



**MOTOR INDUSTRY BARGAINING COUNCIL : MIBCO  
18 NOVEMBER 2016**

**SETTLEMENT AGREEMENT**

Entered into between :

**RETAIL MOTOR INDUSTRY ORGANISATION (RMI)**

**NATIONAL EMPLOYERS' ASSOCIATION OF SOUTH AFRICA (NEASA)**

**FUEL RETAILERS' ASSOCIATION (FRA)**

on the one hand and

**NATIONAL UNION OF METALWORKERS OF SOUTH AFRICA (NUMSA)**

**MOTOR INDUSTRY STAFF ASSOCIATION (MISA)**

RMI : Jakkie Olivier - \_\_\_\_\_

NUMSA : Irvin Jim - \_\_\_\_\_

NEASA : Gerald Leith - \_\_\_\_\_

MIBCO : Jeanne Esterhuizen - \_\_\_\_\_

MISA : Hermann Köstens - \_\_\_\_\_

FRA : Reggie Sibiyá - \_\_\_\_\_

SECTOR 1 – CHAPTER III

COMPONENT MANUFACTURERS

MATTER	SETTLEMENT
Wages	<p>Wage and salary increases are based on actual rates of pay across the board :</p> <p>Year 1 :        8.5%</p> <p>Year 2 :        8%</p> <p>Year 3 :        7.5%</p>
Cycle / Duration	<p>The duration of the agreement will be from the date of publication and extension thereof to the non-parties by the Minister of Labour, with an expiry date of 31 August 2019;</p> <p>Provided that :-</p> <p>The parties undertake to participate in a research process aimed at establishing the feasibility, viability and sustainability of all or some component manufacturing establishments of amending the cycle of this, and possible future agreements of this nature, to align it to other sectors in the automotive value chain which fall outside the jurisdiction of MIBCO;</p> <p>Provided further that :-</p> <p>This agreement in no way whatsoever, shall guarantee a specific or pre-determined outcome to the research process alluded to herein.</p>
Implementation Date	<p>Effective date as published by the Minister of Labour in the Government Gazette. The RMI however undertakes to recommend to its members to implement the terms of this agreement with effect from 01 September 2016, provided that where an employer has elected to implement these terms retrospectively, it shall be immune to any industrial action that may arise as a consequence of any dispute in any other sector of the Industry, with the express understanding that such industrial action will be automatically unprotected.</p>
Wage Threshold	<p>The wage threshold shall increase by the same percentage as the wage percentage increase over the 3 year period.</p>

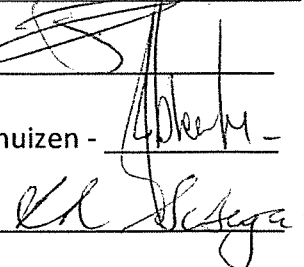
RMI : Jakkie Olivier - 

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	<p><b>Chars: -</b></p> <table> <tr> <td>Year 1</td> <td>7.5%</td> </tr> <tr> <td>Year 2</td> <td>7.5%</td> </tr> <tr> <td>Year 3</td> <td>7.5%</td> </tr> </table> <p>The Parties acknowledge the challenges that wage increases have on the continued sustainability of low volume- and rural sites fuel retail sites and the impact higher wages would have on them, and therefore it is agreed that NUMSA would support the employers in their engagements with the department on initiatives to ensure the sustainability of these retailers and thus also ensure the preservation of jobs. Linked to this, would be the MIBCO wage exemption process that will provide relief for Retailers that are unable to meet its obligations under this settlement agreement. NUMSA undertakes to not unreasonably withhold wage exemptions for qualifying employers, subject to compliance by the employer with the normal exemption procedure.</p>	Year 1	7.5%	Year 2	7.5%	Year 3	7.5%
Year 1	7.5%						
Year 2	7.5%						
Year 3	7.5%						
Cycle / Duration	The duration of the agreement will be from the date of publication and extension thereof to the non-parties by the Minister of Labour, with an expiry date of 31 August 2019.						
Threshold	<p>The threshold for the Main Agreement insofar as it applies to the sectors referred to in this section, shall increase to the following values as follows :</p> <table> <tr> <td>Year 1 :</td> <td>R 183,144.33</td> </tr> <tr> <td>Year 2 :</td> <td>R 194,288.66</td> </tr> <tr> <td>Year 3 :</td> <td>R 205,433.30</td> </tr> </table>	Year 1 :	R 183,144.33	Year 2 :	R 194,288.66	Year 3 :	R 205,433.30
Year 1 :	R 183,144.33						
Year 2 :	R 194,288.66						
Year 3 :	R 205,433.30						
Implementation Date	Effective date as published by the Minister of Labour in the Government Gazette, provided that, in the event that the Minister of Energy implements a retail margin adjustment for sector 5 (forecourt attendants only) in relation to wage increases provided for in this agreement on an earlier date, such earlier date shall be the date of implementation.						
Set-off	<p>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 below;</p> <p>Provided that no wage increase shall be off-set on more than</p>						

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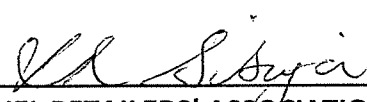
**ACROSS ALL SECTORS AND CHAPTERS**

MATTER	SETTLEMENT
All other administrative and substantive aspects of the expired agreement(s)	All other administrative and substantive aspects in the expired 2013 agreement, that are not amended by way of this settlement agreement, shall survive in the new Main Agreement, which will be the 2013 agreement inclusive of amendments to the extent that they are provided for in this settlement agreement.

SIGNED ON THIS 18th DAY OF November 2016 AT Randburg.

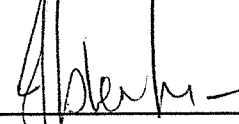
  
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 RETAIL MOTOR INDUSTRY ORGANISATION


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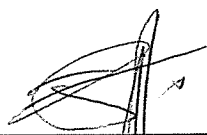
  
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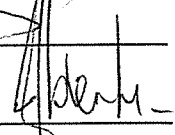
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