

MEDIA RELEASE	Budget 2025: PSA disappointed by failure to adequately address South Africa's challenges and missed opportunity to capacitate public service
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The Public Servants Association (PSA) is disappointed that the Minister of Finance's budget, presented on 21 May 2025, failed to adequately address the challenges faced by South Africa and missed an opportunity to capacitate the public service.

The budget does not adequately address funding needs of essential public services such as healthcare, education, and social grants. These sectors are critical for the well-being of citizens and require more substantial investment. The allocation for employment of only doctors is noted however the rest of the health sector is experiencing critical shortages across all professions, including nurses, pharmacists, porters, and general workers, The health sector will continue to suffer chronic staff shortages, with an adverse effect to service delivery. The Minister's silence on community health workers is another major omission in respect of this major challenge in the health sector.

The PSA is further concerned that the Minister failed to address the employment of much needed police officers and correctional officers to capacitate the security sector. Whilst the budget aims to stabilise debt, current strategies may not be sufficient to address the country's long-term debt crisis. More innovative solutions are needed to reduce the debt burden without compromising public services.

The budget again fell short in providing a comprehensive social-protection framework that can effectively support the unemployed and those living in poverty. The decision to withdraw the proposed 0.5% Value Added Tax increase is commendable as it protects the purchasing power of consumers, especially the most vulnerable. The increase in the fuel levy, however, diminishes this benefit.

Enhancing the capacity of the South African Revenue Service to collect taxes and combat illicit trading is crucial for increasing government revenue without burdening taxpayers. The allocation for infrastructure development is also welcomed, whilst considering the current state of roads, schools, state-owned buildings, hospitals, clinics and police stations, the allocation seems inadequate.

Government has initiated a programme to encourage public servants to take voluntary packages without a plan or budget to replenish employees who take these packages. Government has created an expectation in this regard, which seems unlikely to be fulfilled. The PSA therefore repeats the Union's calls for the filling of public-service vacancies if government is committed to providing services to citizens.

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