

Billions allocated to SAA is misdirected: Public Servants Association 29-Oct-2020 | 09:57 am — Author: Wendy Mothata Image: Reuters Mboweni delivered the Medium Term Budget Policy Statement and has allocated the SAA with extra cash to implement its business rescue plan. The Public Servants Association (PSA) says the R10.5 billion allocated to restructure the South African Airways (SAA) is misdirected. Delivering his Medium-Term Budget Policy Statement in parliament on Wednesday, Finance Minister Tito Mboweni said the R10.5 billion is for SAA to settle its guaranteed debt. The Minister also announced that there will be wage increment freeze for three years for public servants and representatives. The PSA's Reuben Maleka says instead of giving money to the failed airline, the state should rather direct the funds to the SABC. "We know the SAA is where the looting is going to happen, we know that SAA is not going to work and you can't claim poverty and take R1.5 billion and give it to SAA, the question is why not the SABC, if there was a choice of giving any state entity we would have said give it to the SABC because SABC is for all of us, the poor and everybody in the country is depending on the SABC." The PSA has also voiced disappointment to Mboweni's announcement that National Treasury plans to freeze public sector wages for the next three years to help cut its salary bill. Mboweni says over R300 billion is being sought in wage bill reductions as part of spending cuts. The wage-freeze plan is likely to put government on a collision course with its labour union alliance partners. Unions affiliated to COSATU have already taken government to court, challenging its failure to honour pay increases of the 2018 three-year wage deal. Maleka says, "We are very angry that the Minister is undermining the collective bargaining structures and processes – because he comes into parliament and there and then pronounces on issues of negotiations, management salaries and the freezing of salaries for the next three years, is just another way of undermining collective bargaining. He knows very well that if we need to talk about salaries for the next three years or a year, you need to go to the bargaining council and discuss that with us as unions. So going into parliament and making these announcements, we found this as an offence." Minister Tito Mboweni delivers the Medium-Term Budget