

**MEDIA RELEASE**                      **PSA and other unions table demands for 12%-wage increase for public servants amidst rising cost of living**

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The Public Servants Association (PSA), on 3 September 2024, along with other unions, resumed wage negotiations for public servants and presented the consolidated demands at a special meeting of the Public Service Coordinating Bargaining Council (PSCBC).

Unions, as a united front, submitted a primary demand for a 12%-wage increase and proposed a single-term agreement. Unions highlighted the severe impact of the current cost-of-living crisis on the disposable income of public servants, driven by sharp increases in the prices of essential expenses such as food, electricity, transport, education, medical aid, and utilities. The proposed 12%-wage increase reflects these financial pressures.

During negotiations, unions stressed that public servants have not received a decent salary increase for the past five years. The cumulative shortfall of 9.3% in wage adjustments during this period has fallen well below the projected Consumer Price Index (CPI). As a result, public servants' wages are no longer aligned with the increasing cost of living.

The PSA and other unions also condemned government's wasteful, fruitless, and irregular expenditure, stressing that public servants should not have to pay the price for years of financial mismanagement. Unions remain firm in rejecting government's poverty plea and will not accept such justifications during these negotiations.

In addition to the wage increase, unions submitted various demands to improve public servants' working conditions and benefits:

- **Housing allowance:** Increase to R2 500, with future increases aligned to the CPI. Unions also demanded that employees be paid out their savings from the housing scheme upon resignation or termination and that the guarantee-letter system be standardised across the public service.
- **Medical-aid subsidy:** 12% increase, plus a medical price index adjustment across all medical schemes, and review of PSCBC Resolution 4/2017.
- **Danger allowance:** Increase from R597 to R1 000, and the special danger allowance increased from R894 to R1 400.
- **Death grant:** Standardisation at R350 000 across all applicable categories.
- **Childcare and breast-feeding facilities:** Implementation in all public sectors.
- **Pay progression:** Continuation beyond the last notch.
- **Recruitment and Selection Policy:** Standardisation across the public service with unions afforded observer status in the process.
- **Bursary scheme** for dependents of government employees.

- **Permanent employment of contract workers**, including education assistants, community health workers, and reservists.
- **Entry-level restructuring**: Abolition of levels 1-3 and introduction of level 4 as entry level.
- **Uniform Policy**: Standardisation across the public service.
- **Ten-year service award**: Employees completing ten years of service should receive R6 500.
- **Performance bonus**: Reinstatement across the public service.
- **GEPF pension increases**: Annual pension increases are to be raised from 75% to 100% of the CPI, with a review of Rule 23.2.1 of the GEPF rules and laws.

The state, as the employer, acknowledged receipt of these demands and committed to considering these before tabling a counteroffer. Unions are ready to engage in the upcoming stages of these negotiations to ensure improvements for public servants.

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