



NAPTOSA MEDIA STATEMENT ON BUDGET VOTE SPEECH BY MINISTER TITO MBOWENI – 20 FEBRUARY 2019

Mr Nkosipendule Ntantala, President of NAPTOSA, wishes to congratulate Minister Mboweni on his Budget Vote Speech, although it was found to be rather vision neutral.

“It was never going to be easy, with the state that the economy is in and with the dark clouds of unemployment, ESKOM, poor economic growth and corruption investigations hanging about” said Mr Ntantala, “but the Minister managed to nevertheless provide some glimmers of hope in certain areas”.

Whether the Minister’s speech will satisfy the ratings agencies and stimulate economic growth remains to be seen.

Not taking on ESKOM’s debt, but then setting aside R 23b a year for the medium term framework period, looks a lot like taking on some of the debt. Government’s predicament in this regard is, however, understandable, because by not assisting ESKOM the country could find itself in a power meltdown, which would create a national disaster.

NAPTOSA has said before that State Owned Enterprises (SOEs) needed to take ownership of the predicaments they find themselves in and put in a real effort from their side to rectify their woeful situations.

“We therefore welcome the fact that ESKOM and other SOEs that request government guarantees for operational purposes will have no choice, but to accept the appointment of an Independent Chief Reorganisation Officer who is supposed undertake a full

operational and financial review of the SOE” said Mr Ntantala.” Pity that it comes only at this late stage”.

We also applaud the Minister’s courage to question, in public, whether the country actually needs some of these SOEs.

The Minister’s views in this regard will hopefully spark a serious debate on the matter, because it is disconcerting when economists are of the view that some of these enterprises are in such a state that they cannot even be given away.

As a public service union, NAPTOSA is seriously troubled by the Minister’s announcement of early retirement packages as well as other cost saving plans for the public service.

These are matters of mutual interest that must be tabled and negotiated in the relevant bargaining councils. The announcement leaves the public service trade unions with a *fait accompli* that will not go down well.

“We were there when earlier similar exercises were conducted and we saw the devastating impact it had on the knowledge and skills pools of the education sector”, said Mr Ntantala. “Circumspection ought to be the operative word”.

NAPTOSA is thankful that education remains one of government’s key priority areas and that the biggest chunk of the budget is still being set aside for the learning and culture function of government.

The R 30b budgeted for the building of new schools and the maintenance of school infrastructure is welcomed. It is not clear whether there is a definite split between building and maintenance, but flexibility within the budget is probably what is required so that a healthy balance can be maintained between these two priorities.

We trust that the additional R 2.8b to replace pit latrines will suffice to eradicate this problem once and for all and avoid the tragedies that we have witnessed in this regard. “As long as we don’t see similar practices in the eradication process as was recently

reported in the case of the building of nine pit toilets that allegedly cost R 4,8m”, said Mr Ntantala.

The announced improvements in social grants as part of the fight against poverty and inequality is welcomed. Equally so, government’s swift move to establish the new Investigating Directorate in the NPA as part of the fight against corruption.

“What the “rolling out of a maths and science grant” will entail, is unclear, but NAPTOSA is *at idem* with government that these areas of education must be given prominence to ready our youth for the challenges awaiting them in the rapidly changing world of work. Hopefully we will have educators with the necessary skills and knowledge left to teach these subjects” concluded Mr Ntantala.

END OF STATEMENT

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