

Chapter 11

Concluding remarks

The main aim of the study was to develop a socio-economic and demographic profile of social security beneficiaries in selected magisterial districts in the Western Cape Province. Profiles on expenditure and service levels were also included in the study.

The population for the survey consisted of social security beneficiaries from twelve magisterial districts in the Western Cape, purposively selected by the Department of Social Services and Poverty Alleviation. These magisterial districts included Beaufort West, Murraysburg, Prince Albert, Laingsburg, Mitchell's Plain (including Khayelitsha), Goodwood (excluding Langa and Guguletu), Vredenburg, Malmesbury, Hopefield, Ceres, Caledon and Mossel Bay. Twelve probability samples were selected (one per magisterial district), proportionally stratified per grant type. 1 480 face-to-face interviews were conducted by a team of well-trained fieldworkers. Due to the fact that in some households members receive more than one grant, data are available on 2650 grant beneficiaries/incidences. An important limitation of the study is that findings cannot be generalised to all beneficiaries in the Western Cape, but only to the individual magisterial districts selected. Another limitation is that the sample size per district is relatively small, thus inhibiting disaggregation of the data. There is also no control group to compare beneficiary households against.

The results of this study reiterate the fact that the social security grant system is an important mechanism for assisting a diverse group of poor people. In some instances grants contribute to the survival of extremely vulnerable households. The majority of beneficiary households have children as members. The research again illustrates that grants reach much wider than its intended target. Non-beneficiary members of these households also benefit from the grants, partly because many beneficiaries pool their income with other household income.

Grants contribute to food and household security for entire households. In many households social security represents the only secure or constant source of income. Grants play an essential role in enabling households to buy life essentials. However, with beneficiaries having a relatively high number of dependants, the primary beneficiaries do not necessarily enjoy the full intended effect of their grants. All beneficiary households included in the sample spend most of their income on food. Although much lower, municipality bills together with electricity are the second biggest expenditure items. Expenditure on funeral schemes also represents a significant expense for most households.

Should the grant income of household members be terminated, the majority of beneficiary households will, even without taking other expenditure into

consideration, be unable to cover their expenditure on food and other groceries.

The study highlighted again the fact that the contingencies of a market economy are to some extent covered by these grants. Many beneficiaries are participating in the job market, either doing paid work or looking for work. The majority of economically active household members are either looking for work or are in low-paid temporary and/or seasonal employment, and/or involved in other survivalist economic activities.

In the case of the Disability Grant, it seems that some potential beneficiaries view this grant as an alternative source of social insurance. In the absence of other forms of social protection medical staff handling applications for the DG are under pressure to support applications in cases where it is the last resort to secure income for destitute households. It is especially true in the case of older women and men not yet qualifying for the OAG in terms of age, but who are unemployed and/or unable to perform demanding physical work anymore. In cases like these, this grant fulfills the role of a basic income grant.

Beneficiary households are predominantly poor and from the data there is no evidence of a significant leakage of grants to households with a relatively high income. Even with grants, households struggle to make ends meet. In some households, members had to go without meals the month before the fieldwork was conducted because there was not enough money to buy food. Close to a quarter of households in nine of the twelve magisterial districts borrowed money to service their debt during the past year. Many households are in arrears with payments to local authorities. The majority are also in arrears with their school fees. However, relatively few households have members who have loans at micro-lenders.

Considering individual income only, the majority of members of beneficiary households will qualify for all means tested grants. Based on information of beneficiaries included in the sample, fraud does not seem to be a significant problem. Although no real fraudulent cases were identified in the study, there were a few cases of children just outside the qualifying age group for the CSG and a few deceased persons whose names still appeared on the SOCPEN list. In the case of children receiving the CSG, this can most probably be explained by children turning nine during the month of fieldwork and in the case of deceased people it can be ascribed to the time lapse in administrative procedures.

Hardly any beneficiaries participate in gambling activities other than a relatively small percentage playing the Lotto.

Government interventions, like the Reconstruction and Development Programme, contributed to the situation that most beneficiary households own their dwellings and have access to electricity, piped water and flush toilets. Except for Khayelitsha, nearly all beneficiaries live in formal dwellings. The effect of an 'intersectoral package' making a difference in the lives of beneficiary households is evident in some cases. It is most obvious in the

case of some child beneficiaries of grants. Not only do these children receive grants, but they also benefit from school feeding schemes and free/ low cost medical services at clinics and their caregivers stay in dwellings fully paid for.

In many households there is more than one grant and it seems that these households start to move out of abject poverty, especially where wage earnings supplement their income. However, there is most probably still much room for improving intersectoral collaboration with other government departments, NGOs and the private sector. For example, what is worrying is that some children are not getting all benefits - some are still required to pay school fees. In order to maximize the poverty alleviation impact of grants, the Department of Social Services and Poverty Alleviation should challenge other government departments on what it can do for strengthening vulnerable households and to speed up job creation. Once beneficiary households access all state transfers to which they are entitled to like free education, free health care and basic free electricity and water and job creation opportunities, the full effect of grants will be experienced.

There seems to be at least some success in the integration of welfare services with the grant system. Beneficiaries referred to the important role of social workers in accessing grants and providing support. For some beneficiaries social workers are a primary source of information on the grant system. However, some beneficiaries complained that social workers are not as readily available as a few years ago.

Nearly all beneficiaries were satisfied with the service from the Department from the point of application to first payout as well as with services rendered at the payout points. Applications were relatively promptly processed. None of the grant beneficiaries had to pay an official of the Department or anyone else before they could receive the first payout of their grant. Considering that grant beneficiaries included in this study are those that were successful in accessing grants, it is not surprising that only a small number experienced problems with their application. Only in isolated cases did beneficiaries report that they had to pay someone in order to receive the grant on payout day – one paid an official at the payout point and another a security guard at the payout point to secure a better position in the queue. Although some are concerned about their safety when leaving the payout point, the majority of beneficiaries feel safe at the payout point with very few having been mugged or intimidated. Some beneficiaries indicated problems accessing payout points as a result of distance. Word-of-mouth is the most prominent source by which information on grants is spread. In most of the magisterial districts marketing campaigns by the Department are only listed after friends, social workers and clinics as source of information. It seems that there is a general lack of knowledge of the age until which children can qualify for the CSG.

Many children do not have the support of both their biological parents. It is especially fathers that are absent and/or who make no contribution to their children. One in every five children were not living in the same household as their biological mother at the time of the study, while nearly half of children have never stayed in the same household as their biological father. In many

cases grandmothers act as primary caregivers of children. Given their age, it leaves children in a vulnerable situation and puts more strain on the elderly. Many grandmothers are the sole supporters of children who, in terms of age, do not qualify for any social security grant. Nearly all adult beneficiaries of child grants are women. In most cases the beneficiary is the biological mother.

There seems to be inconsistency in awarding CSGs and FCGs to caregivers of children. In some instances grandmothers receive a CSG while they could have been benefiting from the significantly higher FCG. There is sometimes a long time lapse before children are placed in foster care, and once in foster care, it seems that children remain in foster care. Because there are no cash benefits from the state for adoption, some children who could have been adopted remain in foster care. There are children in beneficiary households who have lost both their parents but who are not beneficiaries of any state grant. More research is needed on the nature of caregiving and differences in reasons for awarding the CSG and FCG.

Not only do women take responsibility for child care, but the majority are responsible for decision-making concerning the household budget. In many instances where adult men are present, women still reported that they are the sole decision-makers. However, where older married men are household members, the decision-making power of women is in many instances limited to the demands these men make on 'their income'.

There is a relatively low mobility of grant beneficiaries over magisterial district and provincial boundaries. Nearly all grant beneficiaries lived in the Western Cape when they applied for their grants and hardly any beneficiaries relocated during the past five years. The majority of beneficiaries were also born in the Western Cape.

Through the effective delivery of social security grants to many destitute households, the Department of Poverty Alleviation and Social Services is making an indispensable contribution to the security of these households. However, it should be kept in mind that social security is only one of the important pillars of developmental social welfare.