

DATED: **13 DECEMBER 2025**

Circular No: **2025/00036**

To: **ALL PARTICIPANTS IN THE MOTOR INDUSTRY**

Notice: **PUBLICATION OF ENACTED MIBCO COLLECTIVE AGREEMENTS AND
WAGE SCHEDULES FOR THE PERIOD 22 DECEMBER 2025 TO 31
AUGUST 2026**

We are pleased to advise that the following MIBCO Collective Agreements have been enacted and published with an extension to non-parties of the Motor Industry, namely, the –

- Administrative Collective Agreement, Gazette 53822 of 12 December 2025, Notice no. R.6924 (Page 14 of Gazette 53822); and
- Main Collective Agreement, Gazette 53822 of 22 December 2025, Notice no. R.6927 (Page 107 of Gazette 53822).

Note: The above gazetted Agreements have been replicated and are made available on the MIBCO website for ease of reference. The Replica Agreements can be viewed or obtained from www.mibco.org.za.

The Agreements inter alia deal with the new wage dispensation, flowing from the 2025 Collective Bargaining Negotiations, will become effective on Monday 22 December 2025 and shall remain in place for the period up to –

- 31 August 2030 for the Administrative Collective Agreement; and
- 31 August 2028 for the Main Collective Agreement

TAKE NOTE OF THE FOLLOWING:

1. GENERAL:

- 1.1. All previous Agreements and subsequent extensions have been repealed by virtue of the Agreements referred to above coming into effect.
- 1.2. Go to www.mibco.org.za → Collective Agreements Tab or click **here** to view or download the MIBCO Collective Agreements and the Sick, Accident and Maternity Fund (SAMF) Agreement.

2. FUNDAMENTAL AGREEMENT AMENDMENTS:

- 2.1. In terms of Government Gazette 52232 of 07 March 2025, Notice R.5970, as of 22 December 2025, the wage earnings threshold is R261 748,45 per annum. Employees whose earnings are equivalent or less than the new threshold are required to belong to the Autoworkers Provident Fund (AWPF) or Motor Industry Provident Fund (MIPF), unless those employees have a provident fund exemption to belong to an alternative retirement fund.
- 2.2. All employees are required to register with the Council and pay MIBCO levies, regardless of their income of earnings. The MIBCO levy amount is currently **R3.71 per week (per employee and per employer for every employee)**.
- 2.3. 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 February 2026, or as soon as reasonably possible:
 - (a) A healthcare allowance has been factored into the wage increases, which are reflected in the wage schedules herein.
 - (b) The healthcare allowance must be paid to the employees as part of their wages or salary and not be paid over to MIBCO as a Return contribution.
 - (c) The regulatory provisions of medical insurance is addressed in the new Clause 15 of the Administrative Collective Agreement, which will be supported by medical insurance rules on implementation.
- 2.4. The Sick, Accident and Maternity Fund (SAMF) Agreement and Rules have been updated. The SAMF contributions will still be made as a MIBCO Return, but the administrative processes for SAMF benefit claims have been revised and are as contained in the Agreement.

3. EXEMPTIONS:

New applications or re-applications to extend exemptions shall be done for –



3.1. Actual and/or Guaranteed Wage Exemption Applications:

Applications must be submitted to MIBCO Regional Councils for consideration. Employers requiring national exemptions for 'groups of companies' should make their submissions to the Regional Council where the head office of those companies is located. Individual employers wishing to apply for an exemption to pay a lesser actual or a guaranteed wage increase or to be exempted from paying such, must do so by completing the Wage Exemption Application Form which is obtainable from:

- their local MIBCO Regional Office,
- from the MIBCO website www.mibco.org.za, or
- by clicking [here](#).

Such applications must be submitted by no later than 21 days from date of this circular or no later than 21 January 2026 to the local MIBCO Regional Office either by hand delivery, registered mail, facsimile or E-mail in the prescribed format with relevant supporting documentation as outlined in the Wage Exemption Application Form.

Note: Due to the late publication of Gazette 53822, the Council has granted discretionary exemption for the period by which to submit Actual and Guaranteed Wage Exemption Applications.

3.2. Additional Holiday Pay and Holiday Bonus Exemption Applications:

Applications must be submitted to the MIBCO Regional Councils for consideration within 30-days from this notice, or no later than 30 January 2026.

Note: Due to the late publication of Gazette 53822, the Council has granted discretionary exemption for the period by which to submit Additional Holiday Pay and Holiday Bonus exemption applications.

3.3. Provident Fund Exemption applications:

Applications must be submitted to the MIBCO Regional Councils for consideration within 30 days of such exemptions expiring.

For further assistance please contact your local MIBCO Regional Office as per the contact details in **Annexure A** attached hereto or refer to Circular 31 or 2025 on the MIBCO website, with regards to the processes and information that is required to apply for provident fund exemptions.

3.4. Other Exemptions:

All other non-monetary exemptions will be extended administratively by MIBCO. Those will be effective from Monday 22 December 2025 up to 31 August 2030 for exemptions related to the Administrative Collective Agreement and up to 31 August 2028 for exemptions related to the Main Collective Agreement.

4. WAGES:

4.1. The Department of Petroleum and Energy Resources implemented a fuel margin adjustment effective from 01 October 2025, which means that all Sector-5 employers would have already been receiving the increases on every litre of petrol sold from the said date. Employers were therefore encouraged to make the wage adjustments even though Sector-5 increases have not been gazetted by the Department of Employment and Labour (DEL) and could therefore not be regulated by MIBCO. As with all other Sectors, so too will Sector 5 wages be regulated by MIBCO as of 22 December 2025.

4.2. **NOTE:** The MIBCO Returns system does not automatically adjust the rates on the forecasts according to the minimum wages. Employers are reminded to update their Returns Online or submit their new wages to the MIBCO Returns Department to make adjustments.

4.3. **ALLOWANCE RATES THAT APPEAR THROUGHOUT THE MAIN AGREEMENT FOR THE PERIOD 22 DECEMBER 2025 TO 31 AUGUST 2028:**

• Standby Allowance	R94.10
• Call-out Allowance	R100.82
• Tool Allowance per week:	R34.39
• Tool Allowance:	
ASP (Apprentice Spray Painter) -	R0.85
Maximum allowance over 3-year period -	R5 158.87
• Travelling Allowance:	
▪ All other employees:	
Per night not at home	R75.97
Per night S&T	R141.84

▪ Chapter 3 employees:	
Per night not at home	R76.69
Per night S&T	R143.10
• Watchman search allowance	
▪ All other establishments	R5.85
▪ Chapter III establishments	R5.90
• Setting Bonus (Chapter II and V)	R5.85
• Vernier / micrometer ((Chapter III))	R16.28
• Tape / Ruler / square	R10.85
• Operative supervisor (Chapter V)	R11.69
• Additional Holiday Bonus (Excluding Chapter III):	
With a maximum annual payment of -	R6 664.01
• Additional Holiday Pay Rates per week:	
▪ All Other Establishments:	
Grade 7 (per week)	R116.66
Grade 8 (per week)	R133.34
▪ Chapter III Establishments:	
Grade 7 (per week)	R117.77
Grade 8 (per week)	R134.61
Apprentice first year (3 and 4 year contract)	R65.82
Apprentice year-2 (4 year contract)	R72.17
Apprentice year-2 (3 year contract)	R73.49
Apprentice year-3 (4 year contract)	R81.55
Apprentice year last year (3 and 4 year contract)	R100.24

4.4. WAGE TABLES FROM 22 DECEMBER 2025 UP TO 31 AUGUST 2028:

PRESCRIBED MINIMUM & GUARANTEED WAGE SCHEDULE : 22 December 2025 to 31 Aug 2026						
Employee Class	Minimum Wages		Minimum Wages		Guaranteed Increases	
	Sectors 1,2,3,4,5 & 7		Sector 6 only		Sectors 1,2,3,4,5 & 7	
	PW	PM	PW	PM	PW	PM
a) Office, stores sales and Clerical employee- during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	1708.83 1949.82 2245.55 2607.05	7404.93 8449.22 9730.72 11297.22	1744.05 1986.88 2289.96 2654.42	7557.55 8609.81 9923.16 11502.49	81.37 92.85 106.93 124.15	352.6 402.35 463.36 537.98
b) Motor vehicle sales person- during 1st year of experience thereafter	2061.8 2658.29	8934.47 11519.26	2061.8 2658.64	8934.47 11520.77	98.18 126.59	425.45 548.56
c) Bookkeeper	3351.88	14524.81	3380.92	14650.65	159.61	691.64
d) Accountant	5702.1	24709.1	5777.48	25035.75	271.53	1176.63
e) Parts salesperson - during 1st year of experience thereafter	2149.05 2639.9	9312.55 11439.57	2157.91 2639.9	9350.94 11439.57	102.34 125.71	443.47 544.74
f) Traveller - during 1st year of experience thereafter	2157.91 2639.9	9350.94 11439.57	2157.91 2639.9	9350.94 11439.57	102.76 125.71	445.29 544.74
g) Supply sales person - during 1st year of experience during 2nd year of experience during 3rd year of experience thereafter	2157.91 2471.78 2770.76 2973.53	9350.94 10711.05 12006.63 12885.3	2157.91 2472.32 2770.76 2973.53	9350.94 10713.39 12006.63 12885.3	102.76 117.7 131.94 141.6	445.29 510.03 571.74 613.6
h) Part-time employees	*	*	*	*	*	*

* One eleventh of the minimum weekly wage as prescribed for clerical employees in (a) hereof, for ordinary time worked on each day on any one week, or one forty-fifth of such prescribed minimum weekly wage for each hour or part of an hour of ordinary time worked in any one week, whichever is the greater.

PRESCRIBED MINIMUM & GUARANTEED WAGE SCHEDULE : 22 December 2025 to 31 Aug 2026																		
DIVISION C & D, Wages/Apprentices/Learners/Operative Provisions & Bonusses			Minimum Wages		Guaranteed Increases		Apprentices/Learners (All Chapters)											
Employee Class	Sector	Chapter	PW	PH	PW	PH	PW	PH										
Grade 1							3 Year Trade											
Forecourt Attendant	5	1	2060.55	45.79	98.1	2.18	First Year	2012.85	44.73									
Char	5	1	1558.8	34.64	69.75	1.55	Second Year	2496.15	55.47									
Parking Garage Attendant	4;7	1	1360.35	30.23	64.8	1.44	Third Year	3068.1	68.18									
Grade 1	1;2;3;4;7	1;2;4;5	1360.35	30.23	64.8	1.44	4 Year Trade											
Grade 1	6	1	1412.1	31.38			First Year	2012.85	44.73									
Grade 1	1	3	1539	34.2			Second Year	2207.7	49.06									
Grade 2							Third Year	2496.15	55.47									
Cashier	5		2038.5	45.3	96.75	2.15	Fourth Year	3068.1	68.18									
Grade 2	1;2;3;4;5;7	1;2;4;5	1810.35	40.23	86.4	1.92	NQF Learnership											
Grade 2	6	1	1892.7	42.06			Level 1	2012.85	44.73									
Grade 2	1	3	2026.35	45.03			Level 2	2207.7	49.06									
Grade 3	1;2;3;4;5;7	1;2;4;5	1959.75	43.55	93.15	2.07	Level 3	2496.15	55.47									
Grade 3	6	1	2031.75	45.15			Level 4	3068.1	68.18									
Grade 3	1	3	2191.95	48.71			CBMT											
Grade 4	2;3;4;7	1;4;5	2140.65	47.57	102.15	2.27	Level 1	1919.25	42.65									
Grade 4	6	1	2218.5	49.3			Level 2	2397.15	53.27									
Grade 4	1	3	2394	53.2			Level 3	2881.8	64.04									
Grade 5	1;2;3;4;7	1;2;4;5	2386.8	53.04	113.85	2.53	Level 4	3354.3	74.54									
Grade 5	6	1	2460.15	54.67														
Grade 5	1	3	2670.3	59.34														
Grade 6	1;2;3;4;7	1;2;4;5	2866.5	63.7	136.35	3.03												
Grade 6	6	1	2929.5	65.1														
Grade 6	1	3	3204.45	71.21														
Grade 7	1;2;3;4;7	1;2;4;5	3570.75	79.35	170.1	3.78												
Grade 7	6	1	3613.05	80.29														
Grade 8	1;2;3;4;7	1;2;4;5	4081.95	90.71	194.4	4.32												
Grade 8	6	1	4127.85	91.73														
Grade 8	1	3	4565.7	101.46														
Watchman	1;2;3;4;5;7	1;2;4;5	1649.15	*	78.53	*												
Watchman	6	1	1708.17	*														
Watchman	1	3	1811.53	*														
Provisions for Operatives	Sector	Chapter	PW	PH	PW	PH	Bonuses											
Operative Engine Assembler							Setting Bonus(Chapter2;5)	5.85										
1st 18 Months Experience	3	4	2386.8	53.04	113.85	2.53	Measuring Instrument(Chapter3)											
thereafter	3	4	3570.75	79.35	170.1	3.78	Vernier/micrometer	16.28										
Operative Grade A							Tape/rule/square/sets	10.85										
1st 18 Months Experience	3	4	2386.8	53.04	113.85	2.53	Measuring Bonus(Chapter5)	11.69										
thereafter	3	4	2866.5	63.7	136.35	3.03												
Operative Grade B																		
1st 6 Months Experience	3	4	1959.75	43.55	93.15	2.07												
thereafter	3	4	2140.65	47.57	102.15	2.27												
Notes:																		
The medical insurance allowance for Forecourt Attendants, Cashiers and Chars is R0.44 per hour (R19.62 per week)																		
Sector 1 - Chapter 3 : 6.00% wage and salary increase on actual rates of pay across the board (Excluding Apprentices)																		



ANNEXURE A: (LIST AND DETAILS OF MIBCO REGIONAL OFFICES):

<p>EASTERN CAPE REGION P.O. BOX 7270 PORT ELIZABETH 6055 TEL: (041) 393-3600 Enquiries: Mr L. Palmer <u>Mibco.EC@mibco.org.za</u></p>	<p>KWA-ZULU NATAL REGION P.O. BOX 10230 ASHWOOD 3605 TEL: (031) 274 0644 Enquiries: Mr N. Soobramoney <u>Mibco.KZN@mibco.org.za</u></p>
<p>FREE STATE / NORTHERN CAPE REGION P.O.BOX 910 BLOEMFONTEIN 9300 TEL: (051) 409-4000 Enquiries: Ms B. Stalenberg <u>Mibco.FSNC@mibco.org.za</u></p>	<p>HIGHVELD REGION P.O.BOX 2578 RANDBURG 2125 TEL: (011) 369-7750 Enquiries: Ms N. Monama <u>highveldregion@mibco.org.za</u></p>
<p>NORTHERN REGION P.O.BOX 13970 HATFIELD 0028 TEL: (012) 362-4801 Enquiries: Mr N. Sotsaka <u>Mibco.NR@mibco.org.za</u></p>	<p>WESTERN PROVINCE REGION P.O.BOX 17 BELLVILLE 7535 TEL: (021) 941-7300 Enquiries: Mr B. Jacobs <u>Mibco.WP@mibco.org.za</u></p>

The MIBCO Team

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