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# CIRCULAR



**NO: 12/2015**

**DATED: 12 August 2015**

## **TO ALL PARTICIPANTS IN THE MOTOR INDUSTRY**

### **2015/2016 PRESCRIBED MINIMUM & GUARANTEED WAGES INCREASES**

The new minimum wage rates and guaranteed wage increases for the period ending 31 August 2016, based on the Main Collective Agreement for the Motor Industry (Govt. Gazette No. 37508) Govt. Notice No. R10166 dated 04 April 2014, will come into **effect on Tuesday 01 September 2015** and shall remain in effect for the period ending 31 August 2016.

Hereunder please see the summary of the new **minimum wage rates and guaranteed wage increases ending 31 August 2016.**

#### **INDUSTRY SECTOR CLASSIFICATION - CLAUSE 2: DEFINITIONS**

**"Sector 1"** means "manufacturing" establishments i.e. vehicle body builders; trailers and caravan manufacturing and warranty repairs; vehicle components and accessories, fibreglass component manufacturing; repairs and sales.

**"Sector 2"** means "re-manufacturing" (production) establishments i.e. component re-manufacturing; brake, clutch and radiator re-manufacturing; drive-train re-manufacturing and steering re-manufacturing.

**"Sector 3"** means "re-conditioning" establishments i.e. automotive engineering; fuel injection/diesel pumps; gearbox/transmission; turbochargers and spring-smiths.

**"Sector 4"** means "service and repair" establishments i.e. motorcycle sales and repairs; battery sales and repairs; tyre sales, repairs and wheel alignment; tyre re-treading; exhaust, tow-bar and shock-absorber fitting; radio, alarm and immobilizer fitting; sunroof fitting; air-conditioning fitting; body repairs; upholstering and motor trimming; auto electrical repairs; auto valet and steam cleaning; prop-shafts and CV joints repairs; motor plastic component repairs; glass fitting; carburettor sales and repairs; drive train fitting and repairs; steering fitters and repairs; motor vehicles bus, truck and tractor repairs.

**"Sector 5"** means "fuel dealers, service stations and related" establishments.

**"Sector 6"** means "dealers sales and distribution establishments" i.e. used motor vehicle, bus truck and tractor sales and repairs; franchised motor vehicle, bus, truck, tractor, and parts sales and repairs; caravan sales and repairs and agricultural equipment sales and repairs.

**"Sector 7"** means "automotive parts, accessories, equipment and tool" establishments i.e. motor parts, accessories, equipment and tools; auto-breakers and used parts dealers.

### **ACTUAL / GUARANTEED WAGE EXEMPTION APPLICATIONS**

Individual employers seeking exemption to pay a lesser actual wage increase and / or a guaranteed increase or to be exempted from paying such, must do so on a Wage Exemption Application form which is obtainable from their local MIBCO Regional Office or website; [www.mibco.org.za](http://www.mibco.org.za) . Such application must be lodged no later than 21 days from 01 September 2015 to the local MIBCO Regional Office either by hand delivery, registered mail, facsimile or E-mail in the prescribed format with the following supportive documentation attached:

- Formal financial information;
- Written motivation; and
- Detail and proof of the consultative process between the employer, employee and relevant MIBCO Trade Unions.

For further assistance please contact your local MIBCO Regional Office as per the contact detail on the MIBCO website [www.mibco.org.za](http://www.mibco.org.za)

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**DIVISION C, CHAPTER 1 - CLAUSE 3 - WAGES**  
**WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2015**

Class of employee	CHAPTER 1				CHAPTER 1				CHAPTER 1	
	SECTOR 4,5 & 7 ONLY				SECTOR 6 ONLY				Guaranteed Increases°	
	Area A		Other Areas		Area A		Other Areas		All Areas	
	P W	P H	P W	P H	P W	P H	P W	P H	P W	P H
Grade 1	R	R	R	R	R	R	R	R	R	R
Forecourt Attendant	1 023.67	22.75	1 023.67	22.75					84.60	1.88
Parking Garage Attendant	614.25	13.65	614.25	13.65					45.45	1.01
Cashier	1 123.24	24.96	1 086.30	24.14					59.40	1.32
Char (Sector 5)*	836.79	18.60	836.79	18.60					67.95	1.51
Char	801.90	17.82	801.90	17.82	839.70	18.66	834.30	18.54	79.65	1.77
Grade 2	1 076.85	23.93	1 050.30	23.34	1 125.90	25.02	1 080.00	24.00	92.70	2.06
Grade 3	1 165.50	25.90	1 165.50	25.90	1 208.70	26.86	1 208.70	26.86	86.40	1.92
Grade 4	1 273.05	28.29	1 273.05	28.29	1 319.40	29.32	1 319.40	29.32	94.50	2.10
Grade 5	1 419.30	31.54	1 419.30	31.54	1 463.40	32.52	1 463.40	32.52	105.30	2.34
Grade 6	1 705.50	37.90	1 705.50	37.90	1 743.30	38.74	1 743.30	38.74	126.45	2.81
Class of Employees	All Areas				All Areas				All Areas	
	P W		P H		P W		P H		PW	PH
Grade 7	2 124.00		47.20		2 149.20		47.76		157.50	3.50
Grade 8	2 248.20		53.96		2 455.20		54.56		180.00	4.00
Watchman	981.04		no hourly rate		1 016.14		no hourly rate		75.67	no hourly rate
APPRENTICES	ALL AREAS				LEARNERS	ALL AREAS		° Not Applicable to Sector 6 Establishments		
	ALL CHAPTERS					ALL CHAPTERS				
					NQF LEARNERSHIPS				CBMT	
3 YEAR TRADE	P W		P H				PW	PH	PW	PH
	1220.85		27.13		Level 1		1220.85	27.13	1164.15	25.87
	1513.80		33.64		Level 2		1339.20	29.76	1453.50	32.30
	1860.65		41.35		Level 3		1513.80	33.64	1747.35	38.83
4 YEAR TRADE					Level 4		1860.75	41.35	2034.00	45.20
					*Guaranteed increases as prescribed for Chars in Sector 5 only.  Sector 5 Wages are subject to the profit margin adjustment to be determined by the Depratment of Minerals & Energy.					
First year	1220.85		27.13							
Second year	1339.20		29.76							
Third year	1513.80		33.64							
Fourth year	1860.75		41.35							

**DIVISION C, CHAPTER II - V : CLAUSE 3 - WAGES**  
**WAGE SCHEDULE : MINIMUM WAGES - EFFECTIVE DATE 1 SEPTEMBER 2015**

Class of Employee	CHAPTER 2		CHAPTER 3*		CHAPTER 4				CHAPTER 5		APPRENTICES/LEARNERS			
	SECTOR 1		SECTOR 1		SECTOR 3				SECTOR 2		ALL CHAPTERS			
	All Areas		All Areas		Area A		Other Areas		All Areas		All Areas			
	P W	P H	P W	P H	P W	P H	P W	P H	P W	P H		P W	P H	
Grade 1 Grade 2 Grade 3 Grade 4 Grade 5 Grade 6	R	R	R	R	R	R	R	R	R	R	3 Year Trade			
	801.90	17.82	833.40	18.52	801.90	17.82	801.90	17.82	801.90	17.82	First Year	1220.85	27.13	
	1 076.85	23.93	1097.55	24.39	1 076.85	23.93	1 076.85	23.93	1 076.85	23.93	Second Year	1513.80	33.64	
	1 165.50	25.90	1187.10	26.38	1 165.50	25.90	1 165.50	25.90	1 165.50	25.90	Third year	1860.75	41.35	
	-	-	1296.45	28.81	1 273.05	28.29	1 273.05	28.29	1 273.05	28.29	4 Year Trade			
	1 419.30	31.54	1446.30	32.14	1 419.30	31.54	1 419.30	31.54	1 419.30	31.54	First Year	1220.85	27.13	
Class of Employee	All Areas		All Areas		All Areas				All Areas		Third Year	1513.80	33.64	
	P W	P H	P W	P H	P W		P H		P W	P H	Fourth Year	1860.75	41.35	
	Grade 7	2 124.00	47.20	-	-		2 124.00		47.20	2 124.00	47.20	NQF Learnership		
	Grade 8	2 428.20	53.96	2 472.75	54.95		2 428.20		53.96	2 428.20	53.96	Level 1	1220.85	27.13
Watchman	981.04	no hourly rate	981.04	no hourly rate	981.04		no hourly rate		981.04	no hourly rate	Level 2	1339.20	29.76	
						Provisions for Chapter 4 Operatives				GUARANTEED INCREASE		CBMT		
						MINIMUM		PW	PH	PW	PH	Level 1	1164.15	25.87
						1. Op. Engine Assembler						Level 2	1453.50	32.30
						1st 18 Months Experience		1 419.30	31.54	105.30	2.34	Level 3	1747.35	38.83
						Thereafter		2 124.00	47.20	157.50	3.50	Level 4	2034.00	45.20
						2. Operative Grade A						* 8% Increase on actual earnings with effect from 1 September 2015 for Chapter 3 Establishments		
						1st 12 Months Experience		1 419.30	31.54	105.30	2.34			
						Thereafter		1 705.50	37.90	126.45	2.81			
						3. Operative Grade B								
						1st 6 Months Experience		1 165.50	25.90	86.40	1.92			
						Thereafter		1 273.05	28.29	94.50	2.10			

**DIVISION B & D - CLAUSE 3 (WAGES) - ALL CHAPTERS & SECTORS**  
**WAGE SCHEDULE : MINIMUM WAGES - EFFECTIVE DATE 1 SEPTEMBER 2015**

Class of employee	SECTORS 1,2,3,4,5 & 7				SECTOR 6 ONLY				SECTORS 1(ch 2),2,3,4,5,& 7	
	Minimum Wages				Minimum Wages				GUARANTEED INCREASES	
	Area A		Other Areas		Area A		Other Areas			
	P W	P M	P W	P M	P W	P M	PW	P M	PW	PM
(a) Office, stores sales and Clerical employee- during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	R 1016.54 1159.89 1335.83 1550.88	R 4405.01 5026.19 5788.60 6720.48	R 1016.54 1159.89 1335.83 1550.88	R 4405.01 5026.19 5788.60 6720.48	R 1037.49 1181.94 1362.25 1579.06	R 4495.79 5121.74 5903.08 6842.59	R 1037.49 1181.94 1360.44 1557.33	R 4495.79 5121.74 5895.24 6748.43	R 75.30 85.92 98.95 114.88	R 326.30 372.32 428.78 497.81
(b) Motor vehicle sales person- During 1st year of experience thereafter.	1226.51 1581.35	5314.88 6852.52	1226.51 1574.50	5314.88 6822.83	1226.51 1581.57	5314.88 6853.47	1226.51 1574.56	5314.88 6823.09	90.85 117.14	393.68 507.61
(c) Bookkeeper	1993.95	8640.45	1992.20	8632.87	2011.22	8715.29	2002.24	8676.37	147.70	640.03
(d) Accountant	3392.04	14698.84	3363.04	14573.17	3436.89	14893.19	3388.19	14682.16	251.26	1088.79
(e) Parts salesperson - During 1st year of experience thereafter	1278.42 1570.42	5539.82 6805.15	1278.42 1569.20	5539.82 6799.87	1283.69 1570.42	5562.66 6805.15	1283.69 1563.14	5562.66 6773.61	94.70 116.33	410.37 504.10
Class of Employee	All Areas				All Areas				All Areas	
	P W		P M		P W		P M		P W	P M
(f) Traveller - during 1st year of experience thereafter	1283.69 1570.42		5562.66 6805.15		1283.69 1570.42		5562.66 6805.15		95.09 116.33	412.06 504.10
(g) Supply sales person - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	1283.69 1470.41 1648.26 1768.89		5562.66 6371.78 7142.46 7665.19		1283.69 1470.73 1648.26 1768.89		5562.66 6373.16 7142.46 7665.19		95.09 108.92 122.09 131.03	412.06 471.99 529.06 567.80
(h) Part-time employees	*		*		*		*			

\* One eleventh of the minimum weekly wage as prescribed for clerical employees in (a) hereof, for ordinary time worked on each day on any one week, or one forty-fifth of such prescribed minimum weekly wage for each hour or part of an hour of ordinary time worked in any one week, whichever is the greater.