

MEDIA RELEASE PSA condemns privatisation of Pharmaceutical Services at a cost of

R50-million per month

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The Public Servants Association (PSA) condemns the decision by the Limpopo Provincial Department of Health to privatise Pharmaceutical Services at a cost of R50 million a month an increase from nearly R5 million in the past. This is against the background of pleading continuous poverty when it comes to the filling of vacancies and maintaining ageing infrastructure. The decision would undoubtedly add to the financial woes of the already struggling Department and would adversely affect its ability to provide quality health services. It must be noted that the Department is currently facing contingent liabilities of over R14 billion as a result of apparent medical negligence by staff at various institutions around the province. The Department is currently at loggerheads with the PSA for implementing 24-hour services in many clinics without meeting minimal requirements of human resources, security, and infrastructure. Most clinics do not have generators to mitigate loadshedding, yet they expect employees to work at night.

The Department relies heavily on Expanded Public Works Programme (EPWP) workers to provide gardening and cleaning services in many health institutions which is not sustainable as Public Works fails at times to provide these services owing to budgets constraints. This is the impact of government 's obsession with reducing the cost of employees even if it affects service delivery negatively. It is questionable that the Department contracted a Mpumalanga company, which is allegedly not complying with the BEE requirements. The decision to privatise the pharmaceutical service was tabled before Covid-19 era and was vehemently opposed by labour including the PSA as the cost benefit analysis proved that the move will be more expensive for the Department. Surprisingly, the employer opted to continue without engaging labour to convince them otherwise and place new information which persuaded the Department to opt for privatisation. The failure to engage labour regarding this move is confirmation of the stance of this government that disregards labour and the collective bargaining processes.

The PSA calls on the Premier of the Limpopo Provincial Administration to investigate the allegations that the tender had been awarded irregularly and to determine whether the exorbitant escalation in monthly costs of running the depot is not tantamount to fruitless and wasteful expenditure. It must be stated that if the Treasury approved this move which would worsen the fiscus of the province, the Premier must ensure consequence management for both Treasury and Department heads.

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