

SOCIAL WELFARE.

by J.D. Rheinallt-Jones.

Historical Development

Prior to the establishment of the Union of South Africa in 1910, and for many years after, the State's interest in social welfare was confined to poor relief; and the care of the chronic sick, the aged, orphaned, blind, deaf, and other dependent persons was left to institutions set up by churches and other philanthropic agencies. As far back as 1880, the problem presented by the growing numbers of whites who were falling below the general level of living of the European population was causing concern, but it was not until 1898 that the first organized effort at their rehabilitation was made. In that year, the Dutch Reformed Church in the Cape Colony established the Kakamas Labour Settlement for "Poor White" families. This Church also, in the 'nineties, established a trade school for white boys and set up a bureau to find work for unemployed boys. Prior to the South African War of 1899-1902, there was a trickle of rural poor whites to the towns, but the war uprooted large numbers from the farms, and they congregated in the towns.

In the subsequent years, the large numbers of the economically, socially, and culturally backward whites caused great public concern, and, in 1916, the Dutch Reformed Churches



of the Union convened a conference on the poor white problem. It was the pioneer researches of Professor W.M. Macmillan (1915-19) and the comprehensive studies of a "Poor White Commission" (1928-1932), financed by the Carnegie Corporation of New York, that analysed the problem scientifically, and showed the necessity for various forms of State action.

From 1930 onwards, social welfare activities in the Union have been greatly influenced by developments in social welfare in Europe and America, and, while the State has assumed more and more responsibility for initiating and conducting social welfare services, there has also been a great increase in the number and types of voluntary social welfare agencies, supported in most cases by State grants as well as by public subscriptions. Municipalities, too, have assumed responsibilities for several kinds of social welfare, either directly or by grants to social agencies. The relations between State, municipal, and unofficial social welfare agencies, and the co-ordination of their activities are tasks which are now engaging the attention of those concerned.

The rapid rise of the various kinds of social welfare agencies, and more especially the entry of several State departments into this field of activity, caused the Union Government to establish a social welfare section in the Department of Labour in 1935, but public opinion favoured the creation of a separate Department of Social Welfare, and this was done in 1937. The emergence of a considerable section of the public actively interested in social



welfare had been evidenced by the Volkskongress of 500 delegates which met in Kimberley in 1934 to discuss the problem of poverty amongst Europeans as disclosed by the five volumes of the Carnegie Commission Report, by the National Conference on Social Work, comprising 1,000 delegates of all races, which was held in Johannesburg in 1936, and by the large numbers of those who engaged in voluntary social welfare service of various kinds.

The townward migration of large numbers of the white agrarian population was paralleled, more especially in the years after 1920, by similar migrations of the Cape Coloured in the Cape Province, of Indians in Natal, and of Africans in all the provinces of the Union, the most spectacular, by reason of their numbers, being the migration of the Africans. The formation in the towns from 1922 onwards of Joint Councils, voluntary bodies consisting of Europeans and of members of the racial group concerned, and the establishment in 1929 of the South African Institute of Race Relations, were largely instrumental in drawing public attention to the social and economic conditions under which Non-Europeans live, and bringing about their inclusion, in increasing measure, within State and voluntary social welfare agencies. The extent to which this has taken place and the degrees of racial differentiation which public policy and economic considerations have imposed will be shown in the detailed account of social welfare services given below.

The situation was summarized by the Secretary of Social



Welfare in his Report for 1943 in the following words:

“Of paramount significance to the Department of Social Welfare at the present time is the awareness of a vigorous and growing public interest in contemporary social and economic questions. It is marked by a public recognition of the intensification of stresses in a population of heterogeneous elements; the growth of complex urban communities with its corresponding disintegration of rural life; an expanding industrial economy and the social consequences of war, which must all be matched by new policies and techniques in social service. A product of this evolution in public thought has been the further recognition that social welfare is a definite and important function of national government.”

#### “Social Security” Proposals

Propaganda in support of the Union's war effort and the publication of the Atlantic Charter with its emphasis on the four freedoms, of which freedom from want was one, created a public demand for “social security”. The social security measures of New Zealand and the “Beveridge Plan” in Great Britain were taken as examples of what should be aimed at in South Africa. Following up a recommendation of the Social and Economic Planning Council, the Prime Minister, in January 1943, set up a Committee “to investigate and report on the existing social services and social security arrangements and to recommend a scheme for the future involving any necessary extension of the existing measures or the introduction



of new measures'. In the terms of reference, the Committee was instructed to have 'due regard to the productive capacity of the Union and its possible increase, to existing facilities for preventive and curative work, and to necessary safeguards to preserve individual responsibility, initiative, and thrift.'

The Committee reported in September, 1943, and the Report contains a detailed account of the social assistance and social insurance schemes then existing in the Union. The Committee found that "in the Union, social assistance and social insurance, national and voluntary, now cost some £9,750,000 a year. This amount includes poor relief; it excludes grants-in-aid and war pensions. Of the total yearly sum, £8,300,000 goes to Europeans; Coloureds and Asiatics get £800,000; Natives £600,000. The Central Government bears about half the cost, employers a third, employees an eighth. The money value of charitable effort is relatively small.'

This expenditure provided assistance to the various racial groups as follows:-

Europeans: Poor relief; old age and blindness pensions (also grants-in-aid for training of the blind and deaf); grants to the permanently invalid; parents' allowances and childrens' maintenance grants; unemployment insurance in certain industries; compensation for occupational disability and disease; confinement allowances to women working in shops and factories; sub-economic housing loans to municipalities and grants-in-aid to institutions accommodating

\* (1) Report of the Social Security Committee,  
U.G. No. 14, 1944. Para. 15.



aged poor and low-wage workers; grants-in-aid for care of non-certifiable epileptics; free hospital treatment for low-income persons; food supplies at low prices.

Cape Coloureds: As above, with the omission of invalidity grants.

Asiatics: Old age and blindness pensions; invalidity and childrens' maintenance were made available from accumulated funds under the Indian <sup>Relief</sup> Fund; unemployment insurance in certain industries; compensation for occupational disability and disease; confinement allowances in shops or factories; sub-economic housing loans to municipalities; grants-in-aid to institutions housing aged poor and low-wage workers; grants-in-aid for care of non-certifiable epileptics; free hospital treatment for paupers and medical attention by district surgeons for paupers.

Natives: Grants from the Department of Native Affairs (from funds voted by Parliament) to the blind; poor relief rations for the aged poor; children's maintenance grants (in urban areas and in special cases only); lump sum compensation for occupational disability and disease; sub-economic housing loans to municipalities; grants-in-aid to institutions housing low-wage workers; free hospital treatment and medical attention for paupers.

Racial differentiation occurred in various ways. The rates of benefits were different for European, Coloured and Asiatic, and Native, e.g. <sup>maximum annual</sup> pensions for the blind were:- European £36, ~~per annum~~ <sup>and</sup> ~~(maximum)~~, Coloured £24, ~~per annum (maximum)~~, Asiatic £15, ~~per annum~~



~~(in cities)~~, Native £12. per annum ~~(in cities)~~. Grants-in-aid to institutions were fewer, as well as at lower rates, in respect of Non-Europeans because there were fewer agencies and institutions serving them. The secretary for Social Welfare, in his Report for 1937-39, said that the replies to a questionnaire sent out by his Department to voluntary organizations in the Union showed that 75 per cent of the organizations restricted their work to Europeans, 17 per cent dealt with all races, and 8 per cent specialized in work for one or more of the Non-European races. Since then the number of organizations covering Non-Europeans has increased considerably, but the inability of the Non-European public to contribute much to the funds of these organizations makes the latter dependent upon the same public as <sup>that</sup> those which cater for Europeans. There appears, however, to have been a substantial increase in recent years in the support which these organizations receive from the public and municipalities as well as from the Central Government, but exact figures are not available.

Commenting upon its Table of Annual Expenditure, in the Union, on Social Insurance and Social Assistance Measures, the Social Security Committee said:

\*In this structure, composed of a series of distinct measures, introduced at various times and administered by some nine authorities, there are considerable gaps. There is no national sick pay arrangement; no national system of family allowances;



no general provision for the abnormal costs associated with vital events; no cover against unemployment for the great majority of employees; no grants to invalids if they are Non-Europeans; and no pensions for old Natives. Furthermore, most of the benefit rates are inadequate for both Europeans and Non-Europeans. (Para. 80) (1)

Also there was no system to bring hospital and medical services within the reach of the people. The task of the Committee was to suggest measures for filling in these gaps, and to indicate the sources from which they would be supported financially.

The Committee found that in the public mind the term 'social security' was generally taken to mean freedom from want; but some witnesses, Non-Europeans particularly, 'extended the meaning to include not only economic security but also residential security, political security, and so forth... (Para. 7)

The Committee said that to regard social security as synonymous with economic security would have required measures to attain three main objectives:-(a) the development to the fullest possible extent of the creative and earning capacity of every individual; (b) full employment of all in occupations appropriate to individual capacity; and (c) a guarantee of a decent subsistence in all events. (Para. 8).

The Committee considered these objectives to be outside the scope of its terms of reference, and it defined its task as that of putting forward a social security scheme which (subject to

(1) To prevent misunderstanding, it should be noted here that measures dealing with some of these have since been introduced.



certain requirements) would provide benefits in cash or in kind, at levels to be determined from time to time with due regard to the economic earning capacity of the country and its population groups, (a) to individuals not gainfully occupied because they are too young, too old, temporarily disabled, permanently disabled, or for other causes not due to their own volition; (b) to individuals gainfully occupied but unable to maintain themselves and their dependants at levels to be determined; (c) in certain circumstances to needy mothers, with young children, as it is undesirable that they be gainfully occupied; (d) in respect of injury or disease sustained in employment; and (e) to assist in meeting the costs of births and funerals. (Para. 9).

Here it is necessary to point out that the term 'social welfare' embraces more than 'social security' so defined. It covers measures to minimize the incidence of disablement and to assist those unable to maintain themselves and their dependants at socially desirable levels; and, generally, to develop habits of life and provide services that will enable all members of the community, and all races, to maintain the 'physical, moral, and spiritual life of the people at a safe level for national well-being'. (1)

The social security programme set out by the Social Security Committee may be summarized as follows:-  
old age pensions; invalidity pensions (blind, chronic sick, etc); unemployment insurance; health insurance (sickness and recovery

(1) J.D. Rheinallt-Jones in Report of the National Conference on Social Work, 1936, p. 386. Government Printer, Pretoria, 1937. P. 386.



benefits, attendance allowances); benefits to needy widows, needy mothers and guardians of young children, and wives of pensioners (where these are unable to work or should not do so); allowances to adult dependants of persons on unemployment or sick-pay; allowances for dependent children (extension of present system of "children's maintenance grants"); family allowances (in respect of third, fourth, and fifth children of Europeans, Coloured, Asiatics, and permanently urbanised Natives; maternity benefits to female employees (extension of present system to other occupations); maternity grants (towards costs of birth); funeral benefits (towards funeral expenses); residual benefits (for deserving cases not covered by the foregoing) to take the place of poor relief.

The programme was divided into two parts:- Scheme A to cover Europeans, Coloured, Asiatics, and such permanently urbanised Natives, Native farm workers, and Native employees in the Native Reserves as elected to join; and Scheme B to apply to other Natives (comprising the bulk of the Bantu population), the benefits to be fewer in range and lower in rates. The benefits proposed for Scheme B were old age, blindness and invalidity pensions, plus rations; maternity benefits (if shop or factory workers); recovery benefits for tuberculotics and lepers.

The programme left out of account the provision of health and medical services (including hospital services) because these were being considered by the National Health Commission



then sitting; rehabilitative services for deviate children which were being investigated by an ~~Inter-departmental~~ ~~Committee~~; and the existing benefits under workmen's compensation and miners' phthisis legislation. / L.c

The Committee estimated the cost of the programme to be about £30 million. Against this an estimated amount of £12 million would be received by means of contributions from participants in the schemes. Participants in Scheme A were to pay annually a percentage of their salaries or wages, varying from 2½ per cent for persons earning less than £96 per annum to 4 per cent for income tax payers. (1) As domestic servants in private households, farm workers, and certain other groups were to receive lesser benefits, their contributions were to be on a flat rate: Europeans £2.10s.0d. per annum; Coloured and Asiatics £1.10s.0d. per annum and Natives £1. per annum. Male Natives over eighteen years of age coming under Scheme B were to pay 5s. per annum. Sickness and unemployment insurance was to be supported by contributions by workers of one per cent per annum of their earnings and contributions at the same rate from both employers and the State. The balance of £18 million would be met by the Government from general revenue. This would be £14 million more than existing State expenditure on benefits covered by the Committee's programme. The cost of administration was expected to be about 10 per cent of the total cost, i.e. £3 million should be added to the estimated cost given above.

(1) It is noteworthy that although different scales of benefits apply to the different races, Scheme A made provision for the entry of Non-Europeans into the European scales of benefits, when their earnings reached £15 per month.



After reviewing the existing social services, the Committee urged that "all existing social services must be refashioned as well so as to become complementary to the social security scheme" (para. 61) and "all future extension of social welfare services be integrated with the scheme," (para. 60). In addition, the Committee recommended (paras. 56-60):- (a) that the creation of facilities for proper institutional care be accorded a measure of priority in the post-war public works programme; (b) that medical and other necessary treatment be a pre-condition for the grant of invalidity pensions; (c) that the unemployment placement service for Europeans, Coloureds, and Asiatics be perfected, and similar facilities be created for Natives; (d) that training and re-training facilities be established; and (e) that action be taken to improve nutrition and housing, to provide recreation and other amenities, and to improve the educational standards of the people.

Assuming the cost of the national health programme which the National Health Commission would put forward to be £20 million per annum (the Commission's scheme showed an estimated cost of £20.54 million a year as against £14 million then being spent by the central, provincial, and local authorities, and £10 million spent by other bodies) and that of the social security scheme to be £30 million per annum, the Committee pointed out that the combined cost would represent 10.5 per cent of the estimated net national



income of £473 million for 1941-2. In New Zealand, the social security code cost 11 per cent of the national income, and the Beveridge Plan for Britain was estimated to cost  $12\frac{1}{2}$  per cent of the British national income.

The Committee, however, emphasized that the national income of the Union was low, and the standard of living for large portions of the population correspondingly low.

"A social security scheme", said the Committee, "has to utilize part of the earnings of the community to aid those members who, for reasons other than indolence are temporarily or permanently incapable of supporting themselves. Ultimately, the limits to which it is possible to go are thus closely related to the adequacy or inadequacy of the nation's total earnings. In the Union these limits are low" (para. 11).

Estimating the spendable national income of the Union at £370,000 and the total population at 10,500,000, the Committee said that "an available average income of only 2s. per head of population per day, when a low-cost balanced diet at pre-war retail prices in cities alone cost 1s. per day, even if that income were re-distributed to the fullest extent among the whole population, could not at this stage eliminate poverty in the Union", less still could the social security scheme formulated by the Committee be achieved.

"Important as it is to provide for the class of persons who will be the beneficiaries under a social security scheme",



went on the Committee, 'it is thus clearly imperative that a direct attack should concurrently be made, by constructive measures, against the massive poverty of the Union which has its roots in the inadequate output and earnings of the bulk of the people gainfully occupied...The general raising of living standards cannot be achieved without consideration of such means as education and training, better nutrition, improved health and social services, better housing and planned homes, farming re-organization, modernization and expansion of industry, extension of employment opportunities in industry and elsewhere, cheapening of distribution and a re-alignment of transportation and taxation policies' (para. 13).

These considerations bring us back to the economic objectives mentioned earlier. There is no escape from the fact that social welfare requires a sound economic foundation. There cannot be social security whilst the bulk of the population has not been developed to the fullest extent of its creative and earning capacity and is not fully employed 'in occupations appropriate to individual capacity'.

The Social and Economic Planning Council in its Second Report emphasized these views, saying that 'it harbours no illusion that a social security scheme, a national health service, provision for housing, food subsidization, educational facilities, and other social services will eliminate poverty in the Union. That can come about only if a simultaneous increase be effected in the output



and earnings of the low income groups. The two objectives must therefore be pursued together'.<sup>(1)</sup>

The Council supplemented the recommendations of the Committee in several respects.

Education: Holding that the Union cannot allow itself to be exposed to a losing competitive struggle against the mentally-developed labour of Western nations, against the awakening Eastern races, and even against other parts of Africa, by withholding adequate educational facilities from the Non-European child population<sup>h</sup> (para. 8), the Council asked that consideration be given to a teacher-training and school-building programme in order:-

~~to~~ to raise the European school-leaving age to 17; and ~~to~~ to give effect to a systematic plan, which is considered to be physically capable of execution, to provide 10 years of free education per Non-European child by 1960 in the case of 90 per cent of the Coloured and Asiatic children and 85 per cent of the Native children<sup>h</sup>, (para. 9).<sup>5</sup>

The Committee also urged the further development of vocational training.

Nutrition and Food Subsidization:

After examining various alternative procedures, the Council arrived at the conclusion that, in general, the limited amount of money available for food subsidization could best be spent by

(1) Social Security Services and the National Income.  
U.G. No. 14, 1944. (Para. 16).



supplying selected foods at reduced prices to low-income groups at conveniently situated depots.

The Council estimated that by 1955, allowing for growth of population and changes in age distribution, the various social services - social security, education, health, food subsidies, and other social welfare measures - would cost the State £98 million as against the existing expenditure (1942-3) of £24.2 million. The practicability of such an advance in State expenditure depended, in the Council's opinion, upon the simultaneous development of those services and of opportunities for advancing the productivity of the nation, and upon increasing the national income.

The Council supported the Social Security Scheme as a whole, but surmised that the Scheme could not be put into full effect at once. It recommended that the State should make available an additional £10 million in 1947, compared with its commitments for 1943. In addition it proposed that a special social security and health contribution be imposed on the public on the lines already indicated, estimated to yield £17,500,000 in 1947, the results of the levy to be divided equally between a health service and a social security scheme.

The total sum of £27,500,000 was to be added to the existing (1943) expenditure of £24,200,000 and allocated as follows:

Proposed Expenditure for 1947-48.

Social Security	£16,000,000.
Education	17,500,000
Health	10,000,000



Nutrition	7,000,000
other	<u>1,500,000</u>
	<u>£52,000,000</u> approximately.

A total of £24,500,000 had therefore to be found by the State.

When the subject of social security came before Parliament in 1944, it asked the Government to consider the advisability of introducing a comprehensive programme of legislation and administrative measures concerning the subjects of the provision of employment, social security, housing, public health, nutrition, and education, such programme to constitute the people's charter as the outcome of the war. Parliament also asked that, while the full programme will take time and call for careful examination of the country's present resources and national income and the steps which should be taken to increase them, a commencement should be made immediately with the consideration of the Report of the Social Security Committee in the light of the report of the Social and Economic Planning Council thereon, and that to this end the Committee's report be referred to a Select Committee of the House (i.e. House of Assembly) for enquiry and report thereon, with due regard to the financial implications thereof....<sup>2</sup> *no*

Owing to the imminent prorogation of Parliament, the Select Committee found itself unable to complete its task, and limited itself to examining the financial implications of the

(1) See Report of the Select Committee on Social Security, S.S. 10, 1944.



social security scheme put forward by the Social Security Committee; modified, however, by the recommendation of the Social and Economic Planning Council that the expenditure be brought down to £16,000,000. Owing to the difference between the basis of computation of the Social Security Committee in estimating the cost of benefits (i.e. the 1938-39 price levels plus 15 per cent representing the allowance made in respect of increased living costs when determining the benefit rates) and that of the Social and Economic Planning Council (i.e. 1938-39 price levels only), the Select Committee increased the target figure of expenditure by 15 per cent - from £16 million to £18,500,000.

In bringing the social security scheme down to this latter figure, the Select Committee felt itself bound to suggest modifications in the full scheme, and to select priorities in the application of the several parts of the scheme. In doing so, the Select Committee based its recommendations on "three fundamental assumptions... firstly, while provision is made for unemployment benefits, the Committee accepts that an active policy of full employment will be followed; that is the key-note of economic security. Secondly, no provision is made for medical benefits since the Committee accepts that a national health scheme will be instituted. Thirdly, the Committee assumes that nutritional services are receiving the attention of the Government" (para. 10). The Committee also recommended that the scheme be



reviewed systemically every three years, and that it should be the declared aim to extend its scope and to improve its rates of benefit as experience is gained and the nation's income level improves<sup>k</sup> (para. 10). The Select Committee expressed itself as generally in agreement with the approach of the Social Security Committee and with the general trend of the recommendations made by it<sup>k</sup> (para. 26).

In carrying out its task the Select Committee followed, in the first place, a recommendation of the Social and Economic Planning Council that the procedure be adopted of deferring the introduction of the least essential benefits for the time being, rather than of eliminating deserving groups or reducing benefit rates, and, in the second place, the priority rules followed by the Social Security Committee, viz: first priority to the extension of the scope and coverage of the operative social security measures; second priority to the raising of existing benefit rates to uniform levels; and third priority to increasing them to adequate levels as the national income increases!<sup>m</sup>

A proposal in Select Committee that the scheme be confined to Europeans was defeated by 10 votes to 2.

The Select Committee modified the scheme in the following respects:- (a) Sick pay, funeral grants, maternity grants, and cash family allowances to be deferred; (b) the operative benefit rates to be lowered; (c) mothers' and children's maintenance grants to be made subject to an income ceiling (although higher than the



existing levels; and (d) the flat-rate unemployment benefits to be augmented by dependants' allowances only if there are young children.

The savings brought the cost of the scheme down to £19,500,000 (inclusive of an extra £600,000 for the gradual transformation of the old age pensions to a right freed of a means test).

The modifications were criticized by the South African Institute of Race Relations because:- (1) the economies were obtained chiefly at the cost of the new type of social service designed to reimburse expenditure rather than to make good loss of income, and at the cost of the proposed sick-pay scheme and (2) the burden of the economies fell most heavily upon the Coloured and Asiatics, who would obtain only one-quarter of the increases originally proposed, and next most heavily upon the Native who would obtain one-third of the increases. The European would obtain one-half of the <sup>proposed</sup> increases.

During the parliamentary recess in 1944, an Inter-Departmental Committee on Social Security was appointed under the chairmanship of the Minister of Economic Development to consider the recommendations of the Select Committee, to hear further evidence, to co-ordinate the Social Security Scheme with the National Health Service Scheme which had, by this time, been put forward by the National Health Commission, to consider other matters, and to draft a Bill for presentation to Parliament. The Committee found so many matters required Cabinet decisions before it could draft a Bill that



it asked that this duty be placed upon the department that would be responsible for launching the scheme. <sup>(1)</sup>

In 1945, the Government issued a White Paper, entitled "Memorandum on the Government's Proposals Regarding Some Aspects of Social Security", <sup>(2)</sup> putting forward proposals "as a basis on which aspects of the Union's social security arrangements should be commenced." The Government had decided not to support old age pensions as of right on the grounds that many thousands of persons need no such aid; that the introduction of a compulsory contributing scheme, including old age pensions, would give rise to so many difficulties in regard to existing State and private pension and provident funds, and the increase in expenditure would be so considerable (a rise of about £4 million per annum within a few years) that the country should not lightly undertake a contractual obligation of this nature; and that allocation of so large a part of available funds would starve other portions of the social security scheme.

The Government had come to the conclusion that the country could not afford the funds for launching a contributory "all in" social security scheme, and had, instead, decided "to improve and extend the services which in one form or another are already in operation, and to introduce some additional or new services which are most urgently needed and whose benefits would be most widespread. Other services, now deferred, can later be considered in

(1) See Report of the Chairman of the Inter-Departmental Committee on Social Security, B.6061/28/9/44.

(2) B.6077/14/2/45



the light of experience gained, and as an increase in the national income permits...The services...would not be related to a contributory scheme...but would be wholly financed from existing sources of revenue, supplemented by increased taxation which Parliament will be asked to impose, and the proceeds of which are to be applied to the improvement and expansion of our social services generally?\*

The following proposals were then put forward:-

- (a) Old age pensions, non-contributory, to be improved;
- (b) Invalidity grants and blind pensions, to be improved;
- (c) Improved grants to children under the Children's Act, and family allowances in respect of the third and subsequent children in families of slender means;
- (d) Expansion of the scope of the unemployment benefit arrangements, particularly the inclusion of the low-wage groups on the contributory principle;
- (e) i. Subsidization of provinces to extend hospital services;  
ii. Development of health centres, including health education and preventive services, as well as curative services;
- (f) Continuation and expansion of services and grants made by various Government departments to various institutions and bodies, e.g. feeding of low-income groups;
- (g) Introduction of other forms of benefit (e.g. payments in lieu of wages lost through sickness) as circumstances



and the increase of the national income permit.

- (h) State-financing of the foregoing without contributions from prospective beneficiaries (except in the case of unemployment benefits).
- (i) The estimated cost of the foregoing in 1947-48 to be £16,350,000, plus what might be spent on health services.

#### Organization of Social Welfare

Social Welfare activity in the Union is carried on by departments of the Central Government (and in the case of poor relief, by the provincial administration in Natal), by several local authorities, and by numerous voluntary agencies, many, if not most, of which are subsidized by the State, and, in some cases, by municipalities. Such voluntary agencies also depend upon monies subscribed by the public.

Since the establishment of the Department of Social Welfare in 1937, several social welfare services have been transferred to it from other State departments. Nevertheless, there are still services of a social welfare nature being conducted by other departments.

The functions of the Department of Social Welfare were defined by a sub-committee of the Cabinet in 1938 as follows: to rehabilitate the socially maladjusted or poorly adjusted individual or family; to study and treat the conditions which may produce or contribute



to social maladjustment, to co-ordinate ~~departments~~ <sup>the</sup> ~~aiming~~ at social rehabilitative work of the different State departments.

In assuming 'new duties from time to time the Department has applied the criterion enunciated by the Cabinet sub-committee, namely, "Is the main emphasis on social rehabilitation or on some other aspect?" Applying this criterion during its brief history, the ~~Department~~ has not only acquired new duties, some of which were carried on for a number of years by other Departments; it has also transferred some services to other departments, for example, the transfer of forestry settlements back to the Department of Forestry and the transfer of certain socio-medical services to the Department of Public Health.<sup>1</sup>

The staff of the Department of Social Welfare increased by nearly 250 per cent between 1939 and 1946, the total in the latter year being 898, 321 being at the head office and 577 at branch offices and in institutions run by the Department.

The main functions of the Department may be classified as follows:- administration of social assistance measures; financial assistance and advice to voluntary organizations and institutions; administration of rehabilitation and protection settlements; work colonies; national feeding schemes, employment training centres, and rent control.

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(1) Memorandum on the Policy <sup>and</sup> Activities of the Department of Social Welfare for period January 1943 to 31 December 1943



The Department draws upon the services of magistrates and Native commissioners and their staffs in carrying out ~~of~~ many of its functions. Municipalities are also, in increasing measure, assuming responsibility for social welfare work and undertaking services on behalf of the Department of Social Welfare. A large number of national and local voluntary organizations undertake social welfare work of one kind or another, and they collaborate with the Department of Social Welfare along lines of policy laid down by the Department in consultation with the national bodies concerned. State grants in support of the organizations supplement public subscriptions.

Existing Social Assistance Measures [

1. Old Age Pensions.

Under the Old Age Pensions Act No. 22 of 1928, as amended by Acts No. 34 of 1931 and No. 34 of 1937, old age pensions administered by the Commissioner of Pensions were available to the European and Coloured aged only, but since 1944 Natives and Indians have been included. The

scheme is non-contributory. Applicants must be men over 65 and women over 60. *who, if Union nationals or British subjects, must have resided in the Union for 15 of the past 20 yrs. (At least 25 out of the past 30 yrs.)* The maximum pensions are £60,

£54, and £48 per annum (Europeans), £36, £27 and £18 per annum (Coloured and Indians), and £12, £9, and ~~£6~~ per annum (Natives) for pensioners living in cities, towns, or rural areas respectively. <sup>2</sup> In every case the pension is subject

(1) Figures relating to the extent of the operation of these assistance measures have been taken from the Reports of the Department of Social Welfare for 1945 (U.G.No.22, 1946) and 1946 (U.G. No.42 1947).

2. Tax



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"Cities" include the nine principal cities of the Union and certain urban areas adjoining them; 'towns' with a European population of more than 2,000 are included within the definition of 'towns'.

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to the following limitations: the pensioner's income from all sour



to the following limitations: the pensioner's income from other sources must not exceed £90 per annum/and £12 per annum for every minor child in the case of a European (£78 in towns and £72 in rural area); £48 per Coloured and Indian: and £18, £13.10s.0d., or £9 per annum for Natives living in cities, towns, or rural areas respectively. Income in kind as well as ~~income~~ cash income is taken into consideration. Except as regards Natives, the rates for areas other than the city are those applied by the Department of Pensions administratively, but are not fixed by statute. In 1946, the number of old age pensioners was . Europeans, Coloured, Indians, and 114,000 Natives.

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## 2. War Veteran's Pensions.

Under the War Pensions Acts (Nos. 45 of 1941 and 44 of 1942) war veteran's pensions are payable to Europeans, Coloured, or Indians who served in the Anglo-Boer War or in World War 1 and 11, <sup>and</sup> who were not disabled but have fallen into needy circumstances and do not come within the purview of any of the permanent social benefit schemes. The pensionable age is 60, or lower where the applicant is unable to work, as is often the case with war veterans. Under Act. No. 33 of 1943, the rates were raised by one-third above the old age pension level. These pensions are now administered by the Commissioner of Pensions.

Natives are not included under the Acts, but veterans of the two latter wars may receive assistance from a vote of the Department of Native Affairs. The number of Native beneficiaries as at 31 August 1946 was 3,000, and financial provision for the year was £35,000.

1. For ~~war~~ <sup>military</sup> pensions, see Section on Non-European War Effort, p



Table B

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Coloured and Native people, before embarking on a housing scheme. Housing loans at a nominal rate of 1/- per cent per annum, redeemable over a period not exceeding forty years are available to local authorities, utility companies, or societies for this purpose. Homes for the aged, which are subsidized by the Department have been established in several towns. At the end of 1946, there were 19 homes accommodating 753 Europeans and 2 Non-European homes with accommodation for 217 residents. Grants-in-aid are also available through the Department of Social Welfare to voluntary organizations housing the aged poor.

The Department of Social Welfare itself has established rural settlements for the aged and unfit of all races. Table A

4. Social Assistance for Invalids, Semi-Fit, and other Dependent Persons.

(a) Blind and Partially Sighted.

The incidence of blindness in the Union is very high, varying from 0.9 per 1,000 of the European population to 2.7 per 1,000 of the Natives. A beginning has been made with preventive measures by the National Council of the Blind, especially among Non-Europeans. There are 20 societies which deal exclusively with the welfare of the blind, in addition to 12 national organizations and six State departments.

Under the Blind Persons Act, No. 11 of 1936, as amended by Act No. 48 of 1944, pensions are administered by the Commissioner of Pensions and are available to the



B.

3. Housing of the Aged Poor and Totally Unfit.

Under the National Housing Act, the administrator of a province may require a local authority to make reasonable provision for dwellings for the aged poor, including



Inset Social Welfare, Pae 27

As at 31 December 1946, there were six such settlements, three for aged and unfit Europeans (Sonop, Ganspan, Karatara), one for semi-fit Europeans (Hereford), and one each for aged and unfit Coloured (De Novo, formerly known as Kraaifontein) and Natives (Elandsdoorn). The following were the numbers of settlers and vacancies:-

	<u>Settlers</u>	<u>Vacancies</u>
Europeans	390	33
Coloured	26	7
Natives	24	44



blind of all races on the same scales as old age pensions. (1)

*Only one half of the earnings of the blind person is taken into account in awarding*  
There were in 1946 registered as blind for pension purposes, *his widow*  
2,376 Europeans, 160 Asiatics, 2,207 Coloured, and  
28,300 Natives.

The education of blind children and the vocational training and organized employment of blind persons depend upon the initiative of voluntary agencies, but State subsidies are available. There are two schools with hostels for blind children - one for Europeans and one for Non-Europeans.

There are six training centres and workshops for adult European blind, three for Coloured, and three for Natives. State grants are 50 per cent for approved capital expenditure, two-thirds of instructors' salaries, and 50 per cent of other approved expenditure, excluding raw materials and the wages of the blind workers. These wages are also augmented on the following basis: European and Coloured: ~~All~~ grades 100 per cent of the hourly rates, subject to a maximum of 48 hours per week and also subject to a maximum allowance of 7½d. per hour in the case of trained workers and 1½d. in the case of untrained workers; Natives: 100 per cent of hourly rates subject to a maximum of 48 hours per week and a maximum allowance of 3d. per hour in the case of trained workers and ½d. in the case of untrained workers. To this must be added a cost-of-living allowance of 20 per cent of the augmentation allowance.

(1) The residential qualification is 10 out of the past 15 years for Union nationals & British subjects



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