

NUPSAW

THE NATIONAL UNION OF PUBLIC SERVICE AND ALLIED WORKERS

HEAD QUARTERS

SUCCESS MATAITSANE HOUSE, 17 IRIS STREET, HEATHERDALE AH, AKASIA PRETORIA, 0182

PO BOX 58481, KAREN PARK, 0118,

TEL: 012 342 1674 FAX: 086 667 8362 E-MAIL: generalsecretary@nupsaw.co.za



NEWSFLASH

30 March 2026

UPDATE ON THE PUBLIC SERVICE SALARY INCREMENT FOR 2026/2027

Early last year the Public Service Co-ordinating Bargaining Council (PSCBC) convened a special meeting where the employer presented the final offer regarding the labour demands for the year 2025. The offer as per PSCBC Resolution 1 of 2025 was a Multi-Term spread for Three (3) years.

For the 2026/2027 financial year, the Council resolved that salaries are set to increase by the projected Consumer Price Index (CPI) as per National Treasury's forecast, with a floor of 4 per cent (4%) should inflation fall below 4 per cent (4%) and a ceiling of 6 per cent (6%) should inflation rise above 6 per cent (6%) in each financial year. This means the increase will not be below 4% or above 6% depending on the projected CPI.

National Treasury has confirmed projected CPI for the financial year 2026/27 at 3.4%.

Therefore, noting the above, the employer has announced that salary scales for public servants be adjusted by 4% for 2026/2027 financial year across all salary levels with effect from 1 April 2026.

We note the announcement of the employer and call for urgent review of Resolution 1 of 2025 due to inflation triggers. The increase in fuel prices effective from 01 April 2026 is expected to exert significant economic pressure on public service employees. This will result in real wage erosion if the salary increase is not renegotiated.

We further recommend the following intervention mechanisms amongst others:

- Transport Allowances : Increase or introduce fuel/transport subsidies
- Flexible Work Arrangements: Remote or hybrid work to reduce commuting costs
- Financial Support Programs: Debt counselling and financial literacy
- GEMS: Immediate withdrawal of the 9.5% increase. According to reports, in 2021 GEMS solvency ratio was 47% - higher than the required minimum of 25%. GEMS must align with the recommendations by Council of Medical Schemes (CMS) to implement a reasonable increase of around 5.4% and 6.8%.

Most public servants are already burdened by the current economic inflation and without timely interventions, public service employees will face significant financial strain.

Yours in the workers' struggle



Solly Malema
GENERAL SECRETARY