

Bankrupt ideas: The benefits system is riddled with fra...

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According to some survey results it is popularly believed that more than a third of all benefit claims are fraudulent.

They aren't. The best, official, estimate is:

[As Unite, who prepared the graphic, say:](#)

Obviously fraud is wrong, but many people seem to think lots of people claiming benefits do so illegally.

When the TUC did a poll on this people thought that 37% of welfare was claimed fraudulently. The facts couldn't be more different.

Just 0.7% of the welfare budget is claimed fraudulently

...but at the same time up to 24% (£11.77bn) of benefits go unclaimed.

Compare this to the total amount lost through tax evasion and avoidance...

The taxman estimates the gap between what the government thinks it should receive in tax versus what it actually gets is over £30bn a year.

My own estimate of the tax gap is, of course, much higher.

It's taken a lot of effort to persuade the world that the tax gap is a massive issue.

Now it's time that they realised that benefit fraud is not a big deal. In fact, a system with only 0.7% fraud within it is phenomenally good. It could be better, and miracles do happen, but in terms of reward for effort let's be clear, tackling tax evasion is much more important.