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TO ALL HEADS OF NATIONAL / PROVINCIAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

CIRCULAR NO. 15 OF 2026

IMPROVEMENT IN CONDITIONS OF SERVICE FOR EMPLOYEES ON SALARY LEVELS 1 TO 12 AND THOSE COVERED BY OCCUPATION SPECIFIC DISPENSATIONS (OSDs): COST OF LIVING ADJUSTMENT: 1 APRIL 2026

INTRODUCTION

1. The Public Service Coordinating Bargaining Council (PSCBC) Resolution 1 of 2025 which provides for improvements in conditions of service in the Public Service, was concluded on 28 January 2025.

IMPLEMENTATION OF PSCBC RESOLUTION 1 OF 2025

2. Note should be taken that PSCBC Resolution 1 of 2025 provides that for the financial years 2025/2026, 2026/2027 and 2027/2028, *“the employer shall pay employees on salary levels 1 to 12, including those remunerated in terms of an OSD in the Public Service a pensionable salary increases as follows:*

2.1 *Financial year 2025/2026: 5.5%;*

2.2 *Projected CPI for the financial year 2026/2027; and*

2.3 *Projected CPI for the financial year 2027/2028.*

The projected CPI will be as determined by the National Treasury during the tabling of the main budget for the respective years....”.

3. Paragraph 3.2 of PSCBC Resolution 1 of 2025 provides that *“If the projected CPI percentage for the relevant period as contemplated in clauses 3.1.2.1 and 3.1.3.1 is less than 4%, the projected CPI for the relevant period will be deemed to be 4% and, in the event, the projected CPI for the relevant period is above 6%, the projected CPI will be deemed to be 6%. Furthermore, if the projected CPI for the*

relevant period is between 4% and 6%, the projected CPI increment for the specific period will be deemed to be that particular CPI figure between 4% and 6%”.

4. National Treasury has confirmed projected CPI for the financial year 2026/27 at 3.4%.
5. Therefore, noting the above, the Minister for the Public Service and Administration has determined that salary scales that applied up to 31 March 2026 be adjusted by 4% for 2026/2027 financial year across all salary levels with effect from 1 April 2026.

SCOPE OF APPLICABILITY OF THIS CIRCULAR

6. This Circular applies to employees on salary levels 1 to 12 and those covered by OSDs who are appointed in terms of the Public Service Act, 1994.
7. This Circular does not apply to the personnel groups listed below. The adjustment for these personnel groups, or the implementation/adjustment of the formulae to accommodate such adjustment will be addressed by the Executive Authorities concerned:
 - 7.1 Members of the Senior Management Service (SMS) (salary levels 13 to 16). Salary adjustments for members of SMS will be dealt with as soon as the implementation of the improvement in conditions of service for employees on salary levels 1 to 12 and those covered by the OSDs, have been finalized.
 - 7.2 Personnel on salary levels 1 to 12, and where applicable, employees covered by OSDs, employed in terms of the Employment of Educators Act, 1994, the South African Police Services Act, 1995, South African Defence Act, 2002 and the Correctional Services Act, 1998, as determined by the relevant Sectoral Ministers.
 - 7.3 Personnel employed in terms of the National Prosecuting Authority Act, 1998.

DETERMINATION BY THE MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION (MPSA)

8. In accordance with section 5(6)(a) of the Public Service Act, 1994, PSCBC Resolution 1 of 2025, which provides for the improvement in conditions of service of employees, is deemed a determination made by the MPSA in terms of section 3(5) of the Act for employees appointed in terms the Public Service Act.
9. In accordance with section 5(6)(b) of the Public Service Act the MPSA may, for proper implementation of the Resolution, elucidate or supplement such determination by means of a Directive, provided that the Directive is not in conflict or does not derogate from the terms of the agreement. This Circular therefore serves as a Directive by the MPSA to elucidate or supplement the Determination for employees appointed in terms of the Public Service Act, 1994.

10. To give effect to the adjustment with effect from 1 April 2026, the MPSA approved the **following revised salary scales and translation keys to translate Public Service Act Appointees to the revised salary scales:**

Appendix	Occupation category and PERSAL Table Code
A	Public Service Act appointees who are not covered by an OSD (PERSAL 264 & 265)
B	OSD for Professional Nurses, Staff Nurses and Nursing Assistants (PERSAL Tables 298 & 299)
C	OSD for Legal employees (PERSAL Tables 249 & 250)
D	OSD for Social Services professions (PERSAL Tables 300 & 301)
E	OSD for Engineering professions and related occupations (PERSAL Tables 276 & 277)
F	OSD for Medical Officers, medical Specialists, Dentists, Dental Specialists, Pharmacologists, Pharmacists and Emergency Care Practitioners (PERSAL Tables 267 & 268)
G	OSD for Therapeutic, Diagnostic and other Allied Health Professionals (PERSAL Tables 278 & 279)

EFFECT OF THE ADJUSTMENT ON GENERAL CONDITIONS OF SERVICE

11. For purpose of classifying employees according to their salaries, when applying the directives with regard to officials journeys, means of transport, subsistence allowance, etc, employees who receive personal salaries higher than the maximum of the standard levels attached to their posts are deemed to be in receipt of salaries equivalent to the maximum notches of the standard salary scales attached to the grading level of their posts.
12. Noting that in terms of section 5(4) of the Public Service Act no functionary may deviate from any collective agreement or the determined salary scales, departments should submit to the DPSA any remuneration, rates, allowances, etc. which are not covered in this Circular, or Appendices thereto, and which have to be adjusted.
13. The sessional rates payable to employees covered by the following OSDs, effective from 1 April 2026, are attached as **Appendix H:**
- 13.1 Professional Nurses, Staff Nurses and Nursing Assistants.
 - 13.2 Social Workers.
 - 13.3 Medical Officers, medical Specialists, Dentists, Dental Specialists, Pharmacologists, Pharmacists and Emergency Care Practitioners.
 - 13.4 Therapeutic, Diagnostic and other Allied Health Professionals.

RATES FOR CASUAL WORKERS

14. It stated in paragraph 15 of the DPSA's Circular no. 1 of 2015 that *RATES FOR CASUAL WORKERS were repealed on 1 July 2015*. Hourly and daily rates for contract and casual employees appointed in terms of the Public Service Act, 1994 and Correctional Services Act, must be calculated according to the following formula:

$$\frac{\text{Notch (inflated with 37\%) or TCE remuneration package}}{\text{Prescribed work hours per week for a full-time employee} \times 52 \text{ weeks}}$$

A daily rate is determined by multiplying the hourly rate by the prescribed work hours per day.

15. In the event that hourly / daily rates in *Annexure B* to the Financial Manual are already higher than what it would be in terms of the stipulated calculation basis, the MPSA determined that the affected rates must be retained at existing rates, without any adjustments, until such time that it is equal to the rates in terms of the formula. Departments' attention was drawn to sub-regulation 43 (3) of the Public Service Regulations, 2016, and DPSA Circular 2 of 2013 in this regard.

DEVELOPMENTAL PROGRAMMES

16. Departments are advised to ensure that the stipend of the interns **is adjusted and linked to the approved salary scales**. This must be with effect from 1 April 2026 and moving forward until the next adjustment by the MPSA.
17. PERSAL will implement the adjustment programmatically on the system. A PERSAL window message will be submitted to all PERSAL Controllers on the implementation date for this group.
18. Where the implementation was not effected as alluded in paragraph 17 above, each Department must ensure that the stipend is adjusted and paid to the appointed interns.

PAY PROGRESSION

19. It must be noted that each department shall process the payment of pay progression to all qualifying employees employed in the Public Service in respect of the 2025/26 performance cycle in terms of any or all provisions of the PSCBC and Sectoral Agreements regulating the payment of pay progression including the Incentive Policy Framework, with effect from 1 July 2026.

GENERAL

20. TCE package employees may re-structure their packages, if they wish to do so.
21. It is possible that measures contained in this Circular may be erroneous or that errors may be made in the implementation thereof. Departments must inform affected employees in writing that errors will be rectified and that any overpayments or underpayments due to errors will be rectified accordingly.
22. PERSAL will implement the salary adjustment programmatically on the system.
23. Should any problems arise with the implementation of this Circular, Departmental Human Resources must approach the DPSA for assistance.
24. Further to paragraph 23 above, the provisions of the Public Service Regulations and specifically Regulation 6(2) provide that an employee **shall direct to his or her head of department** any enquiry on a matter that falls within the functions of the Minister for the Public Service and Administration. **Therefore, employees must address their enquiries to the relevant department for assistance.**

Kind regards

A handwritten signature in black ink, appearing to read 'WVukela', with a stylized flourish at the end.

Mr. Willie Vukela
Acting Director-General
Date: 27 / 3 / 2026