

EMPLOYMENT AND SOCIAL SECURITY
PROJECT

**Employment and Social Security:
A Qualitative Study of Attitudes
towards the Labour Market and
Social Grants**

Rebecca Surender, Phakama Ntshongwana,
Michael Noble and Gemma Wright

July 2007

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**Rebecca Surender, Phakama Ntshongwana, Michael
Noble and Gemma Wright at the Centre for the Analysis
of South African Social Policy, University of Oxford**

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1. Introduction

Since its transition to democracy in 1994, the South African government has embarked on an ambitious reform programme to improve the economic situation of its historically disadvantaged population. Its commitment to poverty reduction has resulted in a plethora of initiatives designed to achieve better living standards and enhanced opportunities for its poorest citizens. Expenditure on social services and social transfers has risen from 44% of public expenditure in 1993 to 51% in 2004/5 (Gelb, 2004; Swilling et al 2006). The cornerstone of the government's poverty alleviation programme is the provision of social assistance benefits through a variety of social grants. In December 2006 there were 11,8 million grants in payment to 8,6 million beneficiaries, i.e. grants were in payment for around 22% of the country's population (Department of Social Development 2007).

While the achievements of the past thirteen years in addressing the needs of the poor are by many measures impressive, concerns are now growing both within government and other public forums about the financial sustainability of these interventions (Bond 2003, Davis and Rylance, 2005). Two social transfers in particular, the child support grant (CSG) and the disability grant (DG) have grown rapidly and are now exerting pressure on budget allocations (The Presidency, 2003; DSD, 2004). Questions have also been raised about fraud, corruption and some unintended effects – so called perverse incentives – within the social security system. Specifically, there is some anxiety that long term reliance on social grants may marginalise poor people and foster a culture of passivity and dependency (DSD, 2006; National Treasury, 2003). Despite the absence of direct social assistance cover for unemployed people (i.e. those of working age who are not disabled) the worry that the current grant system might act as a disincentive to the unemployed in seeking and obtaining work is frequently debated in the media. However, it is also increasingly recognized that a comprehensive social security policy is an essential investment in the future of the country – playing an important role in alleviating poverty and promoting social cohesion. Thus Minister of Social Development Dr Zola Skweyiya after a recent visit to Norway and Iceland stated "We are encouraged by the Nordic principle that while a comprehensive social security system is too expensive, it is also too expensive not to have it, given its ability to reduce poverty and create safety nets and stable families and communities."

As part of the debate around these issues, the importance of policies to link grant recipients to employment activity has been signalled. Thus, in his most recent State of the Nation Address, President Thabo Mbeki reemphasised the importance of getting people into work and the need to "*ensure the systematic linkage of beneficiaries of social assistance to municipal services and work opportunities*" and for government and others to be "*continuously focused on the task to ensure that as many of our people as possible graduate out of dependence on social grants*" (February 2007). Accordingly, there is a growing emphasis within government to create the policy framework conditions that not only sustains the delivery of social services and transfers, but also allows opportunities for the poor to improve their own position through public works and income generating activities (National Treasury, 2003; ISRDS, 2000).

A heavy reliance on a 'works approach' to address the challenges of poverty and unemployment (e.g. Glasmeier, 2000; World Bank, 2002) has generated strong debate in South Africa both within academic and policy forums. In the context of deep and structural mass unemployment, some have questioned the ability of public works initiatives to equip participants with sufficient skills and experience to improve their labour market chances (McCord, 2002; Mengistae, 2006) or generate sufficient income to move out of poverty even in the short term (Adato, 2002). Others have questioned the cost effectiveness of current or proposed programmes, arguing that they are unable to offer sustainable livelihood improvements without a range of complementary institutional arrangements, which consume scarce financial resources and administrative capacity (McCord, 2002; Noble and Whitworth, 2007). At a normative level, some have argued that 'a works approach' is based on a conservative individualist ideology that stresses the primacy of the market in social welfare (Hall and Midgley, 2004). According to these critics a framework which downplays social support and promotes individual self-reliance is mistaken not only on practical grounds (by assuming for instance that poor people possess more opportunities than they actually do) but for moral ones also. The language of welfare dependency stigmatizes welfare recipients and shifts responsibility for poverty alleviation from government to the poor themselves (Lund, 2002; Francis, 2006).

In the context of these debates, this study explores the relationship between grant receipt and paid employment and examines the extent to which social grants empower recipients to participate as active citizens or discourages them from employment activities. The research examines whether there is evidence of a 'culture of dependency' in South Africa. In particular, does the provision of social grants cause recipients to develop attitudes whereby they become less attached to paid work and instead prefer to remain in receipt of social grants? To what extent are current 'welfare-to-work programmes' experienced by unemployed communities as helpful? If, as the government notes, policies to address worklessness are crucial to social inclusion and to the long-term alleviation of poverty and inequality, it is essential to ensure that a solid evidence base and best-practice models inform continued development of work-welfare policy. This project seeks to support this activity by providing information about the experiences and attitudes of benefit recipients to employment and social grants.

1.1 Aims of the Study

This project seeks to contribute to a better understanding of the relationships and connections between work and welfare by examining two case study grants in detail. The in depth qualitative study focuses on those of working age and in receipt of the Child Support Grant or the Disability Grant. Interviewees include those who are outside the labour market as well as those who have recently participated in or been targeted by a work/training initiative or recently entered the formal economy. The research concentrates on key case study areas in two Provinces: the Eastern Cape and the Western Cape.

1.1.1 The main issues addressed by this research are:

- current recipients perceptions and attitudes about grants and the norms and practicalities that shape household finances;
- views about whether social grants empower recipients to participate as active citizens or discourage them from employment activities;
- the extent to which there is evidence of a ‘dependency culture’ among grant recipients;
- the nature and strength of ‘labour market attachment’ among grant recipients and those participating in works/training programmes;
- the opportunities and barriers to employment among grant recipients;
- the extent to which current work-welfare initiatives are perceived to be useful by participants,
- the aspirations of grant recipients for future employment and wellbeing;

1.1.2 Project Outcomes

To locate the key findings emerging from this study in an international context in order to evaluate the implications for the future policy making process;

To identify specific obstacles and mechanisms for individuals entering the labour market and to inform Government policy in this area;

To contribute to the wider research and policy debates on welfare to work arrangements and to the wider debates on social security provision;

To explore the extent to which the dignity of South African workless citizens can be guaranteed in the context of limited employment opportunities.

2. Background

2.1 Current Unemployment and Grant Data

In September 2006, unemployment in South Africa (using the official definition) stood at 25.5% of the economically active population. If we include ‘discouraged workers’¹ the figure is 36.2% (Stats SA 2007). Despite the existence of high structural unemployment, there is relatively little provision available through the social security system in the form of cash transfers. The social insurance pillar of the system is at present very restricted, providing only limited cover to those who have recently been in work. Fewer than 10% of workers are covered under these arrangements. The social assistance pillar, though more extensive, is provided only for those low-income individuals who are too old to work (Older Person’s Grant) too young to work (Child Support Grant) or too sick or disabled to work (Disability Grant). Although there is temporary provision for Social Relief of Distress, for those in crisis and unable to meet their subsistence needs, there are currently no dedicated grants for able-bodied people of working age who are unemployed.

Initiated in 1998, the CSG is means tested and is available to the primary caregiver of any child under the age of 14 years. The means test is applied to the caregiver and their spouse if they have one. The means test differs according to place of residence. To be eligible, those living in formal urban housing must have income of less than R800 a month, while those living in informal housing or in rural areas must have incomes of less than R1100 a month. CSG is currently R200 a month. It is now claimed on behalf of over 7.7 million (Department of Social Development 2007) children up to the age of 14. In January 2005 67% of 0-10 year olds were estimated to have caregivers who are eligible for the CSG. Eligibility rates are lowest in the Western Cape (41%), and highest in the Eastern Cape and Limpopo at 79% for each (Noble et al., 2006). In 2005 the Western Cape had the highest take up rate, (84%), and the Eastern Cape had one of the lowest², (66%).

The Disability Grant (DG) is also means tested and is available to a person who “is, owing to a physical or mental disability, unfit to obtain by virtue of any service, employment or profession the means needed to enable him or her to provide for his or her maintenance”³.

The temporary DG is paid to adults whose disability is expected to last for a continuous period of between 6 - 12 months, while the permanent DG is paid to adults whose condition is expected to continue for a period of greater than 12 months. The number of

¹ See STATS SA 2006 for definitions of ‘official unemployment’ and ‘discouraged workers’.

² This was a dramatic improvement on its 2004 Take-up Rate (See Noble et. al 2006 for details)

³ Social Assistance Act 2004

permanent DGs disbursed in December 2006 was 1,141,332, while the number of temporary DGs was 273,244 (Department of Social Development 2007.) The Disability Grant is currently set at the rate of R870 per recipient per month.

2.2 Incentive Structures and Dependence

The view that public works programmes have to be the main pathway out of poverty reflects the government's concern both that the existing social safety nets do not reach all able-bodied working aged people and that they may be financially unsustainable (Manuel, 1997 and 1999). However a parallel concern (underpinning this policy emphasis) is that long-term reliance on social grants may lead to a set of perverse incentives and outcomes. Many different potential perverse incentives in the South African social security system have been aired in the media and other public forums including an alleged increase in teenage pregnancy as a result of the child support grant and the believed reluctance to take medicines to control certain ailments (most commonly, HIV/AIDS) in order to access the disability grant. However, the existence of such 'perverse incentives' is not supported by the research evidence (Steele 2006; Makiwane and Udjo, 2006).

A related concern is that the very existence of a social grant system – even one that offers no support for healthy working age adults - may be encouraging a 'culture of dependency' whereby grant recipients become disconnected from the labour market and become de-motivated from seeking work. The underlying assumption is that this problem of 'work motivation' is the result of a calculated response to the disincentives for work provided by the welfare system (Van der Berg, 2003).

The notion that reliance on state provided social assistance discourages entry into the labour market is of course not unique to South Africa and is hotly debated in all systems providing social security - in particular systems reliant on means testing. Locating the debates and findings emerging in South Africa within an international context will be important in order to evaluate the implications for the future policy making process.

2.3 International Debates

Debates about whether welfare arrangements that provide material support to the unemployed undermine their work motivation have permeated all systems of social security. Indeed in a European context notions of 'deserving' and 'undeserving' poor can be traced back to at least the Elizabethan poor Law in England in 1605, and possibly to the laws enacted in the 14th Century following the Black Death⁴. Contemporary debates more typically take as their point of departure, the 'underclass thesis' made prominent by Charles Murray and others during the 1980s (Murray, 1984; 1996; Mead, 1992). In

⁴ The Statute of Uses 1388 forbade the giving of 'relief' to unemployed people unless they could demonstrate that they were on their way to a job.

simplified terms the ‘underclass’ discourse argues that amongst the population of the poor there is a significant group whose situation is driven by their own behavioural and moral failings. According to Murray et al, this group does not share mainstream values such as an attachment to marriage and traditional family arrangements and have little or no attachment to the labour market. Paid work is not valued and individuals are content in the long term to derive their income from state transfers. A ‘culture of dependency’ emerges and this is transmitted intergenerationally. Children, it is hypothesised see no role models who are gainfully working and observe a contented reliance on state transfers and so ‘inherit’ this tendency to dependency. Central to this thesis is the criticism that the welfare state and social security facilitates passivity and dependence among the poor. Welfare, according to the critics, has helped to perpetuate poverty rather than alleviate it.

Despite the fact that these ideas were highly contested (Jencks 1992; Bane et al 1994; Noble et al, 1994; Burchardt et al, 2002; Evans et al, 2003), they gained saliency in some industrialised countries, most thoroughly in the United States, which enacted a series of welfare cuts and workfare reform during the 1980s and 1990s. A less radical but similar set of policy concerns and responses were also evident in other OECD countries. Disturbed about growing numbers reliant on social assistance in the context of booming economies and declining unemployment, and reflecting international convergence in policy thinking, policy makers in many European states began implementing ‘labour market activation policies’ - measures that encourage or require those who receive (or are applying for) social security benefits, to take steps to find employment (Gilbert, 2002). Specific requirements vary significantly between countries from the more coercive to those that attempt to address the employment barriers that the unemployed face or that acknowledge parenting or care activities (Handler, 2003; Lister, 2003). Nevertheless underlying all these approaches is the idea that economic participation is an essential component of modern citizenship. Citizen’s *responsibilities* rather than *rights* are now emphasised, in particular the responsibility for self-support through work or self-improvement to become employable.

As these ideas have permeated policy discourse, governments in all industrialised western economies have grappled with designing social security systems which encourage movement into work and that build better pathways to labour market participation. In many countries, social benefits have become conditional and ‘passive’ income maintenance policies have been replaced by ‘active’ labour market policies. However while the shift in focus has resulted in a closer examination of how the worlds of work and welfare interact, it has also highlighted the fact that relatively little is still known about many fundamental and underlying issues such as the motivations of those who receive welfare benefits or what kinds of policy interventions are needed to support their transition to increased employment and participation. The following section summarises some of the research evidence addressing these issues.

2.4 Evidence from research findings

In the context of the fact that South Africa currently has no dedicated social assistance coverage for the unemployed, there is, nevertheless, a growing body of evidence which shows that other social grants such as the CSG and DG necessarily become generalised poverty grants typically used for the support of entire households rather than dedicated individuals (EPRI, 2003; Simchowitz, 2004).

In general, international evidence, much of it from the United States and the United Kingdom magnifies, rather than explains the complexity of understanding the various factors which influence human behaviour and decision making. Although attitudes to work are central to the proposition that welfare payments will lead to a lower commitment to work (Lane, 1991), they are rarely studied directly. Rather most evidence has focused on analysing the strength of the relationship between the replacement ratio (i.e. the level of benefits in relation to earnings) and the duration of employment. Bryson (2003) for example suggests that because benefits facilitate job search, they reduce benefit duration, while Handler (2003) argues that sanctions within welfare to work policies achieve little in terms of activating the most disadvantaged and often act to further exclude them.

Other studies of welfare dynamics in the USA (Bane et al, 1994) and in the UK (Noble et al, 1994; Burchardt et al, 2002) find that the majority of persons receiving welfare or income support, exit these states relatively quickly, and that there is only a very small number who remain on long-term benefits. Others have similarly argued that if unemployment benefits have an effect, the effect is limited since most benefits tend to be restricted both financially and in terms of the conditions imposed on receipt (Atkinson, 1995). Since systems are designed to limit their relative attractiveness, if there is a theoretical potential to 'tip the balance' in favour of non-work, it is rarely if at all, realised in practice (Spicker, 2005).

In the main, research, which has focused more on the attitudes, morals and aspirations of the long-term unemployed, has tended to provide little or no evidence to support the general argument that welfare provision weakens people's underlying commitment to having a job. In the UK, evidence from research with unemployed single mothers consistently finds that without fail they state that they *do want to* engage in paid work, either immediately or at some point in the future, but face significant barriers (most usually childcare) from doing so (Evans et al, 2003; Noble et al, 2004). A recent cross country comparative study - across the full range of member states of the EU - (Gallie and Paugam, 2000) found that the unemployed in every one of the 15 European states attached greater importance to having a job than those who were actually in paid work. The level of benefit was of little relevance to work commitment, and in fact those countries, which had the most generous welfare arrangements, were among those where the unemployed demonstrated the highest levels of employment attachment.

It is important to re-state that most of the available literature and research on these issues relates to the rich and industrialized world where poverty and unemployment is more

limited and the social security system more expansive than in South Africa. How relevant and generalisable the findings are for the South African case is therefore still to be determined. It is essential consequently to ensure that a solid and local evidence base informs continued development of work-welfare policy in South Africa. It is equally important that the attitudes, experiences and expectations of the South African unemployed themselves, form a central component of this.

3. Methodology

In order to investigate phenomena as complex and sensitive as work motivation, family values and responses to the incentives and disincentives created by welfare benefits, the study adopts a qualitative model of research. It does this in order to stress the importance of understanding the causes and effects of these phenomena from the perspective of the research participants and to gather explanations for the success or failure of policy that are as firmly grounded in their experiences and beliefs as possible (Denzin and Lincoln, 2000; Berg, 2001) Focus group research draws on a number of the fundamental strengths that are shared by all qualitative methods, namely, exploration and discovery, context and depth and interpretation (Morgan, 1998). Put simply, it seeks to understand the background behind people's attitudes and behaviour in order to understand why things are the way they are and how they came to be so.

3.1 Phase 1

The initial phase of the study involved a literature review of the links between paid work and entitlement to social grants and the suitability of 'welfare to work' policies for the South African context. This was to contextualise and compare current SA government strategies and to ascertain best practice-models. A review was also undertaken of current South African Government strategies designed to help people move into employment, in particular the Extended Public Works Programme and the Special Poverty Relief Allocation 'Income Generation Project' initiative. Both reviews informed the subsequent interview schedule for the focus group interviews.

3.2 Phase 2

The second phase consisted of the primary fieldwork, which took place during a six-month period between June – November 2006.

- Due to the qualitative approach taken in this study, it was decided to have an in-depth focus on key case study areas rather than comprehensive sampling across provinces. Two Provinces, the Eastern and Western Cape were selected to conduct the series of focus groups for two main reasons. First, because they provided suitable case study sites with the necessary combination of characteristics. As reflected in Table 2, the sites were chosen according to a number of important and unique characteristics including their rural/urban mix, high/low employment rate and access to employment training programmes. The second reason was that they provided the opportunity to explore the issue of economic migration in some detail as there is significant population movement between the two Provinces;

- Given the limited scale of the study, it focuses only on the Black African population since this group form the majority of South Africa's population and the majority of grant recipients. It is hoped that further opportunities will be possible in the future to expand this study to include other population groups;
- The Child Support Grant and the Disability Grant were selected because they are the main grants available to those of working age, and also because they have each been the subject of similar recent debates about perverse incentives. However since the two grants are designed for different purposes (the CSG as payment to care givers in respect of children who are in poverty, and the DG as an income replacement for those who for reasons of ill health or disability are unable to work), we have separated the fieldwork into two discrete components. Separate focus groups were conducted with CSG and DG recipients though the same interview questions were (as far as possible), maintained. The report has integrated or contrasted the findings as needed;
- The interview schedule used for the group interviews was developed by the study team;
- Five local research assistants (three in the Western Cape and two in the Eastern Cape) who were familiar with the local study sites were selected and recruited. The five colleagues assisted with securing venues for interviews, recruiting interview participants and interpreting from Xhosa to English during the interviews. The focus groups were run and facilitated in Xhosa by a member of the CASASP research team who speaks Xhosa fluently.
- The recruitment of study participants was undertaken by research assistants who had access to lists of grant recipients through their volunteer and other work in different institutions such as schools for disabled youth or community organisations. Requests for participation in the focus groups were sent out through these channels. Criteria for selection included age, grant type, residence in one of the study areas and no familial or other connection with other group participants. Respondents were chosen according to the type of social grant they received and all respondents were of working age, between the ages of 16-65 years. Though the study did not aim to be a representative sample, the sample was balanced for gender, age and grant type as much as possible by inviting equal numbers of each of these constituencies to participate.

3.3 Summary of Respondent Numbers and Profile

In total 39 focus group interviews were conducted with a total of 386 individuals. Respondents were asked to complete a one page survey which asked for various demographic details. All interviewees were currently formally unemployed though members of 4 Disability groups (47 individuals) were currently in work/training projects

and a small minority of women undertook small ‘micro-business’ activities such as selling fruit or sweets. Approximately 40 (10%) individuals had some recent contact or work experience with a municipal works programme or income generation project. The educational standards achieved by interviewees ranged from Standard 2 to Matriculation, though the majority of interviewees had reached Standards 8 – 10.

Almost all respondents in the Western Cape had either individually or with their family, migrated at some point during the past 20 years from the Eastern Cape, and a large majority of those still in the Eastern Cape had close family members who had migrated away from the Province. The majority of those who were resident in the vicinity of the City of East London and Mdantsane had in the past 20 years migrated from rural villages in the former Ciskei and Transkei.

The main illnesses or disabilities of those DG recipients participating in the study were: stroke, HIV/AIDS, epilepsy, arthritis, heart conditions, car or other accidents and mental illness.

Table 1: Summary of Groups

Western Cape Province

Social Grant Type	Gender	Number of Respondents
5 CSG groups	Female	51
5 CSG groups	Male	47
5 DG groups	Female	46
4 DG groups	Male	43

Eastern Cape Province

Social Grant Type	Gender	Number of Respondents
6 CSG groups	Female	54
5 CSG groups	Male	49
5 DG groups	Female	50
4 DG groups	Male	46

Twenty focus groups were organised in the Western Cape area with CSG and DG recipients, of which 19 were successfully completed. Groups ranged from between 8 and 13 participants in size (average = 8) and included female and male recipients of both types of grants.

Focus groups were conducted in the Western Cape Province in the following sites:

Site Name	Characteristics
Khayelitsha	Khayelitsha, as the name implies, “New Home”, was established well after Langa and Gugulethu. Original inhabitants came from K.T.C and Crossroads informal settlement.
Langa	Langa is the oldest township in Cape Town. In terms of proximity, it is also the closest township to the city, Cape Town.
Makhaza	Makhaza is one of the newest township establishments in Cape Town.
Old Crossroads	Old Crossroads has poor infrastructure and is a fair distance from the city of Cape Town.

Twenty-two focus groups were organised in the Eastern Cape Province, of which 20 were successfully completed. Groups ranged from between 8 and 12 participants in size (average = 8) and included female and male recipients of both types of grants. They were conducted in the following sites:

Site Name	Rural/Urban	Characteristics
Duncan Village	Urban	Township close in proximity to the city of East London. A low-income area where 75% of the residents have no regular income. Infrastructure is poor with only 6 000 dwellings out of 21 000 classified as formal dwellings
Mdantsane	Urban	The second biggest township in South Africa located between King Williams Town and East London. Original inhabitants were forcefully removed from neighbouring townships like Duncan Village. Inhabitants from this urban settlement often seek employment in East London.
Mncotsho Village	Rural	A rural settlement with very limited infrastructure and a low employment rate.
Nxarhun (Newlands)	Rural	A rural settlement close in proximity to East London. Infrastructure is also limited in this village. Previously, inhabitants benefited from nearby factories for employment. These factories have now closed down; as a result, there is a high unemployment rate in this area.

3.4 Data Analysis and limitations

Interviews were taped, translated and transcribed, and a detailed summary of each site was produced from these notes, incorporating findings from the demographic questionnaire. The process of coding and summarizing the interview data conformed to standard rules for focus group and qualitative analysis as did the process of arriving at the reliability and verification of conclusions (Huberman and Miles, 2002). The study fulfilled all the ethics requirements of the academic institution of the researchers. All individuals and have been anonymised.

It is important to acknowledge the limitations of a qualitative study of this kind, particularly regarding the extent to which it can yield findings that are representative and may be applied more generally. The interviewees were selected carefully to reach those individuals who were in receipt of the relevant grants and had some recent experience of work or training initiatives. However the possibility of sampling bias can never be totally eliminated in a non-experimental situation and may have led to the exclusion of individuals with opinions or experiences furthest from the mainstream. Equally, despite the demographic questionnaire the study does not allow for any detailed analysis of the influence of socioeconomic or demographic factors on the attitudes of focus group participants.

Despite these limitations the findings from this study provide information about an important policy discourse, which though gaining momentum, has been subjected to relatively little in-depth investigation.

4. Key Findings

4.1 The Impact of the Child Support and Disability Grants

Overall, the message that most strongly emerged from respondents about the impact of both grants was that each was extremely important in sustaining the entire family and vital in the context of widespread unemployment and poverty. At its most elemental, the monthly grants staved off hunger and complete destitution.

“My wife and I depend on this child support grant, which we get for our child. I am not working, but we get the paraffin because of her... When I come home at night, even if I have not found work, she is able to put food on the table” (Male CSG, Crossroads).

Respondents in all groups repeatedly pointed to the same set of items which the grants helped to purchase, namely, *meat, sugar, children’s clothes and school uniforms, school fees, school lunches, crèche fees, medicines, paraffin.*

“I am glad we get this money – I am also thankful because we don’t work for it. At least it helps here and there. We are able to buy food, though it does not last... You can buy meat and make lunch for the child when going to school” (Male, CSG, Makhaza).

A few CSG respondents reported being able to use small amounts of grant money to purchase sweets, crisps or fat-cakes to sell as part of ‘micro economic’ business activity.

“It does make a difference; we depend on the grant. It’s not like nothing comes at the end of the month because we are not working...we are able to buy and sell small things like sweets so that when the CSG runs out before the end of the month, you have something to fall back on, you can buy paraffin and make lunch for the child when going to school” (Female, CSG, Mdantsane).

It is important to note that the vast majority felt that the CSG grant was used for subsistence needs only, and was scarcely enough for that. Disability Grant respondents also emphasised the additional need to purchase *medicines, transport to health care services* and participation in *funeral insurance/saving schemes*.

“This disability grant is very helpful because I can buy food and medicines if necessary. I also became a decent person - I now have insurance and accounts” (Male, DG, Langa)

The issue of funeral policies was a recurring concern with the DG focus groups. For both cultural and practical reasons, respondents suffering from severe illnesses like HIV/AIDS, heart conditions and stroke, did not want to leave the burden of their burial costs to their struggling families. The DG allowed them to have an insurance scheme that would cover

these costs. However, if for any reason the DG was stopped these policies lapsed and the respondent lost the money previously invested.

“When we get the grant we are able to belong to burial societies...funeral plans. But my grant stopped in October and I didn’t get it back until May and I had to stop” (Female, DG, Khayelitsha).

While acknowledging the efficacy of the grants, virtually all respondent complained vociferously about the fact that they were simply not enough to meet basic needs. The high levels of unemployment and lack of alternative sources of income meant that in most families, grants constituted the sole source of revenue, and as such were inadequate in preventing hardship and deprivation. In both the male and female CSG focus groups, there was a strong consistent theme that the grant did not cover the costs of even the child on whose behalf it was received:

“The Child Support Grant is helpful but not enough – you get it today and the next day you don’t have it. It does not cover all the needs of the child. You are only able to do few things. On top of the groceries you have to give the child money everyday when s/he goes to school. It is helpful but not enough” (Female, CSG, Makhaza).

“...The money is simply not enough. It’s too little. If you buy a big tin of powdered milk for the child, you pay R180, and only R10 remains from the grant. I can’t clothe a child with R10. The CSG is just too little” (Male, CSG, Makhaza).

One powerful message to emerge was that a considerable number of parents were struggling to meet their children’s school needs, including school fees, lunches and uniform. According to these parents, school authorities and teachers were often less tolerant towards children receiving the CSG if they were not paying their school fees or lacked a school uniform. Stories abounded of children from families in receipt of the CSG who were sent home or prevented from writing examinations because they could not afford school fees or school uniform. Parents appeared irritated by teachers who castigated them to their children.

“They tell them, go home and tell your parent’s they must pay the fees because they are getting the grant for you...” (Female, CSG, Duncan Village).

One member of a CSG group in the Eastern Cape, who also was a school governor, appeared to reflect the attitude about which many parents complained.

“As a member of the school committee, together with the teachers, we research on the child’s family. If we find that the child is on the CSG, we demand payment. There’s no way you can say you don’t have money for school fees whilst you are on the CSG. And also the child should always be neat. There is no child that should be without school uniform while on the CSG” (Female CSG, Mdanstane)

However all respondents, whether parents, disabled, male or female, argued that the grants were too low, had not kept up with inflation and did not cover basic needs.

“Hey I am in agreement with this man. This money is too little; you don’t see what you do with it. I have a child in school and I am renting as well. I am unemployed. I live on this grant but it is not enough. You get it today and the next day you don’t have it” (Male, DG, Duncan Village).

“In a nutshell I want to say that this child support grant is very small and it does not satisfy our needs...the money should be increased because we are not working and everything depends on this grant” (Female CSG, Makhaza).

We asked whether the Child Support Grant was helpful in enabling individuals to better position themselves for work, for example by facilitating transport for job searches or work clothes. While there were a few anecdotal comments about this as a possibility, the vast majority of respondents asserted that the small value of the grant made it impossible to use for this purpose.

“You can’t take even a bit for it for your fare. Transport is expensive. Even to go and get the grant you have to borrow the money for transport” (Male, CSG, Mdantsane)

“We would love to go and look for work but the CSG only lasts for a day. It is not possible. A return fare from here to town costs R16. If you multiply that by five how much does that add up to? ” (Female, CSG, E. London),

Because the grants were not enough to meet the basic needs of the family, recipients typically resorted to borrowing to make ends meet, and an entrenched and involved system of credit relationships existed in most communities. The widespread use of credit and loans from food and clothing stores and local (informal) credit agencies to cover costs on a monthly cycle meant that for almost all respondents, once received, grants were primarily used for *debt repayments* before anything else.

“This money is very little and when it gets finished we are forced by the situation to go and lend money elsewhere. When we get the grant we then go to pay those debts. You find that though you have received the grant, you don’t have it” (Male, CSG, Makhaza).

As borrowers did not have collateral, debts were often high interest loans from “loan sharks”.

“The people that you owe will come during the month end to collect their money, which has interest. You end up using all the money for paying that person. Your child will have to use cold water for bath because there is no electricity. It is very painful” (Female DG, Crossroads).

We explored the issue of how interviewees viewed the underlying intention or purpose of the two grants. That is, whether they believed the grants were for dedicated support of

children or disabled individuals or more generally intended to address unemployment and poverty. The overwhelming majority of respondents were very clear that the government's intended purpose for both the CSG and the DG was not to compensate entire families for unemployment but to meet the specific needs of the targeted individuals.

"The government did this to help the child, to avoid malnutrition and to help with the child's clothes..." (Female, CSG, Crossroads).

"I would say it's for the person with a problem not the entire family. If it were for the family they would ask you when you apply for it about the size of your family and pay you according to it. (Male, DG, Newlands).

However, interviewees conceded that the realities of extensive unemployment meant that in actuality, grants did serve as the sole source of basic income for the entire extended family, and to this extent, effectively became a 'family grant'. Often respondent's spoke with regret of having to 'take money from the child'.

"It's the only source of income. And sometimes I take from that money to go to my check-ups at the hospital and that would mean sacrificing one of my child's needs" (Female, CSG, Nxarhun Newlands Clinic).

Strong family ties and a culture of reciprocity meant that it would be unthinkable not to pool any grant that came into a family.

"We are black people and some of these things don't work for us. We bring everybody under one roof. You would take your nephews and nieces once your siblings die. My point is that black people live in extended families" (Female, CSG, Mdantsane).

"I can't spend this money on myself alone. My parent is not well, my brother is also unemployed. I must support them because they are a great support to me" (Female, DG, Duncan Village).

The pooling of grants within families also meant that in those cases where there was more than one type of social grant received, (either because there was more than one eligible child in the homes or there was also a member in receipt of the DG or Old Age Grant), some families benefited from a slightly higher amount of money each month. It was apparent that despite the general and pervasive poverty prevalent in these communities, there was nevertheless still some variation in the circumstances of individual interviewees. It meant that in families where the needs of other family members were being met in other ways, the grant could be more directly targeted to the needs of the intended individual.

"In poor homes the money is just not enough – it has to buy food for the entire family even though it was not intended for that. But in homes that are not in dire poverty, the money pays for the child to go to crèche – or even save it in the bank every month for the child" (Female, CSG, Makhaza).

“I can’t complain, this money does make a difference. I live with my granny and my brother is working. I assist with school going children” (Male, DG Newlands).

“My mother receives a pension. It comes on the 3rd of the month, mine comes on the 1st of the month. When my CSG comes on the 1st, there’s nothing in the house, no sugar, nothing. I take at least R30 for the house, buy some sugar and rice maybe, just to be able to hold on until her pension comes” (Female, CSG, Mdantsane).

In contrast to CSG recipients who asserted that the grant would never meet (and indeed was not designed to meet) all their consumption needs, some DG recipients stated that if the grant was used just to meet their individual needs, it could more or less cover their basic maintenance.

“If the disabled person is able to live on their own then the grant is enough to look after their own needs” (Female, DG, Langa)

In terms of the administration of and access to the grants, in the main there seemed to be good information about eligibility criteria and procedures. Although there was some irritation with the amount of documentation that was needed to demonstrate eligibility, the most common complaint about the CSG was to do with the fact that not all children within a family received the CSG due to the age restrictions. There was unanimous support for extending the grant to all children of school going age.

“Sometimes you find that it’s only one or two children on the CSG, your other kids are too old for it, so it has to help out with the other children as well” (Male, CSG, Mdantsane).

“I have five children but only two get the grant. You end up taking the money from the child it was given for, in order to send your oldest to school...so the youngest cannot go to crèche” (Female, CSG, E. London).

However one of the strongest themes to emerge with the DG groups was that recipients - particularly those on the Temporary DG, had to be continually re-assessed to see if they were still eligible for the grant. This caused a lot of uncertainty and stress especially as grants were often stopped with little notice. It often took months for the DG to be reinstated, leaving the recipient and their family destitute and dependent on credit. In addition, medical assessments imposed travel and medical costs on the applicant, sometimes repeatedly. There was general frustration from respondents that the system was not functioning well. Individuals who were chronically ill could not understand the reasons for reassessment. Those suffering from HIV/AIDS often expressed frustration at the vicious circle of grants and health status. They explained that when their CD4 count rose, their health status deemed that they were ‘fit for work’. However the lack of any ready employment meant that as soon as their DG was stopped poverty and lack of food and other necessities resulted in a subsequent deterioration in their CD4 count.

“It (the DG) is very helpful – but sometimes it ends and we have to renew it. It only lasts for six months and after that we have to go and renew it. It was better before because we used to get letters that were notifying us to go and renew it before getting stopped” (Male, DG, Khayelitsha).

“Its very difficult, for example if you are HIV positive, and your CD4 count is below 200 you can get it. But if it’s above you don’t. That’s a bit difficult because your CD4 count could be very high but there are places where you are required to pay R50, to get ARVs, sometimes R100. If you don’t have it you can’t get ARVs” (Female, DG, East London).

4.2 The Experience of Work and the Labour Market

Almost all respondents in both the Eastern and Western Cape provinces had been unemployed for a considerable period of time. Participants who had recently worked had in the main, only temporary, sporadic and/or unskilled work opportunities. The unanimous response was that there were no jobs and respondents overwhelmingly expressed a desperate desire and need for work.

“There are no jobs. You can have R200 in hand, you go up and down using it for transport looking for work until the money’s finished. Still no job. You sacrifice buying even food in the house, save the R200 to look for work. There are not jobs, no domestic work, no factory work” (Female, CSG, Mdantsane).

“You wake up early and take your bag to look for a job and get nothing... I would leave home early in the morning to go look for a job and come back in the evening without finding anything” (Male, CSG, Crossroads).

It was notable that there was little to distinguish either gender groups or those who were in receipt of the CSG from the DG. Despite childcare commitments, women respondents were as eager for employment opportunities as men.

“I am not working, my mother is not working and my sister is not working. We try by all means to get jobs but it is difficult. I could leave my child with my mother and go to work but there is no work” (Female, CSG, Crossroads).

Although not required to be actively looking for work, many of those in receipt of the DG were insistent that they would prefer to work, even if that entailed a cut in their grant. Interviewees argued that while their health needs dictated that they needed more flexibility and assistance from employers, nevertheless, they felt confident that they had many relevant skills and would prefer to work if they had the opportunity.

“They must also create jobs for the disabled people. I would love to get another job, I would do all the domestic work such as cleaning the house and doing laundry. Even working on the farms would be better. I can also work for the cleaners – cleaning offices but I cannot work in the farms, I am disabled, I would fall.” (Female, DG, Makhaza).

Respondents in most groups had similar employment histories, repeatedly mentioning jobs like factory work, making mats, gardening, domestic work, farm work and ‘micro economic’ business activity. A minority had past experience working in mines.

“The one (job) we were involved in, we started with mats – doing mats” (Female DG, Crossroads).

“I used to get R395.00 in the factory where I used to work... before the factory closed” (Female CSG, Makhaza)

More recently, when respondents were successful in securing employment, it was usually only for a very temporary period, usually for a few months at a time. Interviewees also spoke of the notion of ‘day jobs’, that is picking up casual labouring jobs on an hourly or piecemeal basis.

“Sometimes I get a job for a day doing black people’s gardens in town. Sometimes I go and queue in town and hope someone gives me something even if it’s not for the whole day” (Male, CSG, Mdantsane)

“My parents are not working. At times they have day jobs, or temporary jobs then there’s money only for that time” (Female, CSG, Mdantsane).

Not only was this unsatisfactory in terms of income and managing domestic arrangements, it also meant that employees lacked any of the benefits and protection that accompanied ‘proper jobs’ such as sick leave, pensions and redundancy packages.

“When the contract ends, you don’t have a UIF you have nothing – you just stay as you are (Male, CSG, Makhaza).

“Even with the factories you don’t get a permanent job – whereby they would put you on probation for a month and then they put you permanently. Now they only give you a short-term contract for three months – and when they see that you are doing well, they will give you another contract – they will not employ you permanently. You don’t have benefits, you have nothing” (Male CSG, Makhaza).

Compounding the lack of security in relation to unstable employment was the unceremonious manner in which respondents either lost their jobs or were retrenched.

“Sometimes you think you have a job, like I used to work on a farm for three months. One day I went to work and I was told there is no work for me. They don’t even tell you nicely when the work is finished” (Male, CSG, Makhaza,).

It was striking that a large number of interviewees had the perception that opportunities for employment had deteriorated since the new government in 1994 because of economic emigration by white employers and disinvestment. While no one suggested that they wished for a return to an apartheid era, many did assert that in terms of work, things were better then.

“People were working during the time when white people were in power and after we took over they left. They left with all the jobs. They went to other countries with these jobs” (Male, DG, Khayelitsha).

“As far as I know, the firms that closed down came with the previous government. That’s our complaint. The previous government brought those firms, and we were earning. No matter how little the money, it was sufficient at the time. I used to work there too, earning R14, it was enough at the time” (Female DG, Mdantsane).

It was clear that many respondents were aware of developments in nearby labour markets, outlining in detail which companies had closed down or been taken over. Respondents, particularly in the Eastern Cape described developments whereby new foreign investors, often from China, were increasingly visible. They lamented the fact that typically, they brought their own workforce with them – particularly at management levels.

“It doesn’t help; all you get are the Chinese bringing their own people to work for them. We still don’t get the jobs even with the new Chinese. They should give us jobs” (Male CSG, East London).

“A lot of factories close down here and move to Port Elizabeth. That’s a problem. There’s a lot of people who don’t have work anyway and then they retrench those who do have work. Even now Chrysler is going to close down and move to Port Elizabeth. South African Breweries closed too. It’s just starvation here, we are struggling a lot” (Female, CSG, Mdantsane).

“Four companies are closing down. What’s going to happen to the employees’ families?” (Female CSG, Mdantsane).

Though stating earlier that most respondents felt that the grants covered only subsistence, nevertheless some still endeavoured to take a little of this money to invest in economic activity such as selling small goods, sweets and fruit in order to survive.

“I sell sweets and biscuits so that I don’t run out of paraffin. I buy them from the CSG money. I do this so that when the CSG runs out, we are not in darkness” (Female, CSG, Mdantsane).

People frequently discussed the Government’s strategy and slogan of ‘Vukuzenzele’ - intended to invoke a spirit of self-autonomy and civic responsibility and it evoked a

mixture of reactions from interviewees. Though the vast majority of respondents in principle supported the notion of taking responsibility for their own economic wellbeing and escape from poverty, most thought it impossible without the necessary capital or skills.

“I think these projects can improve people’s lives because people believe in the president’s term ‘Vuk’ukzenzele. We believe in the projects but people need to be well trained – otherwise it is just words...” (Male, CSG, Mdantsane).

“What does it mean - wake up and do something for yourself! We don’t know what they expect us to do. How can they expect us to do anything” (Female, CSG, Newlands).

In attempting to gain some work exposure or experience, some respondents had opted to volunteer with the hope it would lead to paid work. However often there was frustration that despite doing what the government encouraged and participating in volunteering, ‘real job’ opportunities were rarely forthcoming.

“Sometimes you volunteer for months using your money for transport. You hope to get something but in the end they tell you they don’t have work” (Female, CSG, Makhaza).

In general then it was very clear the lack of jobs permeated interviewees lives in a very negative and disheartening manner. Overall, respondents’ morale and self-esteem was acutely low, with little vision for the future.

“Our education does not matter anymore; we are willing to take even factory work...we will take anything” (Female, CSG, Mdantsane).

“We don’t know what to do, but we know we will do anything if they give us a chance...we are all starving here and we are desperate...” (Male, DG, Mncotsho).

4.3 Barriers to Work

While acknowledging that the biggest obstacle to employment was simply the lack of available jobs, respondents nevertheless identified a number of specific barriers that aggravated the situation. Without doubt, the factor most frequently cited what can broadly described as nepotism. In virtually every focus group, the argument was made that an individual could only get a job through family or social contacts and networks.

“When there are jobs available, the factory managers ask their own staff to bring people – though there are people standing at the gate. They would pass all of you and take people who have been brought by those people who are already working there...you even have to bribe a person in order to get a job” (Male, CSG, Makhaza).

“You find that most of the jobs in our areas choose certain individuals. If they do not know you, you don’t get a job. For instance there are construction jobs – and now on the railway. People were told to write their names, but it is just a formality to advertise. Those people in charge know which people they are going to employ. They are just fooling us when they say we should go and write our names” (Male, CSG Maccasser).

Accounts moved between resigned despondency and active frustration, but the message was always the same; it was impossible to access work without ‘insider’ help. Even information about potential opportunities was closely guarded and shared only with ones close network.

“Most of the time you don’t even hear of a vacancy. We don’t know where these jobs are. There’s a lot of nepotism. People employ their relatives”. (Female, CSG, Mdatnsante).

“...if you walk down there you will see the truck that helps the municipality in cleaning – there was another project that was making traffic circles around the streets. But we would not know if there was a project. We would just see people working on the roads without being told” (Male CSG, Kylechia).

While regretting that many local government initiatives and programmes offered only very temporary work placements (in order to ‘share the opportunities around’) nonetheless, most felt that this was at least a fair method. However almost all our respondents felt that in practice, they were always on the outside of these schemes – never being able to fairly get their chance. Some asserted that this was due to corruption, others that it was due to lack of information and contacts.

“You find that at present those people in power, like councillors, or the street committees, only employ their own people and relatives. The Government must work hard to rid itself of this problem” (Male, CSG, Mncotsho Village).

“Before it was fair because they used to say that each person will get a six month contract (sweeping and collecting rubbish), after that an opportunity will be given to another person. But now you find that those people that have contact with the council, their contracts would be renewed. You find that it is still the same few people who get the contracts” (Female, CSG, Crossroads).

A related issue was a more general lack of information about jobs, or knowledge about how to go about looking for work. Respondents appeared cut off and isolated from local job markets.

“We have to use public transport which costs money and leaving children behind – so it is difficult for us to hear if there is a factory offering jobs in Parrow” (Female, CSG, Crossroads).

Strategies for looking for work were never very clearly articulated and included what appeared to be ineffective activities such as standing at road junctions, going door to door or placing an advertisement in local papers. Many respondents raised the role of employment agencies – arguing that in any case most employers (when not operating on the basis of nepotism) now did not deal with the public directly but tended to hire only those referred from private agencies. However this was a barrier rather than an aid to our respondents who could not afford the registration fees.

“Many factories employ people through the agencies. The agency wants you to pay R300 before they can do anything for you – where are you going to get that amount when you are not working. And even the salary you get – it is shared with the agency” (Male CSG, Newlands).

“Another thing that works against us are the agencies...if you are not from an agency they will never employ you. For instance near the airport there are many firms but they will tell you that you must go to an agency. You register for free, but when you start working they will deduct the money. It will continue deducting money as long as you work there” (Male, CSG, Crossroads).

Agencies it seems took on a more comprehensive role than simply assisting with job searches, becoming a sub-contactor or intermediary with significant power.

“If you have got that job through the agency – you don’t have a say. The employer will only talk to the agency. When you want to complain, you complain to the agency, not to your employer” (Male CSG, Makhaza).

“The employer does not pay you directly but pays the agency and you get your wages from the agency” (Female, Mncotsho Village)

Interviewees also highlighted routine employment discrimination based on age, race, area or political party affiliation. Upper age limits for many job specifications in both the public and private sectors was repeatedly identified as a significant barrier.

“There are jobs, but they say we are not employable, they say we are too old” (Male, DG, Mdantsane).

“If you are over 30 it is very hard. If you are over 40 it is impossible! Even government has started doing this – it recruits 15 to 30 year olds” (Female, DG, Duncan Village).

“Government should definitely take our age group into consideration - what do we do? I’m too old to work and too young for the pension!” (Male CSG, Langa).

Interviewees from the Eastern Cape mentioned local politics as a factor (*“if the employers are in the ANC and you are a member of the UDF [now disbanded] you have no chance”*)

while those from the Western Cape spoke of overt discrimination towards residents from townships.

“...when you fill in an employment form and state that you are staying in Khayelitsha, that can make your chances of getting a job very slim...there is that stigma about people from Khaylettsha” (Male CSG, Khayletshia).

Racism and racial discrimination was named on several occasions as a continued barrier to employment. In the Western Cape in particular there were a number of accounts of discrimination towards black Africans.

“ What makes the jobs very scarce in Western Cape is racism...If you go and stand somewhere to seek a job, you are just wasting your time because they will only take Colourds and other races...jobs are only scarce for the black people, but the Colourds and Indians get them” (Male, CSG, Makhaza).

“They only employ Coloureds and ‘amakwerekwere’ (derogatory expression for African foreigners). Even when queuing they are picked from the queues and we are left behind. That is why black South Africans don’t have jobs” (Male, DG, Langa).

As well as the perception of overt racism there was a strong sense by all groups that ‘outsiders’ and foreigners were always given preference in employment practices. Perhaps one of the most fervent complaints from all groups was that immigrants from other African countries were ‘queue jumping’ when it came to jobs. Various explanations were put forward about this including the notion that foreigners were better skilled or were willing to work for below market rates.

“I’m angry because I went to queue for work but was told to leave because I am South African. They want the foreigners because they say they are better skilled but it is because they settle for very low wage – they get cheated. They don’t complain” (Male, DG, Langa).

“You get to Johannesburg and they employ amakwerekweere...Zimbabwe, Angola, Nigeria, Congo, Maputo...they are the ones working...the government should decrease their numbers so that we also get the jobs” (Male, CSG, E. London).

“The only way the government can hep us is to ensure that they go back home to where they come from – all those that are not from here. All of us South Africans would have jobs then” (Male, DG, Newlands).

However the notion of ‘outsiders’ extended beyond other foreign nationals. Those in the Western Cape complained bitterly that ‘Eastern Capers’ came and took jobs ahead of locals, while those in the Eastern Cape, complained that those from the Province’s rural areas and villages came and got jobs ahead of those in the towns and formal settlements.

“ They take their relatives from Eastern Cape if there are positions available...even people who have arrived in Cape Town after you, they will get jobs before you, because they know people... ”(Female CSG, Kyelaitsha).

“When there are jobs available in a particular factory, the staff call their relatives from the Eastern Cape for those jobs – and people who have been here end up getting nothing” (Male, DG, Old Crossroads).

“The problem is that people are corrupt, they employ their own family members. They send for their relatives back in the villages to give them work and leave poor peoples around Mdanatsane out” (Male CSG, Mdanatsane).

In addition to sharing all the same frustrations as CSG recipients about ‘outsiders’ getting preferential access to jobs, those in receipt of the DG extended the concept to include the ‘able bodied’, typically referred to as ‘normal people’. As highlighted in the previous section, many DG recipients were eager to be able to work, however nearly everyone expressed frustration at the overt discrimination they experienced.

“You find that even when there are jobs available, we are not contacted. You only discover later that there were jobs and only certain people were considered - even if it is a job you can do and even if you have your certificates in home based care or DOTS - it is only normal people who will be considered” (Female DG, Khayetshia).

The cost of transport was cited as a significant barrier both to job searches and actual employment. Respondents lived in townships or settlements which were outside the main centres of work, and as indicated earlier, many felt that the cost of taxis or buses made it extremely hard to go in search of work. However many also argued that even if a job was secured, a large percentage of one’s salary would be spent on transport.

“...The money that you use for transport makes a significant impact on the grant itself. Sometimes when you do not get a job you feel that you have wasted the money...that is why most people end up sitting instead of going and look for jobs”” (Male CSG, Crossroads).

“The taxi fare is R20 every day...you would end up working only for the taxi fare” (Female, CSG, Mncotsho Village).

Not surprisingly this was more of an acute problem in the Eastern Cape and frequently cited as one of the ‘push factors’ (reasons) for people migrating to the Western Cape.

“In Eastern Cape you find that facilities are far away from each other – and most of the jobs are near town – now you travel from Tsolo to Umtata – they are very far expensive and far away...that is why people move to the Western Cape (Female, CSG, Newlands).

Finally, the question of skills and lack of training as a barrier to employment was discussed. While most commented that more training would always be helpful and welcome, it was significant that for many, more training was not a panacea. There were lots of examples of the fact that even those with training and certificates of one kind or another were unemployed along with everyone else.

“After you complete the training with a certificate in your hand – they will ask you if you have experience...sometimes they want three years experience...we are now sitting with our certificates” (Female, CSG, Old Crossroads).

“I once attended training which was free. They were giving us a stipend of R120 a month. I trained for three months and got the basic certificate in woodwork, but I still have not found a job. The government is doing its best to train people but the problem is getting a job after that” (Male, DG Khaylesthia).

It appeared that most organisations for training and skill enhancement were run on a private basis and therefore charged fees. A universal request was that training facilities be provided free of charge – or even offered participants a stipend.

“It can be important for government to have certain programmes – but it must give those things for free. You find that with computer course for instance, people are expected to pay a lot of money which they cannot afford” (Male, DG, Makhaza).

“You do get such programmes, like ‘Learn to Earn’ here in Khayletshis. The problem is you have to pay to be in such programmes. If you want to be car mechanic for example, you have to contribute R500 for the certificate. We don’t have the R500. Such obstacles are in ones way” (Male CSG, Khayelitsha).

Other requests were for training centres to be locally based and easily accessible and that practical and vocational training actually begin while children are at school.

“They must be situated where people are able to reach – they should not be far away so that people do not have to lend money for transport – it could also be made available in all sections - it must not only be in one area” (Female, Mncotsho Village)

“I think that people at school also should not completely focus on books – they should also do practical training – not only focusing on books - we are unable to do things because of this”. (Male, CSG, Makhaza).

A related issue was that of language skills. Some interviewees reported on the fact that lack of fluency in English and/or Afrikaans was a significant barrier to employment in both Provinces.

“They should be taught skills so that they can be able to speak English...my mother is uneducated and is unable to talk to a white person” (Female CSG, Crossroads).

“You can speak English properly, get to an interview and there’ll be a coloured person who will insist on conducting the interview in Afrikaans...I never learnt Afrikaans in the Eastern Cape, only English and Xhosa. Afrikaans is a big impediment” (Female, DG, Langa).

4.4 Experience of Work Activation Policies

Almost no one in this study had participated in the Expanded Public Works Programme introduced in 2004, though several respondents were aware of the scheme. The overriding impression respondents had about the programme was that it tended to offer only temporary job opportunities of between 3 – 6 months. While the employment and corresponding income was extremely welcome for this short period, respondents complained that there were few lasting benefits.

“We have heard about these Public Works... that some people work on clearing the vegetation. We would welcome that here – but government must make the projects for longer. You cannot clear all your debts and meet all your needs with just 3 months of wages...” (Female, CSG, Duncan Village).

A larger number of interviewees had participated in (or knew someone who had) the ‘Income Generation’ (IG) initiative, developed by the government during the late 1990s, particularly in the Eastern Cape Province. Although participants in this study came from different regions, it is striking that their views and experiences of the IG projects were very similar, and that they were on the whole quite negative. At the most fundamental level, there were numerous examples of ill-conceived projects. Lack of proper costing or ‘feasibility analyses’ meant that many projects were never viable.

“...six months down the line there was nothing...no money, no equipment, no building. Because the people from day one hit a rock. They had the money to run the business – but to buy the machinery and transport it to where it was needed – no one had costed that – so they weren’t even able to start” (Female, CSG, Mncotsho Village).

Among those who had been project participants there was on the whole widespread frustration that the IG projects had not significantly improved their incomes or overall standard of living. Often the lack of immediate financial return caused tension within families as members were taken away from domestic or other productive tasks. It is interesting to note that the IGPs were commonly contrasted with ‘proper jobs’.

“There is not enough land to make a go of this...we work all day but we still go to bed hungry” (Male, DG, Mdantsane).

“The difficulty is that we are being asked to work long hours – but for little immediate return – this is not an overnight thing...it is not like proper employment... it takes a long time before any real profit or return is made, but people get demoralised and give up” (Female, DG, Langa).

Concerns were also expressed that the ‘looseness’ of the department’s management and auditing systems had left opportunities for corruption and fraud.

“There were projects where there was complete fraud or mismanagement – about 30% of the projects had to be shut down. They had to reclaim all the equipment and sometimes to get the police involved and prosecute...” (Female, CGS, Khayelitsha).

On two indicators however, there were more positive assessments of the project’s achievements, in particular the fact that many of the grants had been directed to those activities that engaged women. There was strong support for this goal among study respondents, both because women were an underserved group in their own right but also because it was felt to be the most effective way of channelling resources to children and the wider family.

“If you enskill a woman you feed the whole family...what you’re seeing here is a real ‘women’s power thing’ – there is nothing we cannot do for ourselves...we were very industrious and proud of our [brick making] project” (Female, CSG, Duncan Village).

Equally, some respondents argued that the IG scheme did assist with capacity building and development of individuals and communities, even if more ‘bottom line’ goals such as income generation and financial sustainability were not achieved.

“An income generating project may not necessarily generate income, but it has led to other things...getting resources down to a particular community has a mobilising impact. It also keeps a spirit of hope alive in communities that are in extreme poverty. It signals that government is concerned and actually doing something...” (Male, CSG, Khayelitsha).

There was strong agreement across most interviewees about the factors, which impeded the progress of the IG scheme. Irrespective of the demographic or socio-economic features of the particular locality, the same issues were identified as having undermined the success of the scheme.

(i) Lack of capacity in the target communities

It appeared that the levels of financial and other skills required to successfully manage projects were precisely those that were lacking in the most disadvantaged (and thus targeted) communities. This lack of capacity was identified as a key reason for the failure of the initiative. Lack of literacy or numeric skills, business experience or even

more minimally, familiarity with banking procedures, seriously hampered the functioning of projects and fostered dependency on departmental staff. It precluded many from being able to qualify for funds in the first place and others, to comply with monitoring and evaluation requirements once they had been approved.

“Some of us have never owned a bank account, and mostly the banks won’t even let us in the building to open anything... we might have the heart, but we don’t have the skills...” (Female, DG, Makhaza).

“They [government] come up with an idea – and say ‘try this or that’ and dump a load of monies on them. But we don’t know about how to price goods or sell product or even organise a truck to transport the product...” (Male, CSG, Duncan Village).

(ii) Communities too poor to defer income or accumulate savings

A related argument was that the target communities were simply *too poor* to be able to defer consuming the funds or assets they received.

“Let’s say I’m the mother of five children. There’s no one income in the family. Here I am, I’m being given a hundred or let’s say ten thousand Rand to start a project on chicken or vegetables. But it will take several months before the vegetables are ready. But in the meantime I am not able to buy mealie meal or utilise the money to buy school uniforms for my children or do anything... that is too much to expect from a hungry person who is now controlling thousands of Rands but who is not being able to improve the lives of their children” (Female, CSG, Makhaza).

In particular, short term shocks due to ill health, crime, funeral expenses or simply a month of bad production or selling were likely to force individuals to resort to selling equipment, eating produce or spending capital. Equally it was difficult for project members to withhold sharing resources if family and neighbours were facing the same pressures – in particular because of cultural norms of reciprocity. Several focus group respondents suggested that while these cultural norms were positive (and an essential informal insurance system), they did compromise their ability to save or defer consumption.

“Let me put it this way – this thing, you could see it would work in a White area but in a Black area the approach didn’t take account of cultural development. Because the normal practice is that if I don’t have something, the first day that I get something, the first thing is to remember those who have been helping me when I was in need” (Female, DG, Mdantsane).

(iii) Lack of physical infrastructure, markets and competitiveness

Inadequate physical infrastructure in poor localities was also frequently cited as an obstacle to the IGPs. Many communities did not have access to running water or

electricity, telephones and other communication systems. Lack of good roads and affordable transportation was a particularly large barrier for many small enterprises, as was the shortage of good quality soil and farming land.

“In some of our poor rural communities there are simply no roads so we can’t get the supplies they need or take the vegetables to sell” (Male, DG, Newlands).

“Look it is also accommodation and facilities for projects. Some will start in their houses, with the hope that in time they will get facilities, but if they don’t, some of them just pack up. It is a real problem - we need support in terms of rentals and electricity and water supply...” (Female, DG, Newlands).

Inability to market goods once they were produced - whether bread, bricks, or school uniforms - was also a common complaint. Sometimes this was linked to infrastructure issues. More often it was because it was extremely difficult for small-scale businesses to compete with larger established producers. Consumers were always suspicious of the quality of the goods produced by projects, and despite the meagre wages or profits, the projects could not compete on price either.

“Our projects can’t compete – for everything we make you can always find it made somewhere else more cheaply” (Female, CSG, Mncotsho Village)

(iv) Networks and ‘nepotism’

As in the previous discussion about barriers to employment, a strong sentiment frequently expressed about works programmes was that it was virtually impossible for ‘ordinary people’ to access these scheme due to a lack of information or the several ‘hurdles’ that had to be jumped. In particular the requirement for all members of a proposed collective to commit to a protracted series of meetings acted as a barrier.

“I heard some people got this grant...but we never hear about it until it’s too late. The same people and families seem to be in the networks that gets the grants. They know when the monies are going to be available and what to do...” (Male, DG, Langa)

“Sometimes they’ll have a recruitment drive - and there will be music and posters and tables and that’s all fine. But then they want you to keep coming to attend public meetings over and over – and most people don’t keep attending those meetings so they don’t get the work”. (Female, DG, Duncan Village).

It was striking that in three quarters of all focus groups the word ‘nepotism’ was introduced by interviewees. By this, respondents referred to the favouritism they perceived was repeatedly extended to a small handful of families. This complaint was vociferously heard throughout all the communities surveyed, despite the fact that they were geographically and socially quite diverse. There was a fatalistic sense that the

same few characters were always the ones to benefit from ‘whatever was going’ whether that was work opportunities in the informal or formal sectors.

“The same families get the opportunities...once they get in the system it is impossible for anyone else...once one gets a grant or a job then they get all their relatives...you have to have a relative or connection with someone - it is impossible otherwise” (Female, CSG, Newlands).

4.5 Attitudes and experience of migration to find work

A high incidence of migration impacted the lives of almost all respondents. In both the Eastern and Western Cape provinces, respondents had migrated from rural Eastern Cape regions, mainly from the former Ciskei and Transkei. Reasons for migration varied, though the search for employment was the predominant motivation.

“I am from East London – I have been here for more than seven years now and I came to look for a job – I worked for three years and my work came to an end (Male CSG, Crossroads)”.

“Because there are no jobs in Tsomo, I felt I should come try this side” (Male CSG, Mdantsane.)

“I am from Cradock. I am squatting in Makhaza – have stayed here in Cape Town for a long time. I came to look for a job and I got it, though it was mainly temporal jobs (Male CSG, Makhaza)”.

“A major problem is that we migrate from rural areas, I’m from Transkei, to East London for work. And then when we come here, we find that companies are moving to provinces that are better than the Eastern Cape, they close down here” (Male CSG, Mdantsane).

In addition to permanent migration, there were also several examples of partial or temporary migration. For example in order to avoid unaffordable daily transport costs, a number of female respondents would leave their families and homes in the townships to reside at their place of domestic employment. Although this typically caused stress and anxieties within families, there was universal agreement that not having income was an even worse fate.

“You are not going to tell your wife not to leave home to work in town, what are you all going to stay at home for? It’s bad, people are scattered all over. It’s painful to the family but it’s not easy. Your wife will be thinking, you’re fooling around back in the township; it’s not easy (Male CSG, Mdantsane).

“You have to take a taxi to work and it’s expensive... No, it’s not a good thing, families need to be together. Like sometimes problems come out when families are not

together. For example, when your family member dies in a far away city, you will have to pay a lot of money for them to be buried here at home” (Male CSG, Mdantsane).

Unsurprisingly, the Western Cape and Gauteng were perceived as having more job opportunities than the Eastern Cape and several respondents had moved from the Eastern Cape to Gauteng and subsequently to the Western Cape in search of work.

“I am from Lady Frere in Eastern Cape. I arrived here in 1990 to look for a job – before that I used to work in Johannesburg – I went there to look for a job. After my job came to an end in Johannesburg I went back home in the Eastern Cape and from there I came this side to look for a job (Male CSG, Makhaza).

However employment wasn't the sole motivation for migration. Often, respondents migrated in order to have better access to health and educational services or social grants. Some stated that it took much longer to acquire the necessary identity document to access social grants, in the Eastern Cape than the Western Cape.

“I am epileptic, I needed the Disability Grant but I couldn't get it without my ID. In Transkei, you wait and wait for it, so I came here and got it with my grant” (Female DG, Crossroads).

Respondents originally from rural areas complained of previously having to walk a number of kilometres to reach a doctor's surgery or hospital. Elderly or ill respondents found this to be hazardous to their health and so migrated to the Western Cape.

“I am from Site B – from Tshangane in Lady Frere. I came here due to a medical reason. I had a stroke, we live far from doctors back home, you have to walk a long distance or pay a lot of money for a car to take you to the doctor” (Male DG, Khayelitsha).

Having to walk long distances in order to reach schools also seemed to be a common 'push factor' among interviewees who migrated from rural areas.

“I arrived here when I was young – I studied at a Coloured school in Roland Street. I came to study, in Transkei you have to walk and walk a long distance to get to school. Here, there are schools everywhere” (Female, DG, Khayelitsha).

A strong and consistent theme to emerge in the Western Cape was the tension between recent Eastern Cape migrants and second or third generation migrants who felt more established in the province. Interviewees who had been there for a longer period lamented the fact that more recent migrants seemed to get jobs before them because of their networks in influential positions or nepotism.

“People call their relatives from the Eastern Cape for those jobs, and people who have been here end-up not getting anything. That is why most people in the Eastern Cape

say there are many jobs here, it is because their families would call them from as far as Eastern Cape to come and fill certain positions (Female CSG, Crossroads).

“If you don’t know anyone who is in a higher position here, you don’t get anything. They are even prepared to take their relatives from Eastern Cape if there are positions available. If you don’t know anyone who is working – you will never work. Even people who have arrived in Cape Town after you, they will get jobs before you because they know people who can find them jobs (Female CSG, Makhaza)

“We are here to look for jobs – we are not like those who are just sitting down. The problem with those is that they get these jobs while they are still there in Eastern Cape (Male CSG, Crossroads).

For their part, recently arrived migrants to the Western Cape talked of the hostility and antagonism that often confronted them from local residents. Many described instances of abuse and insults.

“They call us hurtful names and say we are stupid...that we are uneducated and slow” (Female, CSG, Makhaza)

In terms of whether migrants were successful in finding work and their expectations were met, outcomes were on the whole disappointing.

“It made sense before, but now there are no jobs anywhere...it is the same here as back there” (Male, CSG, Old Crossroads)

“I have been in Khayelitsha for a long time. I arrived here in 1985 – I started working in 1985 and my work came to an end after ten years – now I would get a temporal job here and there (Male CSG, Khayelitsha).

Many respondents felt disappointed that despite the huge effort of migration, when they were successful in finding employment, only menial work or ‘piece jobs’ were obtained in most instances. Other than better access to services, respondents on the whole did not achieve their primary goal of finding work.

“I come from Cala. I came to Cape Town to work in the farms in Stellenbosch. Sometimes the work was temporary, but sometimes you would be lucky and work for the same farm for a longer time (Male CSG, Makhaza).

“Sometimes my friend calls me to work in the kitchen where she works when she goes on holiday, that’s how I get piece jobs (Female CSG, Makhaza)”

Despite this, it was nevertheless the case, that the majority were still willing to sacrifice all they had and all that they were familiar with in order to find work and earn a living. There was a commonly held view that even if things were bad in the Western Cape – they were worse back home. At least here, because distances between areas were less and the areas were more densely

populated, there was still some potential to scrape a living.

“At least here you can find some things on the road – some scrap metals and other things which you can sell. There is nothing back home” (Male, DG, Makhaza).

“It is better here because there are more people who can buy your fruits and veg or sweets or whatever you may have...there, you can sit and no one will pass your stall for hours” (Female, CSG, Khayelitsha).

4.6 Views about the relationship between grants and work

The key rationale for this study was to explore current recipients perceptions and attitudes about grants, in particular, whether social grants empower recipients to participate as active citizens or discourage them from employment activities and the extent to which there is evidence of a ‘dependency culture’ among grant recipients. Much of the interview was therefore taken up with questions and discussion that related to these issues.

4.6.1 Views about the Child Support Grant

Perceptions about the CSG varied within provinces and within individual groups and the topic produced strong reactions from some. Despite some criticism and concern surrounding the perceived mis-use of the CSG, there was complete consensus that the CSG did not act as a barrier to employment or encourage recipients to become dependent on it. The overwhelming majority of interviewees thought that it was impossible for the CSG to engender a ‘dependency culture’ simply because of its small value in relation to a family’s total needs; it was too small to serve as a deterrent to employment.

“There’s no way you won’t want to work in order to live on R190 a month. When you work, you earn more than that. Yes we are hungry, we are used to poverty, but there’s no way you won’t work only to depend on R190. By the time the R190 comes, your child needs a multitude of things from milk to shoes. You buy shoes and other small things, after that it’s finished” (Female CSG, Mdantsane).

“There is no one who can refuse a job just because she gets the child support grant – because the money is very little. Like for instance some people here have said they only get a grant for one child, how would that be comparable to a salary if you were to get a job – it is nothing” (Female CSG, Makhaza).

Most respondents were surprised and many, indignant when asked whether the CSG might cause laziness or discourage people from working.

“I really don’t think that a person can be lazy just because they receive a grant... I really don’t think anyone could not look for a job only because they receive the CSG...the people that say these things cannot know how we are suffering” (Male CSG, Mdantsane).

“If people are saying these things they must have everything that they need...those that are complaining, I’m sure those people do not depend entirely on it as we do” (Female, CSG, Makhaza).

The vast majority of interviewees thought that if anything discouraged people from working and caused hopelessness, it was the lack of jobs - not laziness or voluntary dependence on the CSG.

“A grant my sister is a last resort. After you have tried all avenues. So its not gonna change once you start getting a grant. The reality is that there are no jobs. So people get discouraged, because they have no where else to look, they decide to sit down and rely on this grant. (Male CSG, East London).

The notion that people refused to work because they received the CSG was largely ridiculed. While there may indeed be ‘lazy’ or apathetic people in all communities, this was not caused by the CSG.

“It’s like people who don’t want to work, there’s nothing you can do about them. If you don’t want to work because of the CSG, that’s a joke. You are going to suffer. It’s not even enough for the child” (Male CSG, Mdantsane).

“If you receive the CSG and not want to work on that basis, then you are just idle-minded with no ambition in life. You can’t live on it. It’s for the child” (Male CSG, Mdantsane).

Nevertheless, criticism of young mothers and their misuse of the grant were often expressed and it was noticeable that male and older respondents appeared most critical. A number of interviewees asserted that young girls were deliberately becoming pregnant in order to access the grant.

“I am not going to lie. We see that our children get babies and get the child support grant. You also find that some will even have their second babies. All the young girls who are doing this put their parents in a difficult situation because they leave their babies with them” (Female DG, Makhaza).

“Some of these children fall pregnant because they want this money” (Male CSG, Mdantsane).

However when the interviewer explored this more fully, asking if anyone personally knew someone who had done this, most of those who had been critical indicated that they did not. Their impressions and views were formed from discussion within the community, the local

media as well as general observation and inference. Discussions on the media, notably '12 Down', a popular national radio programme was frequently cited as a source of information.

"No, I do not know anybody who has done that but when I look at the age of the people who have children, it makes me to question why they have babies" (Female CSG, Newlands)

"I only heard it on the radio on 12 Down...there are many stories" (Female DG, Newlands).

A few respondents were forthright in stating that in the context of no alternative income, they might consider having more children in order to access the grant. It is interesting to note that this came from both male and female participants. This demonstrates a desperate need for income.

"It's not enough such that we end up being forced to have as many children. So we could get a bit of it. If they can increase it, we will be able to limit our selves to just two children. Now we go up to four because we want this money" (Male CSG, East London).

"Because young people are unemployed and you find that you are not valued in your family, if you have no income, you then decide to have children so that you can bring some income" (Female CSG, Mncotsho).

Nevertheless, several interviewees attacked the notion that the CSG had created this perverse incentive, arguing that the problem of teenage pregnancy had always 'plagued society' and was evident long before the introduction of the CSG. In particular, young mothers that were present defended their position.

"I do not agree with that. Because teenage pregnancy has been a problem long before we had this grant. This grant is too little, I live with my child and I only buy food from that money, I can't even get my child clothes" (Female CSG, Mncotsho).

"People say all these things especially once you have children who do not have a huge age difference, people will say you are after this grant. They do not realise that you are simply a victim of difficult circumstances (Female CSG, Mncotsho).

"It is wrong to say such things...we need this money. It is used to feed the family" (Male, CSG, Langa).

Of greater concern to some participants was the fact that some young mothers were 'misusing' the grant. In particular that they collected the grant for themselves but left their baby with the grandparents.

"It does happen a lot because after a person has received this money they will run off to Zphunzana or Mdantsane leaving the child with her mother, behind with nothing" (Female CSG, Newlands)

“We say they do this - because they leave the children and keep this money ... they give birth and leave babies with their parents. I know of a child who left a baby with her mother and went to live with her boyfriend in Zphunzana (Female CSG, Mncotsho).

A common accusation was that mothers spent the money inappropriately, on liquor or clothing for themselves.

“Yes we do hear these things. For example some of us young people spend this money on liquor. They don't buy anything for the child, all they do is to spend it on liquor. That impacts negatively on people who use this money responsibly. Some would disappear with their boyfriends leaving babies with their parents with nothing (Female, CSG, Newlands).

“It's like this - the people we have children with, go and apply for this child support grant. When they get it, they would buy a child something with no value and spend the whole money on liquor” (Male CSG, Mdantsane)

It became apparent that there were tensions between men and women on this issue. On the whole men, in particular older men, were more critical about the grant than women. Often, fathers felt strongly that the mothers of their children had an unfair advantage by receiving the CSG, and they felt excluded from having control over the family finances.

“Why should only the mother get this grant...we too are responsible for clothing and providing food...it causes a lot of problems within families this grant” (Male DG, Mdantsane)

“The thing is sister, this money for example, if I have a child here and I am working and paying child maintenance for my child. Then the mother of my child would receive both the child maintenance and child support grant and would decide to spend child support grant any how” (Male CSG, Khayelitsha).

In contrast several women interviewees defended the idea that they should receive the grant.

“Men are saying that this child support grant must be stopped because we don't give them this money. I am one of those people that do that – I don't give it to him...you will find that even his cigarettes and beers come from this grant” (Female, CSG, Makhaza).

“Why should we give them the grant...we are in this position in the first place because they are unable to work and support their family” (Female, CSG, Mncotsho).

A number of respondents, in particular women and young mothers, argued that not all young mothers behaved irresponsibly and that these accusations and rumours unfairly impacted on the reputation of all young mothers in receipt of the CSG.

“We can’t say that everyone is like this...people are different. Some will mis-use it but some will buy food and support the family...everyone that I see uses this money to feed their children” (Female, CSG, Duncan Village).

“I think that this money is very important and I would encourage the government to continue giving it to those who need it. I don’t want to talk about those who spend this money at the sheeben – some of them rush into having kids because they want to get this money, forgetting that it will not be enough. But some people need that money. I want those people who really need it to get it – I don’t want to talk about those who do not know how to use it” (Male DG, Makhaza).

It is important to note that no-one argued that the CSG was not essential or should be stopped. Those who were concerned about the perceived misuse of the CSG occasionally suggested that one possible solution was to replace cash benefits with vouchers, tokens or food parcels.

“I think the grant is good too – but, as long as it comes in monetary terms, it is going to cause problems. If maybe the child could get a hamper of food every month, nappies directly to the child, or the government could give vouchers, that would be good. Otherwise it’s still going to be a problem” (Makhaza, Male CSG).

“The monetary form of the CSG should be changed. Government should pay the companies that make children’s food, then the mothers can go fetch the child’s/children’s food. That way, only the child will benefit from it. Some buy alcohol with the money” (Male CSG, Crossroads).

The majority of CSG recipients however, found such a suggestion not only impractical in meeting the varied needs of a child, but demeaning as well. Taking away a mother’s choice in how to support her family was perceived as fundamentally disrespectful to the mother.

“Voucher? I don’t see that working. I buy food for my child, pay school fees and often take him to the clinic. How am I going to pay for all these things if I have a voucher? It’s as if we can’t look after our own children (Female CSG, Makhaza).

“Vouchers can’t help. Children have different needs. We are not working, where are we going to get money to buy other things” (Female CSG, Mdantsane).

4.6.2 Views about the Disability Grant

There was strong support for the DG amongst both DG and CSG recipients. In the main, people felt that it was fair that someone who could not participate in the labour market due to disability or ill health should be supported by the State.

“The government has done a good thing...disabled people were struggling before the grant. After getting the grant, there is a difference. A disabled can become a decent person... eat, wash and even have insurance – all the things unable to do before. I can see the difference now” (Female, CSG, Kyaletshia).

“It is a right thing because it helps us – since we are unable to work because of our condition” (Female, DG, Crossroads).

Equally, very few respondents in either group supported the notion that the DG encouraged individuals not to seek employment. When asked directly about this, many DG groups became noticeably uncomfortable and there were frequently long silences in response to such questions.

“Some people say these hurtful things...it is also in the Daily Dispatch...but no one will sit down and not seek employment because they are getting a grant (Female, DG, Newlands).

Some respondents did however engage with the issue of perverse incentives, and their comments often revealed the complex set of realities and pressures underpinning this debate. The strongest single statement to emerge was that the disabled are not a homogenous group. People’s disabilities resulted in different capacities to work and maintaining employment was not straightforward for someone with a health problem.

“Say we get jobs, fine. Some days everything will be fine, but there are certain days, when it’s very cold, some of us can’t work – the body refuses. What do you do – your employees will want you to work...” (Female, DG, Langa).

More importantly, this heterogeneity meant that individuals have different values, character traits and material circumstances and therefore will respond to incentives differently.

“We get R820 a month. To stop the grant and work – it would depend on the job; how much is the job offering? Secondly people’s illness differs. I have chest problem and always coughing – I would always have a problem at work” (Male, DG, Duncan Village).

“To give up the grant would depend on how much the job paid. If it is the same as the grant I would choose the grant...at least that way I can help with looking after the children and do some sewing” (Female, DG, Khayelitsha).

Despite strong general support for the grant, there were occasional anecdotes about individuals who ‘mis-use’ the DG, typically because they were spending the money on alcohol. A few acknowledged the idea that some individuals might be lazy or dishonest and therefore abusing the system.

“Instead of feeding, clothing and looking after themselves, some spend it on liquor, which is something that was never intended. So that’s why you end up hearing from people like Slizoo [radio presenter] that what is happening is wrong...What he is saying is true, some of us, we do abuse the governments money – but not everyone does that. Like myself for example – I am the breadwinner in the family” (Female, DG, E. London City).

There was on the whole little discussion about the rumours or accounts circulated in the media about individuals who might be purposely infecting themselves with viruses or abstaining from medication in order to qualify for the grant. There were a few isolated statements, which alluded to the desperation some faced, but on the whole they were rare and exceptional.

“ I wish the government can give us something to do...we do want to work but there are no jobs available. You end up thinking about things you should not be thinking about like infecting yourself with HIV” (Female DG, Mdantsane).

“Some people, they will ask us for a sample of our blood – let’s say I’m HIV positive...to these people it is as if we have no problems. They don’t realise the grant is not for profit, it is to pay for your medication. The grant had made some difference, we live on this grant, but you don’t really choose to be in this kind of situation” (Male, DG, Newlands).

“Like you go there with your friend who is HIV positive. I use her name so I will be diagnosed positive under her name...They don’t use IDs when they register, just a folder...Like I’ll pretend as if I am her and she’ll be me” (Female, DG, Khayelitsha.)

Despite these isolated accounts, the vast majority of individuals became indignant or hurt about the suggestion that some claimants might be capable of working yet were claiming the grant. As outlined in section (b) most DG recipients were extremely eager to find work and felt frustrated and angered about the double burden of being both discriminated against in the labour market and then being accused of being ‘scroungers’. Several argued that the requirements and procedures were stringent and the grant could not be accessed unless a doctor deemed it was appropriate.

“It is not the case that those who are getting the grant should not be – rather it is the other way round...my child has been bedridden for years...unable to move...and yet has not got the grant” (Female, CSG, Old Crossroads).

“You don’t choose to be on the DG. The doctor puts you on it. When the doctor feels that you have regained your strength, he tells you that you can now go back to work” (Female, DG, Langa).

Most interviewees asserted that the grant was too small to act as a serious deterrent to work and that few that had a choice between a social grant and paid employment, they would rationally choose the latter.

“I would choose work. At work you get R500 or R400 a week – and with that money you are able to cover a lot of things. That R820 will be very little” (Male, DG, Old Crossroads).

“A job is always much better. The month is too long and I cannot wait for that long. When you work you always have money – you don’t have to wait until the month end to have money” (Female, DG, Mdantsane).

In addition, interviewees argued that work has a number of advantages and benefits over and above simple income, including social contacts, health and fitness and empowerment and self esteem and would therefore always be preferable to unemployment. Given the inconsistency of access and eligibility to the grant, many also argued that they would prefer the regularity and security of employment.

“The disadvantage with this grant is that you are not doing anything – you are just sitting at home. But when you work you are able to stretch your mind and body” (Male, DG, Khayletshia).

“I would always prefer to work because you learn a lot of skills and get experience and you are then able to go and look for another job... With this grant you are not learning anything ...just doing nothing and getting fat” (Male, DG, Makhaza).

“We would prefer to work, because the grant comes to an end sometimes...you can then be left with nothing for months” (Female DG, Makhaza)

Nevertheless, several DG recipients reported accounts of some hostility from the local community towards them. Those without visible impairment felt scrutinised and constantly needing to justify why they were receiving support when ‘they looked normal’.

“There is someone in my neighbourhood who says, since I buy myself clothes, there is nothing wrong with me, she says she cannot see anything important I do with the money” (Female, DG, Old Crossroads).

“They say we are normal and not supposed to be getting the grant” (Male, DG, Newlands).

As a result of these tensions there was a general atmosphere of apprehension and uncertainty and to this extent the grant almost became a source of strain rather than empowerment. The vision of empowering the citizenship and social inclusion of disabled members of the community was only partially realised.

“Some people hate us since we are getting the grant. They are jealous...I think that if the government was providing jobs to people - we wouldn't be getting all these insults...People say these things because they are not working” (Male, DG, Khayelitsha).

“There are good reasons why the government wants to stop this grant because when you look, there are millions of people getting this money. You tell yourself you are gonna make good use of it while you can because it can be taken away from you any day” (Male, DG, Langa).

4.6.3 Views about Grants for the Unemployed

Finally, focus group respondents were asked to consider whether some form of income support should be made available for all who were unemployed, including those who were able bodied and without children. Interestingly, it was the topic that generated most debate and difference of opinion, both between groups and within groups. While it was not the case that opinion was evenly divided on the matter – a majority of respondents supported such a policy – all sides of the argument were forcefully argued.

While quantifying data is antithetical to a qualitative approach to social research, it is interesting to note that there were distinct differences between groups in relation to this issue. Overall, a significant majority (over 65%) of all individuals supported the introduction of an unemployment benefit. However amongst the 35% who were opposed to it - there were striking differences between provinces and gender groups. Almost four times as many women as men were critical of the idea of an unemployment grant and almost twice as many of those in the Western Cape were critical of it as those in the Eastern Cape. There were no differences between the views of CSG and DG interviewees.

A large majority of interviewees most definitely supported the extension of social grants to cover all those who were unemployed. In the same manner that respondents had (at the beginning of the interview) described how the CSG and DG were lifelines to communities who would otherwise be destitute, so the majority of respondents argued that unemployment benefits were desperately needed and would mitigate some of the deprivations that resulted from unemployment.

“I think that government should introduce a grant for people who don't have jobs so hunger amongst people would cease” (Female, CSG, Langa).

“The government must support those people who are not working so that they can be able to buy food...since they are hungry they must get it” (Male, DG, Khayelitsha).

“We are desperate...we need it” (Female, CSG, Mncotsho).

In contrast to being a net drain, some argued that UB could actually facilitate job-seeking activities.

“I think that government should be able to give an unemployment grant – maybe half of what the DG is. For example, my grandmother has just got her pension, but she has no money to spare to give me so that I can get transport and go and queue up for work. I could get a weekly train ticket for R20, I also need something to eat. I could have those needs met by the unemployment grant” (Male, CSG, Langa).

“People say that once you get money you relax – but I don’t agree with that. That money makes you want more – it will encourage people to look for jobs, even open a small business” (Male, CSG, Old Crossroads).

The strongest single argument repeatedly put forward for supporting the unemployed was that it would reduce crime. Almost every focus group raised this point.

“I think that would be a right thing to do because the reason why we have so much crime is because people are not working – at least people will be able to buy food...people do bad things not that they want to buy drugs, but because they are starving” (Male, DG, Makhaza).

“Crime would be a thing of the past if the South African government did that. If you know that you have R300 every month, there would no longer be any crime” (Female, CSG, Khayelitsha).

Many interviewees also argued that there were ethical reasons in addition to purely instrumental ones for introducing such a reform, namely it would allow individuals and families to preserve some dignity and self worth. It was also pointed out that it was not individuals’ fault that they were currently unemployed and the government therefore had some responsibility.

“Sometimes when you don’t get a job, you would even consider going to Seapoint to sell your body because you are desperate to get food. So the government must give the grant to such people” (Female, CSG, E. Cape).

“It would be good so that a person doesn’t give their dignity up to be begging...or commit crimes just to survive...you would not sacrifice your dignity” (Male, DG, Langa).

A related point was also made, that an extension of social grants would strengthen social solidarity within communities. As argued earlier, many felt that the current grant system was divisive as only some of those in need, received support. This led to enmity and conflict within communities.

“It will be a right thing because it will stop this cruelty. We don’t get along with each other because of starvation. People are jealous of one another. If they see you with Shoprite groceries because you have got your CSG, people become very jealous...I think a grant for everyone is good because it brings back love to the people since everyone gets something” (Female, CSG, Makhaza).

When challenged with the argument that unemployment grants might undermine recipients work motivation, respondents repeated many of the same arguments made earlier in relation to whether the CSG or DB acted as a barrier to work. Most significant of these was that the level of the grant was never likely to be high enough for this to be serious threat.

“There is no reason why I would not look for work if I only got R200 once a month from government. Everyone has their different needs and wishes – some want to own a house, a car...no one will want to sit at home and live on R200 – of you do then you are a hopeless person” (Male DG, Langa).

“No one will sit at home and just wait for the grant if there was the possibility of work! The grant can never meet all your needs – it will just pay for food” (Male, CSG, Duncan Village).

“We can’t answer what you are asking because there are no jobs. It would be difficult to find out if people want to work or not because of the grant – because there are no jobs!” (Female CSG, Newlands).

Several respondent repeated the same arguments that were put forward earlier in relation to the CSG and DG discussion, namely that the majority of people for many reasons other than purely financial ones, would always prefer work.

“It is important to have a job just to get out of the house and come back in the afternoon...if you stay at home all day you feel sad...” (Female CSG, Newlands)..

“Everyone would prefer to have a job – with a job you have hope and a vision...it is more than just food and clothing...with a job you can keep your dreams alive” (Male, DG, Makhaza).

All groups acknowledged that ‘people were different’ and so some individuals might become content to live on social benefits. However most argued that this group would be both small and unrepresentative.

“Some might become lazy, content to live on the grant...but I would not. I would prefer to work. People are different – it is impossible to say everyone is the same. But I think most people would prefer to work” (Male, CSG, Mncotsho).

Opposition to the idea of extending support to all the unemployed mostly centred on three main arguments; affordability, the creation of disincentives to work, and the principled view (shared with supporters of such a grant) that people would prefer to work. Significantly, these came directly from respondents and were not prompted or framed by the interviewer. Many questioned the economic feasibility of unemployment benefits in a context of mass unemployment and poverty.

“An unemployment grant for all of us would be impossible...the government can't afford such a thing. I'd love to have such a grant but there are too many unemployed people” (Male CSG, Mdantsane).

Others argued that the burden placed on taxpayers would be unsustainable and unfair.

“You get taxed for the CSG, for people with disabilities and mental challenges – and now you want to get taxed for a fit person who can work for themselves! I'm fit, I just sit at home knowing your tax is coming to me. It doesn't sound right...people should rather go back to Eastern Cape and build huts than live on your tax” (Female, CSG, Makhaza).

“If people were to get this grant, those who are taxed more to fund the social grant system won't be happy. There are more people who are unemployed than those that are not” (Male CSG, E. Cape)

However amongst the relatively small number of critics, most criticism of the idea stemmed from the belief that such benefits may weaken people's motivation to seek work and potentially encourage complacency and dependency. Despite having earlier acknowledged that there were too few jobs, many of the same individuals nevertheless now argued against benefits on the grounds that ‘people should work!’ Concerns were also expressed about the fact people might cheat the system or that UB would act as an incentive for young people to leave school as early as possible (though this would not apply if CSG was extended to all children of school going age).

“I do not agree that people should get this money [UB] because they will end up not looking for jobs. People will not seek for jobs as they know they will be getting this grant” (Female DG, Khayletshia).

“Even the people who work – will also seek the grant...they will cheat and seek for this grant even though they are working” (Male, CSG, Mdantsane).

Occasional worries were expressed about the fact that traditional forms of reciprocity and support within extended family networks would be weakened and this had negative implications not only for economic protection but also for cultural custom.

“The family must take care of itself...that is our traditional way. If the government does everything for people the family will be weakened” (Female, CSG, Mncotsho Village).

For all those who either actively opposed or were at least sceptical about the extension of benefits to the unemployed, the solution lay in the creation of more jobs. Many respondents supported the concept of Vu'kuzenzele and urged their communities to have greater economic self-sufficiency.

“I don't think it [UB] would be right. There should be alternatives. We want to use our hands 'Vu'kuzenzele' – its jobs we want” (Female, CSG, Mncotsho).

“I think that the government should have projects for people to work, so then it becomes clear who it is that does not want to work. Maybe from that project you could get R40 or R50 a month... Government must create projects not grants so you continue to learn from the project” (Male, DG, Duncan Village).

Several people made the suggestion that any UB should be conditional on some sort of proof of active job seeking or project participation, though others objected that this was not really possible practically.

“I think it will be much better if it is proved that a person does look for a job and does not get it before they get the grant” (Female, CSG, Langa).

“To who exactly are we going to provide the proof? - the cash points where we withdraw the grant?” (Female, DG, Duncan Village).

This section demonstrates the considerable attachment to the labour market of low income people. All respondents agreed that in the final analysis, it was jobs that people wanted. Though most people saw grants as an essential support in the absence of employment, employment remained their preferred option.

“All these arguments about grants would cease if there was work...they exist because people are desperate and fighting amongst themselves... government must create jobs” (Male, CSG, Crossroads)

“If there can be jobs made available, nothing more we will ask for. We just want work. That is it” (Male, CSG, Langa).

5. Summary and Discussion of Findings

The increase in up-take of social grants in South Africa has become the subject of intense debate, generating both positive and critical commentary by various stakeholders. On the one hand it has been viewed as evidence of a serious commitment to poverty alleviation on the part of the government and a reflection of an improved and successful social security administration. On the other hand, various concerns have been raised both within government and amongst the public about the financial sustainability of the current system and some unintended effects or perverse incentives; are cash transfers misused by recipients and do they undermine work motivation and create dependency?

This report presents the findings of an in depth qualitative study, which was designed to examine several of these issues from the viewpoint of grants recipients. Although attitudes to work are central to any discussion about the work motivation of the unemployed, they are very rarely studied directly. Little is known about the factors which affect the motivation or decision-making processes of those on the margins of the labour market or how the worlds of welfare and work interact. This research seeks to address this gap by directly examining the views, attitudes, values and beliefs of current grant recipients. In doing so, the study seeks to inform government policy on social security provision as well as to contribute to the wider research and policy debates surrounding it.

We turn here to discuss these findings in terms of the original aims of the study.

5.1 Recipients' perceptions and attitudes about the nature and role of grants and the practicalities that shape household finances

- It was evident that both the child support grant and the disability grant played an important role in moderating if not alleviating poverty for study participants. Both enabled beneficiaries to increase consumption of basic essentials such as food, education and health care. Staples such as meat, sugar, meal, rice, clothes, school uniforms/fees/lunches, crèche fees, medicines, paraffin were most commonly mentioned. These findings confirm those of several other studies which have documented the role of cash transfers in reducing poverty (Case et al, 2003 and 2005; Woolard et al, 2005; Jacobs et al, 2005).
- In all cases it seemed that the benefits of any grants, accrued to all members of the household, often involving extended family members. Pooling income from grants allowed families not only to benefit from economies of scale but also greater flexibility in managing their monthly budgets.
- While beneficiaries welcomed and were supportive of government policy in this area, they asserted that the current levels of the CSG and DG were inadequate in meeting all

their basic consumption needs and to this extent, grants did not prevent extreme hardship and deprivation.

- Though other research has suggested that the CSG and DG may sometimes be viewed by beneficiaries as a generic anti-poverty measure rather than as dedicated grants for specific individuals, there was no such confusion among our study participants. Participants were very clear about the purpose of both the CSG (to assist poor families with some of the additional expenses entailed in raising children) and the DG (an income replacement for individuals unable to work because of disability). However participants differentiated between the intended (and theoretical) goals of the grants and the practical realities, which determined how they were utilised. In reality, all social grants (including the Foster Care Grant and the Old Age Grant) became generic 'poverty grants' and were used to meet some of the basic consumption needs of the entire family.

5.2 Do social grants empower recipients to participate as active citizens?

- Despite the concerns of a small number of interviewees - and observations from other research (Chicello, 2005; Francis, 2006) that social grants may undermine traditional systems of reciprocity and self sufficiency, our results tend to confirm the opposite view. Grants on the whole strengthened kinship networks since the benefits of any grants accrued to all members of the household as well as extended family members. Moreover they potentially empowered the least powerful members of families and communities. Access to cash transfers, however small, empowered women, the disabled, the elderly, the young and the extremely poor and in part altered the unequal distribution of power within poor communities.
- There was evidence that in some circumstances, grants enabled recipients to participate in important social conventions and provided them with dignity in situations requiring community contribution. The most common expression of this was having the resources to travel to funerals or to participate in funeral insurance schemes and ability to appear washed and clean were other occasionally cited examples.
- However there was little here to support the findings from several other studies that cash transfers have the potential to 'activate citizenship' by pump priming small businesses investment or by generating employment opportunities (Devereux, 2006). An overwhelming majority of our respondents reported that the money from grants was simply too little and the costs of job seeking activities such as transportation and employment agencies too high, for this to be possible. Social grants were primarily used for subsistence.
- It was also the case that receipt of grants did not always prevent the exclusion of full participation of children in school. Several children continued to face significant barriers to full inclusion through lack of school fees, uniforms and lunches. It is

notable that few of our study participants were aware that a means tested exemption from school fees was possible.

5.3 The nature and strength of ‘labour market attachment’ among grant recipients

- Overwhelmingly, the evidence presented here points to the conclusion that the attitudes of the grant recipients in this study are not distinctive (different from the mainstream) and are not an important factor in accounting for their unemployment or grant status. Interviewees’ demonstrated a strong commitment to work; indeed the plea for jobs was the most consistent and fervent message to emerge from the interviews.
- Almost all of the participants in this study would appear to prefer to have a job rather than remain unemployed irrespective of whether the government introduced an unemployment grant and the amount of such a grant. Not only would employment offer better financial rewards and security, but it was also viewed more generally as an important source of personal satisfaction and social integration.
- Evidence of labour market attachment was actively demonstrated in the wide scale levels of migration. Though it was disruptive to families and imposed significant costs on those involved, study participants were willing to move to distant locations in search of employment. Economic migration was widespread and pervasive; most study participants had either personally migrated or had a close family member who had done so.
- There was not any significant internal differentiation among our study participants in terms of work motivation. Women as well as those claiming disability benefit were as eager to seek work as non-disabled men, and there were several examples of women being prepared to migrate for work in order to support the family through remittances.

5.4 Opportunities and barriers to employment

- The most important barrier to employment in the two areas studied was clearly the lack of available jobs. The recent period of mass redundancy and high unemployment in both provinces meant that nearly all study participants had been unemployed for several years.
- Overall, the evidence here suggests that financial incentives and pressures were not of central importance in explaining people’s chances of finding work. Interviewees unanimously asserted that the most important factor in finding work was connections to informal networks that provide information and access to job opportunities. Having

a household or family member in employment seemed to be particularly crucial in providing contacts and linkages to work openings.

- It was noticeable that contrary to what might be anticipated, respondents did not identify (the absence of) qualifications or training as a primary factor in explaining their unemployment. Though respondents did not reject the notion of more training and skills, neither did they actively emphasise it. Instead there was a distinct undercurrent that in the context of mass unemployment, training courses can be little more than tokenistic. Respondents perceived that in many instances training courses were simply ways of keeping the unemployed occupied, giving them a minimum level of activity rather than providing any serious career prospects.
- High transport costs, lack of information and affordable employment agencies, as well as active racial and age discrimination were also cited as significant barriers to employment. It was perhaps somewhat surprising how many (and how powerfully) study participants held the view that a major reason for their unemployment was the arrival of foreign immigrant workers.

5.5 Evidence of mis-use of grants or a ‘dependency culture’?

- Despite some criticisms of how the CSG grant was being utilised, there was complete agreement that neither the CSG nor DG encouraged dependency or acted as a barrier to work. The two issues were completely separate and unrelated in the views of study participants.
- It was evident that debates and perceptions about the ‘mis-use of grants circulating in the media and wider society were present and replicated locally among grant recipients themselves. The disproportionate role and influence of the media in informing the views of study participants was striking.
- However it was equally striking that by ‘mis-use’ – respondents typically referred not to fraud and false claims. Most of the discussion surrounding the issue of ‘mis use’ of grants referred to the view that the grant money was spent by some on ‘inappropriate’ things, mostly alcohol. It also included a strong complaint that although some young mothers were in receipt of the CSG, they were not the primary care givers for their children, who were cared for instead by grandparents or other family members. This is supported by findings from other research (Udjo, 2003; Case et al, 2005) and may reflect a culture of complex family networks and economic migration.
- As in other recent studies (Steele, 2006) no DG beneficiaries in this study reported being employed or knew of beneficiaries who were both claiming and working, indicating that the DG is well targeted and that few people are illicitly supplementing their grant income.

- Interviews suggest that there was very little perverse behaviour amongst grant beneficiaries. The few examples of active fraud of the DG and discussion that some respondents might be willing to have larger families in order to access more CSG were tiny in number and did not reflect the prevailing values and attitudes of the vast majority of study participants.

5.6 Are current work-welfare initiatives perceived to be useful?

- To the extent that the IG initiative was intended to offer opportunities for sustainable livelihoods to those on the margins of the formal economy, it had, according to the results of this research, only limited success.
- Many of the factors which affected the programme's success related to the target communities themselves, and the results of this study throw up a number of questions about the appropriateness of a model of business creation within a context of weak stocks of infrastructure and human capital.
- The findings from this study suggest that there are considerable challenges to be overcome if strategies of small entrepreneurship are to be successful as mechanisms for poverty alleviation and job creation. This study found that participants tended to use incremental income first to satisfy basic consumption needs, then human and social capital (including financial assistance and reciprocal obligations to relatives and social networks) and only then invested in income generating activities. It implies that deferred or very minimal remuneration is likely to fail to address any but the most basic short term consumption needs of participants and is a serious challenge for longer term business development.
- Targeting services to those most in need will also force policy makers to grapple with the realities of power inequities within communities. The importance of nepotism and networks highlighted in this study is also found in other research. There are examples of rural elites benefiting from programmes targeted at the rural poor (Satterthwaite and Tacoli, 2003; Francis, 2006) and organised (sometimes criminal) networks in townships and urban areas monopolising access to micro enterprise or other social development initiatives (Cichello, 2006; du Toit, 2005;). Strategies which address the barriers of corruption, networks and unequal distribution of social capital within poor communities are essential if work-based initiatives are to really reach the most disadvantaged.
- The structural and physical barriers to running businesses in this environment are substantive but may be the area which offers most opportunity for government intervention and assistance. The creation of an enabling local context for small business could involve many different policies ranging from lowering transport costs and better urban and spatial planning which avoids physically isolating poor communities from economic centres, to stronger regulation of large corporate competitors.

6. Conclusion

Much of the debate in South Africa about poverty alleviation is framed within a discourse which sets social grants and paid employment in opposition to one another as possible solutions. This report demonstrates that this is a false dichotomy. Rather, in the absence of sufficient jobs, and in the absence of an appropriately skilled labour force, and in the context of high levels of unemployment, poverty and deprivation, a comprehensive social grant system which supports the unemployed, is a means of providing individuals with the capacity to live their lives in a more dignified – and less desperate – way than if there was no such grant.

Overall, the evidence presented here raises considerable doubts about the importance that is frequently attached to the influence of benefit systems in affecting work motivation. The provision of social grants did not appear to affect peoples underlying desire for work. There was strong evidence that women were as committed to having a job as men despite child care responsibilities. It is also significant that those in receipt of the DG were equally motivated to participate in work, despite their disabilities and their formal exemption from seeking work. Moreover the level of the replacement ration (benefit worth) did not seem to affect work ethic; there was no difference in motivation between those on the higher level Disability Grant.

One disturbing theme that was prominent throughout the interview discussion was the hostility certain groups felt towards others. This was evident in the antagonism and opposition to young CSG recipients, the hostility experienced by many DG beneficiaries and the strong resentment expressed towards outside migrants (both foreign and national). While this lack of sympathy for others was striking and at times disconcerting, it is in keeping with other research which shows the divisive nature of poverty (ILO, 2004). As in this study, wider evidence suggests that economic insecurity erodes principles of equity and solidarity and in many cases it is the most insecure groups who favour discriminatory practices against themselves.

However although there was significant internal differentiation among the group in their attitudes towards how the grants, in particular the CSG, should be used, there was no discernible difference in their attitudes to work or their rejection of the notion that grants could foster a dependency culture. In contrast a number of other explanatory variables stood out in accounting for peoples labour market experiences. These include the absence of qualifications, skills and training; access to job search resources; access to capital; access to informal networks that provide information, and the maintenance of a level of family finance that facilitates job search. Finally, the most important factors in reducing people's chances of finding employment were those linked to the structural conditions of the labour market and the wider economy rather than the motivational characteristics of the unemployed themselves and the levels and arrangements of grants and benefit.

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Department of Social Development
Private Bag x901
PRETORIA
0001

Toll Free no: 0800 60 10 11
Website address: www.socdev.gov.za

