



Innovations in Public Employment Programmes (PEP) Spectrum from Public Works to EGS:

Case Study: **Expanded Public Work Programme - South Africa**



Goal
Reduce poverty by the alleviation/reduction of unemployment

Improve social security net

Utilize expenditure to alleviate and reduce unemployment

Improve enabling environment

Improve education system

Balance economic growth with growth in economically active pop

Intervention Type	Govt social welfare budget	Govt budget/ procurement	Regulation	Education policy	Macro economic policies
Impact timescale	Short/Medium term	Short/Medium term	Medium/long term	Long term	Medium/long term

Intent of the EPWP

- The EPWP was designed as an avenue for labour absorption and income transfer to poor households in the short to medium term.
- The EPWP is a means of creating a high volume of employment in a context of chronic unemployment and offers these opportunities to marginalized groups, like youth and women, who have difficulty in accessing the labour market.

History of the EPWP

- **EPWP 1:** Support the creation of one million work opportunities over a five-year period between April 2004 and March 2009. By the end of Phase One EPWP reached approximately 300 000 people (7% of the unemployed) annually.
- **EPWP 1 : Key components**
 - Implemented in four sectors (Infrastructure, Environment and Culture, Social and Economic)
 - Included training as a key requirement
 - No additional funding provided –all activities funded out of participating public bodies normal line budgets
 - Reporting on projects a key component –but difficult to enforce
 - No minimum wage applied

EPWP 2

- April 2009 and March 2014. Goal is to create 2 million Full Time Equivalent Jobs or 4.5 million work opportunities of a one hundred day average duration.
- **Key components**
- Implemented in four sectors (Infrastructure, Environment and Culture, Social and Non State Sector)
- Training to be funded by DoL
- National target broken down for all public bodies and protocol agreements signed
- A wage incentive introduced that provides an amount of funds for each work opportunity created and reported on. Incentive structured differently for each of the sectors
- National minimal wage applied

Common features of EPWP I & II

- **Workers employed on a temporary basis** under employment conditions governed by the Code of Good Practice for Special Public Works Programmes or by the Learnership Determination for Unemployed Learners
- **The Department of Public Works (DPW) is the overall coordinating department** responsible for overall monitoring and evaluation, progress reports to Cabinet, promoting linkages between sectors, putting in place support programmes and monitoring, evaluation, exit strategy, and training frameworks. The DPW set up a dedicated unit (the EPWP Unit) to fulfil its responsibilities
- **The EPWP is led by a sector-coordinating department in each of the designated sectors** (sector lead departments): the DPW for the Infrastructure and Non State Sectors;
- Department of Social Development for the Social Sector;
- Department of Environmental Affairs and Tourism for the Environment and Culture Sector.

Annual Increase in the Targets

Year (s)	WO Targets	% change per annum
yr1: 2009/10	550,000	
yr2: 2010/11	642,000	17%
yr3: 2011/12	868,000	35%
yr4: 2012/13	1,210,000	39%
yr5: 2013/14	1,650,000	36%

Key changes to EPWP Phase 2, include the

- All three spheres of Government are expected to contribute to EPWP Phase 2 (targets aligned to baseline allocations i.e. the Programme is mainstreamed into normal mandates of public bodies). In terms of the spread:
 - National Programmes are expected to contribute 15,7%
 - Provincial Programmes 41,9%
 - Municipal Programmes 29,4% and
 - Non-State 13%, to the overall targets
- an incentive grant within the Programme
- the non-state sector, and
- the provision of technical assistance to public bodies implementing the Programme.
- Protocol agreements signed

EPWP Key Projects

- Vukuphile: pertains to training of individuals in labour intensive methods of construction to become contractors at NQF level 2 and supervisors at NQF level 4
- NYS: A year long skills training and development intervention. It aims to provide unemployed youth with technical skills and life skills training, access to practical work experience and mentoring
- Large Projects: these are projects with a minimum budget of R30m or more. Ensure that delivery of these projects will be based on EPWP principles and ensure meaningful development of emerging contractors

EPWP Key Projects

- Non State Sector projects: consist of institution based programmes and area based programmes, where the former is delivered through non-state institutions such as NGOs and CBOs and the latter by organizations that build capacity at local level
- SMME and cooperatives development: Empower learners with necessary managerial and entrepreneurial ability
- Waste Management: waste collection initiative in under-serviced areas
- Greening initiatives in municipalities

Broader Development Impact

- Assets created and services delivered often rolls back the legacy created through decades of Apartheid policies
- Developmental impact is very clear:
 - Zibambele Road Maintenance programme
 - Contractor development programme
 - Enterprise development initiatives
 - Environmental benefits –there is a major focus on a green approach across all sectors.
 - Food for Waste Programmes focus on both service delivery and recycling
 - Social impact – care takers mainly young people
 - Partnership arrangements enable civil society and private sector to make a contribution

Broader Development Impact

- Focus on designated groups (women, youth and people with disabilities)
- Focus on poor, marginalized rural areas
- Participants are self-selected - setting of maximum wage rates prevents job displacement
- Participants are drawn from local communities where projects are implemented
- Local sourcing is also encouraged
- Wages earned by participants stimulate local economies
- High unemployment rate is both a challenge and an opportunity to intensify employment-intensity across all spheres of government and across all sectors
- Exit opportunities –some success, but still limited.



Challenges

- Intergovernmental relations to be properly managed
- Ensuring optimum implementation of the EPWP, as bulk of budget lies with different public bodies .
- Appropriate institutional arrangements.
- High costs of mentorship programme for contractor development
- Inadequate exit opportunities
- Ensuring that employment-intensity is prioritized across entire value chain of projects,
- Lack of human capacity and relevant skills, especially at implementation level

EPWP II: Key focus areas going forward

- **Consolidation : Growing the existing EPWP programmes:**
- **New Development : Identifying and introducing new EPWP programmes:**
- **Strengthening the institutional arrangements and capacity around the EPWP and pursue key partnerships:**

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THANK YOU