

NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 356 [NO2367E]

★356. Mr G G Hill-Lewis (DA) to ask the Minister of Finance:

With reference to his Supplementary Budget Speech on 24 June 2020, wherein he committed to achieving a primary surplus and debt stability by the 2023-24 financial year, what are the relevant details of his plans to achieve the specified commitment?

NO2367E

REPLY:

Work is underway to ensure that fiscal consolidation and debt stabilisation is achieved as proposed in the active approach endorsed by Cabinet. The 2021 MTEF guidelines published on 16 August 2020 requires departments to adhere to the main budget non-interest spending envelope proposed in the active scenario of the 2020 Special Adjustments Budget. Various activities are being undertaken to achieve savings. This includes spending reviews being undertaken in collaboration with departments and provinces to contribute to the fiscal consolidation process. In addition, the National Treasury is working on arrangements to better assess the economic benefits of certain spending items. In this regard, there should be no “holy cows” and no spending items will be automatically protected from possible downward adjustments.

With respect to revenue measures, the normal practice of only announcing tax measures in the February budget will still be followed. Therefore, the details of the spending reductions and revenue measures will be presented in the 2020 MTBPS and 2021 Budget Review.