

MEDIA RELEASE	Medium-Term Budget Policy Statement: PSA voices serious reservations
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The Medium-Term Budget Policy Statement (MTBPS) delivered by the Minister of Finance, Mr Tito Mboweni, confirms the fact that the South African economy is in a dismal state and it is clear that public servants as both workers and consumers are targeted to pay a high price for this.

The Public Servants Association (PSA) that represents more than 245 000 public sector employees is deeply concerned about poor economic growth, record unemployment and workers' ability to cope financially. Whilst the Minister's announcements to deal with failing state-owned enterprises such as Eskom and SAA are welcomed, speedy and decisive interventions are required to halt the laming effect the financial support of these entities has had on the economy.

The Minister's pronouncement that engagement will take place in bargaining forums is encouraging as the PSA has been calling for such engagement repeatedly rather than continuous reckless statements related to freezing ordinary public servants' salaries. It is clear, however, that ordinary public servants' salaries and benefits will be targeted to save the economy. Ongoing corruption and mismanagement at various levels have brought about a situation where South African workers are facing undue hardships. The very public servants who are tasked with ensuring service delivery to support economic growth are, in effect, branded as being one of the reasons for the country's economic woes.

The cost-curbing measures introduced for expenditure of politicians is welcomed and the PSA supports the call to Parliament to implement the measures immediately. It is also welcomed that the Nugent report outcomes be implemented. The additional funding for the National Prosecuting Authority and the South African Revenue Service to enhance functioning is also welcomed.

The PSA, however, condemns the Minister's statement in relation to the government's early-retirement process not yielding the desired results, noting that only some 4 000 public servants applied. The Minister's statement that this process should be reinvigorated, is inappropriate as labour from the onset opposed to the process for various reasons. Once again, labour should be consulted in the appropriate structures to ensure constructive engagement on all matters affecting public-sector employees.

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