

Executive Summary

The Department of Social Services and Poverty Alleviation (Provincial Administration Western Cape) commissioned Datadesk to construct a socio-economic profile of social security beneficiaries in the Western Cape. The project commenced on 1st July 2003 and was completed by April 2004.

Purpose of the study

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

Methodology

A reference group of experts in the field of social security assisted in the refinement of the research design, development of field instruments and data analysis. A survey of adult beneficiaries of social security and their households was the main mode of data collection. Focus group discussions were held with those benefiting directly from grants as well as in-depth interviews with a few experts in the field of social security.

Population and sample

The population for the survey consisted of social security beneficiaries from twelve purposively selected (by the Department) magisterial districts in the Western Cape. These magisterial districts included Beaufort West, Murraysburg, Prince Albert, Laingsburg (the four Karoo magisterial districts), 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 2 650 grant beneficiaries.

Findings of the study can only be generalized to beneficiaries in specific magisterial districts and not to all beneficiaries in the Western Cape.

Findings

Among the key findings are: The mean household size per magisterial district varies from four to six members, with a quarter of households in all magisterial districts having six or more members. The majority of households have children as members and these households are considerably larger than those without children. While the majority of households have adult members of both sexes, 25% consist of adult women only. Of this group the majority have children as household members.

Most beneficiary households own their dwellings and have access to electricity, piped water and flush toilets. With the exception of Khayelitsha, nearly all beneficiaries live in formal dwellings.

In many households there is more than one grant. The majority of households in Beaufort West (75%), Murraysburg (71%), Prince Albert (61%) and Malmesbury (57%) receive two or more grants. The magisterial districts with the highest percentage households with only one grant are Mitchell's Plain (63%, mainly Khayelitsha with Child Support Grant beneficiaries) and Vredenburg (62%). 25% of households in Beaufort West, Laingsburg and Murraysburg have three grants or more. In five of the twelve magisterial districts the combination of the Child Support Grant (CSG) and Disability Grant (DG) is the most frequent combination of grant types, while the combination of the CSG and Old Age Grant (OAG) is the most frequent combination in four magisterial districts.

Many beneficiary households rely on social security as their only source of income. The highest percentages of households with only social security as an income are in Beaufort West (39%), Mossel Bay (38%), Goodwood (33%) and Murraysburg (33%). The lowest percentages are in Caledon (20%) and Ceres (22%). Without an income from social security grants, the majority of beneficiary households will be destitute. With the exception of Ceres and Mitchell's Plain where half of the households derive less than 50% of their income from social security grants, in all other magisterial districts 50% of the households derive more than half of their income from social security grants. The contribution of social security grants to household income is the highest in the Karoo magisterial districts of Beaufort West (median 85%), Murraysburg (median 83%) and Prince Albert (median 73%). With the exception of Murraysburg (36%), Beaufort West (37%), Prince Albert (41%) and Mitchell's Plain (45%), more than half of the households in the other magisterial districts have a regular salary/wage income. The highest percentages are in Caledon (68%) and Ceres (61%).

The median monthly per capita income ranges from R267 in Mitchell's Plain to R700 in Hopefield. The poorest 25% households (based on 25th percentile values) are in the Mitchell's Plain magisterial district with a monthly per capita income of R144 or less, followed by Malmesbury with R182 or less and Prince Albert with R191 or less. Households with children have statistically significantly lower median per capita incomes than those without children.

All beneficiary households spend most of their income on food. In all magisterial districts just over half of their income is spent on food. Although much lower, municipality bills and services (including electricity) rate second. Looking at median percentages spent, all other expenditure items do not represent individually more than six percent of total household expenditure. Expenditure on funeral schemes 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.

In the majority of households women are involved in 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'.

Even with social security grants, households struggle to make ends meet. In the month prior to when fieldwork was conducted some households members had to go without meals because there was not enough money to buy food. In nine of the twelve magisterial districts, close to a quarter of households borrowed money to service their debt during the past year. In Laingsburg, Prince Albert and Murraysburg

half of the households buy food both cash and on credit. In all other magisterial districts, the majority of households buy food cash. Many households are in arrears with payments to local authorities reaching as high as 76% of households in Murraysburg. The majority are also in arrears with their school fees. However, relatively few households have members who have loans at micro-lenders. The highest percentage was recorded in Prince Albert. Many of these household members are in arrears with these loans and in some instances micro-lenders keep the identity documents of their clients.

Irrespective of grant type and magisterial district, nearly all social security 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.

Concerning the improvement of their lives after receipt of their grants, the greatest majority of beneficiaries in all magisterial districts indicated that they were better equipped to see to their basic needs, such as food, shelter, clothing, etc. In the greatest majority of cases where food was not mentioned as the first item bought with their grant money, it came up as the second item as well as the item most of their grant money is spent on.

Old Age Grant (OAG): The majority of OAG beneficiaries in all magisterial districts are female (the highest percentage of men was recorded in Vredenburg 36% and the lowest in Hopefield 24%). Many beneficiaries are caregivers to other persons. Malmesbury has the highest percentage of OAG beneficiaries who are caregivers (44%) and Ceres (13%) the lowest percentage. In many instances female OAG beneficiaries are taking care of their grandchildren. The majority of OAG beneficiaries in all magisterial districts are involved in decision-making on their household's budget. In the majority of magisterial districts 50% or more OAG beneficiaries reported some illness or health related problem. The three most common health problems that were reported are hypertension, heart disease and diabetes.

Disability Grant (DG): Whilst the majority of DG beneficiaries in all magisterial districts are male, there is no statistically significant difference between the proportions of male and female beneficiaries in Murraysburg, Goodwood, Mitchell's Plain, Vredenburg and Mossel Bay. The lowest percentages of female DG beneficiaries are in Hopefield and Caledon (39% each), whilst the highest percentages of female beneficiaries are in Ceres (55%) and Prince Albert (53%). In all magisterial districts, irrespective of sex, the majority DG beneficiaries fall in the age category 45 to 54 years. Just more than half of women DG beneficiaries are primary caregivers of others, while the majority of men do not act as caregivers. The lowest percentage DG beneficiaries who are dependent on others for (at least part of their) care is in Hopefield (4%) and the highest percentage is in Malmesbury (27%). The most common health problems and/or disabilities reported are specific impairments/ disabilities, hypertension, heart disease and asthma.

Child Support Grant (CSG): The majority of CSG adult beneficiaries are female (lowest percentage Goodwood 95%). In Laingsburg, Murraysburg, Hopefield and Mossel Bay all the beneficiaries are female. In the greatest majority (85%) of cases it is the child's mother who is the primary caregiver (lowest Murraysburg 62%). In most of the other cases it is the child's grandmother acting as the caregiver. Just more than half of the CSG child beneficiaries receive financial/emotional/ material support from both their parents. In more than a third (39%) of all the cases it is only the mother who supports the child. The majority (91%) of CSG child beneficiaries have always lived in the same household as their biological mother. The median age for

CSG adult beneficiaries across the twelve magisterial districts ranges from 27 to 36 years, with the most prominent age group 26 to 40 years. The percentage teenage (16 to 17 years) mothers is low with only 1% in Beaufort West, 1% in Laingsburg and 3% in Malmesbury. Most of the adult beneficiaries are single and have never been married. In all the magisterial districts more than 50% of CSG adult beneficiaries were not employed at the time of the survey, with the highest percentage in Murraysburg (85%) and the lowest in Caledon (52%). Some are self-employed in the informal sector. For those not currently doing any paid work the majority was looking for work and has not done any paid work during the past 12 months. If we were to consider the financial situation of a beneficiary without the CSG, 64% of all the beneficiaries will have no monthly income. Younger beneficiaries (majority living with their mothers) do not decide on spending of household income.

Foster Child Grant (FCG): Nearly all FCG adult beneficiaries are female and older than 40 years, a third is older than 60. In terms of the relationship between foster child and foster parent, 40% of the adult beneficiaries are grandmothers of the children placed in their care, 25% are aunts of the children, 18% are not related to the children, and in a few cases the grandfathers, uncles or other relatives of the children are caring for them. In only 17 of the cases children were placed in foster care with a non-relative. The majority of foster children's (38%) parents are deceased. In 29% of the cases one parent is alive but there is no contact with this biological parent. The majority (41%) has never lived with their biological mother, while 25% has stayed with their mother at some stage in their lives and almost a third reported that their biological mother passed away. The median age at which child beneficiaries came to live with their foster parents is three. In more than half of the cases foster children were living with their foster parents for two years or less before they received the FCG for the first time. 25% lived with foster parents for six years or longer before they received the grant for the first time.

Just more than a third (37%) of FCG adult beneficiaries indicated that the child was placed in their care because the child's mother passed away and the child's father was either missing or unable to take care of the child. In 17% of the cases adult beneficiaries took the children into their care because, as a result of alcohol and/or other substance abuse, their parent(s) could no longer take care of them. In 13% of cases both parents of the child passed away and in almost 11% of cases the child was neglected and/or abandoned by his/her parent(s).

Care Dependency Grant (CDG): All the CDG adult beneficiaries included in this sample are female. The greatest majority of CDG adult beneficiaries regard themselves as primary caregivers of dependants in their households. In two cases the care dependent child is cared for by someone else in the household. Almost two-thirds of the group of CDG adult beneficiaries were not doing paid work or were not involved in income-generating activities at the time of the fieldwork. A specific disability/impairment and epilepsy were the most common problems reported for CDG child beneficiaries. Other illnesses include heart disease, mental illness, TB, asthma and meningitis.

Children: Across the magisterial districts 43% of children are child grant beneficiaries. Of these 2% are CDG child beneficiaries, 17% are FCG child beneficiaries and 81% are CSG child beneficiaries. Applying the new age eligibility criteria for the CSG, approximately 22% of children nine to 11 years in these households could become eligible for a CSG should they qualify for the grant in terms of other criteria. Over a third (38%) of children who do not have any support from their biological parents, including those whose parents are deceased, are not child beneficiaries of any grant. 29% of these children are eight years or younger and are at least in terms of age

eligible for the CSG. Of the children who do not receive any support from their parents and who receive a grant (62%), 87% receive a FCG, 13% a CSG and only one a CDG. While 21% of those children who have lost both their parents are not beneficiaries of any grant, 79% are child beneficiaries of a FCG. In Mitchell's Plain none of the orphans receive a FCG. The other orphans who do not receive a FCG are in the magisterial districts of Ceres, Vredenburg, Goodwood, Prince Albert and Laingsburg.

In the majority of cases it is the child's mother who takes care of him/her, while in many other instances their grandmothers are their primary caregivers. In Mitchell's Plain for example, 80% of children are cared for by their mothers, while in Murraysburg only 54% are cared for by their mothers. In five magisterial districts 15% or more are cared for by their grandmothers with the highest percentage in Murraysburg (21%). In half of the cases, but across all magisterial districts both parents support and make some kind of contribution to the child's life (not only financially). Just more than a third of children are supported only by their mother while their father is unknown/ missing/ has no contact or is deceased. The majority of children have always stayed in the same household as their biological mother. 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. Nearly all children of school-going age are at school. Over half of primary school children benefit from the government's feeding scheme. The two magisterial districts where more than 40% of children live in households with no members doing paid work are Murraysburg (50%) and Beaufort West (44%), while in Caledon 20% and in Hopefield 11% live in households without a (paid) worker. Very few children are involved in paid work and where it occurred, it was not regular.

Service levels: Considering that social security grant beneficiaries included in this study are those that were successful in accessing grants, it can be expected that only a small number indicated to have experienced problems with their application. Of these the highest percentage is in Hopefield (11%) while no one experienced problems in Beaufort West, Murraysburg, Vredenburg and Caledon (0%). The greatest majority of beneficiaries were satisfied with the service from the Department from the point of application to the first payout. In nearly all magisterial districts the information source from where they first heard about the grant was from their friends. Word-of-mouth is the most important source by which information on grants is spread. In Beaufort West (30%) and Murraysburg (38%) the majority of beneficiaries indicated a social worker as primary source of information. In most of the magisterial districts marketing campaigns by the department is only listed after friends, social workers and clinics.

None of the grant beneficiaries in any of the magisterial districts had to pay an official of the Department or anyone else before they could receive the first payout of their grant. In all magisterial districts the majority indicated that the time lapsed from application to the first payout of their grant was three months. Only in isolated cases (n=4) did beneficiaries report that they have to pay someone in order to receive the grant on payout day – one pays a payout worker and another pays a security guard at the payout point to secure a better position in the line. Although some are concerned about their safety when leaving the payout point, the majority of beneficiaries feel safe at the payout point and few had been mugged.

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. 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 social security grants will be experienced.