



MEDIA RELEASE: **ESKOM: PSA calls for rejection of 32%-electricity increase and Presidential intervention.**

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EMBARGO: None

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The Public Servants Association (PSA) calls for urgent Presidential intervention regarding the proposed 32% price increase for electricity and demands that NERSA should not even consider such a ludicrous request by Eskom.

The problems experienced by Eskom are the result of poor and maladministration by the entity for which citizens are now being punished by soaring prices and disabling loadshedding. The PSA further calls for stringent measures to address non-payment by municipalities that owe Eskom billions.

The PSA believes that the proposed increase will not remedy the situation and will only provide more opportunities for looting of funds if maladministration is not addressed. Over the past ten years, electricity tariffs have increased with more than 700%. The latest proposal will escalate this figure to more than 900%. No country, irrespective of the strength of its economy, will be able to afford such exorbitant hikes. Should this increase be approved, even more small business will have to close shop as they are already struggling under the impact of rampant loadshedding. This will contribute to fueling the country's alarming unemployment rate.

Public servants are also under severe financial stress under the current economic climate in the absence of salary increases for the past three years. The PSA therefore proposes that if any electricity price increase must be considered, it should be based on the average wage increase granted to the country's workers. South Africans cannot pay for the incompetence of Eskom and government. Other options should be explored urgently rather than misusing citizens to mitigate the impact of financial mismanagement and corruption.

END

