



MEDIA RELEASE: **Budget 2022: PSA expects prioritisation of government departments' capacitation to enable efficient service delivery**

DATE: 22 February 2022

EMBARGO: None

ENQUIRIES: communication@psa.co.za

The Public Servants Association (PSA) is awaiting the Budget speech by the Minister of Finance on 23 February 2022 with strong hopes that it will provide a sound foundation to position the country for urgently needed growth.

The budget must enable the country to mitigate the laming impact of the COVID-19 pandemic, which continues to adversely affect the struggling economy. Whilst it is important for the Minister to balance competing national spending priorities, the importance of capacitating government departments should not be ignored, as was the case with previous budgets. Government programmes such as combatting corruption and crime, ensuring a safe environment, providing quality health care, education, and social services, will remain a pipe dream without adequate human resources. Adequate staffing will enable government departments to effectively execute their mandates and providing a secure environment where looters of tax payers' money can be speedily prosecuted, and looted money recovered. A capacitated public sector will further minimise the need for tenders and consultants, which devour most of the budget without providing real value for money and support corruption and maladministration.

The PSA calls on the Minister to avoid the temptation to increase fuel tax, VAT, and income tax on salaries as over-taxed workers are already struggling to make ends meet. These high taxes make it difficult for workers and consumers to keep up with the rising cost of basic goods and services. Non-compliance with tax regulations by businesses, poor border control, and rampant corruption have placed a strain on the fiscus, causing unreasonable tax increases on commodities and government's inability to adjust the salaries of public workers for consecutive years.

Urgent attention should also be given in the budget to infrastructure development to eradicate pit toilets and overcrowding in schools, tarring of roads, and maintenance of dilapidated public buildings, including clinics, courts, police stations, and hospitals. The budget must further consider investment in technology as the COVID-19 pandemic has exposed the country's lagging technological development, which also affects government's ability to provide service to citizenry and keep proper controls.

Reforms to the pension industry are further eagerly awaited by citizens, including public servants, in the wake of the impact of the COVID-19 pandemic. The PSA expects the Minister to consider changes to the Government Employees Pension Fund to also provide public servants access to a portion of their pension monies to assist them during these trying times.

END