

NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 2190 [NW3356E]
DATE OF PUBLICATION: 12 SEPTEMBER 2023

2910. Mr E M Buthelezi (IFP) to ask the Minister of Finance:

What mitigation strategies has the National Treasury put in place to ensure that fiscal consolidation efforts in 2024 do not further hamper the ability of government departments to deliver crucial services?

NW3356E

REPLY

Since the 2020 MTBPS fiscal consolidation measures have been driven by multiple goals: to eliminate the primary fiscal deficit and stabilize debt; support economic growth through fiscal stability and a composition of spending focused on investment rather than consumption; and to protect funding for the most vulnerable. Accordingly, the budget has retained the percentage spent on the social wage at around 60 per cent of the total budget. Government intends to broadly maintain this approach.

In the meantime, and to limit the negative effects of weaker-than-anticipated revenues and more difficult financial conditions, proposed savings and cost-cutting measures are meant to protect the ability of government to sustain the spending on its key service-delivery priorities.