



DATED: 03 June 2020

TO: ALL PARTICIPANTS IN THE MOTOR INDUSTRY

NOTICE: UPDATE AND INFORMATION IN TERMS OF THE COVID-19 ALERT LEVEL-3

National Government has considered the Risk Adjusted Strategy and in terms of Regulation Gazette 43364 of 28 May 2020, placed the Republic of South Africa on a National State of Disaster COVID-19 Alert level-3 as of 01 June 2020. Herein is a summary of information that will affect employers and employees of the Motor Industry under the said alert level:

1. IN TERMS OF NATIONAL STATE OF DISASTER REGULATIONS:

- 1.1. The entire Motor Industry is allowed to operate as permitted services;
- 1.2. All of the COVID-19 workplace regulations will apply (unchanged from Level-4); and
- 1.3. The National Disaster Benefits and Temporary employer/employee relief programmes through the UIF still exist and relief can be sought.

2. IN TERMS OF MIBCO RETURNS:

2.1. MIBCO Levies:

There will be no deductions for MIBCO levies if the wage value equates to less than 23 hours of work per week and the full MIBCO levy amounts will be required if the wage value equates to 23 hours of work or more per week. The equivalent applies to monthly earners.

2.2. Sick, Accident and Maternity Fund (SAMF):

There is a payment holiday on SAMF contributions as of 27 April 2020 to 26 July 2020 (for 13 weeks). MIBCO forecasts for SAMF contributions will not be raised and employers will not be required to create or request breaks. Beneficiaries will continue to be entitled and receive benefits provided for in terms of the Rules of the Fund. The SAMF contributions will be forecasted as normal from Monday 27 July 2020.

Good to Great Together

2.3. The Autoworkers (AWPF) and Motor Industry (MIPF) Provident Funds:

- a) There will be no provident fund deductions if the earning equates to less than 23 hours of work per week and full provident fund deductions will be required if the earnings equates to 23 hours of work or more per week. The equivalent applies to monthly earners. Click [here](#) for more information in this regard; and
- b) Where employee earnings equates to 23 hours of work or more per week, but an employer can prove that the business is under financial distress due to the COVID-19 impact, such employers can apply to the Motor Industry Retirement Funds (MIRF) for a contribution relief in one of two ways:
 - i. An employer can apply for an exemption of up to six (6) months to not pay provident fund contributions; or
 - ii. An employer can apply for a payment arrangement exemption of up to six (6) months, to pay an agreed provident fund contribution amount.

To download the application forms and for more information with regards 2.3(b) herein, click [here](#). All enquiries and completed applications should be sent via electronic mail to: covid19@mifa.org.za

For general information with regards to the AWPF and MIPF go to www.mirf.co.za.

2.4. Motor Industry Staff Association (MISA) Union Fees:

There will be no union fee deductions if the wage value equates to less than 24 hours of work per week and the full union fee is deductible should the wage value equate to 24 hours of work or more per week. This provision is in line with Section-35(4) of the Basic Conditions of Employment Act (BCEA) in the absence of the MIBCO Main Collective Agreement. The equivalent applies to monthly earners.

2.5. National Union of Metal Workers of South Africa (NUMSA) Union Fees:

NUMSA union fee deductions will be according to the membership agreement i.e. a percentage of income, regardless of hours worked.

2.6 Additional Holiday Pay (AHP):

In the absence of a published MIBCO Main Agreement, no AHP is payable through the MIBCO return. Employers are advised to create breaks on the MIBCO Online Returns System or to contact MIBCO to create the AHP breaks.

Please note:

Any employer may apply for an exemption from any one or more of the binding provisions of the prevailing MIBCO Administrative Agreement. Such application must be directed to any of the Regional Secretaries as indicated below:

Eastern Cape Region:

Leslie.Palmer@mibco.org.za

Western Cape Region:

Gerrie.Basson@mibco.org.za

Kwazulu Natal Region:

Sphelele.Nyuswa@mibco.org.za / MIBCO.KZN@mibco.org.za

Free State/ Northern Cape Region:

Grant.Theys@mibco.org.za

Highveld Region:

Highveldregion@mibco.org.za

Northern Region:

Johan.Naude@mibco.org.za

The MIBCO Team

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