

<b>MEDIA RELEASE</b>	<b>PSA calls on South African Reserve Bank to prioritise economic relief through interest-rate reduction</b>
<b>DATE</b>	30 July 2025
<b>EMBARGO</b>	None
<b>ENQUIRIES</b>	<a href="mailto:communication@psa.co.za">communication@psa.co.za</a>

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The Public Servants Association (PSA), along with millions of South Africans, awaits the South African Reserve Bank's (SARB) Monetary Policy Committee (MPC) meeting on 31 July 2025 with anticipation of an interest rate reduction.

With inflation currently within the SARB's target range and economic growth remaining sluggish owing to persistent structural challenges, the PSA believes that a rate cut is justified and necessary. South African households, particularly those of public servants, continue to face immense financial pressure from high debt levels, rising living costs, and stagnant wage growth. A reduction in interest rates would provide much-needed breathing room for workers and stimulate broader economic activity. Public servants are not immune to the cost-of-living crisis, and a rate cut would ease the burden on families already stretched to their financial limits.

The PSA acknowledges the SARB's mandate to maintain price stability but stresses that monetary policy must also be responsive to the lived realities of South Africans. A cautious but decisive rate cut would signal a commitment to inclusive economic recovery. The PSA calls on the SARB to act in the public interest and reduce the repo rate to support workers, stimulate demand, and foster a more resilient economy.

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