The evolution of the Child Support Grant

Leila Patel and Sophie Plagerson (Centre for Social Development in Africa, University of Johannesburg)

Over the past 20 years, the Child Support Grant (CSG) has had a remarkable trajectory, driven by a range of political, social, economic and institutional factors. It has charted a successful course from a small, targeted policy, towards establishing its foundation as a constitutional right, and incrementally expanding its scope. The CSG currently reaches almost 12 million children and is recognised as one of South Africa’s most effective poverty reduction programmes. It is also acknowledged internationally as a successful social policy innovation for children in the Global South.

This essay describes three phases in the evolution of the grant: the conception of the grant, its incremental expansion, and its current phase of “maturity”. It addresses the following questions:

- What political, economic and social factors shaped the conception of the CSG?
- What political, economic and social factors shaped the CSG policy going forward?
- What choices and trade-offs were made by government and civil society stakeholders in negotiating the expansion of the CSG?
- What factors are likely to shape the CSG policy going forward?

What political, economic and social factors shaped the conception of the CSG?

When the African National Congress came to power in 1994, social grants were only available to a small percentage of the population, reaching three million older persons, people with disabilities, parents and children. Social assistance for children consisted of three programmes: the Foster Child Grant (FCG) for children placed in foster care through the courts, the Care Dependency Grant (CDG) for caregivers of children with disabilities requiring full-time care, and the State Maintenance Grant (SMG) for single parents with minor children. The SMG reached 200,000 women and a similar number of children – and in 1995/1996 made up 12% of the country’s total spending on social assistance.

The SMG, in particular, was subject to strong criticism for its unequal racial and geographical distribution. In 1990, only 0.2% of African children received the SMG. Children living in rural areas were often excluded because of a lack of awareness of the grant, and transport and administrative barriers. Some of the homelands and bantustans did not administer the SMG at all, while others administered only one component. The SMG had been modelled early in the last century on the notion of a nuclear family with the father as the primary bread-winner, a concept that was out of step with the changing structure, realities and challenges of family life in South Africa.

In 1995, the SMG consisted of a parent allowance of R410 and a child allowance of R127 for each child. The expense of extending the SMG to the whole population was deemed unaffordable at an estimated cost of R12 billion, which was equivalent to the total social assistance budget in 1995/1996. Given the financial implications of extending the SMG to all population groups, the Lund Committee for Child and Family Support was appointed by the Minister for Welfare in 1996 to advise policymakers on equitable alternatives. The White Paper for Social Welfare (1997) identified the establishment of an intersectoral commission as a channel to build consensus about the provision of family support and to support the reform of the private maintenance system.

The Lund Committee assessed several policy options in terms of their potential to progressively realise children’s constitutional and international rights, albeit within strict fiscal constraints. The Committee recommended continuing with the FCG and CDG, phasing out the SMG, and introducing the CSG, which was conceptualised as part of a basket of complementary developmental welfare services. Recommendations were made for the reform of the private maintenance system and for increasing parental financial responsibility.

The Committee’s proposals included different age cohorts (0 – 4 years, 0 – 6 years and 0 – 9 years) and benefit levels, with the recommendation that the CSG be introduced at an amount of R70 per child per month for children aged 0 – 9 years. The Committee worked within the bounds of the existing budget, concerned that if they did not, the child grant would be abolished without being replaced by anything else. The R70 was derived from the Household Subsistence Level for food and clothing for children. Although the Lund Committee considered some health-related activities as a condition, this was not adopted in view of concerns about denying access to the grant when such services were not accessible to all children. Children, however, had to have a proper birth registration to qualify for the grant.

Drawing on the Committee’s recommendations, Cabinet approved the CSG at a slightly higher amount of R75 for children under seven years, sparking a civil society campaign to increase both the amount and age limit. Decisions on the nature and extent of the grant made by the Executive and Parliament were outlined in the Welfare Laws Amendment Act, a set of regulations and several gazetted notices. The CSG was to deliver a means-tested cash...
transfer to boost nutritional support for eligible children under seven years of age. The grant was to be paid to the child’s primary caregiver, who could be a parent, relative or non-relative of the child – an innovative strategy for reaching the large numbers of children not living with their biological parents.

When the grant was implemented in 1998, the amount was finally set at R100 per month per child with the target of reaching three million children in the first five years (see p. 78 for further discussion of the CSG amount). The policy rationale was to reduce child poverty and to support families with the costs of raising a child.15

The successful adoption of the CSG is remarkable and was one of the early major policy reforms of the democratic government. In its formative stages it was deeply controversial. The withdrawal of the SMG was resisted by various constituencies and met with widespread hostility. Welfare advocacy groups opposed the replacement of the generous SMG with a smaller amount, as well as the reduction in age eligibility for children; gender activists lamented the loss of a grant for poor women. In the welfare sector, social workers expressed concerns about the trade-off between grants and welfare services.16

More broadly, the CSG was introduced into a maelstrom of political and ideological views about social welfare and development. A strong mandate for redistribution to redress racial inequalities co-existed alongside deep-seated antipathies to expansive public welfare provision that was seen as promoting dependency on the state. In the same period, the government adopted the Growth Employment and Redistribution (GEAR) policy, which was criticised for departing from earlier redistributive commitments and moving toward a more conservative macroeconomic policy. In this context the work of the Lund Committee became a “site of contestation … about the values and expectations in the ‘new’ South Africa”.17

These polarised views, coupled with an unfavourable fiscal environment in the mid-1990s, shaped the design of the CSG in favour of a means-tested benefit. The debate in the Lund Committee centred on the principles of targeting to select beneficiaries versus universal access of all income groups. Those in favour of a targeted approach gave much thought to how to channel limited resources to those most in need, while those in favour of universal provision gave preference to treating all people equally, irrespective of income. The White Paper for Social Welfare (1997) advocated the principle of concentrating resources on the most disadvantaged as a means of redress. In view of fiscal constraints, the Lund Committee’s recommendations were less ambitious than they would have liked.

The developmental social welfare approach, outlined in the White Paper for Social Welfare and inspired by Amartya Sen’s capability approach among others, provided a new framework in which to locate the CSG.18 This new approach was bolstered by influential international academic voices and empirical evidence, arguing that social security focused on children builds, protects and promotes human development.19

There are several factors that explain the success of the CSG in gaining political support and leading to its endorsement by Cabinet on 5 March 1997. The national welfare ministry and the provincial welfare departments were involved in discussions throughout the process. The Minister and Director-General in the Department of Welfare also provided significant political and technical support.20 The timing of the proposal, soon after the transition to a democratic dispensation, captured an early window of opportunity marked by political commitment and openness to major policy reforms. Importantly, the CSG proposal was an excellent example of evidence-based policymaking. The proposal was a realistic route to addressing the country’s mandate to provide for children.

Furthermore, the delivery of the CSG was to be crafted onto existing administration, management and technology systems, thus making delivery of the grant feasible.21 Financially, the calculations were within budgetary constraints that could be smoothly accommodated by the National Treasury. The phrasing of the limits on the qualifying age as set out in the legislation also gave government room to manoeuvre and to scale up the programme should it be successful. Taken together, these factors paved the way for the CSG to be adopted into legislation as an individual entitlement that could be enforced by a court of law, laying a foundation for the gradual expansion that followed.

**What factors played a role in negotiating the expansion of the CSG?**

Since its introduction, the CSG has been dramatically expanded, in keeping with the country’s rights-based approach to social assistance. The removal of administrative barriers to access and gradual changes in eligibility criteria, among other factors, resulted in increases from 150,366 CSG recipients in 1999/2000 to almost 12 million in 2016.22

A range of factors led to the incremental extension of the grant, in which the age limit was raised to include children under 14 years from 2003 – 2005; children under 15 years in 2009; and then children under 18 years from 2010 – 2012. The question of extending the age eligibility criteria was raised soon after the CSG’s introduction, and in 2002 the Committee of Inquiry into Comprehensive Social Security (the Taylor Committee) recommended extending the CSG to all children (up to 18 years old).23

Throughout this period civil society organisations, such as Black Sash and the Children’s Institute, played a key role in advocating for the expansion of the CSG. Public awareness campaigns conducted by both the government and civil society organisations aimed to encourage increases in uptake. The Alliance for Children’s Entitlement to Social Security (ACCESS) provided an umbrella organisation for many civil society organisations who, either independently or working together, engaged in advocacy and dialogue with policymakers – and at times embarked on legal action.24 Evidence-based research of the positive impact of the CSG and budgetary analyses aided advocacy by civil society groups.25 Monitoring and evaluation of the grant’s implementation also generated new evidence that highlighted barriers to access, and provided the basis for further advocacy.26
Within the state, changes to the CSG arose as a compromise between redistributive and developmental policies on the one hand (championed by the Ministry for Social Development) and fiscal prudence (on the part of the Ministry of Finance) on the other. After 2000, the fiscal space created by economic growth and increased tax revenue, coupled with the positive developmental impacts of the grant on poverty, created the opportunity to reconsider the age limit.\(^{27}\)

Another significant factor directing the course of the CSG’s implementation was the establishment of the South African Social Security Agency (SASSA) in 2006. The centralisation of the previously fragmented social assistance system was instrumental in improving the efficiency and uptake of social grants. Appropriate governance and the institutional capacity of SASSA provided the necessary basis for delivery.

The changes in this period were also propelled by the impact of the HIV/AIDS epidemic, which placed increased care responsibilities on families. Significant administrative changes and legislative amendments sought to address barriers to access such as a lack of identity documents and children’s birth certificates, with a substantial impact on birth registrations.\(^{28}\) The courts also ruled in favour of CSG beneficiaries, deeming delays or suspensions in processing grants as unreasonable or unlawful. In 2008, following litigation by ACESS, the High Court ordered DSD to allow alternative forms of identification in the absence of official documentation.\(^{29}\)

The age extension for 15 – 17-year olds was more contentious. It was opposed on the grounds of fiscal constraints by the Minister of Finance, who proposed that policy alternatives such as vocational training and public works programmes might be more appropriate for older children.\(^{30}\) Concerns about welfare dependency of grant beneficiaries were expressed by government ministers, officials and the public, despite the fact that there was no evidence to support this. Nevertheless, in 2010 the CSG was made available to all children below the age of 18 years, but with the addition of the condition that recipients of school-going age attend school.\(^{31}\)

The decision to include conditionalities was influenced by conditional cash transfer programmes in Latin American countries. These policy adjustments have been criticised in the South African context since they undermined the rights-based approach, and did not take into account the already high levels of school enrolment.\(^{32}\)

With regard to non-South Africans, the CSG was extended to permanent residents in 2004 and documented refugees in 2012. This followed litigation and the subsequent Constitutional Court ruling that the right to social assistance applies to “all people in our country”.\(^{33}\)

\(^{27}\) After some lobbying, this was introduced as a “soft” condition in that non-attendance at school does not lead to termination of the grant.
The main limitation to the extension of the grant has been its monetary value. While the initial emphasis of the Lund Committee was in favour of a policy that focused primarily on early childhood development, increases have extended access to older children.\textsuperscript{33} Annually, the Minister of Finance, in consultation with the Cabinet, approves increases in grant values, taking into account inflation and fiscal resources. Improvements in means testing and age eligibility criteria have tended to overshadow the low value of the CSG, which has only been conservatively increased in line with inflation.\textsuperscript{34}

In summary, a number of fiscal, institutional and ideological factors, including concerns about poverty reduction on the one hand and pressure from civil society organisations on the other, have led to the incremental expansion of the CSG.

**What factors are likely to shape the CSG policy going forward?**

As a grant which has been available for almost 20 years and which reaches the majority of children, the CSG is clearly an established and institutionalised component of South African social policy. It is supported by the National Development Plan 2030 which endorses social assistance in its strategy to address poverty and inequality.\textsuperscript{35}

Although the CSG enjoys public and political support, there is ongoing debate about the unintended consequences of the programme, such as claims that the grant encourages teenage pregnancies and a culture of dependency on the state, assertions that have been refuted by empirical research (as outlined in the essay on p. 55).\textsuperscript{36} These negative perceptions affect beneficiaries’ sense of dignity.\textsuperscript{37} Empirical evidence points to the positive developmental impacts of the CSG on poverty, health, food security, nutrition, school attendance, women’s empowerment and livelihood strategies (see the essay on p. 44). Yet 39% of households remain below the poverty line,\textsuperscript{38} and income disparities are widening. While the CSG has achieved a lot, other macro-level interventions are also needed to lift people out of poverty.

In an increasingly insecure fiscal environment, polarised ideological and political debates centre on whether to expand or contract social assistance. Political and economic instability, the rise of new political parties and increasing electoral contestation may also influence the direction and extent of future developments of the CSG. Clientelism (or expectations by the ruling party that grant beneficiaries should reward the party for its policies) is another factor that may drive grant expansion.\textsuperscript{39} The extent to which external pressure will be mounted by civil society and community level organisations will depend on their organisational capacity, and whether they will be able to build coalitions with other social movements to lobby for the expansion of the CSG and social assistance in general.

**Conclusion**

The evolution of the CSG over almost two decades illustrates several points that are worth noting: First, it shows what can be achieved when there is political will and leadership. An environment receptive to policy innovation, combined with evidence-based policymaking led by a committee that was both credible and skilled, proved to be critical in the initial phases. Although its proposals were contested, they were robust and persuasive. Second, policy implementation and expansion in the second phase was championed by the Minister for Social Development and was backed by strong administrative capacity, policy and legislation, as well as a centralised agency to deliver the grants. Third, sustained and active civil society engagement contributed to reforming policies and programme design, as well as the expansion of the grants and the responsiveness of the CSG to the needs and challenges of children and families. A fourth aspect relates to the availability of public resources to deliver the programme, despite concerns in some quarters about the unaffordability of the CSG and social assistance in general. Finally, contextual drivers of a social, economic, political and institutional nature – including the HIV/AIDS epidemic, migration and changing family life – played a significant role in its justification.

The CSG now reaches children of all ages, with pressure for further increases of the age limit to address other problems such as youth unemployment. Increasingly policymakers are considering how to combine cash transfers with other economic and social policies, in line with the original vision of the White Paper for Social Welfare (1997). The challenge remains to build on the CSG’s positive outcomes without losing its coherence, to find the right mix of solutions that can enlarge individuals’ economic and social opportunities, and to address the social exclusion still experienced by many CSG beneficiaries. For instance, questions remain about how best to address the needs of young people who are exiting out of the CSG, especially those who are not in employment, education and training. Household-level poverty is unlikely to decline if high unemployment persists, especially among women. Increasing access of primary caregivers to public works and training programmes and finding ways to support the informal livelihood strategies of CSG caregivers are other policy options that might be explored. For this to be realised at scale, innovative and cost-effective child care models will be critical.

There is a need for more deliberate linking of beneficiaries with a range of services, with the support of intermediaries such as teachers, primary health care professionals, social workers and other social service professionals and paraprofessionals. For instance, children who qualify for the CSG still pay for school uniforms, and many caregivers struggle to access school-fee exemptions for their children. Family strengthening interventions such as parenting programmes and developing the financial capabilities of beneficiaries are other policy options worth exploring, reasserting the importance of the shared responsibility between parents and society for the care of children, and the greater engagement of men in care. Access to the social package of basic services offered by local authorities (e.g. water, electricity and sanitation) could also be linked to the CSG. Lastly, if the CSG is to be a social investment that yields long-term human resource development returns, then the quality of education will need to improve significantly.
References

5 See no. 4 above.
7 See no. 3 above.
8 See no. 3 above.
9 See no. 3 above.
11 See no. 3 above.
12 See no. 3 above.
14 See no. 3 above.
15 See no. 3 above.
16 See no. 3 above.
17 See no. 3 above, P. ix.
19 See no. 3 above.
20 See no. 3 above.
21 See no. 3 above.
22 See no. 1 above.
26 See no. 24 above.
30 See no. 24 above.
32 See no. 3 above.
33 See no. 3 above.
38 See no. 35 above.