



**DEPARTMENT: PUBLIC SERVICE AND ADMINISTRATION
REPUBLIC OF SOUTH AFRICA**

Private Bag X916, Pretoria, 0001. Tel: (012) 314 7911, Fax (012) 323 2386 or (012) 324 5616
Private Bag X9148, Cape Town, 8000. Tel: (021) 467 5140, Fax: (021) 462 2299

Inquiries: J Combrink
Tel: (012) 314 7066
Ref: 1/6/4/1

TO ALL NATIONAL AND PROVINCIAL DEPARTMENTS AND PROVINCIAL
ADMINISTRATIONS

**ADJUSTMENT OF MAXIMUM HOUSING ALLOWANCE WITH EFFECT FROM 1
JANUARY 2005**

1. According to PSCBC Resolution 2 of 2004 and the Determination on Housing made by the Minister for the Public Service and Administration, the maximum housing allowance is revised on the first day of each quarter based on the weighed average interest rate levied by the five biggest financial institutions as on 1 January, 1 April, 1 July and 1 October.
2. According to a survey conducted the weighed average interest rate levied by the five biggest financial institutions on 1 October 2004 was 11%.
3. Consequently, the Minister for the Public Service and Administration gave approval for the adjustment of the maximum housing allowance with effect from 1 January 2005 as shown in the attached Annexure.

[Handwritten signature]
DIRECTOR-GENERAL
FOR *[Handwritten initials]* 15/12/2004

ANNEXURE

Date effective	Weighed Average Interest Rate	Monthly Maximum Housing Allowance
1 July 2004	11.5%	R 403
1 October 2004	11.5%	R 403
1 January 2005	11%	R 374