



**FOR PSA MEMBERS: PUBLIC HEALTH AND SOCIAL DEVELOPMENT SECTORAL
BARGAINING COUNCIL (PHSDSBC)**

24-04-2025

Feedback: Special PHSDSBC meeting – 23 April 2025

Levy increase proposal

Members are aware that the Office of the General Secretary alerted the Council that PHSDSBC Resolution 3/2014 expired on 31 October 2024 and that Clause 4.3 of the Resolution provides that “*this agreement will be reviewed after ten (10) years of the date of signing of this Agreement*”. Subsequently, parties commenced with engagement, which led to the conclusion of the Collective Agreement, PHSDSBC Resolution 1/2025, which extended Resolution 3/2014 until 30 June 2025. Realising the urgency to conclude the matter, parties concluded a timetable to meet on 23 April, 13 May, 3 June and 17 June with a hope to conclude agreements before the current agreement expires.

The purpose of the levy agreement is to ensure that the levy contributions can maintain the functions of collective bargaining, dispute resolution, dispute prevention and the operations of the PHSDSBC. The levy has not increased for ten years as the Agreement did not provide for annual increases and members have thus been paying R10 (R5 employee and R5 employer), which did not factor the impact of inflation. The original R10 is now worth R3.46 and can no longer sustain the Council’s strategic objectives and operational functions as required by its Constitution. Scenarios were presented for parties to consider as follows:

- Scenario 1: Proposal to increase levy to R16.54 - this increase reflects the inflation over the past ten years. It will maintain the purchasing power of the original levy.
- Scenario 2: Proposal to increase levy to R17.68 - this increase will allow the Council to meet its operational costs (day-to-day), excluding projects.
- Scenario 3: Proposal to increase levy to R19.26 - this increase will help the Council to break even whilst also contributing to the current reserves.

In the meeting, labour pronounced that they are still busy with the internal process whilst the employer announced that its mandate was that the current levy must increase only by the CPI. Labour noted the employer’s position and will respond in the next meeting. It must be noted that this was initially rejected by labour as it is inadequate and will not enable the Council to meet its operational costs and to function effectively. Labour requested indulgence to subject the scenarios, including the employer’s position, to the internal processes and will respond in due course.

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.

Reuben Maleka
GENERAL MANAGER