



**DATE:** 09 July 2021  
**TO:** ALL PARTICIPANTS IN THE MOTOR INDUSTRY  
**NOTICE:** 2021/2022 PRESCRIBED MINIMUM & GUARANTEED WAGE INCREASES

The new minimum wage rates and guaranteed wage increases published herein are based the MIBCO Main Collective Agreement (Main Agreement), Gazette 44289 of 18 March 2021, Notice no.R.220. These wage rates will become effective on Wednesday **01 September 2021** and shall remain in place for the period up to **31 August 2022**.

**Please take note of the following regarding the 2021/2022 wage adjustments:**

**1. GENERAL:**

1.1. The Main Agreement is on the MIBCO website and can be accessed by going to [www.mibco.org](http://www.mibco.org) → *Collective Agreements* → *Main Agreement* → *Main Agreement -18 March 2021*,

or

by clicking [here](#) to go directly to the document

1.2. The wage tables for the period 01 September 2021 to 31 August 2022 have been inserted herein as a quick reference or it be accessed on the MIBCO website and can be accessed by going to [www.mibco.org](http://www.mibco.org) → *Communications* → *MIBCO Bulletins* → *Minimum Wage forecast Division B or Minimum Wage forecast Division C*,

or

by clicking [here](#) to go directly to the Minimum Wage forecast Division B table and/or clicking [here](#) to go directly to the Minimum Wage forecast Division C wages tables.

1.3. MIBCO will not adjust wages without an official written mandate from the employer. Employers who make use of MIBCO Online Returns application can make wage adjustments on their own.

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## 2. ACTUAL / GUARANTEED WAGE EXEMPTION APPLICATIONS:

- 1.1. 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 a **Wage Exemption Application Form** which is obtainable from their local MIBCO Regional Office, or on the MIBCO website; [www.mibco.org.za](http://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 **Friday 30 July 2021** 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.
- 1.2. For further assistance please contact your local MIBCO Regional Office as per the contact detail in **Annexure A** attached hereto.

## 3. ALLOWANCE RATES THAT APPEAR THROUGHOUT THE MAIN AGREEMENT FOR THE PERIOD 01 SEPTEMBER 2021 TO 31 AUGUST 2022:

▪ Standby Allowance	R 89,62
▪ Call-out Allowance	R 96,02
▪ Tool Allowance	R 33,39
▪ Tool Allowance:	
ASP -	R 0,83
Maximum allowance over 3 year period -	R 5 008,61
▪ Travel Allowance:	
Per night not at home	R 72,35
Per night S&T	R 150,26
▪ Watchman search allowance	R 5,57
▪ Setting Bonus	R 5,57
▪ Vernier / micrometer	R 15,36
▪ Tape / Ruler / square	R 10,24
▪ Operative supervisor Chapter-5	R 11,13
▪ Additional Holiday Pay Rates:	
Grade 7	R 94,62
Grade 8	R 108,15
Apprentice first year (3 and 4 year contract)	R 54,42

Apprentice year-2 (4 year contract)	R 59,67
Apprentice year-2 (3 year contract)	R 60,76
Apprentice year-3 (4 year contract)	R 67,43
Apprentice year last year (3 and 4 year contract)	R 82,89

**4. PRESCRIBED MINIMUM & GUARANTEED WAGE INCREASES FROM 01 SEPTEMBER 2021 TO 31 AUGUST 2022:**

The new minimum wage rates and guaranteed wage increases for the said period shall be payable to employees in the Motor Industry:

**4.1. Industry Chapter Classification - Clause 2: Definitions -**

**Chapter I establishment:** Means an establishment which is not registered under Chapter II, III, IV or V of Division C of the Agreement.

**Chapter II establishment:** Means a vehicle body building establishment registered as such in terms of Chapter II of Division C of the Agreement.

**Chapter III establishment:** Means a component manufacturing establishment, registered as such in terms of Chapter III of Division C of the Agreement.

**Chapter IV establishment:** Means an automotive engineering establishment, registered as such in terms of Chapter IV of Division C of the Agreement.

**Chapter V establishment:** Means a component reconditioning establishment, registered as such in terms of Chapter V of Division C of the Agreement.

#### **4.2. Industry Sector Classification - Clause 2: Definitions -**

**Sector 1:** Means manufacturing establishments i.e. vehicle body builders; trailers and caravan manufacturing and warranty repairs; vehicle components and accessories, fibreglass component manufacturing; repairs and sales.

**Sector 2:** Means re-manufacturing (production) establishments i.e. component re-manufacturing; brake, clutch and radiator re-manufacturing; drivetrain re-manufacturing and steering re-manufacturing.

**Sector 3:** Means re-conditioning establishments i.e. automotive engineering; fuel injection/diesel pumps; gearbox/transmission; turbochargers and spring-smiths.

**Sector 4:** Means service and repair establishments i.e. motorcycle sales and repairs; battery sales and repairs; tyre sales, repairs and wheel alignment; tyre re-treading; exhaust, tow-bar and shock-absorber fitting; radio, alarm and immobilizer fitting; sunroof fitting; air-conditioning fitting; body repairs; upholstery and motor trimming; auto electrical repairs; auto valet and steam cleaning; prop-shafts and CV joints repairs; motor plastic component repairs; glass fitting; carburettor sales and repairs; drive train fitting and repairs; steering fitters and repairs; motor vehicles bus, truck and tractor repairs.

**Sector 5:** Means fuel dealers, service stations and related establishments.

**Sector 6:** Means dealer sales and distribution establishments i.e. used motor vehicle, bus, truck and tractor sales and repairs; franchised motor vehicle, bus, truck, tractor, and parts sales and repairs; caravan sales and repairs and agricultural equipment sales and repairs.

**Sector 7:** Means “automotive parts, accessories, equipment and tool” establishments i.e. motor parts, accessories, equipment and tools; auto-breakers and used parts dealers.

#### **4.3. Industry Divisional Classification -**

**Division A:** Covers generic Conditions of Employment which are applicable to the motor industry other than those conditions which are specifically applicable to office, sales and clerical employees and contains definitions and grades of the various employees.

**Division B:** Covers all wages and conditions of employment which are applicable to office, stores, sales and clerical employees (Clerical employees include Cashiers, except Sector 5).

**Division C:** Contains minimum wages for all employees excluding office, stores, sales and clerical employees.

**Division D:** Covers specific issues that are unique to sectors.

#### **4.4. Job Grade Categories -**

**Grade 1:** Char, forecourt attendant; parking garage attendant.

**Grade 2:** Driver of motorcycle or scooter, general operative, general worker, Grade D employee; Cashier Sector 5; vulcaniser's operative without wheel balancing.

**Grade 3:** Battery repairer, chopper out; driver of motor vehicles with gross mass of up to 3 500kg including forklifts and tractors; new motor vehicle, motor cycle and tricycle assembler; operative gearbox dismantler; operative Grade 1; operative Grade C, scooter worker.

**Grade 4:** Cutter; operative exhaust fitter; operative Grade 2; operative Grade 3; operative Grade AR; operative Grade B, operative Grade BR, operative sunroof fitter; operative upholsterer; operative wheel balancer, pattern cutter maker; supervisor Grade 3 vulcaniser's operative with wheel balancing.

**Grade 5:** Armature winder; auto electrician's assistant; body shop assistant; brake drum skimmer; clutch cover assembly setter; diesel pump room assistant; driver of motor vehicle with a gross mass over 3 500kg; motor cycle mechanic's assistant, operative air-conditioner fitter; operative

Grade 4; operative Grade 5, operative Grade BV; operative Grade CR; operative Grade CV; operative Grade DV; operative radio/alarm fitter; operative supervisor quality controller; radiator repairer; repair shop assistant; seaming machinist; supervisor; supervisor Grade 4, Fitters without making final electrical connections.

**Grade 6:** Clutch and brake operative; machine setter; operative Grade A; senior quality controller; supervisor, Grade 5 wheel alignment worker.

**Grade 7:** B/A journeyman, exempted journeyman; operative engine assembler; suspension fitters; fitters making final electrical connections.

**Grade 8:** Journeyman, service supply salesman.

**Apprentices:** Employee serving under a written contract of apprenticeship registered or deemed to have been registered under the Skills Development Act 97 of 1988 as amended, and includes a minor employed on probation in terms of that Act as well as a learner in terms of Chapter IV of the Skills Development Act 97 of 1998 as amended.

#### **4.5. Other important wage related matters:**

- Employees who earn wages/salaries (gross before overtime allowance and bonuses) below the wage threshold of R211 596.30 per annum are legally entitled to the increase according to the Wage Tables attached. Wage increases for employees earning above the specified threshold are at the discretion of employer.
- The implementation Sector 5 wage increases will be confirmed by the Department of Minerals and Energy Resources (DMER) and come into effect on a date pronounced in a separate circular.

Refer to **Annexure B** for the Prescribed Minimum & Guaranteed Wage increases.

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

<p><b>EASTERN CAPE REGION</b> P.O. BOX 7270 PORT ELIZABETH 6055 TEL: (041) 393-3600 Enquiries: Mr L. Palmer <a href="mailto:Leslie.Palmer@mibco.org.za">Leslie.Palmer@mibco.org.za</a></p>	<p><b>KWA-ZULU NATAL REGION</b> P.O. BOX 10230 ASHWOOD 3605 TEL: (031) 274 0644 Enquiries: Mr S. Nyuswa <a href="mailto:Sphelele.Nyuswa@mibco.org.za">Sphelele.Nyuswa@mibco.org.za</a></p>
<p><b>FREE STATE / N.CAPE REGION</b> P.O.BOX 910 BLOEMFONTEIN 9300 TEL: (051) 409-4000 Enquiries: Mr L. Palmer <a href="mailto:Leslie.Palmer@mibco.org.za">Leslie.Palmer@mibco.org.za</a></p>	<p><b>HIGHVELD REGION</b> P.O.BOX 2578 RANDBURG 2125 TEL: (011) 369-7750 Enquiries: Mr P. Masemola <a href="mailto:Paulos.Masemola@mibco.org.za">Paulos.Masemola@mibco.org.za</a></p>
<p><b>NORTHERN REGION</b> P.O.BOX 13970 HATFIELD 0028 TEL: (012) 362-4801 Enquiries: Mr J. Naude <a href="mailto:Johan.Naude@mibco.org.za">Johan.Naude@mibco.org.za</a></p>	<p><b>WESTERN PROVINCE REGION</b> P.O.BOX 17 BELLVILLE 7535 TEL: (021) 941-7300 Enquiries: Mr G. Basson <a href="mailto:Gerrie.Basson@mibco.org.za">Gerrie.Basson@mibco.org.za</a></p>

**Regional Offices can also be contacted on the MIBCO National Call Centre Number:  
0861 664 226**

**ANNEXURE B: (PRESCRIBED MINIMUM & GUARANTEED WAGES INCREASES)**

<b>DIVISION B &amp; D - CLAUSE 2 (WAGES) - ALL CHAPTERS &amp; SECTORS</b>										
<b>WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2021 - 31 AUGUST 2022</b>										
Class of employee	SECTORS 1,2,3,4,5 & 7				SECTOR 6 ONLY				SECTORS 1(ch 2),2,3,4,5,& 7	
	Minimum Wages				Minimum Wages				GUARANTEED INCREASES	
	Area A		Other Areas		Area A		Other Areas		PW	PM
	P W	P M	P W	P M	P W	P M	P W	P M		
(a) Office, stores sales and Clerical employee-	R	R	R	R	R	R	R	R	R	R
during 1st year of experience	1 386.06	6 006.26	1 386.06	6 006.26	1 414.62	6 130.02	1 414.62	6 130.02	72.26	313.13
during 2nd year of experience	1 581.52	6 853.25	1 581.52	6 853.25	1 611.59	6 983.56	1 611.59	6 983.56	82.45	357.28
during 3rd year of experience	1 821.40	7 892.73	1 821.40	7 892.73	1 857.42	8 048.82	1 857.42	8 048.82	94.95	411.45
thereafter	2 114.62	9 163.35	2 114.62	9 163.35	2 153.04	9 329.84	2 153.04	9 329.84	110.24	477.71
(b) Motor vehicle sales person-										
During 1st year of experience	1 672.36	7 246.89	1 672.36	7 246.89	1 672.36	7 246.89	1 672.36	7 246.89	87.18	377.78
thereafter.	2 156.17	9 343.40	2 156.17	9 343.40	2 156.47	9 344.70	2 156.47	9 344.70	112.41	487.11
(c) Bookkeeper	2 718.77	11 781.34	2 718.77	11 781.34	2 742.31	11 883.34	2 742.31	11 883.34	141.74	614.21
(d) Accountant	4 625.06	20 041.93	4 625.06	20 041.93	4 686.20	20 306.87	4 686.20	20 306.87	241.12	1 044.85
(e) Parts salesperson -										
During 1st year of experience	1 743.13	7 553.56	1 743.13	7 553.56	1 750.32	7 584.72	1 750.32	7 584.72	90.87	393.77
thereafter	2 141.27	9 278.84	2 141.27	9 278.84	2 141.27	9 278.84	2 141.27	9 278.84	111.63	483.73
Class of Employee	All Areas				All Areas				All Areas	
	P W		P M		P W		P M		P W	P M
(f) Traveller -										
during 1st year of experience	1 750.32	7 584.72	1 750.32	7 584.72	1 750.32	7 584.72	1 750.32	7 584.72	91.25	395.42
thereafter	2 141.27	9 278.84	2 141.27	9 278.84	2 141.27	9 278.84	2 141.27	9 278.84	111.63	483.73
(g) Supply sales person -										
during 1st year of experience	1 750.32	7 584.72	1 750.32	7 584.72	1 750.32	7 584.72	1 750.32	7 584.72	91.25	395.42
during 2nd year of experience	2 004.90	8 687.90	2 005.34	8 689.81	2 005.34	8 689.81	2 005.34	8 689.81	104.52	452.92
during 3rd year of experience	2 247.41	9 738.78	2 247.41	9 738.78	2 247.41	9 738.78	2 247.41	9 738.78	117.16	507.69
thereafter	2 411.88	10 451.48	2 411.88	10 451.48	2 411.88	10 451.48	2 411.88	10 451.48	125.74	544.87
(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.



**DIVISION C, CHAPTER 1 - CLAUSE 2 - WAGES**  
**WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2021 - 31 AUGUST 2022**

Class of employee	CHAPTER 1				CHAPTER 1				CHAPTER 1		
	SECTOR 4,5 & 7 ONLY				SECTOR 6 ONLY				Guaranteed Increases +		
	Area A		Other Areas		Area A		Other Areas		All Areas		
	P W	P H	P W	P H	P W	P H	P W	P H	P W	P H	
Grade 1											
Forecourt Attendant	1 624.50	36.10	1 624.50	36.10					106.20	2.36	
Parking Garage Attendant	1 039.50	23.10	1 039.50	23.10					54.00	1.20	
Cashier	1 709.55	37.99	1 709.55	37.99					112.05	2.49	
Char (Sector 5)*	1 286.10	28.58	1 286.10	28.58					84.15	1.87	
Char	1 093.50	24.30	1 093.50	24.30	1 145.70	25.46	1 145.70	25.46	57.15	1.27	
Grade 2	1 468.35	32.63	1 468.35	32.63	1 534.95	34.11	1 534.95	34.11	76.50	1.70	
Grade 3	1 589.40	35.32	1 589.40	35.32	1 647.90	36.62	1 647.90	36.62	82.80	1.84	
Grade 4	1 736.10	38.58	1 736.10	38.58	1 799.10	39.98	1 799.10	39.98	90.45	2.01	
Grade 5	1 935.45	43.01	1 935.45	43.01	1 995.75	44.35	1 995.75	44.35	100.80	2.24	
Grade 6	2 325.15	51.67	2 325.15	51.67	2 376.45	52.81	2 376.45	52.81	121.05	2.69	
Class of Employees	All Areas				All Areas				All Areas		
	P W		P H		P W		P H		P W	P H	
Grade 7	2 896.20		64.36		2 930.85		65.13		151.20	3.36	
Grade 8	3 311.10		73.58		3 348.00		74.40		172.80	3.84	
Watchman	1 337.65		no hourly rate		1 385.52		no hourly rate		69.74	no hourly rate	
APPRENTICES	ALL AREAS				LEARNERS	ALL AREAS				+ Not Applicable to	
	ALL CHAPTERS					ALL CHAPTERS				Sector 6 Establishments	
						NQF LEARNERSHIPS				CBMT	
3 YEAR TRADE	P W		P H			PW		PH		P W	P H
First year	1 664.55		36.99		Level 1	1 664.55		36.99		1 587.15	35.27
Second year	2 064.15		45.87		Level 2	1 825.20		40.56		1 982.25	44.05
Third year	2 537.10		56.38		Level 3	2 064.15		45.87		2 382.75	52.95
					Level 4	2 537.10		56.38		2 773.35	61.63
4 YEAR TRADE						*Guaranteed increases as prescribed for Chars in Sector 5 only.					
First year	1 664.55		36.99		Sector 5 wages increases are subject to the profit margin adjustment to be determined by Department of Minerals and Energy.						
Second year	1 825.20		40.56								
Third year	2 064.15		45.87								
Fourth year	2 537.10		56.38								

**DIVISION C, CHAPTER II - V : CLAUSE 2 - WAGES**

**WAGE SCHEDULE : MINIMUM WAGES - 1 SEPTEMBER 2021 - 31 AUGUST 2022**

Class of Employee	CHAPTER 2		CHAPTER 3*		CHAPTER 4				CHAPTER 5		APPRENTICES/LEARNERS			
	SECTOR 1		SECTOR 1		SECTOR 3				SECTOR 2		ALL CHAPTERS			
	All Areas		All Areas		Area A		Other Areas		All Areas		All Areas			
	PW	PH	PW	PH	PW	PH	PW	PH	PW	PH		PW	PH	
Grade 1	R	R	R	R	R	R	R	R	R	R	3 Year Trade			
	1 093.50	24.30	1 201.95	26.71	1 093.50	24.30	1 093.50	24.30	1 093.50	24.30	First Year	1 664.55	36.99	
Grade 2	1 468.35	32.63	1 582.65	35.17	1 468.35	32.63	1 468.35	32.63	1 468.35	32.63	Second Year	2 064.15	45.87	
Grade 3	1 589.40	35.32	1 712.25	38.05	1 589.40	35.32	1 589.40	35.32	1 589.40	35.32	Third year	2 537.10	56.38	
Grade 4			1 869.75	41.55	1 736.10	38.58	1 736.10	38.58	1 736.10	38.58	4 Year Trade			
Grade 5	1 935.45	43.01	2 085.30	46.34	1 935.45	43.01	1 935.45	43.01	1 935.45	43.01	First Year	1 664.55	36.99	
Grade 6	2 325.15	51.67	2 502.90	55.62	2 325.15	51.67	2 325.15	51.67	2 325.15	51.67	Second Year	1 825.20	40.56	
Class of Employee	All Areas		All Areas		All Areas				All Areas		All Areas			
	PW	PH	PW	PH	PW	PH	PW	PH	PW	PH	Third Year	2 064.15	45.87	
Grade 7	2 896.20	64.36			2 896.20	64.36		64.36	2 896.20	64.36	NQF Learnership			
Grade 8	3 311.10	73.58	3 566.25	79.25	3 311.10	73.58		73.58	3 311.10	73.58	Level 1	1 664.55	36.99	
Watchman	1 337.65	no hourly rate	1 414.87	no hourly rate	1 337.65	no hourly rate		no hourly rate	1 337.65	no hourly rate	Level 2	1 825.20	40.56	
											Level 3	2 064.15	45.87	
											Level 4	2 537.10	56.38	
CHAPTER 2 SETTING BONUS						Provisions for Chapter 4 Operatives				GUARANTEED INCREASE		CBMT		
	PW					MINIMUM		PW	PH	PW	PH	Level 1	1 587.15	35.27
Setting bonus	5.00					1. Op. Engine Assembler						Level 2	1 982.25	44.05
MEASURING INSTRUMENT BONUS						1st 18 Months Experience		1 935.45	43.01	100.80	2.24	Level 3	2 382.75	52.95
CHAPTER 3						Thereafter		2 896.20	64.36	151.20	3.36	Level 4	2 773.35	61.63
Vernier/micrometer	13.80					2. Operative Grade A						* 7% Increase on actual earnings with effect from 1 September 2021 for Chapter 3 Establishments		
Tape/rule/square/sets	9.20					1st 12 Months Experience		1 935.45	43.01	100.80	2.24			
						Thereafter		2 325.15	51.67	121.05	2.69			
						3. Operative Grade B								
						1st 6 Months Experience		1 589.40	35.32	82.80	1.84			
						Thereafter		1 736.10	38.58	90.45	2.01			

The MIBCO Team

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