

MEDIA RELEASE	PSA outraged at GEMS contribution-increase communication: Questions Fund's good faith
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The Public Servants Association (PSA) is outraged and profoundly disappointed by the recent communication issued by the Government Employees Medical Scheme (GEMS) regarding the Council for Medical Schemes' (CMS) decision not to approve the GEMS proposal to reduce the weighted average contribution increase from 9.5% to 7.5%.

The PSA rejects attempt by GEMS to portray itself as the champion of affordability and the defender of members' interests whilst public servants continue to face severe economic hardship, rising living costs, escalating debt levels, and unprecedented financial pressure. Whilst GEMS now seeks to position itself as having acted in the best interests of members, serious questions arise regarding the adequacy, substance, and credibility of the motivation submitted by GEMS to the CMS. If GEMS was genuinely committed to protecting members from excessive contribution increases, the PSA believes that it should have presented a far more compelling and comprehensive motivation to the regulator. Instead, it appears that the submission was designed primarily to protect the interests and financial position of GEMS rather than placing members and their affordability concerns at the centre of the process.

The PSA is particularly disturbed by the statement made by GEMS that it remains committed to affordability and reducing the financial burden on members. Such assurances ring hollow when the outcome is that members continue to bear a 9.5% increase in contributions at a time when many public servants are struggling to make ends meet. Public servants are confronted with escalating food prices, fuel costs, municipal tariffs, school fees, transport expenses, and increasing household debt. Against this backdrop, a contribution increase of 9.5% places an intolerable burden on GEMS members and their families. The PSA is therefore not convinced that the interests of members were vigorously defended during the engagement process with the CMS.

The PSA is equally concerned by the decision by GEMS to communicate directly with members and the public before first engaging recognised parties at the Public Service Coordinating Bargaining Council (PSCBC) on the outcome of the CMS decision and possible interventions available to mitigate the impact on members. This action demonstrates a continued disregard for collective engagement processes and undermines the role of organised labour.



It is unacceptable that a matter of such significance, affecting hundreds of thousands of public servants, is communicated publicly before parties who represent those members are afforded an opportunity to engage on the implications and the way forward.

The PSA views this as yet another example of the ongoing disrespect shown by the GEMS Board towards the PSCBC and organised labour. Genuine stakeholder engagement requires consultation, transparency, and accountability, not unilateral communication after decisions have already been made. The PSA further noted with concern the repeated references by GEMS to its commitment to acting in the best interests of members. Had this commitment indeed been the guiding principle, the PSA would have expected far stronger advocacy on behalf of members, greater transparency regarding the reasons cited by the CMS for rejecting the proposal, and meaningful engagement with labour before public statements were issued.

The fact that the CMS ultimately rejected the proposal raises legitimate concerns regarding whether the submission adequately addressed the regulatory requirements and whether sufficient effort was made to secure relief for members. Public servants deserve full disclosure regarding the contents of the submission, the concerns raised by the CMS, and the reasons why GEMS failed to convince the regulator that a lower increase was justified. The PSA further rejects any attempt to shift responsibility solely to the CMS. Whilst the CMS has exercised its statutory mandate, GEMS cannot escape accountability for the quality, content, and persuasiveness of the motivation it submitted. Members are entitled to know whether every reasonable effort was made to secure a lower increase and whether alternative measures were adequately explored before passing additional costs on to members.

The PSA remains firmly of the view that the interests of members must come first. Financial sustainability cannot become blanket justification for contribution increases that place healthcare increasingly beyond the reach of the very public servants who fund GEMS. The PSA is currently considering all available options to protect the rights and interests of the Union's members. These include seeking full disclosure of the processes followed, demanding further engagement with GEMS and relevant stakeholders, and obtaining legal advice regarding possible legal action should it be established that members' interests were not adequately protected or that procedural shortcomings occurred during the process.

The PSA will continue to pursue affordable, accessible healthcare for public servants and will not remain silent whilst members are expected to shoulder ever-increasing costs without adequate justification and meaningful consultation. Public servants deserve transparency and accountability. Most importantly, public servants deserve a medical scheme that places their interests ahead of all other considerations.

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