

MEDIA RELEASE **PSA urges Minister of Finance to address alarming underspending by government departments**

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The Public Servants Association (PSA) is not surprised by the Minister of Finance's revelation that national and provincial government departments have collectively underspent by R28 billion last year, despite several departments lacking vital tools and resources.

Employees are working in dilapidated buildings with no ventilation, cracked walls, and leaking roofs in contravention of the *Occupational Health and Safety Act*. At some schools, educators and learners are still using pit toilet, with overcrowding being the order of the day. Despite this, managers have failed to spend the available budget. Departments are getting away with murder regarding the poor working conditions owing to the limited number of inspectors employed by the Department of Employment and Labour to conduct workplace inspections. At the same time, some departments have failed to pay rent for the buildings they occupy, resulting in staff being locked out and service delivery suffering.

The failure to adequately manage finances could be attributed to a shortage of staff or incompetence by managers as the Department of Public Service and Administration has indicated that some 25% of senior management employees lack minimum requirements. Staff shortages have been reported in almost all departments owing to the implementation of austerity measures by government. The obsession to reduce employee costs has adversely affected the efficiency of government machinery to provide quality services to the public. Underspending, maladministration, and corruption are barriers to service delivery and will only be eradicated if there is political will and stringent consequence management. Many departments continuously return unused money, warranting urgent intervention by Treasury to capacitate the management or demand accountability for the failure to perform as per the *Public Finance Management Act (PFMA)*.

The PSA is extremely concerned that the Minister of Finance does not seem to have a plan in place to ensure that departments involved would be able to spend their budgets, leaving room for recurrence of this unfortunate situation. Despite the *PFMA* providing that underspending and overspending amount to financial misconduct and should be treated as such, failure to properly staff departments cannot be ignored. Failure to use available budget robs employees and the public of their rights to a conducive work environment and services, respectively. The PSA urges the Minister to act decisively against financial misconduct in any form and to fill public-service vacancies with immediate effect to address crippled service delivery.

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