

Dated: 03 OCTOBER 2025

Circular No: 2025/00026

To: SECTOR 5 ESTABLISHMENTS IN THE MOTOR INDUSTRY

Notice: 2025/26 EXPLANATION OF PRESCRIBED WAGES FOR SECTOR 5

Hereto are demonstrations and explanations on how the provisional wage adjustment for Sector 5 employees should be made.

The Sector 5 wage adjustment includes a prescribed minimum wage and a medical insurance allowance that is due to employees.

1. The prescribed minimum wage per week is –

- **R2060.55** for Forecourt attendants;
- **R2038.50** for Cashiers; and
- **R1558.80** for Chars.

These amounts will reflect on the respective employees' payslips if they have worked a full 45 hour week, or will be adjusted down if the employee worked less than a 45-hour week, or adjusted upwards if the employee worked more than a 45-hour week with overtime. These amounts are also used to calculate the Returns for provident fund and NUMSA union fees (if an employee is a NUMSA union member).

2. In addition, a separate 'Medical Insurance Allowance' amount of **R19.62** should appear on the payslip and be paid to the employee. The amount is paid weekly for Forecourt attendants, Cashiers and Chars, regardless of hours worked (it is due even if an employee has not worked at all during the week).

The application, who the service provider will be, exemption processes and much more information will be made available closer to the medical insurance intended implementation date of 01 January 2026.

Refer to the 2 payslips examples below as demonstrations of what a typical payslip should look like:



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Example1: The payslip below is related to a forecourt attendant who worked full 45-hour week straight:

Demo Company		Pay Date 2025/03/06		 Good to Great Together	
Employee	Cheslin Demo (Cheslin)	Employee Code	001	Pay Method	Cash
Job title		Identity Number			
Address		Employed from	2013/01/16		
		Rate per hour	45,79000		
Earnings	Units	Amount	Deductions	Opening balance	Amount
Wage	45,00	2 060,55	Tax		15,17
Med Insurance Allowance		19,62	Unemployment insurance fund		22,45
			Provident		154,54
			Council Levy		12,56
			NUMSA		20,61
Total earnings		2 080,17	Total deductions		225,33
			Nett pay		1 854,84
Company Contributions		Amount	YTD Totals		Amount
Unemployment insurance fund		22,45	Taxable earnings		2 080,17
Skills development levy		19,26	Taxable company contributions		0,00
Provident		164,84	Taxable fringe benefits		164,84
Fringe Benefits		Amount	Provision for tax on annual bonus		0,00
Provident – Defined Contribution		164,84	Tax paid		15,17
Leave Type					Closing Balance
Annual Leave					18,7500



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Example 2: The payslip below is related to a forecourt attendant who worked full 45-hour week including overtime:

Demo Company		Pay Date 2025/03/06		 Good to Great Together	
Employee	Duane Demo (Duane)	Employee Code	002	Pay Method	Cash
Job title		Identity Number			
Address		Employed from	2010/07/01		
		Rate per hour	45,79000		
Earnings	Units	Amount	Deductions	Opening balance	Amount
Wage		2 060,55	Tax		180,02
Overtime 1.5	8,00	549,48	Unemployment insurance fund		31,61
Overtime 2.0	4,00	366,32	Provident		154,54
Med Insurance Allowance		19,62	Council Levy		3,71
			MISA Bronze		23,75
Total earnings		2 995,97	Total deductions		393,63
			Nett pay		2 602,34
Company Contributions		Amount	YTD Totals		Amount
Unemployment insurance fund		31,61	Taxable earnings		2 995,97
Skills development levy		28,41	Taxable company contributions		0,00
Provident		164,84	Taxable fringe benefits		164,84
Fringe Benefits		Amount	Provision for tax on annual bonus		0,00
Provident – Defined Contribution		164,84	Tax paid		180,02
Leave Type				Closing Balance	
Annual Leave					11,2500

The MIBCO Team

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