

Social Relief of Distress grant extended to March 2024

The Covid-19 Social Relief of Distress (SRD) Grant - also known as the R350 grant - is expected to be extended to the end of March 2024.



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This as government continues to consider options for a replacement for the grant with no decision taken yet on how the replacement will be financed.

Finance minister Enoch Godongwana announced the extension of the grant during his presentation of the Medium-Term Budget Policy Statement in Parliament on Wednesday afternoon, 26 October.

“The SRD grant was introduced in May 2020 as a temporary measure to respond to the needs of the most vulnerable, who were affected by [Covid-19 induced] lockdown measures. It has been extended several times since then. Discussions on the future of the grant are ongoing and involve very difficult trade-offs and financing decisions,” he said.



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Andrea Shalal 6 Oct 2022



Potentially lower increase for other grants

As a result of the extension of the SRD grants, other social grants – such as old age grants and disability grants – will increase lower than inflation.

According to Treasury, the SRD grant is expected to grow by at least 8.8% every year and its financial implications could reach some R64.9bn in the 2030/31 financial year – casting an impact on the sustainability of the public purse.

In light of this estimation, Godongwana said indefinite continuation of the grant will have a serious impact on the stability of the public purse.

"Despite the provision made in this budget, I want to reiterate that any permanent extension or replacement will require permanent increases in revenue, reductions in spending elsewhere, or a combination of the two," he said.

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