





Department of Employment and Labour







today to provide an update on the implementation of consequence management in cases identified by the **Auditor-General of South** Africa (AGSA) and subsequently reviewed by the Department of Employment and Labour, along with the **Unemployment Insurance** Fund (UIF) and the

The Department of Employment and (DEL), alongside the Unemployment Insurance Fund (UIF) and the Compensation Fund (CF), has taken a firm and commendable stance against misconduct, fraud, and corruption within its ranks. This renewed commitment was powerfully demonstrated during the Portfolio Committee on Employment and Labour's meeting held on 17 September 2025, where updates were presented on application of consequence management across the Department and its entities.

Deputy Minister Jomo Sibiya set the tone in his remarks, referencing the landmark conviction of seven Chinese nationals for egregious labour violations, including child labour and human trafficking. Their sentencing to 20 years in prison was hailed as a significant deterrent and a symbol of the Department's resolve to enforce the law without fear or favour. Sibiya emphasised that consequence management is not an event but a process, often long and complex, requiring fairness, justice, and resilience against delaying tactics.























Justice Served: How the Department of Employment and Labour is turning the tide on misconduct. In a bold and unprecedented move, the Department of Employment and Labour (DEL) has begun rewrite the narrative to around accountability in public service. At the heart of this transformation is the rigorous application of Consequence Management, a process that has evolved from a bureaucratic buzzword into a powerful tool for justice, deterrence, and institutional reform, said Deputy Minister Sibiya.

The Department's collaboration with the Fusion Centre, a multi-agency task force including SAPS, Hawks, SIU, NPA, and SARS, has yielded tangible results. As of March 2025, UIF had 150 cases under investigation, with 22 convictions already secured. These include high-profile cases such as Charles Kolotsi and Johannes Thelele, who received 15 and 10 years of direct imprisonment, respectively, for fraud and money laundering. The Compensation Fund also reported successful prosecutions, including the Capitec Bank case, and continues to work closely with law enforcement to pursue justice.







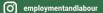






















Internally, DEL has demonstrated that no official is above the law. The UIF Commissioner and Chief Director of Corporate Services were both suspended pending investigations, and disciplinary actions have been taken against multiple officials for procurement irregularities and non-disclosure of financial interests. In the 2024/25 financial year alone. misconduct cases were recorded, with 276 finalised. The most common offences included fraud, absenteeism, and damage to state property.

Internal Controls and Preventive Measures

DEL is not only reacting to misconduct but proactively preventing it. The Compensation Fund has implemented biometric identity verification, bank account validation systems, and a duplicate employer project to curb fraudulent claims.

UIF: A Case Study in Accountability

The UIF has been under intense scrutiny, particularly following the SIU investigation into the irregular appointment of five media houses, which led to R6.1 million in irregular expenditure. Disciplinary actions were taken against nine officials, ranging from written warnings to salary suspensions, including the UIF Commissioner and Chief Financial Officer.

Further investigations revealed 35 fraud cases at provincial offices in 2024/25, with three dismissals already recorded. The Public Service Commission also flagged four senior managers for failing to disclose financial interests, prompting disciplinary proceedings.

The Numbers Speak Volumes

According to the Portfolio Committee presentation on 17 September 2025:

- 390 misconduct cases were received in 2024/25, with 276 finalised (71%).
- 114 cases remain pending, with 77 older than 180 days.
- UIF fraud cases alone numbered 34, with convictions ranging from suspended sentences to direct imprisonment.

Challenges and Remedies

Despite progress, challenges persist. Delays in investigations, outdated disciplinary frameworks, and capacity constraints hinder swift justice. The Department proposes:

- Full automation of UIF and Compensation Fund processes.
- Strengthening ER staff and forensic capacity.
- Interfacing with other government departments for verification.





















A Culture Shift in Public Service

message from DEL is clear: misconduct will not be tolerated. regardless of rank or influence. As Deputy Minister Sibiya put it, "If you get suspected of misconduct, action gets taken against you regardless of the position you hold."

Looking ahead, DEL, UIF, and CF have outlined robust and forward-thinking plans to strengthen consequence management and future prevent misconduct. These include the full automation of processes to eliminate manual interventions, implementation of biometric identity solutions to verify claimants and clean employer databases, and the Account Verification Solution (AVS) to prevent payments to fraudulent accounts. The Segregation of Duties (SOD) project will ensure that no single official can both capture and approve transactions, thereby reducing the risk of internal fraud.

To address systemic challenges such as capacity constraints and lengthy legal processes, the Department is investing in building investigation capacity across forensic, HR, and legal domains. A dedicated consequence management framework with clear timelines has been established, and oversight monitoring mechanisms will ensure accountability. Ethics integration programmes are being rolled out to embed a culture of integrity and transparency throughout organisation.

The Portfolio Committee, under the leadership of Hon. BM Maneli, has played pivotal role in driving transformation. By demanding regular updates and scrutinising implementation, the Committee has reinforced the of importance consequence management as a cornerstone of public service reform.

The Department is not only responding to misconduct with decisive action but is also laving the groundwork for a future defined accountability, ethical by leadership, and public trust. Through its integrated approach and unwavering commitment, DEL is setting a new standard for governance in South Africa, said Deputy Minister Sibiya.



















"Speaking Truth to Power": Quotes by **Deputy Minister Jomo Sibiya during his** remarks to the Portfolio Committee that define the Department's Accountability **Drive**

On the balance between theory and action

"Theory without practice is sterile, and practice without theory is blind."

Context:

Deputy Minister Sibiya opened his remarks by invoking Karl Marx to emphasise the importance of translating policy into action. This quote underscores the Department's commitment to not just discussing consequence management but actively implementing it.

On the landmark conviction of labour law violators

"We were smelling blood... And indeed, on the 10th September 2025, Acting Judge David Mhango said child labour is wrong, human trafficking is wrong... and for many other wrong things that those seven Chinese did, they were not fined as they probably thought, but they were sentenced to 20 years in prison."

Context:

recounted Sibiya passionately the Department's pursuit of justice in a case dating back to 2019. The conviction of seven Chinese nationals for multiple labour violations was presented as a turning point in enforcing South Africa's labour laws.

On the message this sends to non-compliant employers

"We believe that this is one of the kinds of deterrents we had been searching for... It will make those who think in South Africa that there are no consequences for not complying with this country's labour laws reconsider their wayward actions."

Context:

This quote reflects the Department's strategic use of high-profile convictions to send a clear message to employers who flout labour laws with impunity.

nature of On the consequence management

"Consequence Management proves not to be an event; instead, it is a process. Sometimes, a long-drawn process."

Context:

Sibiya cautioned against expecting quick fixes, explaining that disciplinary actions must follow due process to ensure fairness and justice, even if that means delays.

On fairness and justice in disciplinary processes

"There ought to be fairness, there ought to be justice, whether administrative or natural, but we should always observing those."

Context:

This quote reinforces the Department's commitment to upholding legal and ethical standards in all disciplinary proceedings, regardless of the complexity or duration.

On accountability at all levels

"If you get suspected of misconduct, action gets taken against you regardless of the position you hold."

Context:

Sibiya highlighted that consequence management applies across the board, from junior staff to top executives, demonstrating Department's the zero-tolerance stance on misconduct.

This message is brought to you by the Department's Corporate Communication































ONE DEPARTMENT COMMUNICATING IN ONE VOICE

Physical Address:

Laboria House: 215 Francis Baard Street, PRETORIA

Postal Address: Private Bag X117, PRETORIA, 0001