

FOR PSA MEMBERS: **SOUTH AFRICAN HEALTH PRODUCTS REGULATORY AUTHORITY (SAHPRA)**

13-09-2022

Feedback: Special Labour Forum Meeting - 6, 7 and 10 September 2022

Members would recall that the non-reflection of GEPF contributions upon migration from Persal to Sage Payroll System and tax challenges necessitated the need to invite a tax specialist and the GEPF Representatives to make presentations. Subsequently, the dates of 6,7 and 10 September 2022 were set aside for the presentations and engagement.

Non-reflection of GEPF Contributions on Members Statements

The PSA was alerted that the GEPF contributions were not reflecting on their statement as from July 2021, following the migration from the Persal to Sage Payroll System, hence a special labour forum was requested. The meeting was to ascertain if the employer is still contributing to the GEPF, and labour requested that GEPF representatives be invited which was accepted by the employer and the rep was subsequently invited.

The representative confirmed that contributions are received every month from SAHPRA although they are captured manually. He was however not able to adequately articulate why members are not able to receive their individual statements reflecting the contributions made. Surprisingly, he said that it is going to be an administrative nightmare to draw requested monthly statements to prove that contributions are up to date which does not sit well with the PSA. It was requested that members should be provided with statements from July 2021 to August 2022 to provide certainty that their monthly contributions are up to date and that their benefits and calculations are accurate. A follow up meeting to be arranged.

Tax Challenges

Employees experienced tax challenges where they received incorrect IRP5s and suffered tax shortfalls which led to the matter raised with employer. Upon engagement, it became clear that the HR submission failed to provide details pertaining to errors which led to incorrect IRP5s and tax shortfalls following SARS auto assessment, transfer of employees from Persal to Sage was premature which labour viewed as a gross negligence on the side of employer, the Sage system was not correctly configured, and that the employer was not committed to take responsibility for individual tax penalties despite being the cause of the problem. After robust engagement, the employer admitted that incorrect information was submitted to SARS in February 2022 resulting in members owing SARS. In an endeavor to correct the problem, the employer appointed a tax specialist who is in a process of correcting the IRP5s and SARS was alerted of

the same. The employer will take the responsibility of ensuring that IRP5s are corrected, and accurate information is submitted to SARS. The report was noted, and labour requested the employer to provide employees with a letter that will assist the members when engaging SARS to avoid getting penalised where their 'debt' will accumulate interest. Follow-up meetings to be arranged until the matter is concluded. Labour also alerted the CEO about the violation of the transfer agreement between the National Department of Health and SAHPRA, which stated that the employer must retain all the benefits and conditions of services which they enjoyed prior to the transfer. A meeting with the CEO will be arranged on or before **14 September 2022**.

Members will be updated of further developments.

Employees who want to join the PSA can visit the PSA's website (www.psa.co.za), send an email to ask@psa.co.za or contact PSA Provincial Offices.

GENERAL MANAGER