



INFORMUS

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FOR PSA MEMBERS: **PUBLIC SERVICE COORDINATING BARGAINING COUNCIL (PSCBC)**

21-02-2024

Update: Government Employees' Medical Scheme (GEMS) subsidy adjustment for 2024

The previous *Informus* issued refers (copy can be obtained from the PSA website or PSA Provincial Offices). Members will recall that the employer failed to implement the medical-aid subsidy adjustment in January 2024 as per the provisions of PSCBC Resolution 2/2015. The Resolution provided for the subsidy increase to be adjusted automatically on 1 January of each year.

The PSA enquired about the delay and the employer promised to implement it in February 2024. Again, the employer failed to honour its promise. The delay exacerbated the financial difficulties experienced by employees. Subsequently, labour requested for an urgent special PSCBC meeting, which was convened on 19 February 2024. Labour demanded to know the cause of the delay to implement the adjustment. Labour strongly articulated that the employer undermined the principles of collective bargaining. The employer acknowledged its failure to implement on time and apologised profusely for its conduct. The employer indicated that the delay was caused by glitches in the Persal system. The employer committed that such omissions will not be repeated in future. It further committed that the medical-aid subsidy increase will be implemented with the March Persal run and backdated to January 2024. Back payments will be taxable. Labour demanded that the employer should issue a circular to employees confirming the implementation date. As a result of the pressure exerted by the PSA, the employer issued *Circular 03 of 2024 (attached)* on 20 February 2024, which outlined the implementation of the medical-aid subsidy increase adjustment.

Members will be informed of developments.

Employees who want to join the PSA can visit the PSA's website (www.psa.co.za), send an email to ask@psa.co.za, or contact PSA Provincial Offices.

Reuben Maleka
GENERAL MANAGER