

# Comment on the Budget Speech

By Joan van Niekerk, Childline South Africa, February 2009

**There has been mixed reaction to the 2009 budget speech of Minister Trevor Manuel. He has been lauded by many for presenting a budget that balances various interests as well as taking into account the present global recession and its impact on the South African economy.**

However from the perspective of the poor, and children, the budget offers little relief from the challenges of their day-to-day existence. Minister Manuel opened his speech by noting that the budget had been guided by five enduring principles, the first of which is “protecting the poor”. However what followed in the full content of the speech, offered more to protecting the taxpayer and business – especially small business, rather than the poor.

The increase in the child support grant is a paltry 4% to R240 per child living in a low income or no income family (nowhere near the rate of inflation). For some families the child support grant may be the only income the family has, and there is little likelihood of being able to provide food, clothing, shelter and education for a child from this small amount.

Even more concerning is the failure to extend the grant beyond 15 years. During 2008, Minister Pandor from the Education Ministry, noted with concern, the high drop out of children aged 15 years and above from school, but failed to make the connection to the fact that there is simply no material support for children above this age to remain in school.

Minister Manuel did note that the possibility of extending the grant was being explored, in line with the commitment during 2008 from the Minister of Social Development to move towards this. However an extension may be linked to school attendance and other conditions. This is counter-productive as it will increase the cost of administering the grant system and also it must be noted that school attendance has of itself a cost attached and many children who do not attend school do not do so because of reasons beyond their and their family’s control.

The difference in the amounts between the child support grant (R240) and the foster care grant (R680) is also cause for concern. It does not support children remaining in the care of their biological parents – as one mother living in dire poverty once said to me on the Childline telephone counselling line. *“My children would be better off if I abandoned them to the care of another relative – then they would be supported more adequately through the foster care grant”*.

Moving towards a lesser discrepancy between the two grants might impact more positively on keeping biological families together as well as reduce the pressure on the child protection system which as a result of the impact of the HIV and AIDS pandemic, is overwhelmed by the outstanding number of foster care applications for the placement of children orphaned and in need of care. A more adequate child support grant would enable extended family members caring for orphaned children to apply for this grant rather than go through the cumbersome process of a foster care application. This would also free up more professional social work (identified as a scarce skill) services for other professional responsibilities.

However the budget contained some further poverty relief provisions:

- An extension of the school feeding schemes.
- Increasing the percentage of schools that would be covered by the “no-fee schools policy” from 40 to 60%.

- Reducing class size in schools in poor communities.
- Increasing the old age pension (many state pensioners support entire households).
- Increased budgets for child vaccines.
- An extension of the screening of pregnant mothers and the phasing in of an improved drug regimen to prevent mother-to-child transmission.
- Provision for the extension of the anti-retroviral programme – keeping HIV infected parents alive and well prevents orphanhood and sustains the ability to remain in employment and is truly an effective child protection measure.
- Funding for the implementation of the Child Justice Bill.
- An increase in the provisioning for the Extended Public Works Programme and other employment projects.

### **A concluding comment on the budget**

Perhaps we need to move away from “protecting the poor” - a core principle of the budgeting process - to “empowering the poor” and enabling them to move out of their socio-economic condition.

A significant contribution to this is ensuring adequate provisions for the holistic development of children.

Furthermore what one would also like to see is a number of Minister Manual’s comments translated into reality:

- *“we will not be blind to incompetence or greed” (no specific mention of corruption)*
- *“ it will be necessary to take stronger action in pursuit of efficiency and better targeted expenditure. There is insufficient control of foreign travel, advertising and public relations activities and consultancy services..... A greater sense of responsibility needs to permeate the ethos of government...”*