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| MEDIA RELEASE | PSA warns Government regarding R54 Billion wasteful expenditure revealed by Auditor General |
| DATE | 6 April 2021 |
| EMBARGO | None |
| ENQUIRIES | communication@psa.co.za |

The Public Servants Association (PSA), is sending out a stern warning to Government regarding the exposure by the Auditor General of the R54 Billion in wasteful expenditure and Government's inability to recover these monies, as one of the key reasons public servants did not receive a salary increase last year. The PSA views these actions as very disappointing, especially where Government Departments have been found not adhering to legislation which prohibits public servants from conducting business with the state and subsequently contravening legislation which leads to corruption and fraud.

The public must not be misled by the slight decrease in irregular expenditure, as the decrease brings about the fact that 118 Departments, almost 31% failed to disclose their irregular expenditure. The PSA is therefore of the view that if all Departments complied and disclosed their irregular expenditure it would have been an increase instead of a decrease. The PSA calls on Government to take decisive action against those Departments who failed to report their irregular expenditure and put methods in place to recover lost monies. The PSA will not allow a situation where Government pleads poverty amidst the wage negotiations which has commenced at the level of the Public Service Co ordinating Bargaining Council (PSCBC). If good governance principles were adhered to public servants would have probably received what was due to them in 2020.

The PSA, although sympathetic to the plight of the Government and the current economic situation the country finds itself in, the PSA wants to call on the President to move its focus from Government Employee benefits and focus on the real cost drivers such as litigation, corruption and fraud, usage of consultants, irregular wasteful and fruitless expenditure, and unnecessary Foreign Missions with no clear indication on the amount lost in the current financial year, recovery plans for funds lost owing to especially on irregular, wasteful, and fruitless expenditure, fraud and corruption and frivolous litigation. It is clear that inputs made to Government on how it could curb its wasteful expenditure fell on deaf ears and instead of tabling a plan with clear proposals on how they intend to address the States inefficiencies to manage its budget, they want to use public servants as scapegoats.

Public servants benefits, remuneration and pension fund are not up for sale to use to bail out and relieve the state and compensate for losses incurred, as a result of inefficiencies and a lack of urgency in dealing with corruption and the recovery of lost funds as a result. Why must public servants alone make a sacrifice?

End.