



**MOTOR INDUSTRY BARGAINING COUNCIL  
(MIBCO)**

**23 August 2025**

**Settlement Agreement  
All Other Sectors (Excluding Sector 5)**

**By And Between**

**MOTOR INDUSTRY STAFF ASSOCIATION  
(MISA)**

**and**

**NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA  
(NUMSA)**

**and**

**FUEL RETAILERS ASSOCIATION**

**and**

**RETAIL MOTOR INDUSTRY ORGANISATION  
(RMI)**

**(Each a “Party” and together, the “Parties”)**

**MISA:  
Hermann Kostens**



**NUMSA:  
Irvin Jim**



**FRA:  
Reggie Sibiya**



**RMI:  
Ipeleng Mabusela**



## **PREAMBLE AND DEFINITIONS**

The Parties agree to the terms contained in this Settlement Agreement ("the Agreement") insofar as they relate to all other Sectors, excluding Sector 5 of the Motor Industry. In this Settlement Agreement, reference to "year" shall denote the following:

Year 1: Date of publication and extension of this agreement in terms of section 32 of the Labour Relations Act, 1996 (as amended) to 31 August 2026,

Year 2: 01 September 2026 to 31 August 2027, and

Year 3: 01 September 2027 to 31 August 2028.

## **SECTOR 1: CHAPTER III**

### **COMPONENT MANUFACTURERS**

#### **A. Wages**

1. Wage and salary increases are agreed as follows, for all employees and periods:

Year 1: 6%

Year 2: 5%

Year 3: 5%

2. Wage and salary increases in the case of this Sector 1 Chapter III, shall be based on actual rates of pay.

MISA:  
Hermann Kostens



NUMSA:  
Irvin Jim



FRA:  
Michael Motsoane



RMI:  
Ipeleng Mabusela



## **B. Apprentice/Learner Wages:**

Due to the realignment of minimum rates of pay for apprentices and learners, and to ensure that training and human capital development initiatives are not impeded by disproportionately high wage rates. It is agreed that wage and salary increases for learners and apprentices shall be aligned with current wage model and applied accordingly for the following periods:

Year 1: 3%

Year 2: 3%

Year 3: 3%

## **C. Cycle / Duration**

The duration of the Main Collective Agreement will be from the date of publication and extension thereof to non-parties by the Minister of Employment and Labour, with an expiry date of 31 August 2028.

## **D. Implementation Date**

1. The Implementation Date shall coincide with the Effective date as published by the Minister of Employment and Labour in the Government Gazette.
2. The RMI however undertakes and commits to recommend to its members that they implement the terms of this agreement with effect from 01 September 2025.
- 3.

## **E. Set-off**

1. An employer who has granted an increase over and above the prescribed increases during the preceding 12 months of each cycle, may off-set those increases against the increases set out above.

MISA:  
Hermann Kostens



NUMSA:  
Irvin Jim



FRA:  
Michael Motsoane



RMI:  
Ipeleng Mabusela





2. The above is subject to the proviso that no wage increase set-off shall be allowed on more than one occasion during the term of this Agreement.

**F. Overtime (Sector-1, Chapter III)**

It is agreed that all employees shall be remunerated for overtime worked at a rate of one and a half times their ordinary hourly rate.

**ALL OTHER SECTORS:(EXCLUDING SECTOR 5 AND SECTOR 1 CHAPTER III)**

**COMPONENT MANUFACTURERS)**

**A. Wages**

1. Wage and salary increases are based on minimum rates of pay, with all employees earning in excess of minimum rates of pay, receiving guaranteed monetary increases equal to the value of the increase in the minimum rate of pay for the respective and relevant grades of pay, for the following periods:

Year 1: 5%

Year 2: 5%

Year 3: 5%

2. In the case of Sector 6, wage and salary increases are based on minimum rates of pay only, for the respective and relevant grades of pay, for the following periods:

Year 1: 5%

Year 2: 5%

Year 3: 5%

MISA:  
Hermann Kostens

  
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NUMSA:  
Irvin Jim

  
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FRA:  
Michael Motsoane

  
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RMI:  
Ipeleng Mabusela

  
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**B. Apprentice/Learner Wages:**

1. Due to the realignment of minimum rates of pay for apprentices and learners, and to ensure that training and human capital development initiatives are not impeded by disproportionately high wage rates. It is agreed that wage and salary increases for learners and apprentices shall be aligned with current wage model and applied accordingly for the following periods:

Year 1: 3%

Year 2: 3%

Year 3: 3%

**C. Cycle / Duration**

The duration of the Main Collective Agreement will be from the date of publication and extension thereof to non-parties by the Minister of Employment and Labour, with an expiry date of 31 August 2028.

**D. Implementation Date**

1. The Implementation Date shall coincide with the Effective date as published by the Minister of Employment and Labour in the Government Gazette.
2. The RMI however undertakes and commits to recommend to its members that they implement the terms of this agreement with effect from 01 September 2025.

**E. Set-off**

1. An employer who has granted an increase over and above the prescribed increases during the preceding 12 months of each cycle, may off-set those increases against the increases set out above.
2. The above is subject to the proviso that no wage increase set-off shall be allowed on more than one occasion during the term of this Agreement.
- 3.

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## **ALL OTHER SECTORS: (EXCLUDING SECTOR 5)**

### **A. Remaining clauses of the expired Collective Agreements**

1. The Parties agree to the conclusion of the new 2025 Main Agreement, inclusive of amendments provided for in this Agreement or amendments approved by Council, and effective on a date to be published by the Minister of Employment and Labour and extended to non-parties, with an expiry date of 31 August 2028.
2. The Parties agree to the conclusion of the new Administrative Collective Agreement, inclusive of the amendments provided for in this Agreement or amendments approved by Council, effective on a date to be published by the Minister of Employment and Labour and extended to non-parties with an expiry date of 31 August 2030.
3. The Parties agree to the conclusion of the new Autoworkers Provident Fund Collective Agreement and Motor Industry Provident Fund Collective Agreement, inclusive of the amendments provided for in this Agreement or amendments approved by Council, on a date to be published by the Minister of Employment and Labour and extended to non-parties, with an expiry date of 31 August 2030.
4. For all the aforementioned Collective Agreements reaching expiry, all remaining administrative and substantive terms not amended by this Agreement shall survive and be included in the new Collective Agreements concluded.

**MISA:**  
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**Irvin Jim**



**FRA:**  
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## **B. Short time clause**

1. "Short-time" refers to a temporary reduction in regular working hours, implemented when an employer can demonstrate a reasonable potential for financial recovery as a result of this measure, due to:
  - 1.1. Demonstrable slackness of trade, evidenced by a reduction in service, repair, reconditioning, production, sales, or orders that poses a threat to the sustainability of the business.
  - 1.2. Unforeseeable and unavoidable business interruptions including but not limited to shortage of essential materials, as well as disruptions such as loadshedding and water outages, directly impacting the ability to maintain ordinary production levels, not due to preventable logistical failures or circumstances beyond the employer's control.
  - 1.3. A breakdown of machinery or equipment caused by an unforeseen accident, rendering normal operations impossible for a definite period, and for which immediate repair is not possible or would exceed any reasonably projected short-time duration.
  - 1.4. Force majeure events as defined by applicable law, including but not limited to natural disasters, declared national emergencies, or widespread public health crises, which render the continuation of ordinary hours of work impossible and are demonstrable beyond the employer's reasonable control.
2. In Sector 5 short-time includes the partial closure of the establishment due to site revamps or upgrades.
3. "Stock-taking" is not included in the definition for short-time, and shall be defined as "a planned and periodic business activity undertaken by an employer for the purposes of verifying, counting, and reconciling inventory or stock on hand, which may necessitate a temporary suspension or reduction of normal operations".

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## **B. Sick, Accident and Maternity Pay Fund**

1. The parties agree to amend the Sick, Accident and Maternity Pay Fund agreement, rules and protocols, to reflect the following amendments to these documents: It is agreed that with effect from 01 January 2026, that the Sick, Accident and Maternity Pay Fund Collective Agreement (hereinafter "the SAMF Agreement") be amended to ensure parity in the benefits and claims processes applicable to all eligible members of the Fund.
2. This equalisation of benefits shall apply regardless of union affiliation, and it is agreed that all members of the Fund shall receive the same benefits and be subject to uniform claims procedures.
3. This includes:
  - 3.1. Death and Funeral Benefits: Status quo (as reflected in the Fund Rules).
  - 3.2. Accident Benefits: Status quo (as reflected in the Fund Rules).
  - 3.3. Maternity Benefits: Status quo (as reflected in the Fund Rules).
  - 3.4. Sick benefits: All employees who are beneficiaries of the Fund shall receive the first 10 days' sick leave benefits at 100% of their rate of pay and the last 5 days' sick leave benefits at 50% of their rate of pay.
  - 3.5. Claiming Process: All employees who are beneficiaries of the Fund shall claim their benefits from the respective administrators as per paragraph 5 below.
  - 3.6. The claiming process shall remain at the sole discretion of the employer (whether payment and/or the claims process is made through the employer or by the Administrator). It is agreed that such discretion shall be exercised consistently and fairly, and the claims process shall be applied equally to all SAMF members.

**MISA:**  
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**NUMSA:**  
**Irvin Jim**



**FRA:**  
**Michael Motsoane**



**RMI:**  
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4. The parties shall by way of a resolution in the Council formally adopt these amendments.
5. Administration of the Fund:
  - 5.1. Administration for Union-Affiliated Members:
    - 5.1.1. MISA shall be responsible for the administration of the Fund in respect of its own members.
    - 5.1.2. It is agreed that MISA and MIBCO would enter into a service level agreement to regulate all administrative functions between them to enable MISA to effectively administer the Fund benefits to all members they are entitled to, by no later than 31 October 2025.
    - 5.1.3. NUMSA shall have the right to administer the Fund for its members or, alternatively, to elect the Motor Industry Bargaining Council (MIBCO) as the administrator for NUMSA members. This arrangement may be permanent or transitional, as determined by NUMSA.
    - 5.1.4. It is agreed that NUMSA and MIBCO would enter into a service level agreement to regulate all administrative functions between them to enable NUMSA to effectively administer the Fund benefits to all members they are entitled to, by no later than 31 October 2025.

**MISA:**  
**Hermann Kostens**

  
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**NUMSA:**  
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**FRA:**  
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**RMI:**  
**Ipeleng Mabusela**

  
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5.2. Administration for Non-Union Members:

5.2.1. Where a trade union holds the majority representation of employees within a designated Sector, such trade union shall be entitled to administer the benefits of the Fund in that Sector on behalf of non-union SAF members.

5.2.2. The determination of majority representation shall be based on official MIBCO statistics as at 01 May 2025.

5.2.3. Alternatively, the majority union in that Sector may elect MIBCO as the administrator of the Fund for non-union members in the said Sector.

5.3. Accordingly:

5.3.1. In Sectors where MISA holds the majority of employees, MISA shall administer the Fund for non-union members in that Sector.

5.3.2. In Sectors where NUMSA holds the majority of employees, NUMSA shall administer the Fund for non-union members or elect MIBCO as the administrator for such members.

5.4. This administrative arrangement shall remain in force for the duration of the current SAMF Agreement, or until such time as the Parties to the SAMF Agreement agree to a further amendment.

6. MIBCO shall continue to collect contributions and enforce compliance with the SAMF agreement. RMI and MIBCO will enter into a service level agreement by no later 31 October 2025 in pursuit of regulating the rendering of services by MIBCO to the Fund.

7. Employee Benefit Fund ("EBF") contributions and administration, the current arrangement will remain in place.

MISA:  
Hermann Kostens



NUMSA:  
Irvin Jim



FRA:  
Michael Motsoane



RMI:  
Ipeleng Mabusela





#### **D. Peace Clause**

1. The Parties agree not to embark on and/or participate in any form of industrial action as a result of any dispute on wage and/or salary adjustments and other conditions of employment relating to any sector or chapter in this Agreement: Provided that an employer has implemented the wage and/or salary adjustments and other agreed conditions of employment matters on or before promulgation. Participation in any form of industrial action after the date of the settlement Agreement until 31 August 2028 shall be unprotected.
2. Provided further, that Bargaining within the Motor Industry, as defined in the Main Collective Agreement, takes place at centralized level. There shall be no two-tier bargaining on any matter of mutual interest.


#### **E. Employee Payslips**

Employee payslips shall reflect the relevant union name instead of union number, this is only applicable to employees affiliated to a party union.

**MISA:**  
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**NUMSA:**  
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**FRA:**  
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## **F. Amendments to Clause 7 – “Termination of Employment”**

The Parties agree to the amendment of the current wording of clause 7.1 B of the Main Collective Agreement by the replacement of the wording in clause 7.1 B (a) with the following:

### **B. All other employees:**

- (a) *Subject to the provisions of any written Agreement between employer and employee stipulating a period in excess of that provided for in this clause, an employer or his employee for whom wages are prescribed in this Agreement, except for employers and employees covered in terms of Division B of this Agreement, who gives notice to terminate a contract of employment shall give not less than one day's notice in the first week of employment and after the first week of employment, not less than one week in the case of weekly-paid employees and two weeks in the case of monthly-paid employees.'*

MISA:  
Hermann Kostens



NUMSA:  
Irvin Jim



FRA:  
Michael Motsoane



RMI:  
Ipeleng Mabusela





THIS DONE AND SIGNED ON THIS 23 DAY OF August 2025 AT  
Randburg.

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FUEL RETAILERS ASSOCIATION (FRA)



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MOTOR INDUSTRY STAFF ASSOCIATION (MISA)



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NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA  
(NUMSA)



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RETAIL MOTOR INDUSTRY ORGANISATION (RMI)

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MOTOR INDUSTRY BARGAINING COUNCIL (MIBCO)