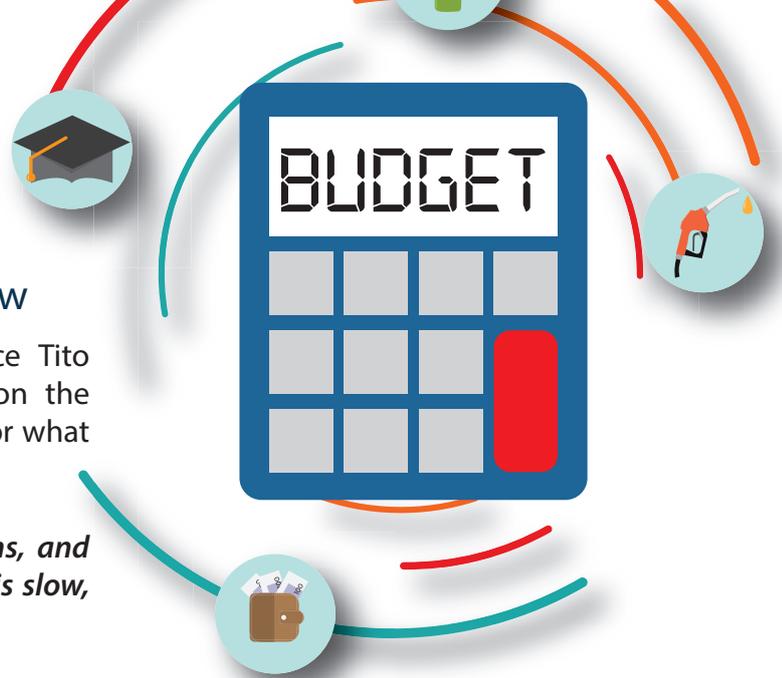


# THE NATIONAL BUDGET:

## Hard facts and bitter figures to swallow

On 20 February 2019, SA's Minister of Finance Tito Mboweni brought and placed an Aloe plant on the podium before giving his speech, and the tone for what was to come was effectively set:

*The annual budget is one with very many thorns, and precious few roses. Times are tough and growth is slow, and things won't get easier any time soon.*



### ON THE ROSY SIDE

R27 billion

Measures will be introduced to reduce the state's salary bill by R27 billion over the next three years. There will be no salary increases this year for members of parliament and provincial legislatures and executives at public enterprises.

sassa

Government has allocated R567 billion for social grant payments in the fight against poverty and inequality.

Personal income tax will not increase this year.

SARS, which has been in the news for corruption and poor service delivery lately, is 'being fixed' - this should lead to improved revenue collection.

Education received R30 billion for new schools and R2.8 billion for school toilets. In addition, more than R111 billion is being invested over the medium term to fund

### THE THORNY ISSUES

Government is setting aside R23-billion a year for 3 years to financially support Eskom during its restructuring into 3 independent units, but with strict conditions.

Fuel levies will increase by 29-30 cents per litre.

#### SIN TAXES

##### Beer and Cider

↑ 12 cents per 340ml bottle

##### Wine

↑ 22 cents per 750ml bottle

##### Spirits

↑ R4.54 per 750ml bottle

##### Cigarettes

↑ R1.14 per pack of 20

##### Tobacco

↑ R1.29 per 50g

### In conclusion – in the words of Minister Mboweni:

*'We must take the bitter with the sweet... It is time for us to sow the seed of renewal and growth. But for the seed to be prosperous... we must first cultivate the soil. If we look after what we sow, and what we have ploughed and laboured over so tirelessly... it will grow and the seed will bear fruit. It will not be easy. There are no quick fixes. But our nation is ready for renewal. We are ready to plant the seeds of our future.'*