



**NUMSA signs above inflation wage agreement in the Motor Sector
24 August 2025
Press Statement**

The National Union of Metalworkers of South Africa (NUMSA) has signed an above inflation wage agreement in the Motor sector. This a sector which covers over three hundred thousand workers who fall under the Motor Industries Bargaining Council (MIBCO). The employers at MIBCO are represented by the Retail Motor Industry Organization (RMI) and the Fuel Retailers Association (FRA).

The sector covers employees who are working for motor components manufacturers, petrol garages, car dealerships, vehicle body builders, tyre shops, engine parts, after-market sales and parts. The old agreement is set to expire on 31 August 2025.

NUMSA is very proud of what was secured in this round of negotiations. Not only did we secure above inflation increases but, we also secured primary healthcare benefit for the first time for garage workers (Sector 5) in the sector. This is the very first time that such a benefit has been negotiated and we are pleased that this round of negotiations has ensured that the foundation has been laid for the lowest paid workers to receive access to quality private healthcare. NUMSA is the only union which has been very instrumental in improving the lives of garage workers and we continue to fight to improve their conditions of employment.

The agreement is a three year agreement valid from the 1st of September 2025 and expiring on the 31st of August 2028.

. The wage deal is broken downs in the following way:

1. Component manufacturers (Sector 1: Chapter III):

Wage and salary increases are based on the actual rates of pay across the board and broken down as follows:

- Year 1 workers will receive 6% increase
- Year 2 workers will receive 5% increase
- Year 3 workers will receive 5% increase
- ALL workers in sector 1 Chapter III will now be paid overtime at a rate of (1.5%) one and a half times their normal hourly rate as opposed to the previous reduced rate of pay

2. Sick Accident & Maternity Fund – for RMI participating employers

For years since year 2015 NUMSA members were discriminated against in that the benefits accruing to our members in the Sick and Accident Fund had been reduced. NUMSA members received lower pay-outs compared to those that are paid to other workers. In this round of negotiations NUMSA managed to secure guaranteed benefits as follows;

- **Sick benefits:** All employees who are beneficiaries of the Sick Accident & Maternity Fund shall receive the first 10 days' sick leave benefits at 100% of their rate of pay and the last 5 days' sick leave benefits at 50% of their rate of pay.
- **Death benefits;** Up to R50000 in the unfortunate situation of death of a member
- **Accident benefits;** (75% of the members ordinary daily remuneration in respect of any working day in which a member is so certified by a registered medical practitioner, prevented from working through an accident)
- **Maternity benefits;** (All female members after the waiting period, may be eligible for a maternity benefit of 30% (thirty percentage) of the members ordinary daily remuneration for a period not exceeding 17 weeks)

3. Garage Workers (Sector 5)

Wage and salary increases will be based on the current wage model, for the following periods:

Forecourt Attendants increases will be broken down in the following way:

- Year 1 workers will receive 6%
- Year 2 workers will receive 5%
- Year 3 workers will receive 4%

Cashiers increases will be broken down in the following way:

- Year 1 workers will receive 6%,
- Year 2 workers will receive 4%
- Year 3 workers will receive 4%.

Increases for Chars will be broken down in the following way:

- Year 1 workers will receive 6%
- Year 2 workers will receive 4%
- Year 3 workers will receive 4%.

Wage increases in Sector 5 will be subject to the Minister of Minerals and Petroleum resources approving and implementing a retail margin adjustment in order to compensate fuel retail establishments for such additional wage adjustments during the duration of the agreement.

Upon adjustment of the retain margin all employers (whether affiliated to MIBCO parties or non-affiliated) shall be obliged in law to effect the regulated wage increases to garage workers (sector 5).

For the purposes of implementing Primary Healthcare benefit in the form of an allowance an amount will be deducted per month for primary healthcare and it will reflect on the payslip as allowance. It is broken down in the following way:

- For year 1 the deduction will be R85 per month
- For year 2 the deduction will be R90 per month
- For year 3 the deduction will be R95 per month

The MIBCO administration shall establish administrative processes to manage the implementation of the Medical Insurance similar to those applicable to the administration of the provident funds. The criteria and procedures shall be determined by all parties by the 31st of October. The objective is to implement medical insurance on or before the 1st of Jan 2026.

4. All other sectors (Excluding Sector 1: Chapter III and Sector 5)

All salary and wage increases are based on the minimum rates of pay, for the respective and relevant grades of pay, for the following periods:

- Year 1 workers will receive 5%
- Year 2 workers will receive 5%
- Year 3 workers will receive 5%

5. Sector 6 (Car dealerships)

Wage and salary increases are based on minimum rates of pay, for the respective and relevant grades of pay, for the following periods:

- Year 1 workers will receive 5%
- Year 2 workers will receive 5%
- Year 3 workers will receive 5%.

The union's most urgent task now is to ensure that the processes of endorsement of the agreement within MIBCO are speeded up and, also to approach the Department of Labour to gazette and extend it to non-parties.

We call on the minister to ensure that the agreement is speedily gazetted so that it can be extended to non-parties, so that there is no time wasted where workers are unable to benefit from their deserved increases, whilst we have already signed the agreement.

NUMSA wishes to thank all Shopstewards and officials of the union who spent many hours negotiating this deal. NUMSA continues to be a sword and a spear for workers ensuring that their lives improve with each wage deal that we sign.
Ends.

Issued by Irvin Jim
NUMSA General Secretary

For more information, please contact:

Phakamile Hlubi-Majola
NUMSA National Spokesperson
083 376 7725
phakamileh@numsa.org.za

NUMSA Contact Details:

Tel: 011 689 1700
Facebook: <https://www.facebook.com/NumsaSocial>
Twitter: [@Numsa_Media](https://twitter.com/Numsa_Media)
Website: <https://numsa.org.za>