



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

17-12-2025

War still on: GEMS increase remains rejected

A PSCBC Special Council meeting was held on 12 December 2025 to discuss the Government Employees Medical Scheme (GEMS) increase for 2026.

Members will recall that the PSCBC/GEMS Working Committee met on 11 November 2025 following a letter from GEMS, announcing a proposed 9.80% medical contribution increase for 2026. The PSA subsequently reported that this unaffordable increase was formally rejected by all unions during the meeting held on 12 November 2025.

A further meeting took place on 3 December 2025, where the GEMS Board and Executives attempted to persuade PSCBC parties to accept the proposed increase, arguing that anything less would have catastrophic consequences. However, labour parties were not convinced and maintained that the increase was not justifiable, as it far exceeded the salary adjustments employees are expected to receive. GEMS was strongly criticised for its failure to consult, its disregard for the PSCBC, and its lack of consideration for members' financial challenges. Consequently, all parties unanimously rejected the 9.80% increase, deeming it unacceptable, illogical, unaffordable, and arbitrary.

In the said meeting, GEMS acknowledged its failure to consult, although blaming the PSCBC's hectic schedule and requested an opportunity to reconsider its position. Labour categorically stated that the days of unilateral implementations were over. Subsequently, parties agreed to meet on 12 December 2025.

In this meeting, GEMS still tried to provide justification for the 9.80% increase to ensure sustainability of the Scheme and informed the meeting that the Council for Medical Scheme approved the increase. It attributed this increase to high utilisation of benefits, healthcare inflation, and essential benefit coverage. However, it made a presentation on various options it considered, which were unfortunately not viable. It thus proposed an increase of 9.50%, which was rejected.

The PSCBC recommended the following initiatives to reduce the increase:

- Reduction of threshold from 25% to 20%, noting that the sector it is operating in is stable.

- Reduction of the Board of Trustees' remuneration as GEMS is a closed Scheme.
- Remuneration of Executives at GEMS must be aligned with Government Senior Management as a closed medical scheme for the public services.

Subsequently, GEMS advised that it needed to retreat so that it could engage its actuaries for 20% calculations and to consider issues raised by the PSCBC. Parties agreed to reconvene on 18 December 2025. Members must note that whatever would be agreed upon at the PSCBC, would still be subjected to the approval by the Council for Medical Scheme and that as matters stand, 9.8% will be implemented in January 2026. Members will be informed of developments.

Employees who want to join the PSA can visit the PSA's website or contact PSA Provincial Offices.

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GENERAL MANAGER