

FOR PSA MEMBERS: **PUBLIC SERVICE COORDINATING BARGAINING COUNCIL (PSCBC)**

25-11-2024

Public Service wage negotiations - 2025/26-financial year

PSA rejects employer's 4.7% salary offer and pushes for higher increase

Members will recall from the previous *Informus* that the PSA with other unions tabled salary demands to the employer as outlined in the previous *Informus*. The employer tabled the offer at a special Council meeting on 22 October 2024. Subsequently, the PSA issued an *Informus* to request the mandate from members whether to accept or reject the offer. The mandating process closed on 11 November 2024. The employer's offer was as follows:

Salary increase

The employer offered CPI (4.7%) for 2025/26. For the financial years 2026/27 and 2027/28, the employer also proposed a salary increase of CPI. The CPI for those two years still has to be determined. The demand from labour is 7.5% for a single term. Labour will only accept a multi-term agreement if the employer considers an increase of CPI plus 2.5% for the 2026/27-financial year and CPI plus 1.5% for the 2027/28-financial year.

Allowances

The employer proposed the following adjustments:

- **Homeowners' Allowance** increase from R1 784 to R1 900 as conditional offer, provided unions agree on the final offer of the cost-of-living adjustment.
- **Medical-Aid Subsidy** to increase with Medical Price Index (MPI) of the previous year.
- **Danger Allowance** from R597 to R650.
- **Special Danger Allowance** from R849 to R920.
- **Service allowance dispensation for police** increase from R700 to R920.

From the reconciliation of the mandates, it was clear that the offer was not accepted by members, hence the mandate to reject the offer. The PSA will return to the negotiating table to push for a better offer. Members will be informed of developments.

Employees who want to join the PSA can visit the PSA's website, send an email to ask@psa.co.za, or contact PSA Provincial Offices.

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GENERAL MANAGER