**MEDIA STATEMENT**

**PSA COMMITTEE CALLS FOR INCREASED FUNDING FOR STATS SA**

**Parliament, Wednesday, 17 March 2021** – The Portfolio Committee on Public Service and Administration (National Assembly), today received a briefing from the Statistics Council and Statistician-General on the impact of the budget shortfall impacting on the compensation of employees and critical statistics, which was followed by a briefing by the National Treasury on the current and future budget interventions to address historic budget shortfalls impacting on the efficacy of the Statistics South Africa (Stats SA) to render its services effectively.

Prof Derek Everatt, the Chairperson of the Statistics Council, told the committee that Stats SA was being throttled by the budget cuts which impacted on the work of the department. Since the 2015/2016 financial year, Stats SA has been experiencing budget cuts which have impacted on the work of the department both on the compensation of employees and discontinuing certain critical surveys.

Budget shortfalls have hampered the efficiency of the institution. Stats SA cannot even consider smaller sample sizes in its surveys because official statistics results will be unreliable. Again, if Stats SA outsourced its fieldwork, it would literally be cutting off its legs as outsourcing will cost more to pay consultants. Over the past years, Stats SA has not been able to conduct the Poverty and Living Survey, which informs planning and budget allocation on government programmes. Stats SA is sitting at over 20% vacancy rate, experiencing high staff turnover on a quarterly basis due to lack of prospects for upward mobility in the department.

The National Treasury delegation, led by Ms Mampho Modise, informed the committee that budget cuts are necessary to contain the budget of the country, more particularly guarding against the wage bill. She further mentioned that R3 billion was set aside for the Census Survey 2021, which is not sufficient for the entire project. The National Treasury had conducted a funding model review and made some recommendations to Stats SA on budget savings, among which was to reduce the number of district offices, outsource fieldwork services and reduce the number of vehicles for field workers who have vast areas to cover in a district, and in some provinces households are spread far apart.

Mr Risenga Maluleke, the Statistician-General, said that in the last four years, Stats SA could not appoint or promote staff. Stats SA is losing well-experienced employees. Stats SA has been rated as one of the top five agencies in the world and is highly sought after in Africa and in the world.

The committee cautions the National Treasury for advising Stats SA to outsource its core business function such as fieldwork. Stats SA was advised to consider other recommendations such as reducing the number of district offices and fleet management but not to outsource its core business function.

The Acting Chairperson of the committee, Ms Mina Lesoma, informed the delegation that the committee will call for the additional funding for Stats SA and further engage with the Standing Committee on Appropriations because statistics produced by Stats SA are the foundation and serve as a basis for informing evidence-based planning.

**ISSUED BY THE PARLIAMENTARY COMMUNICATION SERVICES ON BEHALF OF THE ACTING CHAIRPERSON OF THE PORTFOLIO COMMITTEE ON PUBLIC SERVICE AND ADMINISTRATION, MS MINA LESOMA.**