



**REPORT OF THE
ENGAGEMENT SESSION ON THE PRESIDENTIAL EMPLOYMENT STIMULUS
PROGRAMME AND THE YOUTH EMPLOYMENT INTERVENTION BY THE
PRESIDENCY HELD ON 19 AUGUST 2022; FROM 09H00-12H00 PLATFORM:
MICROSOFT TEAMS (VIRTUAL)**

Chairperson: Ms. Nolwazi Mthembu-Makaula

1. OPENING AND PURPOSE OF THE MEETING

- 1.1. The acting senior manager within Nedlac's Labour and Development unit Ms. Nolwazi Mthembu-Makaula opened the meeting and welcomed all participants.
- 1.2. The Chairperson stated that following the launch of the Presidential Employment Stimulus Programme by President Ramaphosa in 2021, Nedlac's social partners were vocal about their respective support of the stimulus programmes. It was then recommended that Government should be invited to the Nedlac Development Chamber to provide an update on the implementation of the employment programmes of Government.
- 1.3. The expected outcomes of the engagement were to allow Government an opportunity to present the status update and to enable social partners to make inputs and recommendations on the Government presentation with the view to enhance the programme, and ensure that the initiative created more sustainable jobs.

2. ADOPTION OF THE AGENDA

- 2.1. The agenda was adopted as presented.

3. INTRODUCTION TO THE DISCUSSION

3.1. Dr. Philip, from the Presidency, made the presentation on the Employment Stimulus Programme, and stated that:

- 3.1.1. The Presidential Employment Stimulus Programme was introduced by the President as a result of the sustained crisis of unemployment and the initiative was supported in the context of the COVID-19 pandemic. It aimed at creating awareness of the funded opportunities and improving job creation and livelihoods. This was a unique initiative that was confronted with successes and challenges.
- 3.1.2. It was important to emphasize that the programme was also aimed at mitigating the poverty effects of the pandemic and supporting employment recovery. The employment stimulus was also earmarked as an instrument to contribute to local economic recovery.
- 3.1.3. Policies, strategies, and implementation processes that would lead to inclusive growth were required to sustain decent work in the wider community.
- 3.1.4. In a context of a crisis in any society, if plan A was not able to deliver any tangible results, then plan B would then be enforced. The Presidential Employment Stimulus Programme was the Government's plan B as its intention was purely to support plan A.
- 3.1.5. The programme was introduced in October 2020 and the implementation process started in November 2020. The Presidency further presented the performance of the stimulus in a form of graphs for both phases and there were concerns recorded in those two phases. The social employment fund was identified as another key programme that was important to incorporate as it was part of social economic strategy and focused on supporting work done in the Communities.
- 3.1.6. 26 implementing partners have been appointed to employ 50 000 people in part-time work. The logic of the part-time work model was to provide a platform from which people can engage in other livelihood activities.
- 3.1.7. The budget for the social employment fund was 800 Million and the programme received applications that met the minimum qualifying criteria to the value of over 7 Billion. About 300 000 jobs would have been created if budgets permitted.
- 3.1.8. The creative sector received the biggest stimulus as a sector and it was important to note that there were no fraud and theft of funds. The National Arts Council (NAC) received about 2 Billion applications for 300 Million in funding and this led to a great outcry within the sector.

- 3.1.9. One of the lessons learned from this initiative was that as a society there was a need to build the institutional architecture to deliver employment opportunities at an acceptable scale. There was also a need to build quality work experiences that create real social value.
- 3.2. Ms. Lerato Shai, from the Presidency, made the presentation on the Presidential Youth Employment Intervention (PYEI), and stated as follows:
- 3.2.1. The PYEI was currently receiving needed support from the employment stimulus. When the youth employment intervention stimulus was announced it was with the commitment to have 1% of the budget allocated to the PYEI. During phase one no funding was allocated to this programme however, funding was committed in the second phase.
- 3.2.2. The PYEI was one of the three broad interventions spearheaded by the Project Management Office (PMO) within the Presidency to undertake inclusive growth and employment creation.
- 3.2.3. The PYEI was designed to address the comprehensive youth unemployment challenges. The programme consists of one network and five priority sectors.
- 3.2.4. A strong partnership approach to delivery has been adopted. The Presidency plays a coordination role and not that of an implementing Department. The role of the PMO within the Presidency was that of being the custodian, providing strategic direction and oversight, and working very closely with Government Departments identified as the implementors of the initiative.
- 3.2.5. The Department of Employment and Labour is the lead Department in the national pathway management network in partnership with the Government Technical Advisory Centre (GTAC), and the Jobs fund. The Department of Higher Education and Training (DHET) is responsible for the demand for skills development in partnership with the National Skills Fund (NSF), including all the sectors of education and training.
- 3.2.6. The funding for the PYEI for the 2021/22 financial year was 936 Million. There was 47 Million in funding from relevant partners. At the end of the 2021/22 financial year, a new dashboard was launched to allow the members of the public to access the progress made to date.
- 3.2.7. About 2.9 Million young people were registered on the SA youth platform and 557 opportunity holders were listed on SA youth and the majority coming from the private sector. 358 738 young people secured earning opportunities on SA youth and the majority coming from the Department of Basic Education and under 70% are women. Approximately 36 000 young people have been placed in earning opportunities during the first quarter of the 2022/23 financial year.

4. RESPONSES OF SOCIAL PARTNERS TO THE PRESIDENTIAL EMPLOYMENT STIMULUS AND THE PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION.

4.1. Organized Business inputs:

- 4.1.1. Business was encouraged by the information presented and wanted to get more information on the success of the intervention in the agriculture sector.
- 4.1.2. It inquired about how the public-private partnerships were functioning and what additional scope was made available to encourage the private-public partnerships.

4.2. Organized Community inputs:

- 4.2.1. It welcomed the presentations made by the Presidency and it appreciated the fact that both presentations were detailed and contained valuable information.
- 4.2.2. The programme needed to make more emphasis on cooperatives as this aspect did not come out in the presentation. In this regard, it undertook to provide written input to Government on what it wished to see being addressed on the programme.
- 4.2.3. Currently, the criteria particularly in the teacher assistant programme with the Department of Basic Education (DBE), was focusing more on young people with grade 12 and tertiary education. Community views appealed to Government that the young people with grades 8 to 11 also needed to be cared for and should be considered in the criteria.
- 4.2.4. Government was also requested to consider adopting a more inclusive approach and to ensure that people with disability up to the age of 35 were being accommodated. This as a result of disabled people taking longer to complete their studies in many cases.
- 4.2.5. It stated that there was a role to be played by the federation of agriculture organizations such as the AGRISA in making sure that there were issues of food insecurity in South Africa were adequately addressed.
- 4.2.6. Community was encouraged by the spread of post graduates' interventions or graduates from the universities especially the historically disadvantaged are prominently featured.
- 4.2.7. It recommended that Government considers undertaking roadshows in centers of higher learning to create awareness and encourage more participation.
- 4.2.8. Community indicated that it was keen in to be involved in the processes other than getting the statistics but preferred to work together with the Presidency. It further requested Government to expand on the issues who was the suitable supplies how those supplies get to be in the database and ultimately be approved to provide the services.

4.3. **Organized Labour inputs:**

- 4.3.1. Labour welcomed the presentations and wanted the Presidency not to view them as partners but as allies. It requested Government to elaborate on how the allocation of the agricultural voucher was constituted.
- 4.3.2. It recommended that Government should also consider reaching out to homeless people as this can be a positive intervention to assist the most destitute of our societies.
- 4.3.3. It welcomed the input that recipients in both programmes were not being paid below the minimum wage. It also indicated that there were some instances in Mpumalanga whereby some of the teacher's assistance recipients were not paid in time and requested Government to put measures in place to prevent such occurrences.
- 4.3.4. It would be good for Government to get more details, especially on the creative arts sector and the artists, to share with colleagues working in those sectors and ensure adequate participation.
- 4.3.5. Labour agreed with Community on the issue of accommodating those with disabilities.
- 4.3.6. Budget cuts should not affect this programme and stated that it hoped that the budget for the programmes could be increased by the Medium-Term Budget Policy Session (MTBPS) in October 2022 so that pronouncement on the budget can be made in the February 2023 budget speech of the Minister of Finance.
- 4.3.7. It stated that Government was not good at communicating positive achievements through both initiatives including great issues and progress.
- 4.3.8. Labour recommended that the programme needed to be extended to other Government Departments such as the Department of Home Affairs (DHA), the programme can assist in addressing the long queues as it will shorten the turn around time of inquiries, and the South African Police Service (SAPS) the programme can also add value around the area of docket investigation etc. In addition, on the SOE's and municipalities, there were a number of areas in which the programme and add value.

- 4.3.9. It inquired on whether Government had conducted an assessment on the impact of the two programmes, specifically around whether participants were able to find permanent placement in the labour market after exiting the programme. Government was also asked to share the impact on sustainability and how far-reaching the programmes were to all the intended recipients.
- 4.3.10. It inquired whether Government was open to bilateral meetings with Labour to have further discussion on the progress of what is happening regarding these programmes.

4.4. **RESPONSE FROM THE PRESIDENCY TO SOCIAL PARTNERS**

- 4.4.1. The agriculture area was an area that had great potential for engagement. The agriculture voucher was the production input voucher to assist farmers to get back into production after COVID-19 disruptions. Amounts are varied to 12 000 per voucher, these were aimed at the subsistence farming sector, where farmers apply online. The applicant would be verified whether indeed they were engaged in the sector. This initiative was not meant for the new farmers but existing farmers. The voucher can be redeemed at approved suppliers and this created some problems as some of the suppliers registered were bogus suppliers. As a result, the programme was suspended for a certain period due to the abuse and corruption involved in redeeming the voucher.
- 4.4.2. The employment stimulus has tried to incentivize and use partnerships as a criterion for programmes.
- 4.4.3. Government noted the point raised by Community in terms of participation of people with disability in the programme and acknowledged that it could do more in this space.
- 4.4.4. It stated that very few programmes had a skill threshold and that most of the programmes had no skills threshold. Only the teacher's assistance currently require a matric certificate and above.
- 4.4.5. A number of the programmes were focused on assisting and supporting transitions into self-employment or livelihood support, however, Government doesn't prescribe the form in which these various enterprises/employment these take.
- 4.4.6. Government sees maintenance as a critical area for scaling up and this will happen through municipalities through the EPWP.
- 4.4.7. Government has supported the use of the national minimum wage in all of the new programmes the stimulus has initiated. Government advocated closing the gap between the EPWP wage and the national minimum wage.
- 4.4.8. The Presidency did not get funding from the stimulus all of the funding went through the line Departments. The opportunities for partnerships need to come through the implementing Departments.

- 4.4.9. Only Cape Town and Ethekewini had homeless people-centered programmes that employ homeless people to undertake urban agriculture on unused public land within the City limits.
- 4.4.10. It was noted that the issue of the teacher's assistance not being paid on time was a very critical issue and the concern was around discrepancies in terms of names not matching the ID number etc. Presidency's understanding was that the Department of Basic Education has managed to solve the matter.
- 4.4.11. Government acknowledged that there are limitations in communication, and will try to improve. Government was working on a comprehensive communication strategy and any support in this regard was welcomed.
- 4.4.12. Government was open to conducting bilateral especially on cooperatives at any given time to improve where necessary. There was a call for suppliers to submit their applications and done periodically.

4.5. WAY FORWARD

- 4.6. It was agreed that the Presidency will provide quarterly updates to the Development Chamber on the performance of the Presidential Employment Stimulus Programme and the Presidential Youth Employment Initiative.
- 4.7. It was agreed that Government would make available communication tools to ensure that the programme was more accessible to the general public and that it was presented in an understandable form. Government to ensure that issues raised by social partners were taken into consideration.
- 4.8. It was agreed Community Constituency would convene a bilateral meeting with Government to further discuss issues related to strengthening cooperative partnerships. The Secretariat will assist in arranging any bilateral engagements.

5. CLOSURE

- 5.1. The Chairperson officially closed the engagement session.

**ATTENDANCE REGISTER FOR THE PRESIDENTIAL EMPLOYMENT STIMULUS AND THE PRESIDENTIAL YOUTH
EMPLOYMENT INTERVENTION SESSION HELD ON THE 19TH OF AUGUST 2022**

Business	Community	Labour	The Presidency	Nedlac Secretariat
Annelize Crosby Sanelisiwe Jantjies Tsakane Muavha Thapelo Machaba	Lucas Qakaza Lawrence Bale Matthew Mponza Puleng Tsebe	Matthew Parks Boitumelo Molete Sipho Ndhlovu	Kate Philips Lerato Shai Rudi Dicks Carmel Morock Bridget Hannah Kentse Radebe	Nolwazi Mthembu-Makaula Priscilla Mashabane Bongani Mahlalela Lisa Seftel Nobuntu Sibisi

