



**EXPANDED PUBLIC WORKS PROGRAMME
CONTRIBUTING TO A NATION AT WORK**

SECOND QUARTERLY REPORT – YEAR 3
(Containing interim data and information for the period
1 April 2006 to 30 September 2006)

Financial Year 2006/07

(This narrative should be read in conjunction with Annexures A – G)

December 2006

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1 Introduction

As a nationwide programme, Expanded Public Works Programme (EPWP) covers all spheres of government and state-owned enterprises. The aim is to draw significant numbers of unemployed people into productive work opportunities, accompanied by training, so that they increase their capacity to earn an income. The EPWP is a direct response to one of the agreements reached at the Growth and Development Summit (GDS) of 2003.

A minimum of one million work opportunities will be created in South Africa over the first five years of implementation (i.e. by 2009), of which at least 40% will be women, 30% youth and 2% people with disabilities. It should be noted that the EPWP is but one of government's responses to address the challenge of unemployment and poverty. The EPWP is implemented across the infrastructure, environment and culture, social and economic sectors.

The Department of Public Works was mandated by Cabinet to lead the interdepartmental implementation of the EPWP. The EPWP is implemented by national and provincial departments, as well as municipalities and state-owned enterprises (SOEs). Project level monitoring data (according to agreed indicators) is collated from implementing bodies across the three spheres of government for the preparation of interim quarterly reports. In addition, evaluation studies have been commissioned to determine the impact of the EPWP on households and communities from which participants are drawn. The results of these studies will become available at the end of the current financial year. More light will then be shed on the value of participation in EPWP projects to direct and indirect beneficiaries.

Monitoring of the programme is guided by the targets set in the EPWP Logframe. As such quarterly progress will be given on the outputs specified, namely work opportunities, person-days of work, person-days of training and learnerships

This report reflects on data submitted for the period 1 April to 30 June 2006, as well as programme management issues (such as institution-building and capacity-building) in the EPWP. The agreed indicators for the programme have been integrated into existing reporting systems of the various sectors, such as the existing National Treasury monitoring system for the Provincial Infrastructure Grant (PIG). The EPWP indicators have also been included in the single monitoring system which is being established for the Municipal Infrastructure Grant (MIG). A limited number of questions on the EPWP are included in Stats SA's Labour Force Survey (LFS).

Data on MIG funded projects is submitted to the Department of Provincial and Local Government (dplg). The MIG reporting system (MIG MIS) has not been fully tested as yet. There is currently limited reporting from some municipalities, captured in Annexures G1-G3.

Both gross and net job opportunities are reported. The gross job opportunities are the total job opportunities created on a project, and the net work opportunities are the gross job opportunities less the opportunities which would have resulted had the same work been done using machine-intensive methods. A formula is applied to calculate the net number of work opportunities is applied only to the infrastructure sector. The social sector is by nature labour-intensive, while the economic sector focuses on the creation of emerging entrepreneurs.

EPWP data is collected cumulatively from one quarter to another and capped on an annual basis. Job opportunities reported may thus not necessarily be new ones. Some projects cut across financial years, which might result in double-reporting of some work opportunities between the fourth quarter of the previous financial year and the first quarter of the subsequent financial year. To offset these problems, data is also collected on the number of person-years of work created on EPWP projects. The number of person-years of work created is a more reliable indicator than the number of work opportunities created, because it does not have these potential double-reporting problems.

The EPWP monitoring and evaluation framework forms the basis for evaluation studies that have been commissioned. Service providers have commenced with conducting of longitudinal studies and cross-sectional surveys, as well as case studies and completion reports. The lessons learned will be fed into project planning and implementation cycles, and will be used to identify the key issues that need attention in subsequent evaluation studies.

In an effort to improve data quality, the DPW is conducting on-going capacity-building workshops for reporting bodies across all provinces.

An initiative is currently underway to conduct quality checking of the data and the processes involved before data is submitted to the EPWP Unit. The lessons learnt will be fed back to reporting bodies to improve the integrity of the data used for quarterly reports.

2 Logframe targets

Different targets are set for the first five years of the implementation of the EPWP. One of the most important targets is that 1 million work opportunities will be created. The definitions for the agreed indicators for monitoring of the programme are spelled out in the logframe document, e.g. that a work opportunity is paid work for any duration of time. This period of work varies from sector to sector. It should be noted that the EPWP Unit also collects data on the person-days of work created to off-set the potentially skewed picture that could be painted if one looks at a work opportunity in isolation. Below are the approximated work opportunity targets per annum:

- Year 1: 130 000
- Year 2: 210 000
- Year 3: 270 000
- Year 4: 300 000
- Year 5: 300 000
- Total: about 1.2 million gross work opportunities - approximately 1 million net work opportunities*

**Net jobs equals total jobs created less the jobs which would have been created had the same work been done using machine-intensive methods*

It is estimated that at least 459 840 net work opportunities were created since the EPWP commenced in April 2004. More detail is given below in the discussion on the project data for the reporting period.

3 Project Data for the Period 1 April – 30 September 2006

The issue of data integrity is obviously of paramount importance for the monitoring of the EPWP. Currently there are serious challenges with the data provided from many implementing bodies. The latter provide project level monitoring data according to the key selected indicators, such as budget, expenditure, work opportunities created, person-days of work, minimum daily wage, person-days of training, number of women, youth and people with disabilities. A substantial number of projects reported contain incomplete data fields, with the result that the data can often not be included in the quarterly reports. Data on these projects are kept on the project lists for the financial year and included in subsequent quarters as they become fully compliant in terms of the quality of the data submitted.

Exclusion rules are applied to distinguish between projects that comply fully and those that do not. One such rule is that projects have to report on training of EPWP participants. Training is one of the key pillars of the EPWP. Hence this rule will be more strictly applied on project data reported from the financial year 2006/07 onwards. The result is that many projects that do not contain any training data have been excluded. Data included in the attached annexures for the various levels of government and sectors should thus be interpreted against the background of the exclusion rules. Much more is thus happening with regard to implementation of the EPWP, but project level data will only be included once there is full compliance with the data requirements for reporting on the EPWP. In some cases training may thus be taking place, but not reported on properly – and in other cases implementing bodies might be struggling with operational issues with regard to training.

Annexures F and G3 contain project level data that adhered to the data requirements of the EPWP. Usable data had been received from some provincial infrastructure, social and environment and culture sector departments,

as well as from national infrastructure and environment and culture sector departments.

Consistency checks are run on the data reported. It should be noted, however, that responsibility for the validation of the data lies with reporting bodies and the appropriate institutional structures at the various spheres of government. In the absence of unique project identifiers, the data for this reporting period should be viewed and used with circumspection. It is encouraging that at least some municipal level reporting was done across all nine provinces. Reporting on infrastructure created by municipalities by using their own funds, as well as reporting on other EPWP sectors at this level, is still lacking, however.

Although data was received on many projects across the infrastructure, environment and culture, social and economic sectors, only 1 139 projects could be included – based on the exclusion rules discussed earlier. Based on the usable project level data received, at least 88 290 gross work opportunities (i.e. at least 88 230 *net work opportunities*) were created for the period 1 April-30 September 2006 (see Annexure A). The total wages paid amounted to at least R199m. The amount of at least 18 766 person-years of work had been created on EPWP projects. At least 1 680 person-years of training were completed by EPWP participants. The distribution of work opportunities created by all spheres of government is indicated at metro and district municipal level in Map 1.

A break-down of the data for the period under review shows that work opportunities created thus far consist of 60% women, 35% youth and approximately 0.9% people with disabilities. The EPWP's goal is to create work opportunities (coupled with training) for a minimum of one million people (at least 40% women, 30% youth and 2% people with disabilities) in South Africa in the first five years of the programme (i.e. by 2009).

The infrastructure sector dominated the work opportunities created in the KwaZulu-Natal (KZN), Mpumalanga, Gauteng and North-West for this reporting period. In the Western Cape, Eastern Cape, Northern Cape and Limpopo the environment and culture sector contributed most work opportunities. In the Free State work opportunities were well spread between the social, infrastructure and environment and culture sectors (see Map 2 on last page).

One of the challenges of monitoring work opportunities created within the EPWP is the fact that a number of projects span different financial years. It is estimated that projects that straddle financial years had created approximately one-third of the total net work opportunities by the end of this reporting period. At this stage, the assumption is made that about half these work opportunities would straddle different financial years. Thus, if adding up the total number of net work opportunities created to date, approximately half the work opportunities on projects that straddle the financial years should be subtracted. The total number of *net work opportunities* created during the first year of implementation of the

EPWP amounted to at least 174 800. By the end of the second year, at least 348 900 net work opportunities were created. As was stated earlier, the cumulative total net work opportunities created under the programme since its commencement in April 2004 up until end of September 2006 is at least 459 840. The programme is therefore on target to exceed its target of 1 million work opportunities in its first five years.

It is important to measure the number of job opportunities added through the EPWP approach, i.e. the value added. The additional employment creation through the use of employment-intensive methods in the infrastructure sector varies, depending on the degree of labour-intensity of the production methods used. Due to the complexity of the issue it should be noted that there is no uniform formula that can be applied across the board to calculate net work opportunities. For example, the average increase in employment creation through the use of labour-intensive methods in Gauteng’s programme is 10%, whereas the average increase in employment creation on the Gundo Lashu roads programme in Limpopo is 600%.

Work Opportunities Created In 2006/07

Sectors	No. of Net Jobs Created*
Infrastructure	48 026
Social	5 875
Environment & Cultural	34 334
Total	88 235

**Net jobs equals total jobs created less the jobs which would have been created had the same work been done using machine-intensive methods*

The sector break-down of the number of work opportunities for this reporting period shows that most *net work opportunities* were created in the Infrastructure Sector (at least 48 026). Wages paid in this sector amounted to R106m. This sector is targeted to create 75% of the work opportunities over the first five years of the implementation of the EPWP.

At least 34 334 *net work opportunities* were created In the Environment and Culture Sector in the period under review. Wages paid amounted to R66.7m. At least 5 875 work opportunities have been reported in the Social Sector for this reporting period and the wages paid amounted to R26.6m.

In the infrastructure and environment and culture sectors most people have been employed as manual workers. These manual workers are employed by contractors, who also employ supervisory staff. Depending on the nature of the project, some skilled artisans are also employed.

The average duration of employment on infrastructure projects is approximately four months, and for environment projects the average duration of employment is approximately six months. These employment duration periods are a function of the nature of the work being carried out.

Annexure F shows the geographical location of the projects and the total budget as reported by national and provincial departments. The majority of reported net work opportunities were created in KZN (38%), followed by the Western Cape (19%), Mpumalanga (11%) and the Eastern Cape (10%) - see Annexure B2. The highest proportion of *person-years of work* created across the four sectors of the EPWP during this quarter was also in the KZN (36%), followed by the Eastern Cape (16%), the Western Cape (10%) and Mpumalanga (10%) - see Annexure B3. Annexure G3 contains data for projects reported by district municipalities and metros across 6 provinces.

As stated earlier project level data could not be accessed as yet via the MIG MIS. The limited municipal level reporting shows that 166 projects had been reported in the infrastructure sector (see Annexure G1). A total of at least 6 570 net work opportunities have been created, with wages paid amounting to R16m in 14 district municipalities and 1 metro country-wide.

4 Coordination and Institutional Arrangements

The Department of Public Works (DPW) is the national lead department for the EPWP. DPW's approach is to be pro-active and to create a supportive and enabling framework and environment for the programme to be successfully implemented by government bodies across the four sectors of the EPWP. In order to achieve this, a number of coordinating mechanisms have been established.

A National EPWP Coordinating Committee has been established. At the national level, all lead sector departments, as well as National Treasury, The Presidency, the Department of Labour (DOL), the dplg, SALGA, the DBSA and the Independent Development Trust (IDT), are represented in this forum. In order to facilitate co-ordination between national sector departments and provinces, provincial EPWP coordinators are also represented in this forum.

National Sector Coordinating Committees for the Environmental, Social and Infrastructure and Economic sectors track progress made, discuss common challenges and ensure that there is a common approach to training and exit strategies across the sectors.

The *EPWP Unit* in DPW is responsible for day-to-day coordination of the EPWP. The IDT provides support to the EPWP Unit in the form of human resources that have been deployed to assist programme managers.

Provincial EPWP Steering Committees have been established, but not all of them function equally effectively. Provincial EPWP implementation plans set provincial targets for projects and job creation across the various sectors, linked to provincial priorities.

5 Training

As stated in the objectives of the EPWP, training is critical for the successful implementation of the programme. According to the Code of Good Practice for Special Public Works Programmes, as gazetted by the Department of Labour (DOL), it is a requirement that beneficiaries should receive at least 2 days of training out of every 22 days worked. The Guidelines for the Implementation of Labour-Intensive Infrastructure Projects also require that managers of labour-intensive projects be trained in order to build capacity to manage EPWP projects at the required scale. A new training strategy makes provision for hard skills training to be given on EPWP projects.

During the period under review, 1 682 person-years of training were provided to beneficiaries (including life skills training) in the reported projects. The Department of Labour (DOL) is committed to support accredited training opportunities for EPWP beneficiaries through SETAs. Funds to support the training needs of EPWP beneficiaries have been ring-fenced under the National Skills Fund (Social Development Funding Window) for this purpose.

In the social sector, learning materials for the Community Care Givers have been finalised. All ECD qualifications have been revised. Consultations with key stakeholders are being undertaken to facilitate the process of phasing in the new qualifications and phasing out the old qualifications.

An EPWP training framework has now been developed, with the intention to provide all implementing bodies with the knowledge and technical skills and information required to implement EPWP training and to provide clear guidelines on accessing support from DOL and the SETAs. DOL has developed an Operations Manual on life skills training for the use of service providers.

The DOL has agreed to expand its database to make provision for the increased demand for courses in the Environment and Culture Sector currently not available on the database. This will assist public bodies to adhere to training requirements for the EPWP.

DOL has also agreed to improve the National Skills Fund Disbursement Information System to ensure that EPWP projects can be identified in order to improve the data on the number of people trained in technical and life skills.

A survey is being done to identify unaccredited service providers, with a view to enable them to acquire the necessary capacity and to add them to the DOL database. This will enable DOL to meet the increased demand for training from

the EPWP public bodies. Different training courses and models are used for the various target groups in the different sectors.

A training business process document was developed to provide guidance to stakeholders and public bodies on the provision of EPWP training. It is important for implementing bodies to understand the procedures to access training and funding from the Department of Labour (DOL). To date an average of 3 workshops were held in Gauteng, Mpumalanga, the Northern Cape and Kwazulu-Natal. Training needs for the first quarter were received from all provinces and presented to all the DOL provincial offices

In order to address the shortage of accredited training providers on the database of DOL, the EPWP and DOL briefing sessions were held with potential training providers to apprise them of registration procedures.

The database of the DOL is being reviewed to cater for the demand for courses currently not available on this database. The SETA accredited courses will be included in the DOL database in order to assist public bodies with accessing these courses.

The EPWP is placing higher emphasis on the provision of technical skills, apart from the life skills training that were offered in the initial phases. This is proving successful as can be seen from the expenditure report. Some public bodies now offer training even before projects start.

A computerised database of work-seekers is being developed in DOL. This initiative will be rolled out in 72 Labour Centres and staff trained. This will assist with tracking of EPWP beneficiaries for exit strategy purposes.

6 EPWP Partners

6.1 *Involvement of Business and Labour*

The Business Trust's supports the EPWP through the Expanded Public Work Support Programme (EPWSP). A facilitation fund was established to the value of R100 million over the period March 2005 – March 2010.

During the period under review, the Business Trust Support Programme has achieved the following:

- Seven out of the eight strategic and technical assignments have been completed. A further 10 strategic and technical assignments are being scoped and procured. These assignments are jointly agreed to between the National Department of Public Works and Shisaka Development Management Services (as agent to the Business Trust on the Expanded Public Works Support Programme)

- As part of support to the EPWP Infrastructure sector direct support was given to 5 municipalities and 2 provinces. The direct engagement targets have been exceeded. The support programme assisted to secure 26,430 work opportunities in 5 municipalities. (The target 18,000 work opportunities in municipalities by the end of September 2006.) The target of 1000 work opportunities in provinces up to end of 3rd quarter was exceeded and 16,100 work opportunities were created.
- Direct support is being offered in the social sector to Limpopo and KwaZulu Natal. For the period under review, the sector completed a capacity needs assessment in terms of HCBC in Limpopo and this assessment is underway in KZN.
- A key initiative in environment and culture sector is the development of a domestic waste model. Progress thus far has been the completion of the generic waste collection model, the testing of the generic model via workshops and the selection of pilot municipalities for the project. The intention is to pilot the project in 5 municipalities.

6.2 *The Independent Development Trust (IDT)*

The Independent Development Trust (IDT), as a public entity reporting to DPW, was tasked with implementing the DPW's EPWP Maintenance of Public Buildings Programme. The aim of this programme is to create work and training opportunities for the unemployed and to address the artisan shortage in the building industry. The organisation also supports the Vuk'uphile programme through its Social Facilitation Support Unit. This involves assisting the learner contractors with recruitment of local labour and arranging for the training of project beneficiaries to take place.

6.3 *The Development Bank of Southern Africa (DBSA)*

The Grant Agreement between the DBSA and the social sector has been finalized. The object of the agreement is to co-finance the undertaking of a detailed study to explore additional areas of expansion and the required capacities needed to manage the EPWP in this sector. This agreement will enable the sector to produce an evidence-based scenario of the potential of the sector to meet the EPWP goals as well as the management capacities required for effective implementation.

This investigative study has now commenced. Nineteen programme areas within the sector have been preliminarily identified for further investigation regarding scope and extent of potential. These areas include, among others, ABET, as well as child and youth care workers. The audit will also look into the capacity requirements of the sector which will inform the institutional requirement for mainstreaming. The results of the study are intended to assist provinces to form the basis for motivating for additional resource allocation to the sector. The target date for completion of the study is November 2006.

The DBSA EPWP Five -Year Support Strategy has been fully integrated in the Bank's business processes with each Division/unit carrying its own costs. A separate budget is therefore not required to fund DBSA involvement in EPWP in the 2006/07 financial year.

The DBSA's contribution to broader EPWP initiatives involves support to ASGISA (the Accelerated and Shared Growth Initiative of South Africa), endorsement and application of job creation and labour-based approaches on DBSA funded projects and various knowledge products and services outlined below.

The DBSA is contributing to ASGISA, which includes the reduction of unemployment levels, through DBSA's involvement in the EPWP. This includes a significant contribution to ASGISA through the DBSA's own job creation initiatives enforced in infrastructure investment projects.

The ADRU and national DPW EPWP Unit's partnership with the Department of Water Affairs and Forestry, Department of Provincial and Local Government, National Youth Services, SALGA, Job Creation Trust, Water Research Commission, and Umsobomvo Youth Fund has resulted in a recently completed national Sanitation Job Creation Guideline for Municipalities. This guideline knowledge is currently being successfully piloted and monitored by ADRU in a R100 million DBSA funded project in the North West Province.

At the request of the national DPW EPWP unit, the DBSA Monitoring and Evaluation unit is undertaking an independent assessment of the national, provincial and municipal EPWP reporting systems.

The DBSA Vulindlela is supporting the national DPW with the development and rollout of a training programme for municipal officials on aspects relating to EPWP capacity building. To date a total of 17 DBSA staff and 17 external SAWiC members received training in the use of the revised 2005 EPWP Guidelines on labour intensive approaches.

The DBSA has, in partnership with dplg/SALGA, developed a one-stop reporting system called the Local Government Resource Centre (LGRC) and a Local Government Network (LGNet) enabling, to date, 12 more municipalities (now standing at 214) to report back on financial and programme implementation. Intentions are to use this reporting system for EPWP reporting.

Against a target at the end of March 2007 of 90 skilled personnel and 30 learnerships, the DBSA task force under Project Consolidate has now mobilized 50 experienced professionals (previous quarter was 40) to 25 municipalities to build capacity in aspects that include EPWP delivery.

The DBSA EPWP technical assistance project for the Department of Social Development (DSD) research is under implementation. The DBSA Development Fund is providing R1 039 460 of a total R2 048 460.

The DBSA's continues hosting the national DPW EPWP sector coordinating meetings at DBSA. A decision was taken at a coordinating committee meeting to rotate these meetings among the 9 provinces. The DBSA's Eastern Cape Business unit's representative has entered discussions with the provincial EPWP unit's representatives to pursue and develop a DBSA support programme to assist with driving the implementation of the programme in the province.

During July, the DBSA team compiled an advertorial (funded by CCM for R76 784) which appeared as a special feature in the Star, Pretoria News, Cape Times and the Natal Mercury. The advertorial illustrated the DBSA's commitment to supporting the national DPW's National Construction week initiatives to encourage the involvement of the youth in the South African construction sector, as part of the EPWP awareness and marketing campaign. The DBSA Unit for the Northern and Western Cape Region is in the process of developing a provincial DBSA/EPWP support programme. Further support in the form of monitoring the EPWP activity and engaging with Provincial EPWP Units on aspects of EPWP support are still underway. Discussions and dialogue are still in progress with the Western Cape with a view to establish a DBSA Provincial EPWP Support Strategy in. The DBSA is increasing its advisor support to the Northern and Western Cape by assessing District and Municipal EPWP needs.

In the Free State, DBSA is providing support by establishing an Integrated Spatial Management System at local and district municipalities and a Master System Planning tool (MSP) at local and district municipalities to assist the rollout of the EPWP. DBSA has provided grant funding totalling R300 000 to the Maluti a Phofung municipality for the development of a tourism sector plan.

7 Communications

During the period under review, the EPWP has received coverage in various regional and national media. The EPWP website plays an important role in the EPWP communication strategy. Stakeholders and interested parties can access key EPWP documents and there are links to other sites. DPW is currently reviewing the communication challenges for the EPWP. The branding of the programme on a national basis is being reviewed in conjunction with GCIS and EPWP sector departments. The result of work done by service providers was presented to the EPWP National Coordinating Committee. Further work in progress includes a review of the EPWP website.

8 Summary of Progress per Sector

8.1 Infrastructure Sector

The infrastructure made the largest contribution to the EPWP targets in the period under review with 48 000 net work opportunities. Most of this contribution was made by the various provincial EPWP Programmes, generally situated in the Departments of Public Works, Roads and Transport and Housing. Provinces spent R 1.14 billion on EPWP infrastructure projects which is equivalent to 28% of the Provincial Infrastructure Grant (PIG) allocations received by them. The targets set in the infrastructure sector of the EPWP are based on the provinces spending at least one-third of the PIG on the EPWP by the third year of the programme. Provinces will be expected to further increase their EPWP programmes in the coming financial year in order for this target to be achieved.

In the period under review, DPW received reports from 15 municipalities on 166 municipal EPWP infrastructure projects. At least 6 570 net opportunities were created through these projects. Unfortunately no comprehensive report on the MIG contribution to the EPWP is currently available as the MIG reports submitted through the temporary MIG monitoring system contain insufficient detail for reporting on the EPWP. DPW has therefore agreed to ensure that increasingly the key municipalities report on the EPWP so that their contributions can be accounted for.

In order to ensure that provinces and municipalities contribute to the EPWP, the PIG and MIG have specific EPWP conditions attached to them. These conditions require that the implementing agents using these grants implement their projects in accordance with the EPWP Tender and Design Guidelines. Although DPW does not have numerical data on the extent to which public bodies have adopted the EPWP Tender and Design guidelines for their tender documentation, the general impression of the EPWP unit is that many government bodies have not yet adopted them, and have not yet changed their tender documentation to specify the use of labour-intensive methods. The DPW has therefore embarked on an initiative to work closely with 45 key municipalities in the 2006-07 financial year and provide them with technical support if required, so as to ensure that they implement their projects in accordance with the EPWP Guidelines and report as such on the outcomes of these projects.

- DPW EPWP building maintenance programme

After initial delays, the Department, assisted by the IDT, started to implement the EPWP through 10 of its projects. These are mainly projects involving the maintenance of public buildings and resulted in 785 work opportunities, coupled with training for unemployed people. At the end of the reporting period this programme will be reviewed to assess how its implementation can be accelerated.

- Participation of State Owned Enterprises (SOEs)

DPW continued engaging with Transnet and Eskom regarding their participation in the EPWP through their planned investments in infrastructure. Various proposals were made to these SOE's, but no EPWP activities were undertaken yet in the period under review.

- Replicating best practices: Gundo Lashu and Zibambele

Facilitating and supporting the replication of best practice programmes is an important strategy of DPW in leading the implementation of the EPWP. The EPWP Contractor and Supervisor Learnership Programme, largely based on the Gundo Lashu Programme in Limpopo, is an example of this strategy. Now called Vuk'uphile, it is a supply-side intervention aimed at ensuring that there are sufficient properly trained, experienced and qualified contractors and supervisors to respond to the increased demand from provinces and municipalities for labour-intensive construction services. It is a partnership between DPW, the Construction SETA (CETA), ABSA Bank, the IDT, and participating provinces and municipalities. Emerging contractors and supervisory staff are recruited to go on two-year full-time learnerships involving a combination of practical training contracts and classroom training. Through the efforts of DPW, there are now Vuk'uphile programmes in 31 provinces and municipalities. By the end of the period under review, there were 869 Vuk'uphile learners in training of which 36% are female and 68% are below 35 years of age. All the learners are from previously disadvantaged groups. Approximately 1500 learners will be in the programme by the next financial year and based on requests from public bodies this programme is expected to grow further in subsequent years.

On the maintenance side, DPW has identified the Zibambele programme as a model for expansion and has taken the lead to assist other provinces with establishing similar programmes. Together with the KZN Department of Transport, a guideline document has been prepared to assist provinces who want to establish such a programme. In the period under review Mpumalanga has started such a maintenance programme called Siyazibambela and the Free State has indicated that they will follow suit in the next financial year. The Eastern Cape has already established such a programme and is currently reviewing it.

8.2 Environment and Cultural Sector

The Department of Environmental Affairs and Tourism (DEAT) is coordinating the sector. Other member departments are Water Affairs and Forestry (DWAF), Arts and Culture (DAC) and Agriculture (NDA). The sector has clustered its activities into a number of core programmes namely Sustainable Land Based Livelihoods, Working for the Coast, People and Parks, Working for Tourism and Working on Waste.

The Environmental and Cultural Sector programmes are established according to the required criteria of the EPWP. The continuous focus in the sector is on how these programmes can be expanded, coordinated, integrated and improved in order to ensure increased employment creation and improved environmental outcomes. The implementation and reporting of the activities of the sector have institutionalised through three sub-committees, namely monitoring and evaluation, training and communication.

The Waste Collection Programme has been identified as an area where meaningful expansion can be made in this sector. The Domestic Waste Collection Initiative is implemented as a joint initiative between the DPW, Department of Provincial and Local Government (dplg) and DEAT, supported by the Expanded Public Works Support Programme Shisaka through the Business Trust. KZN has started with a waste management programme based on a Brazilian model.

A number of training programmes have been implemented in the sector in line with the EPWP requirements. Short Courses, learnerships and skills programmes in environmental matters, fire programmes, arts, culture, wetlands and those related to removing alien vegetation species have all been provided. The total number of training days was more than 341 000 for both accredited and non accredited courses with funds sourced from the Department of Labour (DOL) and the SETAs. In addition, the sector has been working at improving coordination of the various training activities.

DEAT has developed a lead training provider programme to improve delivery on accredited courses in tourism guiding, & hospitality, conservation & environmental education, agriculture & horticulture, project management & business skills, craft production, waste management & water reticulation and financial management. Seventeen accredited providers have been appointed by DEAT already.

The sector strives to align the EPWP with the Integrated Sustainable Rural Development Programme (ISRDP) and the Urban Renewal Programme (URP). Provincial sector implementation plans have been developed in Gauteng, Mpumalanga, Limpopo, Free State, Northern Cape and KZN.

Implementing bodies reached a common understanding and agreed on appropriate coordination mechanisms that are needed to facilitate implementation in this sector. The importance of aligning the EPWP with the Integrated Sustainable Rural Development Programme (ISRDP) and the Urban Renewal Programme (URP) was emphasised. Provincial sector implementation plans have been developed in Gauteng, Mpumalanga, Limpopo, Free State, Northern Cape and KZN.

8.3 Social Sector

This sector's focus is on the expansion of Home and Community Base Care (HCBC) and on Early Childhood Development (ECD) programmes. Both these

programmes are highly labour-intensive and provide enormous opportunities for the creation of work opportunities, given the large needs for these services. An EPWP social sector plan was developed under the leadership of the Department of Social Development (DSD).

Work opportunities in these sectors consist of skills programmes and learnerships during which health workers, caregivers and ECD practitioners will undergo formal training while also doing practical work. Workers in the learnership programme will obtain a formal qualification in Home Community Based Care, Community Health Worker Programme or ECD and thus enabling them to enter into formal employment in these sectors which will need to grow to address large gaps in service delivery. So far a total of 10 000 job opportunities have been targeted for HCBC and 6 000 work opportunities for ECD in the 2006/07.

There are various categories of workers in the social sector that need to be harmonized to ensure effective service delivery. Consultative initiatives were held with the SAPS, DCS, dplg, DPSA, DPW, DSD, DOE and DOH. Nine (9) categories of workers from various departments were identified, such as Community Development Workers, Community Development Practitioners, Mid level Worker, Community Care Givers, Community Health Workers, Child and Youth Care Workers, Youth Worker, Probation Officers/Community Service Officers, ECD Practitioners. A detailed study to look at harmonising these workers has been commissioned.

Institutional mechanisms to coordinate and implement the social sector programmes have been established and are functional in seven provinces. The following provinces have also appointed additional personnel to coordinate the social sectors. These include Limpopo, Northern Cape, Western Cape, Gauteng, Free State and Eastern Cape. A number of work groups including the M & E and Training have been established to accelerate the roll out of identified programmes

Early Childhood Development (ECD)

A number of provinces have undertaken preliminary skill audits for ECD practitioners. The purpose of these skills audits is to determine the level of readiness, as well as the required training. A more comprehensive skills audit at national level will take place in the third quarter.

There has been an increase in the number of registered ECD sites and children that are receiving subsidies from the Department of Social Development. An additional 5 000 children are now receiving subsidies as part of the expansion plan. The ECD subsidy has been increased in most provinces. The national average subsidy per child has now risen from R5 per child per day to R7 per child per day.

Home Community Based Care (HCBC)

A nation wide audit of the network of Home Community Based sites has been completed. The purpose of this audit was to profile the type and coverage of services rendered by these sites and the training requirements by care givers. The findings show that the majority of HCBC projects are in urban areas and most of caregivers are women and youth. The majority of these youth have formal educational qualifications. Although most of the caregivers have received training, the training provided is neither standardized nor accredited. The audit indicated that there is a dire need to provide additional accredited training including project management.

A national youth service programme, supported by the Umsombovu Youth Fund, has started in Limpopo, the Western Cape, and Free State. The programme involves the appointment of young people to train as community care workers while they provide services related to their training in their own communities. The programme duration is between 12 and 18 months. In addition to receiving accredited training in HCBC the young people also receive accredited training on youth development, life skills and entrepreneurship. The programme is targeting 1 015 young people during the first phase (April to October 2006). About 800 young people are already participating in the programme.

An additional 2000 volunteers are receiving a stipend for providing HCBC services. More than 8 000 volunteers will also receive stipends once training commences. More than 50 000 beneficiaries are receiving HCBC services.

8.4 Economic Sector

The Economic Sector aims to assist 3000 sustainable businesses to develop in various sectors over the period 2004/05 – 2008/09, through a programme known as New Venture Creation (NVC) Learnerships. It is based on the Sakhasonke Programme, managed by the Limpopo Department of Public Works, but the model extends beyond infrastructure into other sectors of emerging enterprise development. This venture learnership programme is a key component of the EPWP economic sector. This programme ensures that each participating small business receives accredited training through the National Qualifications Framework (NQF). The venture learnership uses the CETA *Construction Contractor Learnership at NQF Level 2* and Services SETA learnerships, *National Certificate in Venture Creation (SMME) at NQF Levels 2 and 4*. The DPW assisted with the development of the *National Certificate in Venture Creation (SMME) at NQF Level 2*, which was registered with SAQA in August 2005. Either the participating small business receives a full New Venture Creation Qualification at NQF Level 2 or 4 or skills programmes based on the New Venture Qualification. More than 7 SETAs, have committed to fund the training of 725 small businesses through the New Venture Creation Qualification, as part of their commitments to National Skills Development Strategy (2005 – 2010).

The initial draft plan has set a target of 3 000 New Venture Creation (NVC) Learnerships within the 9 provinces over the next five years. It is estimated that three additional people would be employed through every micro enterprise. Learners from the unemployed will be registered on full-time SETA-funded learnerships and be supported to set up SMMEs. Below are the annual targets set per province in order to achieve the overall target of 3 000 NVC Learnerships

New Venture Creation (NVC) Learnerships

Table 5: Economic Sector Provincial targets	Fin year 2005/06	Fin year 2006/07	Fin year 2007/08	Fin year 2008/09	Total Enterprises allocated a Venture Learnership
Eastern Cape	50	42	92	91	275
Free State	0	92	92	91	275
Gauteng	0	158	158	159	475
KZN	0	158	158	159	475
Limpopo	120	93	93	94	400
Mpumalanga	0	92	92	92	276
Northern Cape	0	58	58	59	175
North West	0	58	58	59	175
Western Cape	200	0	137	137	474
Totals	370	751	938	941	3000

Since inception of the venture learnership programme, a total of 170 venture learnerships have been implemented in Limpopo and the Eastern Cape and the sector is currently implementing the remainder of the nine provinces.

The types of businesses to be developed will include companies in the area of cleaning services, contractors, events management, audiovisual, information services and electrical companies. Each of these businesses will be supported through business related training, access to finance and practical projects that are identified through government expenditure on goods and services.

Efforts are underway in the Western Cape to develop 200 small businesses. This small business project forms part a bigger programme known as “Learnership 1000”, which is spearheaded by the Department of Transport and Public Works, Western Cape. This venture creation learnership programme will develop 6 different types of companies through providing these entrepreneurs with access to markets by ring-fencing training projects from the Western Cape expenditure on goods and services. Emerging learner enterprises are currently being selected to enter this new venture creation programme.

9 Challenges and Conclusions

Based on the data received, the EPWP is on course to meet its job creation targets. There is an on-going need for aggressive advocacy and communication to position EPWP as a programme of the whole of government and encourage the widespread use of more labour-intensive methods in the creation of infrastructure, through the use of the EPWP tender and design guidelines. The current EPWP communication initiatives of the DPW, undertaken in conjunction with GCIS are aimed at strengthening awareness of the programme among implementers and beneficiaries. Training is an area that needs serious attention

from all implementing bodies. The poor data on training currently leads to the exclusion of many projects from quarterly reports. The provision of hard skills training for workers on EPWP projects should strengthen the chances of workers exiting into employment under the Basic Conditions of Employment.

Several environment and culture sector programmes, and some labour-intensive infrastructure programmes in a number of provinces, such as the Zibambele programme in KZN and the Gundo Lashu programme in Limpopo, are running successfully, and could be expanded further if more funds could be made available. The scaling up of the EPWP initiative in the roads sector aims to direct additional funds to such programmes and is structured to also act as an incentive for provinces to increase their contribution to the EPWP by allocating additional funds to those who are performing well.

Reporting in the social sector has improved significantly (albeit limited to certain provinces only at this stage). Limited reporting from municipalities is encouraging, but should get much more serious attention.

The DBSA has listed challenges, based on experiences while supporting municipalities. The bank notes that the number and complexity of national initiatives, programmes, funding and cross-sectoral initiatives place excessive demands on municipal and provincial structures already hindered by a lack of capacity. Successful implementation of the EPWP is dependent on capacity across the various sectors to deliver at national, provincial and in particular, municipal level. The challenge of coordinating, integrating and implementing these national initiatives should be taken up and addressed as a matter of urgency. The bank is of the opinion that solutions, such as a suitable human resource development programme which includes incentives for attracting and keeping appropriately skilled staff to address EPWP delivery needs to be developed.



