PSA
The Union Of Choice

MEDIA RELEASE	PSA disappointed by South African Reserve Bank's decision to hold interest rates amidst economic strain
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EMBARGO	None
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The Public Servants Association (PSA) is extremely disappointed with the decision by the South African Reserve Bank (SARB) to maintain the repo rate at 7% and the prime lending rate at 10.5%, following the Monetary Policy Committee (MPC) meeting on 18 September 2025.

This decision comes as a blow to millions of South Africans, particularly the working class, who is grappling with rising debt, inflated living costs, and stagnant wages. Despite a recent cooling of inflation to 3.3%, the SARB opted for caution, citing concerns about future inflation trends and structural inefficiencies in the economy. The PSA believes this was a missed opportunity to provide meaningful relief to households and stimulate economic confidence. Public servants and other workers are under immense financial pressure, and a rate cut would have offered some breathing room.

The PSA acknowledges the SARB's mandate to maintain price stability but urges the central bank to balance inflation control with socio-economic realities. With electricity tariffs rising, food prices remaining high, and consumer debt escalating, the decision to hold rates risks deepening financial distress for South Africans. The PSA calls on the SARB to consider a rate cut at its final meeting in November 2025 to redress the missed opportunity.

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