

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER 823**

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**Mr T D Lee (DA) to ask the Minister of Finance:**

Whether his department verified the figures and accuracy of the projected cost for the implementation of Occupational Specific Dispensation (OSD) for (a) nurses, (b) doctors, (c) emergency medical services, (d) pharmacists and (e) any other specified medical profession; if not, why not; if so, (i) when was this done, (ii) who conducted the verification and (iii) what was his department's costing?

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**REPLY**

Yes, together with the Departments of Health and Public Service and Administration, the Treasury participated in the verification of the projected costs of proposed Occupational Specific Dispensations (OSDs) for (a) nurses (b) doctors and dentists (c) emergency medical services and (d) pharmacists. As some of the variables taken into account in the translation of personnel to revised salary scales or levels (e.g. qualifications, functional work area and years since qualification) were either not part of the standard PERSAL information systems, or incompletely recorded, an extensive process of data collection and correction by provincial departments was undertaken. An analysis by an independent consultant team was also undertaken, reporting to the Ministry of Health, with Treasury guidance and support.

- (i) In respect of doctors, emergency medical personnel and pharmacists, the independent assessment was undertaken over several months in 2009. For the nursing OSD, an audit which included a review of implementation and actual costs was undertaken by the Auditor-General in 2008. The Treasury also regularly reviews and updates its own spreadsheet estimates and analyses of personnel numbers and cost projections.
- (ii) Verification was undertaken by provincial departments of Health, the national Department of Health, the Auditor-General and an independent consultant team (Deloitte & Touche).

- (iii) The Treasury's estimate is that the doctor, dentist, pharmacist and emergency medical service personnel OSD will cost approximately R2.3 billion a year once fully implemented, and the nursing OSD approximately R3.3 billion a year.