

**MINISTRY: PUBLIC SERVICE AND ADMINISTRATION**

**REPUBLIC OF SOUTH AFRICA**

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**DATE: 4 MARCH 2022**

**QUESTION NO.: 673**

**Dr L A Schreiber (DA) to ask the Minister of Public Service and Administration:**

(1) What is the total cost of the salary increases for members of the Senior Management Service (SMS) to the fiscus for the (a) 2021-22 and (b) 2022-23 financial years as announced in Circular 13 of 2022;

(2) Whether she will furnish Dr L A Schreiber with a table showing a breakdown of the cost to the fiscus of the salary increases for SMS levels 13, 14, 15 and 16 for the specified financial years; if not, why not; if so, on what date;

(3) Whether she has found the salary increases for highly paid SMS members in the Public Service to be just, equitable and an efficient use of public money in the current economic climate, wherein millions of private sector workers lost their jobs during the lockdown to curb the spread of COVID-19 and with 46% of South Africans currently employed; if not, why not; if so, what are the relevant details? **NW811E**

**REPLY:**

1. The total cost of the salary increases for members of the Senior Management Service (SMS) for the 2021/22 financial year is R373 165 844. It must be noted that no decision on salary increases for members of the SMS for the 2022/23 financial year has yet been taken.
2. A breakdown of the cost of the salary increases for SMS levels 13, 14, 15 and 16 for the 2021/22 financial year is indicated in the table below:

|  |  |
| --- | --- |
| **SMS salary level**  | **Cost (R)** |
| 13 | 243 526 088 |
| 14 | 85 976 406 |
| 15 | 25 203 259 |
| 16 | 18 460 091 |
| **Total** | **373 165 844** |

1. Yes, the salary increases for members of the SMS in the Public Service are regarded as just, equitable and an efficient use of public money in the current economic climate. The salary adjustments granted to members of the SMS is equitable, considering the fact that it is similar to what was granted to employees below the SMS. If the salaries of members of the SMS are not adjusted, it will result in a situation where employees below SMS will earn more that senior managers. The gap between the maximum salary notch of a Deputy Director on salary level 12 and a Director on the minimum of salary level 13 is already narrow. In some occupation specific dispensations, staff below SMS level already earn more than senior managers. This situation creates a disincentive for competent employees to aspire to become senior managers.

It should be noted that the 2019 Incentive Policy Framework provides for payment of annual pay (notch) progression for eligible members of the SMS. The cost-of-living adjustment for 2021/22 was **granted in lieu of pay progression**.

Furthermore, the remuneration of the members of the SMS are impacted by the changes in the consumer price index (CPI) that reflect changes in the cost-of-living and which has a direct impact on the “buying power” of their remuneration. As a result, the adjustments are necessary to protect the “buying power” of the salaries of members of the SMS

End