

**MOTOR INDUSTRY BARGAINING COUNCIL
(MIBCO)**

23 August 2025

**Settlement Agreement
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:
Michael Motsoane

RMI:
Ipeleng Mabusela



PREAMBLE AND DEFINITIONS

The Parties agree to the terms contained in this Settlement Agreement ("the Agreement") insofar as they relate to 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 5

A. Wages

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

1.1. **Forecourt Attendants:**

Year 1: 6%

Year 2: 5%

Year 3: 4%

1.2. **Cashiers:**

Year 1: 6%

Year 2: 4%

Year 3: 4%

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1.3. Chars:

Year 1: 6%

Year 2: 4%

Year 3: 4%

Note: The increase will be less the medical insurance allowance of R85.00 year-1, R90.00 year-2 and R95.00 year-3 per month.

2. Wage and salary increases in the case of this Sector 5 Agreement, shall be subject to the Minister of Minerals & Petroleum Resources approving and implementing a retail margin adjustment in order to compensate fuel retailing establishments for such additional wage adjustment(s) during the duration of this agreement.

B. Medical Insurance Allowance:

1. For purposes of offering a primary healthcare benefit in the form of an allowance to the aforementioned employees, a deduction of R85.00 year-1, R90.00 year-2 and R95.00 year-3 per month will be made from the Wages outlined in clause A above.
2. The medical insurance allowance shall reflect on the employee's payslip as an allowance.

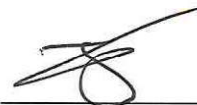
C. Medical Insurance Implementation:

1. It is the intention of the Parties that a Medical Insurance scheme in the form of agreed medical insurance be introduced for the benefit of all employees.
2. The provision of a Medical Insurance benefit is to be introduced in a manner that ensures that all employees have some form of compulsory Medical Insurance to which they are associated.

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3. An employee may exercise his or her right to opt out of the Medical Insurance benefit scheme and shall exercise his or her option to be excluded from this benefit scheme in the prescribed written manner, within 60 days of the date of the commencement of the scheme, or within 60 days of his date of becoming employed within Sector 5, whichever date occurs later. If the election to opt out of the scheme is not made timeously, the employee shall be included in the scheme and shall not be able to opt out later, save for the application of such processes of exemption in the Main Agreement of the Council.
4. The MIBCO administration shall establish administrative processes to manage implementation of the Medical Insurance, similar to those applicable to the administration of the Industry Provident Funds. Such processes shall include provisions for the application for exemption from participating in the Medical Insurance. The criteria and procedures shall be determined by the parties to this Agreement by 31 October 2025.
5. The exemption process shall include exemptions in instances of affordability of an employee or where an employee is a beneficiary of an alternative healthcare scheme or medical insurance.
6. The Parties agree to do the following for purposes of implementing medical insurance:
 - 5.1. Upon signature of this Settlement Agreement, the scope of the agreement with 3One Actuary Consulting (3One) shall be extended to the making of a recommendation of 3 service providers for appointment as the service provider by the Parties.
 - 5.2. 3One shall rank the service providers in terms of their recommended order of preference on the basis of clear criteria and considerations according to the agreed terms.

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- 5.3. One official per Party to MIBCO shall be appointed to serve on the appointment committee to consider the recommendation by 3One and select a service provider, such service provider to be compliant with Legislative requirements and Regulations.
7. Implementation date:
- 7.1. The objective is to implement medical insurance on or before 01 January 2026.
8. MIBCO and the duly appointed service provider shall enter into a service level agreement wherein MIBCO shall charge an administration fee for administering and enforcing compliance with the medical insurance.

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. In the event that the Minister of Minerals & Petroleum Resources implements a retail margin adjustment in relation to wage increases provided for in this Agreement on an earlier date, then such earlier date shall be the date of implementation.

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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.

F. 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.

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G. 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 establishments 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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J. 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.

K. Employee Payslips

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

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L. 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.'*

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

FUEL RETAILERS ASSOCIATION (FRA)



MOTOR INDUSTRY STAFF ASSOCIATION (MISA)



NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA
(NUMSA)



RETAIL MOTOR INDUSTRY ORGANISATION (RMI)

MOTOR INDUSTRY BARGAINING COUNCIL (MIBCO)