

<b>MEDIA RELEASE</b>	<b>Budget cuts: PSA concerned about implications for government employees and South Africans</b>
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The Public Servants Association (PSA), which represents more than 240 000 public-sector employees, is concerned about planned cuts on the government personnel remuneration and operations budgets as such cuts are set to have a detrimental impact on service delivery.

The PSA has condemned the recent circular issued by National Treasury, outlining government's stance that no salary increases will be granted to public servants for the next three years. This stance is based on a notion that public servants have for years been granted above inflation salary increases and created an impression that public servants are overpaid.

Despite public servants not having received their salary increases that were due by 1 April 2020, they continued to render essential and critical services during the COVID-19 pandemic, despite the risk to their own safety. Employees who could not report for duty because of COVID-19 protocols continued to render services remotely. The PSA therefore denounced statements by certain political parties that indicated that thousands of public servants stayed at home "doing nothing" whilst receiving a salary.

The PSA will not allow that government employees be used as the scape goat for maladministration and corruption. The failure to institute consequence management must rather be addressed as a solution for budget shortfalls. The said circular also indicated that performance bonus payments will be eliminated in 2021. Such a step is completely against the spirit of collective bargaining and the binding effect such agreements.

The PSA has on numerous occasions made proposals where the State as employer could save money, which unfortunately fell on deaf ears. The mooted budget cuts will furthermore impact negatively on the establishment of the Border Management Agency (BMA) as there is no funds. The PSA is dismayed that, despite these circumstances, Government is still considering bailing out struggling state-owned entities such as the South African Airways rather than ensuring critical service delivery such as securing the country's borders by means of the BMA.

In addition, the said budget cuts will have an enormous impact on the upcoming Labour Appeal Court case on the Public Service wage dispute set for 2 December 2020. The State as employer will continue to plead poverty whilst it is bound by a collective agreement to implement the agreed wage increases. The PSA therefore cautions Government on its approach to the Public Service wage dispute as well as the consequences of its actions for the country.

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