

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

10-08-2023

Update: SAHPRA Salary Negotiations - 8 August 2023

Salary Increases for 2023

Members will recall that it was previously reported that the PSA tabled a 15% salary increase demand on the 20 June 2023. The demand was based on the following motivations:

- CPI projection
- Settlement ranges in the sector and outside the sector including Public Service
Affordability of the entity and Retention and attracting skilled employees to the entity

On 8 August 2023, the employer responded to the salary increase demand as follows:

- A 7.5% across the board and which included a 3.4% normal increase and a 3,8% continued gratuity benefit.
- The employer further indicated the counter-offer was motivated by the reduced 10% budget allocated to the National Department of Health (NDoH).

The PSA rejected the offer because SAHPRA was unable to prove that the offer was all what they could afford. The PSA urged the employer to review and improve the offer.

R1000.00 Housing Subsidy

The PSA previously demanded an increase of a R1000.00 subsidy for housing allowance. Members stated that it was difficult to keep up with the increase in mortgage bonds after monetary policy increased interest rates. The employer objected to the demand. They indicated that there was a group of employees who were transferred to SAHPRA in terms of section 197 of the *LRA* and proposed to opt out of the housing benefit. The employees received the benefit from the Department of Health. The employer further indicated that the increase in this benefit will exacerbate the issue of salary disparities at SAHPRA. The PSA objected to the response made by the employer.

Continuation of the Cash Gratuity

The PSA previously submitted a demand to the employer to continue with the cash gratuity until SAHPRA establishes its own salary scales. The employer indicated that they will only agree to continue with the cash gratuity if the PSA agrees that the 3.8% will be added to the total cost of living adjustment (salary increase). The offer was queried by the PSA sighting the fact that not all employees received this benefit and cited the fact that the employer will create further salary disparities. Parties agreed to allow the

employer to assess the budget and see how those who do not receive the gratuity benefit could be accommodated when the final salary increase is implemented. The employer will revert to the PSA by the **11 August 2023**.

Changing of Salary Level 5 and 6 to Level 7

It was previously reported that the PSA submitted a demand that entry-level at SAHPRA should start at Level 7. This will allow employees at lower salary levels to afford the increased cost of living commodities such as petrol and food. The employer indicated that they could not upgrade salaries automatically without conducting a job evaluation process. The employer maintained that the demand was against the best administrative practices. The PSA noted the response of the employer and will respond by 16 August 2023 with a refreshed mandate in this regard. Parties agreed to convene a follow-up negotiation meeting on 23 to 25 August 2023.

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