

MEDIA RELEASE	Budget deadlock: PSA condemns consideration to defer GEPF contributions
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The Public Servants Association (PSA) is outraged by the reported consideration to defer government contributions to the Government Employees Pension Fund (GEPF) by a year to save R53 billion. This reckless and short-sighted approach will have devastating consequences for public servants' retirement security and undermines confidence in the stability of the pension system.

Public servants contribute to the GEPF throughout their careers with the expectation that their pensions will be safeguarded. Any attempt to compromise these benefits is unacceptable and will be met with fierce resistance. Such a move could trigger industrial action and legal challenges, as it constitutes a direct attack on the financial well-being of public servants and their families.

The PSA is further alarmed by the ongoing deadlock in government regarding critical fiscal decisions, particularly when proposed cuts threaten essential public services such as health, education, security, and infrastructure. The PSA notes with severe concern that the reworked budget proposed extreme cuts, including R29 billion in health services over three years. This will hinder the hiring of much-needed doctors and healthcare workers. The reported R29 billion reduction in education funding and the halting of the recruitment of 11 000 teachers, directly impact on the future of South Africa's children and the quality of basic education. These measures contradict government's commitment to improving service delivery and addressing critical socio-economic challenges.

Budget cuts targeting public servants' salaries and benefits will have dire consequences on service delivery, workforce morale, and economic stability. Government cannot expect to resolve fiscal shortfalls solely on the backs of employees whilst failing to address structural inefficiencies, corruption, and wasteful expenditure.

The PSA urges government to engage meaningfully with organised labour to explore sustainable solutions to the fiscal crisis, including strategies to boost revenue without punishing workers. The PSA will not stand idle whilst reckless fiscal policies undermine the livelihoods of public servants and citizens who rely on essential government services.

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