

NATIONAL ASSEMBLY
QUESTION FOR ORAL REPLY
TRANSFERRED TO WRITTEN QUESTION
QUESTION NUMBER: 2119 * 683 [NW3482E]
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2119★683. Mr A G Bateman (DA) to ask the Minister of Finance:

With reference to (a) the increase in the ratio of citizens to public servants as stated in the Medium-Term Budget Policy Statement (MTBPS), leading to heightened pressure on civil servants and services with the Republic's average spending on public sector salaries being well above that of many countries (details furnished) and (b) the possibility of the current public service wage agreement being higher than expected poses a key risk to the government's financial projections, what steps is the National Treasury taking to ensure that the public wage increase can be afforded? NO3482E

REPLY:

The Minister of Finance, as an active member of the Committee of Ministers and the Executive Consultative Council (which includes provinces) which are forums responsible for state mandating processes, will continue to advise on the financial implications and the required trade-offs before any offer could be tabled before the public service coordinating bargaining council (PSCBC). The strategy is to ensure that the government can reach a wage agreement that could be afforded within the Main Budget Fiscal Framework without adding significant pressures to the system. The National Treasury will also be implementing necessary measures to ensure the affordability of public service wage increases while maintaining fiscal sustainability as well as recognizing the need for a balanced trade-off between public service salaries and employment growth. National Treasury is confident that the current employer proposals tabled before the PSCBC will not break the current fiscal framework projections, but it is cognizance of the fact that the wage negotiations are still ongoing and would not want to pre-empt the outcomes of those discussions. The government is committed to finalizing the current round of wage negotiations before tabling of the 2025 February Main Budget, and the details around the funding of the wage increases will be announced at that time