

**DATED: 13 March 2024**

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

**NOTICE: INCREASE IN THE NATIONAL WAGE THRESHOLD**

Industry is hereby informed that the earnings threshold (National Wage Threshold) will increase on 01 April 2024 in terms of Government Gazette 50254, Notice no. 4468 of 05 March 2024. The income of earnings threshold before deductions for all Sectors and Chapters in the Motor Industry will increase to R254 371.67 per annum. This equates to –

- An increase of R13 261.08 from the previous year.
- An earnings threshold of approximately R21 197.64 per month for employees earning a monthly salary.
- An earnings threshold of approximately R4 891.76 per week for employees earning weekly wages.

The income of earnings threshold is the 'dividing line' for the application of certain provisions of the MIBCO Collective Agreements, the Labour Relations Act, Act no. 66 of 1995, as amended (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 Fund (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 MIBCO levies are due for all employees who are MISA and NUMSA members.

Click [here](#) to view or download the National Wage Threshold Gazette (Government Gazette 50254, Notice no. 4468 of 05 March 2024).

The MIBCO Team

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