



DATE: 19 March 2021

TO: ALL PARTICIPANTS IN THE MOTOR INDUSTRY

NOTICE: ENACTMENT OF THE MIBCO MAIN COLLECTIVE AGREEMENT

We are pleased to advise that the MIBCO Main Collective Agreement (Main Agreement), Gazette 44289 of 18 March 2021, Notice no.R.220 has been published and extended to non-parties.

The new agreement inter alia deals with the new wage dispensation, flowing from the 2019 Wage Negotiations and will commence as described below:

The new prescribed minimum wage rates and guaranteed wage increases for the Motor Industry will become effective on Monday 29 March 2021 and shall remain in place for the period up to 31 August 2022.

PLEASE TAKE NOTE OF THE FOLLOWING:

1. GENERAL:

- 1.1. All previous Agreements and subsequent extensions have been repealed.
- 1.2. New applications or re-applications to extend exemptions with respect to the Main Agreement, other than '**Actual / Guaranteed Wage Exemption Applications**', must be submitted to MIBCO Regional Councils for consideration (that would typically include additional holiday bonus, etc.). Employers requiring national exemptions for 'groups of companies' should make their submissions to the Regional Council where the head office of those companies reside.
- 1.3. Go to www.mibco.org.za or click [here](#) to download and view the MIBCO Main Collective Agreement, namely, Gazette 44289.

Good to Great Together

2. ACTUAL / GUARANTEED WAGE EXEMPTION APPLICATIONS:

- 1.1. Individual employers wishing to apply for an exemption to pay a lesser actual wage increase and / or a guaranteed increase or to be exempted from paying such, must do so by completing a **Wage Exemption Application Form** which is obtainable from their local MIBCO Regional Office, or on the MIBCO website; www.mibco.org.za or by clicking [here](#). Such applications must be submitted by no later than 21 days from date of this circular or no later than **Thursday 08 April 2021** to the local MIBCO Regional Office either by hand delivery, registered mail, facsimile or E-mail in the prescribed format with relevant supporting documentation as outlined in the Wage Exemption Application Form.
- 1.2. For further assistance please contact your local MIBCO Regional Office as per the contact detail in **Annexure A** attached hereto.

3. PRESCRIBED MINIMUM & GUARANTEED WAGE INCREASES FROM THE DATE OF IMPLEMENTATION AS INDICATED IN THE PUBLICATION TO 31 AUGUST 2021:

The new minimum wage rates and guaranteed wage increases for the wage year ending 31 August 2021, based on Gazette 44289, Notice no.R.220 (Main Agreement) shall be payable to employees in the Motor Industry with effect **from the implementation date pronounced by the Minister of Employment and Labour in the said Gazette.**

Please refer to **Annexure B** for the Prescribed Minimum & Guaranteed Wage increases.

3.1. Industry Chapter Classification - Clause 2: Definitions -

- Chapter I establishment:** Means an establishment which is not registered under Chapter II, III, IV or V of Division C of the Agreement.
- Chapter II establishment:** Means a vehicle body building establishment registered as such in terms of Chapter II of Division C of the Agreement.
- Chapter III establishment:** Means a component manufacturing establishment, registered as such in terms of Chapter III of Division C of the Agreement.

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

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

3.2. 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; drivetrain 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 dealer 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.

3.3. 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.

3.4. Job Grade Categories -

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 97 of 1988 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.

3.5. Other important wage related matters:

- Employees who earn wages/salaries (gross before overtime allowance and bonuses) below the new threshold of R211 596.30 per annum are legally entitled to the increase according to the Wage Tables attached. Wage increases for employees earning above the specified threshold are at the discretion of employer.
- Sector 5 wage increases have been confirmed by the Department of Minerals and Energy Resources (DMER) and came into effect on 02 September 2020.

ANNEXURE A: (LIST AND DETAILS OF MIBCO REGIONAL OFFICES)

EASTERN CAPE REGION P.O. BOX 7270 PORT ELIZABETH 6055 TEL: (041) 393-3600 Enquiries: Mr L. Palmer Leslie.Palmer@mibco.org.za	KWA-ZULU NATAL REGION P.O. BOX 10230 ASHWOOD 3605 TEL: (031) 274 0644 Enquiries: Mr S. Nyuswa Sphelele.Nyuswa@mibco.org.za
FREE STATE / N.CAPE REGION P.O.BOX 910 BLOEMFONTEIN 9300 TEL: (051) 409-4000 Enquiries: Mr L. Palmer Leslie.Palmer@mibco.org.za	HIGHVELD REGION P.O.BOX 2578 RANDBURG 2125 TEL: (011) 369-7750 Enquiries: Mr P. Masemola Paulos.Masemola@mibco.org.za
NORTHERN REGION P.O.BOX 13970 HATFIELD 0028 TEL: (012) 362-4801 Enquiries: Mr J. Naude Johan.Naude@mibco.org.za	WESTERN PROVINCE REGION P.O.BOX 17 BELLVILLE 7535 TEL: (021) 941-7300 Enquiries: Mr G. Basson Gerrie.Basson@mibco.org.za

**Regional Offices can also be contacted on the MIBCO National Call Centre Number:’
0861 664 226**

ANNEXURE B: (PRESCRIBED MINIMUM & GUARANTEED WAGES INCREASES)

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

WAGE SCHEDULE : MINIMUM WAGES - From the date of implementation to 31 August 2021

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 1 313.80 1 499.07 1 726.45 2 004.38	R 5 693.13 6 495.97 7 481.28 8 685.65	R 1 313.80 1 499.07 1 726.45 2 004.38	R 5 693.13 6 495.97 7 481.28 8 685.65	R 1 340.87 1 527.57 1 760.59 2 040.80	R 5 810.44 6 619.47 7 629.22 8 843.47	R 1 340.87 1 527.57 1 760.59 2 040.80	R 5 810.44 6 619.47 7 629.22 8 843.47	68.49 78.15 90.00 104.49	296.79 338.65 390.00 452.79
(b) Motor vehicle sales person- During 1st year of experience thereafter.	1 585.18 2 043.76	6 869.11 8 856.29	1 585.18 2 043.76	6 869.11 8 856.29	1 585.18 2 044.05	6 869.11 8 857.55	1 585.18 2 044.05	6 869.11 8 857.55	82.64 106.55	358.11 461.72
(c) Bookkeeper	2 577.03	11 167.13	2 577.03	11 167.13	2 599.35	11 263.85	2 599.35	11 263.85	134.35	582.18
(d) Accountant	4 383.94	18 997.07	4 383.94	18 997.07	4 441.90	19 248.23	4 438.20	19 232.20	228.55	990.38
(e) Parts salesperson - During 1st year of experience thereafter	1 652.26 2 029.64	7 159.79 8 795.11	1 652.26 2 029.64	7 159.79 8 795.11	1 659.07 2 029.64	7 189.30 8 795.11	1 659.07 2 029.64	7 189.30 8 795.11	86.14 105.81	373.27 458.51
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	1 659.07 2 029.64	7 189.30 8 795.11			1 659.07 2 029.64	7 189.30 8 795.11			86.49 105.81	374.79 458.51
(g) Supply sales person - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	1 659.07 1 900.38 2 130.25 2 286.14	7 189.30 8 234.98 9 231.08 9 906.61			1 659.07 1 900.80 2 130.25 2 286.14	7 189.30 8 236.80 9 231.08 9 906.61			86.49 99.07 111.06 119.18	374.79 429.30 481.26 516.45
(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 - From the date of implementation to 31 August 2021

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										
Forecourt Attendant	1 518.30	33.74	1 518.30	33.74					99.45	2.21
Parking Garage Attendant	985.50	21.90	985.50	21.90					51.30	1.14
Cashier	1 597.50	35.50	1 597.50	35.50					104.40	2.32
Char (Sector 5)*	1 201.95	26.71	1 201.95	26.71					78.75	1.75
Char	1 036.35	23.03	1 036.35	23.03	1 085.85	24.13	1 085.85	24.13	54.00	1.20
Grade 2	1 391.85	30.93	1 391.85	30.93	1 454.85	32.33	1 453.95	32.31	72.45	1.61
Grade 3	1 506.60	33.48	1 506.60	33.48	1 561.95	34.71	1 561.95	34.71	78.75	1.75
Grade 4	1 645.65	36.57	1 645.65	36.57	1 705.50	37.90	1 705.50	37.90	85.95	1.91
Grade 5	1 834.65	40.77	1 834.65	40.77	1 891.80	42.04	1 891.80	42.04	95.85	2.13
Grade 6	2 204.10	48.98	2 204.10	48.98	2 252.70	50.06	2 252.70	50.06	114.75	2.55
Class of Employees	All Areas				All Areas				All Areas	
	P W		P H		P W		P H		P W	P H
Grade 7	2 745.00		61.00		2 777.85		61.73		143.10	3.18
Grade 8	3 138.30		69.74		3 173.40		70.52		163.80	3.64
Watchman	1 267.91		no hourly rate		1 313.29		no hourly rate		66.10	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			P W	P H	P W	P H	
First year	1 577.70		35.06		Level 1	1 577.70	35.06	1 504.35	33.43	
Second year	1 956.60		43.48		Level 2	1 730.25	38.45	1 878.75	41.75	
Third year	2 404.80		53.44		Level 3	1 956.60	43.48	2 258.55	50.19	
					Level 4	2 404.80	53.44	2 628.90	58.42	
4 YEAR TRADE						*Guaranteed increases as prescribed for Chars in Sector 5 only.				
First year	1 577.70		35.06			Sector 5 wages increases have been confirmed by the Department of				
Second year	1 730.25		38.45			Minerals and Energy and will come into effect on 02 September 2020.				
Third year	1 956.60		43.48							
Fourth year	2 404.80		53.44							

DIVISION C, CHAPTER II - V : CLAUSE 3 - WAGES
WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2020

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		
	1 036.35	23.03	1 123.20	24.96	1 036.35	23.03	1 036.35	23.03	1 036.35	23.03	First Year	1 577.70	35.06
	1 391.85	30.93	1 479.15	32.87	1 391.85	30.93	1 391.85	30.93	1 391.85	30.93	Second Year	1 956.60	43.48
	1 506.60	33.48	1 600.20	35.56	1 506.60	33.48	1 506.60	33.48	1 506.60	33.48	Third year	2 404.80	53.44
			1 747.35	38.83	1 645.65	36.57	1 645.65	36.57	1 645.65	36.57	4 Year Trade		
	1 834.65	40.77	1 948.95	43.31	1 834.65	40.77	1 834.65	40.77	1 834.65	40.77	First Year	1 577.70	35.06
Class of Employee	All Areas		All Areas		All Areas				All Areas		Third Year	1 956.60	43.48
	PW	PH	PW	PH	PW		PH		PW	PH	Fourth Year	2 404.80	53.44
	2 745.00	61.00			2 745.00		61.00		2 745.00	61.00	NQF Learnership		
	3 138.30	69.74	3 333.15	74.07	3 138.30		69.74		3 138.30	69.74	Level 1	1 577.70	35.06
Watchman	1 267.91	no hourly rate	1 322.31	no hourly rate	1 267.91		no hourly rate		1 267.91	no hourly rate	Level 2	1 730.25	38.45
											Level 3	1 956.60	43.48
											Level 4	2 404.80	53.44
CHAPTER 2 SETTING BONUS					Provisions for Chapter 4 Operatives				GUARANTEED INCREASE		CBMT		
PW		MINIMUM			PW	PH	PW	PH	Level 1	1 504.35	33.43		
Setting bonus		5.28			1. Op. Engine Assembler				Level 2	1 878.75	41.75		
MEASURING INSTRUMENT BONUS					1st 18 Months Experience	1 834.65	40.77	95.85	2.13	Level 3	2 258.55	50.19	
CHAPTER 3					Thereafter	2 745.00	61.00	143.10	3.18	Level 4	2 628.90	58.42	
Vernier/micrometer		14.56			2. Operative Grade A					* 7% Increase on actual earnings with effect from date of publication for Chapter 3 Establishments			
Tape/rule/square/sets		9.71			1st 12 Months Experience	1 834.65	40.77	95.85	2.13				
					Thereafter	2 204.10	48.98	114.75	2.55				
					3. Operative Grade B								
					1st 6 Months Experience	1 506.60	33.48	78.75	1.75				
					Thereafter	1 645.65	36.57	85.95	1.91				

The MIBCO Team

---000--