

MEDIA RELEASE
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**MINISTER NXESI PLEDGES CLEAN GOVERNANCE WITH THE LARGE SUMS
BEING DISBURSED FOR COVID-19 RELIEF IN PARLIAMENTARY
APPEARANCE**

Due diligence on the number of transactions that are being made at the moment with regard to Covid-19 TERS Benefits will be subject to forensic audits where foul play is suspected. So said the Minister of Employment and Labour Thembelani (Thulas) Nxesi when he led his team appearing virtually before the Portfolio Committee on Employment and Labour last night (20/05/2020)

“With these huge payments, inevitably you will attract criminals and companies colluding with employees to try and fleece the coffers. We will be engaging the services of the auditor-general and auditing firms to ensure that we comb through all the payments”, Minister Nxesi said.

This comment comes at the back of the Unemployment Insurance Fund (UIF) having paid over R14-billion to workers as a relief payment in the time of lockdown that has been necessitated by COVID-19 pandemic sweeping the country and the world. Earlier, the UIF commissioner indicated that where employers suddenly claimed for more employees than those who are in the Fund’s systems, the fund would pay but raise debt against the companies to be paid with interests and penalties. Commissioner Teboho Maruping was responding to the question from the Chair of the Portfolio Committee with regard to companies that are claiming for more people than appear on the UIF Siyaya system.

He further indicated that where companies were still on lockdown, the process of paying will be quicker in May as the UIF already has the details.

“Moreover, we are paying workers directly and we have increased our capacity to process the claims. We will easily check on those who have not returned to work enabling that simplicity of payments. We will also advise the companies that there is no need to apply again and that we will automatically pay. The system will be open for applications this coming Friday, 22 May 2020”, Maruping said.

With regard to the Compensation Fund (CF), Commissioner Vuyo Mafata said the CompEasy system was working smoothly and claims to the contrary were untrue. He was responding to a question from a member of parliament who had intimated that the system was in shambles.

Mafata indicated that the CF has migrated more than 80% of all valid invoices into the new system and where this has not happened, this was because there were still issues that needed to be resolved with the claims submitted.

“Since April we have paid more than R400-million in claims and continue to do so. The system is working. However, over and above that, we continue to engage medical advisors and many other stakeholders. We have received favourable uptake of the system which also allows the claimants a degree of freedom to do their own claims”, he said.

The Commissioner added that the CF was working hard to ensure that it meets the target of not incurring any new irregular expenditure, adding that now where these issues exist, they are the legacy of the past.

Mafata also indicated that the CF continues to fund bursaries especially for the dependents of the beneficiaries. He indicated that the Fund was working closely with the South African Institute of Chartered Accountants to help with the selection of students to be funded.

The UIF commissioner Maruping committed the UIF to working hard to ensure that it becomes part of the job creation solution, which is one of its objectives that and appears in the Annual Performance Plan.

Maruping highlighted the UIF's additional commitment to the training of potential workforce, indicating that there were six skills that the fund was focusing on. These were the agri-aqua processing, mining beneficiation, education, health, construction as well as artisanal skills.

Both the UIF and CF said up until the lockdown, they were working hard in trying to eliminate the vacancy lists. As a result of lockdown, the process of finalising recruitment and selection had taken a back seat but will be revived as soon as it was practicable.

In closing, the Director-General, of the department, Thobile Lamati, said a Clean Audit campaign is underway to ensure that the department and its entities have clean audits going forward. "We want to make sure that we don't talk about wasteful and fruitless expenditure. Every time we meet, we measure how we are doing in terms of audit outcomes and where needed, apply the corrective measures. "We are also mindful that as the country goes back to alert level 3, more people will be going to work and it is our duty to ensure safety", he said.

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