

MEDIA RELEASE **PSA warns that GEMS membership subscription increase could derail public service wage talks**

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The Public Servants Association (PSA) is inundated with calls by distraught members of the Union, following a unilateral Government Employees Medical Scheme (GEMS) membership subscription increase of 13.4% for 2025.

In a recent Public Service Coordinating Bargaining Council (PSCBC) meeting with GEMS, the PSA and other union rejected the proposed increase, which GEMS is now unilaterally implementing. This major increase will cause a salary decrease for many public servants, thus making medical aid unaffordable. Owing to conflicting needs, scores of members are contemplating cancelling their GEMS membership. When unions concluded a collective agreement (PSCBC Resolution 1/2006) that established GEMS, the founding principles of providing affordable medical cover and ensuring cost-effective medical cover for members over the long term, were agreed upon. Parties endeavoured to promote the enrolment of employees to GEMS. The GEMS subsidy was thus higher than for other medical-aid schemes to persuade employees to opt for GEMS membership. This protection and preference of GEMS over other medical-aid schemes, however, allowed GEMS to take advantage of its monopoly and use the opportunity to exploit members.

GEMS membership has become unaffordable. Many members are contemplating cancelling membership to allow them to cope with increasing cost-of-living expenses, which will expose them to risks associated with not belonging to a medical-aid scheme. The PSA never envisaged a situation where employees would have to choose between buying food for their families and paying for medical aid. The PSA previously demanded equalisation of government's medical-aid subsidy to ensure that GEMS earns its space. It is unfortunate that protection from competition and making GEMS government's medical-aid scheme of choice rob public servants of the opportunity to compare and select a medical-aid scheme.

The PSA will continue efforts to secure affordable medical aid for public servants. The PSA calls on the Minister of Public Service and Administration as well as the Minister of Finance to urgently intervene in this crisis. The PSA will mobilise other unions with members who are equally impacted, to join the campaign. The PSA is not prepared to retreat in this matter and will not watch GEMS destroying public-sector employees' already diminishing buying power.

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