

## MEDIA RELEASE

To: All media

Date: 27 October 2016

Subject: In response to the Medium Term Budget Policy Statement 2016

*A R10 increase on the Child Support Grant does not allow mothers to feed their children properly.*

National Treasury in the *Medium Term Budget Policy Statement* announced a R10 increase on the child support grant (CSG) to keep pace with inflation.<sup>1</sup> The additional R10 brings the total increase from April 2016 to R30 or 9.1%, with the total value of the grant at R360. The increase is below food price inflation as measured through *Statistics South Africa's Consumer Price Index*, which in September 2016 stood at 11.3% year-on-year.<sup>2</sup> The CSG, valued at R360 is also below *Statistics South Africa's food poverty line* of R498 per month (April 2016).

The increase on the CSG and its total value is even further below *PACSA's Minimum Nutritional Food Basket* which shows that year-on-year it cost R69.06 (14.7%) more to feed a small girl/boy child (aged 3-9 years) a basic but nutritionally complete diet per month (total cost R537.46, see Table 1). It means that if a mother used the full R360 to feed her small child then she would underspend on her child's plate by a third (33%). Imagine what that would do to your child's growth and development?

**Table 1: Inflation on the cost of feeding a child a basic but nutritious diet (Sept 2015 – Sept 2016).**

Child age and gender	Sep_2015	Sep_2016	y/y change (ZAR)	y/y change (%)
Girls/Boys 3-9 years	R 468.40	R 537.46	R 69.06	14.7%
Girls/Boys 10-13 years	R 510.25	R 586.31	R 76.06	14.9%
Girls 14-18 years	R 541.76	R 623.80	R 82.04	15.1%
Boys 14-18 years	R 603.28	R 693.58	R 90.30	15.0%

Why in a context where more than half (55.7%) of South Africa's children live below the poverty line,<sup>3</sup> where a fifth (21.6%) of children under the age of 5 years are stunted,<sup>4</sup> where the drought has caused food prices to soar, does government deem it unnecessary to raise the value of grants to enable women to feed their children properly? What would be the imagination of South Africa's future behind such a decision to give grants which are below the food poverty line and not increase them commensurately with food price inflation? What is government's vision of our education outcomes in 10 years' time; our labour market and economy in 15 years' time?

Studies indicate that the CSG is well targeted and is being used for its intended purpose by mothers and caregivers. The most effective way to eradicate child poverty and ensure positive social, economic, health and education outcomes for all of us is to make sure that all children are able to access sufficient and nutritious food. The CSG is the correct instrument and currently the most efficient way to do this. The future of South Africa rests on the ability of women to secure sufficient nutritious affordable food for their families. Soon, nothing else is going to matter. We are actively destroying the base of our future.

<sup>1</sup> National Treasury (2016). *Medium Term Budget Policy Statement 2016*. Republic of South Africa. 26 October 2016. P34.

<http://www.treasury.gov.za/documents/mtbps/2016/mtbps/MTBPS%202016%20Full%20Document.pdf>

<sup>2</sup> STATSSA (2016). *Consumer Price Index*. September 2016. Statistical Release P0141. Statistics South Africa. Pretoria. P4.<http://www.statssa.gov.za/publications/P0141/P0141September2016.pdf>

<sup>3</sup> Statistics South Africa (2014). *Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2011*. Published by Statistics South Africa, Pretoria. P29.

<sup>4</sup> Human Sciences Research Council (2014). *South African National Health and Nutrition Examination Survey (SANHANES-1), 2013*. 2014 Edition. The Health and Nutritional Status of the Nation. HSRC Press. Cape Town, South Africa. P211

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## **About PACSA**

The Pietermaritzburg Agency for Community Social Action (PACSA) is a social justice and development NGO that has been in operation since 1979. PACSA's work focusses on socio-economic rights, gender justice, youth development, livelihoods and HIV & Aids. Our work and our practice seek to enhance human dignity.

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