

22 September 2026

MEDIA STATEMENT

NBCRFLI DENIES CLAIMS OF 'OWNERSHIP' OF R2.59 BILLION IN WORKERS' FUNDS

The National Bargaining Council for the Road Freight and Logistics Industry (NBCRFLI/Council) is not surprised by the latest tactic from Innovative Staffing Solutions (ISS) Director, Mr Arnoux Maré, peddling misinformation in the name of raising an alarm about Council's financial management. This false alarm is a familiar tactic to tarnish Council's image for standing its ground against ISS's non-compliance.

Council believes Mr Maré's media statement is retaliatory, following Council's refusal to withdraw an industry circular relating to pending writs of arrest against him for contempt of court for failing to comply with the Main Collective Agreement. A copy of the industry circular issued on 15 September 2026 which is attached herein for ease of reference.

It must be noted that Council did not provide the financials to Mr Maré at the time, as the matter before the Court concerned his application to challenge Clause 66 in the Main Collective Agreement, and it has nothing to do with Council's financials or financial statements. The main reason behind his court challenge is that his company, ISS, which operates as a temporary employment service, does not want to register with the Council as required in terms of clause 66 of the Main Collective Agreement.

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ISS failed to mention that it reported the same allegations to the Independent Regulatory Board for Auditors (IRBA), after IRBA investigations found no wrongdoing insofar as the Council's financials are concerned.

R2.59 billion belongs to Workers

The R2.59 billion represents funds collected from industry employees to administer Sick Pay, Holiday Pay, and Leave Pay Funds. These funds belong to industry employees and are paid to eligible employees as and when required. Therefore, Mr Maré's statement, which suggests that workers' benefit funds of R2.59 billion have been treated as Council's property, is far from the truth and is intended to mislead the industry and the public.

No Legal Requirement for Separate Financial Reporting for Each Fund

In line with Council's Constitution, the IFRS for SMEs Accounting Standard, the Labour Relations Act, and the Main Collective Agreement, Council is not required to prepare individual and separate financial statements for each fund. There is no legal requirement to prepare a separate set of audited annual financial statements for each individual fund. Council is only required to prepare a single set of annual financial statements covering both the Main Council and its benefit funds.

Nevertheless, the external auditors audit the benefit funds and the Main Council before issuing an audit opinion. This provides independent assurance that the Council's financial records are accurate and that the benefit funds are properly administered. The Council has consistently received an unqualified audit opinion over the past ten years, including the year ended in February 2026.

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No Combined Shortfall on the Funds

The allegation that three benefit funds fell short of their obligations for three consecutive years is also incorrect and misleading. The Sick Pay Fund, Holiday Pay Fund, and Leave Pay Fund were not in deficit during any of the three financial years mentioned. To substantiate this, the funds' total assets exceeded the industry trust and unclaimed benefit liability by an amount of R118 925 865 in 2023, R4 572 969 in 2022, while the funds' assets for 2021 were equal to the industry trust and unclaimed benefit liability. Therefore, it is incorrect to suggest that these funds had a deficit for the period mentioned.

Wellness Fund Figures add up just fine

The Wellness Fund maintains its own general ledger and separate accounting records. All funds received on behalf of the Wellness Fund are ring-fenced and utilised exclusively for Wellness Fund purposes. The Fund records its income, expenses, assets, and liabilities separately in its accounting records. The Council has disclosed all mandatory information, and the Wellness Fund's financial information is fully incorporated into the audited annual financial statements.

The Council is not required to prepare separate annual financial statements for the Wellness Fund. In this regard, Clause 5(4) of Schedule 4 of the Main Collective Agreement stipulates clearly that the appointed auditor must audit the Wellness Fund's books and records of accounts and its financial statement as part of the Main Council's consolidated financial statements, as no separate audit opinion is issued for the Wellness Fund. The Wellness Fund's income and expenses for the 2024/25 financial

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year were R371 346 468 and R348 951 695 which resulted in a net surplus of R22 394 773.

Wellness Fund contributions are not treated as Council revenue and medical expenses are not treated as Council expenses. Therefore, Mr Maré's claims are baseless and unfounded.

Investment Income Utilised for Operational Expenses

Income generated from investments held by the funds is used to finance the Council's operational expenditure. This aligns with Clause 12(1) of the Council's Constitution, which stipulates that the Council's expenses shall be met through levies and investment interest.

It must be highlighted that Council has not increased its levies charged to industry employers and employees for more than a decade on the understanding that interest generated from invested funds will be utilised to cover any shortfall of levies.

Good governance

As part of Good Governance, Council has established an Audit and Risk Committee comprising Council representatives and a majority of the independent professionals with relevant expertise, which is responsible, among other things, for providing assurance on Council's annual budget and audited financial statements for each financial year.

In addition, Council has an Investment Committee comprising Council representatives and a majority of the independent investment professionals with relevant expertise. The Committee is an additional layer of oversight by monitoring the performance and risks of the Council's investments and ensuring compliance with the approved Investment Policy Statement. The Committee meets quarterly to oversee the investment portfolio and ensure compliance with key investment policy requirements, including capital preservation.

Growing Reserves Ensures Council's Future Sustainability

As noted above, investment income supports the Council's operations in accordance with the Council Constitution. Council is responsible for securing optimal investment returns while maintaining adequate reserves to ensure financial sustainability and operational continuity, particularly during challenging economic periods. Benefit fund assets are maintained separately from the Main Council's assets, and the funds are administered independently for the benefit of industry employees.

Lastly, Council continued to play a pivotal role in delivering health care services to industry employees through the Health Insurance Plan and the Trucking Wellness Programme. In addition, Council's funds administration services continued to operate optimally, ensuring benefits and claims are processed accurately and within prescribed turnaround times.

To emphasise the point above, Council successfully processed all holiday pay bonus applications for last year by 19 December 2025, enabling eligible employees to receive their benefit payments ahead of the well-deserved festive season. Moreover, Council processed 14 048 unclaimed benefit payments valued at R14,783 388.16 for the financial year ending in February 2026.

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Overall, Council paid R3 405 306 928 to industry employees during the 2025/26 financial year, while it paid R3 285 077 573 in the 2024/25 financial year. This continued effort reflects Council's commitments to safeguarding employee benefits and ensuring that unclaimed monies are returned to their rightful beneficiaries.

As Council, we remain resolute in our commitment to enforce compliance with the MCA without fear or favour. We will continue to take all necessary enforcement and legal measures against those who fail to comply with the MCA and lawful Court Orders.

ENDS

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For media enquiries, contact:

Mr. Amos Tshabalala

Media Relations Officer

Email: amos.tshabalala@nbcrfli.co.za

About the Council: *The NBCRFLI is mandated to regulate road freight companies transporting goods for gain, or on behalf of a third-party and is the recognised body where matters of mutual interest pertaining to the Industry are discussed in a centralised bargaining forum by registered trade unions and employer organisations.*

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