



RISEN LIFE

WORSHIP CENTRE

OBJECTION TO THE PROPOSED 36.15% ELECTRICITY INCREASE BY ESKOM

My presentation will focus on impacts of Tariff Increases on the Unemployed.

Eskom's proposed tariff increases are likely to exacerbate the challenges faced by unemployed individuals, primarily by increasing the cost of basic living. The direct and indirect impacts include:



1. Higher Electricity Cost.

- Unemployed individuals who rely on limited financial support or grants will find it harder to afford electricity. This reduces disposable income for essential needs such as food, healthcare, and transportation.
- For households relying on Free Basic Electricity (FBE), strict municipal criteria often exclude many eligible individuals, leaving them further disadvantaged.



2. Pre-paid Metering Challenges.

- Prepaid consumers must pay upfront for electricity, making tariff increases immediately impactful, especially when they have no steady income.
- Eskom's proposed tariff increases significantly contribute to increased social vulnerability among the unemployed. This happens through a cascade of interconnected effects



3. Worsened Energy Poverty.

Many unemployed individuals already face energy poverty, where they cannot afford sufficient electricity for basic needs. Higher tariffs exacerbate this, forcing households to prioritize energy over food, healthcare, or education, leading to heightened vulnerability.



4. Erosion of Social Nets.

Social grants, such as South Africa's Child Support Grant or Disability Grant, are already stretched thin. Tariff increases reduce their effectiveness, leaving the unemployed with fewer resources to cope.



5. Increased Mental Health Strain.

Financial pressure can lead to stress, anxiety, and depression, deepening the psychological impact of unemployment and reducing resilience in dealing with other challenges.



6. Barriers to Social Mobility.

Unemployed individuals face more difficulty improving their circumstances as rising energy costs limit their ability to access job opportunities (e.g., via transport or online applications) or invest in small, home-based economic activities.

These effects cumulatively entrench cycles of poverty, making it even harder for unemployed individuals to escape their precarious circumstances.



IN CLOSING:

- The affordability crisis is worsening, but the responsible government agents are quiet, or rather absent.
- The Electricity Regulation Act mandates NERSA's responsibilities which include facilitating universal access to electricity. If it is not affordable then how is it accessible ?
- Access to energy needs to be included as a basic right in the Constitution.
- Some of us in this room will agree with me that, there is a growing disconnect between ESKOM and electricity users at many levels.
- Communities and municipalities with a low revenue base simply can't afford ESKOM electricity increases.
- I therefore, say no to MYPD6 application by Eskom and I thank you.

