

MEDIA RELEASE PSA outraged by proposed GEMS increase

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The Public Servants Association (PSA), representing more than 245 000 public servants and pensioners, is outraged by the unilateral and exorbitant 9.80% membership-fee increase imposed by the Government Employees Medical Scheme (GEMS) for 2026.

This reckless decision, taken despite overwhelming opposition by unions at the Public Service Coordinating Bargaining Council (PSCBC), will devastate the financial stability of hundreds of thousands of public servants and erode any gains from wage negotiations.

When GEMS was established under PSCBC Resolution 1/2006, its founding principles were to provide affordable, cost-effective medical cover for public servants. Those principles have been abandoned. Instead of protecting its members, GEMS has entrenched itself as a monopoly, shielded from competition. It is exploiting its position to impose unaffordable increases that force employees to choose between healthcare and survival.

The PSA has received a flood of calls from distressed members who are contemplating cancelling their medical aid owing to this unjustifiable hike. This is not a mere affordability issue – it is a crisis that threatens the health and dignity of public servants and their families. GEMS claims that the increase is driven by “healthcare inflation” and “utilisation models”. These excuses, however, are hollow when GEMS continues to outsource billions to private administrators and fails to address fraud, waste, and abuse in its system. Members cannot be punished for these governance failures.

The PSA will not stand idle whilst GEMS destroys the already diminishing buying power of public servants. The PSA is actively exploring litigation options to challenge this increase and holds GEMS accountable for breaching its mandate. The PSA urges the Minister of Public Service and Administration and the Minister of Finance to intervene as a matter of urgency to restore fairness and affordability.

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