

**MINISTRY: PUBLIC SERVICE AND ADMINISTRATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NO.: 1740.**

**Mr A P van der Westhuizen (DA) to ask the Minister of Public Service and Administration:**

With reference to the Minister of Finance’s Budget Speech on 24 February 2016, in which the Minister announced the Government’s intention to cut R25 billion over three years from the Governments’ wage bill, (a) how does the total wage bill for the first four months of the 2016-17 financial year compare to that of the first four months of the 2015-16 financial year, (b) what has been the total wage bill of government in the (i) 2014-15 and (ii) 2015-16 financial years, (c) what savings in the wage bill have been achieved due to austerity measures over the first four months of the 2016-17 financial year, (d) is the Government still on track in achieving its target of R25 billion in wage bill savings over the next two financial years and (e) what percentage of the total government expenditure was allocated to wages in the (i) 1996-97, (ii) 2006-07 and (iii) 2016-17 financial years? NW2047E

**REPLY**

With reference to the Minister of Finance's Budget Speech on 24 February 2016, in which the Minister announced Government's intention to cut R25 billion over three years from the Public Service (national and provincial government) wage bill,

(a) According to information received from National Treasury, the first four months of the 2016-17 financial year compared to that of the first four months of the 2015-16 financial year, is as reflected in the Table below;

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *R'000* |  | ***April*** | |  | ***May*** | |  | ***June*** | |  | ***July*** | |  | ***Total*** | |
| ***2015/16*** | *32* | *125* | *538* | *32* | *547* | *131* | *37* | *501* | *783* | *34* | *217* | *531* | ***136*** | ***391*** | ***983*** |
| ***2016/17*** | *37* | 255 | *422* | *37* | *898* | *664* | *38* | *512* | *932* | *38* | *314* | *848* | ***151*** | ***981*** | ***865*** |

(b) The Public Service wage bill in the following financial years:

1. 2014-15

*Amounts to total consolidated expenditure' of R396 888.1 million.*

1. 2015-16

*Amounts to total consolidated expenditure2 of R430 547.8 million (revised Estimate).*

(c) What savings in the wage bill have been achieved due to austerity measures over the first four months of the 2016-17 financial year?

*While earnings of public servants have increased during the first four months of 2016/17 financial year, departments have managed to contain headcount growth over the same period. Headcount has reduced by 0.6 per cent across the board for national and provincial spheres of government. In financial terms, this amounts to R2.8 billion in projected savings for the whole financial year*

*(d)* Is the Government still on track in achieving its target of R25 billion in Public

Service wage bill savings over the next two financial years?

*Government is committed to spending within set compensation budget ceilings and will continue to enforce them over the next two financial years. Indications are that set targets will be achieved as planned.*

(e) What percentage of the total government expenditure was allocated to Public Service wages in the following financial years -

1. 1996-97

The percentage of the total government expenditure allocated to wages is 40.8%3

1. 2006-07

The percentage of the total government expenditure allocated to wages is 31.3%4

1. 2016-17

The percentage of the total government expenditure allocated to wages is 33.6%.5