Building a Society that Works

The Next Phase of the Presidential Employment Stimulus
October 2021
The Presidential Employment Stimulus is an example of what we can achieve when we work collectively, not only within government but across society, to address an urgent need. Since the launch of the stimulus less than a year ago, it has delivered jobs and livelihood support to over half a million people and provided a much-needed income to those worst affected by the coronavirus pandemic.

The stimulus has benefitted communities in every part of our country. Education assistants have strengthened the learning environment at over 22,000 schools. Subsistence farmers have received support to expand their production and access markets. Rural bridges have been constructed, and roads maintained. New sustainable jobs have been created in global business services. Environmental programmes have rehabilitated land, delivered cleaner water and maintained our national parks. This is just some of what has been achieved.

Most importantly, the Presidential Employment Stimulus has provided meaningful work experience and enhanced the dignity of participants. It has provided a stimulus for local economies and contributed to our wider economic recovery.

We will continue to support employment directly while the economy recovers. There is much more work to be done. This next phase of the employment stimulus is an opportunity to expand the reach and impact of our efforts, and to do things differently. It signals our commitment to support the most vulnerable, and to provide work to those who need it.

- President Cyril Ramaphosa
Contents

Introduction. ................................................................. 4
The rationale for an employment stimulus .......................... 5
Outcomes from the Presidential Employment Stimulus so far .................................................... 6
Reflecting on Phase One of the Presidential Employment Stimulus ........................................... 7
Highlights of the Presidential Employment Stimulus ....................... 8
Phase Two of the Presidential Employment Stimulus .............................. 17
Programmes continuing from Phase One .................. 20
New programmes in Phase Two ................................................................. 22
Introduction

The Presidential Employment Stimulus was established in response to the devastating impact of the coronavirus pandemic on jobs and livelihoods. Its aim is to protect jobs and livelihoods, and to support meaningful work while the labour market recovers. Beyond providing relief to those who have been most affected by the economic consequences of the pandemic, it recognises that this is a moment of opportunity for change – for new ways of working, and new forms of innovation, in response to an unprecedented crisis.

At its heart, the employment stimulus has enabled the most rapid expansion of public employment in South Africa’s history, by supporting programmes that could scale up within a matter of months to provide work to those who need it. The stimulus is not only about public employment, however. It has also protected existing jobs in sectors that are most vulnerable and has provided livelihoods support in the form of grants and awards through a range of programmes. This multi-pronged approach is designed to preserve existing employment while creating new jobs and supporting people to create work of their own.

Over 500,000 people received direct support from the stimulus in its first five months, with the process continuing. Support was provided across three categories – job creation, job protection and livelihoods support. If not for the stimulus, many of these people would have lost their jobs or struggled to earn an income to support themselves and their families. Beyond the direct impact on participants, a wide range of programmes has had a tangible effect on communities – including bridges constructed in rural areas, rivers and wetlands restored and improved learning outcomes in schools. In these ways, funding provided by the stimulus has contributed to the creation of public goods and to impacts that will outlast the direct income transfer effects.

The rationale for an employment stimulus remains as urgent now as it was in October 2020. While efforts are underway to promote a swift economic recovery, including the various measures contained in the Economic Reconstruction and Recovery Plan and the accelerated implementation of structural reforms through Operation Vulindlela, it will take time for the labour market to recover and for employment to exceed its previous levels.

In short, the work does not stop now. Building on the success of programmes implemented to date, the Presidential Employment Stimulus will continue to support jobs and livelihoods through programmes that harness the capabilities of our society.

The next phase of the stimulus will both enable the continuation of some existing programmes while also identifying new opportunities, all with the same aim: to build back better.
The rationale for an employment stimulus

Our levels of unemployment, and youth unemployment in particular, are unacceptably high. Unemployment was a crisis even before the COVID-19 pandemic, but has been exacerbated in its aftermath. While there is broad agreement that the solutions to unemployment lie in rapid and inclusive growth that enables market-based employment, structural reforms and other measures being implemented as part of the Economic Reconstruction and Recovery Plan (ERRP) will take time to translate into higher employment at the required scale. Meanwhile, the corrosive social impacts of unemployment simply cannot be left unchecked. If we fail to act fast, with the instruments available to us, then unemployment itself becomes a risk to social stability, negatively impacting economic recovery.

This is the vicious cycle that the Presidential Employment Stimulus is intended to break: giving young people in particular opportunities that set them on a pathway of employment and economic inclusion, keeping their faith in a better future alive, while the economic conditions to deliver such a future are put in place.

This intervention is a vital antidote to the despair that so many participants describe as having characterised their lives before the programme. Just as striking are their comments on the impacts of participation in work on their lives. “I can put food on the table,” is the most common refrain. “This opportunity has allowed me to contribute.” The voices of participants themselves make it clear that while food security is certainly important, participation in employment is about more than just an income. It is also about giving people a sense of agency, about their ability to contribute to their household, and the self-worth and pride that comes from feeling needed by your community and society.

Participation in work also builds skills and capabilities. In some programmes, this is achieved through formal skills development. For many participants, however, the employment stimulus gives them their first opportunity to apply skills they have already learned, allowing them to reinforce these skills and to build work experience to enhance their employability. The tacit skills that participants gain matter as well. These include:

- Teamwork
- Work discipline
- Task management
- Accountability

This goes along with capabilities arising from access to networks and information, self-confidence and more. All of this contributes to participants’ employability in the wider economy and their productivity when they get there. In these ways, the stimulus is an investment in recovery and growth, not only a short-term boost to employment and incomes.

In addition, the work undertaken can and should create real social, economic and/or environmental value. The creation of public good helps to address the myriad needs our society faces, such as food security, environmental protection, township and rural infrastructure, the learning environment in schools, community safety and more.

Finally, most of the funds provided through the employment stimulus go straight from participants’ pockets into their local economy. This supports the informal economy and small enterprises, reaching township and rural economies that are otherwise often by-passed by other measures.

This support to consumption spending helps to develop local markets and strengthen supply chains, with the impact trickling up into diverse value chains. These multiplier effects result in job creation throughout the economy.

For all of these reasons, the Presidential Employment Stimulus is a vital part of the wider economic recovery, able to support employment, benefit communities and enhance employment prospects while longer-term measures are underway.
Outcomes from the Presidential Employment Stimulus so far

**Jobs created**
- Achieved: **393,713**
- Target: **434,205**
- Achieved: **91%**

**Livelihoods supported**
- Achieved: **117,770**
- Target: **199,173**
- Achieved: **59%**

**Jobs retained**
- Achieved: **40,399**
- Target: **60,742**
- Achieved: **67%**

- Achieved: **551,882**
  - Target: **694,120**
- Performance: **84% youth, 58% female**
- **80% of total target**

- Budget: **R12.6 billion**

Under-utilised funds for job retention in DBE were used to extend the duration of the school assistants programme.
Reflecting on Phase One of the Presidential Employment Stimulus

Criteria for success
The Presidential Employment Stimulus has aimed to achieve the following:

- **To identify or design programmes able to deliver new levels of scale**, that are additional to existing public employment programmes within the Expanded Public Works Programme (EPWP).
- **To create work of decent standards**, that provides meaningful work experience for participants and builds their capabilities.
- **To deliver real public value**, linked to the pressing problems our society faces.
- **To ensure spatial equity** and to reach all vulnerable groups in a targeted manner.

Challenges of the COVID-19 context
These outcomes had to be achieved against a backdrop of significant implementation challenges in the midst of the COVID-19 pandemic. The pandemic disrupted ordinary working routines and placed considerable new pressures on government at all levels. The urgency of responding to its impact meant that the first phase of the employment stimulus had to be implemented within short timeframes. The stimulus commenced in October 2020, and most programmes had only a five-month period in which to reach full scale – an unprecedented undertaking given their size and complexity. This required the rollout of a more ambitious set of public employment targets than had ever previously been attempted in South Africa within such a timeframe.

For all implementing departments, the Presidential Employment Stimulus added new and often intense delivery pressures in what were often described as ‘hostile timeframes’. Officials in each implementing department worked long hours throughout the December holiday period to ensure that targets could be reached.

Rising to the occasion to build a more capable state
Despite these constraints, public officials in all eleven implementing departments stepped up to do their best. Across the portfolio of programmes supported, there have been strengths and weaknesses in the delivery process – but this willingness to step up, to take on additional mandates and to work exceptionally hard to deliver them has been a feature of the stimulus. This makes the outcomes a collective achievement even where individual programmes may have faced barriers to delivery under these conditions.

Circumstances have also required a willingness to do things differently, creating new opportunities for public officials to demonstrate initiative to solve problems. As a result, the process has generated innovation and deep learnings that are contributing to building a more capable state, a lasting impact of the Presidential Employment Stimulus.
This programme will enhance the employability of participants. We hope it will encourage youth involvement in the schools beyond the project lifespan and that the employment opportunities created will contribute to local community upliftment.

- Minister of Basic Education, Angie Motshekga

The Basic Education Employment Intervention (BEEI) run by the Department of Basic Education (DBE) placed 319,482 young people as assistants in schools across the country. Education Assistants supported teachers in the classroom, while General Assistants assisted with tasks such as school maintenance and after-school care outside the classroom. Participants were paid the National Minimum Wage.

The BEEI has provided a new example of how public employment programmes can go rapidly to scale, creating meaningful work at decent standards for young people, while delivering real public value. It has the added advantage of a highly equitable spatial footprint that reached even the most remote and marginalised communities.

“Over and above providing opportunities for youth in South Africa, the BEEI positioned the Basic Education Sector to address systemic challenges and to begin to make strides towards a post-COVID–19 future.” - HM Mweli, Director General in the Department of Basic Education

Schools opted into the programme, undertook recruitment and identified tasks that most responded to their own needs. Seven provinces used SAYouth.mobi to recruit. This data-free mobile platform forms part of the Pathway Management Network of the Presidential Youth Employment Intervention (PYEI).

Strong partnerships were built, with the National Education Collaboration Trust (NECT), rapidly mobilising resources to develop online learning materials. Participants were trained in IT skills, reading and literacy teaching, coding, as youth and childcare workers and more, with 167,566 participants benefitting from skills courses during the programme. This strengthened their ability to support curriculum priorities.
Highlights of the Presidential Employment Stimulus

The rollout of the programme took place in the unprecedented context of the pandemic. Challenges such as instances of delayed payments for participants were quickly addressed, with the department’s WhatsApp line used to great effect.

“When we were in higher alert levels, we had teachers that were working from home due to comorbidities. The teachers prepared lesson plans and left these in the capable hands of Teacher Assistants. The Teacher Assistants ensured that learning and teaching continued at the school.” - Jerome Pillay, Principal, Holy Trinity RC Primary School, Western Cape

Questions for Assistants:

What is your highest level of education successfully completed?

- **Complete University degree**: 11.6%
- **Grade 12 and a diploma**: 17.2%
- **I have not completed Grade 12 but I have done a diploma**: 51.1%
- **Grade 12 (National Senior Certificate or equivalent)**: 14.8%
- **Less than Grade 12**: 22.3%
- **Other**: 7.0%

What has been the most important benefit for you from the presidential Employment Initiative?

- **Stipends helped cover basic needs**: 25.7%
- **The work experience has taught me a lot and will help me find future employment**: 70.6%
- **Other**: 3.7%

27 year-old Tracy Nkosi has a Diploma in Information Technology and was appointed at Welgedag Primary School, in Springs, Johannesburg.

“Being unemployed was extremely difficult. I am so happy because now I can assist at home financially. The work experience is also great and I really enjoy the team dynamics. I am learning so much in my new job and doing tasks I had not performed previously. I am now hoping to study and work further in the education sphere. My hope is to get a permanent position, to be able to fend for my family and become a teacher.”
Department of Agriculture, Land Reform and Rural Development

Production input vouchers to support subsistence farmers

The Department of Agriculture, Land Reform and Rural Development (DALRRD) has issued 53,285 production input vouchers to subsistence farmers to date.

The requirement for on-site vetting and verifications of applicants has posed some challenges given the distances often involved. With rollovers of funds recently confirmed, the process is now continuing. It is mainly undertaken by unemployed agricultural graduates and former participants of the National Rural Youth Service Corps (NARYSEC), working with extension officers. DALRRD is however now seeking other partnerships to assist, to expedite finalisation of awards.

The programme includes rural and peri-urban farmers as well as urban agriculture. Successful applicants receive a voucher for production inputs that can be redeemed from participating suppliers. Award sizes range between R1,000 and R9,000, depending on scale and commodity type. The vouchers are to support existing farmers, not start-ups.

At this stage, over 50% of the vouchers issued have been provided to young people. The high level of participation by women equally demonstrates the success of a targeting strategy intended to ensure this outcome.

Applications were enabled via a USSD platform. This enabled wide outreach and DALRRD now has a geo-spatial map of subsistence farmers for the first time – enabling follow-up support.

Technological innovation in relation to payments also allowed DALRRD to massively improve its payment turnaround time, which has been welcomed by suppliers. DALRRD has had to tackle abuse by a small number of suppliers that took an unauthorised top-slice off the voucher value. DALRRD acted on complaints and suspended 16 suppliers. In some areas, distances to suppliers were also far. This has provided lessons for future improvements as well as insight into areas where agricultural supply systems need to be strengthened.

The Presidential Employment Stimulus is critical for job creation and job retention amongst subsistence farmers, who play a vital role in stemming challenges of hunger at a household level. Many subsistence producers experienced disruptions as a result of lockdown. This programme supports them back into production.

- Minister Thoko Didiza
Phindile Ngcoya is one of 10 members of a family farming cooperative in Phatheni, in Richmond, growing cabbages, spinach, carrots, beetroot and lettuce. Pointing to her files, she says, “All of this was made possible by a PES voucher. We could buy seeds and seedlings. The planting continued and now we are selling lots of produce.”

Ngcoya said she had learned of the PES programme through a friend. She found the application process easy and acquiring the voucher even simpler. “The person assigned to help us was very friendly and understanding. It was not difficult at all,” she said.

Nosipho Cekwana from Impendle used her R5,300 voucher to buy maize seeds, manure and food supplements for her cows, sheep and chickens. “Every cent really helped. Covid–19 set us back because prices rose so much.”

With livestock feed running out, Nomusa Evelyn Khanyile, was at her wits end. Nobody in the Khanyile’s home in Mpolweni, outside of Pietermaritzburg has a job outside the family farm. “When I had only one sack of pig food left, I asked: ‘What am I going to do?’ But today, thanks to the voucher, the family’s 107 pigs are getting fat.

We are thankful for initiatives such as the PES. It allows young farmers like ourselves to dream beyond small-time farming. Our belief is that if we put in hard work, we will be rewarded for it.”

You know how it is. The community always keeps us informed. So I kept hearing about this PES programme. After doing some research, I applied on my cellphone. It wasn’t difficult.

How on earth did they know that we needed such help? It has lifted me up and made me the happiest woman.

Production categories of applications received

- **15%** Small livestock
- **7%** Large livestock
- **35%** Vegetables and fruits
- **20%** Dry cropping
- **23%** Poultry

Highlights of the Presidential Employment Stimulus
The environment matters for all forms of life – including our own

The Presidential Employment Stimulus supported Department of Forestry, Fisheries and the Environment (DFFE) to ramp up its efforts as the key guardian of our natural resources, our unique biodiversity and the ecological systems so essential to life on earth and to the future of the planet.

DFFE is already an important contributor to the Expanded Public Works Programme (EPWP), and several of its existing programmes were able to scale up quickly, amongst the wide range of programmes supported. Amongst these, a priority area was the removal of alien invasive plants, which are a major threat to biodiversity in South Africa and also remove large quantities of much-needed water from our eco-systems. Through the stimulus, over 29,000 hectares were cleared of alien species, with bush-encroachment addressed on another 10,000 hectares. These interventions enhance food security, mainly for subsistence producers. In addition, through Working on Fire and the Forestry Support Programme, fire risks were addressed – and fires fought.

In the Lower Umzimvubu catchment area, the Eco-Champs programme of the South African National Biodiversity Institute (SANBI) trained young people from the area to survey local biodiversity. ‘We learned how to use GPS to map plant locations,’ explains participant Sibahle Ntola. ‘Now we’re going to do so around the areas where we live.’ This work is being done along a section of the Wild Coast where such survey work has not previously been done.

SANBI also supported the Sustainable Wildlife Economies Project. Young graduates surveyed the impact of sustainable land management on the wildlife economy in the Eastern Cape, creating a dataset that will be upscaled to national level.

For Sisipho Mpotulo from Mthatha, Eastern Cape, it was more than a survey. “I feel proud to be part of a team that provides solutions on how to eradicate poverty. I feel proud to help in bridging the gap between the rich and the poor, and to raise awareness on sustainable land management. I look forward to seeing how small black-owned farms grow as a result of the information and tools provided to them by this project.”

For Zama Mnisi from Mpumalanga, SANBI’s Wildlife Economies Project was her first job. “The experience gave me the opportunity to meet farm owners and managers and learn the challenges they face. Most importantly I learned that there is a huge difference between knowing how to work the land and how to manage the farm as a business. The discussions about land degradation and the economic opportunities from wildlife also gave the farmers new ideas on how to grow their businesses and create more jobs in the community.”
Department of Sports, Arts and Culture

Supporting our creative sector

Crafters in markets aimed at tourists, dancers in theatres, cellists in jazz quartets, back-up singers, stand-up comics – all were affected by the pandemic. Behind the scenes, the make-up artists, set designers and sound engineers were all out of work too. Many of these are informal gig workers with little job security. Despite new digital opportunities for some, pivoting to these needed support and resources.

The stimulus aimed to provide that – and over 30,000 people in the sector have benefited from it. Yet this was not without regrettable challenges faced along the way. The National Arts Council (NAC) was overwhelmed by the scale of applications it received and a flawed management process meant the awards issued exceeded their budget. The NAC sought to remedy this by reducing the grant amounts of awards already made to ensure that all approved applicants received funding. While this placed some applicants in a difficult position, it did expand the reach of the programme to more people.

Tshepiso Tjeeko, a 32-year-old from Qwa Qwa, Free State, tells us how PES funds from the National Film and Video Foundation saved his business – and continues to open doors for him.

This was however just one component of stimulus support to the sector. The National Film and Video Foundation (NFVF) made over 200 awards, boosting local content by supporting film productions, the development of drone video skills, script-writing, animated movies and much more.

The South African Heritage Resources Agency was supported, and the National Library and National Archives created jobs digitising a wealth of archival material. The South African Cultural Observatory is providing marketing and business training to artists in every province, and Banking on Art has commissioned art from selected visual artists.

Wandile Molebatsi from Johannesburg is the co-founder and Executive Producer at Coal Stove Pictures. “COVID-19 was devastating for us! My company shut down during the first national lockdown. And as the main breadwinner for my family, it has been a very difficult time. But once lockdown levels were reduced and the PES was announced, the team was able to get back to work.

I love telling stories that celebrate the incredible excellence that exists in Africa. The Film ROCKET BOY - that secured the PES funds - is a project that is close to my heart as it celebrates the life of a young African scientist.”
Department of Science and Innovation

Innovation for development

The Department of Science and Innovation used the Presidential Employment Stimulus to support a range of initiatives that apply science – including social science - to support innovation, including the Water Research Commission, the Council for Scientific and Industrial Research and the Human Sciences Research Council. The programme of the Duzi-Umgeni Conservation Trust (DUCT) is profiled here.

Catchment management is vital to our water systems

The Amanzi Ethu Nobuntu programme (our water, our humanity) was established by the Duzi Umngeni Conservation Trust (DUCT) in association with various other stakeholders. It links projects across the Duzi-Umgeni catchment area that have a common purpose of keeping the river system healthy. Through the PES, the programme has employed teams at 20 project sites across the catchment areas, equipping youth with ‘citizen science’ skills to monitor water quality, illegal dumping sites, leaking sewers, and burst drinking water pipes. All the data they gather gets fed into a mobile app which then provides a bigger picture of the health of the catchment area. Participants not only monitor the river system – they help clean it up, too.

Saneleziwe Nzimande is an enviro-champ who recently completed her National Diploma in Civil Engineering at the Durban University of Technology. Here, she uses a clarity tube to measure water turbidity. The murkier the water, the harder it is for some species to survive.

Nzimande now hopes to follow a career path that merges environmental awareness with engineering. “Every time I put on my gloves, boots and hat I feel very proud of what I am going to do for my environment. It makes me feel very confident because I feel that it benefits everyone in my community – even those who are not aware.”

Participants also learned to test river health by dragging a portion of the stream through a net. All the bugs that are found are spread out on a tray. The breakdown of the species of bugs tells a lot about the stream’s health.

“Certain species are found only in clean healthy water, so if they are present you know the stream is in good shape,” explains DUCT chairperson, David Still.

“Others are found only in very unhealthy streams, and so if they are there, you know there is a problem.

DUCT Enviro Champs scoop aquatic bugs out of the stream and analyse the species they find as a test of river health.
Livelihoods from the provision of Early Childhood Development services were severely disrupted by the pandemic. To support the sector back on its feet, the ECD Employment Stimulus Relief Fund in the Department of Social Development was established to benefit 108 833 workers – including informal ECD workers. Registering informal facilities for the programme created compliance difficulties, however. Over 140 civil society organisations rallied to assist the sector with the application processes. Verification and approvals have taken longer than anticipated, however, with delays compounded by the fact that at the end of the financial year, Provincial departments were required to pause the process. Provinces have now received confirmation of their rollover requests and payments to approved beneficiaries have resumed once more. The PES remains committed to ensuring that the sector receives the benefits anticipated, despite delays.

Global Business Services (GBS) grow despite the pandemic

DTIC supported the creation of 10,499 jobs in GBS, with 89% going to youth.

Global Business Services is one of few sectors that was able to grow during the pandemic. For this reason, the PES supported the expansion of the GBS incentive of the Department of Trade, Industry and Competition. This incentive aims to create jobs and position South Africa as an attractive destination for business services as well as to support the expansion of more complex technical and specialist skills. As anticipated, despite the pandemic, many local service providers signed outsourcing deals with new global brands while existing organisations increased their workforce teams.

Early Childhood Development matters

Livelihoods from the provision of Early Childhood Development services were severely disrupted by the pandemic. To support the sector back on its feet, the ECD Employment Stimulus Relief Fund in the Department of Social Development was established to benefit 108 833 workers – including informal ECD workers. Registering informal facilities for the programme created compliance difficulties, however. Over 140 civil society organisations rallied to assist the sector with the application processes. Verification and approvals have taken longer than anticipated, however, with delays compounded by the fact that at the end of the financial year, Provincial departments were required to pause the process. Provinces have now received confirmation of their rollover requests and payments to approved beneficiaries have resumed once more. The PES remains committed to ensuring that the sector receives the benefits anticipated, despite delays.
Rural roads connect communities

Rural roads connect communities to markets, services and supplies. Through the stimulus, the Department of Transport has given all provinces the opportunity to expand work on rural roads maintenance. This forms part of the existing focus on labour-intensive infrastructure of the Expanded Public Works Programme. Planning and procurement processes slowed the process initially but the pace of implementation is now ramping up, with maintenance activities in process in most provinces.

Graduate employment as part of the stimulus

Many departments integrated work experience for graduates into their wider programmes. The Department of Public Works and Infrastructure, for example, placed 1,881 people into professional services, building their work experience in relation to water and sanitation facilities management, energy efficiency, rural bridge construction and more.

The Department of Health placed additional nurses in positions at health facilities. The Department of Social Development was able to extend contracts for social workers, as well as offering work to social workers who were unemployed.

Back to the playing field

Through the Department of Sports, Arts and Culture, jobs were retained in many sporting federations – with golf caddies amongst those that benefited. However, as most sports were unable to get back to play during the implementation period of the stimulus, job creation initiatives linked to ensuring COVID-19 compliance at events were largely unable to proceed.

Labour intensive infrastructure creates jobs

The Department of Co-operative Governance (COGTA) was supported to institutionalise more labour-intensive methods in municipal infrastructure projects, through the Municipal Infrastructure Support Agency (MISA). This requires an understanding of when and where labour intensive methods are able to deliver equivalent quality outputs as machine-based methods, creating more local jobs in the process. It also requires the technical expertise to embed this in local contracting, reporting and oversight. Support to labour intensive methods is taking place in fifteen selected municipalities – with others now asking to join as well. This is happening in collaboration with the Expanded Public Works Programme. Direct impacts in terms of jobs created are only anticipated from the next contracting cycle for municipal infrastructure investment.
Phase Two of the Presidential Employment Stimulus

Continuity and change

R11 billion in new funding has been allocated for the next phase of the Presidential Employment Stimulus in 2021/22. As with the first allocation, this amount has had to go through a budget process to allocate the funds to programmes. All departments were invited to bid. The funds have to be spent within this financial year, allowing seven months for implementation.
Criteria for Phase Two of the Employment Stimulus

‘Whole of society’ approaches
Collaborative approaches and partnerships between the state and non-state actors bring new insights and crowd in capacity to deliver. In the process, institutional capabilities are built in communities and the wider society, which strengthens our collective resilience in the face of shocks like the current pandemic has caused. For this reason, the PES is prioritising programmes that include such partnerships.

Designing for scale
South Africa’s challenges are significant. Yet too often, development interventions are designed at the project scale, reaching small groups only. How do we design for scale – in ways that enable local initiative rather than top-down approaches? Phase One provided examples of this, for example in the BEEI. How can we apply these lessons? Phase Two tries to do so.

Pathways into sustainable earning opportunities
The stimulus seeks to support interventions that enable people to transition to other earning opportunities. The more meaningful the work experience provided, the better chance participants have of getting a job in the wider labour market. But in our context of low labour demand, this will not be an option for everyone. All the more important to strengthen other forms of livelihood opportunity, including self-employment and enterprise activity.

Creating real public value
The quality of work outcomes and its relevance for wider policy goals matters. Firstly, this optimises the public investment made. It helps address pressing social priorities. In addition, in a context in which unemployed people often feel surplus to the requirements of their society, this helps to counter some of the negative psycho-

social impacts of unemployment. It also often sets participants on future pathways inspired by the belief that they can make a difference. And they can.

Labour intensity
For public employment programmes, a high labour intensity ensures that the majority of the funds are paid out in wages. There is a limit, however, to how far this can go without jeopardising the quality of outcomes, so a well-informed balance needs to be sought.

Catalysing employment creation
The main focus of the PES is on directly supporting employment in a context in which market-based solutions are constrained. The PES does however also aim to support catalytic interventions that support the enabling environment for employment creation or unlock new opportunities.
Phase Two of the Employment Stimulus

Phase Two Portfolio of Programmes

Phase Two of the Presidential Employment Stimulus includes continuity and change.

**Employment Programmes**

<table>
<thead>
<tr>
<th>Department</th>
<th>Programme description</th>
<th>Budget ('000)</th>
<th>Jobs/ livelihoods</th>
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<td>Basic Education Employment Initiative</td>
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<td>NT</td>
<td>Innovation in PEPS for Metros</td>
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## Livelihood support programmes

<table>
<thead>
<tr>
<th>Department</th>
<th>Programme description</th>
<th>Budget ('000)</th>
<th>Jobs/ livelihoods</th>
</tr>
</thead>
<tbody>
<tr>
<td>DALRRD</td>
<td>Support to Subsistence Farmers</td>
<td>R 750 000</td>
<td>67 378</td>
</tr>
<tr>
<td>DSD</td>
<td>ECD Employment Stimulus</td>
<td>R 178 000</td>
<td>42 718</td>
</tr>
<tr>
<td>DWYPD</td>
<td>PYEI/ Youth Enterprise Support Fund</td>
<td>R 30 000</td>
<td>2 000</td>
</tr>
</tbody>
</table>

**Sub-Total** R 958 000 112 096

**Total direct beneficiaries** R 10 516 000 556 890

## Catalytic Interventions

<table>
<thead>
<tr>
<th>Department</th>
<th>Programme description</th>
<th>Budget</th>
<th>Other indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEL</td>
<td>PYEI/Pathway Management Network</td>
<td>R 238 000</td>
<td>300 000 youth supported including 75 000 placed.</td>
</tr>
<tr>
<td>DCDT</td>
<td>Broadband Access Fund</td>
<td>R 200 000</td>
<td>50 000 households connected. 3 000 public wifi hotspots.</td>
</tr>
</tbody>
</table>

**Sub-Total** R 438 000

**TOTAL BUDGET** R 10 954 000
**Programmes continuing from Phase One**  
(Note: budget figures in '000)

- **Department of Basic Education**  
The Basic Education Employment Intervention  
- **Total job target**: 287,000  
- **Total budget**: R6,000,000  

Yes - the BEEI is back! Phase Two will support 287,000 young people at schools across the country, once again reaching into even the most marginalised communities and strengthening the learning environment at schools once more.

- **Department of Agriculture, Land Reform and Rural Development**  
Support to subsistence farmers  
- **Total job target**: 67,378  
- **Total budget**: R750,000  

This livelihood support programme will build on the gains made in Phase One, with a focus on pathways out of poverty – and into markets – for subsistence farmers. This will take advantage of the geo-spatial map of over 133,000 subsistence farmers development in Phase One.

- **Department of Social Development**  
Early Childhood Development matters  
- **Total job target**: 42,718  
- **Total budget**: R178,000  

Support planned for the ECD sector in Phase One did not reach all of those who were eligible. In Phase Two, the intention is to remedy these backlogs.

- **Department of Science and Innovation**  
Science skills support communities  
- **Total job target**: 1,650  
- **Total budget**: R67,000  

Citizen science skills will continue to empower communities in the Duzi-Umgeni Catchment to monitor – and improve - water quality. Science graduates will be placed by the Water Research Commission and experiential training will be provided by the CSIR.

- **Department of Forestry, Fisheries and the Environment**  
Action for the environment  
- **Total job target**: 8,150  
- **Total budget**: R318,000  

Catchment management, support to bio-diversity and other environmental priorities will receive continued support.

- **Department of Health**  
Primary health care on the frontline  
- **Total job target**: 2,568  
- **Total budget**: R365,000  

Nurses and auxiliary nurses will be placed in communities that need them most. The capacity of Port Health Services to undertake Covid screening will also be augmented.
New programmes in Phase Two

The Presidential Youth Employment Intervention

All programmes in the Stimulus contribute to the youth employment agenda of the Presidential Youth Employment Intervention in some way. The BEEI, for example, involves 100% youth. In Phase One, 84% of all opportunities went to youth. In addition to this cross-cutting support, specific programmes of the PYEI are also supported in Phase Two.

Pathway Management Network
The national Pathway Management Network, SA Youth was officially launched on 16 June 2021. SA Youth is a ‘network of networks’ that brings together many existing partners into a coordinated system that enables young people to find pathways and successfully transition from learning to earning at scale. Led by the Department of Employment and Labour, the national Pathway Management Network stimulates the creation of opportunities for young people, identifies and addresses barriers, and links young people to opportunities and support.

SA Youth provides young people with multiple channels to access opportunities and support. The newest is an online platform called SAYouth.mobi to allow young people to register on the network, create a profile, view opportunities for learning and earning, and receive support through multiple channels – no matter where they are.

Phase 2 of the employment stimulus will support the appointment of an ecosystem manager to accelerate the implementation of the network. In addition, a new innovation fund for SA Youth partners will be launched to support interventions that support all three objectives of the network.
The Employment Stimulus is also supporting these PYEI programmes

**A pay for performance model for digital skills delivery**
In partnership with the Department for Higher Education and Training, the PYEI is piloting a new model of skills development where training is linked directly to employment in priority growth sectors of our economy. The first pilot will support the creation of 4,500 training and job opportunities for young people who will be placed in the export segment of the Global Business Services sector and into SMEs in the ICT supply chains. In addition to sustainable job creation for young people, the pilot will provide a proof of concept for the model for scale up and testing in other priority growth areas.

**Youth Service**
In Phase Two, in partnership with the Department of Women, Youth and Persons with Disabilities and the National Youth Development Agency (NYDA), the PYEI will revitalise the National Youth Service to create opportunities for young people to meaningfully contribute to their communities, develop critical skills required to participate effectively in the economy, build confidence and expand their networks and social capital. The Presidential Youth Service program will be structured to support 16-hour a week opportunities over a and will channel young people’s energy into advancing social cohesion, nation building and development. This will aim to support 35,000 young people.

**A Youth Enterprise Fund**
With the NYDA as implementing agent, the Department of Women, Youth and Persons with Disabilities will support a Youth Enterprise Fund. This will build on the ‘1,000 SME’s in 100 days’ programme of the National Youth Development Agency.
The criteria for Phase Two include promoting ‘whole of society’ approaches, that involve partnerships with other actors in society to reach our employment goals. The stimulus has initiated a ‘social employment’ strategy to give effect to this. A Social Employment Fund will be established as part of the Social Economy strategy of the dtic. The fund will be managed by the Industrial Development Corporation. It will support non-state actors to create work that serves the common good in communities targeting 50,000 participants in this initial phase.

**Placemaking**
This is a multi-faceted approach to the planning, design and management of public spaces. Placemaking capitalises on a local community’s assets, inspiration, and potential, with the intention of creating public spaces that promote people’s health, livelihoods, happiness, well-being and safety.

**Community Safety**
- Violence and action against gender-based violence.

**Health and Community Care**
- Support for digital inclusion
- Community and public art programming
- Informal settlement upgrading
- Education support
- Greening
  - Environmental action, biodiversity protection and climate change mitigation strategies.
  - And much more – including crosscutting and area-based approaches.

**Food and Nutrition Security**

**Youth Support and Recreation**

**Support for Digital Inclusion**

**Community and Public Art Programming**

**Informal Settlement Upgrading**

**Education Support**
- Early childhood development.

We are working from the premise that there is no shortage of work to be done to address the many social problems in our society. The aim is to support the considerable creativity, initiative and institutional capabilities that exist in the wider society to engage people in work that serves the common good. This work cuts across a range of themes, including food security, ending gender-based violence, informal settlement upgrading and much more.

- From the Desk of the President, 19 October 2020
National Treasury

**Innovation in PEPs in the Metros**

National Treasury’s Neighbourhood Development Partnership Programme will open a Neighbourhood Development Partnership Grant window for PEPs in the metros that meet the criteria for Phase Two of the Stimulus. This will have an emphasis on the creation of meaningful forms of work that respond to community priorities, with an emphasis on partnerships with non-state actors and encouraging co-funding from the private sector. Metros are encouraged to innovate in the forms of work undertaken, to maximise the benefit for participants as well as the social, environmental and/or economic impact. This programme aims to create 35,000 jobs.

Department of Communication and Digital Technology

**A Broadband Access Fund**

The digital economy offers South Africa’s best prospect for mass job creation in the context of declining growth in other sectors, as demand for digital services both locally and globally will continue to increase along with the need for remote work and online activity. It can also transform the lives of marginalised South Africans by giving them access to learning, information and government services.

The Presidential Employment Stimulus will harness the job-creating potential of digital connectivity by supporting the pilot phase of a Broadband Access Fund as part of Phase 2 of SA Connect. This Fund will develop a well-governed set of technology-agnostic and performance-based capex incentives to extend direct household and public broadband access to low-income households. This will leverage private sector capacity to enable last-mile access to affordable, high-quality broadband in areas where providers currently do not have a sufficient incentive to expand coverage. The Broadband Access Fund will provide a “connection subsidy” with conditions related to the quality of connection as well as affordability. The Broadband Access Fund aims to support the connection of 50,000 households.

Department of Higher Education and Training

**Graduate placements in Universities**

Even for graduates, lack of work experience creates barriers to labour market entry. This programme will provide placements in universities for work that allows graduates to apply their skills in relation to their field of study. University departments will be invited to create meaningful opportunities, augmenting their research and academic support capacity. 3,000 graduates will be placed.
New programmes in Phase Two

Department of Co-operative Governance

New approaches to solid waste management

Through the Municipal Infrastructure Support Agency, COGTA will experiment with cutting edge alternatives to tackle the challenge of solid waste in 25 municipalities, targeting 85% rural municipalities. Their aim is to innovate to develop and transform practices in this challenging but vital area of urban management. They will identify recycling options and explore revenue generation opportunities for community co-operatives, looking at the entire waste value chain, with a focus on community awareness. This will be undertaken in partnership with the selected municipalities, to ensure integration within current processes. Their target is to create 11,818 jobs in the process – and support 100 small enterprises.

Department of Tourism

Tourism monitors and maintenance support to provincial tourism attractions.

- 1,064 Total job target
- R108 MILLION Total budget

Department of Social Development

The National Development Agency will expand its community service programme.

- 1,880 Total job target
- R30 MILLION Total budget

Department of Sports, Arts and Culture

Support to the District Six Museum, the Hip Hop Museum and the Phanzi Museum.

- 914 Total job target
- R15 MILLION Total budget
The Presidential Employment Stimulus is co-ordinated by the Project Management Office (PMO) in the Private Office of the President. When this small unit was set up it was never envisaged that it would have to take on a task of this magnitude nor was it resourced to do so. Without the support to PMO capacity provided by the European Union and its Capacity Building Programme for Employment Promotion (CBPEP) at the Government Technical Advisory Centre (GTAC), the same results could simply not have been achieved. Nor was this support just in the form of funding: the PMO benefited from considerable technical inputs from the CBPEP team also. This support for the Presidential Employment Stimulus has led to the strengthening of our partnership with the European Union. It was technical co-operation at its best and it is warmly acknowledged.