



MIBCO SHARED SERVICES CENTRE

REGISTERED UNDER THE LABOUR RELATIONS ACT 66 OF 1995
Reg. No. LR2/6/6/1

P O BOX 2578, RANDBURG, 2125
Telephone: 0861 664 226 or (011) 369-7500
Fax (011) 369-7503
VAX 086 674 6833

(CIRCULAR NO. 14/2013)

16 October 2013

TO ALL EMPLOYERS AND EMPLOYEES IN THE MOTOR INDUSTRY

WAGE NEGOTIATIONS UPDATE

It pleases MIBCO to confirm that the RMI and NUMSA concluded a settlement Agreement as reflected in the attached document.

We further confirm that the agreement will be forwarded to the Department of Labour as a matter of urgency for promulgation by the Minister.

The implementation date will be forwarded once it has been announced by the Minister but in the interim Mibco encourages the implementation of the agreed wage increases.

Please note that for Chapter 3 establishments the current agreement is a party only agreement and therefore not applicable to non-party establishments in terms of Section 31 of the Labour Relations Act.

The dispute between MISA and the RMI has not been resolved and is at present ongoing.

You are cordially reminded to visit the MIBCO web page (www.mibco.org.za) for regular updates!

---o0o---



MOTOR INDUSTRY BARGAINING COUNCIL: MIBCO

14 OCTOBER 2013

SETTLEMENT AGREEMENT

Between

RETAIL MOTOR INDUSTRY ORGANISATION (RMI)

and

**NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA
(NUMSA)**

A handwritten signature, possibly "JF", is located at the bottom right of the page.

A handwritten mark, possibly a stylized "B" or a signature, is located at the bottom right of the page, to the right of the first signature.

SECTOR 1 – CHAPTER 3**COMPONENT MANUFACTURERS**

MATTER	SETTLEMENT
WAGES	Wage and salary increases are based on the actual rates of pay across the board Year 1: 10%, Year 2: 8% & Year 3: 8%
CYCLE/ DURATION	The duration of the agreement is 3 years with the expiry date of 31 August 2016
THRESHOLD	R172 000 per annum for period of three years and R135 000 per annum for the purposes of wage increases, to be increased by 8% each of years 2 & 3
PEACE CLAUSE	<p>The Parties agree not to embark on and/or participate in any form of industrial action as a result of any dispute on wage and/or salary adjustments and other conditions of employment relating to any sector or chapter in this Agreement: Provided that an employer has implemented the wage and/or salary adjustments and other agreed conditions of employment matters on or before promulgation. Participation in any form of industrial action after the date of the settlement Agreement until 31 August 2016 shall be unprotected.</p> <p>Provided further, that Bargaining within the Motor Industry, as defined in the Main Collective Agreement, takes place at centralized level. There shall be no two-tier bargaining on any matter of mutual interest, other than in Sector 6 where the Parties may engage in plant level negotiations on actual wages which negotiations shall be governed by the provisions of the LRA and shall not be conducted under the auspices of MIBCO. In particular, this clause shall not impact on the DRC jurisdiction to entertain disputes referred to it, arising out of such negotiations at plant level in respect of Sector 6 establishments.</p>
LABOUR BROKERS	The current provisions shall prevail until new legislation is promulgated. The parties shall comply with the legislation upon



	promulgation.
Equal Pay for Equal work	The parties shall comply with the legislation upon promulgation.
SHORT TIME/TRAINING LAYOFF SCHEME	The parties recognise the challenges with regards to the current practice of total closure or partial closure of the business environment with the effect of employees being put on short time and/or unpaid leave. The Parties agreed to continue exploring the expansion of the training lay-off scheme to all incidences of short time. This under the auspices of the CCMA and Department of Labour
Implementation date	1 September 2013

ALL OTHER SECTORS (excluding sector 5 and Chapter III)

MATTER	SETTLEMENT
WAGES	Year 1: 9%, Year 2: 8% & Year 3: 8% on current wage model, i.e. guaranteed increase based on monetary value of the % increase on minimum wages except Sector 6 which remains on minimum wages only.
CYCLE/ DURATION	/The duration of the agreement is three years with the expiry date of 31 August 2016
THRESHOLD	R172 000 per annum for a period of three years on wages and conditions
PEACE CLAUSE	The The Parties agree not to embark on and/or participate in any form of industrial action as a result of any dispute on wage and/or salary adjustments and other conditions of employment relating to any sector or chapter in this Agreement: Provided that an employer

Handwritten signature and a circular stamp with a cross inside, located at the bottom right of the page.


	<p>has implemented the wage and/or salary adjustments and other agreed conditions of employment matters on or before promulgation. Participation in any form of industrial action after the date of the settlement Agreement until 31 August 2016 shall be unprotected.</p> <p>Provided further, that Bargaining within the Motor Industry, as defined in the Main Collective Agreement, takes place at centralized level. There shall be no two-tier bargaining on any matter of mutual interest, other than in Sector 6 where the Parties may engage in plant level negotiations on actual wages which negotiations shall be governed by the provisions of the LRA and shall not be conducted under the auspices of MIBCO. In particular, this clause shall not impact on the DRC jurisdiction to entertain disputes referred to it, arising out of such negotiations at plant level in respect of Sector 6 establishments.</p>
LABOUR BROKERS	<p>The current provisions prevail until new legislation is promulgated. The parties shall comply with the legislation upon promulgation.</p>
Equal Pay for Equal work	<p>The parties shall comply with the legislation upon promulgation.</p>
Area Differentials	<p>The monetary value of the % increases of Area A + 25 cents per hour shall be applied to other area increases until area differentials are eliminated.</p>
SHORT TIME/TRAINING LAYOFF SCHEME	<p>The parties recognise the challenges with regards to the current practice of total closure or partial closure of the business environment with the effect of employees being put on short time and/or unpaid leave. The parties agreed to continue exploring the expansion of the training layoff scheme to all incidences of short time. This under the auspices of the CCMA and the Department of Labour.</p>

Implementation date	Agreement subject to it being promulgated and extended to non-parties simultaneously. The Minister to determine the implementation date simultaneously to parties and non-parties
---------------------	---

SIGNED at Panorama on this 14 OCTOBER 2013.



RETAIL MOTOR INDUSTRY ORGANISATION



NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA

MOTOR INDUSTRY STAFF ASSOCIATION