



MEDIA STATEMENT

**TO: ALL MEDIA
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FOR IMMEDIATE RELEASE**

HEAD OF KZN TREASURY, OFFICE OF THE PREMIER, NATIONAL CREDIT REGULATOR, SARS AND EDTEA PARTNER TO EDUCATE COMMUNITIES ABOUT FINANCIAL WELLNESS.

The community of Mzimkhulu, Harry Gwala District, along with government officials and five local traditional leaders, have today become the lucky beneficiaries of a wide-ranging financial education roadshow at Clydesdale Community Hall.

The objective of the roadshow, led by the Provincial Treasury and Office of the Premier, is to educate communities about the significance of managing personal and household budgets in order to avoid financial distress.

The roadshow, marking the end of July which is the Savings Month, takes place at a period when the country has seen an increase in food prices, petrol prices, VAT and the general slow pace of economic growth.

Addressing hundreds of government employees, Magagula said one of the challenges faced especially by Public Service employees is failure to budget leading up to enormous unmanageable debt.

"We all know that due to one salary stream we end up feeling the salary is not enough and this leads to debt," said Magagula.

"Debt arises when your income is not sufficient to cover your expenses. Debt [then] attracts interest which you have to pay over and above the capital amount," said Magagula.

Magagula also gave out useful basic tips saying at worst one must ensure that their expenditure equals your income.

"At best ensure your expenditure is less than your income, so there is money left-over for emergencies. Save the left-over money. Stokvel is one simple saving scheme that you can consider or use a financial institution," he said.

"Lastly, always exercise self-restraint and do not take a debt you don't need. Also do not wish the debt away. Also take time to religiously study your bank statement so that you can deal effectively with the unscrupulous deductions," said Magagula.

Magagula revealed that through addressing and dealing with illegal deductions across all government departments they have been able to reduce the number indebted employees. In 2018 there are about 9 994 employees facing deduction but this was down from 15 257 employees in 2016. Education and Health had the most employees facing deductions.

Issued by KZN Treasury. For clarity, contact Musa Cebisa on 071 6878 777 or Nathi Olifant on 072 292 2502.

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