



NATIONAL ECONOMIC DEVELOPMENT AND LABOUR COUNCIL

REPORT

ENGAGEMENT ON THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP) POLICY HELD ON THE 08TH OF JULY 2022 10H00 – 12H00, MICROSOFT TEAMS (Virtual Platform)

1. INTRODUCTION

- 1.1. The Nedlac Development Chamber convened a session on the Expanded Public Works Programme (EPWP) Policy, to afford the Department of Public Works and Infrastructure (DPWI) an opportunity to formally present the policy to Nedlac for input.
- 1.2. This platform also enable the Nedlac social partners to submit their preliminary views for Governments' consideration and incorporation towards finalizing the policy for wider public consultation.
- 1.3. The session was facilitated by Ms. Nolwazi Mthembu-Makaula acting Senior Manager for Labour and Development unit, who welcomed all present. Apologies submitted for Ms. Nobuntu Sibisi, Nedlac Executive Manager Programmes, Mr. Godfrey Selematsela from Labour.

2. PRESENTATION FROM THE DEPARTMENT OF PUBLIC WORKS AND INFRASTRUCTURE (DPWI) ON THE EPWP POLICY

- 2.1. The Deputy Director-General (DDG) for the EPWP, Ms. CJ Abrahams expressed appreciation for the opportunity to engage with the Nedlac social partners. The DDG confirmed that the EPWP draft policy was signed off through the executive authority in December 2021, and was awarded the Socio-Economic Impact Assessment System (SEIAS) Certificate in March 2022. Government provided a detailed list of consultations conducted on the policy and further indicated that the Nedlac EPWP site visits which were conducted in March 2022 were crucial in the development of the policy.

- 2.2. The EPWP policy was a crucial document, particularly with the recognition of providing an overarching policy for the programme and recognizing that this was also the call from the EPWP summit to proceed with the EPWP policy.

Moreover, there were issues within the programme that needed to be articulated and provided for in the policy. Government confirmed that it was now in the process of convening consultations with the clusters as of the following week. It was further stated that there was quite a bit of consultation that needed to happen particularly with the fiscus in relation to the EPWP policy.

- 2.3. The Chief Director in the EPWP Branch, Mr. Devan Pillay made a detailed PowerPoint presentation. The full presentation is marked as **Annexure 1** of this report. The summary of the presentation was recorded as follows:

- 2.3.1. It provided a detailed background of the EPWP, the EPWP policy development process, a communication plan, and a road map for the finalization of the policy. Government outlined detail processes that were undertaken internally, which subsequently led to the development of the EPWP Policy, as follows:

2.3.1.1. The EPWP was inceptioned in April 2004 following the Growth and Development Summit (GDS) Agreement, which was negotiated at Nedlac. The programme has managed to create more than 13 Million work opportunities in all the spheres of Government. The programme was also funded through the line budget complemented by a number of grants. Over 350 public bodies were implementing the programme across the country and around 13 500 projects were implemented in the 2020/1 financial year.

2.3.1.2. In 2018, Government convened the EPWP Summit and one of the summit resolutions was for Government to develop the EPWP Policy. In taking the process forward, an EPWP policy task team was established consisting of key stakeholders and Government Departments as the implementors of the programme, including officials from the International Labour Organization (ILO). A number of interviews were conducted with key stakeholders to identify gaps. In 2020, a draft policy was developed and a consultation process began with several key Government coordinators and implementers of EPWP, which included provincial departments, the National Treasury, and the Office of the President. This process culminated into a final draft policy which was approved by the Minister of DPWI in December 2021.

2.3.1.3. The Minister of Finance was tasked with the responsibility to convene a meeting in May 2022 with the Ministers of

Employment and Labour; Forestry Fisheries and Environment; Cooperative Governance and Traditional Affairs, and Social Development. This was to ensure that all the Ministers were on the same page when the policy was presented to Parliament. However, this meeting did not materialize. In June 2022, the Minister of DPWI resolved that the DPWI should proceed with the cluster processes and thereafter table the policy to Cabinet for approval to gazette for public comments.

2.3.2. The purpose of the EPWP Policy was to:

2.3.2.1. Define emerging problem statements and re-focus Public Employment Programme (PEP) agenda.

2.3.2.2. Build on the existing base and learning experiences acquired over the years and place the EPWP on a positive and improved path.

2.3.2.3. Provide clarity on whether EPWP was a social protection and labour market intervention programme; and furthermore, it will redefine EPWP programmes for improved outcomes.

2.3.2.4. Propose six positions in dealing with challenges experienced when implementing the programme. These provide a strategic direction for all stakeholders involved in the EPWP.

2.3.2.5. In terms of Repositioning of the EPWP, it is recognized that for many the journey started with the provision of social protection and later evolved to a combination of both social protection and labour market intervention. Furthermore, a need to align the EPWP wages with the National Minimum Wage (NMW). The amount required if Government moves to the national minimum wage ranges between 3.5 – 6.5 Billion. 5.6. Billion will be needed for Government to move EPWP participants from the EPWP minimum wage to the national minimum wage in a period of 5 years from now. Over the period of 10 years the budget required will be 6.4. Billion.

2.3.2.6. A programmatic approach will be introduced, this was a structured purpose-driven methodology to be applied to national, provincial, and municipal programmes focusing on service delivery. The programmatic approach focused more on sustainable livelihoods of participants and value-for-money for Government and ultimately turn investment towards the creation of jobs and service delivery.

- 2.3.2.7. Ensure that the Public Employment Programme (PEP) Funding Model and Management Tool are developed. This will massify PEP and that it contributes beyond work opportunities by applying an objective-driven programmatic methodology.
- 2.3.2.8. Restructured monitoring, evaluation and reporting of EPWP: consider two critical components namely; knowledge management and to apply end-user module which will enable each EPWP worker to have a unique EPWP ID that details the history of work opportunities.
- 2.3.2.9. Refocused programmes to enable massification, to elaborate on various EPWP Programmes classified as social protection wererequired. The position further proposes mechanisms on how these could be reconfigured and refocused to improve access to employment opportunities, and that work opportunities were scaled- up.
- 2.3.2.10. In addressing the position on strengthened EPWP Institutional and Coordination Arrangements, it was recognized that governance, logistics, and institutionalization are key elements to a Programme's longevity and sustainability. It further proposes an institutional framework for PEPs, to ensure streamlined and uniform implementation of the EPWP Policy. There will be a qualitative oversight of the coordination of the EPWP to enable rigorous compliance with EPWP across the sectors and provincial coordinators. This is critical going forward in ensuring that EPWP becomes more credible.
- 2.3.3. The EPWP policy communication plan will use all forms of communication including the Government Communications Information Systems (GCIS) for this policy to be broadly rolled-out.
- 2.3.4. The key roadmap in the process of finalizing the EPWP policy was presented, this also included the deadlines. Government therefore stated that it envisaged Gazetting the policy for public comment by September 2022. It recommended that the Nedlac Development Chamber consider the draft EPWP policy and submit written comments once Gazzated.

3. INPUTS FROM CONSTITUENCIES

3.1. Input from Business

- 3.1.1. It applauded Government for presenting a very comprehensive and informative presentation accompanied by the actual EPWP policy.
- 3.1.2. Business was comfortable with the proposed timelines and project plans as presented by Government.
- 3.1.3. Business stated that the planning of the EPWP policy should be aligned to the needs of the labour market, based on the bigger master plan of the country.
- 3.1.4. It stated that Government should consider creating the EPWP pool of employable/qualified young people that have completed training. Employers would source potential skilled personnel from that pool. This will lower the high rate of qualified young people finding employment after completion of the training.

3.2. Input from Community

- 3.2.1. Community welcomed the presentation from the Department and agreed with Business that the presentation was well-informed. It was evident that the EPWP visits undertaken by Government and social partners are bearing fruits.
- 3.2.2. On the issue of interns; Community believed that the funding models should accommodate as it is developmental in nature. As a Development Chamber it was crucial to embark on programmes that are developmental. It also highlighted that these initiatives should not only be focused on social protection, but could also look at developmental issues as well.
- 3.2.3. Community proposed that there should be EPWP legacy projects. The existing strategy should be comprehensive and result in sustainable issues. There was no uniformity in the EPWP initiatives and therefore, the uniqueness was not transferrable to other Provinces. The policy should not be vague, it should be clear and understandable to people on the ground.
- 3.2.4. In addition, it raised the issue of Job displacement, and job replacement which must be clearly provided for in the policy. It noted the concern that municipalities seem to be using EPWP projects to achieve their primary mandates as municipalities.
- 3.2.5. In terms of communication strategy, Community suggested that existing structures within Government should be used to widely communicate the objectives of the programme such as the Government Communication and Information System (GCIS). It also indicated that Government should also explore the possibility of collaborating with the Traditional leaders, Nduna's,

and the Chiefs in communal land to ensure that the Government Communication Strategy reached all the intended persons.

- 3.2.6. Government to develop a database for all the EPWP beneficiaries that have completed the programme and have their portfolio of evidence file for work conducted while in the programme.

3.3. Inputs from Labour

- 3.3.1. Organized labour appreciated the contents of the presentation from the Department.
- 3.3.2. It indicated that monitoring and evaluation were key to ensure value for money. In addressing issues of skills development, it suggested that the programme can be considered as an on-job training leading towards development.
- 3.3.3. Cautioned against creating a generation of people that were dependent on the state for livelihood. Labour stated that young people don't want social protection, instead young people want to be afforded a platform to harness their skills and capabilities to become active citizens of the country.
- 3.3.4. In addressing job substitution, and job replacement; Labour proposed that consequence management processes should be applied where there was a deviation from the mandate.
- 3.3.5. Participants should not remain in the EPWP for over 10 years as witnessed during the site visits, this should be managed by implementation of proper monitoring and evaluation systems.
- 3.3.6. It sought clarity on what role can be played by the private sector to ensure that the required skills needed in the country were developed and those synergies were created with the view of increasing the labour absorption pool.

3.4. Responses from the DPWI

- 3.4.1. Government agreed with the statement concerning the conformity of programmes. The EPWP engaged with the National Treasury last year about putting forth the dimension of quality to look at how programmes contribute to the number of work opportunities, labour intensity, designated groups etc.
- 3.4.2. Programmes should ensure that they don't pay less than the minimum wage and require compliance with the employment conditions.
- 3.4.3. The point of communication within the rural areas, Government noted this and will look at the ways of improving communication.
- 3.4.4. The policy also recognizes skills development and there are efforts by Government to continue to work together to ensure skills development.

- 3.4.5. When the EPWP was established it was meant to be temporarily in nature and the economy was not able to generate the required number of unemployed persons to be absorbed in the programme.
- 3.4.6. There will be a lot of focus on a market-driven initiative and getting the economy going. The EPWP is an important part, particularly while things are still being put in place to ensure absorption.
- 3.4.7. During the 2015/16 financial year, Government started training EPWP participants on financial literacy. However, Government wants to do more.
- 3.4.8. There were about 37 youth artisan graduates coming out of the programme, and the policy engagement process has reignited something positive for this category.
- 3.4.9. Government agreed that social protection is one of the key measures but getting people into the work was far more critical.
- 3.4.10. There were 950 000 EPWP participants last year and there are no sufficient resources and networks to absorb everybody.
- 3.4.11. Every EPWP participant by law should sign an employment contract.

4. WAY FORWARD & CLOSURE

- 4.1. Nedlac welcomed the commitment from the DPWI to formally table the revised policy incorporating the public comments in October 2022, once all the Government processes have been concluded.
- 4.2. Government to share the report in transitioning to the labour market, social partners will find significant value in this report.
- 4.3. The Chairperson closed the meeting and thanked everyone for participating.

ATTENDANCE REGISTER – DEVELOPMENT CHAMBER ENGAGEMENT WITH DPWI ON THE EPWP POLICY**HELD 08 OF JULY 2022 10h00 – 12h00**

BUSINESS	COMMUNITY	LABOUR	GOVERNMENT	SECRETARIAT
Fani Xaba Sanelisiwe Jantjies Kgauhelo Qwabe Tsakane Muavha Thapelo Machapa	Lucas Qakaza Lawrence Bale Laura Kganyago Thembinkosi Josopu Matthew Mponza Puleng Tsebe	Matthew Parks Sipho Ndlovu	CJ Abrahams Devan Pillay Adam Mthombeni Lindiwe Nkuna	Nolwazi Mthembu-Makaula Priscilla Mashabane Bongani Mahlalela Rejoice Mudzanani