

BUILDING A SOCIETY THAT WORKS

Public investment in a mass employment strategy to build a new economy



THE PRESIDENCY
REPUBLIC OF SOUTH AFRICA



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An Employment Stimulus to Build Back Better

“ Difficult days indeed lie ahead. However, we have proven our resilience as a nation over the past five months.

The task before us now is to apply the same energies with which we have battled this pandemic to the economic recovery effort.

We are weathering a long and difficult storm. We are enduring great hardship and suffering unbearable losses. But we continue to stand firm against this onslaught.

A ray of light is visible on the horizon.”

President Ramaphosa, Address to the Nation, 15 August 2020

The COVID-19 pandemic has had a devastating economic impact, threatening the jobs and livelihoods of many South Africans – especially the most vulnerable. The pandemic has exacerbated South Africa’s pre-existing crises of poverty and unemployment.

The Presidential Employment Stimulus seeks to confront this impact directly, as part of government’s broader economic recovery agenda. Its aim is to use direct public investment to support employment opportunities – starting right now.

As we look to rebuild, the aim cannot simply be to return to how things used to be. Instead, we need to seize the opportunity to build back better in ways that transform our economy and society. The employment stimulus is about building a South Africa that works – counteracting anticipated job losses, and creating new opportunity for growth and renewal.

The priority of the economic recovery strategy is to get the economy moving forward again in ways that enable new levels of dynamism, creating decent work and allowing people and communities to thrive. While the economic recovery takes root, however, we need to expand public employment and other

measures that retain existing jobs, support livelihoods and provide economic opportunities, in a context in which markets will take time to replace the jobs that are lost.

In addition to the direct impact of this mass employment programme on participants, the work undertaken will create social value across a spectrum of priorities. Certain forms of public employment contribute to creating sustainable jobs also, as well as providing a platform enabling other forms of livelihood and enterprise activity. The expenditure on wages as well as other inputs will have a stimulus effect that boosts demand from the bottom up, rippling through communities and the wider economy and helping to gear it for renewed growth.

The Presidential Employment Stimulus is designed to support a spectrum of opportunities, focusing on job creation through public employment; on job retention in vulnerable sectors; on direct support to livelihood strategies; as well as on fast-tracking high-impact employment enablers. Phase 1 of the employment stimulus comprises programmes designed and funded for implementation with immediate effect, while intensive planning for greater scale and reach over the medium term continues.

Employment Stimulus Phase 1:



700,000+

**JOBS AND OPPORTUNITIES
IN 2020/21**



R12 BILLION+

BUDGET ALLOCATED

**Co-ordinated
by the Project
Management
Office in the
Presidency**

Phase 1 of the Presidential Employment Stimulus

On 21 April 2020, President Cyril Ramaphosa committed that R100 billion would be invested in job creation as part of a stimulus package for the country. In the Special Adjustment Budget announced in June 2020, an amount of R19.6 billion was allocated for 20/21. Of this amount, approximately R7 billion was allocated for the extension of the Special COVID-19 Grant given its significant poverty impact and trickle-up stimulus effect.

Since then, the Project Management Office in the Presidency has engaged in an intensive planning process, working with national departments, provinces and metros, for the rapid design of employment support programmes that can be rolled out within the next six months despite the many implementation constraints that public bodies currently face.

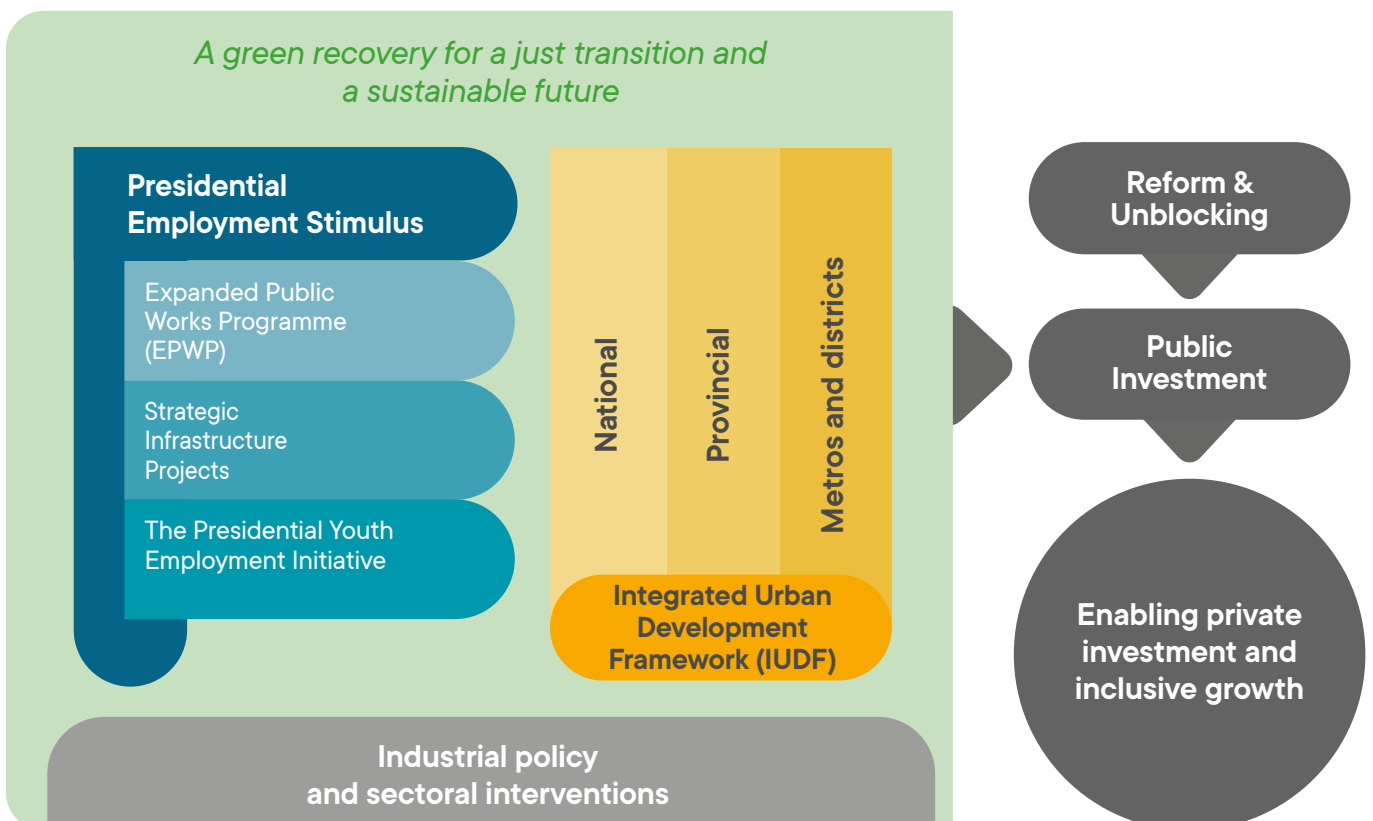
The components reflected here were all adjudicated through a special budget process convened by National Treasury, in relation to the track record of the public body, its capacity to implement, the alignment of the proposed programmes with mandates and the need to prevent 'double-dipping' or

duplication. This robust process ensures that support provided through the employment stimulus is additional to what already exists and that each opportunity is adequately funded with a clear implementation plan, to ensure quality outcomes.

Phase One of the Employment Stimulus will be implemented within the 2020/2021 financial year. Meanwhile, as Phase 1 is launched, further planning is underway to deepen, broaden and scale up the employment stimulus over the medium term, providing direct forms of public investment in employment as part of the wider economic recovery strategy. Certain programmes that are in design during Phase 1 will be considered for funding as part of Phase 2.

The stimulus builds on and complements many existing public investments in employment creation. This includes a long history of policy support to public employment, coordinated by the Expanded Public Works Programme. EPWP's existing targets remain vital to the overall employment effort. Strategic Infrastructure Projects will also contribute significantly to employment creation - as will all other existing commitments.

The Employment Stimulus augments existing government commitments to employment creation



Highlights of the Presidential Employment Stimulus



11

**NATIONAL
DEPARTMENTS**



700,000+

**JOBS AND
OPPORTUNITIES**



R12B+

**BUDGET
ALLOCATED**

In Phase One, the Presidential Employment Stimulus has prioritised the areas of strongest capacity, social impact and opportunity to scale rapidly. In the process, the stimulus builds on existing programmes as well as new ones, to create and retain jobs and opportunities through a range of different approaches.

Social Employment

There is no shortage of work to be done to improve the quality of life in communities, and no shortage of local actors willing and able to do it. The Social Employment Fund is a new mechanism under design in Phase One, to support community-led initiatives, mobilising capabilities in the wider society to create work that serves the common good.

Taking public employment to new scale, with new programmes

The Employment Stimulus builds on current areas of strength in EPWP to expand existing programmes, but it also takes areas of innovation to new scale. For example, lessons from provincial and other initiatives in education have informed a new national programme to place 300,000 teacher assistants and other support workers in schools, to strengthen the learning environment. This will become SA's single largest public employment programme.

Job Retention Programmes

The Presidential Employment Stimulus provides a form of wage subsidy to certain categories of work at risk from lockdown, in particular in publicly-funded institutions that are also reliant on fee income to cover their costs. This includes teachers in fee-paying schools, in posts funded by School Governing Bodies in a context in which many parents cannot currently afford fees. It includes support to sports bodies, through all of the country's sporting federations and also to cultural institutions such as museums and art galleries.

Protecting livelihoods and creating new opportunities

The stimulus provides targeted support to certain vulnerable livelihoods, including Early Childhood Development practitioners, youth enterprises and small-scale farmers. It includes a significant stimulus for the creative, cultural and sporting sector, both to protect jobs – for example in cultural institutions such as museums and theatres – and to support practitioners. In addition to new forms of public employment in schools, funding is allocated to protect vulnerable teaching posts in schools that have lost income from fees. Incentives for employment creation in the Business Process Outsourcing sector are also supported.

Economic enablers

The stimulus also supports interventions that will enable the recovery of employment beyond direct funding for work opportunities. In Phase 1, this includes the following:

The Pathway Management Network

This network will provide active support to unemployed youth people and link them to opportunities in the labour market, helping them to navigate pathways into the economy as part of the Presidential Youth Employment Intervention.

Digital connectivity for 1 million households

In Phase One, incentives are being designed that will connect low-income communities to high-speed, affordable broadband internet. This will include the expansion of public WiFi hotspots to reach over 1 million people.

Summary of current components of the Presidential Employment Stimulus

PEPs, Livelihoods and Job retention

Department	Programme	Opportunities	Budget (R'000)
Basic Education	Teaching assistants and support for schools	344,933	7,000,000
Social Development	Income relief, job retention and registration support	111,142	588,728
Agriculture, Land Reform and Rural Development	Subsistence Producer Relief Fund	80,474	1,000,000
Environment, Forestry and Fisheries	Investing in the environment	50,311	1,983,000
Transport	Provincial Roads Maintenance	37,079	630,000
Sports, Arts and Culture	Support for the creative, cultural and sport sectors	34,070	665,000
Cooperative Governance	Municipal infrastructure	25,000	50,000
Trade, Industry and Competition	Services sector development incentives	8,000	120,000
Health	Expanding community health workers, outreach team leaders and nurses	5,531	39,3571
Science and Innovation	Graduate programmes	1,900	44,999
Public Works and Infrastructure	Professional services programme	1,560	158,880
Total		700,000	12,634,178

Social employment



A 'whole of society' approach to creating work for the common good

What is 'social employment'?

The Presidency is initiating a social employment strategy, to mobilise capacities in the wider society to create work that serves the common good. This approach recognises that there is no shortage of work to be done to address current social challenges or to improve the quality of life in communities. The intention is to create a new instrument able to support the considerable creativity, initiative and institutional capabilities that exist in the wider society to engage people in such work. This will supplement the efforts of the public sector, allowing for greater scale and social impact. The approach is intended to enable new forms of partnership or 'pacts of collaboration' with diverse social actors, to support initiative and agency in communities.

In the process, participants gain not only access to incomes, but the many other benefits of participation in work also. This includes work experience, skills and capabilities, access to networks, to information - and community recognition, too. All of these support pathways into other forms of work, education or training, with evidence that employers in the private sector do recognise the value of work experience in the non-profit sector.

The development rationale for supporting part-time work

The social employment strategy will support part-time work, because evidence shows that this enables complementary livelihood activities and pathways into entrepreneurial activity and/or education and training. Regular and predictable access to income, work experience and networks all contribute to de-risking early-stage economic activity. This interface will be strongly encouraged, with opportunities for the social employment strategy to strengthen social enterprises and the wider social economy also.

How will such a strategy be operationalized?

When consulted, communities have no shortage of ideas for socially-useful work. There are also many organisations – national and local – already working to make a difference in multiple ways. Too often, though, such efforts are under-resourced and the work involved is unrecognised. This strategy aims to change that. The effect on participants and on communities could be transformative - it should be designed to be so.

The scale of the challenge is, however, significant, and while there are certainly untapped institutional resources in the wider society, the non-state sector has also had its capacity eroded by resource constraints over time. To reach the scale envisaged, intermediaries will be needed to cascade support down to local levels. As part of the strategy, the aim is also to build communities of practice in relation to the key theme areas identified, to enable peer learning and collective processes of quality assurance.

The Social Employment Fund will be resourced through a budget allocation from the fiscus but with the intention of mobilising wider resources over time, to reflect the 'whole of society' character of the approach. The fund will be incubated in the Industrial Development Corporation, in support of the social economy mandate of the DTIC. Planning for the Social Employment Fund is taking place in Phase 1, with the first call for proposals anticipated as part of the medium term stimulus strategy.

“ With our social employment strategy, we aim to build new forms of partnerships across society to support work for the common good.”
-President Cyril Ramaphosa

Creating work for the common good

The social employment strategy will support diverse forms of work for the common good, such as in the themes illustrated. These are just indicative of the range of forms of work that could make a difference in communities. The intention is to encourage innovation and community-driven approaches to addressing local social and economic challenges, in ways that resource local agency and organization, while also building problem-solving partnerships between state and non-state actors.

Social employment is seen as contributing to building a social economy. Within the Social Employment strategy, Youth Service will also be supported.

Placemaking

- Informal settlement upgrading
- Public art
- People's parks
- Repurposing public buildings

Greening and the environment

- Trees for townships
- Recycling

Health and care

- Care of the vulnerable

Community safety

- Combating gender-based violence
- Counselling for victims
- Support to refugees

Education support

- Early childhood development
- After school care
- Computer clinics
- Community libraries

Food security and nutrition

- Urban agriculture
- Social kitchens
- Food waste strategies

Creative arts and sports

- Recording social history
- Community drama
- Support to heritage
- Community-based sports activities
- Music for people

Other

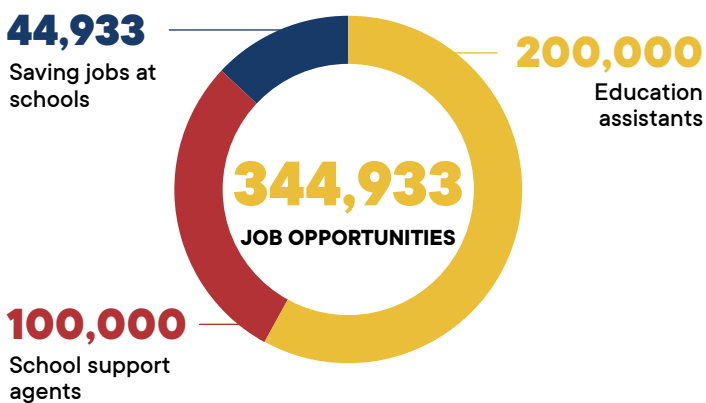
- Digitisation
- Multi-sectoral programmes
- New ideas



Strengthening the learning environment in schools

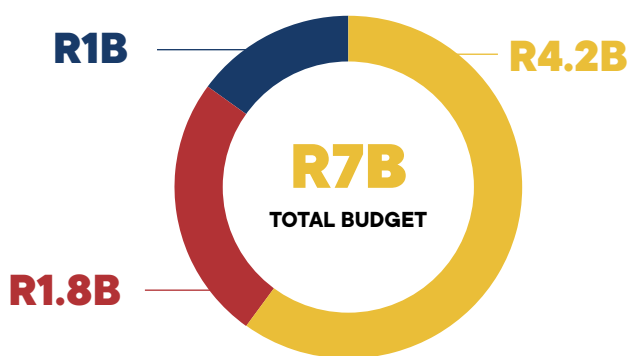


Teachers assistants and other support for schools



A key priority identified in the National Development Plan is the improvement of quality education, skills development, and innovation. One intervention that has seen some experimentation in South Africa, with significant potential to scale nationally, is the use of school assistants to strengthen the learning environment. An important rationale for school assistants is the need to support teachers in the classroom, freeing up time for teaching and providing additional support to learners to improve education outcomes.

South African schools have large class sizes, which affects the quality of teaching and learning. This is exacerbated by an acute shortage of classrooms and other resources, particularly in poor communities, townships and rural areas. Large class sizes also place a burden on teachers who are expected to mark learners' work, prepare materials, lead extra-curricular activities, provide psycho-social support to learners and engage in their own professional development.



Through the employment stimulus, education assistants and other school support agents – including safety officers, cleaning staff, and school maintenance staff – will be deployed to schools across the country, with the dual objective of creating employment at scale while improving learning and enhancing the school environment. Vulnerable teaching posts in schools which have experienced a reduction in fee income will also be protected.

“As a maths teacher, having an education assistant will help a lot, especially now with the extra burdens on teaching because of Covid. This will really allow me to focus on educating my learners and helping them catch up.” – Winter Shai, Batau High School

The best investment that a country can make in its economic future is to improve basic education, especially in marginalised areas. Education and school assistants will contribute to this effort, particularly in Quintile 1–3 schools, and will alleviate the pressure on teachers and school infrastructure while gaining meaningful skills in the process.

Restoring the provision of Early Childhood Development services



Income support to practitioners and to the implementation of Covid compliance measures

Livelihoods from the provision of Early Childhood Development services were severely disrupted by the pandemic, with providers facing challenges with re-opening. There are costs associated with doing so safely, and some parents can no longer afford to pay fees as a result of job losses. As a result, numerous facilities face the risk of permanent closure – further deepening unemployment, and disrupting a crucial service for young children and working parents.

While eligible registered centres continued to receive subsidies from the Department of Social Development during the national lockdown, this rarely covers all costs, and many programmes remain unregistered and therefore unsupported.

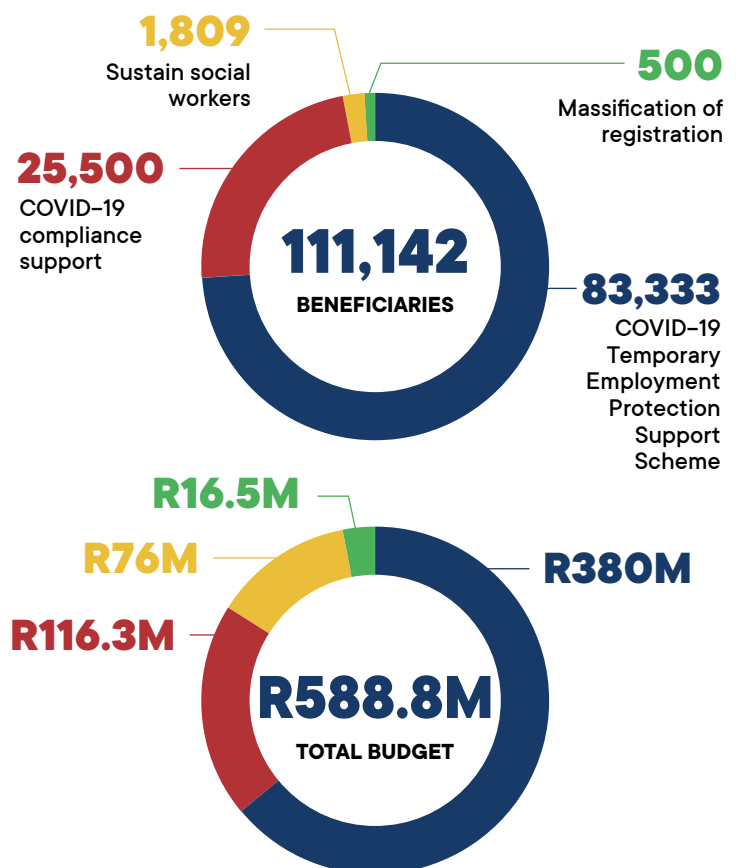
The department has therefore established the COVID-19 Temporary Employment Protection Support Scheme to close this gap. This is a relief fund for registered and unregistered ECD programmes to minimise the loss of income, support continued operation, and reduce the risk of permanent closure. This scheme will transfer a grant of R760 per month for a maximum of six months to 83,333 employees or sole practitioners of eligible ECD programmes.

To support compliance with COVID-19 regulations as the sector re-opens, the department will also provide top-up payments to a further 25,000 employees to take on compliance support duties.

The department has also embarked on a registration campaign to bring more programmes into the legal framework. As part of this, a further 500 work opportunities will be created for unemployed social service professionals and graduates to assist unregistered programmes to register.

Additional funds have also been allocated to retain 1 809 social workers in the sector whose contracts are about to expire, ensuring that important social services can continue.

“ We depend on school fees to pay our practitioners and other costs of the center. Covid-19 wiped all that out, leaving us with nothing. When we re-opened, not even 40% of the children came back. We have had to down our staff by 50%.” – Mhlangabezi Masizana, Iminathi Educare Centre



Investing in the environment we live in

With social and economic returns



The work undertaken in environmental, forestry and fishery programmes will touch the length and breadth of the country, from coast to coast, including bushveld, grassland, fynbos, wetlands, mountains, water bodies, catchment areas – and urban areas, too. The work undertaken affects the air we breathe, the water we drink, the energy we use and the food we eat, supporting a wealth of biodiversity resources and ecological systems essential to life on earth and to the future of the planet.

The Department of Environment, Forestry and Fisheries (DEFF) has a long and strong track record as part of the Expanded Public Works Programme, using public employment to invest in the environment. The Presidential Employment Stimulus builds on this. While part of the funding has had to address prior cuts, net expansion in the programme is also supported.

The Presidential Employment Stimulus will support diverse entities, including inter alia SANParks, iSimangaliso, the South African National Biodiversity Institute and the botanical and zoological gardens as well as provinces, metros and municipalities.

The programmes supported include climate adaptation measures, sustainable forest management and enhanced capacities for integrated fire management. They will remove invasive alien plants, maintain infrastructure and upgrade green energy strategies in national parks and provincial parks. They will support job retention in the wild-life, eco-tourism and bio-prospecting value chains. They will reduce air pollution in informal settlements through supplying alternative energy sources, support sanitation in schools as well as informal settlement upgrading with eco-friendly building alternatives. A cross-cutting focus on graduates will create opportunities for 'groen sebenzas', and in conservation, environmental sciences, weather services and the oceans economy.

Cleaning, greening and the circular economy

Creating opportunities from transforming living environments

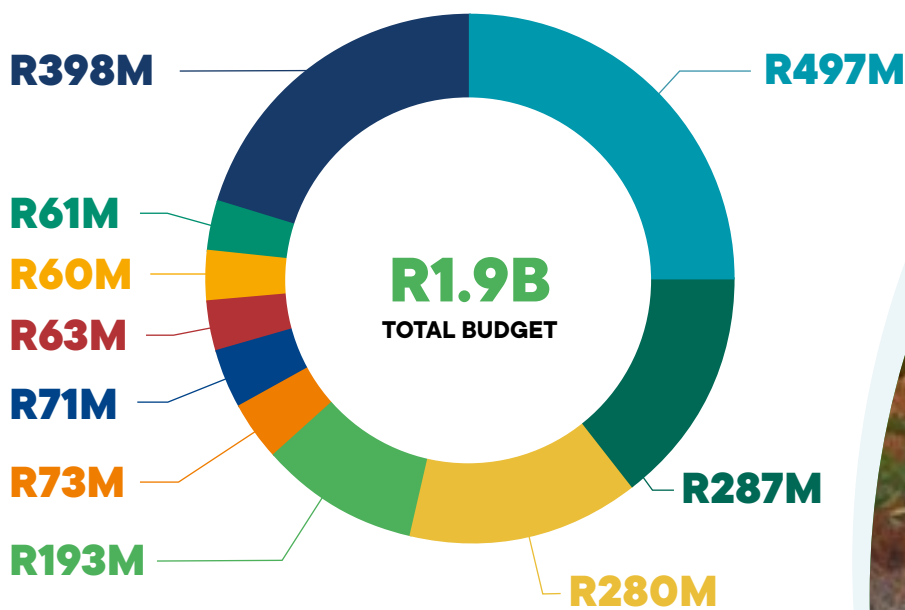
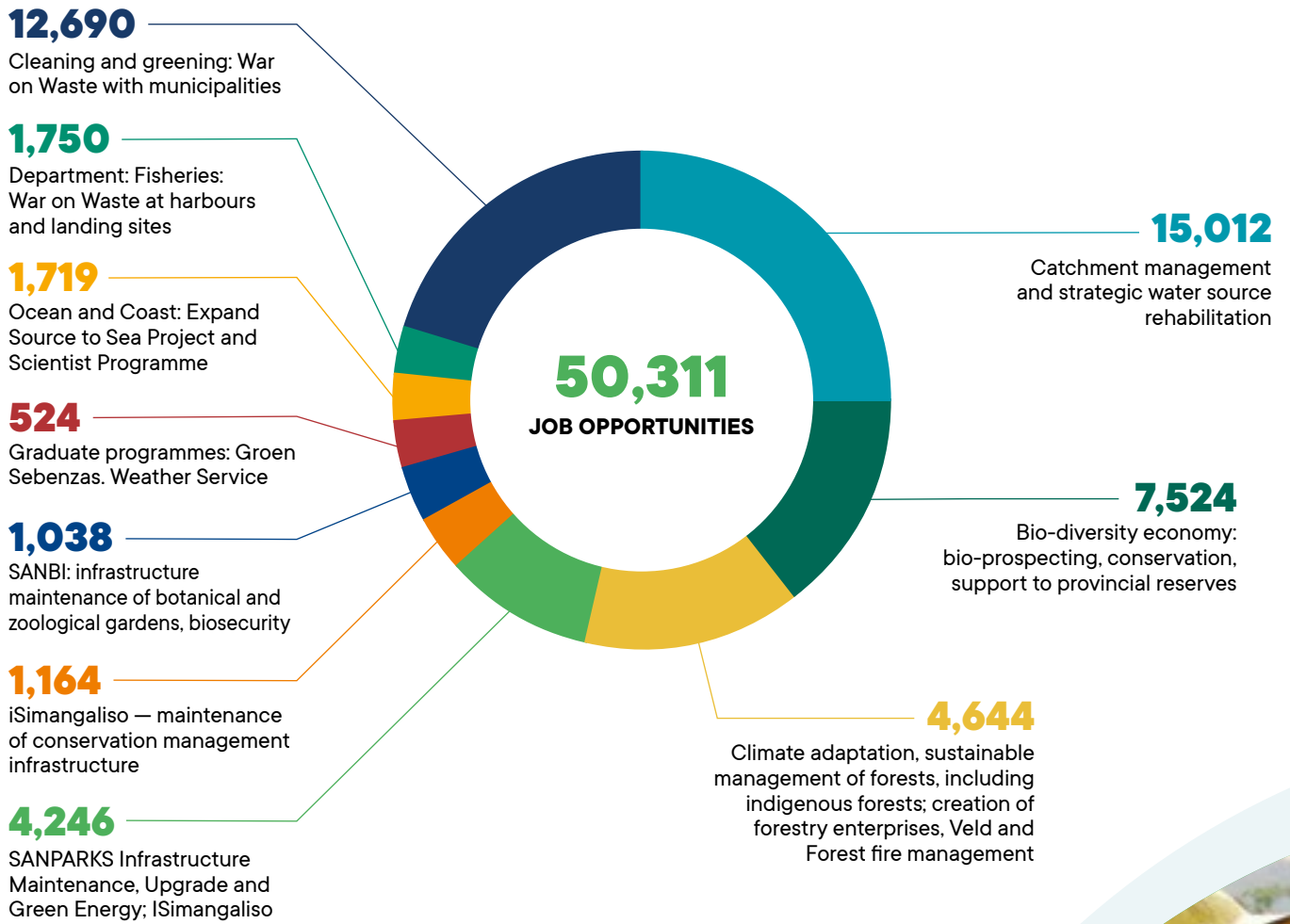
DEFF will lead a 'war on waste' to address backlogs in waste collection in communities, working with participating metros and local municipalities and creating 14,440 jobs. This will also involve coastal clean-ups with a focus on harbours and landing sites, key to so many coastal livelihoods. This is an urgent and critical contribution to transforming living conditions in many poor communities, while sustainable waste-management solutions are institutionalised, in ways that recognise important existing roleplayers such as waste-pickers. Key to that process is also to unlock sustainable economic opportunities from recycling, as part of a circular economy. There are opportunities for sustainable jobs from waste!

Along with the clean-up will be a 'green-up': involving people in planting and maintaining indigenous trees and fruit trees in communities across the country, providing shade, fruit, improving air quality, contributing to climate change mitigation and to daily quality of life. So, trees for townships – and rural communities, too.

Provincial and metro programmes include complementary contributions to these focal areas also.

“ In Matsila Village, ecosystem restoration by DEFF has restored grazing land and indigenous vegetation, paving the way for a unique nature reserve at Matsila Village, now home to buffalo, eland, giraffe and many other species. The Matsila people are benefiting from long term and permanent job creation as a result.” – Chief Livhuwani Matsila, Matsila Village, Limpopo

Breakdown of jobs and budget for investing in the environment



Agriculture relief fund for smallholder farmers



Expanding support to farmers and protecting food value chains

The pandemic has illustrated the vulnerability of our food production and distribution systems. Although exempt from the strictest lockdown regulations, the sector faced severe challenges with disruptions to production and marketing experienced by many small-scale farmers.

The Department of Agriculture, Land Reform and Rural Development established the Smallholder Farmer Disaster Relief Fund to help small-scale farmers to survive and ensure continued food production, targeting producers via a voucher system for the purchase of inputs required to resume production activities. While this relief has helped cushion the effect for many farmers, significant need for assistance remains.

Through a top-up to the Smallholder Farmer Disaster Relief Fund, a further 74,626 vouchers will be allocated to qualifying small-scale producers that serve local markets in peri-urban and rural areas. The vouchers will be distributed through a call for applications by the Department to eligible farmers that meet the criteria.

This intervention builds on the lessons learned from the first call for applications and the expansion of support to more farmers. It will assist farmers to cover a portion of their operational expenses, continue with food production and contribute to food security in the medium term.



74,626
BENEFICIARIES



R1B
TOTAL BUDGET

“ That is such good news! We did not get support in the first round – now our co-op has another chance! ”
– Mbali Milanzi, a farmer who is part of Okwamanje Primary Co-op, Nyamvubu



Back in play: the creative, cultural and sporting sectors



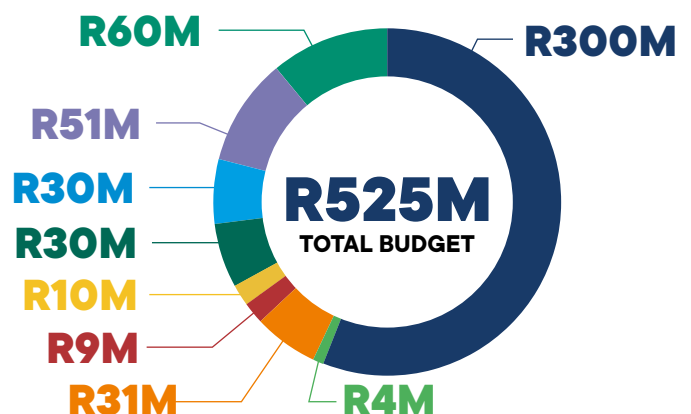
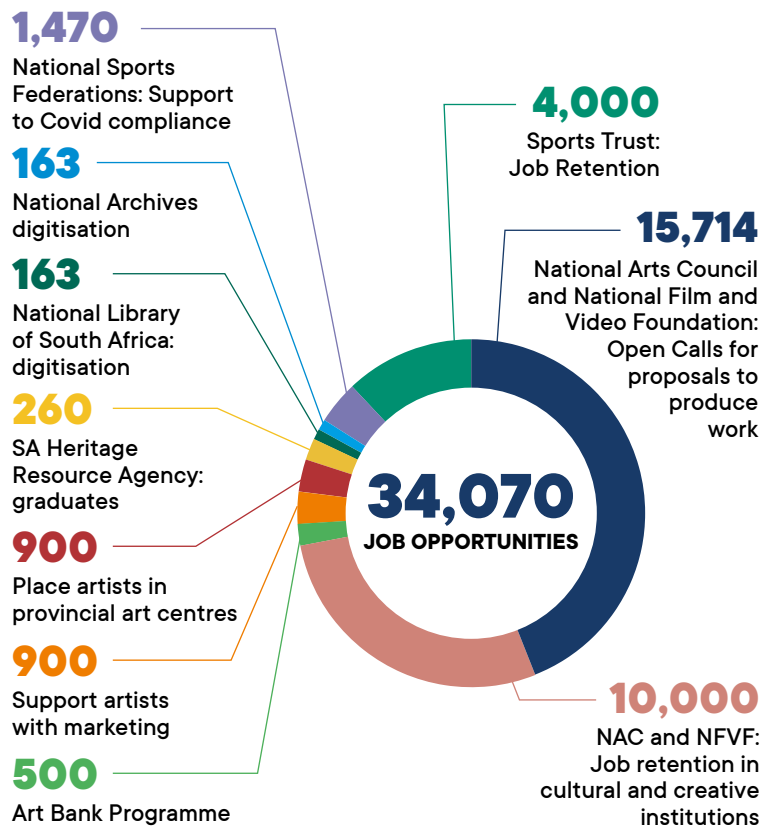
To get artists, cultural workers and the sporting sector on the road to recovery

Under lockdown, there has been no loud applause in jazz venues, no curtain calls for the dancers, no tourists in craft markets – and no victory laps for our sports people. No segment of the creative, cultural and sporting sectors have been untouched.

Many people in these sectors are freelancers or small enterprises, and their livelihoods have been severely affected. As part of the Presidential Employment Stimulus, the Department of Sport, Arts and Culture will implement a range of support measures to address this need.

Through the National Arts Council and the National Film and Video Foundation, calls for proposals will unlock the creativity of the sector in new ways, across the spectrum of the arts: including dance, drama, writing, publishing, craft, design, fashion, music, film and more. This includes support for digital content creation and e-commerce platform development, to assist the sector to take advantage of new local and global opportunities and markets and commissions for artists through the Art Bank. Funding is being made available to support job retention in cultural facilities such as museums, galleries, theatres and other venues which have lost revenue due to the lockdown. There are also a range of public employment opportunities, including for digitisation in the National Archives and the National Library, placement of artists in art centres and support from marketing graduates to creative initiatives.

For the sports sector, 'Return to Play' fieldworkers will be employed in sporting federations to assist with COVID compliance, and job retention is supported in sports federations.



Improving support to Community Health Workers



Primary Health Care is at the frontline of the battle against Covid-19

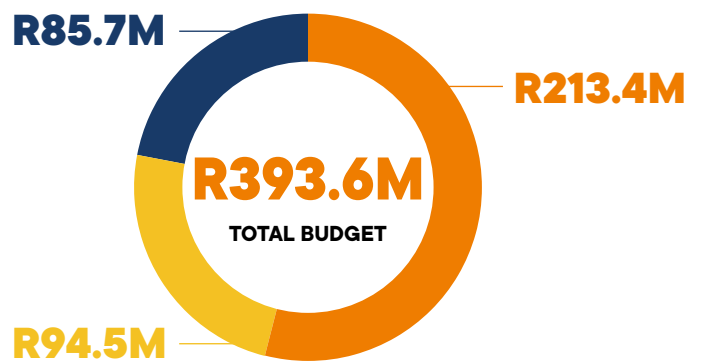
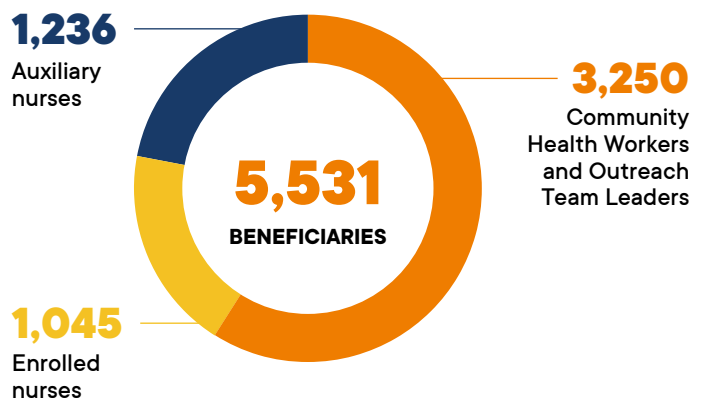
As the world responds to the COVID-19 pandemic, the critical role that community health workers play to enhance the resilience of the national health care system has been foregrounded. They have been on the frontline of active case-finding through screening and contact tracing.

Despite reprioritisation of resources to respond to the demand for additional workers, the Department of Health continues to face constraints. A particular challenge has been low levels of support and supervision provided to Community Health Workers (CHWs), which has limited the scope to scale up services and to achieve the desired health outcomes.

Through this intervention, the Department of Health seeks to address this challenge by recruiting 2,000 Outreach Team Leaders (OTLs) to provide supervision and support to CHWs. The OTLs are enrolled nurses that will allocate tasks, manage the work of CHWs and report on performance and outcomes. The majority of the OTLs will support existing CHWs to close the supervision gap experienced in the sector.

The department will also recruit and train an additional 1,250 CHWs, 1,045 enrolled nurses and 1,236 auxiliary nurses to strengthen the provision of COVID-19-related and other care services to communities and households in the country. The enrolled nurses and auxiliary nurses will perform functions in line with their qualifications and the needs of their assigned facilities.

These appointments will contribute to the resilience of the health care system through the delivery of efficient, quality primary health care services to meet growing demand during the pandemic.



“Community health workers have been South Africa’s secret weapon against Covid-19, but they need more effective support from within the health system.”
 – Lebo Ramafoko, Chief Executive, Tekano

Prioritising infrastructure maintenance

Mainstreaming and improving labour-intensity in infrastructure delivery



25,000
JOB OPPORTUNITIES



R50M
TOTAL BUDGET



Community access to water and sanitation is all the more important in the context of the crisis

Before the crisis, many municipalities were already facing critical funding shortfalls and challenges in the sustainable delivery of basic services and the maintenance of infrastructure. The pandemic has compounded these problems by cancelling or stalling implementation of all non-critical infrastructure projects.

In this context, the Municipal Infrastructure Grant was re-prioritised as part of the COVID-19 response. This offers an opportunity to use central coordination and targeted support to improve the labour intensity of infrastructure projects to create employment opportunities.

The Municipal Infrastructure Support Agency, an entity of the Department of Cooperative and Traditional Affairs, will receive additional funding to increase their capacity to support municipalities in mainstreaming and improving labour-intensive methods used in infrastructure programmes.

Of the R4.4 billion reprioritised for the COVID-19 response, existing funds are available for roads, water and sanitation and will be used to create 25 000 additional EPWP work opportunities through highly labour-intensive projects. Recruited participants will also receive project-based skills training.

A key focus will be on urgent repairs and refurbishment of water and sanitation infrastructure to restore functionality as well as the maintenance of roads. The projects will contribute towards improved access to water and sanitation in municipalities and improvements in the quality of assets maintained while ensuring employment creation.



Rural roads maintenance and upgrading programme

Improving access to services and opportunities for people in rural areas



Rural roads play a vital role in connecting rural communities to services such as health and education, as well as providing access to markets and economic opportunities. However, rural roads infrastructure remains poor in many areas of South Africa.

The Department of Transport is addressing this through scaling up the S'hamba Sonke programme launched in 2011. The focus of the programme is the repair and maintenance of secondary and rural roads in the provincial road network.

The prioritisation of projects will be based on the condition of the roads, traffic volumes and the province's capacity to implement. Moreover, the priority projects will be designed to promote the participation of small to medium contractors.

The stimulus funds will create an additional 50,000 work opportunities through a focus on labour-intensive methods of construction. These opportunities will also provide training and skills development while improving the capacity for labour-intensive infrastructure delivery within the industry.

Through improvements in the quality of rural road infrastructure, the programme will create better linkages to opportunities and services to increase the welfare of people in living in rural areas.

“ The Zibambele Rural Roads Maintenance Programme in Kwa-Zulu Natal has illustrated the value of community-driven rural roads maintenance



50,000
JOB OPPORTUNITIES



R630M
TOTAL BUDGET

Provincial public employment creation programmes

Scaling up existing public employment and addressing new challenges



The employment stimulus package offers an opportunity for provinces to scale up existing public employment programmes, building on areas of strong performance. Moreover, as the pandemic presents new challenges, there is an opportunity to unlock the benefits of public employment in the design of interventions to respond to these challenges.

A call for proposals to provinces to submit programmes and initiatives for the employment stimulus has yielded a comprehensive range of opportunities across all nine provinces. Examples include initiatives that scale existing programmes such as the waste recycling and community safety projects, as well as innovative ideas such as improving sanitation by converting communal taps to use a 'foot operated pedal' mechanism to release water thereby reducing the spread of germs.

The proposals are being reviewed by National Treasury and provinces are refining and adjusting where necessary. Eligible proposals that align with the objectives of the employment stimulus and adhere to existing frameworks within the respective sectors will be approved as part of the budget adjustment process of the Division of Revenue Act. This support will enable public employment to be scaled up at the provincial level as part of the economic recovery agenda, ensuring that the impact of the employment stimulus is felt in every part of the country.



Piloting new models for re-shoring and expanding global business services



Facilitating continued growth in a youth-absorptive sector

The Global Business Services Sector has an impressive track record. Established in 2006/7 to provide offshore customer service delivery, the sector has built from a low base to achieve an average year-on-year export revenue growth of at least 20% since 2014.

The Department of Trade, Industry and Competition's incentive programme in the sector is the important enabling instrument behind this growth. In addition to export revenue, this programme also consistently delivers on its employment creation targets and has been successful in creating opportunities for young people to actively participate in the labour market.

The department has recently formulated a new value proposition and is expanding the GBS services offered in the country to attract new foreign direct investment and significantly increase the jobs available over the next 5 years. As part of the reprioritisation in response to COVID-19, however, the department's budget was reduced with negative consequences for its ability to meet the demand for workers in the sector.

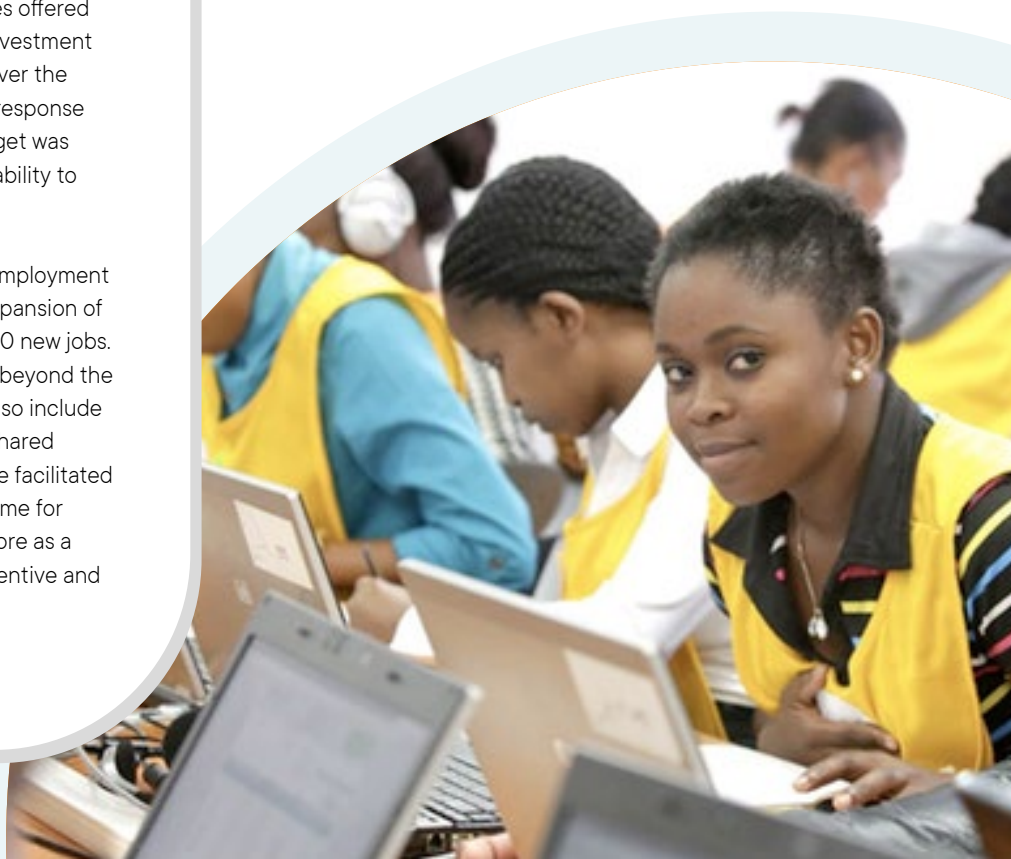
Through an allocation from the Presidential Employment Stimulus, the department will continue the expansion of services offered in the sector and create 8000 new jobs. These jobs will be created in services that go beyond the traditional business process outsourcing to also include information technology outsourcing, digital, shared services, and re-shoring. The re-shoring will be facilitated by a pilot model within the incentive programme for South African companies that currently offshore as a cost containment strategy, to take up the incentive and localise their business services.



8,000
JOB OPPORTUNITIES



R120M
TOTAL BUDGET



Supporting youth-owned enterprises to survive – and thrive

New opportunities for townships and rural micro-businesses to start up or reach scale



Across the length and breadth of South Africa, a cohort of young entrepreneurs is running their own restaurants, cafés, beauty salons and barber shops, or working as artists, seamstresses and taxi drivers. In fact, about 1.8 million informal SMEs – nearly a third of the total – are led by youth, while slightly more than a third are owned by women. The global pandemic has highlighted the importance of these businesses in creating a buffer against poverty and increasing employment.

To support this sector, the National Youth Development Agency is expanding support for youth-owned microbusinesses through the Presidential Youth Employment Intervention. This programme will include the provision of grant funding and end-to-end support to young entrepreneurs, building on the successes of the campaign to support 1000 youth businesses in 100 days that was announced in the February 2020 State of the Nation Address. This support will now be expanded to a further 2000 youth businesses in the next 200 days.

The NYDA is also expanding its Youth Micro Enterprise Relief Fund established to support youth enterprises to survive the

crisis – and thrive beyond it. Informal micro-businesses are often left out of other support mechanisms because these programmes require applicants to be registered and tax compliant, because the waiting periods for funding are too long, or because loans saddle businesses with debt that cannot be repaid.

Many of these businesses have been left with no source of income and unable to pay their employees. As part of the Presidential Employment Stimulus, the NYDA will support an additional 3,000 micro-enterprises to weather the crisis.



5,000

JOB OPPORTUNITIES



R119M

TOTAL BUDGET

“ The Tosh, a coffee shop in the heart of Klerksdorp, was funded under the NYDA’s Youth Micro Enterprise Relief Fund as part of government’s efforts to help capitalise businesses that have been impacted by the coronavirus (COVID-19) pandemic. Owners Katlego Matlala (28) and Jason Mfusi (28) received the money three weeks after filing their applications. Matlala says the funding helped them to stay afloat as they wait for restaurants to be given the go-ahead to open. The R10 000 was used to pay a portion of the salaries of the restaurant’s chef and two waitresses, and was also put towards overheads such as rent and electricity. “We were listening to the President’s announcement of stimulus packages for businesses and after that, we scoured the internet for funding opportunities as our business was temporarily shut down,” says Matlala. The popular coffee shop – which serves pasta, burgers and pizza, among other things – was growing in leaps and bounds when COVID-19 hit.”

Creating work experience opportunities for graduates

Supporting new graduates entering a hostile labour market

Given a constrained labour market, fewer opportunities will be available to graduates leaving institutions of higher learning in 2021.

The Department of Science and Innovation will deliver four programmes through its entities designed to minimise this impact, which will together offer 1,900 unemployed graduates an opportunity to earn an income while gaining meaningful work experience.

1000 graduates will be employed in an internship programme facilitated by the Human Sciences Research Council where they will work as health promotion agents in communities and assist with research.

A further 400 graduates will be employed through the Water Research Commission's Water Graduate Employment Programme (GEP). These graduates will provide research assistance on water and sanitation projects.

Finally, 150 beneficiaries will be supported by the Council for Scientific and Industrial Research to complete six months of their Experiential Learning Programme. An additional 350 beneficiaries will be managed by the Duzi Conservation Trust as envirochamps doing door-to-door community engagement.



1,900
JOB OPPORTUNITIES



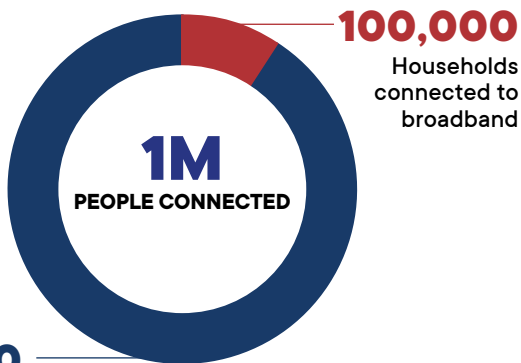
R45M
TOTAL BUDGET



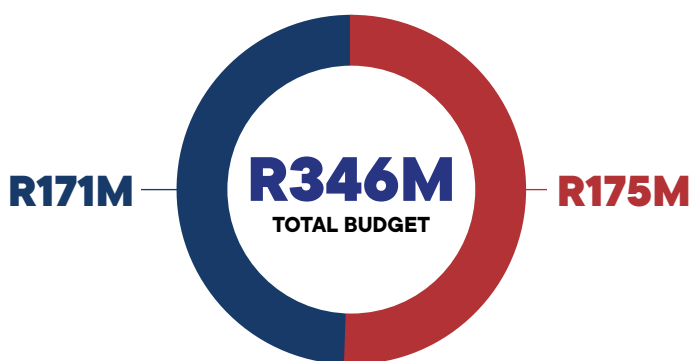
Bridging the digital divide



Expanding affordable internet access for low-income households through last-mile broadband and public WiFi



960,000
Households with WiFi access within walking distance



Almost half of South Africans still lack access to the internet in the course of their daily lives. The unequal distribution of infrastructure and high costs mean that high-speed broadband is out of reach for most. This means that a large proportion of the population does not have access to the income-generating opportunities and other benefits provided by the digital economy.

Broadband access delivered quickly and affordably is critical during the COVID-19 pandemic and its aftermath to enable South Africans to protect their health, complete their education, build new skills, start businesses and access opportunities. Broadband connectivity is particularly important in this context because new forms of learning and earning from home require a stable and high-speed internet connection. By providing all South Africans with access to affordable broadband internet, the country will support inclusive township and rural economic development by allowing a much broader range of South Africans to support their livelihoods through the digital economy.

In Phase One of the Presidential Employment Stimulus, stakeholders are collaborating in the design of incentives to connect low-income communities to high-speed, affordable broadband internet, with the intention of supporting this as part of the medium term stimulus strategy. This will include the expansion of public WiFi hotspots to reach over 1 million people within walking distance, as well as direct households connections in low-income areas. These initiatives together will ensure that low-income communities are at the front of the queue for affordable access, ensuring greater equity in the distribution of broadband infrastructure and

“ This project is a major practical step towards our committed goal of giving all South Africans access to the digital economy, and to being part of the increasingly digital society. – Professor Brian Armstrong, University of the Witwatersrand

Launching the Pathway Management Network

Connecting youth who are not in education, employment or training to opportunities



As part of the Presidential Youth Employment Intervention, a national Pathway Management Network is being established to provide active support to work-seekers and help unemployed young people to navigate their way into the economy. The network brings together a range of partners who provide support to youth entering the labour market, including the Department of Employment and Labour, the Department of Higher Education and Training, the National Youth

Development Agency, the Harambee Youth Employment Accelerator and other roleplayers in civil society. The Pathway Management Network identifies, aggregates and creates opportunities (including jobs, work experiences, entrepreneurship and youth service) and matches young people who are not in education, employment or training to these through multiple channels of support, all at no cost.

“ I am hopeful because...they have given us all the weapons that we need to find a job and not only that but to keep it - how to conduct yourself in interviews and the kind of attitude you need to have in a working environment. We know how to react now and how to work with people, respecting people". Comments from a participant in a Focus Group on the Pathway Management Network



All systems go

The Presidential Employment Stimulus is an ambitious plan to create and support over 700,000 jobs within the next six months. This is the first phase of a medium-term plan that will build on the lessons learned and capabilities created to innovate further – and to reach even greater scale.

For all implementing departments and partners, the employment stimulus involves “stretch targets” that require new ways of working and new forms of collaboration within and beyond the state. Departments will be responsible for implementing their agreed targets, with co-ordination and support provided by the Project Management Office in the Private Office of the President. The PMO is co-ordinating a Monitoring, Evaluation, Reflection and Learning Framework (MERL) which aims to:

1. Ensure accountability for implementation against agreed targets and for the effective use of public funds in doing so.
2. Enable problem-solving and solutions-generation during the implementation process, through monthly review meetings and ‘communities of practice’ that deepen the scope for peer learning and peer review.
3. Use developmental evaluation approaches to understand the range of social and economic outcomes and impacts of such programmes, including indirect and induced impacts.

The jobs targets contained in the employment stimulus are real and fully funded – not empty promises. The immediate task is to implement programmes supported by the stimulus at an unprecedented speed and scale – to contribute to light at the end of the tunnel.

“ The task before us now is to apply the same energies with which we have battled this pandemic to the economic recovery effort. We are weathering a long and difficult storm. We are enduring great hardship and suffering unbearable losses. But we continue to stand firm against this onslaught. A ray of light is visible on the horizon.”

– President Ramaphosa, Address to the Nation, 15 August 2020



