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**THE PRESIDENCY: REPUBLIC OF SOUTH AFRICA**

Private Bag X1000, Pretoria, 0001

**NATIONAL ASSEMBLY**

**QUESTIONS FOR WRITTEN REPLY**

**QUESTION NO: 3756**

**Date Published: August 2015**

**Mr MGP Lekota (Cope) to ask the President of the Republic:**

Whether, in view of his urgent and impassioned call to the workers of the country to tighten their belt and the repeated messages from the Minister of Finance for government at all levels to do the same, he has:

(a) Requested Cabinet to ascertain to what extent there has been full compliance across government levels in respect of belt-tightening;

(b) obtained information from Cabinet about persons who are flouting the call for belt-tightening;

(c) urged disciplinary action to taken immediately against persons who are compromising the fragile position of the fiscus;

(d) together with the Deputy President met with the Minister of Finance to ascertain from him the state of the fiscus and the viability of state spending; and

(e) met with the Minister of Public Works to ascertain from him the exact extent to which spending on prestigious projects has been drastically curbed this year in line with the call belt-tightening; if not, why is he not practicing in government what he is preaching to the hard-pressed workers of the country; if so, what is his position with regard to each issue?

**Reply:**

The government is on record as having taken concrete steps to contain expenditure and ensure fiscal discipline.

In the 2014 Medium Term Budget Policy Statement (MTBPS) Government lowered its expenditure ceiling by R25 billion, R10 billion in 2015/16 and R15 billion in 2016/17. These budget reductions focused on non-essential goods and services, funding for long outstanding vacancies and transfers to entities with cash reserves.

Government is stepping up cost-containment measures to ensure that spending plans deliver greater value for money. The Treasury Instruction on Cost Containment Measures is going to be revisited to adjust thresholds and to introduce additional measures to contain costs especially around the hosting and attendance at conferences. In addition, procurement reforms are being rolled out to improve efficiency, reduce red tape and stamp out corruption. These reforms are underpinned by specific Treasury Instructions that have been issued by the Minister of Finance. Compliance with such instructions will be monitored as part of the annual audit process. Where non-compliance is identified by the Auditor General, appropriate disciplinary procedures will be implemented.