



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

**FOURTH QUARTERLY REPORT – YEAR 3**  
(Containing interim data and information for the period  
1 April 2006 to 31 March 2007)

Financial Year 2006/07

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

19 July 2007

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## 1 Introduction

As a nationwide programme, the 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 four sectors, namely infrastructure, environment and culture, social and economic.

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 2006 to 31 March 2007, 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). EPWP project level data cannot be sourced from the MIG reporting system (MIG MIS) as yet. Even though reporting from municipalities has improved, it is still limited. These are 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.

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

## 2 Evaluation Studies

Except for the quarterly monitoring reports based on project level data, the DPW also commission evaluation studies. Two sets of evaluation studies have been completed up to now, namely *Case Studies and Completion Reports* and *Cross-sectional Studies*. Most projects paid wages of between R40 and R60 per day. Most projects surveyed offer technical and other forms of training [life skills]. The cost per work opportunity varies between the various sectors. According to the *Case Studies and Completion Report* study, Social Sector jobs are the cheapest to provide at R13 000, while the cost in the Environment and Culture Sector ranged from R19 000 to R62 000 and from R73 000 to R95 000 in the Infrastructure Sector. At this stage the exit opportunities were limited for all the projects investigated.

The EPWP is currently three years into the first five years of implementation. A quantitative analysis of the quarterly data reported shows that the EPWP is on target and is meeting its objectives – but there are key challenges to be overcome. A Mid-Term Review (MTR) had been commissioned by DPW. The objective of the MTR is to:

- Assess the relevance, efficiency, effectiveness of the overall outcome and impact of the EPWP to date against the expected results,
- Assess the overall quality, sustainability and replicability of the EPWP

- Make recommendations as to how the EPWP should be structured into the future.

An independent team of researchers, comprising high level reputable international and national experts, was appointed to conduct the MTR.

### 3 Logframe targets

Targets were 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 over the first five years of the implementation of the EPWP.

#### Overall Annual Targets (1st 5 Years)

	EPWP Annual Gross Targets	EPWP Cumulative Gross Targets
2004/05	110,000	110,000
2005/06	190,000	300,000
2006/07	250,000	550,000
2007/08	280,000	830,000
2008/09	282,000	1,112,000
Total	1,112,000	
Total: about 1 million net. <span style="float: right;">11</span>		

*\*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 **661,600** 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.

#### **4 Project Data for the Period 1 April 2006 – 31 March 2007**

The issue of data integrity is obviously of paramount importance for the monitoring of the EPWP. Currently there are serious challenges with the data submitted by 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. There has been a significant improvement in the quality of the data, as well as the number of projects reported. This resulted in more projects being reported in quarter 4 (7 024 projects) than in quarter 3 (2 416 projects).

Exclusion rules are applied to distinguish between projects that comply fully with data quality requirements and those that do not. Training is one of the key pillars of the EPWP. Hence this rule was more strictly applied on project data reported from the financial year 2006/07 onwards. Projects that did not submit training data were included in this report if there was compliance with all other data quality requirements. Data included in the attached annexures for the various levels of government and sectors should 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 lists with 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.

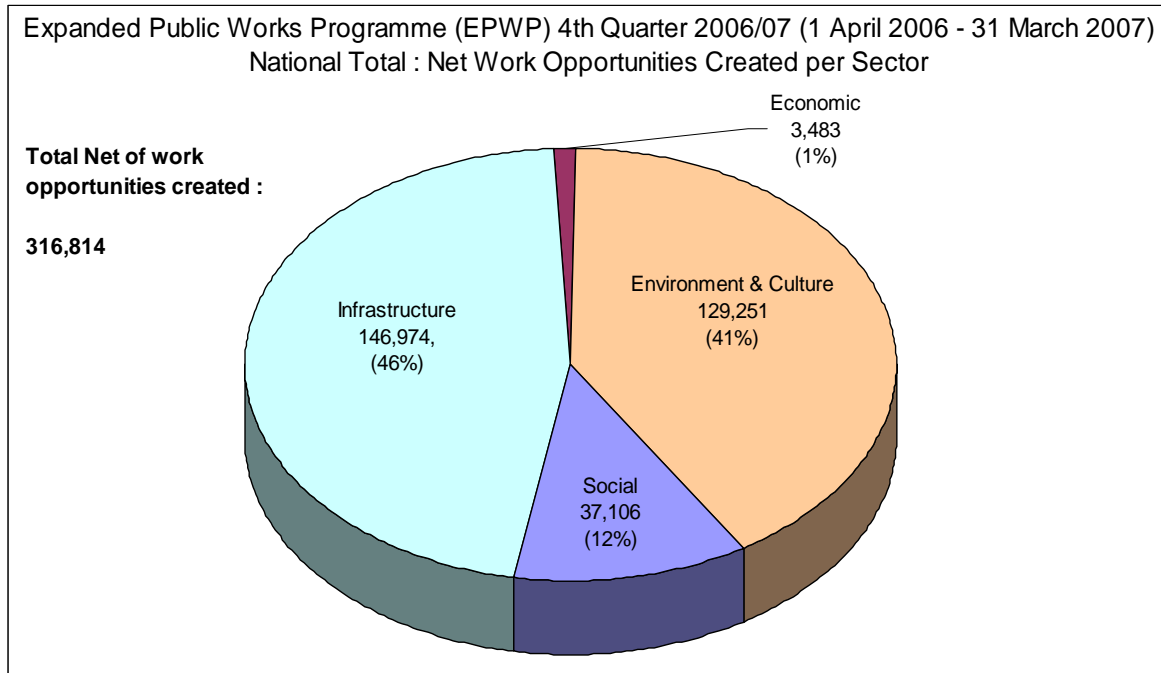
Although data was received on many projects across the infrastructure, environment and culture, social and economic sectors, only 7 024 projects could be included – based on the exclusion rules discussed earlier. Based on the usable project level data received, at least 320 690 gross work opportunities (i.e. at least 316 810 *net work opportunities*) were created for the period 1 April 2006 - 31 March 2007 (see Annexure A). The total wages paid amounted to at least R917m. The amount of at least 85 700 person-years of work had been created on EPWP projects. At least 6 290 person-years of training were completed by EPWP participants.

A break-down of the data for the period under review shows that work opportunities created thus far consist of 45% women, 33% youth and approximately 1.5% 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). Most jobs were created in KZN, with relatively high concentrations in the Eastern Cape and Western Cape, albeit limited to certain district municipalities.

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 of 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 March 2007 is at least **661,600**. 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



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 (46%) with wages paid amounting to more than R451.5m. The Environment and Culture Sector contributed 41% of the work opportunities and paid more than R262.8m in wages.

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. Of the total reported net work opportunities 37% of the total reported were created in KZN, the Eastern Cape (17%) and the Western Cape (14%), with all the other provinces contributing between 3% and 9% - 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 (28%), followed by the Eastern Cape with 19% - see Annexure B3. All other provinces contributed between 5% and 10% of person-

years of training for this reporting period. Annexure G3 contains data for projects reported by district municipalities and metros across provinces.

The table below shows progress since Apr 2004 in terms of the number of cumulative work opportunities created per sector against the target up to the end of the financial year 2006/07.

Sector	Targeted work opportunities	Work opportunities [WO] delivered to date [1 Apr 2004 – 31 March 2007]			
		Gross*		Net**	
		No	% of targeted WO	No	% of targeted WO
Infrastructure	750,000	397,655	53	342,873	46
Environment	200,000	255,153	128	255,153	128
Social	150,000	53,840	36	53,840	36
Economic	12,000	9,751	81	9,751	81
<b>Total ***</b>	<b>1,112,000</b>	<b>716,399</b>	<b>64</b>	<b>661,617</b>	<b>59</b>

Source: Targets - Consolidated Programme Overview and Logical Framework, Version 6, June 2004, EPWP Unit, DPW; Work Opportunities delivered – EPWP Quarterly Reports, EPWP Website

\* Gross Work Opportunities : overall number of work opportunities that the reporting body reported on

\*\* Net Work Opportunities : calculated by subtracting the possible work opportunities if the projects were implemented machine intensively from the Gross Work Opportunities – only applies in Infrastructure Sector 0

\*\*\*TOTAL : Figures adjusted by the EPWP Unit to account for projects that are implemented across financial years

## 5 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.

## **6 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, 6 290 person-years of training were provided to beneficiaries (including life skills training) in the reported projects. Some participants could have attended both accredited, as well as non-accredited training courses. 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.

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).

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 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.

There has been substantial improvement in the implementation of social sector training. More than 5 000 new learners started training in both ECD and HCBC related courses. An additional 1 500 learners were taken through a process of Recognition for Prior Learning (RPL) by the HWSETA. The purpose of the RPL process is to ensure that learners' prior knowledge and skills are recognised and that the learners are assessed and appropriately placed for training.

A number of training programmes have been implemented in the environment and culture 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 person-years of training was more than 1 754 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.

## **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:

- As part of support to the EPWP Infrastructure sector direct support was given to 5 municipalities. The direct engagement targets have been exceeded.
- Direct support is being offered in the social sector to Limpopo and KwaZulu Natal.
- 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.

## **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.

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.

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 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 has been successfully piloted and monitored by ADRU in a R100 million DBSA funded project in the North West Province.

Against a target at the end of March 2007 of 90 skilled personnel and 30 learnerships, the DBSA task force under Project Consolidate has mobilized 50 experienced professionals 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.

## **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.

The EPWP also held the inaugural Kamoso awards event. This event is intended to be held annually and recognise best practice in EPWP implementation. While ultimately representatives of all four sectors are engaged in the programme, the Kamoso Awards presented this year represent achievements made in the Infrastructure Sector only. The winner in each category received a prize valued at R50 000 (R25 000 each from the Business Trust and the DPW), to be put towards a training opportunity of their choice.

A total of 36 nominations were received from all nine provinces: 13 in the Project category, 14 in the Department category, and nine in the Individual/Official category. Of these, only 24 qualified for consideration. Application/nomination forms were sent to the Mayors and CEOs of all Municipalities and Ministers and Heads of Departments in each province. The EPWP Unit Provincial Programme Managers were then incentivised to inform parties of the recognition programme, and encourage them to submit applications or nominations. A Selection Committee made up of representatives of DPW and the Business Trust then supervised the selection process, using carefully thought out quantifiable criteria specific to each category. In this way, we could be sure of identifying examples of excellence in EPWP implementation.”

The 2007 Kamoso Awards were presented by the Minister of Public Works, Ms Thoko Didiza to the following recipients:

- Project category: Makwane Roads Project – Free State Province
- Department category: Roads Agency Limpopo and Kwazulu-Natal Department of Transport
- Individual category: Allan Zimbwa, Nkangala District Municipality, Mpumalanga Province

## **8 Summary of Progress per Sector**

### **8.1 Infrastructure Sector**

The infrastructure contributed 146 974 net work opportunities to the EPWP targets in the period under review. 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. Overall, an amount of R451.5m was paid out in terms of wages. 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 28 municipalities and 5 metros on 634 municipal EPWP infrastructure projects. At least 65 200 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 MIG MIS 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.

Over the course of the 2006-07 financial, the Infrastructure sector has structured itself operationally into five programmes, which collectively work towards the achievement of the infrastructure sector targets. The EPWP Unit of the DPW is also restructuring itself in line with these five programmes. These five programmes are:

- 1- Technical Support to Implementing Bodies
- 2- Vuk'uphile Contractor and Site Supervisor learnership programme
- 3- Building Maintenance and National Youth Service
- 4- Scaling up EPWP in the Access Roads Sector
- 5- EPWP Large Projects Programme

Progress on the sector will be reported along the lines of these five programmes. The quantitative reports are not yet aligned to this, but in future reports this will be addressed.

### *1- Technical Support to Implementing Bodies*

Over the course of the implementation of the EPWP it has become clear that the provision of technical support to public bodies is critical in order for all such bodies to achieve their EPWP targets. This is particularly important for ensuring that the conditional infrastructure grants to provinces and municipalities (PIG and MIG) are used to contribute to the EPWP.

A comprehensive support strategy has been developed by DPW with the assistance of the EPWP Support Programme that will support the infrastructure divisions of municipalities, as well as key provincial departments with the implementation of the EPWP. A team of technical experts is being procured by DPW and a web-based project management system has been established to manage the technical support. Forty-five strategic municipalities have been identified to start with, and the technical support will be rolled out to other municipalities in future.

It is anticipated that this additional technical support will commence in the fourth quarter and will start having significant impact on reporting from municipalities in the next financial year.

### *2- EPWP Contractor Learnership Programme (Vuk'Uphile)*

The Vuk'Uphile programme currently stands at 1 500 learnerships and will remain so until the funding arrangements for additional learnerships with the CETA and NSF have been finalised. The mentorship costs of the programme remain substantial, but an additional allocation to cover the mentorship costs for the current financial year was made by National Treasury to ensure that costs are covered. The programme is performing well overall and some of the achievements to date are highlighted below:

- All projects done by the Learners have been completed successfully.
- Overall a pass rate of around 80% is anticipated
- It is the largest contractor development programme in country.
- Coega learners will be doing projects valued at around R7m
- Most learners have been operating at a profit and as such ABSA's exposure to losses is fairly minimal.

The programme continues to face operational challenges, however, and these are being taken into account in DPW's planning to grow the programme further. Some of the key challenges are:

- Conflicts between the contractors and their site supervisors often arise and intensive programme management is needed to resolve these issues.
- Delays in the awarding of projects by public bodies result in overall programme delays and periods of no income for the learners
- Quality control of the training of learners is sometimes poor
- Mentors are slow to advise of problems
- Learners have enrichment/entitlement attitude towards the programme as opposed to viewing the programme as an opportunity to empower themselves
- Poor mathematics and science abilities of some of the learners are an impediment in training

The first learners are currently completing their learnerships and will be graduating from the programme by the end of the financial year. An exit strategy has been developed to accommodate the contractors and supervisors who have completed the programme to ensure they can access further support as they enter a more competitive environment.

### *3- Building Maintenance and National Youth Service*

DPW has established a National Youth Service (NYS) Programme within its building maintenance portfolio. This programme links the EPWP to the NYS and train youth to be artisans and exit them into the construction industry. A target of engaging 5 000 youth in the next financial year has been set and a programme to achieve this target has been developed.

### *4- Scaling up the EPWP in the roads sector*

As part of efforts to scale up the EPWP, DPW and the Department of Transport (DOT) prepared and introduced a submission into the government budgeting process to motivate for additional funds to be allocated to the provincial roads and transport departments for scaling up the EPWP in the access roads sector. An additional R3bn was allocated over the MTEF to the provinces in this regard. A breakdown of these allocations is provided below:

**Revised allocations to Roads: EPWP based on 70  
per cent of additions to baseline**

	2007/08	2008/09	2009/10
	<b>Roads: Additions to Baseline</b>		
Eastern Cape	96,880	135,909	282,816
Free State	50,088	68,259	134,976
Gauteng	82,678	103,117	171,277
KwaZulu-Natal	124,822	170,414	339,835
Limpopo	61,243	92,024	212,266
Mpumalanga	76,766	96,935	164,799
Northern Cape	50,454	64,051	109,976
North West	6,437	21,330	87,432
Western Cape	38,631	52,961	106,622
<b>Total</b>	<b>588,000</b>	<b>805,000</b>	<b>1,610,000</b>

In response, DPW and the DOT are mobilising resources to ensure that all provinces are ready to increase their EPWP programmes in line with the additional funds allocated.

*5- EPWP Large Project Programme*

In order to develop modalities for implementation of larger projects, DPW has been working closely with the Business Trust and dplg to develop a model that will make it easier for public bodies to structure larger EPWP projects, without compromising on the use of labour-intensive methods or BEE contract participation goals. It is also anticipated that this model will reduce the project and technical management demand on public bodies by reducing the number of contracts and associated tender and contract administration processes. Private sector consultations were also conducted to ensure that the model is seen as a realistic intervention by contractors. With the current amount of infrastructure work available in the construction industry, ensuring buy-in from the private sector has become more important.

The programme has commenced in eThekweni with a pre-qualification process for consulting engineers and contractors who are interested. These pre-qualified firms will then be able to submit tenders in June 2006 for work to commence in July 2007

DPW has continued engaging with the SOE's in the reporting period, and a briefing of the Minister of Public Enterprises and the CEO's of the various SOE's was done in July 2006. Subsequently a training workshop with technical managers of the SOE's was held to assist them in identifying opportunities for the

EPWP within their portfolios. All SOE's committed to preparing plans and submitting them to DPE with the intention of having the first SOE start contributing the EPWP by January 2007.

## **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.

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. A total of 37 100 job opportunities have been reported in this sector in 2006/07.

### **Early Childhood Development (ECD)**

A total of 1 870 learners started with ECD related training including skills programmes and learnerships. The training is funded by the Departments of Labour and Education.

### **Home Community Based Care (HCBC)**

A regulatory framework for community care workers has been developed. This covers workers volunteering or receiving a stipend, who offer care and support services within the home, community and institutional setting who are not regulated under any health, social development or allied professions act. The purpose of this framework is to regulate training, education and practice of community care workers as a new cadre operating within the HCBC areas within the social sector.

A total of 31 158 care givers are now receiving stipends. Of these over 9 000 have been trained in HCBC and other health and social development related courses. Over 500 000 beneficiaries have received HCBC services from these caregivers.

### **NYS**

The Umsobomvu Youth Fund (UYF) in partnership with the Departments of Health, Social Development, Public Works, the National Youth Commission (NYC) and Provincial Youth Commissions, is currently implementing the Community Care Worker Youth Service Project in the provinces of Limpopo 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. A total of 460 youths have already been identified and placed for training.

### **Possible areas for expansion**

The Social Sector, in partnership from the Development Bank of South Africa (DBSA), conducted a study on possible expansion into areas other than ECD and HCBC. The table below outlines the findings of this study, indicating areas

for possible further expansion. The estimated costs indicated are all inclusive, and in the case of School Nutrition Workers, for instance, also includes the cost of food to be provided by them.

The relevant departments have been requested to interrogate the findings and recommendations of this study so that so that plans for expansion can be concretised in order to make timely submissions for inclusion in the budgetary cycle.

*Potential Areas of Expansion in the Social Sector: Findings*

<b>Additional category of worker cadres for which models were developed</b>	<b>Jobs</b>	<b>Cost R m</b>
School Nutrition Workers	102,372	4,438.0
Sports Coaches	25,593	478.6
School Caretakers	51,186	621.2
Adult educators	46,210	525.4
Special School Teaching Aide	25,256	290.3
School Clerks	46,480	478.6
Peer Educators	33,371	470.0
Social Security Workers	26,772	374.4
Food Security Workers	50,162	2,746.7
<b>TOTAL</b>	<b>407 402</b>	<b>10 423.2</b>

**Challenges for the sector**

There are a number of constraints in scaling up and expanding the Social Sector. These include the following:

- Some of the funds allocated for expansion of ECD and HCBC (R4.2 billion over MTEF) have in some provinces been allocated to other programmes and, as a result, the overall targets to accelerate service delivery and create employment will not be achieved.
- The limited numbers of accredited training service providers, especially in rural areas, constrain the roll-out of training.
- There is limited capacity within the HWSETA and the ETDP SETA to fast-track accreditation and to provide quality assurance for training
- The programme design is being constrained by human resources limitations at provincial and municipal level, as well as at the level of service delivery agents (NGOs and CBOs). It is estimated that ten times the number of jobs could be created if more capacity were in place to ensure effective delivery

**8.4 Economic Sector**

For the year 2006/07, the sector has provided 3 843 job opportunities through the support of 223 building contractors in Mpumalanga, Eastern Cape and Limpopo

provinces and 508 labour-intensive civil contractors across all provinces. These job opportunities also arose from cooperative initiatives in both the North West and Limpopo provinces.

The sector has completed a review of the venture learnership programme and consequently a comprehensive business plan has been developed to ensure that the sector supports all EPWP sectors (infrastructure, social and environment) in small business development. This support will aim to ensure that government contracts are to the benefit of historical disadvantaged communities and that various skills programmes and coaching programmes will be applied to ensure the creation and sustainable development of small businesses. The infrastructure sector will continue to develop labour-intensive contractors through the Vuk'Uphile programme and the economic sector will continue with business support. The social sector will focus on non-profit organisations and the environmental sector will focus on the establishment of domestic waste collector SMMEs.

## **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 the EPWP as a programme of the whole of government and to 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 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 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 and 8 provinces are reporting at this stage. Improved reporting from municipalities is encouraging, but should still get much more serious attention.