

NHLS proposes revised salary offer

The National Health Laboratory Service (NHLS) says its board has proposed a revised salary offer to unions.



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The institution on Wednesday, 26 July 2017, said it has failed to reach a compromise position, despite its best attempts to address the demands of unions during the 2017/8 salary negotiations.

The NHLS said this is despite compromises approved by its board, which pose a significant financial risk to the NHLS, should it not receive payments due to it, and servicing of debt totalling more than R5 billion owed by a select few provincial Departments of Health.

The initial demand by the unions was an annual increase of 13% across the board for employees in the A-D1 bands, while the NHLS could only offer an increase of 3%.

“Following subsequent negotiations and interventions by the Director-General in the National Department of Health, the board of the NHLS proposed a revised offer to unions at a meeting, which was held on 24 July 2017,” said the NHLS.

The proposal includes:

- A 7.3% salary increase for staff in the A-D1 bands, with effect from 1 April 2017, implemented effective from the calendar month in which an agreement is signed;
- The implementation of the Proficiency Assessment for the key health professional roles, subject to the finalisation of the evaluation-scoring tool with the relevant disciplines; and the implementation thereof within the 2017/8 financial year. The salary adjustments of the successful applicants will be backdated to 1 October 2016;
- The Implementation of Progression Placement for the A-D1 within the General and Management pay scale, as agreed upon in 2016/; and
- Implementation of insourcing and the phasing in thereof with effect from 1 April 2018, subject to finalising an agreed modality for its implementation, which will include holistic costing by the insourcing task team.

However, the NHLS said the revised offer has not yet been accepted by the unions, which demanded immediate implementation of Proficiency Assessment Promotion and insourcing of current security, cleaning and maintenance personnel that are contracted to external service providers.

“The NHLS board is unable to accede to these timelines, since the tools and the full costing to enable proficiency assessment promotion and insourcing are yet to be finalised and approved by the NHLS board.

“Additional union demands include an increase from the current 74.6% medical aid subsidy and living allowance adjustments,” the institution said.

The board has noted that the biggest challenge facing the organisation was non-payment by provincial Departments of Health for laboratory services rendered by the NHLS.

It said the biggest defaulters were Gauteng and KwaZulu-Natal Provincial Health Departments, although they have been paying for their current consumption since the 2016/17 financial year.

“This outstanding debt has negatively affected the cash flow of the NHLS. It is critical that the current efforts supported by the National Department of Health to recover money owed to the NHLS be urgently addressed to ensure the financial viability of the NHLS and enable it to continue carrying out its mandate of providing quality laboratory services to the Public Health Sector.”

The institution said all NHLS provincial area managers will be working with their counterparts in the provincial Health Departments to address challenges that are specific to their provinces.

NHLS management and board have committed to continuing their engagement with unions to seek a solution and safeguard the health of those dependent on the Public Health Sector, and one which does not compromise the financial viability of the organisation.