



## MEMBERS UPDATE: PUBLIC SERVICE COORDINATING BARGAINING COUNCIL 2025/26 PUBLIC SECTOR WAGE NEGOTIATIONS

### REPORT 02 OF 2025

14 JANUARY 2025

Following the previous report where it was advised that a PSCBC meeting to deal with wage negotiations was set for 8 January 2025 where labour was awaiting feedback from the employer on our various proposals, the employer did indeed revert back to Council and has now formally tabled the following revised offer:

#### COST OF LIVING ADJUSTMENT (COLA)

- A 5% increase applicable to the 2025/2026 financial year. (their previous offer was 4.7%);
- Projected CPI for the 2026/2027 and 2027/2028 financial years. This offer is attached to a cap of 4% minimum adjustment should CPI be below 5% and 6% should CPI be above 6%;
- Date of implementation is 1 April 2025.
- Organised labour has revised its demand on COLA to 6%.

#### MEDICAL AID

- The adjustment will be aligned to the MPI (Medical Price Index) for 2025/2026;
- For the 2026/2027 and 2027/2028 years, the adjustment will be MPI plus 0.5%;
- Hospersa will continue to engage the appropriate organisations / authorities regarding the exorbitant GEMS

adjustment for 2025, which could include legal action.

#### HOUSING ALLOWANCE

- The current base allowance of R1784.55 will increase to R1900.00 with effect from 1 April 2025;
- A further adjustment of CPI will be implemented with effect from 1 July 2025;
- This CPI adjustment will be implemented every following year in July;
- Members will therefor this year enjoy two upward adjustments of the Housing Allowance.

#### INDIVIDUAL-LINKED SAVINGS FACILITY (ILSF)

The existing resolution (PSCBC resolution 7/2015) will be amended to now include employees who leave the public service through resignation or dismissal to receive the full value of their savings with effect from 1 April 2025.

#### DANGER ALLOWANCE

- The current danger allowance will increase from R623.29 to R650.00 with effect from 1 April 2025;
- A further increase of CPI will be implemented with effect from 1 July 2025

#### SPECIAL DANGER ALLOWANCE

- The current special danger allowance will increase from **R931.82 to R950.00** with effect from 1 April 2025;
- This allowance will also attract a further CPI adjustment with effect from 1 July 2025.

#### SPECIAL ALLOWANCE FOR THE POLICE

The current allowance will increase from R700 to R950 with effect from 1 April 2025.

#### PROCESS MATTERS

In addition to the above substantive issues, demands, organised labour and the employer have agreed to address other demands by way of a separate collective agreement. These demands will be addressed through ongoing processes and mechanisms provided in this draft agreement.

The parties are now not far from each other and HOSPERSA believes that further negotiations could lead to an improved offer. To this end, the parties are set to meet again on the 17 January 2025 at a special PSCBC meeting convened for further negotiations.

#### HOSPERSA OFFICES

**Eastern Cape** (043-722-3776)  
**KwaZulu-Natal** (033-342-6847)  
**Northern Cape** (053-842-2001)

**Free State** (051-448-4659)  
**Limpopo** (015-295-3272)  
**North-West** (018-462-3692)

**Gauteng** (011-791-2243)  
**Mpumalanga** (013-752-6199)  
**Western Cape** (021-591-9283)