

Dated: 26 August 2025

Circular no: 2025/00020

To: ALL PARTICIPANTS IN THE MOTOR INDUSTRY

Notice: UPDATE ON 2025 COLLECTIVE BARGAINING NEGOTIATIONS

The Motor Industry is hereby informed that Parties to the Council have concluded and officially signed two MIBCO Collective Bargaining Negotiation Settlement Agreements on 23 August 2025, namely –

- The Sector 5 Settlement Agreement of 2025; and
- The All Other Sectors Settlement Agreement of 2025

The Settlement Agreements were signed by the Motor Industry Staff Association (MISA), the National Union of Metalworkers of South Africa (NUMSA) and The Retail Motor Industry Organisation (RMI), and will be presented to the MIBCO Council for ratification and sign-off by the President of the Council, after which MIBCO will be enabled to commence with the processes of getting all the Council's Collective Agreements gazetted for implementation. The date for the Special Council Meeting to deal with the ratification will be determined in due course.

Please take note of the following salient matters with regards to the Settlement Agreements:

1. The duration of the Main Collective Agreement shall be:
Year 1: From the date of publication and extension by the Minister of Employment and Labour to 31 August 2026,
Year 2: 01 September 2026 to 31 August 2027, and
Year 3: 01 September 2027 to 31 August 2028.
2. The duration of the Administrative Collective Agreement shall be from the date of publication and extension by the Minister of Employment and Labour to 31 August 2030.
3. The duration of the Autoworkers Provident Fund and Motor Industry Provident Fund Collective Agreements shall be from the date of publication and extension by the Minister of Employment and Labour to 31 August 2030.

4. The wage increases agreed to for the Main Agreement duration and the special provisions contained in the Settlement Agreements are as follows –

- Sector 5 (Fuel Retailers):**

	Forecourt Attendants	Cashiers	Chars
Year-1	6%	6%	6%
Year-2	5%	4%	4%
Year-3	4%	4%	4%

On a current wage model

These wage increases are subject to the Minister of Minerals and Petroleum Resources approving a retail margin adjustment. In the event that the margin adjustment is implemented on a date earlier than the publication date of the Main Collective Agreement by the Minister of Employment and Labour, then such earlier date shall be the date of implementation and ALL employers, whether party or non-party, are then obliged to make the wage adjustments.

Sector 5 Fuel Retail Workers shall have some form of compulsory medical cover, and the objective is for MIBCO to introduce a primary medical insurance option for employees by 01 January 2026. A healthcare allowance has been factored into the wage increases and the following allowance amounts will be paid directly to the employees until a formal medical insurance scheme is introduced:

	Forecourt Attendants	Cashiers	Chars
Year-1	R85.00 per month	R85.00 per month	R85.00 per month
Year-2	R90.00 per month	R90.00 per month	R90.00 per month
Year-3	R95.00 per month	R95.00 per month	R95.00 per month

Refer to the Sector 5 Settlement Agreement for more detail on the health care provision.

- Sector 1, Chapter III (Component Manufacturers):**

Year-1	6%
Year-2	5%
Year-3	5%

on actual rates of pay.

- All other sectors (Excluding Sector 5 and Sector 1, Chapter III):**

Year-1	5%
Year-2	5%
Year-3	5%

on pre-scribed minimum wage.



- **Apprentice/Learner Wages (Across all Sectors):**

Year-1	3%
Year-2	3%
Year-3	3%

on pre-scribed minimum wage.

5. Employers who voluntarily want to implement the proposed increases before publication will be protected by the set-off clause as included in the Settlement Agreements and will not face double increases once the Main Collective Agreement has been published and promulgated by the Minister of Employment and Labour.

For more information, please click [here](#) to view the respective Collective Bargaining Negotiations Settlement Agreements or go onto the MIBCO website: www.mibco.org.za

The MIBCO Team

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