



DATED: 11 February 2020

TO ALL PARTICIPANTS IN THE MOTOR INDUSTRY

**2019/2020 PROVISIONAL PRESCRIBED MINIMUM & GUARANTEED WAGE
INCREASES**

1. CIRCUMSTANTIAL INFORMATION:

Please take note of this provisional MIBCO wage schedule. The following circumstances must be considered with its application:

1.1. The Department of Energy (DoE) implemented a fuel margin adjustment **effective from 01 January 2020**, which means that all Sector-5 employers are already receiving the increases on every litre of petrol sold from the said date. Employers are therefore encouraged to make the wage adjustments even though Sector-5 increases have not been gazetted by the Department of Employment and Labour (DEL) and can therefore not be regulated by MIBCO.

1.2. MIBCO concluded a Wage Settlement Agreement for all other Sectors and Chapters of the Motor Industry on 27 January 2020.

MIBCO has subsequently submitted the Main Collective Agreement to the DEL for gazettal (publication and extension to non-parties).

The wage tables presented herein serve as a provisional guide of impending regulated increases, when the Main Collective Agreement is gazetted by the DEL.

These schedules have not been gazetted by the DEL, are not yet binding on employers and employees and can therefore not be enforced by MIBCO.

The wage tables contain minimum wage rates and guaranteed wage increases for the impending date of publication up to 31 August 2020. These rates are envisaged to be payable to employees in the Motor Industry, subject to the gazettal of the MIBCO Main Collective Agreement by the **DEL**.

Good to Great Together

2. DEFINITIONS:

2.1. INDUSTRY CHAPTER CLASSIFICATION:

Chapter I establishment: Means an establishment which is not registered under Chapter II, III, IV or V of Division C of this Agreement.

Chapter II establishment: Means a vehicle body building establishment registered as such in terms of Chapter II of Division C of this Agreement.

Chapter III establishment: Means a component manufacturing establishment, registered as such in terms of Chapter III of Division C of this Agreement.

Chapter IV establishment: Means an automotive engineering establishment, registered as such in terms of Chapter IV of Division C of this Agreement.

Chapter V establishment: Means a component reconditioning establishment, registered as such in terms of Chapter V of Division C of this Agreement.

2.2. INDUSTRY SECTOR CLASSIFICATION:

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; upholstery 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.

2.3. INDUSTRY DIVISIONAL CLASSIFICATION:

- DIVISION A:** Covers generic Conditions of Employment which are applicable to the motor industry other than those conditions which are specifically applicable to office, sales and clerical employees and contains definitions and grades of the various employees.
- DIVISION B:** Covers all wages and conditions of employment which are applicable to office, stores, sales and clerical employees (Clerical employees include Cashiers except Sector-5).
- DIVISION C:** Contains minimum wages for all employees excluding office, stores, sales and clerical employees.
- DIVISION D:** Covers specific issues that are unique to sectors.

JOB GRADE CATERGORIES

- Grade 1:** Char, forecourt attendant; parking garage attendant.
- Grade 2:** Driver of motorcycle or scooter, general operative, general worker, Grade D employee; Cashier Sector-5; vulcaniser's operative without wheel balancing.
- Grade 3:** Battery repairer, chopper out; driver of motor vehicles with gross mass of up to 3 500kg including forklifts and tractors; new motor vehicle, motor cycle and tricycle assembler; operative gearbox dismantler; operative Grade 1; operative Grade C, scooter worker.
- Grade 4:** Cutter; operative exhaust fitter; operative Grade 2; operative Grade 3; operative Grade AR; operative Grade B, operative Grade BR, operative sunroof fitter; operative upholsterer; operative wheel balancer, pattern cutter maker; supervisor Grade 3 vulcaniser's operative with wheel balancing.

- Grade 5:** Armature winder; auto electrician's assistant; body shop assistant; brake drum skimmer; clutch cover assembly setter; diesel pump room assistant; driver of motor vehicle with a gross mass over 3 500kg; motor cycle mechanic's assistant, operative air-conditioner fitter; operative Grade 4; operative Grade 5, operative Grade BV; operative Grade CR; operative Grade CV; operative Grade DV; operative radio/alarm fitter; operative supervisor quality controller; radiator repairer; repair shop assistant; seaming machinist; supervisor; supervisor Grade 4, Fitters without making final electrical connections.
- Grade 6:** Clutch and brake operative; machine setter; operative Grade A; senior quality controller; supervisor Grade 5 wheel alignment worker.
- Grade 7:** B/A journeyman, exempted journeyman; operative engine assembler; Suspension Fitters; Fitters making final electrical connections.
- Grade 8:** Journeyman, service supply salesman.
- Apprentices:** Employee serving under a written contract of apprenticeship registered or deemed to have been registered under the Skills Development Act 1998 as amended, and includes a minor employed on probation in terms of that Act as well as a learner in terms of Chapter IV of the Skills Development Act, 97 of 1998 as amended.

3. 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. Such application must be submitted no later than 21 days from the date of gazettal to the local MIBCO Regional Office, either by hand delivery; registered mail; facsimile or E-mail in the prescribed format with the following supporting 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.

It is inevitable that the MIBCO Collective Agreements will be instated at some point and employers are urged to start submitting their applications to avoid undue delays due to the influx of applications.

4. GENERAL

Employees who earn wages/salaries (gross before overtime allowance and bonuses) below the threshold of R205 433.30 per annum are legally entitled to the increase according to the Wage Tables attached. Wages for employees earning above the specified threshold are not regulated by the Main Collective agreement.

NOTE: The MIBCO Returns system **does not** automatically adjust the rates on the forecasts according to the minimum wages. Employers are reminded to update their Returns Online or submit their new wages to the MIBCO Returns Department to affect adjustments.

The following is the provisional summary of the new minimum wage rates and guaranteed wage increases for all Sectors and Chapters based on the circumstance presented in point-1 herein:

DIVISION B & D - CLAUSE 3 (WAGES) - ALL CHAPTERS & SECTORS

Provisional WAGE SCHEDULE : MINIMUM WAGES - From Date of Publication by DOE & Subject to date of gazettal

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		PW	PM
	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 1 320.03 1 506.18 1 734.64 2 013.88	R 5 720.13 6 526.78 7 516.77 8 726.81	R 1 320.03 1 506.18 1 734.64 2 013.88	R 5 720.13 6 526.78 7 516.77 8 726.81	R 1 347.23 1 534.81 1 768.94 2 050.47	R 5 838.00 6 650.84 7 665.41 8 885.37	R 1 347.23 1 534.81 1 768.94 2 050.47	R 5 838.00 6 650.84 7 665.41 8 885.37	74.72 85.26 98.19 113.99	323.79 369.46 425.49 493.96
(b) Motor vehicle sales person- During 1st year of experience thereafter.	1 592.69 2 053.44	6 901.66 8 898.24	1 592.69 2 053.44	6 901.66 8 898.24	1 592.69 2 053.74	6 901.66 8 899.54	1 592.69 2 053.74	6 901.66 8 899.54	90.15 116.23	390.65 503.66
(c) Bookkeeper	2 589.24	11 220.04	2 589.24	11 220.04	2 611.67	11 317.24	2 611.67	11 317.24	146.56	635.09
(d) Accountant	4 404.71	19 087.08	4 404.71	19 087.08	4 462.95	19 339.45	4 459.25	19 323.42	249.32	1 080.39
(e) Parts salesperson - During 1st year of experience thereafter	1 660.09 2 039.26	7 193.72 8 836.79	1 660.09 2 039.26	7 193.72 8 836.79	1 666.93 2 039.26	7 223.36 8 836.79	1 666.93 2 039.26	7 223.36 8 836.79	93.97 115.43	407.20 500.20
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	1 666.93 2 039.26		7 223.36 8 836.79		1 666.93 2 039.26		7 223.36 8 836.79		94.35 115.43	408.85 500.20
(g) Supply sales person - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	1 666.93 1 909.39 2 140.34 2 296.98		7 223.36 8 274.02 9 274.81 9 953.58		1 666.93 1 909.81 2 140.34 2 296.98		7 223.36 8 275.84 9 274.81 9 953.58		94.35 108.08 121.15 130.02	408.85 468.35 524.98 563.42
(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
Provisional WAGE SCHEDULE : MINIMUM WAGES - From Date of Publication by DOE & subject to date of gazettal

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										
ForecourtAttendant	1 418.85	31.53	1 418.85	31.53					105.30	2.34
Parking Garage Attendant	900.00	20.00	900.00	20.00					45.00	1.00
Cashier	1 493.10	33.18	1 493.10	33.18					110.70	2.46
Char (Sector 5)	1 123.20	24.96	1 123.20	24.96					83.25	1.85
Char	1 041.30	23.14	1 041.30	23.14	1 090.80	24.24	1 090.80	24.24	58.95	1.31
Grade 2	1 398.60	31.08	1 398.60	31.08	1 461.60	32.48	1 460.70	32.46	79.20	1.76
Grade 3	1 513.35	33.63	1 513.35	33.63	1 569.15	34.87	1 569.15	34.87	85.50	1.90
Grade 4	1 653.30	36.74	1 653.30	36.74	1 713.60	38.08	1 713.60	38.08	93.60	2.08
Grade 5	1 843.20	40.96	1 843.20	40.96	1 900.80	42.24	1 900.80	42.24	104.40	2.32
Grade 6	2 214.90	49.22	2 214.90	49.22	2 263.50	50.30	2 263.50	50.30	125.55	2.79
Class of Employees	All Areas				All Areas				All Areas	
	P W		P H		P W		P H		PW	PH
Grade 7	2 758.05		61.29		2 790.90		62.02		156.15	3.47
Grade 8	3 153.15		70.07		3 188.25		70.85		178.65	3.97
Watchman	1 273.92		no hourly rate		1 319.51		no hourly rate		72.11	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	
Firstyear	1 584.90		35.22		Level 1	1 584.90	35.22	1 511.55	33.59	
Second year	1 965.60		43.68		Level 2	1 738.80	38.64	1 887.30	41.94	
Third year	2 416.05		53.69		Level 3	1 965.60	43.68	2 268.90	50.42	
					Level 4	2 416.05	53.69	2 641.05	58.69	
4 YEAR TRADE						Sector 5 wages increases have been implemented by the Department ofEnergy (DOE) effective 01 January 2020.				
Firstyear	1 584.90		35.22							
Second year	1 738.80		38.64							
Third year	1 965.60		43.68							
Fourth year	2 416.05		53.69							

DIVISION C, CHAPTER II - V : CLAUSE 3 - WAGES
Provisional WAGE SCHEDULE : MINIMUM WAGES - From Date of Publication by DOE & subject to date of gazettal

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	R	R	R	R	R	R	R	R	R	R	3 Year Trade		
Grade 2	1 041.30	23.14	1 128.60	25.08	1 041.30	23.14	1 041.30	23.14	1 041.30	23.14	First Year	1 584.90	35.22
Grade 3	1 398.60	31.08	1 485.90	33.02	1 398.60	31.08	1 398.60	31.08	1 398.60	31.08	Second Year	1 965.60	43.68
Grade 4	1 513.35	33.63	1 607.40	35.72	1 513.35	33.63	1 513.35	33.63	1 513.35	33.63	Third year	2 416.05	53.69
Grade 5			1 755.45	39.01	1 653.30	36.74	1 653.30	36.74	1 653.30	36.74	4 Year Trade		
Grade 6	1 843.20	40.96	1 958.40	43.52	1 843.20	40.96	1 843.20	40.96	1 843.20	40.96	First Year	1 584.90	35.22
	2 214.90	49.22	2 349.90	52.22	2 214.90	49.22	2 214.90	49.22	2 214.90	49.22	Second Year	1 738.80	38.64
Class of Employee	All Areas		All Areas		All Areas				All Areas		Third Year	1 965.60	43.68
	PW	PH	PW	PH	PW		PH		PW	PH	Fourth Year	2 416.05	53.69
Grade 7	2 758.05	61.29			2 758.05		61.29		2 758.05	61.29	NQF Learnership		
Grade 8	3 153.15	70.07	3 348.45	74.41	3 153.15		70.07		3 153.15	70.07	Level 1	1 584.90	35.22
Watchman	1 273.92	no hourly rate	1 328.49	no hourly rate	1 273.92		no hourly rate		1 273.92	no hourly rate	Level 2	1 738.80	38.64
											Level 3	1 965.60	43.68
											Level 4	2 416.05	53.69
CHAPTER 2 SETTING BONUS				Provisions for Chapter 4 Operatives				GUARANTEED INCREASE		CBMT			
	PW			MINIMUM		PW	PH	PW	PH	Level 1	1 511.55	33.59	
Setting bonus	5.00			1. Op. Engine Assembler					Level 2	1 887.30	41.94		
MEASURING INSTRUMENT BONUS				1st 18 Months Experience	1 843.20	40.96	104.40	2.32	Level 3	2 268.90	50.42		
CHAPTER 3				Thereafter	2 758.05	61.29	156.15	3.47	Level 4	2 641.05	58.69		
Vernier/micrometer	13.80			2. Operative Grade A					* 7.5 % Increase on actual earnings with effect from date of Publication for Chapter 3 Establishments				
Tape/rule/square/sets	9.20			1st 12 Months Experience	1 843.20	40.96	104.40	2.32					
				Thereafter	2 214.90	49.22	125.55	2.79					
				3. Operative Grade B									
				1st 6 Months Experience	1 513.35	33.63	85.50	1.90					
				Thereafter	1 653.30	36.74	93.60	2.08					