

Exposed: Audits reveal misuse of R17.5bn in Covid-19 Ters payments

Smiso Nkosi, a manager in the UIF Commissioner's office, [told journalists](#) that forensic auditors of the UIF are continuing to audit companies in the province as well as around the country to ensure that the correct amounts of Covid-19 Ters monies were paid over to workers at the right time.



Source: Pixabay.

Thus far, he said R17.5bn from the R64bn paid to date through Covid-19 Ters was audited and verified as correct payments. However, the audits also discovered instances of fraud, for example where employers applied for ghost employees, applications with inflated salaries, applications for terminated employees and applications by companies that were essential services who did not qualify because they were permitted to operate during the Covid-19 lockdowns.

Nkosi said measures are being implemented to deal with employers who refused to co-operate with “follow the money” auditors. These include:

- Referral to the Special Investigating Unit and Directorate for priority crime investigation (Hawks) for criminal investigation;
- Refunding of all Covid-19 Ters funds;
- Blocking employers from the UIF’s service offerings; and
- Blacklisting employers from doing business with the UIF.

“The Asset Forfeiture Unit of the National Prosecuting Authority has been helping us to attach and sell off assets that are proceeds of crime, to recover money that was stolen from the UIF,” he said.



Hawks bust alleged UIF fraudsters

13 Jun 2023



Cracking down on fraud

Bernice Matlhako, from the UIF's Risk and Fraud Unit in North West province, revealed that more than 20 suspects had been arrested through joint investigations for Covid-19 Ters-related fraud. The matters are all still before the courts.

According to Matlhako, the UIF is taking disciplinary action against officials who are implicated in fraud cases as well as those who are alleged to be soliciting bribes from clients to expedite claims at labour centres in the province. To date, she said, two officials were dismissed, while another two are on suspension.

A further five officials are currently undergoing disciplinary hearings. "We have a no-tolerance approach when it comes to fraud and corruption at the UIF and this is evident in how we deal with such matters," Matlhako stressed.

Meanwhile, Since March 2020, the Unemployment Insurance Fund (UIF) has disbursed a total of R2.1bn to 457,546 workers in the North West province through the Covid-19 Temporary Employer-Employee Relief Scheme, also known as Covid Ters.



Corruption charges levelled against senior health department official

22 Jun 2023



R601m allocated to normal benefits

In a statement on Wednesday, 28 June, the Department of Employment and Labour said the UIF also paid out a separate amount of R601m to 139,629 workers and their beneficiaries as normal benefits related to either unemployment, maternity, illness or death over the 2022/23 financial year.

These details were revealed on Tuesday during a media briefing hosted by the UIF in Klerksdorp. Speaking at the briefing, UIF provincial support director, Allan Ragavaloo, said the R2.1bn disbursed to workers in the North West province arose from 6,963 Covid-19 Ters applications the UIF received from employers.

The top 10 sectors that received the lion's share of the R2.1bn are mining, personal services, trade, construction, banking, professional services, iron, agriculture, educational, and charities.

To date, Ragavaloo said, R64bn has been paid out to at least five million workers nationally through Covid-19 Ters.