SETTLEMENT AGREEMENT

1 JULY 2025 to 30 JUNE 2028

PLASTIC

INDUSTRY

MAIN

COLLECTIVE

AGREEMENT

1. **Duration of the New Consolidated Main Agreement**

The signatories to this settlement agreement (hereinafter referred to as the 'Parties') have agreed on the terms of a new Plastic Industry Main Collective Agreement (hereinafter referred to as the 'Plastic Agreement' or 'PIMCA') to operate from 1 July 2025 until 30 June 2028.

2. **Gazettal and Extension**

The Parties remain committed and resolute to achieving gazettal and extension of a new Plastic Industry Main Collective Agreement to operate from 1 July 2025 until 30 June 2028 to all non-party employers and employees covered by the scope of the Plastic Agreement.

3. **Wage Increases**

Year 1.

Scheduled employees performing work classified under the Plastic Agreement shall, irrespective of whether their prior wages exceeded the scheduled rates, receive the same rate of pay they were earning before 1 July 2025, plus a guaranteed personal increase in rand/cents as specified in Column C of **Annexure A.**

The above increases will be applied to all employees in the Plastic Sector, in the Republic of South Africa.

Year 2.

Scheduled employees performing work classified under the Plastic Agreement shall, irrespective of whether their prior wages exceeded the scheduled rates, receive the same rate of pay they were earning before 1 July 2026, plus a guaranteed personal increase in rand/cents as specified in Column C of **Annexure B.**

The above increases will be applied to all employees, in the Plastic Sector, in the Republic of South Africa.

Year 3.

Scheduled employees performing work classified under the Plastic Agreement shall, irrespective of whether their prior wages exceeded the scheduled rates, receive the same rate of pay they were earning before 1 July 2027, plus a guaranteed personal increase in rand/cents as specified in Column C of **Annexure C.**

The above increases will be applied to all employees in the Plastic Sector, in the Republic of South Africa.

4. **Pooling**

PIMCA in Chapter 7, Clause 32 recognises the granting of paid time off to shop stewards and office bearers. The parties agree to add the principle of pooling to Clause 32, that is that shop stewards' paid time off may be pooled; and office bearers' leave may also be pooled and be taken by shop stewards' and office bearers' respectively in accordance with the requisite notice periods set out for shop stewards and office bearers in Clause 32 of PIMCA.

5. **Other Matters**

It is acknowledged that progress has been made on some of the matters outlined in **Annexure D**.

The remaining matters listed in **Annexure D** ("Matters for process") shall be tabled before the Management Committee (MANCO) or any structure with the requisite authority as soon as is practicably possible. That structure will mandate the MEIBC Plastic Negotiating Forum (PNF) to finalise agreed timelines and feedback mechanisms to MANCO and, where appropriate, to formulate recommendations for MANCO's acceptance and implementation.

The Parties further agree to make every reasonable effort to resolve these outstanding issues within a period of six (6) months.

6. **Full and Final Settlement**

The Settlement Agreement for the period 1 July 2025 to 30 June 2028 amends the existing terms and conditions of employment for all employees covered by the Plastic Industry Main Collective Agreement. It constitutes a full and final settlement of wages and conditions of employment of the PIMCA for the duration of the agreement.

All terms and conditions of employment not expressly amended by this Settlement Agreement shall remain in force and continue to apply in the PIMCA.

The Parties agree that the provisions of this Settlement Agreement will be incorporated into the Consolidated Plastic Industry Main Collective Agreement, which shall be duly signed by the Parties for the same period, namely 1 July 2025 to 30 June 2028. The Parties further agree that any additional corrections or amendments required by the Department of Employment and Labour to ensure compliance with the Labour Relations Act, as amended, will also be incorporated into the Consolidated Agreement.

The Parties further agree that this Settlement Agreement, once incorporated into the Consolidated Plastic Industry Main Collective Agreement, shall be tabled at a meeting of the Management Committee (MANCO) or any other structure of the MEIBC with the requisite authority.

MANCO, or the appropriate MEIBC structure, will ensure that the adoption of the Consolidated Plastic Industry Main Collective Agreement complies with the provisions of the MEIBC Constitution and Section 31 of the Labour Relations Act, as amended.

Thereafter, the MANCO or relevant MEIBC structure will pass the necessary resolutions in accordance with the MEIBC Constitution to enable the adoption and submission of the Consolidated Plastic Industry Main Collective Agreement in terms of Section 32 of the Labour Relations Act, as amended.

Signed in Johannesburg on **06 JUNE 2025**

Plastics Convertors Association of South Africa (PCASA)

and

Cape Engineers' and Founders' Association (CEFA)

and

Consolidated Employers Organisation (CEO)

and

KwaZulu Natal Engineering Industries' Association (KZNEIA) and

Light Engineering Industries' Association of South Africa (LEIA)

and

National Employers Association of South Africa (NEASA)

and

South African Engineers and Founders Association (SAEFA)

and

Metal and Electrical Workers Union of South Africa (MEWUSA)

and

National Union of Metalworkers of South Africa (NUMSA)

and

National Union of Mineworkers (NUM)

and

SA Equity Workers' Association (SAEWA)

and

Solidariteit / Solidarity

and

United Association of South Africa (UASA-The Union)

ANNEXURE A

YEAR 1 // 1 July 2025 to 30 June 2026

	A	B	C	D
Grade	Minimum wage rate 30 June 2025	% increase on minimum wage rate	Minimum Rand value increase	New Minimum Wage Rate 1 July 2025 - 30 June 2026
A	R87,22	7%	R6,11	R93,33
B	R71,24	7%	R4,99	R76,23
C	R68,47	7%	R4,79	R73,26
DD	R60,78	7%	R4,25	R65,03
E	R47,58	7%	R3,33	R50,91
F	R40,12	7%	R2,81	R42,93
G	R35,54	7%	R2,49	R38,03
H	R31,54	7%	R2,21	R33,75

G.A.

ANNEXURE B

YEAR 2 // 1 July 2026 to 30 June 2027

	A	B	C	D
Grade	Minimum wage rate 30 June 2026	% increase of minimum wage rate	Minimum Rand Value increase	New Minimum Wage Rate 1 July 2026 – 30 June 2027
A	R93,33	6%	R5,60	R98,93
B1	R76,23	6%	R4,57	R80,80
C	R73,26	6%	R4,40	R77,66
DU	R65,03	6%	R3,90	R68,93
E	R50,91	6%	R3,05	R53,96
F	R42,93	6%	R2,58	R45,51
G	R38,03	6%	R2,28	R40,31
H	R33,75	6%	R2,03	R35,78

ANNEXURE C

YEAR 3 // 1 July 2027 to 30 June 2028

	A	B	C	D
Grade	Minimum wage rate 30 June 2027	% increase on minimum wage rate	Minimum Rand Value increase	New Minimum Wage Rate 1 July 2027 - 30 June 2028
A	R98,93	6%	R5,94	R104,87
B	R80,80	6%	R4,85	R85,65
C	R77,66	6%	R4,66	R82,32
DD	R68,93	6%	R4,14	R73,07
E	R53,96	6%	R3,24	R57,20
F	R45,51	6%	R2,73	R48,24
G	R40,31	6%	R2,42	R42,73
H	R35,78	6%	R2,15	R37,93

ANNEXURE D

OUTSTANDING MATTERS FOR PROCESSING

a. Housing Assistance

The PNF will monitor progress and, if necessary, prepare input for consideration. Any arrangement made available to the industry through the MIBFA funds shall be extended to employees employed within the Plastic Industry, as defined.

b. Medical Insurance/Cover

Parties agree that the Plastic Industry will participate in discussions that are currently taking place within the ambit of the MEIBC.

c. Grading & Entry Rate

A committee shall be established immediately upon the conclusion of negotiations to review grading and entry rates, based on scientific models, appropriate modalities, and expert input. The modalities governing the process shall be finalised within the MEIBC Plastic Negotiating Forum (PNF).

d. Demarcation

A Demarcation Committee for the Plastic Sector shall be established immediately following the conclusion of a settlement agreement. The modalities governing its operation shall be finalised within the MEIBC Plastic Negotiating Forum (PNF).

e. Short Time & Lay off Fund

The Plastic Industry will participate in discussions that are currently taking place, looking at the sick pay fund being able to accommodate benefits to employees who are exposed to excessive short-time and layoffs.

f. **Exemption process**

The Parties to the PNF shall immediately, upon the conclusion of negotiations, commence discussions within the PNF on the Exemption Process and Representation on the National Exemption Committee.

g. **Shift Configuration**

A committee shall be established immediately upon the conclusion of negotiations to consider shift configurations and hours of work. The modalities governing the process shall be finalised within the MEIBC Plastic Negotiating Forum (PNF).

h. **GAR6 Collective Agreement**

The Parties to the PNF shall immediately, upon the conclusion of negotiations, commence discussions within the PNF with the objective of concluding a collective agreement as contemplated by the General Administrative Regulations under the Occupational Health and Safety Act.

i. **MEIBC/ SCPNPI MOU**

The Parties to the PNF shall, immediately upon the conclusion of negotiations, commence discussions on the implications of the Memorandum of Understanding (MOU) between the MEIBC and the SCPNPI.

ENDS.

G.A.