



NEHAWU CONDEMNS GEMS FOR THE UNJUSTIFIED INCREASE ON MEMBER CONTRIBUTION IMPOSED ON PUBLIC SERVANTS

WEDNESDAY JANUARY 08, 2024

The National Education, Health and Allied Workers' Union [NEHAWU] strongly condemns the Government Employees Medical Scheme [GEMS] for its decision to implement a 13.4% increase on member contribution to public servants for this year.



The board of GEMS has unilaterally implemented this increment without any agreement reached at the Public Service Coordinating Bargaining Council [PSCBC] as we rejected the proposal of such an increment. The decision of the Scheme ignores the financial challenges that many households face today. These include; inflation, high interest rates, and increasing costs across the board have created a challenging environment for everyone.

In 2024, GEMS Board imposed a 9.5% increase in contributions arguing that the scheme was in financial danger and that the Council for Medical Scheme was going to act against them if increments of the contributions was not implemented. The same argument is once again used by the board to justify its lunacy. It is unfortunate that despite our objections on the increments, the GEMS Board as usual has ignored our position and decided to implement this ridiculous increment.

GEMS has over the years become a financial burden on public servants with the yearly increments. It has totally moved away from what it was essentially created for, which was to ensure that it provides affordable medical cover for public servants.



GEMS STATEMENT INCREASE CONTINUES...

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PSCBC Resolution 1 of 2006 in its principles states that the scheme is “to ensure greater accessibility by providing affordable medical cover to all employees” and this has been the understanding and general objective of the establishment of the scheme from inception. This increment takes place when public servants are facing severe socio-economic conditions with an exorbitant cost of living which prevents millions of working class families from sustaining themselves.

In the light of serious dissatisfaction raised by our members around GEMS, the union calls on the Scheme, Treasury and DPSA to halt the implementation of the decision to increase member contribution and prioritise a process to map out the future of GEMS, to ensure that it remains capable of serving the needs of members and does not become an instrument of accumulation by capital and those who administers it.

Lastly, as NEHAWU, we are resolute that this will not be the ultimate end of the matter, GEMS will not go unchallenged on this decision. Our position is that workers should be spared from this increment and GEMS must find other ways of managing their financials not through punishing our members.

END

Issued by NEHAWU Secretariat.

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