



DATED: 27 FEBRUARY 2023

TO: ALL PARTICIPANTS IN THE MOTOR INDUSTRY

NOTICE: INCREASE OF NATIONAL WAGE THRESHOLD AND NATIONAL MINIMUM WAGE

1. INCREASE OF NATIONAL WAGE THRESHOLD

Industry is hereby informed that the new income of the wage earnings threshold will be increased on 01 March 2023 (in terms of Government Gazette 48092 of 20 February 2023, Notice 3067). The income of earnings threshold before deductions for all Sectors and Chapters in the Motor Industry will increase to **R241 110.59** per annum. This represents an increase of R17 030.11 (7.1%) from the previous amount and equates to approximately R20 092.54 per month for monthly earners and R4 636.74 per week for weekly earners.

The income of earnings threshold is the 'dividing line' for the application of certain provisions of the MIBCO Collective Agreements (current and newly published Agreements), the Labour Relations Act (LRA) and other labour related regulations. It is incumbent for employers to take note of the change and apply it to relevant conditions of employment and/or regulations. In terms of the MIBCO Provident Fund Agreements, it means that employees whose income of earnings are equivalent or less than the new threshold are required to belong to the Autoworkers Provident Fund (AWPF) or Motor Industry Provident (MIPF), unless those employees have a provident fund exemption to belong to an alternative retirement fund. It also means that MIBCO levies are due for employees who earn below the MIBCO wage threshold, notwithstanding that all MISA and NUMSA members are due to pay MIBCO levies.

2. INCREASE OF NATIONAL MINIMUM WAGE

Industry is hereby informed that as from 01 March 2023, the National Minimum Wage will increase for every ordinary hour of work (in terms of Government Gazette 48094 of 21 February 2023, Notice 3069). This means that all Grade-1 Parking Garage Attendants must at least earn the minimum hourly rate of **R25.42** from 01 March 2023. Employers are urged to adjust wage rates accordingly to comply with the National Minimum Wage Act no.9 of 2018, as amended.

MIBCO will ensure that the Motor Industry published wage rates for Parking Garage Attendants are aligned to the National Minimum Wage on the MIBCO Returns System.

The MIBCO Team

---o0o---

Good to Great Together