarding personal autonomy. As we have seen, the answer for the ‘new’ liberals was to redefine freedom in a ‘positive’ way (Bhattacharjee, 2006).

The expansive role of government in the lives of the individuals became part of the political order, both in Western and non-Western countries, but paradoxically public authority faced a crisis. Lowi states that “it is as though prosperity had gone up at an arithmetic rate, while expectations, and therefore frustrations, had been going up at a geometric rate—in a modern expression of “Malthusian Law” as explained by Bhattacharjee: the imbalance of scarce resources against the high population number. This is what development practitioners of the present day term the multiplication of men’s needs beyond the available resources. At the end of the Second World War most of the countries experiencing an expansion of public authority and of the state’s public welfare provision adopted the demand-level economic management techniques known as Keynesian principles in order to cope with the post-war crisis. Government’s role was to maintain a full-employment-sustained-level of aggregate demand through fiscal stimuli,

like government spending and/or altering tax rates—but it had to avoid inflationary tendencies (Bhattacharjee, 2006). Political theorists such as Buller (2004) term the Keynesian polity as ‘ungovernable’ or ‘overloaded,’ mostly because of the special interest groups which seek to increase their budget allocations within a Keynesian framework.

Some of the negative consequences of the long-boom-sponsored-transformation process: unemployment, populations newly descending into poverty —these led to fundamental changes in the material conditions under which welfare states functioned. Perhaps most noticeable was the reassertion by the new Right of, for example the rationality of market forces compared to the bureaucratic irrationality of state intervention; individual choice over collective decision and the necessity for a strong state apparatus in terms of law and order. There was in addition a conservative concern with the collapse of traditional values and the breakdown of social order, with the threats to a civilized community by the spirit of social, cultural and sexual permissiveness.

Many developing countries who achieved independence in the post-1960 period at one stage attested to the strict adoption of Marxist doctrine⁴. Marxist theory restored the state to the centre of the economic system, and protecting citizens against economic failures.—the state was understood as a power structure in its own right. It argued that the state should not be understood only as the administrative arm of the capital, as concluded by Ralph Miliband in his book ‘The State in Capitalist Society’ (1968) arguing that the state has to become a welfare state to overcome the contradictions of capitalism and not because of its receptivity to the needs of the masses.

2.3 Relevance of liberal theory to CSG

Liberals on the other hand embrace the provision of welfare to citizens as a strategy of overcoming the moral and practical shortcomings of the market. The liberal argument is

⁴ An example of this is Mozambique, which achieved self-government under the Marxist party Frelimo in 1975 and adopted free market policies in 1992

relevant in our context considering the high unemployment rate in South Africa, which is further exacerbated by high illiteracy rate and the prevalence of disease.

The South African Constitution, in Section 27 (1) (b) of the Bill of Rights, stipulates that “everyone has the right to have access to sufficient food”. Besides extending this right to everyone, the Constitution gives children extra protection in Section 28 (1) (c) by providing that “every child has the right to basic nutrition”. Everyone’s right to “sufficient food” in the Bill of Rights is a right of “access to” and is dependent on the availability of resources.

In South Africa the Children’s Institute argues that if parents or caregivers are not able to feed their children because they are too poor, the government has a moral obligation to make sure the children at least are provided with basic nutrition. According to the Children’s Institute, the government can fulfill this duty by providing children and their caregivers with a social assistance grant so that they can buy food (e.g. the CSG); by implementing feeding schemes at schools, clinics and hospitals; and by financially supporting organizations involved in food production and supply activities for children in need. This obligation to make provision for the basic needs of children is fulfilled through a range of policies, laws and programmes. If children do not have parents or caregivers, or their parents or caregivers are not able to feed their children, then the government bears a direct and immediate obligation to provide food for such children (Children’s Institute Report, 2008).

The Institute substantiates its argument by adding that the state must ensure that the full rights of children can be progressively implemented over time. International law creates a minimum core of the rights that must be provided for immediately (for example free compulsory primary education). According to the Children’s Institute Report (2008), the state’s provision of sufficient numbers of schools, as well as funding to primary schools to ensure access for all children is considered part of the minimum core that must be provided immediately.

The Human Sciences Research Council (HSRC) policy brief of 2008 reveals that there are those who believe the concept of welfare is wrong. Moderates among these people say that the welfare state is often unaffordable, that it often needs to be scaled back. The middle class should provide for themselves with little or no state cash or services. Unemployment and disability benefits and pensions should be provided for by individuals voluntarily. These people believe that welfare went wrong when government became involved; that charity, however haphazard, is better than a state-run system. The HSRC however believes that this is a route to a divided society – one side receiving only casual charity, the other paying for it. Political support for the welfare state would diminish and it would end up as an inadequate and pauperizing system for poor people (Human Science Research Council, 2008).

South Africa's economic growth, which has taken place without adequate job creation, and which exacerbates structural unemployment, has significantly contributed to unskilled people's exclusion from the job market. In a visit to Banana City, the researcher was besieged by a number of economically inactive people of working age who daily struggle to survive. Thus, the liberal approach of welfare provision seems to be the best available income substitute. In the absence of social grants; crime and prostitution are rife in places such as Banana City. The liberal theory utilized in this study places emphasis on provision of grants and the investigator extends the discourse by assessing the contribution that the grant plays in people's adequate standard of living.

2.4 Literature Review

Literature, as the condensation and theorisation of the research of the past in any particular area, serves an important role in any study that seeks to answer problems affecting lives. It provides information on historical events and ideas on what needs to be taken into consideration. Literature serves as a measuring tool for the researcher who seeks to first to understand the problem which confronts her, and second, the solutions which she must propose.

2.4.1 Importance of CSG in South Africa

The CSG is paid to low-income caregivers, as the result of a means-test. According to the findings of Mark Steele (2006), in South Africa many CSG caregivers were unemployed and living in the poorest areas as members of households with low incomes. The labour absorption rate of women CSG recipients was lower than the mean of the population South African women; 18% of CSG women recipients were employed, compared to 33% of women from the national population. Furthermore the report proves that those with jobs usually received low wages and were not employed for the whole year. Fewer than 40% of those employed received a regular income. Without an income from the CSG, many children and their households would be destitute.

Subbarao et al (1997) argue that there are two common forms of social security: Social Insurance and Social Assistance. Social assistance is a state-funded system, also referred to as social grants in South Africa, which is non-contributory and financed entirely from government revenue. This scheme is means-tested and the onus is upon individuals to prove that they are destitute. The social assistance provided to individuals is in cash or kind to enable them to meet their basic needs. Over 10 million impoverished people were receiving social grants as of 2006. These forms of social security are important to people's survival, and are referred to as 'safety nets'. Safety programmes are those that protect a person or a household against two adverse occurrences: chronic incapacity to work and earn (chronic poverty), and a temporary decline in this capacity, from a marginal situation that provides minimal means for survival with few reserves (transient poverty) (Subbarao, Bonnerjee, Braithwaite, Carvalho; Ezemenari; Graham and Thompson, 1997:2).

Nearly two thirds or 12 million children below the age of 18 years live in households with a monthly income of R1200 or below (Children's Institute Report, 2006). This report shows that by October 2005, 59% of all poor children were receiving social assistance grants. The majority received the CSG (6.6 million) while approximately 300 000 received the Foster Care Grant (FCG) and 91 000 the Child Disability Grant (CDG). According to Steele, the increase of grant recipients within a period of economic growth

may be caused by events such as the efficiency demands of the labour market which make less productive workers unemployable; those who have worked in the informal sector and are ineligible for unemployment benefits may claim incapacity benefit since they do not have the necessary skills to obtain employment (Steele, 2006). They are likely to apply for CSG on behalf of their dependent children.

Steele states that in most Organization for Economic and Cooperation and Development (OECD) countries, people are reluctant to live on benefits even if their income is low. They find strategies to make ends meet and seek various kinds of work in the formal sector (Steele, 2006). Walker claims that recipients of state grants are normally reluctant to seek employment; Ashworth claims the falling probability of leaving benefit is the product of two processes: namely “state dependency” and “heterogeneity” the process by which people with little chance of leaving benefit because of lack of skills remain dependent on the state after their better qualified contemporaries have found employment (Walker and Ashworth, 1994 in Steele, 2006).

An argument against generous social grants is the “unemployment trap”. If a household is able to access social benefits that exceed the value of wage income that might be earned by members of the household, this may serve as an incentive to abstain from working. Anomalies of this sort result from the value of grants being determined in relation to the needs of the household (in terms of its size), whereas wages are determined by supply and demand for labour (Steele, 2006). In South Africa the chances of the existence of a household where benefits exceed the value of wage income is minimal except in rural areas.

When looking at social security and the safety net, Bane and Ellwood (1994) examined the problem of “creating” dependency in the United States system. They argue that there are various competing models of response to a system of social security: the first is the rational choice model, the most effective in explaining behaviour in respect of grants when the recipients of grants weigh the costs and benefits; secondly is the level of belief in controlling one’s destiny by being proactive in dealing with one’s circumstances, and

the prevalent culture concerning personal, family and community values. Bane and Ellwood also argue for the importance of ensuring that social grants are never worth more than wages earned through employment.

Steele argues that grants ought never to be more than the minimum wage for employment. The state should be in a position to create more employment opportunities or skills training programmes.

The issue of unemployment indirectly affects the lives of children. There is evidence that child poverty is one of the most serious problems facing many countries, including South Africa. According to the UNICEF report of 2005, a total of 640 million children (which equates to one in three) in developing countries live without adequate shelter. Approximately 400 million children (one in five) have no access to safe water. Another 270 million children (one in seven) have no access to health services. More than 121 million primary school-age children are out of school and the majority of them are girls.



Type of housing in Banana City: Photograph by Lifa Phoku

Is this only a South African problem? Are there other countries experiencing what South Africa is going through? In Mexico a programme called Progresa is used as a means of

fighting poverty. This programme consists of a variety of cash benefits⁵. It had a significant impact on poverty: “It is estimated to have reduced the poverty gap by 36 per cent, to have reduced both child stunting and rates of adult and childhood illness in participating households and increased school enrolments, particularly among girls in secondary school”.

In Britain the positive impact of child benefits has also been documented. For example, Millar (2001:32), cited in Guthrie (2002:6), says that the number reaching required numeracy standards at age 11 had increased from 54% in 1996 to 72% in 2000, and school exclusions had fallen by 15% between 1997/98 and 1998/1999. A significant decrease occurred of children in workless households, from 17.9% in 1997 to 15.8% in 2000. Households with children experienced an average increase in income of £ 850. There is consensus between government and independent assessments that about 1.2 million children may be rescued from poverty through these measures.

Despite the impact of CSG, some government officials in South Africa still perceive social grants as a handout, reinforcing a culture of dependency and inducing laziness. Some like the Minister of Social Development at that time Geraldine Fraser-Moleketi, argued “communities had to change the thinking of those who held out their hands for help but kept their sleeves down, a sign that they are not willing to work” (Cape Times, 25/5/99, cited in Hassim, 2003). A case study by Hosegood and Lund (2004:13) reveal that CSG receipts in 2002 are associated with an 8.1% point increase in school enrolment among 6 year olds, and a 1.8% point increase among 7 year olds. In relation to why children are able to enroll at school, a study by Case et al (2004) shows that CSG helps by improving the health and nutrition of poor children. This in turn contributes to their school-readiness. Furthermore, receipt of a CSG may free resources to pay school fees and buy uniforms.

⁵ The United Nations Children's Fund –*UNICEF*–works for children's rights, their survival, development and protection.

The distribution of the CSG has been shown to have a positive impact on nutrition and growth. A study by Woolard, Carter and Agüero found that receipt of the CSG for two-thirds of the period of a child's life before the age of 26 months resulted in a significant gain in height, an important indicator of nutritional status. The study showed the importance of making grants accessible as soon as possible after a child's birth (Woolard, Carter, and Agüero, 2005). A study conducted by Hall and Monson reveal that the CSG is highly effective in improving the lives of millions of poor children. However some of the most marginalized children who are eligible for the grant are not receiving it due to difficulties in acquiring the right documentation and in gaining access to the relevant offices to apply. It was found that the targeting mechanism (i.e. the range of documentary proof required to verify that the grants are correctly targeted) for the CSG is not always successful either in including or excluding the appropriate children (Hall and Monson, 2006).

The Legal Resource Centre (LRC) (2006) findings reveal that birth registration is fundamental to the realization of human rights. It not only gives a child a recognized legal existence and identity, but opens the door to other rights, such as access to health and education services, offers protection against discrimination and neglect and determines a child's treatment within the justice system. Although the law requires that infants be registered at birth, some infants, especially in rural areas and impoverished families, slip through the net in South Africa. Through the work of the LRC in co-operation with other institutions, it is anticipated that failure on the part of the government to have adequate mechanisms in place for the registration of births will not be tolerated as a basis on which children can be prevented from accessing their rights (Legal Resource Centre, 2006).

A survey conducted by the South African Civil Society Information Service (SACSIS) revealed that households receiving the CSG exhibit characteristics of poverty in relation to access to basic services, education levels, employment opportunities and expenditure patterns, which shows that the grant does reach the poor. Whilst enrolment at schools and access to health care was high in households receiving the grant, participation in public

works programmes, adult basic education and other municipal support programmes was low. The survey also pointed out that the CSG and the equalization between the race groups of old age pensions (1996) have made a massive contribution to poverty alleviation (The South African Civil Society Information Service, 2000).

The findings of research conducted by Michael Noble and Phakama Ntshongwana on policy showed that there was no support for the notion that a dependency culture emerge amongst people who live in households receiving grants (Noble, and Ntshongwana, 2007). The African Christian Democratic Party (ACDP) asserts that our first priority must be to get people to work so they can escape the poverty dependency trap. This means tax incentives for those who actually create work; the party believes that efforts with regard to developmental aspects of social welfare make good sense. The party notes the commitment of NGOs to developmental work but realises that the restrictions imposed by the small percentage (4,5%) of the total state budget which is allocated to social welfare services means that developmental projects are often overshadowed. The party argues that the solution does not lie in state welfare grants but in mobilizing people to volunteer their services (African Christian Democratic Party, 2007).

Since 2004, food prices worldwide have increased by about 100%. Most of this increase has taken place in the past 8-12 months. People all over the world are affected by the rising food prices. In South Africa, the Alliance for Children's Entitlement to Social Security (ACCESS) complains that the then Minister of Social Development, Skwiyiya, in failing to execute a court order to allow people seeking social grants to do so with temporary IDs and birth certificate documents (Pretoria News, 26/04/08). Despite his promise that the department would adjust the systems to accept child beneficiaries without permanent IDs, nothing has been forthcoming.

ACCESS also noted that the increase in food prices has huge implications for the poor, who spend a large proportion of their income on food. According to the 2005-6 Statistics on Income and Expenditure of Households, South Africa's poorest spent 51% of their income on food annually, while the richest spent only 9.6%. This means that an increase

in food prices, such as occurred in seen in 2007-8, leaves the poor unable to increase expenditure on food. A 5kg-bag of maize meal now costs 22% than in 2007; a 750ml bottle of cooking oil has gone up by 66%; the poorest of the South African population are feeling the price squeeze. “It is affecting us greatly” said the Executive Director of the Alliance for Children's Entitlement to Social Security (ACCESS). “We are struggling to buy food. It has not yet come to a point where we have failed completely, but we are worried. It’s going to eat into our reserves” (The Star April 26 2008).

The former Deputy President of the Republic of South Africa, Phumzile Mlambo-Ngcuka, in her address to the National Council of Provinces (NCOP), held at Govan Mbeki Stadium in North West 14 March 2008, mentioned that poverty can be reduced by increasing economic opportunities for indigent women. She also suggested that besides Government’s social grants, we also need the private sector to be part of giving an opportunity to first-time job seekers who might otherwise even reach the age of forty without holding down a job.

Ngcuka’s sentiments are shared by Katherine Hall of the University of Cape Town who feels that the CSG has proved to be effective in helping eradicating poverty. The grants reached a large number of children, including those in remote areas, she said: “In reality it reaches an even greater proportion, because benefits are shared within households. In the absence of employment opportunities, child grants are often the only way to address the lack of income for children living in poverty” (South African Good News, 20008).

An article written by Brenda Nkuna (Cape Times, 29/09/08) claimed that teenage mothers are using state CSG to buy alcohol and clothing, often shifting the burden of caring for their children to grandparents when the money runs out. Nomsa Ntlabati, a counsellor at Ilitha Labantu, an NGO focusing on violence against women and children, says that there has been a “dramatic” increase in young mothers misusing the grant, sometimes known as ‘backbone money’ in township slang “Imali Yeqolo”. Ntlabati also mentioned that “lazy” young mothers often went on drinking sprees, bought clothing and gambled with the money. Although the mothers had collected grants, the children

suffered from malnutrition and did not go to school. They had taken the grants and left the children with grandparents. Nombulelo Tshandi, 57, from Gugulethu, said her daughter, 26, had been spending the grant on drinking sprees and cosmetics, leaving her to care for her five-year-old grandson. However, the Children's Rights Centre in Durban is of the opinion that a minority of mothers abuse the system. It is assumed by many NGOs that the phenomenon is driven by poverty and the mothers' longing for "a good life" (Cape Times, 29/09/08).

In as much as the South African Constitution (1996) makes provision for social assistance for people without any income, Section 27 (1) protects the right of everyone to access social security and appropriate social assistance if they are unable to support themselves and their dependents. Some authors however believe that definitions of social security are limited because they merely focus on the formal wage economy (Midgley and Kaseke, 1996; Kaseke, 2000; Taylor, 2002; Olivier, 2003).

The above conceptual definitions exclude the reality of the context of poverty and social exclusion; for example, the informal sector is excluded from social security and may be considered the "working poor". Another sector which is excluded is people who are structurally unemployed. The Unemployment Insurance Fund (UIF) only caters for cyclical unemployment. Therefore, the Committee of Inquiry into a Comprehensive System of Social Security (Taylor, 2002:39) notes: "there is a growing need for a platform of general social protection that supports both the unemployed and the working poor". Thus, the policy approach for social security by the Committee broadens the vision of social security to integrate marginalized sectors hitherto excluded by the present social security system (Taylor, 2002).

Social insurance (which implies a contribution from an employee), and is also referred to as occupational insurance is provided to protect employees and their dependents against contingencies which interrupt earned income. These schemes are contributory for both employers and employees. Contributions are wage-related and employees and employers may agree upon a percentage. Social insurance covers contingencies such as medical

benefits, maternity benefits, illness, disability, unemployment, employment injury benefits, family benefits and survivor's benefits and pensions on retirement. Kaseke (2000:5) observes that in many African countries, low wages make it extremely burdensome for workers to contribute to any social insurance scheme because the contributions take away income which could contribute to meeting immediate needs. Under such conditions, it is futile to focus on future contingencies, which is the rationale for contributions to social insurance. Occupational retirement insurance in South Africa is not available to those outside the formal wage economy, and those who are in informal employment, or non-permanent work sometimes referred to as 'piece work'. Therefore, many unskilled workers are not covered by this particular safety net. South Africa's private pension and insurance sectors are estimated to be the largest in the world relative to the GNP (Taylor, 2002:93). Pension fund contributions are recorded to be about R54.3 billion a year – 14 percent of total personal remuneration.

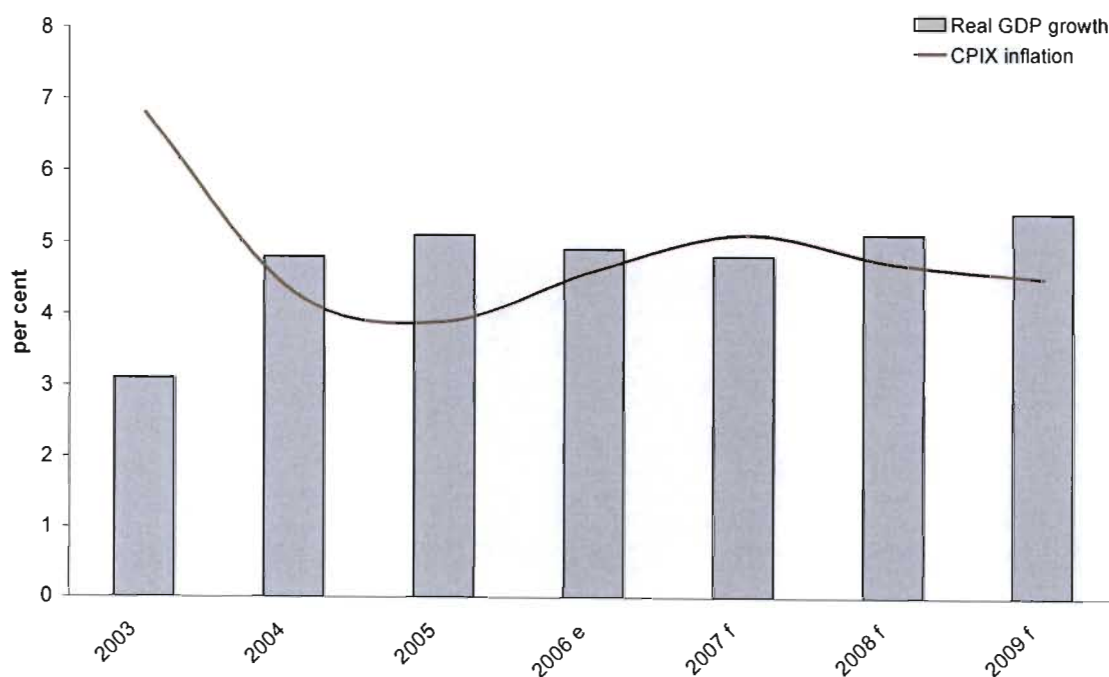
Van der Berg and Bredenkamp (2002) see South Africa, similarly to other developing nations, as not having a comprehensive social security system. The Committee for a Comprehensive Social Security Inquiry (2002) refers to the South African safety net as being 'loosely woven'. Approximately 45% of the labour force is covered by the Unemployment Insurance Fund (UIF). Many people employed in the informal sector, the "working poor", the self-employed and the unemployed who are not covered by unemployment benefits, have no safety net. In 2003, the government extended its safety net to the unemployed by making provision for domestic workers in the statutory unemployment insurance scheme. Van der Berg and Bredenkamp further indicate that the reform of unemployment insurance has made the system more progressive, in that low-income workers benefit more than other categories, and benefits are paid of up to 58% of prior earnings. The UIF has become more sustainable by including higher income earnings in paying contributions, but its role in providing income maintenance for this group is limited (Van der Berg and Bredenkamp, 2002).

Many of the working poor earn too little to save money, yet would not qualify for social assistance such as the CSG because they earn too much. The Taylor Committee (Taylor,

2002:31) claims that social security transfers fail to cover 60% of all the poor, or 11 million people. Recommendations from the Committee included a Basic Income Grant (BIG) to successfully reducing poverty, but the government vetoed this recommendation in 2003 on the grounds that it was unaffordable and it would create dependency, and it would be available to all citizens, regardless of need (Triegaardt, 2005).

What needs to be achieved in creating a safety net to alleviate poverty and creating sustainable development? Landman (2008) suggests that rolling poverty back from its current 55/45 (proportions of the population) level to 70/30 by 2014 will require about 3 million jobs by 2014. Currently the labour market consists of some 11, 8 million jobs. Creating an additional 3 million jobs would require the labour market to be about 25% bigger. Allowing for productivity increases needed to enhance competitiveness, the economy will have to be approximately 48% bigger than it is now. This means a consistent growth rate of about 4.0% per annum over the next ten years.

NB: Growth averaging 5% a year to 2009 and Inflation within target band of 3-6%



(Source: National Treasury)

The average growth rate of the economy over the past few years has been about 3% p.a. as compared to 2.2% achieved in 2003. Clearly more effort will have to be channeled into generating the required 4%. The notion of “two economies” is very real. This means that a safety net to alleviate the worst poverty becomes necessary. And it is, in fact, being implemented systematically with the CSG and increased old-age pensions, school feeding programmes and extended health services. According to Landman, the socio- economic development approach should be adopted in a manner consistent with the macro-constraints and multiple priorities of our society (Landman, 2008).

According to the Centre for Development and Enterprise (CDE) (2003), the 1,6 million sustainable jobs created between 1995 and 2002 must be compared with the one million temporary and intermittent jobs that the government wants to create with its Expanded Public Works Programme over the next five years at a total cost of about R15,5 billion. This need to make growth the top priority is reinforced by demographics. Over the same period that 1, 6 million jobs were created, more than 5 million people entered the labour market (Bhorat, 2003). That resulted in an increase in the number of unemployed of more than 3 million – meaning South Africa by then had an unemployment rate of 40%, if using the expanded definition. This is the result of too little growth relative to population growth (Southern African Regional Poverty Network: Annual Poverty Report, 2007)

ACCESS recognizes that in some countries more children have risen above the poverty levels and that India and China are experiencing an explosion of economic growth. At the same time we should remember that income inequality between and within many countries is increasing and that the capacity of the ‘have-nots’ to succeed in the global economy diminishes as the price of entry gets higher, in terms of education, skill levels and levels of capital investment. The causes of poverty are internal and external in any particular country. Key internal causes include absence of natural resources, corruption, civil strife, and massive within-country income inequalities. Externally, unfair trade agreements, and cuts in domestic spending imposed by international lending organizations as part of the Washington Consensus contribute to child poverty.

Conditionalities and other strategies for poverty alleviation need to be evaluated relative to their impact on child poverty.

For many years, researchers have been concerned about children working to the detriment of their education and sometimes their health. While it is true that children contribute in important ways to the household economy, they suffer long-term effects from early entry into the work force. Some forms of child labour can inculcate useful skills but many forms do not prepare children for the level of skills demanded in a globally competitive job market. Age and type of work are critical factors in determining whether child labour yields a net advantage to the child. While enrolment at elementary school levels has been increasing in many countries, the quality of education is sometimes so low as not to increase students' chances of a decent job. In addition, during the transition from elementary school to secondary school, many young people drop out of the formal education system.

2.5 International trends in CSG

Poverty is one major challenge facing the world today. Many socio-economical policies and strategies adopted in developing countries aim at assisting government to mitigate poverty in household and to reinforce human dignity. An international comparison is used to evaluate whether the problem of poverty in low-income households is a South African problem or a universal one. Research in Brazil, India and China may be used as a comparison since they are 'developing' nations and are experiencing economic growth within their 'developmental' stage.

2.5.1 The Chinese Model

China, whose population has grown from 556 million in 1950 to 1.3 billion today (i.e. it has the largest population in the world), has grown tremendously in the last century, internationally, economically, and socially. The Chinese economy's growth is 7-8% per year, according to the statistics of the Chinese government, and is among the fastest growing. Although China has made gains in reducing hunger and poverty, there are still

Chinese who suffer from malnourishment and poverty. These people need to be helped and ways need to be found to resolve poverty and malnutrition.

Throughout the world, more than 800 million people are malnourished, and 777 million of these malnourished are from the developing world. China is home to one-fifth of the world's population, but only 7% of the world's farmland. Agriculture is the adequate standard of living of one in two Chinese, but only 15% of the nation's land is under cultivation (Dramer 75). Estimates show that there may be 10-15% of China's population not receiving adequate nutrition, especially in rural and less industrialized places. But studies also show that some Chinese are receiving excess nutrition (The world food prices news, 2008). Governments, aid agencies and others who want to cut poverty in the world's poorest countries and elsewhere must concentrate more on boosting headline overall economic growth (World bank, 2008).

2.5.2 The Brazilian CSG Model

According to Soca (2008) in Brazil, the largest state in Latin America, 32 million children and adolescents live in families with incomes of less than 40 US\$ a month. In this country of 178 million, poverty pushes school-age children into the world of work and creates a breeding-ground for social ills like malnutrition, sexual exploitation, and violence against children. Although there are no reliable statistics on child labour in Brazil, an estimated three million children work when they are under 14, a total of 40% of them in agriculture, where the worst conditions are found and where work is generally incompatible with school attendance.

The statistics provided by the National Confederation of Agricultural Workers reveal that in Brazil minors working on plantations cut an average of 2.3 tons of sugar cane a day. They are doing arduous work at an age at which their bone and muscle systems are not yet fully developed. As adults they are often found to have suffered irreversible limb and joint problems and are at risk of cardiac and respiratory ailments. The Brazilian Institute of Gems and Precious Metals report shows that Brazil has the third largest number of minors working in domestic service – a total of 559,000 – surpassed only by South Africa

and Indonesia. Most of them are girls who are kept by their employers as signs of social status. Very few of the domestics are able to attend school, and they frequently receive no remuneration, but merely room and board and minimal clothing, which relieves the pressure on their impoverished families by reducing the number of mouths to feed (Brazilian Institutes of Gems and Precious Metals, 2006).

Sexual exploitation is another problem to which poor children in Brazil are vulnerable, but government is working with the churches to ensure that children are protected from such abuses. Legislation has been drawn up and adopted by the government to ensure that children are not exploited. Other advancements are that the under-five child mortality rate has been cut from 60 per 1,000 live births 15 years ago to 28 per 1,000 today. Many children been assisted by the Pastoral for Children, a religious organization which aids children. Statistics show that among the 1.8 million children assisted by the Pastoral, under-five mortality has been reduced to 15 per 1,000 live births (Soca, 2008).

A government report states that between September and November 2002 a total of 9,555 adolescents were obliged to work in Brazil. Of that total, 90 percent were males, 60 percent were black, and 51 percent did not attend school. Amongst the many strategies that governments can use to mitigate poverty, the Brazilian government has been strongly emphasizing education, especially tackling problems with a demand-side strategy, that is, a strategy related to the skills in demand in the labour market. This strategy draws on evidence that improving education attendance promotes development. The Academy for Educational Development has observed that not only does one year of additional education increase individual output by 4 to 7 percent, but improvements of 20-30 percent in the literacy rate have been related to increases in GDP of 8 to 16 percent (The Basic Education Coalition: Teach a Child: Transform a Nation, Washington, DC, 2004, 9). In Brazil the strategy is informed by the fact that education does more than just increase income; it also can transform a life, exposing one to a background of knowledge on such issues as health and sanitation, food security and family planning, which can significantly improve quality of life (Thomaz Alvares de Azevedo eAlmeida, 2007).

In 1990 only 85.8 percent of Brazil's children were enrolled in primary education (World Bank, 2004). The federal government's solution was to adopt a national conditional cash transfer (CCT) scheme that rewarded families with a grant for sending their children to school. A programme called Bolsa Família (developmental programme) evolved throughout the decade and today Brazil seems to be on track to achieve universal primary education. According to UNESCO, in 2004, only 6 percent of children of primary-school age were out of school. (UNESCO UIS: Education in Brazil, 2004). (World Bank: Brazil Education Profile, Summary, 2004).

2.5.3 The Indian CSG Model

India has a population of nearly 1 billion (the second largest population in the world), of whom an estimated 350-400 million live below the poverty line, 75 per cent of them in rural areas. More than 40 per cent of the population is illiterate, with women, tribal people and scheduled castes particularly affected. More than half of India's children are malnourished. Only 15 to 20 percent of Indian children grow to their full potential. India has 30 percent of the world's births, 20 percent of the world's maternal deaths, and 25 percent of the world's child deaths. 40 percent of the elderly live below the poverty line and 90 percent of them have no state pension or family to support them. There are more than 126 million child laborers in India. A child is born every 2 seconds in India (Sebastion, 2006).

In India the support of the Department for International Development's (DFID) is to be used to ensure that all children aged 6 to 14 are enrolled or attend primary school. There will also be a focus on getting more girls and children from marginalized social groups into education and on improving the quality of education available. This programme aims to enroll all children in India into primary school by 2010. Gordon Brown, the Prime Minister of Britain, announced earlier this year that DFID will spend £825 million in India over the next three years, £500 million of which will be spent to improve access to education and its quality, healthcare for mothers and children, and on fighting infectious diseases (Department for International Development, 2006).

2.6 Conclusion

Poverty is a universal problem, despite the fact that many countries seek to make it history. It is seen as a common problem that the world is facing; although the direct impact of poverty is felt by certain groups, it affects the world and the development of human life generally. According to the **Committee of Inquiry into a Comprehensive System of Social Security** (Taylor, 2002), in South Africa social security transfers including the BIG do not cover 60 percent of poor people. Policies and programmes have been developed, some of which have been implemented, to ensure that such a percentage of people living below poverty line is decreased, in terms of the United Nations Millennium Development Goals (2005). The international model of CSG landed the researcher to an unintended path of discussing poverty and child labour rather than the CSG.

Chapter Three

Research Methodology

3.1 Introduction

Research is one of the most important tools for answering questions. People who work in the behavioral sciences typically use research to find answers to questions that affect themselves and the people they help (Reaves, 1992). Reaves went on to explain that research is a systematic way of answering questions which leads to even more questions. For an example in this study, the researcher wanted to find out about the impact of CSGs on the livelihoods of recipients in Banana City informal settlement. The problems surrounding CSGs constitute an important social policy research phenomenon which requires a thorough analysis of the social problem in order to provide policy makers with pragmatic and action-oriented recommendations for alleviating the problem⁶.

The researcher undertook this study to determine whether the lives of the recipients/beneficiaries of the CSG have significantly improved since they started receiving the benefit.

3.2 Data Collection Methods

The researcher was aware that a research method must be capable of meeting the objectives of the study. It must in fact be capable of providing the information that the researcher wanted to gather. A qualitative approach to data collection was adopted, using focus groups and questionnaires which were later qualitative and quantitatively analysed. The overall objective of the enquiry was to determine whether the recipients of the CSGs can generate livelihood from the grant.

Bryman and Burgess (1999) argue that qualitative research is characterized by three commitments. First, it seeks to understand the world through interacting with, empathising with and interpreting the actions and perceptions of its subject. Qualitative

⁶ See May 1997 on Social Research Issues, Methods and Process where he argues that in such instances, social researchers should be cautious in accepting that a problem exists for which there must be a solution.

methods are used to explore the meanings of people's worlds, their nature and causes of individual behaviour. Secondly, it tends to collect data in natural settings rather than in artificial and constructed contexts. Thirdly, qualitative research tends to generate theory rather than to test it; it works deductively, testing theories by trying to refute their propositions.

Nachmias (1992) also argues that qualitative research attempts to understand behaviour and institutions by getting to know the persons involved and their values, rituals, symbols, beliefs, and emotions, for example, they might study poverty by immersing themselves in the life of the poor rather than collecting data with a structured interview schedule. According to Scheyvens and Storey (2003) qualitative methods give the researcher a chance to interact with reasons why the adequate standard of living of recipients are structured the way they are: they discourage conclusions based only on what is prescribed in text. Qualitative research allows the researcher to connect data with the social factors of the environment presented, which makes it easier to define the root of the problem.

In approaching the research topic, having understood the needs and objectives of the study, a survey method of gathering information appeared appropriate. To generate data, a survey was conducted among the recipients of CSGs in Banana City informal settlement. Reaves defines a survey as a set of standard questions asked of a sample of people, whose answers are collected and combined to represent the answers of an entire population (Reaves, 1992). Newman (2000) stipulates that a survey asks people questions by means of a written questionnaire (mailed or handed to people) or during an interview, and then records their responses. The purposes of a survey are to describe what is going on, obtain all the relevant facts about something, and to state those facts quantitatively. A more sophisticated descriptive survey may try to identify areas where problems occur or where changes are required; others may seek to measure the extent and nature of known problems.

In addition to explaining past changes, surveys can be used to predict future changes. The change may be beyond the control of the surveyor, in which the case the survey is more likely to be concerned with revealing the outcomes of the change or examining the merits of different policy options. Once changes have been made the surveyor may be called upon to evaluate the results of the change, perhaps even suggesting further changes, which may be necessary.

3.2.1 The research questionnaire (See Appendix 1)

This study assumes a combination of qualitative and quantitative approach, which allows the researcher to understand the world through interaction; hence it was appropriate for the researcher to use a questionnaire for this study. These questionnaires were administered personally by the researcher, who was therefore in close contact with respondents. To generate rich data, the researcher avoided employing student interns who might not be able to know what to probe and what not to probe, resulting in weak data; instead the researcher collected data her self.

Conducting a questionnaire among respondents enhanced the researcher's knowledge about the livelihoods of the respondents in Banana City. Through interaction with respondents that the key service delivery issues e.g. sanitation, water and houses which were not part of the research were mentioned. There was a high response rate because respondents were given a maximum time of 25 minutes to answer questionnaires and questions were kept short to avoid confusion or complex questions. As Goode and Hatt argue, that any questionnaire must be limited in its length and scope. They argue that self-administering questionnaires should not be longer than 30 minutes – a shorter period is even more desirable. Such limitations result in strong and single focus within a questionnaire and they also encourage respondents to complete the questionnaire (Goode, and Hatt, 1952). Questionnaires were categorized on a tap item bases to ensure that they gave equal attention to all the objectives of the enquiry. By administering questionnaires personally, the researcher avoided the costs of hiring a service provider.

The researcher constructed both open- and closed-ended questions. Open-ended questions gave recipients an opportunity to express their views. Such questions gave respondents an opportunity to answer in their own words. They gave participants space to give their answers the way they wanted to without restriction. Open ended questions gave recipients an opportunity to deliberate as to whether the CSG is accessible and sufficient to provide adequate standard of living. Respondents were able to describe the kind of challenges they are facing in accessing the grant and what needs to be done to address these challenges.

Closed-ended questions were utilized as a means of soliciting a clear and definite set of answers on CSGs. The researcher utilized closed-ended questions to generate simple factual information and clear answers. Through the use of closed-ended questions the researcher was able to exercise control over the process, and obtain uniform and accurate answers. Closed-ended questions were less time-consuming for recipients to complete. It also increased the return rate. Another benefit of using closed-ended questions is that the answers were easy to standardize, and lend themselves to statistical analysis. By using both open- and closed-ended questions, the researcher was able to ensure that there were fewer irrelevant or confusing answers to questions. It became easy for the researcher to administer, code answers and to analyze data.

3.2.2 The Questionnaire Intensity

The questionnaire, including biographical data, consists of 14 questions. Through past fieldwork experience the researcher had come to know that the longer the questionnaire, the fewer completed questionnaires are received, and for this reason the questionnaire was as short as possible. Experienced researchers emphasized the importance of having fewer questions rather than more, but ineffective, questions. Empirical evidence shows that while many people may enjoy the attention and stimulation of being interviewed, others may consider it a nuisance, particularly if the interview comes at a time when they are tired, pre-occupied or uncomfortable.

The research questionnaire is divided in to five sections.

The first two pages of the questionnaire (see Appendix A) cover the demographic profile of the respondent, namely; age, gender, education, employment and income status. Question 1, 2 and 4 seek to establish the existing connection/relationship between the child who is nominally the beneficiary, and the person who collects the grant. Question 3, 5 and 9 look at the profile of the respondents (i.e. age and educational status) in order to ascertain whether the CSG is given to rightful recipients. Questions 6, 10 and 11 focus on the specific use of the grant. Questions 7, 12 and 13 evaluate the impact of CSGs in improving the lives of recipients and beneficiaries. Questions 8 and 14 are to establish as to what extent is households with beneficiaries of the CSG depended on the grant for income.

3.2.3 Piloting the Research Questionnaire

The term ‘pilot study’ is used to refer to feasibility studies which are small-scale versions done in preparation for the major study. These can also be seen as the pre-testing or ‘try out’ of a particular instrument. One of the advantages of conducting a pilot study is that it gives advance warning about where the main research project might fail, where research protocols may not be followed as suggested by Baker (1994). Pilot studies can be based on quantitative and/or qualitative methods and large-scale studies may employ a number of pilot studies before the main survey is conducted. The researcher in this study started with “qualitative data collection and analysis on a relatively explored topic, using the results to design a subsequent quantitative phase of the study”, a method suggested by Tashakkori, and Teddlie (1998).

The population of Banana City is about 500 people, living in 180 shacks. The total number of recipients of the CSG in Banana city is 117 and the number of children residing in Banana City is approximately 180. Population is defined by Sarantokos (2005) as a larger group from which the sample is taken. It is advisable that the researcher should at least know some of the overall demographics: age, sex, class, etc., of the population. This information is important because it assists the researcher in deciding the size of a representative sample. The greater the diversity and differences that exist in

the population, the larger the sample size. Capturing the variability in the population allows for more variation in the sample, and since many statistical tests operate on the principles of variation, it ensures that the statistics used later are valid.

3.3 Research Methods

3.3.1 Sampling method

Sampling is defined by many economists as that part of statistical practice concerned with the selection of individual observations intended to yield some knowledge about a population, especially for the purposes of statistical inference. Each observation measures one or more properties (weight, location, etc.) of an observable entity in order to distinguish objects or individuals. William (2006) argues that sampling is the process of selecting units (e.g. people, organizations) from a population of interest so that by studying the sample the researcher may fairly generalize her results back to the population from which they were chosen (Sampling Frame Population Sample Statistical Data, 2007).

According to M Webster a sample is a finite part of a statistical population whose properties are studied to gain information about the whole (1985). When dealing with people, it can be defined as a set of respondents selected from a larger population for the purpose of a survey. Fridah (2005) goes on to suggest that a sample may provide you with needed information quickly. For example, if you are a doctor and a contagious and at times fatal disease has broken out in a village within your area of jurisdiction, you are required to conduct quick tests to help save the situation. If you try a census of those affected, they may be long dead by the time you arrive at your results. In such a case just a few of those already infected could be used to provide the required information.

Looking at the large numbers of beneficiaries of CSGs, it was necessary to do sampling for this study. Sampling made things easier for the researcher since it decreases the level of expenditure and financial constraints; there was no sponsorship or funding for this project. The sampling method that was employed was the probability sampling method: each member of the population had a known non-zero probability of being selected as

part of the sample. The researcher requested the Banana City demographics from the security company Risk Management Service, on Westville Campus. This enabled the researcher to at least know some of the overall demographics: age, sex, class and location of the population. Such information was of importance because it allowed the researcher to ensure that areas of uncertainty or ambiguity are clarified. Thus, the researcher was able to avoid the misinterpretations which sometimes occur with questionnaires.

3.3.2 Systematic Sampling

Systematic sampling, which is also known as an 'Nth name selection technique' is utilized as a sampling technique in this study. After the required sample size was calculated, every Nth record was selected from a list of population members. As long as the list does not contain any hidden order, this sampling method is as good as the random sampling method. Its advantage over the random sampling technique is simplicity. Systematic sampling is frequently used to select a specified number of records from a computer file. A total of 39 respondents were selected from the population of 117 shacks which were part of the overall 180 shacks. All the CSG recipients had an equal opportunity to be selected. In selecting the sample, the researcher wrote numbers from 1 to 117. From 117 households which were social grants beneficiaries, every shack was given a number, and the researcher chose every 3rd element from a hat. Each number was folded and then put in the box. These numbers were then mixed and 39 recipients were selected from a total population of 117, to make up a sample. The interviews were then conducted and gave the researcher an insight in to the area and the adequate standard of living of recipients and beneficiaries in informal settlement. Systematic sampling helps a researcher to focus on important subpopulations and ignore the irrelevant one, which improves the accuracy of estimations made.

3.4 Methods of data analyses

Percentages and frequencies are used as data analyses instruments. Percentage is defined as a proportion in relation to a whole which is normally the amount per hundred. A Frequency is defined as the number of accuracies within a given time period and is also seen as the ratio of the number of observations in a statistical category to the total number

of observations (Word Net, 2007). Data analysis is presented through thick description phenomena, which includes pictures and narratives. Furthermore Statistical Packages for Social Sciences (SPSS), questionnaires and observations were used.

3.5 Research protocols and ethics

Since one of the objectives of the study was to evaluate the impact of the grant in improving recipients' livelihoods, the study excluded 63 households which had no beneficiaries of the CSG. Only the recipients were interviewed in order to ascertain how the grant is utilized. In analyzing the research findings pseudonyms were used to protect anonymity of respondents.

3.6 Conclusion

The research methods used in this study helped the researcher to meet the objectives of the study and to get clarity on whether initiatives in mitigating poverty are serving a purpose. Data collected broadened the researcher's knowledge of poverty and measures to be put in place to mitigate poverty. This was achieved through interaction with recipients who during the interview process articulated their daily challenges in relation to the CSG.

Chapter Four

Data Analysis and Interpretation

4.1 Introduction

Data analysis is a process of systematically applying statistical and logical techniques to describe, summarize and compare data. It helps in highlighting useful information and supports decision making.

4.2 Data Analysis

All CSG recipients who responded were female. This indicates that in most household women are the recipients of the CSG. The researcher visited four child support grant pay-points to verify the absence of male counterparts and indeed no male was visible in the long queues.

4.3 Sample Characteristics

Out of the 180 shacks in Banana City, there were 117 shacks with CSG recipients. A sample of 39 CSG recipients was drawn from 117 shacks, which statistically denotes that one respondent represents three recipients.

The total number of respondents who participated in this study was 39, all which were females. All males approached by the researcher explained that they know nothing about the CSG, the only thing they know is that there is money collected for the children; information on when that money is collected or what are the requirements for one to receive it is only known by the mother (who is the recipient). In households where the mothers could not be accessed due to unavailability, the researcher was advised to either come back later or on days when the above mentioned mothers were available. The researcher observed that even though the grant assists with food security for the household and children's education; men do not perceive the CSG as 'their concern.' This portrays women as the primary role players in securing the well-being of the family than men.

4.4 Demographical Information

4.4.1 Bibliographical Information

Age of Recipients	<i>f</i> = number of respondents	Percentage
Younger Mothers		
18-27 years	15	38.5%
Medium Mothers		
28-37 years	19	48.7%
Older Mothers		
38-47 years	5	12.8%
Total	N = 39	100%
Educational level	<i>f</i> = number of respondents	Percentage
Primary education	10	25.6%
Secondary education	17	43.6%
Metric	7	17.9%
No education	5	12.8%
Total	N = 39	100%
Employment Status	<i>f</i> = number of respondents	Percentage
Unemployed	22	56.4%
Part-time	5	12.8%
Informal sector	9	23.1%
Full time	3	7.7%
Total	N = 39	100%
Source of income per month	<i>f</i> = number of respondents	Percentage
No income	23	59.0%
R0-R199	2	5.1%
R200-399	6	15.4%
R400-R599	4	10.3%
R600-R799	2	5.1%
R800-R999	2	5.1%
Total	N = 39	100%
Number of people per household	<i>f</i> = number of respondents	Percentage
Two – Four	22	56.4%
Five – Seven	15	38.5%
Nine – Eleven	1	2.5%
Twelve or more	1	2.5%

Table 1: Demographical information

The **age distribution** of recipients reveals recipients 19 (48.7%) were between 28-37 years; 15 (38.5%) of the recipients were between the ages of 18-27 and lastly, 5 (12.8%) of the recipients were between 38-47 years. The analysis of the statistics confirms the prevalence of high youth pregnancy⁷. The graph above indicates that 48.7 percent of recipients were in the group 28-37; the next largest group was that which I have called 'youth', i.e. women of 18 to 27 years old, and the smallest group was that of women who are 38 - 47 years old. This is an indication that there is a high number of youth recipients in this informal settlement. This trend suggests that most recipients of the CSG are either unmarried or not in stable households.

How youth pregnancies amongst unmarried women who have no employment can be avoided remains a critical question that needs answers on its own. The fact that not even one recipient is above 50 years is also an indication that the majority of the children reside with parent-beneficiaries and most beneficiaries are not eligible for old age pension; only a few benefit from disability grants.

The **educational level** of recipients reveals that recipients, 17 (43.6%) have secondary education, followed by ten (25.6%) with primary education; seven (17.9%) have matric and five, the smallest group of recipients, (12.8%) do not have any formal education. The researcher is therefore confident that the recipients were able to understand the questions and respond to them. These statistics increase the reliability of the measuring instrument which in this case is the questionnaire. However, the small percentage of persons with no education 5 (12.8%)⁸ also needs to be viewed seriously against the backdrop of the sample size. If the sample had been larger, the results might have been different. This signals that the Provincial Government's Fundani initiatives have not yet yield positive outcomes. Such findings are contrary to the recent (2008) speech by Sbu Ndebele, the

⁷ 'Youth pregnancies are those which involve a mother who is between 18 and 25 years old; girls from 13 to 17 are considered teenage mothers.

⁸ In the case of illiterate respondents, the researcher (herself a Zulu speaker) read the questions to them and ticked the appropriate responses on their instructions.

then Premier of KZN, claiming that the ruling party has successfully dealt with illiteracy in KZN.

The analysis of the **employment status** of the recipients of the CSG highlights that the majority of the recipients 22 (56.4%) are unemployed and this is supported by the fact that there is a serious shortage of skills in the informal settlement. A total of nine (23.1%) recipients are involved in the informal economy as street vendors at Warwick Avenue. The employment status of recipients also reveals that five (12.8%) are involved in part-time employment which includes working as domestics in the nearby Reservoir Hills middle class suburban and in the rich Westville area. Lastly, a total of 3 (7.7%) recipients are employed full time in clothing factories in Springfield Industrial Park, Durban.

Numerous research projects suggest that the influx of cheap foreign imports, especially from China and India, has led to massive job losses in the clothing industry. The existing jobs in the clothing industry no longer provide a living wage. The **income per month** distribution reveals that a majority of recipients 23 (59.0%) do not have any earned income. This needs to be viewed against the background of the labour market that has been shedding jobs instead of creating them in the labour intensive sector. In essence, the government's effort to curb poverty has been reduced to welfarism. A total of 6 (15.4%) recipients earning between R200-R399 generate income through relationships with their boyfriends which could be viewed as "transactional relationships" and 4 (10.3%) rely on the informal sector to earn R400-R599 per month. The jobs they are involved in entail the selling of liquor, fruit and vegetables, second-hand clothes and baby sitting. A total of 2 (5.1%) receive R600-R799 and 2 (5.1%) recipients receive R899-R999 as income from their full time jobs in clothing factories. Lastly, 2 (5.1%) recipients receive an occasional income of up to R199 from stockvels.

Statistics on the **number of people per household** shows that the majority of recipients 22 (56.4%) are living in households containing 2 - 4 people; 15 (38.5%) are living with 5-7 people per household, 1 (2.5%) lives with 9-11 people and 1 (2.5%) with 12 people in one household.

4.4.2 Are you the recipient of the CSG?

All respondents 39 (100%) said yes, they were the recipient of the CSG. Many recipients claimed that they resided with the child beneficiaries in their household. The **age** cross-tabulation on whether the recipients were entitled to the grant revealed that the age group 28-37 years accounts for 19 (48.7%) of those who said yes, followed by the age group 18-27 with 38.5%, and the smallest number of recipients with 5 (12.8%).

The **educational level** cross-tabulation showed that the majority of recipients are between 38-49 years 17 (43.6%). Members of this group have secondary education, with most of them producing grade 9 reports. A total of 10 (25.6%) have primary education, with many claiming that they left school because their parents could not afford to pay for them anymore. Seven (17.9%) had completed matric whilst still residing in the rural areas, and a small group of recipients 5 (12.8%) had no educational qualifications. Most of the recipients with no education grew up in rural areas where there are limited educational opportunities for women.

The **employment** cross-tabulation statistics show that a total of 22 (56.4%) recipients are unemployed – many of this group believes that they can't find jobs because they lack the skills required in the labour market: jobs available or advertised in the media are for well educated and skilled personnel. A few recipients 9 (23.1%) are employed in the informal sector in work such as street vending or baby sitting. A small percentage (5 12.8%) of recipients are in part-time jobs as domestic workers and tellers at tuck shops or taverns. Most recipients in domestic employment are employed in Reservoir Hills. Lastly, there are very few recipients 3 (7.7%) who are employed in the formal economy in full-time jobs such as tellers in food and clothing outlets.

Statistics on **income per month** shows that twenty-three (59.1%) of recipients receive no income other than CSG; in this group the majority 22 (56.4%) are unemployed. Among recipients with other sources of income, a total of 6 (15.4%) recipients generate R200-R399 income per month from boyfriends. Of those with income, a total of 4 (10.3%) have an occasional income of R400-R599 through stokvels, which also known as salary

schemes (*umholiswano*). The words of an interviewee, Mrs Khanyisa Ndlovu sum it all up: “I do not know what I would have done without the stokvel, the money helps me to take care of my family and to afford their needs.” (Interview on 06 October 2008). Lastly, 2 (5.1%) recipients said that they received R0-R199, R600-R799 and R800-R999 respectively, from various sources.

4.4.3 The recipients who were receiving grants were asked to state when they started to receive the grant.

A total of 17 (43.6%) recipients started receiving the grant between 2003 and 2005; 9 (23.1%) started in 2006-2007; 7 (17.9%) recipients started in 2000-2002 and the smallest number of recipients 6 (15.4%) started receiving the grant in 2008.

The **age** cross-tabulation reveals that the women in the age group 28-37 years account for 5 (12.8%) recipients, who started receiving the grant between 2000-2002, and one recipient (2.6%) in each of the groups 18-27 years and 38-47 years started receiving the grant in 2000-2002. Most recipients started collecting the grant after being left by a boyfriend or after the death of the biological father. The cross-tabulation statistics also show that amongst the recipients who started receiving the grant between 2003-2005, the age group 28-37 years accounts for 7 (17.9%), followed by 6 (15.4%) recipients between 18-27 years and 4 (10.3%) recipients between 38-37 years. Since most respondents are single parents, they started collecting grant when their child was very young (i.e. two months/three months). An example is Miss Londiwe Mkhwanazi, a 34 year old female whose response was: “I am an unemployed single parent, so after receiving their certificates I went straight to the offices to register them for the grant.” (Interview on 06 October, 2008).

Of the recipients who started receiving the grant between 2006 to 2007, the age group 28-37 accounts for 5 (12.8%); the age group 18-27 accounts for 4 (10.3%) recipients. The majority of recipients who started receiving the grant between 2006-2007 started to collect the grant immediately after the child was born. A total of 4 (10.3%) recipients who began to receive the grant in 2008 are between 18-27 years and 2 (5.1%) are

between 28-37 years. Most recipients who started collecting the grant in 2008 are in their early twenties. These young people own shacks in Banana City, as Miss Minenhle Zungu, one of my informants, mentioned: "I am old enough to take care of myself and my own life outside my mother's house" (Interviewed on 07 October, 2008) These households are headed by young females who believe it is easy for a woman to leave an abusive relationship if she has a small income of her own and is not dependent on a man.

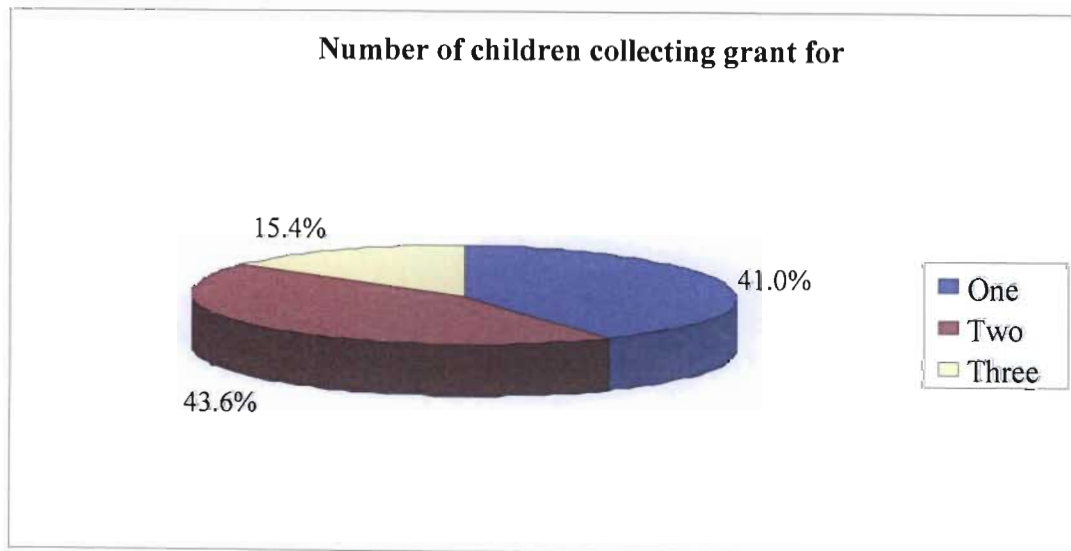
Statistics on the **educational level** of recipients show that the majority 3 (7.7%) with matric qualifications started receiving the grant between 2000-2002; 2 (5.1%) had secondary education, and the smallest number of recipients 1 (2.6%) had primary education and recipient 1 (2.6%) had no educational qualifications; these started receiving the grant between 2000-2002. Amongst those who started receiving the grant between 2003-2005, the majority of recipients 7 (17.9%) have secondary education, followed by 6 (15.4%) with primary education, 2 (5.1%) with matric and no educational qualification respectively. Of those who started receiving the grant between 2006-2007, a majority of recipients 4 (10.3%) have secondary education, 2 (20.0%) have primary or no educational qualification, and the smallest number of recipients 1 (2.6%) have matric.

Statistics on **employment** between 2000-2002 show that recipients 5 (12.8%) are unemployed and 1 (2.6%) is in part time and informal work respectively. Many recipients have no other source of income besides CSG. Of those who started receiving the grant between 2003-2005, 7 (17.9%) work in the informal sector, followed by 6 (15.4%) who are unemployed and 2 (5.1%) who are in part time or full time jobs. Of those who started receiving the grant between 2006-2007, the majority 7 (17.9%) are unemployed and 2 (5.1%) are employed in part time jobs. The statistics above shows the relationship between unemployment and grant beneficiaries. Miss Noliwe Makhanya commented: "Every time when I am from collecting the grant, I look forward for the following month to come again" (Interview on 09 October, 2008).

As regards to **income per month**, 4 (17.4%) recipients with no income started receiving the grant between 2000-2002 followed by 3 (7.7 %) recipients who receive R200-R399,

R400-599 and R600-R799 per month respectively. There is a close relationship between the number of unemployed recipients and the amount of income per month: for example 5 (12.8%) of recipients who started receiving the grant between 2000-2002 replied to the question “**when did you start receiving the grant**” by stating that they were unemployed and 4 (10.3%) had no income. Recipients 8 (20.5%) who started receiving the grant between 2003-2005 had no income, followed by 3 (7.7%) who received R200-R399 per month. Two (5.1%) recipients receive R400-R599 and R800-R999 respectively; and 1 (2.6%) receives R0-R199 and R600-R799 per month. On the other hand the majority of recipients 6 (15.4%) who started collecting their grant between 2006-2007 had no income, followed by 2 (5.1%) recipients who were receiving R200-R399 per month and 1 (5.1%) receiving R0-R199 per month. The recipients who started receiving the grant in 2008 account for 5 (12.8%), of those with no income besides that of the CSG. Only 1 (2.6%) recipient receives an income of R400-R599 per month. The above statistics denote a relationship between the employment status of the recipients and the level of dependency on the grant.

4.4.4 How many children do you receive the grant for?



Graph 1: Number of beneficiaries

A total of 6 (15.4%) recipients receive the grant for three children, 16 (41.0%) recipients receive the grant for one child and 17 (43.6%) for two children. These statistic show recipients 17 (43.6%) receive the grant for two children.

The **age** cross-tabulation shows that amongst those receiving the grant for one child, the majority of recipients 8 (20.5%) are between 18-27 years, 6 (15.4%) are between 28-37 years and 2 (5.1%) recipients who are between 38-47 years. The statistics also reveal that 2 (5.1%) recipients have more than one child to take care of, but due to birth certificate problems, they can't register the child in order access the grant; an informant, Miss Sbongile Mthethwa mentioned:

I have three children to look after, but I only collect the grant for one child. I cannot collect the grant for the other two because they do not have certificates and when I try to get new ones for them I cannot because I need to produce letter from the previous school and their previous school is in the rural areas. (Interview on 13 October, 2008).

From the recipients who are collecting CSG for two children, the majority 8 (20.5%) are between 28-37 years, 6 (15.4%) are between 18-27 years and 3 (7.7%) are between 38-47 years. From the recipients who are receiving CSG for three children, a total of 5 (12.8%) are between 28-37 years and 1 (2.6%) is between 18-27 years. Overall, the majority of recipients receiving the grant for two or three children are between the age 28-37 years. Mrs Thembi Mdletshe, a 29 year old woman, said: "If it was for me I would be collecting grant for all my five children, but at least I know that the other three are covered by the grant" (Interview on the 14 October, 2008).

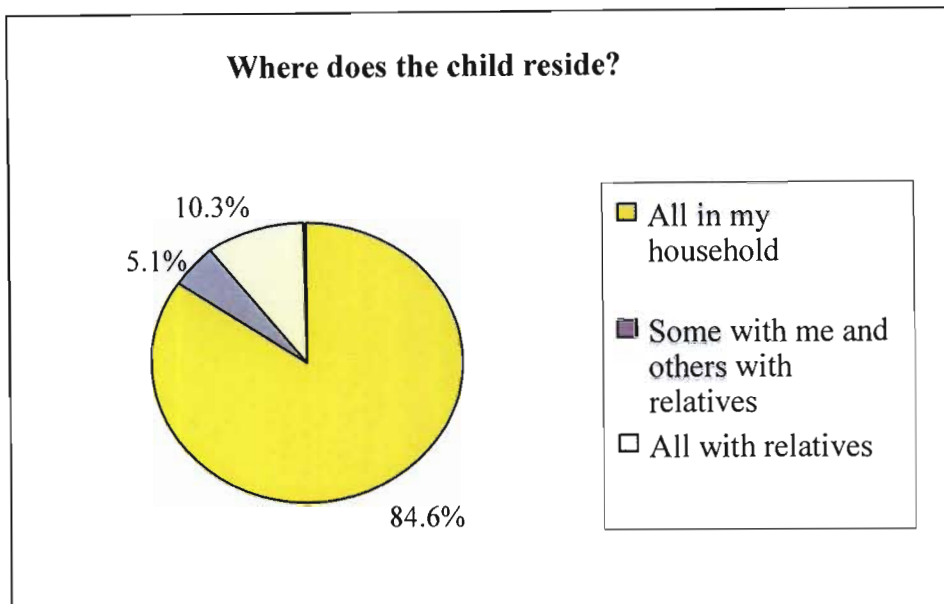
Amongst the recipients collecting grant for one child, the **Educational Level** cross-tabulation reveals that the majority of recipients 9 (23.1%) have secondary education, 3 (7.7%) have primary education or matric, and 1 (2.6%) has no educational qualification. A total of 7 (17.9%) recipients with secondary education collect grant for two children, followed by 5 (12.8%) with primary education; 3 (7.7%) recipients have matric and the smallest number of recipients with 2 (5.1%) have no educational qualification. Of the

recipients collecting grant for three children, a total of 2 (5.1%) recipients have primary education or no educational qualification, and the smallest number of recipients 2 (5.1%) have secondary education and matric respectively.

The **employment status** cross-tabulation reveals that recipients collecting grant for one child 7 (17.9%) are unemployed; 5 (12.8%) are working in the informal sector and 2 (5.1%) is employed in full time and part-time job respectively. Of recipients collecting grant for two children, 10 (25.6%) are unemployed, 4 (10.3%) are working in informal sector, 2 (5.1%) have part time jobs and 1 (2.6%) has a full time job. Of recipients receiving grant for three children, 5 (12.8%) are unemployed and 1 (2.6%) is working in a part time job.

The **income** cross-tabulation of recipients who collect grant for one child reveals that the majority of those recipients 9 (23.1%) have no income besides CSG, followed by 3 (7.7%) recipients who receive R200-R399 per month, 2 (5.1%) recipients receive R600-R799 and the least number of recipients 1 (2.6%) have an income of R800-R999 per month. Statistics show that amongst recipients who collect grant for two children, 11 (28.2%) have no income, followed by 3 (7.7%) who receive R400-R599 income per month, 2 (5.1%) receive R200-R399 per month and 1 (2.6%) receives R0-R199 income per month. Of the recipients collecting CSG for three children, 3 (7.7%) have no income; and 3 (7.7 %) receive R0-199, R200-R399, R800-R999 income per month respectively. The above statistics show that there is a close relationship between income per month of recipients and the number of children for whom CSG is collected. For example, the majority of recipients 17 (43.6%) collect grant for two children and of these, many 11 (28.2%) have no income besides that of the grant, whereas 2 (5.1%) recipients with R600-R799 income per month collect CSG for one child.

4.4.5 Where do the children that you collect the grant for reside?



Graph 2: Child residential area

A total of 33 (84.6%) recipients answered that all the children reside with them in their households; 4 (10.3%) said that the children are all with relatives and 2 (5.1%) said they were some that reside with the parent and some with relatives. Those children living with relatives were left in the rural areas with grandparents, aunts or uncles, as the biological parent is in the city trying to make a living for the child and the family. The majority of the people living in Banana City Informal Settlement are from the rural areas of KwaZulu-Natal and the Eastern Cape Province.

The **age** cross-tabulation on the residential patterns of the beneficiaries of the grant shows that the majority 17 (43.6%) between the age group 28-37 years have all the children that they collect CSG for in their households; 11 (28.2%) between 18-27 years and 5 (12.8%) between 38-47 years also live with the children that they collect CSG for. The majority of recipients 17 (43.6%) came to Banana City on their own, built their houses and few months later fetched their children from the rural areas. 2 (5.1%) recipients have some of the beneficiaries in their households and some with relatives; these recipients are between

18-27 years and 28-37 years respectively. They left home in search of employment and left their children with their families in the rural areas. Miss Thokozile Mabunda said: ‘

I left the younger one -2 years old with my mother at Jozini, only came here with one who was ready to go to school, for they are less costing than babies, there is no need to look for a baby sitter, coming back from work cook and wash baby’s clothes, wait until the baby falls to sleep and have to go to work the following morning, so all that becomes strenuous for me. (Interview on the 16 October 2008).

The **educational level** statistics reveal that 14 (35.9%) recipients have secondary education, followed by 9 (23.1%) with primary education, 6 (15.4%) with matric; 4 (10.3%) have no education and reside with all the beneficiaries in their household. Two recipients (5.1%) who have some of the beneficiaries in their households have secondary education and no educational qualification respectively. Lastly, the children of 2 (5.1%) recipients with secondary and 2 (5.1 %) with primary education and matric respectively, reside with relatives.

The **employment** cross-tabulation statistics reveal that a number of recipients are residing with all beneficiaries in their households. The majority of recipients 20 (51.3%) are unemployed, followed by 8 (20.5%) who are employed in the informal sector, 3 (7.7%) employed in part time jobs and 2 (5.1%) employed full time. Of those who indicated that they are staying with beneficiaries and with relatives, 1 (2.6%) recipient is unemployed and also 1 (2.6%) has part time employment. Those who have all their children staying with relatives account for 1 (2.6%) and are also unemployed.

The **income per month** cross-tabulation shows that the majority of recipients 22 (56.4%) have no income, 4 (10.3%) receive R200-R399 income per month from money generated through relationships with boyfriends and braiding of hair, that is, they are employed in the informal sector. A total of 3 (7.7%) recipients receive R400-R599 from part time jobs; and 2 (5.1%) receive R0-R199 and R800-R999 income per month respectively. The total number of recipients who have some children with them and some with relatives is 4 (10.3 %) of whom 2 receive R200-R399 and 2 no income. Of those who answered that all

children are staying with relatives, 2 (5.1%) receive R600-R799 income per month; and 2 (5.1 %) receive R200-R399 and R400-R599 income per month respectively.

4.4.6 Are you the biological mother, family member or unrelated to the child?



Graph 3: Recipients relationship with the beneficiary

A total of 38 (97.4%) recipients are biological mothers of beneficiaries and 1 (2.6%) is a relative (aunt) of the beneficiary. Relatives are caring for the child because the mother has migrated to places with job opportunities. Many mothers end up seeing their children once a month, as many are employed as domestic workers in the suburbs.

Statistics on the **age** cross-tabulation show that a total of 18 (46.2%) recipients between 28-37 years, followed by 15 (38.5%) recipients between 18-27 years and 5 (12.8%) between 38-47 years are biological mothers of the beneficiaries for whom they collect the grant. One (2.6%) recipient between the ages 28-37 years is an aunt of the child. The mother is a domestic worker who comes back home at every month-end. Miss Nosipho Mtolo mentioned that: “It makes things easy for my sister as the child is staying with me because it is difficult to trust someone with your child in these days especially in the cities” (Interview on the 07 October 2008).

Statistics on **educational levels** show that recipients 17 (43.6%) with secondary education, 9 (23.1%) with primary education, 7 (17.9%) with matric and the few 5 (12.8%) with no education mentioned that they are the biological mothers of the children for whom they are collecting the grant. On the other hand, 1 (2.6%) recipient with primary educational level is an aunt of the beneficiary.

The **employment level** cross-tabulation shows that the majority of recipients 17 (43.6%) are unemployed, 9 (23.1%) are employed in the informal sector, 4 (10.3%) recipients are working in part-time jobs and the smallest number of recipients 3 (7.7%), those who work in full time jobs, said they were the biological mothers of the beneficiary. One (2.6%) recipient employed in a part time job is an aunt of the beneficiary. The aunt normally helps out in baby-sitting for mothers with employment.

The **Income per month** cross-tabulation shows that the majority of recipients 23 (59.0%) are without income other than CSG. Five (12.8%) are receiving R200-R399 from braiding hair and sometimes from a boyfriend, followed by 4 (10.3%) receiving R400-R599 per month. Two (5.1%) recipients receiving R0-R199, R600-R799 and R800-999 income per month are biological mothers of the beneficiaries. One recipient (2.6%) is receiving R200-R399 income per month; she generates this income from baby sitting.

4.4.7 If not a biological mother, how did it come about for you to be the recipient of the grant?

Only 1 recipient who is 18-27 years and a sister responded to this question. The recipient is staying with the beneficiaries because the biological mother stays at work: she is employed as a domestic worker.

4.4.8 Is the child that is an intended beneficiary attending school?

Is the child attending school or not?	<i>f</i> = number of respondents	Percentage (%)
Yes	32	82.1%
No	7	17.9%

Table 2: School attendance by the beneficiary

A total of 32 (82.1%) recipients said the beneficiaries are **attending school**; of these, the majority of beneficiaries attend Hillview Primary School which is situated at University Road (Reservoir Hills) less than a kilometre from Banana City. On the other hand 7 (17.9%) recipients said beneficiaries were not attending school because they were still too young. The recipients also mentioned that the pre-schools are not a priority in families with little or no income per month. Formal pre-schools or day care are expensive and not affordable for parents with part-time jobs.

The **age** cross-tabulation reveals that a total of 18 (46.2%) recipients between the age group 28-27 years said the children were attending school, 10 (25.6%) between 18-27 years and the smallest number of recipients 5 (12.8%) in the age group 38-47 years also confirmed that their children were attending school. Many of these recipients see education as a vital tool that can be used to eradicate poverty. Miss Thembi Nkosi mentioned that: “I do not want my children to go through the struggle that I went through in life of burdening myself with means of making money to put food on the table; and when I look around education is the only security I can provide for them.” (Interview on the 17 October 2008)

Miss Nomoya Masango, a single parent, said: “Even if I die without fulfilling my dreams, I will be at peace with the fact that my children are at school building their brighter future” (Interview on the 20 October 2008). On the other hand, 5 recipients (12.8%) between the age 18-27 years and one (2.6%) recipient between 28-37 years mentioned that the child was not attending school mainly because he/she was still too young to be attending school.

Of the recipients who said their children were attending school, 13 (33.3%) had secondary education, 10 (25.6%) had primary education; and 5 (12.8%) had matric and a further five had not attended school. Whereas 4 (10.3%) recipients with secondary education and 2 (5.1%) with matric answered that the child was not attending school.

The **employment** cross-tabulation reveals that amongst those who said their child was attending school, are 17 (43.6%) recipients who are unemployed, 8 (20.5%) who are employed in informal sector, 5 (12.8%) employed in part-time jobs; and the least number of recipients 3 (7.7%) are employed in full-time jobs.

Statistics on **income per month** show that amongst those who said their child was attending school, 17 (43.6%) recipients had no income, 6 (15.4%) received R200-R399 income per month, 4 (10.3%) received R400-R599 income per month; and 6 (15.4 %) recipients received R0-R199, R600-R799 and R800-R999. Most generated income either through formal or informal employment. However the majority of recipients 33 (84.6%) invested it in the education of the child.

4.4.9 If the beneficiary is attending school, which school does he/she attend? If the child is not attending school, why not?

Statistics on **age** show that the majority of recipients 15 (38.5%) in the age group 28-37 years take their children to Hillview Primary School, 5 (12.5%) between 37-47 years and 4 (10.3%) who are between 18-27 years also take their children to Hillview Primary School. Seven (10.3%) of recipients between 18-27 years and 2 (5.1%) recipients answered that their children are attending school in the rural areas. Statistics show that 2 (5.1%) recipients between the age 18-24 years and one (2.6%) between 28-27 years take their children to pre-school. Lastly, 5 (12.8%) recipients between 18-27 years said that their children are still too young to be attending either pre-school or primary school.

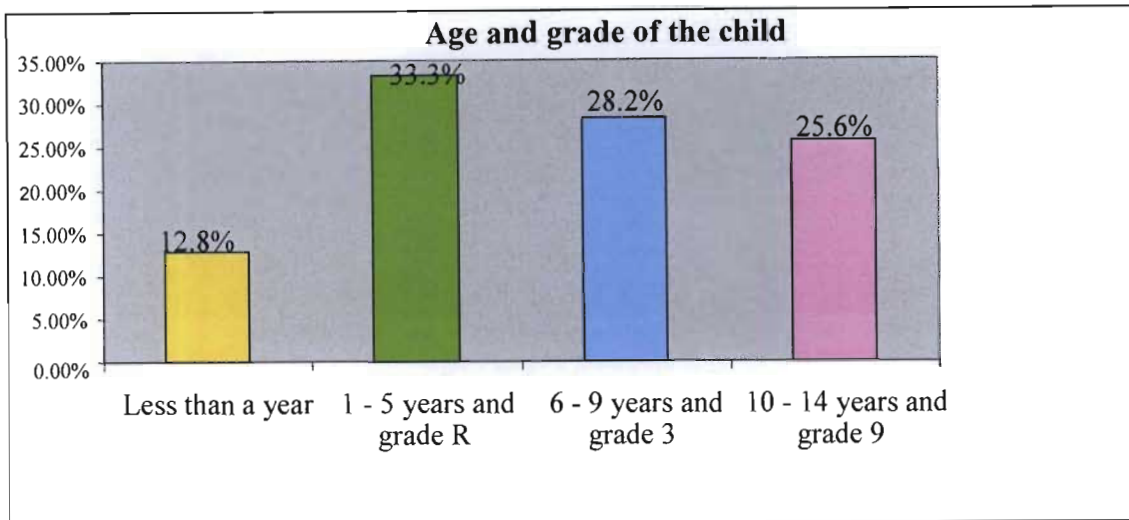
The **educational level** cross-tabulation indicates that from a total of 24 (61.6%) recipients who said their children are attending Hillview, the majority of recipients 9 (23.1%) have primary education. Eight (20.5%) of recipients have secondary education

and 5 (12.8%) recipients have no education. 3 (7.7%) recipients with matric answered that their children are attending school in the rural areas; 2 (5.1%) recipients with secondary education and 1 (2.6%) recipient with primary education mentioned that their children are attending in the rural areas because it is where they are residing. Lastly, 3 (7.7%) of recipients with secondary education answered that their child is attending pre-school.

Statistics on **Employment levels** indicate that amongst those whose children attend at Hillview Primary School, recipients 12 (30.8%) are unemployed, followed by 6 (15.4%) recipients who are employed in informal sector, 4 (10.3%) employed in part time jobs and 2 (5.1%) in full time jobs. A total of 2 (5.1%) recipients with children who are attending school in the rural areas are unemployed and 2 (5.1%) work in the informal sector. One (2.6%) recipient is in part-time and full-time jobs. Lastly 3 (7.7%) recipients who are unemployed mentioned that their children are attending pre-school.

The **income per month** cross-tabulation reveals that out of 24 (61.5%) recipients who take their children to Hillview Primary School, the majority 13 (33.3%) have no income besides CSG, 4 (10.3%) receive between R200-R399 per month, 3 (7.7%) receive R400-R599 income per month besides CSG and 2 (5.1%) recipients receive R0-R199 and R800-R999 income per month respectively besides the CSG. Of a total of 6 (15.4%) recipients who indicated that the child is staying in the rural areas, 2 receive R200-R399, and a further 2 receive R600-R799 income per month; one has no income and one receives R400-R599 income per month besides CSG. A total of 3 (7.7%) who have no income besides CSG said that their children were in pre school. 6 (15.4%) recipients who were unemployed said their children were still too young to be attending school.

4.4.10 Age of the child and grade



Graph 4: Age and grade of beneficiaries

Statistics show that the majority of beneficiaries 13 (33.3%) are between the ages of 1 and 5 years old and are in grade R, followed by 11 (28.2%) between 6 and 9 years who are in grades 1 – 3; those who are between 10 and 14 years and are in grades 4 - 9 account for 10 (25.6%). Lastly, 5 (12.8%) of beneficiaries are less than a year old and obviously do not attend school.

The **age** cross-tabulation reveals that 4 (10.3%) recipients in the age group 18-27 years and 1 (2.6%) in the 28-37 group answered that the child was less than a year old. Seven (17.9%) recipients who were between 18-27 years, 5 (12.8%) between 28-37 years and 1 (2.6%) between 38 and 47 have children who are 1 – 5 years old, some of whom are in grade R. 8 (20.5%) recipients between 28 and 37 years, 2 (5.1%) between 38-47 years and 1 (2.6%) between 18-27 years have children who are 6 – 9 years and in grades 1 - 3. Lastly, of the 10 recipients with children between 10 – 14 years and in grade 9, 5 (12.8%) are between 28 and 37 years, 3 (7.7%) are between 18 and 27 years and 2 (5.1%) are between 38 and 47 years.

Statistics on **educational levels** indicate that out of 5 (12.8%) recipients with children less than a year, 4 (10.3%) recipients have secondary education and 1 (2.6%) has primary

education. Out of a total of 13 (33.3%) recipients with children between 1 – 5 years and in grade R, the majority of recipients 7 (17.9%) have secondary education, 4 (10.3%) recipients have matric and 2 (5.1%) have not attended school. Amongst recipients with beneficiaries between 6–9 years and in grades 1 - 3, the majority of recipients 5 (12.8%) have secondary education, 3 (7.7%) have primary education, 2 (5.1%) have matric and 1 (2.6%) has not attended school. Many beneficiaries are in the age group 1- 5 and are in grade R. This can be linked to the fact that the registration of births is now more general, and mothers are more likely to possess a birth certificate for their child. The new system allows the beneficiary to be issued a certificate in hospital, making it simpler for children to have an identity document.

Statistics on **employment status** show that 3 (7.7%) recipients who have children under a year are unemployed. A total of 2 (5.1%) are employed in the informal sector. The unemployed group stays at home raising the children and takes them to school. Miss Maria Mangena mentioned that: “Even though I am at home, I’m not that bored because I stay with the baby the whole day.” (Interview on the 21 October 2008). Mothers with children between 1 - 5 years and in grade R account for 9 (23.1%) of unemployed recipients. A total of 2 (5.1%) recipients are employed in the informal sector, one (2.6%) is working in part-time jobs and one work in full time job.

The **income per month** cross-tabulation indicates that there are 5 (12.8%) recipients with children who are less than a year old, 9 (23.1) respondents have children between 1 – 5 years and 9 (23.1%) have no income. A total of 2 (5.1%) are receiving R0-R199 income per month; and one (2.6%) is receiving R400-R599 and a further one R600-R799 per month. Many generate money from jobs either in part-time or in the informal sector. A total of 4 (10.3%) recipients with children between 6 – 9 years old have no income, followed by 3 (7.7%) receiving R200-R399 per month, 2 (5.1%) receiving R800-999 income per month, mainly from full-time or part-time jobs and One (2.6%) receiving R400-R599 and a further one receiving R600-R799 income per month.

4.4.11 What are the things that you normally buy with the grant money?

Grant used for	<i>f</i> = number of respondents	Percentage (%)
Buy food in the house	20	51.3%
Clothes and food as per need	7	17.9%
Uniform, stationary and lunch box	9	23.1%
Napkins, milk and washing powder	3	7.7%

Table 3: Utilisation of the grant

A total of 20 (51.3%) recipients said they use the CSG money to buy food; examples were 10kg rice, 10kg maize, vegetables and meat; whereas 9 (23.1%) recipients said they use the CSG money on uniforms, stationery and lunch boxes. Seven (17.9%) recipients said they spent the money on clothes and food as the need arises; 3 (7.7%) recipients said they use the CSG money to buy napkins, milk and washing powder. This is in line with the CSG policy aimed at decreasing child poverty and ensuring that children grow up with a healthy diet. Beneficiaries with parents in full-time employment benefit more than those from a family with no income. Recipients in full-time jobs spend the CSG money on education of the child, whilst unemployed recipients spend the grant money both on the education of a child and on food. Food such as rice, maize and vegetables are mostly bought at the market in Durban because of lower prices. The stores to which recipients frequently go to are Jwayelani, Cambridge and Boxer Cash and Carry Supermarket.

Age cross-tabulation shows that 10 (25.6%) recipients in the age group 18-27 years typically buy 10kg rice, 10 kg maize meal, vegetables and meat, as do 8 (20.5%) recipients in the age group 28-37 years; 2 (5.1%) between the age 38-47 years make similar purchases. Mrs Jane Skhosana said “It is heartbreaking to see my child coming from school only to find out that there is nothing to eat, so to keep my family happy I buy food for them” (Interview on the 24 October 2008).

A total of 4 (10.3%) recipients in the age group 28-37 years use the grant’s money to buy clothes and food when the need arises; as do 2 (5.1%) in the age group 18-27 years and one (2.6%) between 38-47 years. Miss Lindiwe Madlala, an unemployed single mother, said “I can’t really say because I buy as according to what is needed in the house. This

month could be 10 kg maize meal but the next month could be clothes or stationery.” (Interview on the 27 October 2008).

Six (15.4%) recipients in the age group 28-37, 2 (5.1%) between 38-47 years and 1 (2.6%) between 18-27 years use the grant money to buy uniforms, stationery and lunch boxes for their child. Miss Millicent Mcoli mentioned that: “I do not mind what we eat in the house as long as I know that his needs as far as school is concerned are met. I buy him stationery, polony, cheese, juice, bread and chips for lunch box.” (Interview on the 27 October 2008). Lastly, 2 (5.1%) recipients between 18-27 years and 1 (2.6%) recipient between 28-37 years use the grant to purchase napkins, milk, and washing powder. Most of the recipients who buy babycare materials are teenagers or young adults. Miss Thabisile Dubayo, a 22-year old from Banana City, said in an interview: “Although I’m a single parent and not working, at least I know my baby can also wear kimbies (disposable nappies) like any other baby”. (Interview on the 27 October 2008)

The **educational level** cross-tabulation shows that 9 (23.1%) recipients who buy food with the grant money have secondary education, followed by 8 (20.5%) recipients with primary education, and 2 (5.1%) recipients with matric and 1 (2.6%) recipient with no education. A total of 3 (7.7%) recipients buy clothes and food as the need arises and have secondary education, followed by 2 (5.1%) with no education and 1 (2.6%) with primary education and one with matric. Amongst the recipients who buy uniforms, stationery and lunch box are 3 (7.7%) recipients with matric or secondary education, 2 (5.1%) with no education and 1 (2.6%) with primary education.

The **employment status** cross-tabulation reveals that amongst recipients who spend the CSG on food, 13 (33.3%) are unemployed. Five (12.8%) are employed in the informal sector; and 1 (2.6%) recipient is employed in part-time and one has a full time job. The majority of those who use the money for clothes and food as the need arises, 3 (7.7%) work in part-time jobs, 2 (5.1%) are employed in the informal sector and one (2.6 %) is unemployed and one in a full time job. Lastly, of the recipients spending the grant on

uniform, stationary and lunch box, 6 (15.4%) are unemployed and one (2.6%) is employed in the informal sector, one in part-time and one (2.6%) work in a full time job.

The **Income per month** cross-tabulation statistics indicate that amongst recipients buying food with the grant money, the majority of recipients 13 (33.3%) have no income besides that of the CSG, one (2.6%) recipient receives R200-R399, one R400-R599 income per month and one (2.6%) receives R0-R199 per month. A total of 3 (7.7%) recipients have no income, 2 (5.1%) receive R200-R399 per month and one (2.6%) receives R0-R199 and a further one R800-R999 income per month. Lastly, of the recipients spending the grant on uniform, stationery and lunch box, 4 (10.3%) recipients have no income, 2 (5.1%) receive R800-R999 income per month; and one (2.6%) receive R200-R399, R400-R599 and R800-R999 respectively.

4.4.12 Do you have another source of income besides the CSG?

Statistics shows that 17 (43.6%) of recipients said yes, they do have another source of income besides the CSG, and 22 (56.4%) said they do not have another source of income besides the CSG. Most recipients are also involved in informal economy through selling clothes, baby sitting and hairdressing.

The **age** cross-tabulation shows that the majority of recipients 8 (20.5%) between 28-37 years, followed by 5 (12.8%) between the age group 18-27 years and 4 (10.3%) of recipients between 38-47 years said that they have another source of income besides the CSG. A total of 11 (28.2%) recipients are between 28 and 37 years, followed by 10 (25.6%) between 18 and 27 years. One (2.6%) said she had no other source of income besides the CSG.

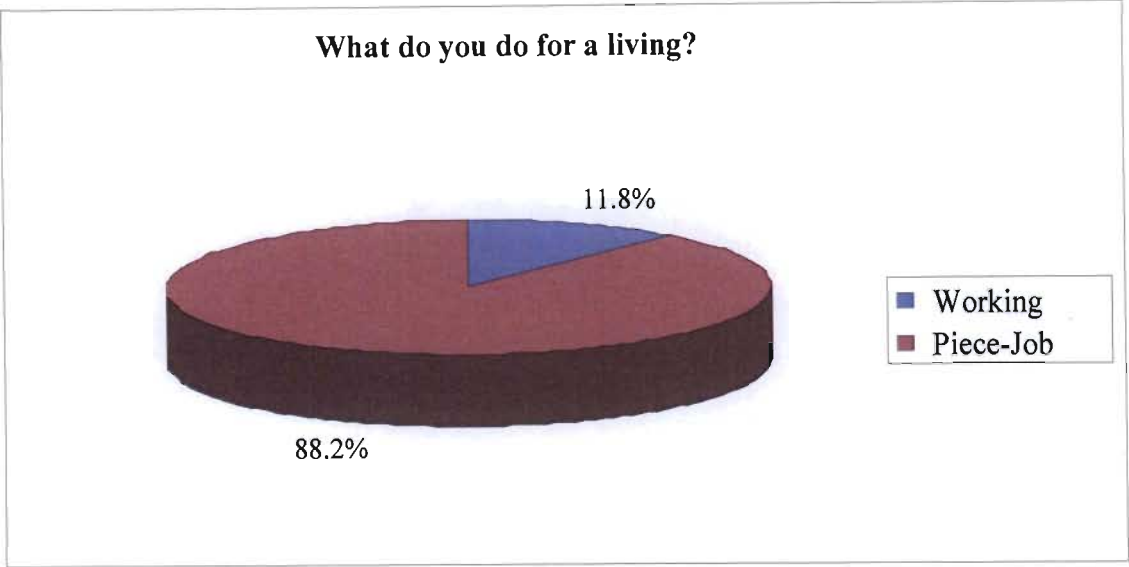
The **educational level** cross-tabulation statistics reveal that 7 (17.9%) recipients have secondary education, 4 (10.3 %) have primary education and 4 (10.3 %) have matric. A total of 2 (5.1%) with no educational background said they had another source of income besides the CSG. Ten (25.6%) recipients had secondary education, followed by 6 (15.4%)

with primary education. Three (7.7 %) had matric and 3 (7.7 %) had no education and replied that they had no other source of income besides the CSG.

The **employment status** cross-tabulation showed that 7 (17.9%) of recipients who were employed in the informal sector, 4 (10.3%) unemployed recipients and 3 (7.7%) in part-time or full time jobs said that they had another source of income besides the CSG. Eighteen (46.2%) who were unemployed and 4 (10.3%) in part-time or informal sector work said they had no other source of income other than the grant.

The **income per month** cross-tabulation shows 5 (12.8%) recipients had another source of income besides the CSG, followed by 4 (10.3%) receiving R200-R399 and 4 receiving R400-R599, 2 (5.1%) recipients receiving R600-R799, one (2.6%) recipient receiving R0-R199 and one receiving R800-R999. A total of 18 (46.2%) recipients said that they had no other source of income besides the CSG and 2 (5.1%) received R800-R999 per month; one (2.6%) received R0-R199 and one R800-R999.

4.4.13 If you do have another source of income besides the CSG, what do you do for a living?



Graph 5: Another source of income besides the SCG

Seventeen recipients answered this question. The majority, 15 (88.2%) generate income from piece jobs, and 2 (11.8%) are employed full-time. Hence the grant functions as a supplement to the salary they receive monthly.

The **age** cross-tabulation shows that 2 (11.8%) recipients in the age group 28-37 years indicated that they were working in full time jobs. Six (36.3%) in the group 28-37 years work in piece-jobs, or domestic work, 5 (29.4%) and 4 (23.5%) recipients work in piece - jobs such as baby sitting.

The **educational level** cross-tabulation statistics show that 2 (11.8%) recipients with secondary education are employed full time. Five (29.4%) with secondary education, 4 (23.5%) with primary education or matric work in part-time jobs, and 2 (11.8%) with no educational level work part-time. Miss Belinda Mkhize mentioned that: “We generate other income outside that of the CSG from part-time jobs that might arise; we are less choosy: we take whatever offer comes.” (Interview on the 14 October 2008)

The **employment status** cross-tabulation reveals that 2 (11.8%) recipients work in full-time jobs, whereas 7 (41.2%) work part-time in the informal sector; 4 (23.5%) recipients are formally unemployed but generate income through baby sitting; 3 (17.6%) recipients are employed in part-time jobs and 1 (5.9%), works full time.

The **income per month** cross-tabulation reveals that one (5.9%) recipient receives R400-R599 and one (5.9%) receives R800-R999 per month. Whereas the majority of recipients 5 (29.4%) have no income, 4 (23.5%) of recipients receiving R200-R399 income per month work part-time, 3 (17.6%) recipients receive R400-R599 from part-time work and 2 (11.8%) recipients receive R600-R799 income per month from occasional jobs.

4.4.14 Have you taken life cover/s for the child that is the recipient of the grant?

Do you a life cover for the child receiving the grant?	<i>f</i> = number of respondents	Percentage (%)
Yes	13	33.3%
No	26	66.7%

Table 4: Status of any life insurance

As for whether beneficiaries have life cover/s, a total of 13 (33.3%) recipients said yes they do have life cover and 26 (66.7%) said no. Many recipients who didn't have life cover mentioned that from what they receive it is impossible all the money goes to food, children's clothes and stationeries. The amount of income per month received in every household determines the level of expenditure made. For example households with no income per month besides that of the CSG, spend their money on immediate needs rather than saving for the future; whereas households with recipients employed in full time jobs have life covers/s or other investments.

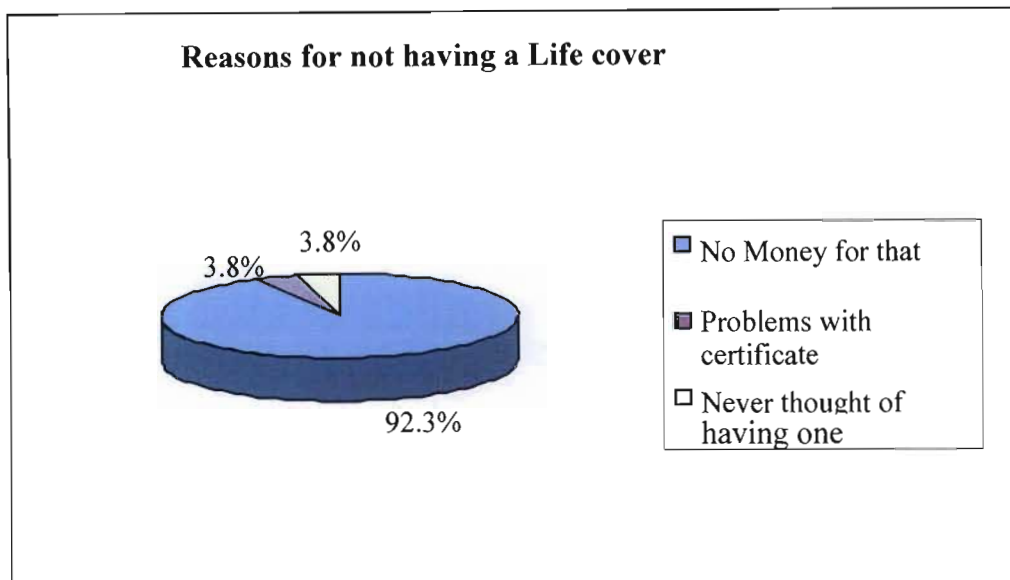
Age cross-tabulation shows that 6 (15.4%) recipients with life cover were between 18-27 years, followed by 4 (10.3%) recipients between 18-27 years and 3 (7.7%) recipients between the age 38-47 years. On the other hand, 13 recipients (33.3%) between 28-37 years said they didn't have life cover; 11 (28.2%) recipients between 18-27 years also lacked life cover, as did 2 (5.1%) recipients between 38-47 years.

The **educational level** cross-tabulation reveals that 5 (12.8%) recipients with secondary education said that they had life cover, followed by 3 (7.7%) recipients with primary education and 3 (7.7%) with matric; and 2 (5.1%) with no education also said that they did have life cover. The majority of the recipients 12 (30.8%) with secondary education indicated that they did not have life cover, followed by 7 (17.9%) with primary education, then 4 (10.3%) with matric and 3 (7.7%) with no education. Recipients with low monthly incomes or no income see the insurance as an unaffordable expense.

Statistics concerned with **employment** status show that 5 (12.8%) of recipients employed in the informal sector, 4 (10.3%) unemployed recipients, 2 (5.1%) recipients in part time jobs and 2 (5.1%) in full time jobs, said they did have life cover. Eighteen recipients with no life cover (46.2%) were unemployed, followed 4 (10.3%) working in the informal sector, 3 (7.7%) recipients working part time and 1 (2.6%) in full time employment.

The **income per month** cross-tabulation reveals that 4 (10.3%) recipients with no income mentioned that they didn't have life cover, followed by 3 (7.7%) who receive R200-R399 per month, 2 (5.1%) who receive R0-R199 and 2 (5.1%) R800-R999 income per month; and one (2.6 %) who receives R400-R599 and one (2.6%) on R600-R799 per month.

4.4.15 What are the reasons that you do not have life cover/s?



Graph 6: Reason for not having life cover

Looking at Graph 14, 1 (3.8%) recipient mentioned that she has a problem with certificates: she left them home in the rural areas and she can no longer find them in the house. Recipient 1 (3.8%) said she never thought of having one, such things are not a priority to her; and 24 (92.3%) recipients mentioned that they would love to have one but there is no money.

The **age** cross-tabulation shows that amongst those who said they don't have money for life cover/s, 12 (46.2%) are in the age group 28-37 years, followed by 11 (42.3%) between 18-27 years and 1 (3.8%) is between 38-47 years. Mrs Nomusa Madlala mentioned that they are facing problems with their certificates, hence they cannot register for any life cover because they need to submit their Identity Document (ID) copies. She went on to say "We are not working, so the little money that we receive, I have to make sure that it caters for the needs of the family, if I had more money maybe I would have one". (Interview on 21 October 2008).

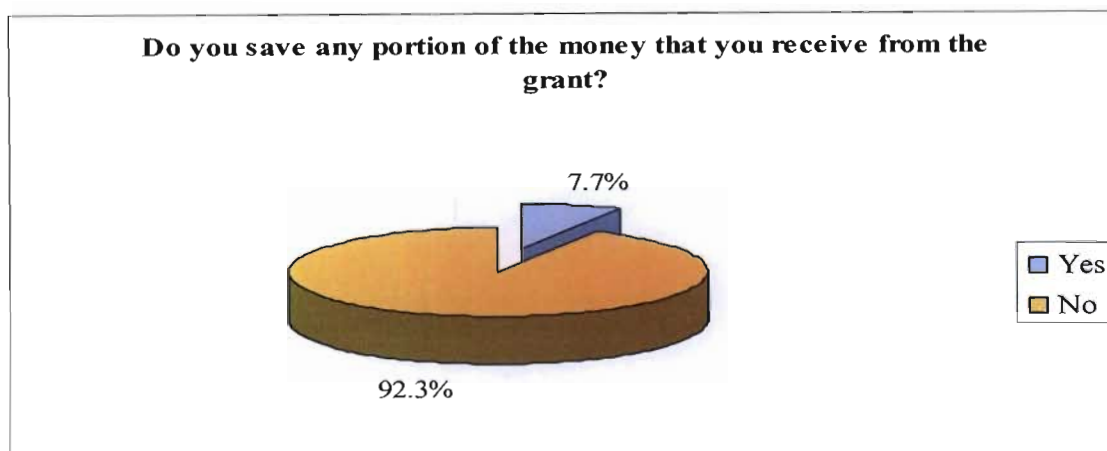
Lastly, the age cross-tabulation reveals that 1 (7.7%) recipient between 28-37 years said she has never thought of having life cover.

Statistics on **educational levels** reveal that 12 recipients (46.2%) with secondary education answered that they don't have money to pay for a life cover, followed by 6 (23.1%) recipients with primary education, then 4 (15.4%) recipients with matric and 2 (7.7%) recipients with no education, who also said they don't have money for life cover/s. One (3.8%) with no education said she can't register with any insurance company because she lost her ID and she doesn't have money to obtain a new one.

The **employment status** cross-tabulation show that 16 (61.5%) unemployed recipients said they don't have money for life cover/s, followed by 4 (15.4%) employed in the informal sector, 3 (11.5%) in part time jobs and 1 (3.8%) in full time jobs. A total of 1 (3.8%) recipient who is unemployed, mentioned that she never thought of having one and 1 (3.8%) unemployed recipient said that she is having problems with certificates.

The **income per month** cross-tabulation shows that 17 recipients (65.4%) with no income don't have life cover/s because they don't have money for such expenses, as did 3 (11.5%) receiving R200-R399 per month, 3 (11.5%) R400-R599 per month; and 1 (3.8%) recipient who receives R600-R799 per month. On the other hand 1 (3.8%) recipient with no income said she doesn't have an ID but would love to have life cover. Only 1 (3.8%) said she never thought of having one. One of the recipients, Miss Mana Mdletshe, who hails from Butterworth in the Eastern Cape, said "Why would one think of a life cover whereas there is nothing to eat?" First things first; even if I don't have one at all it doesn't matter as long as my kids are well taken care of." (Interview on the 24 October 2008)

4.4.16 Do you save any portion of money that you receive from the CSG?



Graph 7: Savings from the grant

Only 3 (7.7%) of recipients of CSG are able to save a portion of the grant, whereas 36 (92.3%) find it difficult to save. Recipients with no income have no life cover, they can't even save a portion of the grant for future purposes; only those with 'stable' jobs are able to have life cover or monthly savings. As far as they are concerned, food and education for the child is priority number one.

The **age** cross-tabulation reveals that 2 (5.1%) recipients between 28-37 years and 1 (2.6%) recipient between 18-27 years said they saved a portion of the money from the CSG. On the other hand recipients 17 (43.6%) between the age group 28-37 years, followed by recipients 14 (35.9%) between 18-27 years and recipients 5 (12.8%) are between 38-47 years said they are unable to save any portion from the CSG.

The **educational level** statistics show that 2 recipients (5.1%) with secondary education and 1 (2.6%) recipient with matric said they are able to save some money from the CSG. A total of 15 recipients (38.5%) with secondary education, followed by 10 (25.6%) with primary education; 6 (15.4%) with matric and 5 (12.8%) with no education said they could not save any portion of the grant .

The **employment status** cross-tabulation shows that 1 (2.6%) recipient who was unemployed said there is a portion of money that she saves from the CSG , as did 1

(2.6%) worked part time and 1 (2.6%) working in informal sector. The majority of recipients, 21 (53.8%), said they didn't save any money from the CSG, as did 8 (20.5%) recipients working in the informal sector, 5 recipients (12.8%) in part time jobs and 2 (5.1%) in full time jobs. In the case of Miss Gcinile Hlophe, born and bred in Inkandla in the heart of Zululand, who said "After collecting the grant, I go straight to Jwayelani or Cambridge supermarket for groceries; by the time I come out I'm only left with the bus fare." (Interview on 7 October 2008)

Statistics on **income per month** reveal that 2 (5.1%) recipients with no income and 1 (2.6%) recipient receiving R600-R799 income per month, said they save a portion of money from the CSG. Whereas, the majority of recipients, 21 (53.8%), with no income, said they did not save any money from the grant, as did 6 (15.4%) who received R200-R399 income per month, 4 (10.3%) receiving R400-R599, 2 (5.1%) receiving R0-R199 and R800-R999 income per month and 1 (2.6%) who received R600-R799 income per month. Amongst the 21 (53.8%) of recipients with no income besides the grant, Mrs Nomthandazo Mkhize said: "Saving money is one of the things that do not exist in my mind right now. I focus more in finding a job that will bring food on the table, pay for my kids at school and have a new house; and then the issue of saving can be considered." (Interview on 27 October 2008)

4.4.17 If you are able to save some portion of money from the grant, how much do you save monthly?

Of recipients when answering this question, 1 (33.3%) mentioned that it depends on the amount of money left after buying groceries, 1 (33.3%) said they saved R20 and 1 (33.3%) saved R100-R150 per month.

Age cross-tabulation reveals that 1 (33.3%) recipient between the ages 18-27 years mentioned that the amount of money they save on a monthly basis depends on how much is left after buying household necessities. One (33.3%) recipient in the age group 28-37 years saves R20 per month. Lastly 1 (33.3%) recipient between the age 28-37 years saves R100-R150 per month.

Statistics on **educational status** show that 1 (33.3%) recipient with matric said it depends on how much is left; 1 (33.3%) recipient with primary education saves R20 per month and lastly 1 (33.3%) recipient save R100-R150 per month.

Statistics on **Employment Status** reveal that 1 (33.3%) recipient with a full time job says her savings depend on the amount of money left after buying basic needs. One (33.3%) recipient who is unemployed saves R20 per month. One (33.3%) working in the informal sector saves R100-R150 per month.

The cross-tabulation on **income per month** reveals that 1 (33.3%) recipient receiving R600-R799 income per month saves a portion of money from the grant depending on how much is left after buying household necessities such as maize meal, rice and the lunch box of the child. One (33.3%) recipient with no income per month saves R20 per month from the CSG. One (33.3%) recipient with no income per month saves R100-R150 per month from the grant money.

4.4.18 How is your life better now with the grant, as compared to before you received the grant?

Is your life better now as before receiving the grant?	<i>f</i> = number of respondents	Percentage (%)
My life is better now with the grant	28	71.8%
It is better, I can pay school fees	5	12.8%
Things are still the same as before	5	12.8%
It is difficult to trace because I another source of income	1	2.6%

Table 5: Livelihoods of recipients since they started receiving the grant

A total of 28 (71.8%) recipients said their lives are better now with the grant as compared to before; many mentioned that they are now able to buy food, clothes or napkins. A total of 5 (12.8%) recipients mentioned that they can now afford school fees and stationary. A total of 5 (12.8%) recipients said that things are still the same as before and 1 (2.6%) recipient mentioned that it is really difficult to trace the impact of the grant because they

are working. The majority of recipients mentioned that their lives are better now as compared to before they received the grant, they are happy because they are now able to buy food and pay school fees for the child. Of the 28 (71.8 %) recipients, some mentioned that their children used to go to school with no lunch box and nothing to eat.

Miss Nomonde Mzimande, a 40-year old unmarried woman who works in the nearby Reservoir Hills as a domestic worker, said: “What we do is to wait patiently for the day and when that day arrives I walk with boldness to collect the grant, my kids will be waiting for me at the bus stop, for they know that I will bring them food. The day is memorized by all family members because it brings joy to all of us.” (Interview on 24 October 2008)

One (2.6%) recipient mentioned that it is difficult to see the impact of the grant in her household because she has another source of income. By the time she receives the grant, she has already bought groceries, the grant patches there and there; Still looking at the impact of the grant, 12.8% mentioned that it does not help at all. These recipients mentioned that what is the use of having the grant if food prices continue to increase like they do. Miss Londiwe Mkhabela said “What we need is jobs, not the crumbs of what we should be getting”. (Interview on 07 October 2008)

The age cross-tabulation shows that 13 recipients (33.3%) between the age 28-37 years see their life as better now compared to before they started receiving the grant; 12 (30.8%) recipients between the age group 18-27 years and 3 (7.7%) recipients between 38-47 years felt the same. Overall 28 (71.8%) recipients between ages 18-47 mentioned that after receiving the grant, they can afford to buy food, clothes and napkins for the children, whereas before receiving the grant it was difficult. Amongst those who mentioned that their lives are better now 3 (7.7%) recipients between the ages 28-37 years mentioned that they can now afford school fees and stationery for the children, followed by 1 (2.6%) recipient between the age 18-27 years and 1 (2.6%) 38-47 years. One (2.6%) recipient said that is difficult to say because she is working and has another source of income besides the CSG. Three (7.7%) recipients between 28-37 years and 2 (5.1%) between 18-27 years said things are still the same as before receiving the grant.

Miss Linile Masango pointed out: “Things are still the same because the more they give us, the more food prices increases, so to me there is no impact”; and Miss Lolly Nhlanyane’s opinion is that: “I do not know what I would have done without the grants money; it really came to my rescue.” (Interview on 28 October 2008).

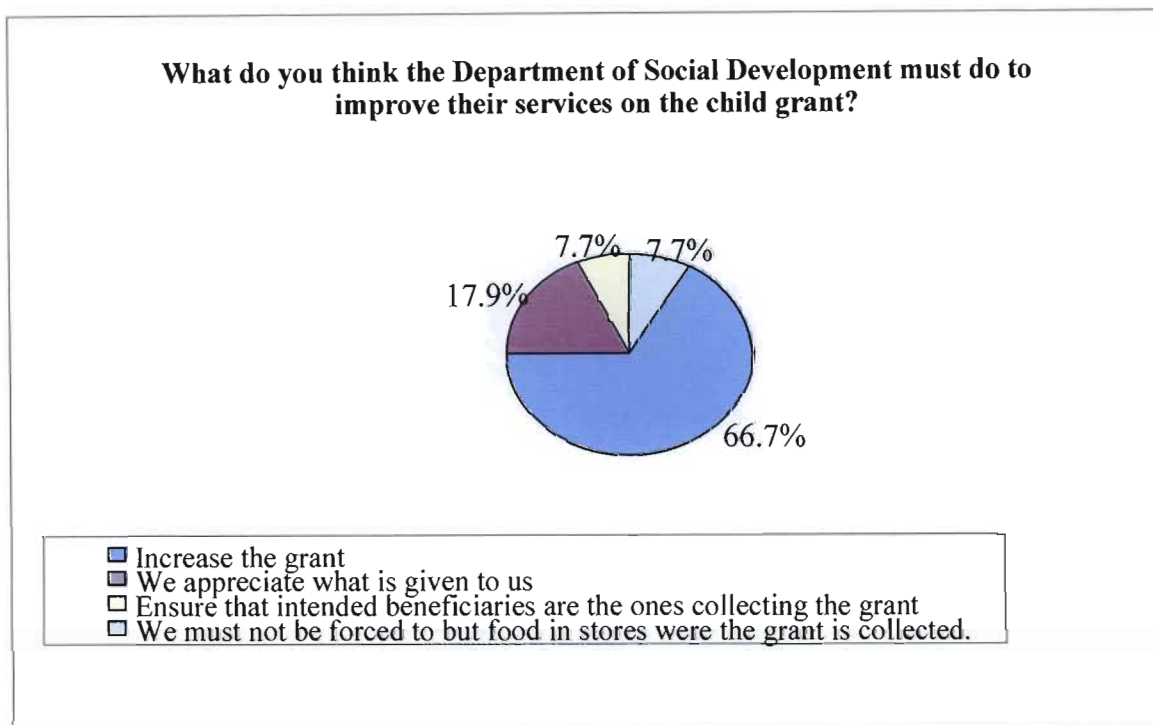
Statistics on **educational levels** show that amongst recipients who believe that their lives are better now with the grant, there are 13 (33.3%) with secondary education, 6 (15.4%) with primary education, 5 (12.8%) with matric and 4 (10.3%) with no education. Two (5.1%) recipients with matric answered, that they can now afford school fees, 1 (2.6%) who agreed had primary education, 1 (2.6%) had secondary education and 1 (2.6%) with no education mentioned that it is better now with the grant because they can afford schools fees and stationery for the child. Lastly, 1 (2.6%) recipient said she cannot really say because she has another source of income besides that of the CSG. She further mentioned that by the time she receives CSG, she has already bought the household necessities.

Statistics on **employment status** show that of the recipients who believe that their lives are better than before they started receiving the grant, 17 (43.6%) are unemployed, followed by 5 (12.8%) working part time, 5 (12.8%) in the informal sector; and 1 (2.6%) working in a full time job. Two (5.1%) recipients who are unemployed and 2 (5.1%) working in informal sector said that their lives are better with the CSG because they can afford to pay school fees and buy stationery for the child. One (2.6%) recipient working in the informal sector said it is difficult to say because she is working and has another source of income besides that of the CSG.

Statistics on **income per month** amongst recipients who said their lives are better now with the grant as compared to before they started receiving the grant reveal that the majority of recipients, 20 (51.3%), had no income, followed by 3 (7.7%) receiving 200-R399 and 3 (7.7%) receiving R400-R599 per month; 1 (2.6%) who receives R0-R199 per month and 1 (2.6%) R600-R799 receive said they were now able to buy food. 2 (5.1%) recipients receiving R200-R399 income per month, 1 (2.6%) receiving R0-R199, one recipient receiving R600-799 and one receiving R800-R999 per month mentioned that

their lives are better with CSG because they can now afford school fees and stationery. One (2.6%) said she did not know because she works part-time.

4.4.19 What do you think the Department of Social Development should do to improve its services on the CSG?



Graph 8: Recipients opinion on grant

On the question “what do you think the **Department of Social Development** should do to improve their services on the CSG?”, 26 (66.7%) recipients answered that the grant money must be increased because food is expensive, 7 (17.9%) believed that they must appreciate what is been given, 3 (7.7%) recipients pointed out that they must not be forced to buy something in stores from which the grant is collected⁹, it should be an individual choice whether to buy something from the shops; and 3 (7.7%) recipients said that the Department must strengthen its admission system in ensuring that the grant is collected by the correct people- “*hayi izipoki*” (*ghosts*)- non existing children.

⁹ Grants are also collected in these stores: Jwayelani and Boxer.

The **age** cross-tabulation shows that 14 recipients (35.9%) between the age group 28-37 years, followed by 10 (25.6%) recipients between 18-27 years and 2 (5.1%) between the age group 38-47 years said that the department of social development must increase the CSG money because food is expensive. On the other hand, 3 (7.7%) recipients between the age 28-37 years and 3 (7.7%) 38-47 years said they cannot complain because they appreciate what is been given. They are supported by 1 (2.6%) recipient between the ages 18-27 years. Statistics further show that amongst those who said the department must ensure that the grant is collected by the correct people, 2 (5.1%) recipients are between 28-37 years and 1 (2.6%) recipient is between 18-27 years. On age cross tabulation, statistics reveal that 3 (7.7%) recipients between the age 18-27 years said that the department must give them a choice they must not be forced to buy in the stores where the grant is collected. Mrs Thuli Zwane complained: "I am often forced to buy in the store that I collect the grant from, and sometimes I do not really need to buy from it. It has to be my choice whether or not I want to buy in that store or not." (Interview on 09 October 2008).

Cross-tabulation on **education** reveals that 12 recipients (30.8%) with secondary education, followed by 7 (17.9%) with primary education, 5 (12.8%) with matric and 2 (5.1%) with no education said the grant money should be increased. Statistics show that amongst those who said they appreciate what is being given, 3 (7.7%) recipients has no education, 2 (5.1%) have secondary education; and 1 (2.6%) has matric and 1 (2.6%) primary education.

The **employment status** cross-tabulation statistics highlight that 17 (43.6%) recipients have no income besides that of the CSG, followed by 7 (17.9%) recipients working in the informal sector, 1 (2.6%) recipient working in part time and 1 in a full time job said the department should increase the grant money. Statistics also show that amongst those who appreciate what is being given, 3 (7.7%) recipients work in part time jobs, followed by 2 (5.1%) who are unemployed; 1 (2.6%) working in informal sector and 1 (2.6%) working in a full time job. On employment status, 1 (2.6%) unemployed recipient, 1 in part time and 1 (2.6%) a full time job said that the department must ensure that the grant is

collected by the correct people. Miss Thembi Mabaso mentioned that: “There are people I know that are collecting the grant for three children but they only have one child, which is unfair for us who really need the money.” (Interview on 09 October 2008).

Miss Bongi Thabethe said: “The department is so quick in telling us that our children are now old enough for the grant and they will be taken out, while they fail in seeing people who claim money for non-existing children.” (Interview on 09 October 2008).

The **income per month** cross-tabulation statistics show that 16 recipients (41.0%) with no income besides CSG, 4 (10.3%) receiving 200-R399 income per month, 3 (7.7%) receiving R400-R599 per month; and 1 (2.6%) receiving R0-R199; 1 receiving R600-R799 and one receiving R800-999, indicated that the department should increase the grant money. Amongst those who said they appreciate what is being given are 3 (7.7%) recipients who have no income, followed by 1 (2.6%) R0-R199, 1 receiving R200-399; R400-R599 and 1 receiving R800-R999 per month. 1 (2.6%) recipient with no income, 1 (2.6%) with between R200-R399 and 1 with R600-R799 per month said that the department must ensure that the grant is collected by the correct people. Ms Gugulethu Mathebula said: “I understand that those collecting the grant for non existing children are pushed to do such because they need money to take care of their families but we are all poor and we are doing things the right way. Those who are caught doing that must be brought to books so that many can stop doing such things”. (Interview on 16 October 2008).

4.4.20 What do you think grant recipients should do besides receiving grants?

Activities that recipients can do	<i>f</i> = number of respondents	Percentage (%)
Find a job and work	18	46.2%
Start their own business or work	14	35.9%
Start their own	4	10.3%
Involve in agricultural activities	3	7.7%

Table 6: Economic activities that recipients could be involved in.

A total of 18 (46.2%) recipients thought that besides receiving CSG recipients must find jobs. Fourteen (35.9%) recipients believe they must start their own business or be

employed whereas 4 (10.3%) said they must start their own businesses because there are no jobs and 3 (7.7%) said recipients must be involved in agriculture.

Statistics on **age** reveals that the majority who believed recipients should find jobs are 10 (25.6%) between ages 18-27 years, followed by 7 (17.9%) between ages 28-37 years and 1 (2.6%) between ages 38-47. Statistics show that of the majority who said recipients should start their own businesses or find jobs, 7 (17.9%) are between 28-37 years, followed by 4 (10.3%) between ages 18-27 years and 3 (7.7%) between ages 38-47. 2 recipients who said they should start their own businesses are between 28-37 years; 1 (2.6%) is between 18-27 and 1 between 38-47 years. On age cross tabulation, 3 (7.7%) said recipients should be involved in agriculture.

Cross-tabulation on **educational levels** shows that 3 (7.7%) recipients with primary education, secondary education and matric respectively; mentioned that the recipients should be involved in agricultural activities because there are no jobs.

The **employment status** cross-tabulation reveals that 1 (2.6%) recipient who is working in the informal sector and 1 in a full time job said they need to get more involved in agricultural activities. Mrs Ngimphiwe Mthethwa mentioned that: “It is useless to wait for a job that you do not know when it will come, while I am waiting I need to provide food for my three children- my husband went to Johannesburg for employment in 1992 and never came back.” (Interview on 17 October 2008).

The **income per month** cross-tabulation shows that 12 recipients (30.8%) said recipients should find a job and work, 3 (7.7%) respondents receiving R200-R399 income per month, 2 (5.1%) with R400-R599 income per month and 1 (2.6%) receiving R600-R799, mentioned that recipients should find a job and work. Amongst those who said recipients should start their own business or find a job, 8 recipients (20.5%) have no income, 2 (5.1%) recipients receive R0-R199 income per month; and 4 recipients (10.6) receiving R200-R399, R400-R599, R600-R799 and R800-R999 receive per month respectively. Miss Tholakele Basele said: “Since there are no jobs, I think of starting my own business which will in turn help in bringing income into the house, rather than waiting for the

sunshine in a rainy season.” (Interview on the 13 October 2008). A total of 2 (5.1%) recipients with no income said recipients should start their own businesses because there are no jobs, followed by 1 (2.6%) recipient who received R400-R599 and 1 who received R800-R999 income per month.

4.5 Pearson Correlation Matrix

		Age	Sex	Educational Level	Employment Status	Income per month
Age	Person Correlation	1	.(a)	.316(*)	.237	.278
	Sig. (2-tailed)		.	.050	.145	.086
	N	39	39	39	39	39
Sex		.(a)	.(a)	.(a)	.(a)	.(a)
		39	39	39	39	39
Educational Level	Person Correlation	.316(*)	.(a)	1	-.079	.033
	Sig. (2-tailed)	.050	.		.634	.841
	N	39	39	39	39	39
Employment Status	Pearson Correlation	.237	.(a)	-.079	1	.384(*)
	Sig. (2-tailed)	.145	.	.634		.016
	N	39	39	39	39	39
Income per month	Pearson Correlation	.278	.(a)	.033	.384(*)	1
	Sig. (2-tailed)	.086	.	.841	.016	
	N	39	39	39	39	39

* Correlation is significant at the 0.05 level (2-tailed).

(a) means that the item cannot be computed because at least one of the variables is constant.

Analysis of the Pearson Correlation Matrix suggests that there is no significant positive correlation between age and educational ($r = .316 > 0.05$). The level of education and age combined do not influence the recipients' perceptions of the CSG. There is no significant positive correlation between age and employment status ($r = .237 > 0.05$). The statistical

explanations denote that the age of recipients plus their employment status had no weighting on their perceptions of the CSG. Lastly, there is no significant positive correlation between age and income per month ($r = .278 > 0.05$). This reveals that age and income do not impact on the recipient's perceptions of CSG.

There is a significant positive correlation between educational level and employment status ($r = .079 < 0.05$). This statistical results show that education and employment shaped the way the recipients perceived the CSG. However there is no significant positive correlation between educational level and income per month ($r = .53 > 0.05$) which is an indication that educational level and income as variables did not influence the perceptions of respondents towards the CSG.

Lastly, there is no significant positive correlation between employment and income of respondents ($r = .384 > 0.05$) which means that employment and income did not influenced the perception of recipients on CSG.

4.6 Findings of the study

The study released by HSRC for the Department of Agriculture (2003) revealed that many households with low income in South Africa are highly dependent on governmental grants; the old age grant and the CSG have more beneficiaries than other grants. According to the Stats SA 1997, the poorest households spend more than half of their money on food, meaning that most of government grants go directly to the food purchases of poor households. In this study, the majority of recipients use the CSG to buy food like rice, maize meal, meat and vegetables and the fewest recipients spend the grant on napkins, milk and washing powder for the baby.

A study conducted by HSRC presented at the South African Regional Poverty network (SARPN) meeting on the 18 March 2003 reveals that as regards accessibility of food in households, shopkeepers are unwilling to grant credit for food purchases unless the person requesting credit has a regular job, or if the person or someone in the household receives a grant. Grant recipients are considered qualified for credit only when they will

pay at the end of the month. This study reveals that recipients of the CSG buy food in stores that are considered for the 'lower class'; i.e. Cambridge, Jwayelani and Boxer supermarket (Southern African Regional Poverty Network, 2008).

A paper presented by Triegaardt (2005) on the impact of social security in South Africa, shows that the effect of government grants is that poor children, older people and people with disabilities are protected by a safety net, but many structurally unemployed workers, particularly unskilled workers, and single parent households, face protracted impoverishment. Triegaardt's study shows that the safety net programmes for the poor need to be conceptualized within a broader poverty reduction strategy which addresses issues of human, social and economic capital. The majority of recipients indicated that they should find jobs, whereas the minority said they must start their own businesses.

The findings of a research project conducted by the Department of Social Development (2006) proves that the provision of social assistance by the State does not motivate teenage pregnancies and other allegedly perverse incentives. The study revealed through quantitative analysis that there had been a huge growth in the number of CSG beneficiaries in recent years and if a comparison is made between the numbers of teenagers receiving the CSG with the incidence of teenage births in the national population, the quantitative analysis suggests that the take-up rate of the CSG by teenage mothers remains low (South African Constitution, 1996). The findings of this study show that majority of recipients collecting grants are between 28 – 37 years. Many teenage mothers are not attracted by the CSG; instead they rely mostly on their immediate families or boyfriend to provide for the baby. The majority of teenagers in Banana City fell pregnant because they want to bond with their boyfriends, this is one of the reasons why teenagers are falling pregnant, especially in informal settlements. Ntombikayise Mabandla said "Having a baby is all about you and your partner agreeing whether you want a baby or not; and if you both think that you can afford the baby." (Interview on the 28 October 2008). From the group discussion many teenagers gain security from the income provided by the boyfriends; many of them perceive themselves as wives, not girlfriends; hence having a baby is part and parcel of playing a 'wife'.

A study conducted by Daniel (2006) found that there is an acute need for economists to track continually what goods the poor consume. Miss Zanele Maseko mentioned that: “I do not celebrate the fact that the grant money has increased, for food prices are also increasing. In the store where I am collecting my grant, prices also increase together with the grant. Shopkeepers are aware of recent developments on the grant, so they too keep up with the pace.” (Interview on the 21 October 2008)

The findings of this study discovered that many respondents are unhappy with the meager amount that they are receiving.

A study by Masondo (2004) revealed that the provision of grants contributes to an increase in the number of children enrolling at school. In this study many recipients felt that the CSG contributed to the enrollment of their children in school. Many recipients mentioned that the CSG helps them to buy uniform, stationery and pay up school fees for the children.

According to the Black Sash in a study published in Cape Times by Elroy Paulus (13 Feb 09), one in three South African households is being forced to survive without a breadwinner in the home. With unemployment, at a conservative estimate, at 23.2% (more like 40% when “discouraged” work-seekers are included), millions of able-bodied adults are dependent on the grant money brought into the home by their most vulnerable family members (the children, disabled and the aged). Even in this study, the majority of recipients have no income other than the CSG, and only a few recipients receive R600-R700 income per month. Data generated for this study shows that the smallest number of recipients are employed in full-time jobs and are working as supermarket cashiers or cleaners in stores. Quite a large number is involved in the informal sector in jobs such as domestic work and vending. The majority is unemployed and depends on the CSG for income, or on money from boyfriends. Furthermore depending on the grant, few recipients are of the opinion that they should be involved in agricultural activities, even when there is land that could be used to bring in income. Some recipients felt that they should start their own businesses because there are no job opportunities (even the jobs

available are limited). The majority of recipients were of the opinion that jobs are a reliable resource because there is a stable income that one receives monthly, unlike a business, where income is not guaranteed.

A study presented by the Economic Policy Research Institute at the UNICEF Session in New York on the 15 November 2006 showed that social transfer does not create dependency; instead, social transfers break dependency traps by nurturing productive high-return risk-taking. Considering the consumer price index, the Department of Social Development needs to consider increasing the grant money because of the escalating food prices relative to the dwindling strength of individual purchasing power.

The findings of this study are supported by a paper published by Cardoso and Souza in 2004, which offers evidence that amongst the beneficiaries of Brazil's Bolsa Escola Scheme, there are fewer children who do not attend school. Furthermore the study shows that results on children with working parents is the same as on those staying with parents who are not working, mainly because majority of children receiving the grant are part of the child labour force. The incentives provided are seen not enough for the family to allow the child to leave work, hence children do both receiving the grant (or going to school) and working. The paper notes that many rural households of Brazil's children contribute a large portion of family income. This study also shows that the grant is used differently in households with income besides the grant as compared to households with no source of income besides that of the CSG. Households with income spend the CSG on the child's clothes, pocket money and food such as yoghurt, juice and chips.

Many studies conducted on world poverty show that women are largely the recipients of the CSG. A study by Viglieca (2002) reveals that approximately one million women in Argentina are employed in domestic service; and the poorest of the poor households are headed by women. The study proved that it is true that women are the most vulnerable to poverty. All the recipients of Viglieca's study are women; in households where there were male they were less informed about the grant. In households in which no woman was present, the researcher was told to come back later when the woman was around.

4.7 Testing the Hypothesis

Government increase in expenditure on the CSG is a reflection of a labour market which increasing excludes the unskilled and which renders would-be job seekers dependent on the CSG as their source of income. The hypothesis advanced in this study is that:

- There is a negative relationship between the amount of the CSG and the generation of adequate standard of living of recipients; grants are an insufficient resource for the generation of adequate standard of living for recipients.

In this study many recipients of the CSG are dependent on the grant as income; some are without jobs and some are employed in part-time or informal jobs. Recipients with monthly fixed income find it difficult to trace the impact of the grant in their households because necessities are covered by the monthly income before receiving the grant; they use the CSG to add in to what is already in a household. Recipients with stable jobs or incomes are less informed about changes made in the grant, as compared to those with no income besides that of the CSG. Recipients with stable jobs are of the opinion that the Department of Social Development must ensure that the grant is collected by recipients who are legally entitled to it. Recipients with no jobs wish the department to increase the CSG up to R600 per child. Furthermore the study reveals that majority of the unemployed recipients see getting a job as a solution to dependence on the grants for survival. The hypothesis advanced in this study is confirmed in its entirety.

In isolated cases where recipients have other sources of income, a positive relationship existed between the amount of CSG and the generation of adequate standard of living of recipients. The findings of this study reveal that the majority of the recipients enrolled their children at school; and money collected was used to buy food for the household; school uniforms and stationery for the child. However, the grant was not sufficient to benefit the child in terms of saving for its future. This further confirms the hypothesis in its entirety. A strongly negative relationship between the grant and the generation of adequate standard of living of recipients was also noted: the majority of recipients could not save any money, nor did they have life insurance, it was difficult for them to buy food

and save at the same time. An increase in the grant can make it easier for recipients to generate an adequate standard of living. Means should be offered as far as possible to integrate them into the formal labour market. They should be encouraged to start their own businesses where there are no jobs: instead of waiting to be employed, young mothers need to create means to generate income that can cater for their basic needs. In conclusion, the study shows that the CSG has a positive impact on recipients' adequate standard of living but the positives are overwhelmed by the negatives associated with the amount received.

4.8 Conclusion

The utility of the CSG cannot be viewed in isolation from the income per household. Hence, the level at which the grant impacts on the adequate standard of living of recipients is dependent on the amount of income that each household receives per month. Unemployment still exists as a threat to many poor people and it makes it difficult for the poor to invest in a child's future, whether through savings insurance, as many households are more occupied by immediate needs.

Chapter Five

Conclusion and Recommendations

5.1 Introduction

This dissertation has considered the extent to which the CSG is improving the adequate standard of living of recipients and has attempted to evaluate the relationship between the recipients of the grant and the income generated per household. It has been established that there is a negative relationship between the amount of the CSG and the generation of an adequate standard of living of recipients. However, the findings reveal that in households where there are no employed people, the grants are perceived as a reliable source of income.

5.2 Conclusion

Before any conclusions are reached, the objectives of the study have been reiterated so as to advance recommendations in line with the overall objectives. It is a known fact that the common problem facing Social Development in South Africa is the disbursement of CSG to people who do not reside with beneficiaries in their households. Hence the objectives of the study are:

The objectives of the research are:

- to determine whether and to what extent the CSG beneficiaries are rightful beneficiaries of the grant;
- to ascertain whether CSG beneficiaries utilize the grant effectively in the household;
- to evaluate whether CSG beneficiaries' adequate standard of living within the household have changed for the better since they started receiving the grant; and
- to assess what other support mechanisms can be made available to struggling households.

Key Questions that inform the study

- Do beneficiaries use the CSG to purchase household necessities such as food, electricity?
- Is the CSG improving the standard of living on beneficiaries?

The conclusion reached is in line with the **liberal theoretical approach** adopted in this study which suggests that the CSG needs to be viewed together with the shortfalls of the market. Hence, it should be seen as a welfare strategy aimed at overcoming the shortcomings of the market, and as it is the state's role to take care of its citizens, the state must protect its people even against the constraints and inadequacies of the market. The regulation by the state of the market is one major initiative that provides security to the people, from lower to upper class. Therefore, development in any state must not be viewed in isolation from the operations of the markets and the gap between profit making and welfare.

5.3 Recommendations

One of the biggest challenges facing the Department of Social Development is to ensure that the grant is given to rightful beneficiaries. This research strongly suggests that the majority of recipients are rightful beneficiaries of the grant and the large majority reside with the child in their households.

The intention of the study was to assess whether the recipients of the CSG utilize the grant effectively in providing for the needs of the child or household. This study found that recipients of the CSG are using the grant's money effectively. Many use the money for food in the household, to pay for the child's school fees and to buy school uniforms for the child or any other household necessity that might arise.

An Increase in the amount allocated to the CSG

This study shows that there is a positive impact played by the CSG in improving the lives of the beneficiaries. The grant assists parents with school fee payments, provides food in the household and enables the beneficiaries to buy uniforms for the child. Many

recipients are relieved by the grant from the burden of paying for the child's education and assets needed at school. Before receiving the grant, children had nothing to eat when they came back from school but now there is a guaranteed lunch. Some families are now in a position to provide lunch boxes. Thus the grant is viewed as a strategy aimed at returning the dignity of parents and their children.

The grants are not enough to generate an adequate standard of living in the households of recipients. The majority of recipients see the increase in food prices as a hindrance for them in providing the basic needs of the household (i.e. rice, maize, candles and paraffin). The increase in food prices affects beneficiaries because as the grant money increases food prices also go up; as a result it is difficult for beneficiaries to generate an adequate standard of living using the grant as a source of income. Even though recipients can now afford things they could not buy before receiving the grant, the study shows that recipients are still counted amongst the poor; there is little inter-class mobility.

Proper Monitoring of the CSG

Frauds in registering nonexistent children for a grant are strongly motivated by poverty and unemployment. Proper mechanisms are essential in ensuring that grants are received by legitimate beneficiaries who in turn will utilize them effectively.

Encouraging Private Public and Stakeholder Partnership

Programmes on small cooperatives and enterprises initiatives need to be made available to the recipients of the CSG as an alternative aimed at generating income. Protocols and bureaucracy should not be too demanding for recipients to access such initiatives. There is also a high expectation from communities that government and the private sector mobilize its resources towards a common objective of achieving the millennium goals.

Re- alignment of the role of the Department of Home Affairs

There are still a number of people who qualify to be recipients of the grants but due to lack of IDs they cannot access the grant. The majority of these pinpointed that the ineffectiveness of the administration of Home Affairs (which has recently received much

publicity) is what causes them to suffer. There is a high need to have a system of temporary documents issued to citizens without IDs, but eligible for a grant to use the documents as a proof to apply for a grant. Such documents would have only temporary validity, and recipients must renew their application to the grants office.

Infrastructural Development

In its attempt to achieve the above mentioned objectives (e.g. improving the livelihoods of people through child support grants), the Department of Social Development must consider engaging other stakeholder Departments (e.g. Department of Housing, Department of Water Affairs etc) to ensure that needs which are crucial to beneficiaries are attended to: dignified shelter, health facilities, especially clinics, access to roads and clean water.

Priority on Food

The Department must ensure that as one of its control measures toward achieving its objective, is that 50% of the CSG goes towards food. That will help in ensuring that beneficiaries are receiving food.. This can be managed through an Implementing Agency agreement between the Department of Social Development and SASSA.

Encourage the culture of Saving

Since money received from the grant is intended less to cater for all the needs of the household, recipients should be encouraged to save and invest in the future of the child. For example money collected from stokvels of which the grant recipients are members may be sufficient to pay a maximum of R40-R50 per month on an education policy or funeral cover. Some recipients own taverns, tuck shops, salons or work as vendors; money generated in such informal employment makes it possible for them to save for the future.

Involvement of Social workers

Social workers should often visit the area to see how the child is doing. In as much as the grant is given to parents or guardians, there is a continuous need to monitor the development of the intended beneficiary, tracking both successes and stumbling blocks faced by parents.

Increase in child social grants to 18 years

According to the South African Constitution a child is any person under the age of 18. Currently, the CSG beneficiaries are from birth to–15 years of age, which excludes persons between 14–18 years of age and is deemed not to be in alignment with the South African Constitution. The regulations enshrined in the delivery of social grants must be amended to allow for the CSG to benefit children up to the age of 18 years. At the time of this recommendation, the CSG had not yet been amended to the current (2010) age limit of 18 years.

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Appendix A



UNIVERSITY OF
KWAZULU-NATAL

Biographical Information

Age

18-27	
28-37	
38-47	
47-58	
58+	

Gender

Male	
Female	

Educational Level

Primary	
Secondary	
Matriculated	
Tertiary	

Employment Status

Unemployed	
Part-time	
Full Time	
Informal	

Income per Month

Refused to answer	
No Income	
R0 - R200	
R200 - R400	
R400 – R600	
R600 – R1000	
R1000+	

Number of people per household

Two - four	
Five - seven	
Nine – eleven	
Twelve or more	

Research Questions

1. Are you the recipient of a child support grant?

Yes	
No	

1.1 If yes, when did you start receiving the child support grant?

.....

.....

.....

2. How many children do you receive grant for?

One	
Two	
Three	

3. Where do the children that you collect grant for reside?

All in your household	
Some with you and other/s with relatives	
All with relatives	

4. Are you the biological, family member or unrelated to the family?

Biological	
Grandmother	
Uncle	
Aunt	
Distant relative	
Not related	

4.1 If not a biological mother, how did it come about for you to be the recipient of the grant?

.....

.....

.....

5. Is the child that is an intended beneficiary attending school?

Yes	
No	

5.1. If yes where, If no why not?

.....

.....

.....
.....

5.2. What is the age and grade of the child?

.....
.....
.....

6. What are the things that you normally do with the grant money?

.....
.....
.....
.....

7. Do you have another source of income besides the CSG?

Yes	
No	

7.1 If you do have another source of income besides the CSG, what do you do for a living?

.....
.....
.....
.....

8. How many people live in this household?

.....
.....

.....
.....

9. Have you taken life cover/s for the child that is the recipient of the grant?

Yes	
No	

9.1 If not, why not?

.....
.....
.....

10. Do you save any portion of money that you receive from the child support grant?

Yes	
No	

10.1 If yes, how much do you save monthly?

.....

11. Is your life better now than before receiving the grant?

.....
.....
.....

12. What do you think the Department of Social Development should do to improve their services on the child support grants?

.....
.....
.....

13. What do you think grant recipients should do besides receiving grants?

.....
.....
.....

Thank You Very Much for your participation

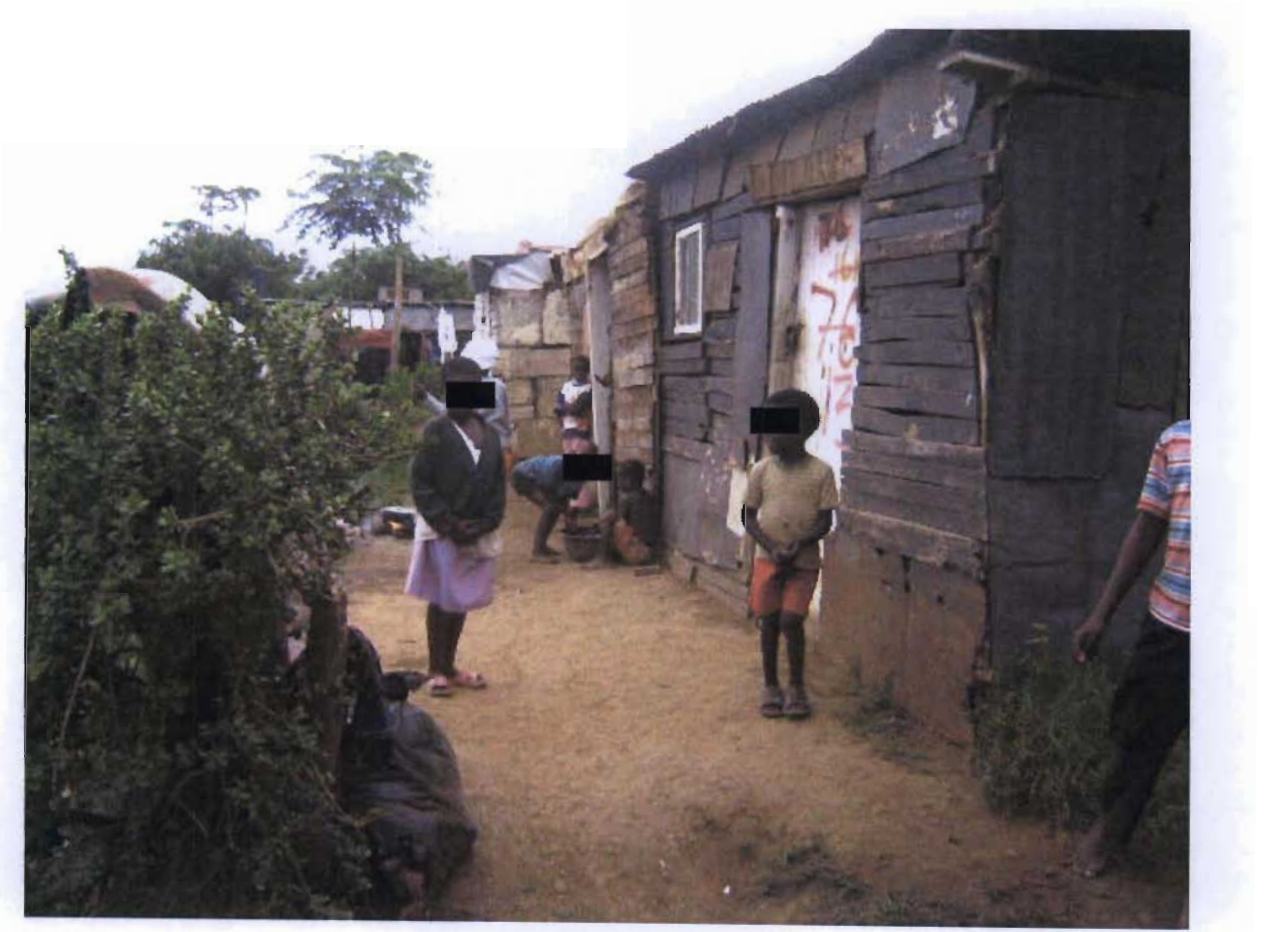
Appendix B

NB: Pseudo-names are used for ethical reasons.

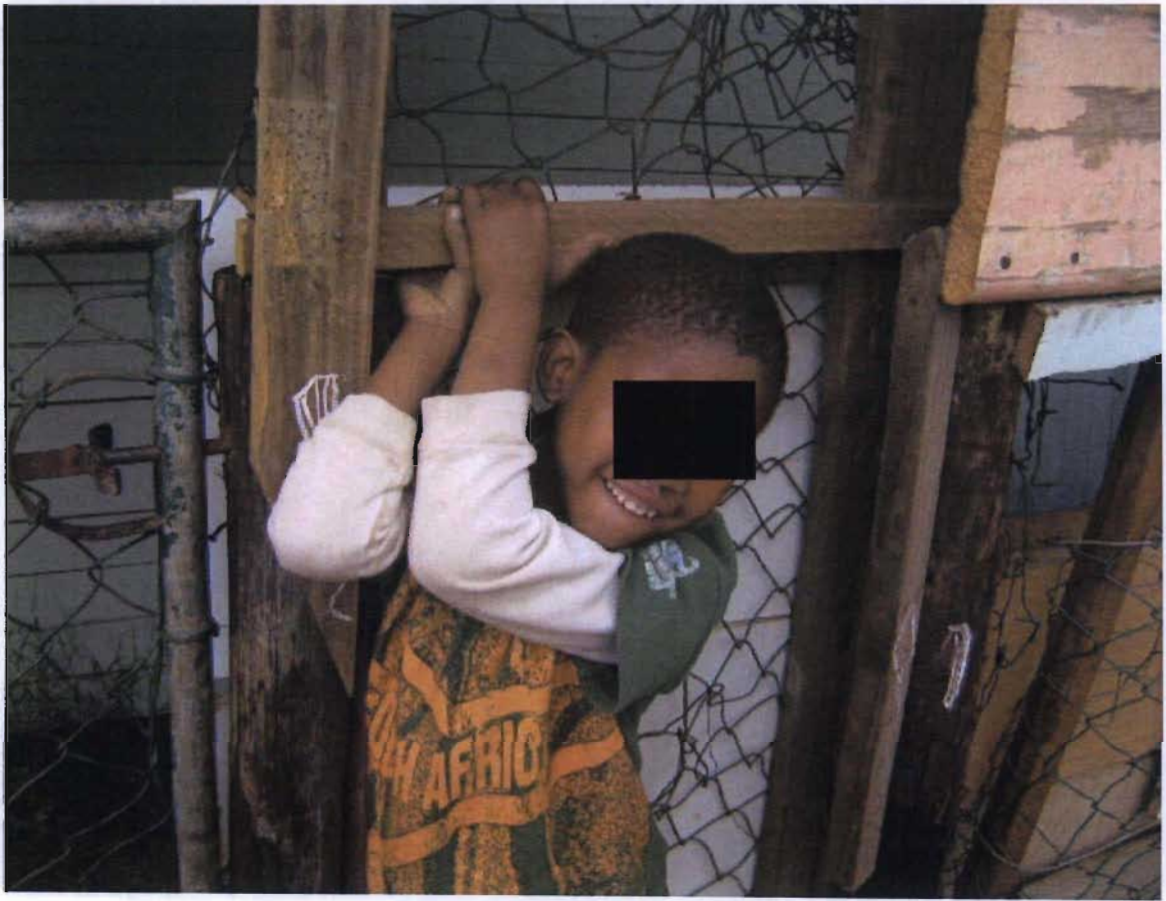
Mrs Khanyisa Ndlovu	Interviewed on the 6 th October 2008
Ms Londiwe Mkhwanazi	Interviewed on the 6 th October 2008
Ms Gcinile Hlophe	Interviewed on the 7 th October 2008
Ms Londiwe Mkhabela	Interviewed on the 7 th October 2008
Ms Nosipho Mtolo	Interviewed on the 7 th October 2008
Ms Minenhle Zungu	Interviewed on the 7 th October 2008
Mrs Thuli Zwane	Interviewed on the 09 th October 2008
Ms Noliwe Makhaya	Interviewed on the 09 th October 2008
Ms Thembi Mabaso	Interviewed on the 09 th October 2008
Miss Bongi Thabethe	Interviewed on the 09 th October 2008
Ms Tholakele Basele	Interviewed on the 13 th October 2008
Ms Sbhongile Mthethwa	Interviewed on the 13 th October 2008
Miss Belinda Mkhize	Interviewed on the 14 th October 2008
Mrs Thembi Mdletshe	Interviewed on the 14 th October 2008
Ms Thokozile Mabunda	Interviewed on the 16 th October 2008
Mrs Gugulethu Mathebula	Interviewed on the 16 th October 2008
Ms. Ngiphiwe Mthethwa	Interviewed on the 17 th October 2008
Ms Thembi Nkosi	Interviewed on the 17 th October 2008
Ms Nomoya Masango	Interviewed on the 20 th October 2008
Ms Thenjiwe Ngubane	Interviewed on the 20 th October 2008
Miss Maria Mangena	Interviewed on the 21 st October 2008
Mrs Nomusa Madlala	Interviewed on the 21 st October 2008
Miss Zanale Maseko	Interviewed on the 21 st October 2008
Ms Nomonde Manzimande	Interviewed on the 24 th October 2008
Ms Mana Mdletshe	Interviewed on the 24 th October 2008
Mrs Jane Skhosana	Interviewed on the 24 th October 2008
Mrs Nomthandazo Mkhize	Interviewed on the 27 th October 2008
Ms Lindiwe Madlala	Interviewed on the 27 th October 2008

Ms Thabisile Dubayo	Interviewed on the 27 th October 2008
Ms Linile Masango	Interviewed on the 28 th October 2008
Ms Lolly Nhlanyane	Interviewed on the 28 th October 2008
Mrs Ntombikayise Mabandla	Interviewed on the 28 th October 2008

Appendix C



Children at Banana City



Playing by the door gate



Means of cooking, others also use a paraffin stove (*pramstove*)



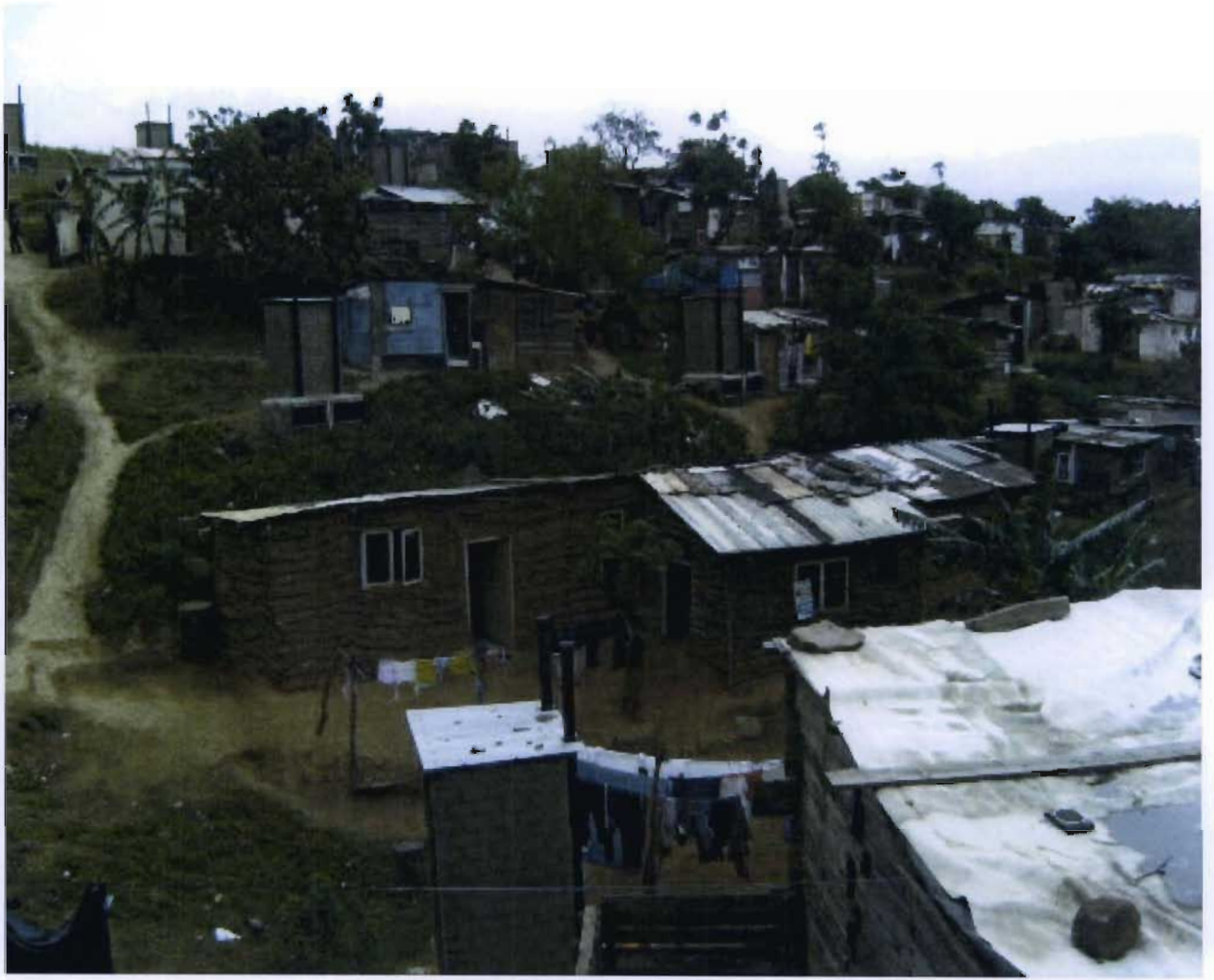
He is washing his uniform, preparing for the next day while his mother is preparing supper.



Children are playing next to the cooking place. Wood is collected by women as it is in many African cultures.



Plastics and stone are used to boost the roof, not to be destroyed by heavy rains or wind.



Section B at Banana City



Zimbabwean mother with five children, living in a shack of two rooms.

Appendix D

A copy of the Informed Consent

The study examines the impact of social grants on beneficiaries in Banana City Informal settlement. This informal settlement is situated within the University Premises. The primary objective of the research is to determine whether the child social grant beneficiaries are indeed the rightful beneficiaries. The research is also geared towards evaluating whether child social grants beneficiaries standard of living within the household have changed to the better since they started receiving the grant. Lastly, the study assesses what other support mechanisms can be availed to struggling household.

Participants will be required to fill in a questionnaire and also be part of focus group discussions. The findings of the study might benefit the Department of Social Development in adopting a holistic approach to poverty. There is no harm to the participants of the study; Participants can withdraw from the research at any time without being penalized. Pseudo names will be used to protect the anonymity or confidentiality of the participants. Questionnaires in a form of interviews and audio taping will be used as an instrument to collect data.

Researcher's contact details:

Contact Number: 083 758 9689

Email Address: 200301521@ukzn.ac.za/ lifa.phoku@gmail.com

Researchers Signature



Participants Signature