
GOVERNMENT'S COVID-19 SOCIAL GRANT IN SOUTH AFRICA: A SYNOPSIS OF THE EFFECT ON RECIPIENTS

Sipho MOKOENA¹
Collins NGWAKWE^{2*}

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Abstract

This paper presents a synopsis of recipients' benefits from the South African COVID-19 social relief fund. The objective of the paper is to evaluate the key benefit of the COVID-19 special grant and if the Grant had a positive impact in the lives of recipients and their family members. The paper applied a mix of succinct review and thematic analysis. Secondary data collection was from the archive of survey questionnaires conducted by the Department of Social Development. Findings from the thematic graphical analysis of the recipients' responses show that more than 93% of the COVID grant recipients used the fund for food. Furthermore, over 88% avowed that the grant had a positive impact in their lives and over 79% of the grant recipients indicated that the fund had a positive impact in the lives of their family members. The findings offer practical and policy implication for government's social security agency. The recipients' acceptance of positive benefit regarding food and overall effect on wellbeing is an indication that extension of the COVID-19 social relief fund or conversion thereof to unemployment security assistance might have the propensity to provide relief from poverty and hunger to recipients and improve social wellbeing. The paper highlights the imperative for further research to expand this analysis by using other countries for a comparative analysis.

Keywords: Government grants; social security; covid-19 relief; distress relief, social security governance, hunger, and poverty

1. Introduction

The COVID-19 pandemic was a form of litmus test to pragmatic care for citizens by many governments of the world. This became palpable as many national governments

¹University of Limpopo, Graduate School of Leadership, Edu-Park, Webster Street 0699, Polokwane, South Africa, sipho.mokoena@ul.ac.za.

² University of Limpopo, Graduate School of Leadership, Edu-Park, Webster Street 0699, Polokwane, South Africa, collins.ngwakwe@ul.ac.za.

* Corresponding author

responded swiftly to hunger, poverty, inequality, and food insecurity, which the pandemic amplified to an unprecedented level (Mishra & Rampal, 2020; Nanda, 2020; Ali & Khan, 2022). Research findings across many developing countries indicate that COVID-19 pandemic had a negative impact on food security and social wellbeing of many citizens and migrants. This crisis warranted emergency social distress funding from governments which manifested in different forms of provisions of packages of sustenance to the vulnerable, mostly the rural poor families (Ali & Khan, 2022). Governments' relief policy responses were diverse, pervading shelter, clothing, food, cash, and etcetera. Food shortages during the pandemic were exacerbated by the series of lockdowns; hence, food supply chains were disrupted with negative impact on food prices (Cariappa et al, 2022; Khan et al, 2022). Whilst governments made efforts to enhance food distribution – but the management proved intractable given the fractured supply and demand of food and other material donations (Dalal, 2022). The pandemic galvanised a multifaceted ripples of government and public administration complexities given the inadvertent nature of covid-19 crisis (Ansell et al, 2021). The case was not different for the South African society as COVID-19 exacerbated the already existing inequality and poverty in the country. However, government's social assistance was quickly announced and implemented to cushion hunger and poverty especially amongst the vulnerable communities. Whilst many papers have emerged following the pandemic outbreak, this paper ushers a unique insight on how the South African COVID-19 Social Relief Distress Grant assistance benefitted the recipient.

2. Government and Social Relief Benefits

Experts opine that social security system and discussions foster the importance of social dialogue and tripartism better than other disciplines. Hence, it is of essence to keep inquiry regarding the effective application these vital tools in finding solutions to the challenges of social security schemes of many countries (Ghellab, Varela & Woodall, 2011). In their article, (Musalem & Ortiz, 2011) emphasises the principal role of governments in enhancing the facilitation of national accord regarding the general purpose of social security scheme. They highlight the need for the institutionalisation of federal or national social security authority for ensuring a comprehensive application and growth of different programmes, which encompass the social security scheme of the country. They further highlight the need for stronger alignment of social security policies with labour and employment policies to enhance productive synergy and collaborative effectiveness toward creating job access in the formal sectors of the country's economy. This is key to reducing social exclusion and provision of wider access to broader types of social security. However, a good governance system essential to assist in fostering a sustained economic growth and development through social security scheme (Musalem & Ortiz, 2011; Enoff & McKinnon, 2011). Toward the end of 2019, an awareness of a new infectious disease came to the fore and soon reached the worldwide community with different levels of and an outbreak of the COVID-19 deadly virus, which began in the Wuhan city of China (Chen et al, 2020). Given the speed and

intensity of spread, the World Health Organisation pronounced that COVID-19 is to be regarded as a worldwide health emergency in January 2020 (WHO, 2022). With the arrival of COVID-19 in South Africa from Europe, the government of South Africa took immediate measures to reduce the spread of COVID infections in the country. Hence, the government declared a state of national disaster on 15 March 2020, this was followed swiftly by a twenty one day national lockdown on 26 March 2020 to reduce the rate of covid infections in the country. The government response did not stop at lockdowns; rather the government stepped up efforts to tackle the socio-economic effects of covid especially on the vulnerable poor citizens. Hence, novel social policy pronouncements emerged followed with practical implementation through distribution of material and financial reliefs. The government relied on previous and existing post-apartheid social relief scenarios to formulate new measures to supplement existing ones to help in cushioning the negative economic effects of covid on inequality, unemployment, and poverty reduction (Noyoo, 2021). Keizer (1999) evaluated the effect of state government discretion and the management of social welfare programs. Keizer's research examined the variation in the state level execution of the Social Security Disability program in different states of the USA, the article considers the effect of state-level physiognomies on the application of discretion in managing social welfare programs. In many countries of the world, social grant needs by citizens are growing profoundly and governments are responding with new strategies and policies to meet the growing demand and implicit diversity of demand. Effective governance of social security management is essential for achieving the anticipated results since innovative policies and strategies may yield results only through efficient and effective implementation (Musalem & Ortiz, 2011).

3. Effect of covid social relief on poverty and inequality

According to YU and LI (2021), one amongst the objectives of social security is the delivery of financial support to the poor or other members of the society whose condition makes it unbearable to provide their own means of livelihood. In their research, YU and LI (2021) evaluated the impact of social security spending in the reduction of income disparity and rural poverty. They applied a cointegration analysis, and their results indicate a positive association between social security spending and the income disparity in urban and rural citizens in the long-run, however they find the effect to be very limited. Bhorat, Oosthuizen and Stanwix (2021) studied the South African provisional addition in current allowances and the recently announced new "Covid grant." They evaluated the selected package and matched it with an original suggestion to raise the Child Maintenance Grant (CSG). The effect of each scenario was measured by calculating the welfare impacts, the associated costs and extent of coverage. Their findings, amongst others suggest that covid-19 relief grant has more potential to cover a broader group of vulnerable citizens who may have been previously left uncovered. Their paper underscored that social relief assistance to reduce the impact of COVID-19 is not supposed to be seen as a standard poverty alleviation strategy, instead, it is rather a

strategy to support COVID-19 related loss of income for those exposed to the negative impact of covid pandemic. Goldman et al (2021) simulated a social grant option that could best replace the COVID-19 grant. they applied a monetary incidence technique, which is based on South African 2015 survey of living condition to reproduce a poverty alleviation effect of social Grant options in order to replace the current covid 19 social Grant when the current covid-19 social relief Grant ends. Their key findings amongst others include that the introduction of a household related poverty Grant has the capability to alleviate extreme poverty, however the problem lies with the implementation Logistics. They also found that the basic income Grant possesses the biggest effect on poverty and easier to implement through the tax structure. Furthermore, they discover some level of sensitivity to the poverty index chosen under size of fiscal budget. They therefore recommend that future research may consider conducting a new research on the application aspects of a new type of grant that has the likelihood of changing the theoretical aspects of the existing analysis. In addition, they also recommend that future researchers should consider some sociological consequences of a potential shift to a household related social Grant system, and its importance. Another related research by Köhler and Bhorat (2020) questioned and analysed the extent to which COVID social grant proved a target to the most vulnerable. They used the South African COVID wave 1 data to conduct a quantitative analysis to assess if COVID social grant was actually targeted at the most vulnerable during the covid crisis and attendant lockdown. They showed a labour market heterogeneity results during and before the COVID national lockdown to demonstrate that covid social relief grants were a vital basis of income respite for persons in low-income families. Their findings show that covid social relief grants were correctly targeted to the vulnerable. Varshney et al (2021) evaluated the effect of India's government covid-19 relief assistance in the agricultural sector. They applied a quasi-experimental technique and a survey of Smallholder family in thirty Indian states; their results show that the funds received for covid relief assistance manifested the ability to be significant in alleviating the constraints of credit to improve investment in agriculture. The Farmers that benefited from the covid relief package spent more of the relief Fund on procurement of pesticides and farm fertilizers. In conclusion the researchers noted that's the covid Relief Fund to the agricultural sector assisted the households

4. Method

The South African COVID-19 grant falls under the “Social Relief of Distress” social grant classifications of the South African Social Security Agency (SASSA). According to SASSA (2022, p.1) “Social relief of distress is a temporary provision of assistance intended for persons in such dire material need that they are unable to meet their or their families' most basic needs”.

To qualify as a recipient of Social Relief of Distress, the applicant has to be a South African citizen or permanent resident, with a proof of insufficient income based on the following qualification criteria:

- A proof that the applicant is unfit medically to take-up remunerative work
- The bread winner of the applicant has departed
- Lack of maintenance from parent, spouse or child
- The bread winner of the applicant is admitted to a government care centre
- The applicant is a victim of a disaster as recognised by the government
- The applicant receives no assistance from another organisation
- Denial of social grant to the applicant will lead to undue hardship

According to the COVID-19 Social Relief of Distress, the payment is made monthly for a period of three months. Thereafter an extra allowance for further 3 months is approvable in special cases.

The secondary data used in this section was collected from three survey questionnaires and responses conducted by the Department of Social Development – Republic of South Africa (2021). The three questions are:

“What is the money from the Special Covid-19 SRD Grant used for? Do you think that the R350 Grant made a positive difference in your life? And Do you think that the R350 Grant made a positive difference in the life of members of your household?”

Department of Social Development (2021, p.17)

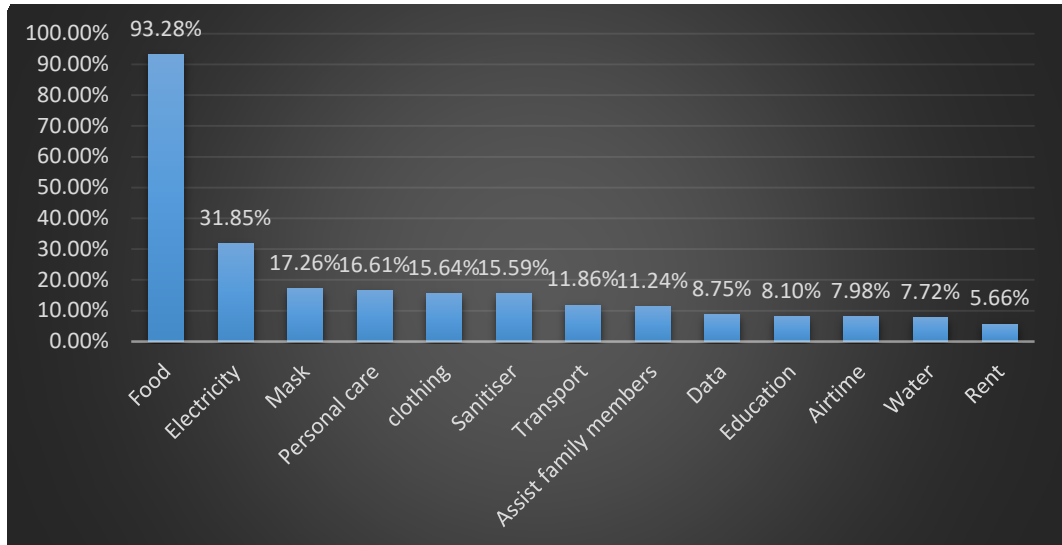
Figure 1, Figure 2 and Figure 3 present the bar graph analysis of the above questions according to the thematic responses from the survey by the Department of Social Development (2021, p.17).

Figure 1 shows that food constitutes the greatest benefit derived by the recipients of the Special COVID-19 SRD grant. 93.28% of the respondents indicated that food is the most important usage of the funds received, which thus shows the importance of food sustenance during periods of pandemic. The next usage of the money which was ranked by respondents as second important benefit is electricity; this is not surprising given the rising cost of electricity in South Africa and how the vulnerable gets electricity relief through the COVID-19 relief fund. The third ranking in the benefit derived from the COVID fund is usage of the fund to buy face masks for protection against infection – this further indicates how the vulnerable were even more vulnerable to infection given their lack of money to buy masks; but the relief fund came at the right time to assist the beneficiaries.

Although ranked lower, but the COVID relief fund were beneficial to recipients for other needs such as personal care, clothing, sanitiser, transport, assistance to family members, data, education, airtime, water and rent. Figure 2 presents a bar graph analysis to question 2, which sought to find if COVID grant money had a positive impact in the lives

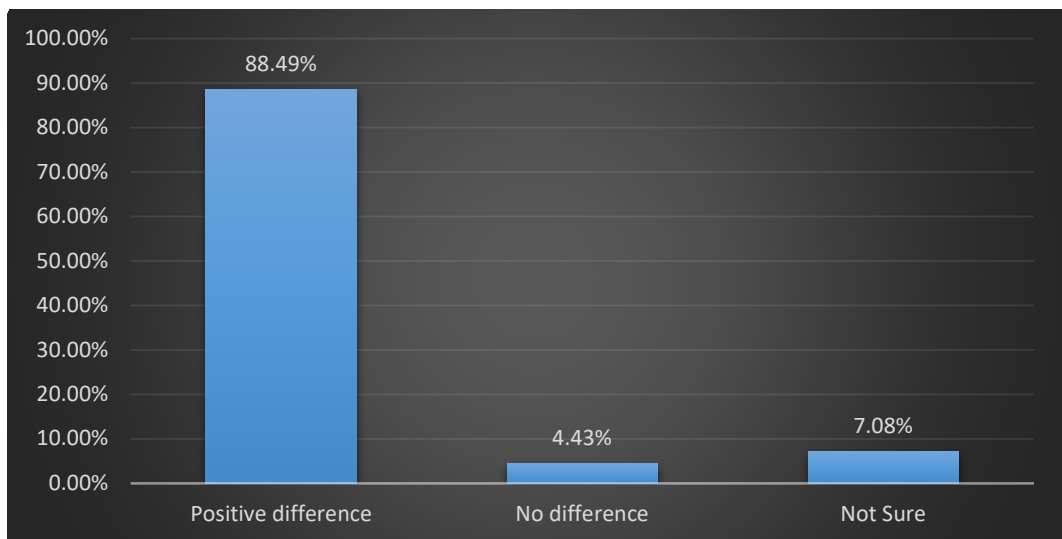
of recipients. A huge percentage 88.49% indicated that indeed, the grant made a difference in their lives. Furthermore, question 3 analysis is presented in Figure 3 which shows on the question that sought to ascertain if the COVID relief grant had a positive impact in the lives of members of recipients' household. Again 79,54% (close to 80%) of the respondents indicated that the COVID relief fund had a positive impact in the lives of their family members. This finding accentuates the insights from Cardwell and Ghazalian (2020) on the importance of food assistance during pandemic.

Figure 1 Recipients' Usage of the Special COVID Grant Money is used for



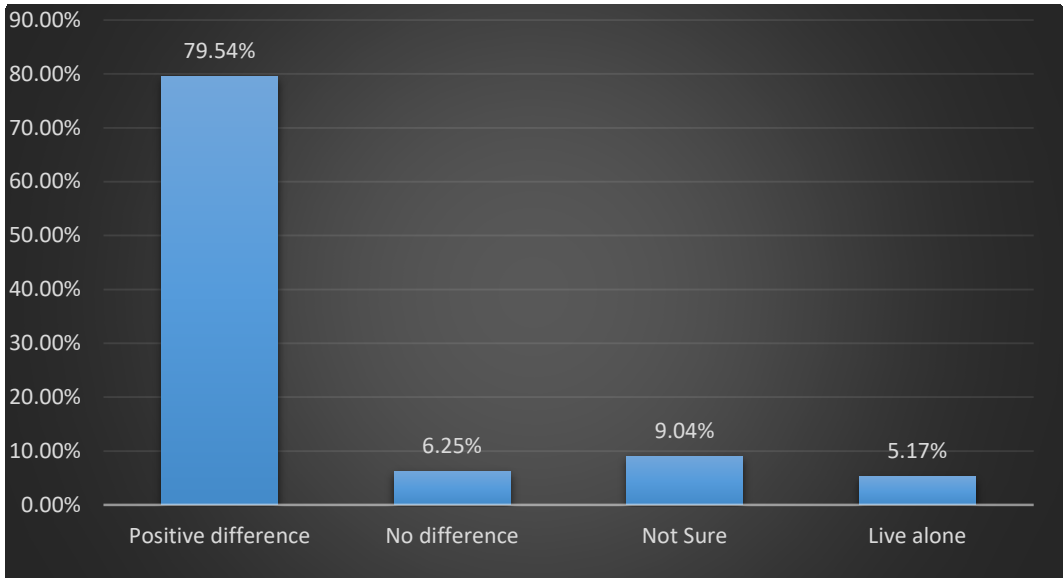
Source: Data from Department of Social Development (2021)

Figure 2: COVID grant money positive difference in the lives of recipients



Source: Data from Department of Social Development (2021)

Figure 3 COVID relief grant had a positive impact in the lives of members of recipients' household



Source: Data from Department of Social Development (2021)

5. Conclusions

This paper set out to understand whether the South African COVID-19 social relief fund contributed a benefit to the recipients. The foregoing discussions have highlighted that indeed the recipients did receive benefits from the COVID-19 social relief fund. What stood out is the primacy of food assistance, which the funding provided. This is followed by electricity and purchase of protective facemasks to reduce infections. It is noteworthy that the recipients affirmed that the COVID-19 social relief fund had a positive impact in their lives and the lives of their family members. This finding has practical and policy implication for government's social security agency. The huge percentage of benefits derived from COVID-19 social relief fund as indicated in Figures 1, 2 and 3 in this paper is an indication that extension of the COVID-19 social relief fund or conversion thereof to unemployment security might provide a sustained benefit to recipients with a propensity to reduce poverty and improve social wellbeing. This echoes the call by YU and LI (2021) advocacy for more equitable government's social security scheme given its role as an anti-poverty tool. Perhaps the emphasis on food benefit should draw the attention of social security policy makers on the importance of creating food banks in every local municipality of the country, which may engender food donations to stock up the banks not only for crisis eventuality but also as a unremitting hunger alleviation mechanism. Furthermore, the importance attached to food in the COVID-19 relief funding shows the dire need for governments to prioritise the elimination of trade barriers to food-assistance procurement. Further research is encouraged to expand this analysis to other developing countries.

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