



SALGA
South African Local Government Association

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MEDIA RELEASE

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SALGA to Minister of Finance – deep budget cuts should not be extended to smaller Municipalities.

The South African Local Government Association (SALGA) attended a Special Budget Forum meeting yesterday 29 January 2016, this meeting was convened by the Minister of Finance, the Honourable Pravin Gordhan. The meeting discussed the dire state of the economy, widespread cuts in Government spending for the next financial year and cuts to the Equitable Share from Treasury given to Municipalities for the purpose of delivering subsidised basic services to poor households.

The SALGA delegation led by our Deputy Chairperson Cllr Mpho Nawa, made constructive and positive proposals to the Special Budget Forum and proposed amongst other things that cuts to Municipalities Equitable Share Grant allocation should not be done in a straight-line, in order to protect smaller Municipalities that would not be able to sustain their current levels of service delivery if cuts are affected. SALGA instead proposed that cuts to the equitable share be limited only to Metropolitan Municipalities who have bigger revenue bases.

SALGA would also be encouraging our Municipalities to spend wisely and better manage their finances, while prioritizing services to communities and cutting out on unnecessary spending.

Details of these proposals would be divulged by Minister Gordhan when he tables the budget for the Republic of South Africa in Parliament on 24 February 2016.

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