

How Junk status could affect you:



General

Government is in **R2.2trillion** debt - 50.7% of GDP.



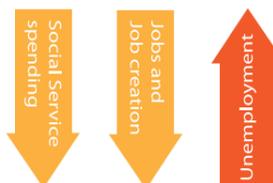
Government has to **spend more** on paying off its debt.



For every **R1** collected in tax, **13c** must be diverted to pay off Government debt.



Government to **spend less** on social services; there will be **less** job creation, therefore **more** unemployment.



Housing and Food



Paying more interest on bonds/loans means less cash for rent, food, paraffin, gas and electricity.

Weaker Rand means inflation will rise, we will pay more for food.

This will **adversely affect** agricultural production in the country and potentially food security.



Household **income becomes lower** and purchasing power for housing falls.

Less funds to maintain/upgrade houses as people will prioritise funds towards buying food.

Reduced RDP housing budget which means there will be fewer RDP houses available.

Health



Less funds available for maintaining & upgrading hospitals/clinics.

Vacancies



Medical supplies, construction material & transport **costs spike**.



Jobs and Social Grants

Unemployment increases due to retrenchments and factory shut downs

Increase in budget cuts and vacant posts

Decrease in investments and job creation

Increased inflationary pressure and impact on cost of living

Electricity prices to increase

Education



Fuel increases will **increase textbook delivery costs**.



Construction costs will rise - **delaying the upgrading of schools**.
Increased costs to transport learners to school.
Less cash for school fees.



School Nutrition Programme (SNP) transport and food costs will increase which is likely to **affect quality, quantity and availability of food**.

WHAT CAN YOU DO?

- Read the SA Constitution and use your rights to promote accountability & openness;
- Ask your councillor, MPL or MP what corrective action is planned?
- Encourage conversations in your community, church, temples, mosques & at school on how to solve SA's challenges;
- Participate in Municipal Meetings, write to your local paper, participate in radio debates on such issues;
- Participate in peaceful protests, support petitions and prepare written submissions to Municipalities, Legislatures & Parliament;
- Track/Monitor delivery of social services to support their efficient & effective delivery;
- Educate our youth on responsible citizenship.