

## 'Income for the Whole Family': Exploring the Contribution of Social Grants to Rural Household Income in Ngqushwa Municipality, Eastern Cape Province of South Africa

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**ABSTRACT** This paper explores the contribution of social grants on the household income of beneficiaries staying in rural areas in South Africa. The study used a sample of 541 beneficiaries from Ngqushwa Municipality, who were either administered questionnaires, interviewed or participated in a focus group discussion. The findings reflect that the beneficiaries expected the grant to cover 'all costs', which is contrary to the grants' purpose of contributing towards costs. Social grants were the only and main source of income for most households. Social grants were mainly the sole source of income for most households. With a culture of family ties and reciprocity among participants whereby they stayed in extended families and took care of each other, beneficiaries showed concern on the grants failing to provide enough income to live on, as the grants were too low and had not kept up with inflation. Therefore, the social grant beneficiaries had cultivated a culture of credits as they borrowed money, as the grants were insufficient to meet the basic needs. Nevertheless, survival without social grants seemed impossible for most beneficiaries, and hence they advocated for increase in the monetary value of social grants.

### INTRODUCTION

Interest in social protection in the form of social assistance is growing across Africa, fuelled by persistent high rates of poverty and malnutrition, the undermining of livelihoods and family-based support systems by shocks such as the AIDS epidemic, volatile food prices and the calamities of weather and war, extensive evidence that denying children basic nutrition, health, and education has life long, irreversible, and intergenerational consequences (Adato and Hoddinott 2008). There is evidence of the growing effectiveness of social protection in low-income countries throughout the world, particularly in contributing to poverty reduction and improved health, nutrition and education. Approaches vary across regions and countries with a notable introduction or scale-up of cash transfers for the very poor in Southern and East Africa. While many programs have been undertaken on a pilot basis, successful implementation of large-scale social protection programs in Ethiopia and South Africa, each with more than 8

million beneficiaries, has demonstrated that social protection systems are no longer only within the reach of rich countries (Devereux 2011).

South Africa is considered to be a middle-income and a progressively more developed country but, as Pauw and Mncube (2007) argue, many of its citizens still live in conditions of moderate to extreme poverty, both relative to wealthy South Africans and in absolute terms. In addition, poverty continues to inexplicably affect previously disadvantaged groups such as black South Africans and those living in rural areas. Therefore, one of the most significant challenges faced by the post-apartheid government along with some of the highest rates of unemployment and income inequality in the world is poverty diminution. However, one of the most imperative and contentious strategies through which the South African government has attempted to address poverty in its country is a system of largely unconditional social grants, which are provided to the elderly, the disabled, and the caregivers of children living in poor households.

Maniates (2012) outlines that the South African government's commitment to the grant system as a cornerstone of antipoverty is clearly visible in its spending choices. According to South African Social Security Agency (SASSA) (2016), there are over 16 million beneficiaries accessing the social grants provided for by the

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