

The Forgotten Middle Class: Can South Africa Afford to Ignore the People Who Keep Its Economy Running?

South Africa often speaks about fighting poverty, creating jobs and reducing inequality. These are essential national priorities. However, there is another question that deserves equal attention: what happens to the people who work, pay taxes, support their families and contribute to the economy, yet increasingly struggle to afford a decent standard of living? These are the people commonly described as the middle class. They are teachers, nurses, civil servants, small business owners, professionals and working families who are expected to carry financial responsibilities without always receiving the support necessary to meet them.

The middle class faces a difficult reality. They are often considered too wealthy to qualify for certain forms of assistance, yet not wealthy enough to comfortably afford education, housing, transport, healthcare and other necessities. Their salaries may place them above a funding threshold, but their disposable income may tell a very different story. They find themselves caught between poverty and prosperity, earning enough to be excluded from assistance but sometimes too little to achieve financial security.

How can a government expect its working citizens to contribute to the country's economic development while failing to recognise the financial pressures that threaten their own stability?

One of the most significant challenges facing the middle class is the rising cost of living. Food, electricity, transport, rent and healthcare consume an increasing share of household budgets. Salaries, however, do not always increase at the same rate as inflation. Even when employees receive annual increases, these adjustments may not be enough to preserve their purchasing power. A salary increase that looks impressive on paper can become insignificant when essential expenses rise faster than income.

Consider a family in which both parents are employed. They pay income tax, contribute to retirement funds, cover household expenses and support their children's education. After paying for necessities, little may remain for savings or emergencies. A medical expense, an unexpected repair or an increase in rent can force that family to borrow money or sacrifice another essential need.

These families are not necessarily irresponsible with money. Many budget carefully, work long hours and make personal sacrifices. Yet financial discipline alone cannot solve a problem when the cost of necessities consistently outpaces the growth of income.

This is why economic progress should not be measured only by employment figures or the amount of tax collected. It should also be measured by whether working people can afford the essentials, save for emergencies and provide their children with opportunities to succeed. A person who works throughout

the month but remains financially vulnerable has not achieved the security that employment is supposed to provide.

The problem becomes particularly concerning when we consider higher education. Education is one of the most powerful tools available to South Africa for reducing inequality, developing skills and improving economic opportunity. Yet financial barriers can prevent capable students from completing their studies, even when their parents are employed.

The National Student Financial Aid Scheme, known as NSFAS, plays a vital role in supporting eligible students from financially disadvantaged households. However, the funding system also illustrates the challenge facing families whose income falls into the so-called *missing middle*.

According to NSFAS's published eligibility information, the general household-income threshold for a bursary is R350,000 per year for non-SASSA applicants, while undergraduate applicants with household incomes between R350,000 and R600,000 may fall within the loan funding category. These thresholds demonstrate that the missing-middle challenge is already recognised in the funding system, but the question remains whether support is sufficiently accessible and appropriate for the financial realities of affected families. [NSFAS eligibility and funding information](#)

Imagine a household earning slightly more than the bursary threshold. That income must cover rent or a bond, groceries, electricity, transport, medical expenses, debt repayments and the needs of other dependants. When a child enters university, the family must find additional money for tuition, accommodation, textbooks and meals. The fact that the household earns above a particular threshold does not mean that the money required for these expenses is available.

Should a student's future depend on a parent's gross income rather than the family's actual ability to afford university?

Government should consider strengthening the missing-middle funding system through a more responsive, means-tested model. Instead of relying too heavily on a single income threshold, the assessment should consider household size, necessary living expenses, the number of dependants studying, unavoidable medical costs and other relevant financial circumstances. Students from households facing genuine affordability challenges could then receive assistance proportionate to their need.

This proposal does not mean that every middle-class student should automatically qualify for a full bursary. Public resources are limited, and funding must remain sustainable. Rather, government should ensure that students whose families cannot reasonably afford higher education are not excluded simply because their gross income appears sufficient. Depending on assessed need, support could take the form of partial bursaries, affordable income-contingent loans, tuition assistance or targeted accommodation support.

The government has already acknowledged the missing-middle problem. In a 2025 statement on higher education funding, the Department of Higher Education and Training referred to R3 billion allocated through the National Skills Fund over three years to support the missing-middle initiative. [Department of Higher Education and Training funding statement](#) This is an important starting point,

but government should continue evaluating whether funding reaches the students who need it, whether the amounts are sufficient and whether the arrangements genuinely enable students to complete their qualifications.

The next question is how such support should be financed. This is where the national budget becomes important. Government must balance competing priorities, including healthcare, basic education, infrastructure, social grants and public debt. Expanding assistance without considering affordability would be irresponsible. However, refusing to examine gaps in the existing system would also be a missed opportunity.

A practical solution would be for National Treasury and the relevant education authorities to publish a detailed assessment of the financial needs of missing-middle students. They could estimate the number of affected households, calculate the likely cost of different funding models and evaluate the long-term economic benefits of helping more students graduate. Government could then introduce targeted support in stages, prioritising students with the greatest demonstrated financial need.

Funding could be assessed through reprioritisation of existing programmes where justified, improved efficiency in public expenditure, stronger financial controls and transparent reporting on the results achieved. Any proposal should be accompanied by clear eligibility rules, independent oversight and regular reviews to prevent waste and ensure that public money reaches its intended beneficiaries.

This approach would recognise that supporting the middle class is not simply an expense. When students complete their qualifications, they can enter the labour market, develop businesses, pay taxes and contribute skills that the economy needs. Helping a financially constrained student graduate may therefore create benefits that extend well beyond one household.

The same principle applies to the wider cost of living. Government should regularly examine how tax policy, public transport costs, electricity tariffs and other policy decisions affect working households. Where appropriate, it should consider targeted relief, better access to affordable public services and policies that encourage productivity and wage growth. Employers also have a role to play by considering whether remuneration keeps pace with changing living costs and whether workers can maintain a reasonable standard of living.

However, government cannot address these challenges effectively if the people affected remain silent. The middle class must recognise that paying taxes is not the end of its civic responsibility. Citizens also have the right and responsibility to participate in decisions about how public resources are collected and spent.

Too often, people discuss rising prices and financial pressure privately but do not take their concerns to the institutions responsible for making policy. Some believe their voices will not make a difference. Others assume that their struggles are less important because they are employed. Yet policies cannot adequately respond to problems that are never clearly communicated or supported by evidence.

The middle class must take the initiative to engage government. It can participate in public budget consultations, submit written proposals to National Treasury, contact elected representatives, join community and professional organisations, and work with student bodies to advocate for fairer

funding arrangements. Citizens can also use credible media platforms to explain how rising expenses affect their households and what practical changes they want government to consider.

This participation should be organised, constructive and persistent. Instead of simply demanding that government provide more money, citizens should propose realistic solutions, ask how policies are evaluated and request transparent explanations of public spending. Students can gather evidence about university costs. Workers can document the relationship between salary increases and household expenses. Community organisations can identify gaps in public support and present recommendations based on the experiences of their members.

The purpose is not to create hostility between the middle class and poorer communities. South Africa's poorest citizens continue to require meaningful support, and the middle class should not seek to weaken social assistance for those in greatest need. The objective is to create a fairer system in which support reflects genuine financial circumstances and people are not penalised simply because they earn an income.

A society cannot solve inequality by creating competition between people who are all experiencing different forms of financial hardship. Instead, government should develop policies that protect vulnerable households, support working families and create opportunities for young people to improve their circumstances.

Government also has a responsibility to listen. Public consultations must be more than administrative exercises. Citizens should have access to understandable budget information, clear explanations of funding decisions and feedback on the proposals they submit. When people contribute through taxes and participate in public discussions, they should be able to see how their contributions influence decisions.

Ultimately, the middle class is not asking to be placed above other citizens. It is asking for policies that recognise the difference between earning an income and being financially secure. It is asking for a realistic opportunity to support its families, educate its children and plan for the future without being pushed into debt by the ordinary costs of living.

South Africa must therefore broaden its understanding of economic inclusion. Having a job should offer a reasonable pathway towards stability. A household's income should be assessed with an understanding of its actual financial obligations. Higher education should remain accessible to deserving students whose families cannot afford the costs, and public money should be spent transparently and effectively.

The middle class must also understand that change requires participation. It cannot expect government to recognise every difficulty if it never organises, communicates its concerns or proposes solutions. Citizens must use the democratic channels available to them, engage with policymakers and hold public institutions accountable.

A nation cannot build a sustainable economy by expecting its working citizens to carry an ever-growing financial burden in silence.

The middle class contributes through taxes, employment, entrepreneurship, skills and consumer spending. Its concerns deserve serious consideration, just as the needs of poorer and more vulnerable communities deserve continued attention. Government must respond with policies grounded in evidence, and citizens must respond with active and constructive participation.

The real question is not whether South Africa can afford to care about its middle class. It is whether South Africa can afford the long-term consequences of allowing working families to become financially insecure and talented students to lose educational opportunities because their households fall just outside the support available to them.

The answer requires a shared commitment: a government willing to review its policies, a budget that balances compassion with fiscal responsibility, and a middle class willing to raise its voice.

The middle class must no longer remain invisible in the national conversation. It must speak, organise, participate and demand accountability—not because it deserves more than everyone else, but because it deserves a fair opportunity to contribute to and benefit from the country it helps sustain.

A stronger middle class, alongside effective support for the poorest and most vulnerable, can contribute to a more productive, equitable and prosperous South Africa. That is not a demand for privilege. It is a call for fairness.