

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 694

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Adv H C Schmidt (DA) to ask the Minister of Finance:

Whether, in light of the current recession and the consequent shortfall in state revenue, the National Treasury has introduced any austerity measures to reduce its expenditure with regard to (a) official vehicles, (b) travel, (c) travel by departmental officials, (d) accommodation and household help or (e) any other aspects of government business; if not, what is the position in this regard; if so, what are the relevant details?

NW788E

Reply:

As you may be aware, Cabinet has appointed a Ministerial Task Team to develop proposals on how the whole of government should respond to the recession by, among other things, identifying areas in which expenditure could be reprioritised with a view to diverting resources to the provision of essential services and crucial govt programmes.

The Task Team, which is chaired by myself, will make specific recommendations on how government should implement cost management measures in all the three spheres of government in a structured and coordinated manner. These recommendations will cover short and medium measures.

All government departments will be required to comply with these measures once they are approved by Cabinet. Examples of measures under consideration include the cutting down on international travel, reducing over-reliance on consultants; reviewing the prices that the state pays for goods and services, centralising certain procurement procedures, reviewing discretion projects and rescheduling time frames for some projects

Whilst the National Treasury has taken steps, I will be in a better position to respond more comprehensively to the questions as soon as the Ministerial Task Team's report has been finalised and approved by Cabinet.

Your patience in this regard is highly appreciated.