

Hawks bust alleged UIF fraudsters

At least seven people have appeared in the Molopo Magistrate's Court on allegations that they defrauded the Unemployment Insurance Fund (UIF) of some R2m.



Image source: Kindel Media from [Pexels](#)

The seven – including two former Employment and Labour department employees – were arrested by the Hawks in the North West on Saturday and are facing some 220 counts of theft, fraud and money laundering while an eighth suspect is still being sought.

The National Prosecuting Authority's (NPA) North West regional spokesperson, Henry Mamothame, said an investigation by the Hawks' Serious Commercial Crime Investigation and the Priority Crime Specialised Investigation unit found suspicion that the accused concocted a scheme of fraudulent claims from the UIF.

"The [Hawks'] report further indicates that two of the suspects who are former employees of the Department of Employment and Labour in the North West Provincial Government at the Mahikeng and Klerksdorp offices, and four recruiting agents allegedly recruited unemployed individuals between 2019 and 2020. Those individuals were allegedly recruited under various false pretenses.

“Some of the claimants were allegedly informed that they were being assisted to lodge claims from the Drought Relief Fund; while others were allegedly claiming money from UIF; others were allegedly informed that they would be employed at the South African Revenue Services, while others were allegedly informed that they would be employed at Nomalalemba Project and other projects,” Mamothame said.



Alleged Ters fraudsters arrested

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He added that the unsuspecting recruits were given money and instructed to open bank accounts - the cards of which were kept by the alleged fraudsters.

“In addition, the claimants were allegedly made to complete UIF claim forms masquerading as former employees of the Impala Platinum mine and Sibanye Ashanti Gold mine. Subsequently, the suspects allegedly processed their claims, resulting in the Department of Employment and Labour suffering a loss of over R2m,” he said.

The UIF's Commissioner, Teboho Maruping, has called for harsh sentences for those participating in illegal activities within the ranks of the fund.

“It would seem that criminals think the UIF is an easy target for fraud and corruption, when we are actually not. Our Risk and Anti-Fraud Unit will continue to monitor Labour Centres and in so doing work with law enforcement agencies to decisively deal with fraud and corruption committed by members of the public and government officials who enables it.

“Until the day arrives when the criminality towards the UIF stops, we will continue to catch and send perpetrators to prison, and we will maintain our call to the NPA to propose harsh sentences to the courts as a means of deterrence,” he said.

The suspects are expected back in court on Wednesday for a formal bail application hearing.

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