

DEMAND FINANCE MINISTER TO RESPECT HUMAN RIGHTS

Released 25th October 2022

The question facing the country is fundamental: will the government choose to let our nation starve or will it provide a basic level of income security? Tomorrow, the Finance Minister is again likely to tell our people to eat the empty promise of jobs that will not materialise in the near future. We demand better.

Our answer to the crisis of hunger and poverty is clear: The Social Relief of Distress (SRD) grant must be extended, improved, and funded beyond March 2023. It must be transitioned into a Universal Basic Income Grant (UBIG), to secure a future of living with dignity, and economic revitalisation, thus eliminating hunger, unemployment and poverty.

The SRD grant was introduced in 2020, and has served as a small but vital lifeline for our people to survive- both the Covid-19 pandemic, and beyond. Now, despite spiralling living costs & mass unemployment, the National Treasury would like to cut this lifeline, and offer the false hope of a job for all in its place.

The SRD grant already provides a mere pittance, and the hoops that applicants have been required to jump through to access it have been well documented by civil society, and resulted in millions of unjust exclusions. The report by the Auditor General noted with concern the challenges pertaining to the databases for SRD grant applications which required a government wide intervention to assist SASSA.

Yet newly leaked documents [reveal National Treasury's plans](#) to replace the already inadequate SRD grant with something even more inferior, that would lead to hardship for millions. Decision-makers in Treasury, with little public consultation, have proposed a confusing set of exclusionary grants narrowly targeting job seekers, heads of households, and caregivers.

The problem is that vulnerable people in need of social assistance do not fall neatly into these categories in the lived reality of a South African context, and many deserving beneficiaries will tragically fall through the wide gaps in this supposed 'safety net' approach. Already discouraged applicants will need to navigate even more complex systems and rules, which will disproportionately disadvantage the poorest and the most vulnerable. In addition, these options are bureaucratic and costly to implement. It will take months or years to get these systems working, time that will translate into immeasurable suffering for millions.

National Treasury is directly responsible for making a woeful mess of the SRD grant since April this year, collapsing its delivery through unwieldy rules and restrictions, [and thrusting millions of people deeper into poverty](#). This has been justified in the name of austerity - putting the bankers' interests ahead of the people. We no longer trust in the National Treasury's policy-making capabilities.

The SRD grant is our pathway to a sustained basic income grant – a realisable vision for ending hunger and giving millions of people agency over their own lives and economic participation. Treasury knows that their proposed options will block any chance of a basic income grant, but they do not provide an alternative solution to our crisis. The crisis can only be addressed by introducing and implementing pathways towards a basic income grant, complemented by job creation.

It is abundantly clear that a meaningful UBIG for all, financed through progressive taxation, is the [most powerful policy tool](#) we have at our disposal to invest in South Africa's future. It does not solve all our challenges. Yet it is financially affordable, economically productive, socially constructive, pro-job creation, poverty & hunger reducing, easily implementable, and above all, an investment in our people's dignity, worth, and potential. We all deserve [an inclusive country](#) we can be proud of.

We are told there is no money, when in fact there have been large tax revenue overruns (estimated at over R300 billion since February 2021). We are told that this surplus revenue must be used to finance debt reduction, and social protection financing must be taken from other pro-poor budgets, as if the working class must compete with each other instead of recognising our shared solidarity. This is unacceptable!

The extension and enhancement of the SRD is necessary. Decision makers must take their responsibility to the people seriously, and implement a pathway to a basic income grant.

Ahead of this week's MTBPS, we demand:

1. The SRD is extended by writing it into the Social Assistance Act as a permanent categorical social assistance grant before March 2023, with an initial value indexed to the Food Poverty Line.
2. Interventions are made to ensure that the full SRD grant budget for 2022/23 is spent.
3. An increased budget is allocated to allow for a streamlined system to apply for the extended and improved SRD Grant from March 2023.
4. The SRD means-test amount is raised to at least the UBPL, and the use of databases containing outdated and false data for verification is dropped.
5. Exclusionary questions which exclude grant applicants from qualifying (eg. because of any financial support from family members) need to be removed.
6. The SRD extension and enhancement is not financed through regressive reprioritization.
7. Clear commitment is given to a participatory and public policy-process around the introduction of a UBIG to be phased in from 2023/2024.

Released by,

#PayTheGrants, Institute for Economic Justice, Social Policy Initiative, & Black Sash.

For media inquiries, please contact:

- Daddy Mabe (#PTG) - 076 070 6983
- Dalli Weyers (IEJ) - 082 460 2093
- Isobel Frye (SPI) - 084 508 1271
- Oboitshepo Seleka (Black Sash) - 021 140 1916