

Exploring the eligibility criteria of the Child Support Grant and its impact on poverty

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Abstract: One of the most important policy objectives in the post-apartheid South African economy is to reduce poverty. Although economic growth and job creation are the preferred sources of alleviating poverty and inequality, it is undisputable that social grant expenditure has contributed significantly to reduce poverty (Van der Berg et al. 2009).

The media recently reported on proposals tabled by the Department of Social Development (Fin24, 2015) to extend the age eligibility of the child support grant (CSG) to 21 years (currently children up to 18 years are eligible). This sparked an interest to investigate the impact of changes to the eligibility criteria of CSG on poverty. This paper plans to conduct various simulation exercises to examine these changes.

Some of the specific simulations include changing the age eligibility, investigating the impact on poverty if the CSG is more effectively targeted (if all age-eligible children receive the grant), and changing the income threshold of the means test. In particular, the following questions will be addressed: (1) what would have happened to poverty rates if all age-eligible children applied?; (2) what would have happened to poverty rates if the age eligibility criterion is extended?; and (3) what would have happened to poverty rates if the monthly child grant income amount is revised upwards? We also investigate the fiscal implications of these simulations. Person and household data from the 2010/2011 Income and Expenditure Survey will be used to conduct the analysis.

1. Introduction

One of the most important policy objectives in the post-apartheid South African economy is to alleviate poverty. Although economic growth and job creation are primarily the preferred mechanisms through which poverty and inequality can be addressed, it is undisputable that social grant expenditure has contributed significantly to reduce poverty (Van der Berg et al. 2009).

The South African Department of Social Development has made revisions to the age and income eligibility criteria for the child support grant (CSG) since its inception in 1998, and recently proposals to extend the age eligibility to 21 years (currently children up to 18 years are eligible) have also been debated. This sparks an interest to examine in more detail possible changes to the eligibility criteria of CSG and its impact on poverty. In other words, how would poverty levels be affected if there are changes to the CSG criteria (age threshold, income threshold, and the monthly contribution)?

The rest of the study is structured as follows: Section 2 provides an overview of the CSG and some descriptive statistics (monthly contribution and the number of beneficiaries over the years). Section 3 reviews the results of existing local and international studies that investigated the impact of social grants (in particular CSG) on poverty incidence. Section 4 starts off by explaining the different simulation approaches on the age and income eligibility as well as the monthly CSG amount paid to beneficiaries, before we estimate the poverty incidence and the fiscal impact of each simulation. Section 5 concludes the study.

2. Overview of the CSG

The CSG provides financial assistance to poor families raising children. It is a monthly income support provided to adults who care for children younger than 18 years (Black Sash, 2015). The CSG is currently paid to parents or primary caregivers who either hold South African citizenship, permanent residence or refugee status. As from 1 April 2015, the grant value of R330 per month is dispensed to a qualifying single adult earning R3 300 or less per month (R6 600 or less per month in the case of a married couple).

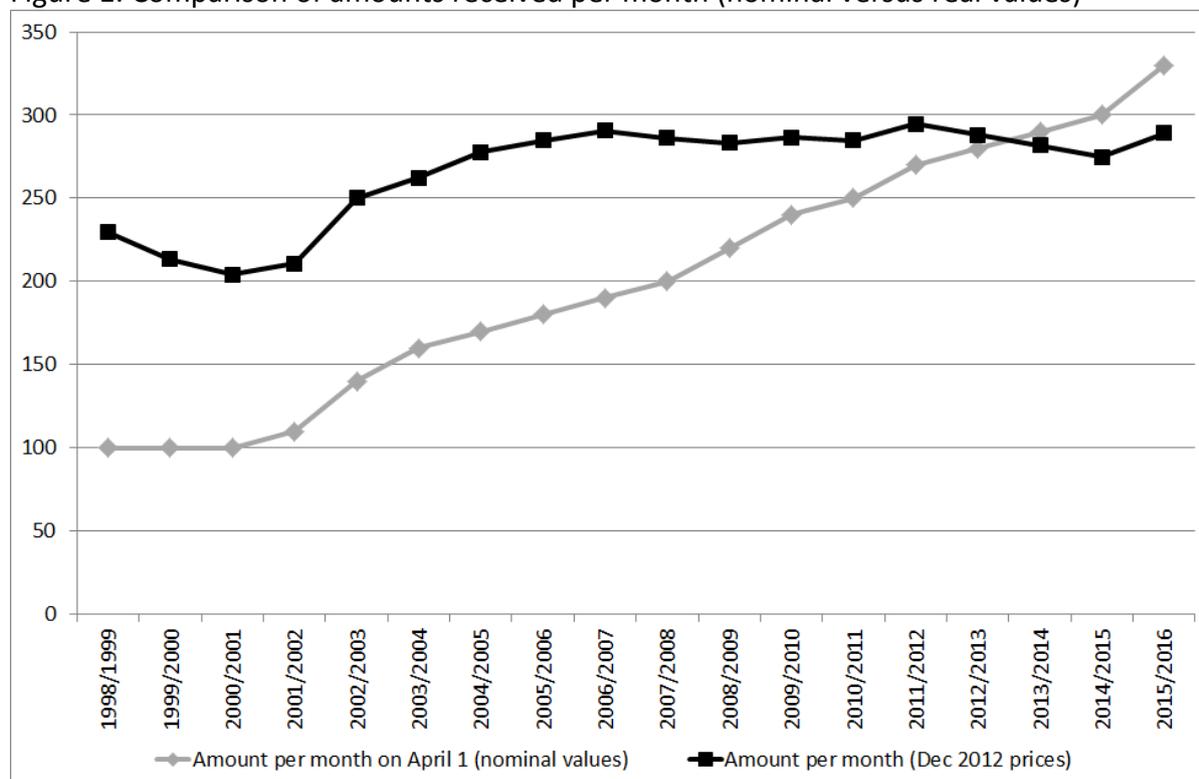
Table 1 shows that the age eligibility criterion has gradually been increased over the past decades. Prior to 2003, grants were initially paid to caregivers with children younger than seven years; this has been extended to 18 years since 2012. The CSG amounts dispensed started at a low nominal value of R100 per month, with periodic R10 per month increments implemented during 2003-2007 and 2011-2014, culminating in a payment of R330 per month as of 2015. The grant values (in December 2012 prices) declined over the period 1998-2000, steadily rising to R291 per month in 2006 and levelling off within this range since 2005 (see Figure 1).

Table 1: Age eligibility, Value and Beneficiaries of Child Support Grant

| Fiscal year | Eligible age | Amount per month on April 1 (nominal values) | Amount per month (Dec 2012 prices) | Number of beneficiaries |
|-------------|--------------|--|------------------------------------|-------------------------|
| 1998/1999 | 0-6 years | 100 | 229 | 34 471 |
| 1999/2000 | 0-6 years | 100 | 213 | 352 617 |
| 2000/2001 | 0-6 years | 100 | 204 | 974 724 |
| 2001/2002 | 0-6 years | 110 | 211 | 1 907 774 |
| 2002/2003 | 0-6 years | 140 | 250 | 2 630 826 |
| 2003/2004 | 0-8 years | 160 | 262 | 4 309 772 |
| 2004/2005 | 0-10 years | 170 | 278 | 5 663 647 |
| 2005/2006 | 0-13 years | 180 | 285 | 7 075 266 |
| 2006/2007 | 0-13 years | 190 | 291 | 7 863 841 |
| 2007/2008 | 0-13 years | 200 | 286 | 8 189 975 |
| 2008/2009 | 0-13 years | 220 | 283 | 8 765 354 |
| 2009/2010 | 0-14 years | 240 | 286 | 9 570 287 |
| 2010/2011 | 0-14 years | 250 | 285 | 10 371 950 |
| 2011/2012 | 0-14 years | 270 | 295 | 10 927 731 |
| 2012/2013 | 0-17 years | 280 | 288 | 11 341 988 |
| 2013/2014 | 0-17 years | 290 | 282 | 11 125 946 |
| 2014/2015 | 0-17 years | 300 | 275 | Not available yet |
| 2015/2016 | 0-17 years | 330 | 289 | Not available yet |

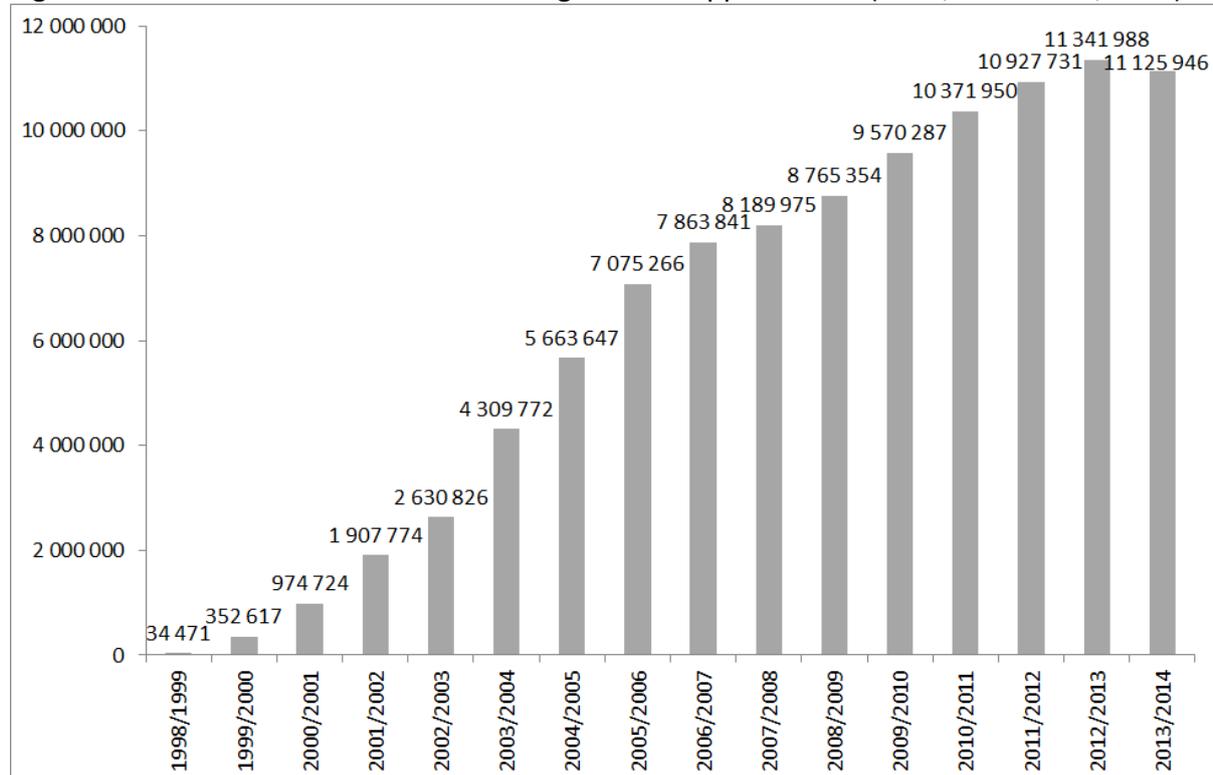
Source: National Treasury, Budget Review (Various issues); Van der Berg et al. (2010); Hall (2014); Statistics South Africa (2015).

Figure 1: Comparison of amounts received per month (nominal versus real values)



The number of CSG beneficiaries has substantially increased since its inception: in 1998 the total was 34 471, which pale in comparison to the millions receiving it since 2001. In 2012, approximately 11.3 million caregivers benefitted from the grant (see Figure 2). These increases are likely due to broader media coverage by human rights groups and the relaxation of the age eligibility criterion, enabling a greater proportion of the poor to gain access to these grants.

Figure 2: Number of beneficiaries receiving a Child Support Grant (1998/1999-2013/2014)



The means test is a measure the South African Social Security Agency (SASSA) employs to assess the financial status of grant applicants. Before issuing the grant, they evaluate the income and asset level of the applicant to ensure that it does not exceed the stipulated income threshold. In the years preceding 2008 the means test criterion favoured the rural and informal settlement dwellers if they earned less than R13 200 per year, while urban dwellers received the grant if earning less than R9 600 per year (Van der Berg et.al, 2010).

The criterion was amended during the 2008/2009 fiscal year by the removal of the rural/urban distinction. Grants were awarded to a single person with an annualised R27 600 threshold (R55 200 for married persons) as at 1 October 2008 (SASSA, 2010). At the time of the Income Expenditure Survey (IES) 2010/2011, married caregivers could qualify for a grant provided they jointly earned no more than R60 000 per year (SASSA, 2010). At present, the 2015/2016 means threshold for married grant applicants are R76 800 per year (Black Sash, 2015).

3. Results of past studies on the effectiveness of social transfers

The importance of cash transfers of any kind in alleviating poverty is well documented. Access to these grants is often scaled up to increase the reach it has to poor households and improving their welfare. Numerous studies have been conducted both locally and internationally on social protection programmes such as CSGs.

Bhorat, Tseng and Stanwix (2014) evaluated the impact of the provision of social grants on household poverty and inequality in South Africa, using the IES 1995 and 2005/2006 data. They found that access to social grant income was not limited to the poorest income deciles, and it contributed significantly to the total household income of the bottom three deciles (Bhorat et al. 2014: 230-232). In the study by Armstrong and Burger (2008) they conduct poverty and inequality decompositions by income source using IES data. Results show that social grants as an income source caused the poverty headcount ratio to decrease by 4.7%. An interesting result is that the effectiveness of social grants in alleviating poverty increases as the measure used changes to the poverty squared ratio (23%) as opposed to the headcount ratio, which indicates that social grants are effective in targeting the poorest individuals¹.

Woolard, Buthelezi and Bertscher (2012), using the 2008 (wave 1) and 2010/11 (wave 2) National Income Dynamics Studies (NIDS) data, confirmed similar results for the CSG. They found that more than 80% of households that received CSG income were in the lowest income quintile. In a review of past studies Gomersall (2013) reported that the CSG reduced childhood poverty, increased access to schooling and enrolment rates, and improved hunger indicators (see Case, Hosegood and Lund (2006) and Triegaardt (2005) for earlier studies supporting these results).

Despite these positive results, some studies reported on cases where the eligible households did not receive the CSG. In a simulation exercise on the eligibility of the CSG, Woolard et al. (2012) found that 3.2 million children who were eligible for the CSG did not receive it at all in wave 2. In particular, infants and children aged 14-15 years were least likely to receive the grant income. Reasons stated by caregivers for either not applying or applying late included, amongst others, not having the documentation ready or they perceived their income was too high.

As far as international studies are concerned, Osei (2011) conducted a similar study to Bhorat et al. (2014), and examined poverty incidence with and without social grant income in Ghana. He found that the poverty headcount ratio decreased by 5 percentage points and the poverty gap ratio dropped by 38 percentage (from 17.2% to 10.6%) as a result of the inclusion of social grant. Jones, Vargas and Villar (2008) studied the effect of cash transfers in Peru to tackle childhood deprivation and vulnerability. Using qualitative techniques, they found that school attendance and attitudes towards receiving health services such as vaccinations and nutrition improved (Jones et al. 2008: 271).

¹ Social grants are however fairly ineffective in decreasing inequality as wages of high income earners is the main driver of inequality (Armstrong and Burger, 2008).

Levine, Van der Berg and Yu (2011) highlighted the seriousness of under-reporting of social grant income in the 2003/04 IES household data in Namibia. They derived their own social grant income variables, based on the eligibility criteria at that time. They then examined the poverty incidence using the revised per adult equivalent income and consumption variables, and found that the poverty headcount ratio decreased by 4.3 and 22.0 percentage points respectively at the lowerbound poverty line.

4. Empirical analysis

4.1 Data and methodology

The person- and household-level data as reflected in the 2010/11 IES released by Statistics South Africa (2012) are used. The data provide micro-level information on households' income and expenditures. In particular, the IES 2010/11 contains data on the various social transfers and specifically the CSG. In addition to indicating whether or not the household member has received the CSG, they also provided the number of months they received the grant in the past 12 months. All values reported in the IES 2010/11 have been converted to March 2011 prices, and annualised figures.

Several simulation exercises are performed to assess the implications of changes to the eligibility of the CSG criteria on poverty levels, as well as their fiscal impact. The income variable inclusive of grant income is assumed to be the base variable, before the following simulations are conducted:

- We determine the effect on poverty levels had all social grant income been removed, as well as the benefit to the fiscus of removing social transfers.
- The data on CSG included the total number of months household members had received the grant. On the assumption that households may have erroneously under-reported it, we derive total household income had the members received the CSG for the possible maximum number of months (12 months). This new income variable is used to re-estimate poverty levels.
- We look at the impact on poverty and the fiscus of extending the age eligibility to 17 and 21 years, respectively.
- A further analysis is to assess how the poverty levels change if the income criterion is removed.
- We run a simulation to assess the fiscal and poverty implications of increasing the monthly payment amount per child.

The changes in Foster-Greer-Thorbecke (FGT) poverty levels are assessed by using the poverty line proposed by Woolard & Leibbrandt (2006), i.e. R3 864 per capita per annum in 2000 prices (R7175.52 in March 2011 prices). Since there is a possibility that the poverty rates may be influenced by the choice of poverty line, we complement the FGT poverty indices with cumulative density functions (CDFs).

4.2 Results

Using the per capita income variable as reported by respondents, we determine the FGT poverty headcount ratios by race. Table 1 shows that, using the poverty line as mentioned above, 46.77% of the population were defined as poor.

Table 1: Poverty headcount ratios by race (poverty line: R7 175.52, 2011 March prices)

| | <u>Poverty headcount ratio</u> |
|----------|--------------------------------|
| All | 0.4677 |
| Black | 0.5495 |
| Coloured | 0.2624 |
| Indian | 0.0813 |
| White | 0.0681 |

Source: Own calculations using IES 2010/11 data.

We conduct the following simulation exercises and estimate revised poverty rates and the fiscal implications of these changes.

In simulation (1), we assume households do not receive any social grant transfer. Table 2 shows that the poverty headcount ratios increase nationally, and for all races. This supports previous findings of Van der Berg, Louw and Du Toit (2009) that social transfers significantly reduce poverty in South Africa.

Table 2: Poverty headcount ratios in each simulation

| | <u>Simulation (1)</u> | <u>Simulation (2)</u> | <u>Simulation (3)</u> | <u>Simulation (4)</u> | <u>Simulation (5)</u> |
|----------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| All | 0.5285 | 0.4462 | 0.4373 | 0.4244 | 0.4371 |
| Black | 0.6142 | 0.5261 | 0.5159 | 0.5017 | 0.5156 |
| Coloured | 0.3269 | 0.2405 | 0.2326 | 0.2179 | 0.2310 |
| Indian | 0.1334 | 0.0796 | 0.0782 | 0.0764 | 0.0796 |
| White | 0.0939 | 0.0582 | 0.0565 | 0.0537 | 0.0582 |
| | <u>Simulation (6)</u> | <u>Simulation (7)</u> | <u>Simulation (8)</u> | <u>Simulation (9)</u> | <u>Simulation (10)</u> |
| All | 0.4185 | 0.3960 | 0.4449 | 0.4358 | 0.4229 |
| Black | 0.4941 | 0.4678 | 0.5246 | 0.5143 | 0.5001 |
| Coloured | 0.2165 | 0.2015 | 0.2388 | 0.2308 | 0.2162 |
| Indian | 0.0755 | 0.0687 | 0.0796 | 0.0782 | 0.0764 |
| White | 0.0574 | 0.0559 | 0.0582 | 0.0565 | 0.0537 |

Source: Own calculations using IES 2010/11 data.

Note:

Simulation #1: Assuming all social grant income is zero

Simulation #2: Assuming all eligible children receive the CSG income for the full 12-month duration

Simulation #3: 15-17 year-old also received CSG, holding income threshold unchanged

Simulation #4: 15-21 year-old also received CSG, holding income threshold unchanged

Simulation #5: Monthly CSG amount increases to R300, holding income and age criteria unchanged

Simulation #6: Monthly CSG amount increases to R400, holding income and age criteria unchanged

Simulation #7: Monthly CSG amount increases to R500, holding income and age criteria unchanged

Simulation #8: Children aged 0-14 years receive R250 per month, dropping income criterion

Simulation #9: Children aged 0-17 years receive R250 per month, dropping income criterion

Simulation #10: Children aged 0-21 years receive R250 per month, dropping income criterion

As previously indicated, some eligible respondents reported receiving the CSG for less than 12 months. In simulation (2), we determine the income gain had they received the CSG for the entire 12 months. We now calculate the poverty headcount ratios using the revised income variable, shown in Table 2. Comparing this result to Table 1, we find that the national headcount ratio decreases by just above 2 percentage points.

Focusing on the age eligibility criterion of the CSG, simulations (3) and (4) present the poverty headcount ratios if children aged 15-17 years and 15-21 years respectively receive the grant (holding the income criterion unchanged). As expected, poverty headcount ratios decreased for all races. Nationally, the ratios decline to below 44% if the age eligibility criterion is adjusted.

Simulations (5) to (7) assume changes to the monthly CSG amount, holding the income and age criteria constant. If we double the monthly CSG from R250 to R500 (i.e. simulation (7)), the national poverty headcount ratio drops to below 40%. In contrast, in simulations (8) to (10), we drop the income criterion and maintain the monthly amount. In addition, in simulations (9) and (10), we also adjust the age criterion. The national poverty headcount ratio drops by 2 percentage points in simulation (8) as a result of dropping the income criterion. If we extend the eligible age to 17 years and 21 years respectively, simulations (9) and (10) result in the poverty headcount ratios dropping by 3 and 4 percentage points respectively.

The analysis above only considers the changes to poverty without taking into account its fiscal implications. Had all social grants been removed (as in simulation (1)), Table 3 shows that the poverty headcount ratio and number of poor people would have increased by approximately 6 percentage points and 3.06 million respectively. However, this would have saved the fiscus R76.82 billion.

Table 3: Benefit and cost incidence

| <u>Simulation</u> | <u>Fiscal implication / Additional total cost (Rand million, March 2011 prices)</u> | <u>Decrease in poverty headcount ratio (percentage points)</u> | <u>Decrease in the number of poor people</u> | <u>Per capita cost of a change in the number poor people (Rand, March 2011 prices)</u> |
|-------------------|---|--|--|--|
| (1) | -76 822 | -6.08 | -3 062 940 | -25 081 |
| (2) | 16 324 | 2.15 | 1 084 329 | 15 054 |
| (3) | 22 960 | 3.04 | 1 536 511 | 14 943 |
| (4) | 31 643 | 4.33 | 2 186 806 | 14 470 |
| (5) | 22 505 | 3.06 | 1 545 585 | 14 561 |
| (6) | 34 866 | 4.92 | 2 480 195 | 14 058 |
| (7) | 47 228 | 7.17 | 3 615 943 | 13 061 |
| (8) | 29 818 | 2.28 | 1 152 383 | 25 875 |
| (9) | 39 188 | 3.19 | 1 608 598 | 24 362 |
| (10) | 51 646 | 4.48 | 2 258 893 | 22 863 |

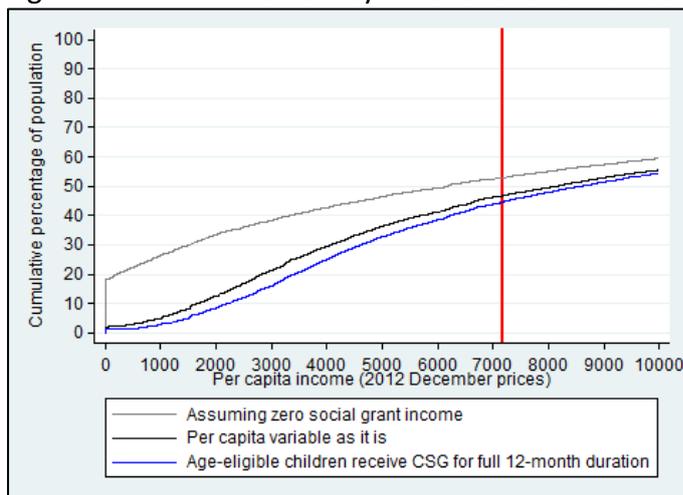
Source: Own calculations using IES 2010/11 data.

In all the simulations that involve changing the CSG criteria (i.e. simulations (2) to (10)), we observe a decrease in the national poverty headcount ratios, as shown in the third column

of Table 3. Simulation (7) (doubling the monthly CSG amount) results in the greatest decrease of the ratio. Interestingly, this is not the most costly adjustment. Simulation (10) would have the biggest fiscal impact (a potential increase of R51.65 billion) but does not lead to the biggest decline in poverty headcount ratio. To achieve more or less the same decrease in poverty given by removing the income criterion (simulation (10)), simulation (4) (extending the age criterion to 21 years) will be less costly by approximately R20 billion. This result implies that dropping the income criterion is a more costly option to reduce poverty. When considering the average cost (i.e. the per capita cost of simulations) shown in the fifth column of Table 3, simulation 10 is no longer the most expensive option. The most cost effective option (when comparing per capita cost) to achieve a reduction in the number of poor people is simulation 7.

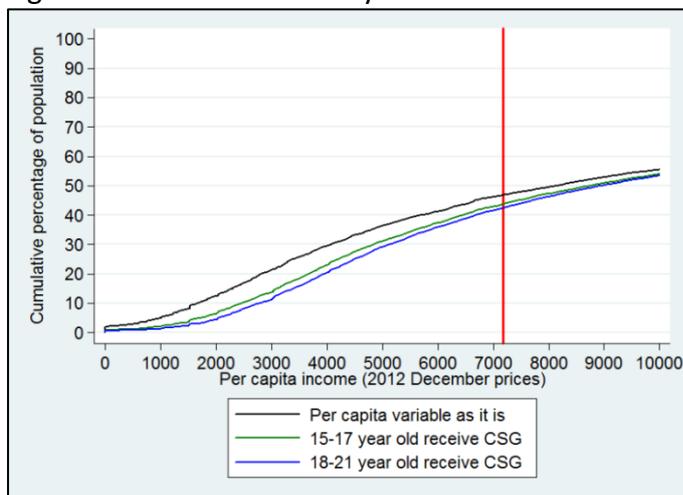
The choice of poverty line may influence the above results. To check the robustness of our results, we conduct a sensitivity analysis by plotting the CDFs at different per capita income values for the different simulations. These results are shown in Figures 1 to 4. For all simulations, the results are robust, regardless of the poverty line being chosen.

Figure 1: Cumulative density functions for simulations (1) and (2)



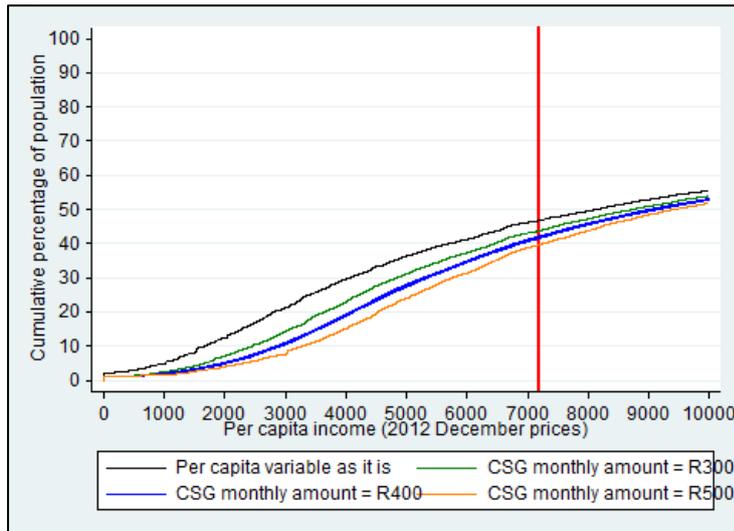
Source: Own calculations using IES 2010/11 data.

Figure 2: Cumulative density functions for simulations (3) and (4)



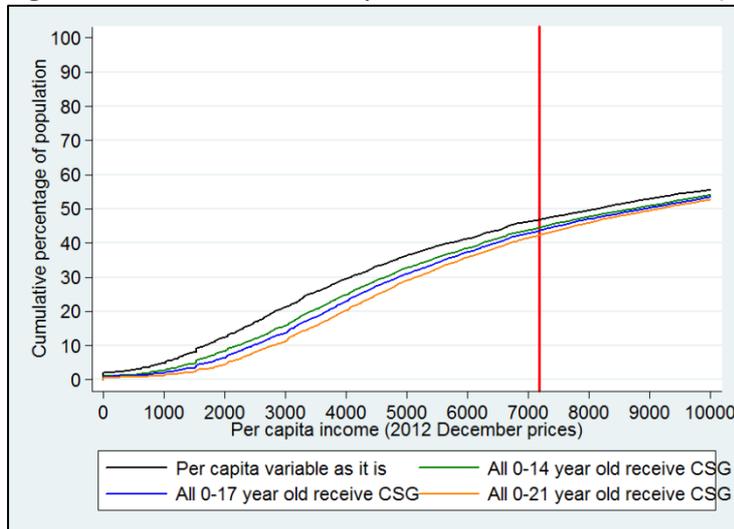
Source: Own calculations using IES 2010/11 data.

Figure 3: Cumulative density functions for simulations (5) to (7)



Source: Own calculations using IES 2010/11 data.

Figure 4: Cumulative density functions for simulations (8) to (10)



Source: Own calculations using IES 2010/11 data.

4. Conclusion

Even though there have been several empirical studies on the impact of the CSG, this study is a first contribution to investigating the implications of changes to the CSG eligibility criteria on poverty incidence and the fiscus. It was found that by doubling the monthly grant amount (*ceteris paribus*), this would have led to the biggest decline in the poverty headcount ratio. However, such an adjustment would have cost the fiscus R47.2 billion (March 2011 prices), which is not the most expensive of the simulation exercises. The most costly option would have been to extend the age criterion to 21 years and dropping the income criterion; this would have cost R51.65 billion.) Yet this option does not provide a similar reduction in poverty when comparing it to other simulations (see options 6 and 7). Taking into account the average cost per simulation reveals that the fiscus would receive the most cost effective decrease in the number of poor people if simulation 7 is implemented.

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Appendix

Table A.1: FGT poverty indices and the number of poor in each simulation

| | P0 | P1 | P2 | Number of poor |
|--|--------|--------|--------|----------------|
| <u>Using the income variable as it is</u> | | | | |
| All | 0.4677 | 0.2483 | 0.1643 | 23 578 992 |
| Black | 0.5495 | 0.2939 | 0.1941 | 21 975 861 |
| Coloured | 0.2624 | 0.1140 | 0.0685 | 1 184 294 |
| Indian | 0.0813 | 0.0484 | 0.0360 | 102 111 |
| White | 0.0681 | 0.0404 | 0.0355 | 316 691 |
| <u>Simulation (1): Assuming all social grant income is zero</u> | | | | |
| All | 0.5285 | 0.3929 | 0.3375 | 26 641 932 |
| Black | 0.6142 | 0.4599 | 0.3957 | 24 562 480 |
| Coloured | 0.3269 | 0.2139 | 0.1721 | 1 475 403 |
| Indian | 0.1334 | 0.0953 | 0.0825 | 167 659 |
| White | 0.0939 | 0.0714 | 0.0658 | 436 374 |
| <u>Simulation (2): Assuming all eligible children receive the CSG income for the full 12-month duration</u> | | | | |
| All | 0.4462 | 0.2143 | 0.1309 | 22 494 663 |
| Black | 0.5261 | 0.2535 | 0.1540 | 21 038 472 |
| Coloured | 0.2405 | 0.0964 | 0.0543 | 1 085 588 |
| Indian | 0.0796 | 0.0414 | 0.0292 | 100 063 |
| White | 0.0582 | 0.0381 | 0.0342 | 270 566 |
| <u>Simulation (3): 15-17 year-old also received CSG, holding income threshold unchanged</u> | | | | |
| All | 0.4373 | 0.2002 | 0.1176 | 22 042 481 |
| Black | 0.5159 | 0.2366 | 0.1379 | 20 632 163 |
| Coloured | 0.2326 | 0.0895 | 0.0490 | 1 049 617 |
| Indian | 0.0782 | 0.0391 | 0.0276 | 98 291 |
| White | 0.0565 | 0.0376 | 0.0336 | 262 569 |
| <u>Simulation #4: 15-21 year-old also received CSG, holding income threshold unchanged</u> | | | | |
| All | 0.4244 | 0.1828 | 0.1017 | 21 392 186 |
| Black | 0.5017 | 0.2158 | 0.1187 | 20 063 091 |
| Coloured | 0.2179 | 0.0821 | 0.0431 | 983 587 |
| Indian | 0.0764 | 0.0366 | 0.0258 | 96 042 |
| White | 0.0537 | 0.0368 | 0.0329 | 249 689 |
| <u>Simulation #5: Monthly CSG amount increases to R300, holding income and age criteria unchanged</u> | | | | |
| All | 0.4371 | 0.2015 | 0.1194 | 22 033 407 |
| Black | 0.5156 | 0.2382 | 0.1400 | 20 620 166 |
| Coloured | 0.2310 | 0.0905 | 0.0498 | 1 042 531 |
| Indian | 0.0796 | 0.0398 | 0.0279 | 100 063 |
| White | 0.0582 | 0.0379 | 0.0340 | 270 566 |

Table A.1: Continued

| | P0 | P1 | P2 | Number of poor |
|--|--------|--------|--------|----------------|
| <u>Simulation #6: Monthly CSG amount increases to R400, holding income and age criteria unchanged</u> | | | | |
| All | 0.4185 | 0.1770 | 0.0992 | 21 098 797 |
| Black | 0.4941 | 0.2087 | 0.1156 | 19 759 959 |
| Coloured | 0.2165 | 0.0796 | 0.0421 | 977 133 |
| Indian | 0.0755 | 0.0368 | 0.0255 | 94 886 |
| White | 0.0574 | 0.0374 | 0.0337 | 266 753 |
| <u>Simulation #7: Monthly CSG amount increases to R500, holding income and age criteria unchanged</u> | | | | |
| All | 0.3960 | 0.1544 | 0.0827 | 19 963 049 |
| Black | 0.4678 | 0.1813 | 0.0956 | 18 707 396 |
| Coloured | 0.2015 | 0.0700 | 0.0358 | 909 253 |
| Indian | 0.0687 | 0.0343 | 0.0234 | 86 305 |
| White | 0.0559 | 0.0369 | 0.0334 | 260 104 |
| <u>Simulation (8): Children aged 0-14 years get R250 per month, dropping the income criterion</u> | | | | |
| All | 0.4449 | 0.2139 | 0.1307 | 22 426 609 |
| Black | 0.5246 | 0.2531 | 0.1538 | 20 978 486 |
| Coloured | 0.2388 | 0.0961 | 0.0543 | 1 077 599 |
| Indian | 0.0796 | 0.0414 | 0.0292 | 100 063 |
| White | 0.0582 | 0.0381 | 0.0342 | 270 566 |
| <u>Simulation (9): Children aged 0-17 years get R250 per month, dropping the income criterion</u> | | | | |
| All | 0.4358 | 0.1998 | 0.1174 | 21 970 394 |
| Black | 0.5143 | 0.2362 | 0.1377 | 20 567 778 |
| Coloured | 0.2308 | 0.0893 | 0.0490 | 1 041 628 |
| Indian | 0.0782 | 0.0391 | 0.0276 | 98 291 |
| White | 0.0565 | 0.0376 | 0.0336 | 262 569 |
| <u>Simulation (10): Children aged 0-21 years get R250 per month, dropping the income criterion</u> | | | | |
| All | 0.4229 | 0.1823 | 0.1015 | 21 320 099 |
| Black | 0.5001 | 0.2152 | 0.1184 | 19 998 706 |
| Coloured | 0.2162 | 0.0818 | 0.0431 | 975 598 |
| Indian | 0.0764 | 0.0366 | 0.0258 | 96 042 |
| White | 0.0537 | 0.0368 | 0.0329 | 249 689 |

Source: Own calculations using the IES 2010/2011 data.