



STATEMENT: UBIC expectations ahead of SONA 2026: Fix the SRD and end the basic income policy deadlock

9 February 2026

The 2026 State of the Nation Address (SONA) is an opportunity to provide long-overdue clarity on the Basic Income Support (BIS) policy. Poverty in South Africa is worse than previously estimated and 66,7% of the population [live below](#) the upper-bound poverty line.

President Ramaphosa must commit to adequate, universal basic income (UBI) for the working-age population, building on and expanding the existing SRD grant beneficiary base, with concrete and binding targets and timeframes.

Ahead of the SONA, the Universal Basic Income Coalition (UBIC) calls on government to:

1. End the basic income support policy deadlock
2. fix the SRD grant - now, and
3. protect the longstanding social grants, and the Presidential Employment Stimulus

End the basic income policy deadlock

For four successive SONAs, President Ramaphosa has said that the SRD grant will be transformed into a basic income support system. But these promises have proved empty, as we are no closer to this becoming a reality, and few details have been provided.

On 4 February the Department of Social Development informed a parliamentary portfolio committee that the next version of the basic income support policy will only be presented to Cabinet in March 2027, an astounding and unacceptable delay.

Alongside DSD's inaction, it is clear that the policy process is being delayed and muddled by a National Treasury and its allies intent on watering down its reach and ambition.

UBI is the most direct and effective tool available for ending hunger and catalysing inclusive economic growth. It will enable the millions currently trapped in extreme poverty to start enterprises, search for jobs, care for family members, and further their studies. It will massively stimulate local, rural and township economies, boosting spending, investment, productivity, employment, and government revenue.



The state has the resources available to progressively realise a UBI. It can reallocate wasteful and fruitless expenditure, end ineffective tax breaks for the wealthiest individuals and corporates, and further tax wealth. Taking steps towards a UBI will create a virtuous economic cycle that offsets the cost of its expansion.

There is more than enough wealth in South Africa for nobody to go hungry. We often hear that we cannot tax wealth further, because doing so is complicated and difficult. This can no longer be an excuse for inaction. We must hold our representatives to a higher standard.

Fix the SRD grant now

The SRD (R370) grant has been extended until March 2027, but its value has fallen far behind the cost of living since 2020. It now stands at less than 44% of the food poverty line, which stood at R855 in 2025.

Millions of people who are eligible for support are excluded from the grant due to arbitrary and unfair procedural barriers. National Treasury has only provided enough budget for approximately 8.5 million monthly recipients, despite estimates that more than 16 million people qualify. To keep within this arbitrary budget cap, DSD and SASSA have been forced to implement procedural barriers in the SRD grant system which prevent people accessing their entitlements.

This is the subject of an ongoing litigation between UBIC members IEJ and #PayTheGrants and the state. The state is appealing a High Court ruling which ordered it to remove arbitrary barriers to access and to make a plan to address the retrogression in the grant value and means test threshold. This critical case which impacts millions of the most vulnerable in South Africa is expected to be heard in the Supreme Court of Appeal in 2026.

To provide a foundation for an inclusive universal basic income, the defects in the SRD grant application, verification, payment and appeals systems must be urgently addressed.

Protect the longstanding social grants, and the Presidential Employment Stimulus

UBIC is also deeply concerned about SASSA's ongoing rollout of biometric and financial surveillance and verification systems across the longstanding social grant system - including the child support, older persons and disability grants. Experience with the SRD shows these systems to be deeply flawed and highly exclusionary.



National Treasury is compelling SASSA to implement these measures through conditions on SASSA's operating budget. Failure to comply risks the withdrawal of funding. This is a blatant overreach by National Treasury, which is dictating policy areas beyond its mandate, in an effort to reduce spending on social grants.

These measures are justified on the grounds of combatting beneficiary fraud. However, [analysis](#) of SASSA data shows that between 2014 and 2025, an average of only 54 beneficiary frauds reported annually, out of approximately 28 million beneficiaries. This is vastly outweighed by fraud committed by government employees and contractors, which averaged 204 cases per year.

The resources and effort being deployed to prevent beneficiary fraud are grossly disproportionate to the scale of the problem. Evidence shows these measures instead exclude the most vulnerable people, particularly those least able to navigate new and complex barriers.

Finally, UBIC is very alarmed at the defunding of another critical element of our social security system, the Presidential Employment Stimulus (PES), which was introduced in concert with the SRD, and has provided more than 2.5 million work and livelihood opportunities since 2020. While private sector employment creation stagnates, public employment programmes complement and build on social assistance, providing scaffolding support - together, they combat hopelessness and harness purposeful labour for the betterment of our communities and society.

This year's SONA must go beyond vague slogans and set out a clear and binding pathway towards adequate, dignified universal social protection in South Africa. Meaningful economic transformation is impossible without a real and effective safety net.

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UBIC is comprised of the following organisations:

- Alternative Information and Development Centre (AIDC)
- Basic Income Earth Network (BIEN) – Africa UBI Observatory
- Black Sash



- Children's Institute, UCT
- Congress of South African Trade Unions (COSATU)
- Environmental Monitoring Group
- Global Reformed Platforms for Engagement (GRAPE)
- Institute for Economic Justice (IEJ)
- National Education, Health and Allied Workers' Union (NEHAWU)
- #PayTheGrants
- RightfulShare An Income Movement
- South African Federation of Trade Unions (SAFTU)
- The Family Caregiving Programme
- Women on Farms Project
- Youth Lab