



## BUSINESS COMPLIANT REGULATIONS IN THE MOTOR INDUSTRY?

Business Compliant with Regulations are conditions/obligations written into law and passed by a legislative body that need to be adhered to for legal trading in the motor industry.

Over the next few Newsflashes we shall list and explain all the **Business Compliant Regulations in the Motor Industry** :

- 1. MIBCO - Motor Industry Bargaining Council** is responsible for maintaining industrial peace / stability in our industry. It provides services (as listed) to ± 21 000 employers and ± 300 000 employees throughout the RSA.
  - # 2.1 Facilitates collective bargaining of employment conditions like Wages / Salaries / Hours of work ect.
  - # 2.2 Facilitates the settlement of labour disputes through the Dispute Resolution Centre (DRC).
  - # 2.3 Provision of social benefits for persons in the Industry i.e. Provident fund as administered by MIFA, the fund is compulsory for employees within the threshold of MIBCO's jurisdiction unless exempted due to the employees' belonging to another registered retirement fund with benefits equal or better than the MIFA fund.
  - # 2.4 Sick Accident Maternity Pay Fund, is compulsory for MISA members employed by RMI Members & voluntary for non-MISA employees employed by RMI members.
  - # 2.5 Additional Holiday Pay Fund, is compulsory for Apprentices, Grade 7 & 8 employees and is a weekly contribution paid by the employer which adds up to be the aforesaid employees' bonus which is equivalent to 2 weeks wages after 52 weeks employed.
- 2. LRA - Labour Relations Act** governs how employers and employees should deal with each other and what rights trade unions and employer organisations have in the workplace. It is not about terms and conditions of employment but rather the rights of individuals in relation to fairness, bargaining and dispute resolution and rights and obligations of trade unions.
- 3. OHS - Occupational Health & Safety Act** aims to provide for the health and safety of persons at work and for the health and safety of persons in connection with the activities of persons at work and to establish an advisory council for occupational health and safety.
- 4. MIOSA - Motor Industry Ombudsman of South Africa**, established to assist in resolving disputes that arise in terms of the Consumer Protection Act regarding any goods or services provided by the Automotive Industry to such consumers, including suppliers who are in turn also consumers within the industry supply chain.
- 5. TAX – PAYE – Pay as you earn** is a system of income tax withholding that requires employers to deduct income tax, and in some cases, the employee portion of social benefit taxes, from each wage / salary delivered to employees.
- 6. TAX – SDL – Skills Development Levy** was imposed to promote learning and development in South Africa and is driven by an employer's salary bill.
- 7. TAX – VAT - Value Added Tax** is a consumption tax added to a product's sales price and it represents a tax on the "value added" to the product throughout its production process.
- 8. PAIA – Promotion to Access of Information Act** is a freedom of information law in South Africa which gives effect to the constitutional right of access to any information held by the State and any information held by private bodies that is required for the exercise and protection of any rights.