

BUILDING A NEW

# DELIVERING PENSIONS

TO THE PEOPLE

poor can  
afford

BLACK SASH NATIONAL CONFERENCE 1994

NATIONAL ADVICE OFFICE RESEARCHER'S REPORT

Reconstruction  
development

## Introduction

So far, this year's work has been built on information gathered and work done over the past two years. It is very interesting to see aspects of our research coming together in the RDP, but it is early days... .

It has also been a challenge to look at the affordability of the changes to the current system, that we want to recommend. I have found it extremely useful to have attended the discussions held this year at the Development Bank of South Africa about poverty alleviation and affordability.

## Poverty Alleviation

Just how the Reconstruction and Development Programme is to be implemented will unfold in the next few years. Listening to Barry Jackson at the DBSA on the day of the press release of the Public Works Programme outline, I was struck by the fact that he did not hold out much hope of PWPs catering for current recipients of welfare (or for many in peripheralised communities), in the near future anyway, until it became clearer just how big the programme could become. For the present, labour-intensive job creation is going to have an impact on the pool of unemployed that are fittest; and the extent to which it will cater for women, the disabled, etc remains to be seen.

Thus the arguments that are proposed by some economists (such as Servaas van den Berg of Stellenbosch University) that grants can be cut in real terms and that maintenance grants be phased out because PWPs/job creation programmes and feeding schemes will provide and that more institutions need to be set up, are clearly not valid. At present, the first alternative will not be possible, financially or logistically, and feeding schemes have been rife with corruption, and not well targetted at the most needy, besides not catering for all the needs of an individual.

On the issue of increasing institutions there are two responses:

1. Institutions are not the most desirable way for children to grow up - Jackie Lofell of Johannesburg Child Welfare has outlined the emotional/mental cost of growing up in an institution, and has pointed out that children of institutionalised children are themselves likely to land up institutionalised, being unable to be fully responsible members of society.
2. The financial cost of institutionalising a child is much higher than the option of providing a grant to allow a mother or father to keep it

So it is back to the question of grants: Simkins and Van den Berg, two esteemed economists, have shown that it really is totally unaffordable to have MGs at their current level with the current Means Test, for all those who would currently qualify. Simkins gave an example in 1992, that to bring the African coverage in MG's up to 24% of all illegitimate children in 1987 (to equal the % covered for coloureds) would have raised the expenditure on MG's to more than double the total state expenditure on housing in the same year. In 1987 the coverage for black children as a % of the illegitimate black children of that year, was 0.3%.

So the issue of affordability is a big one.

Yet we have a problem in a country with child fatality, malnutrition..To quote from Servaas v\ d Berg's paper: "malnutrition affects up to a third of black children and is responsible for stunted growth, increased susceptibility to disease and reduced effectiveness of schooling." and thus need to better cater for the most needy.

We have to look at what is the bottom line for the most vulnerable groups and where we can find money for these. There is a great need to shift grants from a certain sector that is receiving them, and use this money to ensure that the most poverty stricken do get grants. According to Pieter le Roux, an analysis of 9000 families done by SALDRU for the World Bank shows many coloured and Indian recipients (and blacks in a certain strata in the old homelands) would not have passed the Means Test, but got Old-Age Pensions as a result of the political parties currying favour.

It is going to cause much political upheaval to cancel these people's grants, yet this is where some of the "inaffordability" of pensions stems from.

Another aspect is the rationalisation of the different departments. We need to monitor this and see if the administration cost of social security is thereby decreased. Unfortunately these "hidden costs" of bad admin. are not the costs that hit the spotlight when the welfare budget is scutinised.

A government working group currently looking at a new Means Test are fortunate to have a person like Pieter le Roux advising them. He is genuinely concerned about the very poor, and yet as an economist stresses the affordability of all races reaching parity in the present system of grants - maintenance grants in particular. One therefore has to look at alternate forms of security and of strictly targetting the most needy.(It remains our job to lobby on the principles of poverty alleviation for all the needy, and to monitor who is covered and where the waste\corruption is, of course. But we have to look at the picture wholistically if our lobby is to

be effective and persuasive.)

The issue of child welfare is the thorniest one. Servaas van den Berg stirred up a hornet's nest this year when he produced a document for the Development Bank ("Social Security and the Alleviation of Poverty ") in which he advised that because MGs are in their present form are unaffordable and an unwelcome incentive for women to have children, that they should be phased out..

The first argument has been dealt with above. The second, according to experience in our country, is unfounded. Sandra Burman has pointed out that in the western Cape the total of illegitimate live births as a % of total live births in 1989-1990 was according to race classification : 19,6% of white, 44% of coloured, 7.3% of Asian and 69,8% of black children. Knowing how almost impossible it is to get a grant for black children, it is highly unlikely these children were conceived with a grant in mind. (In 1990 2 blacks per 1000 received MG's).

A potentially very important aspect of support for children is non support maintenance - yet there is an 85% default rate amongst Coloured fathers and an 87% default rate amongst black fathers. It is vitally important that this system is improved. Sandra has given some ideas:

-There needs to be greater liaison between police, maintenance departments and the public (with possibly a special task force to deal with defaulters.)

-The initial claim for maintenance served by the women herself should possibly be served by an official, and have the status of a summons.

-Criminal proceedings against defaulters should be initiated immediately

-Legal obligations should be placed on both parties to report any change in financial circumstances immediately

-Maintenance deductions could possibly be attached to UIF or tax deductions.

-Maintenance matters should be dealt with by one dept. to prevent files getting lost, etc.

-More women maintenance officials are needed

I also feel there should be a computer system linking up applicants for non support maintenance, state maintenance and public works campaigns. I recently delivered a paper at the

Development Bank on Maintenance and child welfare in general. A copy of my overhead transparency is attached as Appendix 1.

Black Sash has potentially a very important role to play in the sphere of child welfare. A few roles we could play are:

1. increased monitoring of maintenance grants and lobbying for the employment of women officials;
2. increasing education of women of their rights to both forms of maintenance;
3. monitoring/lobbying for a change in non-support maintenance system.

The Cape Town advice office has started training women in the AO to go back and educate other women in communities about maintenance. This is the kind of empowering work we should be doing and expanding on.

There is also a need to look further at the factor of non-support maintenance, I believe. I know that often lack of payment is due to the father being out of work. However, many times it is just a lack of responsibility for one's child. Besides tightening up the system of existing payment, I feel the Sash could look at challenging fathers through a pamphlet that could be used by churches, trade unions, youth forums, etc. to try and regenerate the idea of family, children and the ensuing responsibility both parents have. Our society has become very cynical about responsibility, for reasons we know, where family life has not been possible in a migratory/violent/poverty-stricken society with housing crises, etc. However, it is as important as the RDP, I believe, to engender a culture of mutual responsibility.

On another level altogether, women need to be empowered. This empowerment can take various forms:

1. knowledge of their rights;
2. access to jobs;
3. taking up of leadership positions in their communities -at a local and regional government level, etc.

What role can Sash play here? Voter education campaigns in the next lot of elections can focus particularly on the importance of women in leadership positions in order to:

1. ensure that the most vulnerable in their community are targetted for public works programmes;
2. ensure that they are able to deal with the traditional councils that are to be set up in each region;
3. ensure that all their demands for land rights, child care facilities, one-man-one-woman, etc. are met.

We need to listen to women in communities about what stumbling blocks they are experiencing in accessing the above channels to economic and political advancement, and campaign around this.

These are broad campaigns. But let me return to two more specific welfare-related tasks I have been involved in: legislation watch and (to a lesser extent this year) the Social Welfare Forum.

#### Legislation watch:

It is going to be important to monitor legislation in the future as much as in the past. The two pieces I responded to this year were:

1. the Guardianship Act (which did not include customary unions in its equalising of status for men and women as guardians). C.T. sent out a statement I did on this and I received several phone calls as a result.
2. the Social Assistance Act, the latest draft of which was finally gazetted on 31 March 1994 (we had two months in which to respond).

Regarding the latter, this new draft was much better than the two previous drafts we had responded to. I feel the time that we spent getting those drafts in clandestine ways, and commenting, really paid off. In response to the first draft, we had written a letter to Rina Venter; her reply acknowledged that most of our objections were accepted and had to be addressed - many were.

Prior to responding, I was asked to come to a meeting with the National Land Commission (NLC) to talk about the legislation, so that NLC and some of its affiliates This group felt that they needed to call for an extension of the time period, and that more groups needed to be consulted.

Attached to my response, I called on the Minister to delay the implementation of the regulations because of the pending formation of the Welfare Forum; the fact that the regulations and social welfare needed to be look at afresh in the light of the RDP, and that to use a new complex Means Test at a time when departments were being integrated would lead to further chaos. I acknowledged that there was a need to integrate the different welfare legislation that existed for different areas, and said that if for this reason the regulations were passed, they should be interim, with a government commission of enquiry set up to consider in a years' time what gaps still existed in poverty alleviation, ie. who has still fallen through the gaps between job creation, land reform, social service delivery and welfare programmes.

I also was asked to address a NALEDI (COSATU research unit) workshop on the changes in welfare legislation.

The regulations are going to be passed with certain changes, and the department is to set up a working group to look at problem areas on an on-going basis. A working group was set up to look at restructuring the means test.

I was asked to attend a NLC meeting with several top welfare officials in Pta on 29 June. The amusing thing was that they apologised to me for only fully addressing our comments by the fourth draft of the regs., saying they had to contend with bureaucrats who change slowly - yet they were the bureaucrats I had always dealt with in the past! What worries me is that there is no process in mind to set up the task force that will look at restructuring welfare on an ongoing basis. There was also no sense of the role that dept. could play in initiating research or workshopping crucial issues. As one official put it, "we never had a budget for these sorts of ideas because we didn't need to consult". I also spent some time suggesting ways in which the future Welfare and social services development forum could play a role in providing a channel for consultation. They seemed excited by the discussion but I realised we have a lot of pushing to do, and suggesting, before there is an approach different to the past. WE HAVE TO BE CREATIVE BECAUSE THE BUREAUCRATS WONT BE.

#### Social services, Development and Welfare Forum :

This will be launched as soon as there is sufficient money. It seems the old powers that be in welfare would like this to be never. Unfortunately my role on the Ad Hoc Facilitating Committee was extended beyond the point that I planned and demanded more time than I could give it. When I started on the committee in May/June 1993, my task was to extend to November 1993, when it was envisaged that the Welfare Summit would choose a more representative interim body to take forward the task of organising the forum. However, the Ad Hoc committee was asked to continue until February, then until March, and then until July. It really was taking up a lot of my time, as I was also on the Finance Sub-Committee; I felt after March that I had fulfilled my time-frame of work, and that I needed to respond to other crucial issues, such as legislative changes, and the request to attend workshops, do memos on basic needs in welfare, etc. It was a bit easier to come off the main committee, knowing that Sash was very involved in some of the regional structures being set up - particularly in PE and Durban. The future of the forum is going to depend on the initiative the regions take to ensure that the forum operates in a more decentralised way .

Looking at other forums, I do not want to be over-critical because there has been a genuine commitment to trying to bring in as wide a grouping as possible of the welfare role-players. But certain personalities and the legacy of the domination of formal welfare will be factors to contend with.

My hope is that once this forum is launched, it seizes the crucial issues facing welfare with sense of urgency. It needs, I feel, to facilitate debate in broad welfare circles around reaching consensus on what the crucial issues are, what solutions people feel are possible (on a national level and on a local level, to allow for regional flexibility) and what role the state should play in this. All of the issues need to be seen in the context of the RDP, and the regional forums should not only pay attention to their welfare departments in their regions, but also the land issue and job creation projects. One suggestion is that Sash start pushing for the creation of 'bare-foot social workers' as a public works programme - people who can play a role of monitoring the channels of survival open to the most needy, highlighting the obstacles and campaigning for access to relief that may in reality be only available on paper in their areas. This could be a very exciting public works programme, working with youth through the Youth Forums task group on job creation. We could speak to youth about this through community based A\O's too and encourage them to access RDP funds for this through either channel...?

(So many of the problems of welfare are due to the lack of social workers being able to report on the circumstances of a situation, and to feed adequate information into the policy-making debate from a grassroots level.)

The welfare forum could also take up the issue of calling for a 'commission of enquiry' into poverty alleviation in one or two years, or a general evaluation of the RDP and all its factors..?

There are numerous tasks, and I am not sure what role the Black Sash can play in this. I know I found my time on the Ad Hoc committee was very worthwhile for a number of reasons:

1. I felt Sash contributed to the early debates around who the role-players are in welfare, as well as creating space for the welfare-development debate (I feel I am still doing this in my informal work with the NLC);
2. I learnt a lot about how the welfare field works (having not studied social work) and enjoyed the networking with people who came at it from other angles;
3. the networking was very useful in responding to the Social Assistance Act - I co-ordinated a press conference with about nine organisations in response to the first draft. Many of these had not not known that they had only received a part of the legislation, until I contacted them



and gave them all the pieces.

4. I have also learnt a lot from a number of these people about aspects of welfare that do not always impact directly on the AO, yet we need to know the whole situation in order to know what to lobby for (the question of grants vs institutions, for instance).

#### Support for regions

I continued to prepare the National Advice Office Newsletter monthly this year. The bi-monthly co-ordination of reports was a bit hiccupy, due to changes in staff and hitches with modems, etc. but I am sure this will improve. The reports from regions have been consistently interesting and I hope I have played a role in following up issues and giving feedback and ideas.

There has been quite a bit of liaison between me and various researchers, with requests on how to structure research, or requests for comment on documents. I have enjoyed playing this role, and have also requested comments on various documents I have done; this two-way feeding of ideas and information has been on the whole efficient and useful.

I continued to play a role in trying to nationalise our statistics and the way we categorise our cases. Now that all A\O's are trained in Dbase this should procede fairly smoothly.

#### Networking

I have mentioned above the networking done through the social welfare forum groupings. In addition to this, I contributed to and attended workshops at:

1. NALEDI (COSATU research unit) - delivered a talk on social welfare gaps and legislation;
2. Development Bank of SA - attended two workshops, one on old age pensions and development, and another on poverty alleviation. I presented a paper on children and welfare (notes attached). I also responded to a paper done for the DBSA by Servaas van den Berg.
3. Legal Resources Centre - did a paper for Geoff Budlender on 'Basic Needs Legislation Relating to Welfare' (Geoff was co-ordinating what legislation needed urgent attention, for the RDP);
4. NCRC workshop - to finalise a position paper on legislation affecting children. I liaised with Lynne Teixeira in PE and contributed to the welfare legislation section;
5. Sent copies of my response to the Social Assistance Act regulations to ANC consultants, National Council for the Aged, National Council for the Physically Disabled, COSATU, LHR, NLC, Johannesburg Child Welfare, on request.

## Media

1. I did a few radio talk shows on IDs, before the elections.
2. Did an interview with Agenda on women and maintenance; it seems the programme was shelved again. (An earlier Agenda programme of the above nature included coverage of the Cape Town advice office, and was shelved because the male producers in the SABC said it was too critical of men)! We have problem on our hands here ...
3. Did an article on welfare - State vs Civil Responsibility - for Sash magazine.

## Administration:

-I have learnt a bit about the modem this year and improved my typing!

MARJ BROWN

JULY 1994.

## MAINTENANCE GRANTS

### WHY?

To enable a mother (and in some cases, a father) to keep and raise child/ren

### PRINCIPLES

1. Paternal maintenance:  
Primary responsibility to support child is on both parents
2. State maintenance:  
If proof of desertion, incarceration, death or disability of father, then mother will be helped

### PROBLEMS

1. Society with: high divorce/desertion rate;  
high illegitimacy rate;  
high unemployment rate.  
  
Coupled with:  
inefficiency in administration and in the enforcement of paternal maintenance;  
lack of culture of parental responsibility for children? (85-87% default rates);  
inequality of women in society - access to jobs, access to authority, lack of knowledge of rights, lack of representation.
2. Framed in ideology of nuclear family:
  - a) illegitimate children discriminated against;
  - b) discretion applied liberally with regard to grants, eg. working mothers, living arrangements, customary unions;
  - c) inequality for mothers/fathers criteria for qualifying;
  - d) new Means Test is complex - cut-off if you have assets of R45 000 - problem here with importance of housing;
  - e) general problem of lack of knowledge of maintenance grants, long waiting lists, discretion on part of clerks, etc. Relatively few black women receive maintenance grants (Simkins - 0,3% coverage of black illegitimate children in 1987).

New regulations likely to be interim - pending restructuring of social welfare.

## DILEMMAS

1. Unaffordability of current level of state maintenance grants, if extended to all who qualify.
2. Lack of knowledge of who public works will draw in.
3. Balance between enabling parents to keep children vs decreasing the responsibility on natural parents to take responsibility for their own children.  
(And, in the balance, to avoid suffering on part of child)

## POINTERS OF HOPE

1. Free health care 0-6 and pregnant mothers (allows for feeding, immunisation, talks on AIDS, birth control, etc).
2. Free education for first 10 years - access to school feeding schemes for most needy.

Problems: transport, communication, clothing, etc.

## NEEDS

1. Increased access to jobs for all, including the most marginalised people/areas.
2. Community-based social workers - monitoring PWPs and investigating on-going need for grants (a PWP?).
3. Equal rights for women - to work, in decision-making (customary law especially), to birth control, etc. (More women civil servants needed.)
4. Access to child care - pre-school and after-care.
5. Creation of culture of parental responsibility for children. (Research on nuclear family, extent of breakdown, responsibility of grandmothers, problems of foster care vs suing for maintenance, monitor effect on of increased housing on extended family, etc.
6. Better enforcement mechanisms of paternal maintenance orders, and more structured and sympathetic procedures.
7. Computerised linkage between application for paternal maintenance, application for state maintenance, and waiting list for PWPs.
8. Revised maintenance grant system - lower amount to most poor.
9. More accessible/quicker system of foster care (would need more community social workers to screen and offer on-going support).