

MEMBER UPDATE: IMPLEMENTATION OF THE EARLY RETIREMENT PROGRAMME WITHOUT PENALTIES FOR PUBLIC SECTOR EMPLOYEES

REPORT 25 OF 2025

16 OCTOBER 2025

- The Early Retirement Programme without Penalisation of benefits matter was tabled by the Employer in February 2025, and since the tabling of the matter, parties in the Public Sector Coordinating Bargaining Council (PSCBC) had continuous discussions which ultimately led to a deadlock in a PSCBC meeting that was convened in July 2025.
- Despite the concerns that organised labour has raised regarding several areas, inclusive of the lack by the Employer to fill vacant positions for various key sectors, in ensuring that there is proper continuation of essential services should several employees opt to partake in the Early Retirement Programme (ERP), the Employer has decided to forge ahead with implementation of the ERP.
- Circular Number 38 of 2025, as issued out by the Employer has further confirmed approval by Cabinet to proceed with the implementation of the ERP, Cabinets approval includes "an additional financial incentive for employees aged 55 to 59 years calculated at two (2) weeks' of basic salary per year for the first twenty (20) years of pensionable service; and one (1) week's financial incentive for each completed year of pensionable service thereafter."
- "In addition, Cabinet has approved a financial incentive for employees aged 60 to 63 years calculated at two (2) weeks' of basic salary per year for the first ten (10) years of pensionable service; and one (1) week's financial incentive for each completed year of pensionable service thereafter."
- Members are advised that the approval or disapproval of Early Retirement without penalties (for employees aged 55 to 59, and ages 60 to 63, respectively) application thereof by employees, the authority thereof remains vested with the relevant line department, Executive Authority in terms of Section 16(6) of the Public Service Act (PSA), of 1994, as amended.
- Members should further note that wherein you have less than ten (10) years pensionable service, you will not be eligible to apply for the ERP. Furthermore, employees who are employed on contract or on a temporary basis will also not be eligible to apply for the ERP.
- Wherein you qualify for application of the ERP, the applicable pension benefits will be calculated in accordance with the Government Employees Pension Fund Formula.
- ERP Applications for the 2025/26 financial year commenced on 15 October 2025 and will close on 30 November 2025.
- The necessary application form is attached as **Annexure 1** but can also be retrieved on the Department of Public Service and Administration (DPSA) website.
- The respective annexures can be found on the Hospersa website – www.hospersa.co.za
- Members should also note the flow chart that provides an outline of how applications will be processed by Human Resources personnel in the various departments, to ensure proper turnaround times for employee applications.
- For any further information, members are encouraged to contact the following DPSA officials:
 - Ms. Nomsa Rilityane - Email: NomsaR@dpsa.gov.za Tel: (012) 336 1285
 - Ms. Motaung Salome - Email: Salomem@dpsa.gov.za Tel: (012) 336 1072
 - Ms. Mkhwanazi Gladys - Email: gladysn@dpsa.gov.za Tel: (012) 336 1072
- The HOSPERSA Collective Bargaining Department is also available to assist with any queries by members, for escalating to the DPSA, as and when such queries arise.

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