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**NATIONAL ASSEMBLY**

**QUESTION 1273/2016**

**FOR WRITTEN REPLY**

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**1273. Ms K de Kock (DA) to ask the Minister of Social Development:**

(1) Whether her department commissioned any studies into the (a) social and (b) financial impact of the universalisation of the (i) older persons and (ii) child support grants; if not, in each case, why not; if so, in each case, (aa) which institution(s) conducted the specified studies, (bb) when were such studies completed and (cc) is the research findings publicly available;

(2) what are the key factors contributing to the development of a policy on the universalisation of the (a) older persons and (b) child support grants respectively? NW1421E

**Reply:**

a) (i) Yes, the universalization proposals are rooted in the Taylor Committee recommendations of 2002. The Department of Social Development has also conducted studies on the social and financial impact of the universalisation of both the older Persons Grant (OPG) as well as the Child Support Grant (CSG) entitled *“An exploration of the causes of poverty in old age in South Africa”* and *“The Feasibility study on the universal provision of the Child Support Grant (CSG) in South Africa”*

(b) The Discussion Paper with policy options was developed. The Paper also highlights financial implications for each option.

(aa) The OPG study was conducted in-house by the Department, whilst the CSG study was conducted by the Economic Policy Research Institute (EPRI) for the Department.

(bb) The CSG study was concluded in 2011 and the OPG study in 2014.

(cc) The OPG research report is available for various stakeholders. The CSG research report however is currently not available for public reading as the Department is currently working on another study related to the CSG Universalisation.

2. (a) (b) Essentially, the key factors contributing to the development of a policy on the universalisation stems from the need to ensure that all excluded eligible poor people are captured and receive social grants through an easier administration process that results from Universalisation. The CSG and OPG are poverty alleviation measures targeting the largest number of poor beneficiaries in comparison to all other grants, these grants have enabled the country to achieve progress in addressing the needs of children and older persons in the household with no or low income.

However, the promise of basic care for the poorest older persons and children still faces challenges; many are excluded due to various reasons including not having the correct documentation. While the Department has taken many steps to improve coverage to reach these poor beneficiaries in the past five years, evidence suggests that under-coverage will be effectively reduced by eliminating the means test and enabling all children and older persons to access the grants with minimum of bureaucratic requirements. Furthermore, universal provisions will enable many poor children that are excluded from the programme to realise the important developmental impacts that the CSG currently delivers to millions of others. The Department believes that universal provisions of these grants will build national solidarity and reflect a common understanding that South Africans are committed to providing income support to older persons and provide children with the opportunity to develop their full capabilities.