



Committed to Servant Leadership

NEASA Membership of the Motor Industry Bargaining Council

The MIBCO Constitution deals with the admission of Parties to membership of the Council. It provides that the applicant must represent at least 5% of all employers or all employees engaged or employed in the sector or area.

The National Employers Association of South Africa (NEASA) membership fell below 5% and a dispute was referred to the Dispute Resolution Centre that NEASA was no longer a member of MIBCO. The arbitrator ruled that NEASA ceased to be a member as it fell below the 5% threshold.

On the 7th of November 2022 the Labour Court set aside the DRC award and substituting the ruling made by the DRC arbitrator with an order declaring that NEASA's membership did not terminate automatically when its membership figures dropped below the 5% admission threshold.

NUMSA subsequently applied to the Labour Court for leave to appeal against the judgement. The Labour Appeal Court, on 6 September 2024, confirmed the judgment of the Labour Court setting aside the arbitration award which had determined that NEASA ceased to be a party to the Council.

Accordingly, and in line with our respect with the judiciary, we are required to reinstate NEASA in all Council structures. This essentially means that the Council will now have five Parties being FRA, RMI and NEASA – who represent the employers and NUMSA and MISA – who are the trade unions. I therefor confirm that NEASA's membership to the Council has been restored.

In Duplum rule: Explained and going forward



In-duplum rule refers to the common law rule which provides that interest on a debt will cease to run where the total amount of arrear interest has accrued to an amount equal to the outstanding principal debt.

On the 10th of August 2023, the Kwa-Zulu Natal Division of the High court in *Municipal Workers Retirement Fund v uMzimkhulu Local Municipality and others* considered the maximum amount of interest that can be claimed by a pension fund administrator.

The court held that the application of in-duplum rule does not apply to interest arising from short - or non-payment of provident fund contributions. MIRF sought a legal opinion from Adv Sandile Khumalo who confirmed that the judgement cannot be ignored.

The MIBCO team has finalized the interest policy in consultation to the Principal Officer to implement this new application of interest as well as the FSCA conduct standards requirements. This essentially means that interest will not stop until the debt is paid by the employer, secondly it means that MIBCO debtors' book will increase as a result of this change.

I urge those who are responsible for debt collection and payment allocations to ensure that they collect and allocate payments to interest as well. The Industry will be notified accordingly as the change has been effected on SalesLogix (SLX).

MIBCO Values, Mission, and Vision Statements

OUR VISION

A sustainable economy where MIBCO promotes and maintains industrial peace.

OUR MISSION

MIBCO is committed to being the trusted partner in advancing social justice through labour relations for the motor industry.

OUR VALUES

As a Council serving the motor industry we are: Respectful, Trustworthy, Consistent and fair, Ethical, Transparent and Accountable, Collaborative & Committed to Innovation.

MIBCO Employer Portal



MIBCO developed a web-based interactive self-services platform for employers and employees to interact with the Council.

The development was prompted by legislative changes that were introduced by the Financial Sector Conduct Authority, Conduct Standard 01 of 2022, which requires employers to maintain their employee's information, and for the Funds to monitor and report on employer conduct.

The Employer Portal was launched on the 1st of August 2024 as the first end-to-end member interactive portal, which allows employers to login and maintain their employee's information.

The MIBCO IT and BI departments are working very closely with process owners to provide more valuable interactive services for all Council stakeholders via our MIBCO web-based interactive self-service platform.



MIBCO Hosts Webinars

On the 27th and 29th of August 2024, MIBCO held its first ever Industry webinars on the Teams application, with approximately 400 employer delegates in attendance.

The webinars were hosted by Johnaline Scheepers and Marwaan Davids on the topic of registering liable persons onto the new MIBCO Employer Portal and the use thereof.

The purpose of the portal was explained, and a demonstration was done on the registration process and use of the Employer Portal.

Delegates were allowed to interact with the facilitators during scheduled question and answer sessions or through the chat.

Overall, the webinars were a great success, with awesome reviews and delegates suggested MIBCO have more webinars to discuss other topics as well.

"We are proud to have ventured into this initiative and address our strategic objective of being *Thought Leaders*."