

# CIRCULAR



**NO: 19/2017**

**DATED: 16 August 2017**

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

### **2017/2018 PRESCRIBED MINIMUM & GUARANTEED WAGES INCREASES**

The new minimum wage rates and guaranteed wage increases for the period ending 31 August 2018, based on the Main Collective Agreement for the Motor Industry (Govt. Gazette No. 10707) Govt. Notice No. R40771 dated 07 April 2017, shall be payable to employees in the motor industry as **from 01 September 2017** and shall remain in place for the period ending **31 August 2018**.

The following is the summary of the new **minimum wage rates and guaranteed wage increases ending 31 August 2018**.

#### **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 2017 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 B & D - CLAUSE 3 (WAGES) - ALL CHAPTERS & SECTORS

## WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2017

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	P W	P M	P W	P M
(a) Office, stores sales and Clerical employee- during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	R 1 163.84 1 327.96 1 529.39 1 775.60	R 5 043.31 5 754.49 6 627.36 7 694.27	R 1 163.84 1 327.96 1 529.39 1 775.60	R 5 043.31 5 754.49 6 627.36 7 694.27	R 1 187.82 1 353.21 1 559.64 1 807.86	R 5 147.22 5 863.91 6 758.44 7 834.05	R 1 187.82 1 353.21 1 559.64 1 807.86	R 5 147.22 5 863.91 6 758.44 7 834.06	R 76.14 86.88 100.05 116.16	R 329.94 376.48 433.55 503.36
(b) Motor vehicle sales person- During 1st year of experience thereafter.	1 404.24 1 810.48	6 085.04 7 845.42	1 404.24 1 810.48	6 085.04 7 845.41	1 404.24 1 810.74	6 085.04 7 846.54	1 404.24 1 810.74	6 085.04 7 846.54	91.87 118.44	398.10 513.24
(c) Bookkeeper	2 282.88	9 892.48	2 282.88	9 892.48	2 302.65	9 978.15	2 302.65	9 978.14	149.35	647.18
(d) Accountant	3 883.54	16 828.68	3 877.04	16 800.51	3 934.89	17 051.19	3 908.69	16 937.66	254.06	1 100.93
(e) Parts salesperson - During 1st year of experience thereafter	1 463.66 1 797.97	6 342.53 7 791.20	1 463.66 1 797.97	6 342.53 7 791.21	1 469.70 1 797.97	6 368.70 7 791.20	1 469.70 1 797.97	6 368.70 7 791.21	95.75 117.62	414.92 509.69
Class of Employee	All Areas		All Areas		All Areas		All Areas		All Areas	
	P W	P M	P W	P M	P W	P M	P W	P M	P W	P M
(f) Traveller - during 1st year of experience thereafter	1 469.70 1 797.97	6 368.70 7 791.20	1 469.70 1 797.97	6 368.70 7 791.20	1 469.70 1 797.97	6 368.70 7 791.20	1 469.70 1 797.97	6 368.70 7 791.20	96.15 117.62	416.65 509.69
(g) Supply sales person - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	1 469.70 1 683.47 1 887.09 2 025.20	6 368.70 7 295.04 8 177.39 8 775.86	1 469.70 1 683.84 1 887.09 2 025.20	6 368.70 7 296.64 8 177.39 8 775.86	1 469.70 1 683.84 1 887.09 2 025.20	6 368.70 7 296.64 8 177.39 8 775.86	1 469.70 1 683.84 1 887.09 2 025.20	6 368.70 7 296.64 8 177.39 8 775.86	96.15 110.13 123.45 132.49	416.65 477.23 534.95 574.12
(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.

**DIVISION C, CHAPTER 1 - CLAUSE 3 - WAGES**  
**WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2017**

Class of employee	CHAPTER 1				CHAPTER 1				All Sectors Excl. Sector 1 Chapter 3 & Sector 6	
	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										
Forecourt Attendant	1 216.35	27.03	1 216.35	27.03					90.00	2.00
Parking Garage Attendant	703.35	15.63	703.35	15.63					45.90	1.02
Cashier	1 291.95	28.71	1 291.95	28.71					84.60	1.88
Char (Sector 5)*	967.50	21.50	967.50	21.50					67.50	1.50
Char	918.00	20.40	918.00	20.40	961.65	21.37	961.65	21.37	59.85	1.33
Grade 2	1 233.00	27.40	1 228.95	27.31	1 288.80	28.64	1 288.80	28.64	80.55	1.79
Grade 3	1 334.25	29.65	1 334.25	29.65	1 383.75	30.75	1 383.75	30.75	87.30	1.94
Grade 4	1 457.55	32.39	1 457.55	32.39	1 510.65	33.57	1 510.65	33.57	95.40	2.12
Grade 5	1 624.95	36.11	1 624.95	36.11	1 675.80	37.24	1 675.80	37.24	106.20	2.36
Grade 6	1 952.55	43.39	1 952.55	43.39	1 995.75	44.35	1 995.75	44.35	127.80	2.84
Class of Employees	All Areas				All Areas				All Areas	
	P W		P H		P W		P H		PW	PH
Grade 7	2 431.80		54.04		2 460.60		54.68		159.30	3.54
Grade 8	2 780.10		61.78		2 811.15		62.47		181.80	4.04
Watchman	1 123.19		no hourly rate		1 163.38		no hourly rate		73.48	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	
First year	1 397.70		31.06		Level 1	1 397.70	31.06	1 332.90	29.62	
Second year	1 732.95		38.51		Level 2	1 533.15	34.07	1 664.10	36.98	
Third year	2 130.30		47.34		Level 3	1 732.95	38.51	2 000.70	44.46	
					Level 4	2 130.30	47.34	2 328.75	51.75	
4 YEAR TRADE						*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 Department of Minerals & Energy.				
First year	1 397.70		31.06							
Second year	1 533.15		34.07							
Third year	1 732.95		38.51							
Fourth year	2 130.30		47.34							

**DIVISION C, CHAPTER II - V : CLAUSE 3 - WAGES**  
**WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2017**

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		
	PW	PH	PW	PH	PW	PH	PW	PH	PW	PH		PW	PH
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		
	918.00	20.40	976.50	21.70	918.00	20.40	918.00	20.40	918.00	20.40	First Year	1 397.70	31.06
	1 233.00	27.40	1 286.10	28.58	1 233.00	27.40	1 233.00	27.40	1 233.00	27.40	Second Year	1 732.95	38.51
	1 334.25	29.65	1 390.95	30.91	1 334.25	29.65	1 334.25	29.65	1 334.25	29.65	Third year	2 130.30	47.34
	0.00	0.00	1 519.20	33.76	1 457.55	32.39	1 457.55	32.39	1 457.55	32.39	4 Year Trade		
	1 624.95	36.11	1 694.70	37.66	1 624.95	36.11	1 624.95	36.11	1 624.95	36.11	First Year	1 397.70	31.06
	1 952.55	43.39	2 033.55	45.19	1 952.55	43.39	1 952.55	43.39	1 952.55	43.39	Second Year	1 533.15	34.07
Class of Employee	All Areas		All Areas		All Areas				All Areas		Third Year	1 732.95	38.51
	PW	PH	PW	PH	PW		PH		PW	PH	Fourth Year	2 130.30	47.34
Grade 7	2 431.80	54.04	0.00	0.00	2 431.80		54.04		2 431.80	54.04	NQF Learnership		
Grade 8	2 780.10	61.78	2 897.55	64.39	2 780.10		61.78		2 780.10	61.78	Level 1	1 397.70	31.06
Watchman	1 123.19	no hourly rate	1 149.58	no hourly rate	1 123.19	no hourly rate	1 123.19	no hourly rate	1 123.19	no hourly rate	Level 2	1 533.15	34.07
											Level 3	1 732.95	38.51
											Level 4	2 130.30	47.34
CHAPTER 2 SETTING BONUS				Provisions for Chapter 4 Operatives				GUARANTEED INCREASE		CBMT			
	PW			MINIMUM		PW	PH	PW	PH	Level 1	1 332.90	29.62	
Setting bonus	5.00			1. Op. Engine Assembler 1st 18 Months Experience Thereafter	1 624.95	36.11	106.20	2.36	Level 2	1 664.10	36.98		
MEASURING INSTRUMENT BONUS					2 431.80	54.04	159.30	3.54	Level 3	2 000.70	44.46		
CHAPTER 3				2. Operative Grade A 1st 12 Months Experience Thereafter	1 624.95	36.11	106.20	2.36	* 8% Increase on actual earnings with effect from 1 September 2017 for Chapter 3 Establishments				
Vernier/micrometer	13.80				1 952.55	43.39	127.80	2.84					
Tape/rule/square/sets	9.20			3. Operative Grade B 1st 6 Months Experience Thereafter	1 334.25	29.65	87.30	1.94					
					1 457.55	32.39	95.40	2.12					