

MEDIA RELEASE	PSA ballots members on latest Public Service salary increase offer
DATE	21 January 2025
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The Public Servants Association (PSA), representing more than 250 000 public-sector employees, is commencing with a mandating process of its members on government's final offer of a cost-of-living adjustment and improvement of conditions of service for public servants.

Following initial discussions on 8 January 2025, where government proposed a 5% salary increase as part of a multi-term agreement, further engagements were held on 20 January 2025. These discussions culminated in a final offer that includes significant improvements across various key areas. The revised offer includes a cost-of-living adjustment with a 5.5% salary increase for the 2025/26 financial year, an improvement from the initial 5%. For the 2026/27 and 2027/28 financial years, salary adjustments will align with the Consumer Price Index (CPI), capped between 4% and 6%. The Housing Allowance will increase from R1 784.55 to R1 900 in April 2025, with an additional CPI-based adjustment in July 2025. Further enhancements include changes to the individual-linked savings facility, allowing employees resigning or dismissed from service to access the full value of their savings under PSCBC Resolution 7/2015, effective 1 April 2025. Adjustments to medical aid will also be implemented, aligning with the Medical Price Index (MPI) for the 2025/26 financial year, and increasing by MPI + 0.5% for the 2026/27 and 2027/28 financial years.

Improvements to allowances have also been proposed. The Danger Allowance will increase from R623.29 to R650 in April 2025, with a further CPI-based increase in July 2025. The Special Danger Allowance will increase from R931.82 to R950 in April 2025, followed by another CPI-based adjustment in July. The Service Allowance for Police is set to increase from R700 to R950 in April 2025.

Beyond these monetary adjustments, government and organised labour have agreed to address additional demands through working committees and a collective agreement. These include frameworks for a death grant, research and recommendations for comprehensive danger insurance, readiness assessments for childcare and breastfeeding facilities, and development of a bursary scheme for public servants' dependants. Other initiatives involve a review of recruitment practices, updates to the uniform policy, and consultation on a revised incentive policy framework.

The PSA has encouraged its members to participate actively in the balloting process to accept or reject the offer. If the proposal is accepted, the multi-term agreement will be binding in its entirety and will determine public servants' working conditions and benefits over the next three years.

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