

Press Release

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South African Institute of Race Relations
The power of ideas

Media contacts: Kelebogile Leepile Tel: 011-482-7221 Ext 2018 Email: kelebogile@irr.org.za
Mienke Steytler Tel: 011-482-7221 Ext 2003 Email: mienke@irr.org.za

More South Africans receive grants than have jobs – a recipe for chaos and violence

There are more people receiving social grants in South Africa than there are people with jobs. This is the finding from the latest *South Africa Survey* published by the IRR last week.

Furthermore, as the economy slows, the government will find it harder to expand the rollout of grants, or to increase their value.

According to IRR analyst Gerbrandt van Heerden: “In 2016, there were 15 545 000 people with jobs in South Africa while 17 094 331 people were receiving social grants.”

Van Heerden said, “The numbers are a recipe for social and political chaos. With South Africa formally in recession, the government will find it difficult to afford the cost of its social grants programme. As the economy stagnates, and tax revenue slows, demand for more grants will increase. The government will then have to cut other areas of expenditure in order to meet popular demands for more and higher grants. We predict that this will lead to much higher levels of violent protest action.”

The IRR *Survey* showed that in 2001 there were 12 494 000 people in employment and 3 993 133 people receiving social grants. By 2016, however, the number of people receiving grants had increased by 328% while those with jobs increased by only 24%.

Van Heerden added, “There is no doubt that the grants rollout did a lot to improve living standards in South Africa. However, the grants have become a double-edged sword. The inability to continue expanding the rollout while also increasing the value of grants will see living standards begin to stagnate and even slip. Poor and unemployed people will be worst affected and may suffer new misery as their living standards begin to fall. The consequences for social cohesion will be severe as inequality increases. The pending grants crisis will trigger much suffering and desperation in already poor communities.”

The first *Survey* was published in 1946. Click [here](#) for more information.

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