



DATED: 08 September 2022
TO: ALL PARTICIPANTS IN THE MOTOR INDUSTRY
NOTICE: UPDATE ON MIBCO COLLECTIVE BARGAINING NEGOTIATIONS

The MIBCO Collective Bargaining Negotiations is still in progress and the Main Collective Agreement has not been enacted, and to that extent –

1. There are no new wage provisions for the Motor Industry.
2. MIBCO is unable to enforce substantive and concomitant provisions of employment as contained in the Main Collective Agreement. All conditions of employment will be preceded by the Basic Conditions of Employment Act 75 of 1997, as amended (BCEA) and all disputes will be administered by the MIBCO Dispute Resolution Centre. Employee remuneration and benefits cannot be lessened unless the contract of employment is renewed and done in accordance with the BCEA.
3. MIBCO cannot process wage exemptions in terms of:
 - The once off annual wage exemption on prescribed and minimum wage rates (i.e. the exemption applied for 30 days after increases are due); as well as the guarantee/actual wage increases and
 - The exemption to reduce earnings in terms of Clause-7 of the expired Main Collective Agreement (to avoid retrenchments).
4. Employers cannot effect changes of wage rates unilaterally, and any agreed change must be on the proviso that:
 - There is adherence to the provisions of Section 4 and 49 of the BCEA and Section 199 of the Labour Relations Act 66 of 1995, as amended (LRA);
 - Wage rates are not less than the national minimum wage in terms of the National Minimum Wage Act of 2018, as amended (not less than R23.19 per hour); and
 - Learner and apprenticeship wage rates are in accordance with Schedule 2 of the National Minimum Wage Act, pages 4 and 5 of Gazette 45882, Notice no. 1732 of 07 February 2022.

NB: The above legislation are interrelated and all the required provisions should be taken into account when changes to wage rates are considered.

Please contact MIBCO on 0861 664 226 should you have any enquiries with regards to the status of the Agreements and matters related to the extension and termination thereof.

The MIBCO Team

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Good to Great Together