

Registration number: LR2/6/6/1 275 Kent Avenue, Ferndale, Randburg 2125 PO Box 2578, Randburg +27 (0) 861 664 226 www.mibco.org.za

DATED: 14 March 2025

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 2025 in terms of Government Gazette 52232, Notice No. R.5970 of 07 March 2025. The income of earnings threshold before deductions for all Sectors and Chapters in the Motor Industry will increase to R261 748.45 (Two hundred and sixty-one thousand, and seven hundred and forty-eight rand, forty-five cents) per annum.

This equates to -

- An increase of R7 376.78 from the previous year (2.9%).
- An earnings threshold of approximately R21 812.37 per month for employees earning a monthly salary.
- An earnings threshold of approximately R5 033.62 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 for employees earning above the threshold. All employees can apply for membership with MISA and NUMSA and enjoy the benefits offered by these unions, regardless of them being below or above the earnings threshold.

Click <u>here</u> to view or download the National Wage Threshold Gazette (Government Gazette 52232, Notice No. R.5970 of 07 March 2025).

The MIBCO Team

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