

## Integrating Employment Creation and Skills Development:

### The Case of Expanded Public Works Programmes in South Africa

Simamkele Bokolo<sup>1</sup>

The major driver of unemployment in South Africa is the lack of skills and experience among the unemployed population. This policy brief sets out to investigate the impact of the training provided by the Expanded Public Works Programme (EPWP) on employment creation and skills development. The paper argues that skills development is not always a priority in EPWP projects. In the few cases where efforts are made to provide training, the acquired skills are largely inappropriate to the demands of the mainstream economy, which is becoming more and more sophisticated. It is therefore recommended that EPWP programmes be complemented with formal training and apprenticeship programmes that benefit from the involvement of the private sector.

#### Introduction

One of the defining challenges of post-apartheid South Africa is the high rate of unemployment, notably in the country's urban centres. When the ruling party, the African National Congress (ANC), came into power in 1994, it made promises to fight poverty and create more jobs.<sup>1</sup> However, unemployment has remained stubbornly high in the country even after almost two decades. It is estimated that about 24 per cent of South Africans who are willing and able to work are jobless.<sup>2</sup> In the third quarter of 2012, there were about 4,7 million

people who were looking for jobs, and out of these, 3,1 million (or 67,1 per cent) had been looking for a job for more than a year.<sup>3</sup> The sustained economic growth that the country has recorded over the years, particularly during the first decade after apartheid, has not helped to ameliorate the situation, as unemployment has kept on soaring. It is in this context that this policy brief seeks to review the implementation and performance of EPWPs in South Africa. Specifically, the brief highlights the contribution of the Public Works Programme (PWP) to employment creation and skills development of the unemployed population

1. Simamkele Bokolo is a Research Intern in the Sustainable Development and Knowledge Transfer Programme of the Africa Institute of South Africa (AISA).

**It is estimated that about 24 per cent of South Africans who are willing and able to work are jobless**

in the country, particularly the youth and women. The brief seeks to bring to the fore the nature of the challenges that are still inherent in EPWPs.

### **Background**

Over the years, successive South African administrations have come up with strategies to alleviate unemployment. Sadly, some of the strategies have been unsuccessful in achieving the intended objectives. For instance, the government introduced the EPWP in 2003 as a complementary measure to reduce rising unemployment and poverty.<sup>4</sup> President Thabo Mbeki, announcing the EPWP, stated that it was designed to use public budgets to provide unemployed people with temporary jobs in productive sectors, giving them both a source of income and some measure of training that would facilitate their absorption into the job market. Initially, the EPWP was aimed at creating one million jobs in its first phase, which was from 2004 to 2009. Moreover, it was aimed at providing skills, training and work experience.<sup>5</sup> Currently, the second phase of the EPWP aims at generating at least 4.9 million jobs.

The programme focuses on expanding methods of labour-intensive production through government-funded projects in order to create more job opportunities.<sup>6</sup> The major concern of the EPWP is to get more people into productive work; this is done by limiting the number of machines used on the site and employing more people to perform the duties that would have been done using machines. Furthermore, the programme is structured in four segments, which include infrastructure, environment, and social and economic sectors.<sup>7</sup> It has been agreed across the globe that integrating skills development and employment creation is a sustainable option to the challenge of unemployment faced by many countries all over the world.

### **International experiences of public works programmes**

Various countries have adopted public works programmes for various reasons, which range from covariate shocks (such as natural disasters, macro crises, or seasonal labour demand shortfalls), protection of households from temporary job losses and poverty alleviation to part-time employment creation. In some countries, such as India and Bangladesh, the programmes have been successful. These two countries have successfully implemented public works programmes that have

significantly reduced poverty and ameliorated unemployment.<sup>8</sup>

Public works programmes have also been implemented in middle- and low-income countries at various times. In most instances, the government of a country or a donor agency will finance a programme that will create temporary employment for people in the given community. The main objectives of such a programme are, firstly, to create short-term employment opportunities to increase the income levels of the poor and unemployed. Secondly, it creates or improves public services in the form of infrastructure development. These objectives of public works programmes are expected to yield three final impacts: raising the income levels of the poor or unemployed; reducing poverty and the poverty gap ratio; and lastly, promoting infrastructural development.<sup>9</sup> It can be argued that it is possible for implementation of public works programmes to address or achieve these objectives simultaneously.<sup>10</sup>

### **Making a strong case for public works programmes**

Public works programmes have been favoured by most governments due to their employment-generation and skills-development capacities. The programmes achieve the twin objectives through a number of ways.<sup>11</sup> Firstly, they create temporary employment for poor households in times of major shock; for instance during economic crises (including stabilisation programmes or other reforms causing a sharp rise in unemployment and poverty), natural disasters, or seasonal shortfalls in employment and income (such as drought seasons or agriculturally slack seasons in low-income agrarian economies). Alternatively, the programmes may be designed as longer running anti-poverty programmes which provide income to poor households through wages. In this case the programmes run for a year or more, which means that they will employ people for longer periods of time.

A second core component of the public works programme is skills development. The public works programme aims at providing training to its participants so that they will be able to gain permanent employment after the programme, or even become self-employed.<sup>12</sup> Some public works programmes have a strong training component that allows participants to gain the relevant skills needed for them to gain permanent employment. An example of this is the *Jefes* programme in

**The government introduced the EPWP in 2003 as a complementary measure to reduce rising unemployment and poverty**

Argentina, which had an option for participants to work for payment or to participate in training or education activities for four to six hours a day in exchange for the payment.<sup>15</sup>

### **The case of expanded public works programmes in South Africa**

Due to the ever-escalating unemployment rate in South Africa there has been an urgent need for the government to take action. The EPWP was adopted by the government as a strategy for alleviating unemployment and improving skills development.<sup>14</sup> The EPWP policy framework documents clearly state that the skills development part of the programme is of great importance, as it makes the public-works jobs sustainable. In other words, the programme implies that providing skills to those without jobs will help to meet the demand for skilled labourers.

The EPWP did make some progress in addressing unemployment challenges. Most government departments supported the EPWP by allocating funding to public-works projects, thus making a major contribution towards the achievement of the programme's target of creating one million job opportunities by the first-phase deadline, which was in 2009.<sup>15</sup> Nevertheless, there are a number of problems associated with the implementation of the EPWP in South Africa. The general concerns about the programme, as far as employment creation and skills development are concerned, are particularly related to the minimum standards for duration of employment. The duration of employment in the EPWP is minimal, such that the programme could not make a significant contribution to unemployment.<sup>16</sup>

Furthermore, the jobs created in the programme were not sustainable because the training provided as part of the programmes did not last for long and was often not accredited. This meant that those who left these programmes were usually not equipped with the necessary skills to gain employment elsewhere.<sup>17</sup> There are also budgetary constraints in the programme; compared with the sums allocated to social security and welfare projects, budgetary allocations for public works programmes are very low. Also, there are institutional constraints relating to the conceptualisation and design of programmes, while insufficient project-management capacity has also contributed to the poor performance of EPWP in creating employment among the unemployed population.<sup>18</sup>

### **Policy recommendations**

There is a need to make EPWPs more relevant and effective in providing prospects for the unemployed population in South Africa, particularly the youth and women. To promote the transition of some participants of the programme from the informal to the formal economy that has better rewards and organisation, the following policy recommendations should be considered:

- EPWP programmes should be designed as part of a comprehensive public-private partnership that brings together business, formal education and training institutions and the government. This would ensure that the training opportunities offered to the unemployed in every given sector are in line with the current labour demands of the industry. For example, community-based EPWP programmes could be linked to formal training and apprenticeship in the mainstream economy.
- The government should also ensure that EPWP programmes are designed with appropriate monitoring and evaluation mechanisms. This would ensure that the profit interests of private contractors do not undermine the skills-development and gender- equality goals of the EPWP.
- Moreover, efforts need to be made to transform South Africa's education system to ensure that the skills-development process begins at school and not after young people leave school. This would require the strengthening of a vocational training sector as well as career guidance services, both in high schools and universities.
- Programmes, particularly in the infrastructure sector, should be designed and implemented in such a way that they do not limit the participation of women in public works programmes, but rather facilitate their access, their involvement and progression towards the formal economy through the transfer of skills and experience.
- There is also need for a shared understanding on the part of both programme managers and the individuals recruited about the centrality of the training component to the overall success of the programme.

### **Conclusion**

In conclusion, the EPWP has drawn large numbers of the unemployed population into productive work. However, the aim of the programme to

**Public works programmes have been favoured by most governments due to their employment-generation and skills-development capacities**

**Those who left these programmes were usually not equipped with the necessary skills to gain employment elsewhere**

**More needs to be done to improve the effectiveness and relevance of the programme**

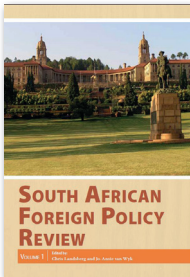
provide skills to the unemployed has not been met. As discussed, the skills component of the programme has not been prioritised in most public works programmes. Even after completion of the programme, participants cannot take up the skilled job opportunities that are created in the labour market. Furthermore, the jobs created in the programme are not sustainable due to the limited duration of the work. It can be argued that the EPWP has not made a significant, or rather the expected, contribution to solving the rising unemployment in South Africa; hence more needs to be done to improve the effectiveness and relevance of the programme.

### References

- 1 Seekings, J., 2007. *Poverty and inequality after apartheid*. Paper presented at the 2nd After Apartheid Conference, Yale, 27–28 April 2007.
- 2 National Treasury, 2011. *Confronting youth unemployment: Policy options for South Africa*.
- 3 Statistics South Africa, 2012. *Quarterly Labour Force Survey: Quarter 3 (July to September)*.
- 4 Department of Public Works, 2008. *Expanded Public Works Programme: Reaching the one million target*. Available at [http://www.epwp.gov.za/downloads/EPWP\\_Five\\_Year\\_Report.pdf](http://www.epwp.gov.za/downloads/EPWP_Five_Year_Report.pdf) [Accessed 10 May 2012].
- 5 McCord, A. 2005. A critical evaluation of training within the South African National Public Works Programme. *Journal of Vocational Education and Training*, 57(4), pp.565–588.

- 6 Thwala, W.D., 2011. Public works programmes as a tool to address unemployment and skills shortages among the youth in South Africa. *African Journal of Business Management*, 5(15), pp.6011–6020.
- 7 Phillips, S., 2004. *The Expanded Public Works Programme*. Paper presented at Overcoming Underdevelopment in South Africa's Second Economy, jointly hosted by the UNDP, HSRC and DBSA, Pretoria, 28–29 October.
- 8 Del Nino, C., Subbarao, K. & Milazzo A., 2009. *How to make public works work: A review of the experiences*. Washington, DC: World Bank (Social Protection Discussion Paper no 0905).
- 9 Ibid.
- 10 McCord, A. 2012. *The politics of social protection: Why are public works programmes so popular with government and donors? Overseas Development Institute Background Note*, September. European Centre for Development Policy Management.
- 11 Del Nino, C., Subbarao, K. & Milazzo A., 2009, op. cit.
- 12 Ibid.
- 13 Ibid.
- 14 Thwala, W.D., 2011, op. cit.
- 15 McCord A., 2005, op. cit.
- 16 Ibid.
- 17 Khanyile, B.K., 2008. *A study of the impact of the Expanded Public Works Programme on job creation in the Zululand District Municipality*. Pietermaritzburg, University of KwaZulu-Natal. Available at [http://www.researchspace.ukzn.ac.za/xmlui/bitstream/.../Khanyile\\_BK\\_2008.pdf?...1](http://www.researchspace.ukzn.ac.za/xmlui/bitstream/.../Khanyile_BK_2008.pdf?...1) [Accessed 10 May 2012].
- 18 Nattrass, N., 2002. Should youth unemployment be targeted as part of a comprehensive welfare policy in South Africa? *Social Dynamics: A Journal of African Studies*, 28(2), pp.207–236.

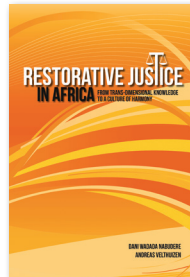




**South African Foreign Policy Review Volume 1**

Edited by Chris Landsberg and Jo-Ansie van Wyk

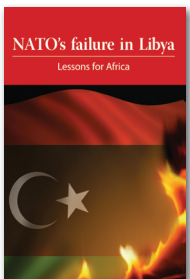
ISBN 987-0-7983-0291-3



**Restorative Justice in Africa From Trans-Dimensional Knowledge to a Culture of Harmony**

Dani Wadaba Nabudere  
Andreas Velthuizen

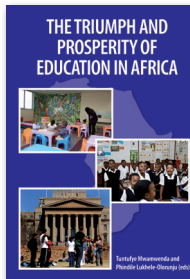
ISBN 978-0-7983-0358-3



**NATO's failure in Libya: Lessons for Africa**

Horace Campbell

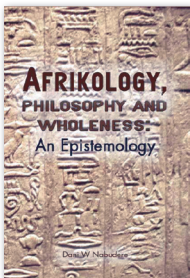
ISBN 978-0-7983-0343-9



**The Triumph and Prosperity of Education in Africa**

Edited by Tuntufye Mwamwenda and Phindile Lukhele-Olorunju

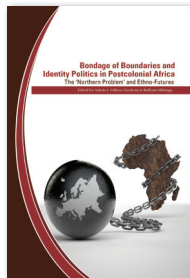
ISBN 978-0-7983-0371-2



**Afrikology, Philosophy and Wholeness: An Epistemology**

Dani Wadada Nabudere

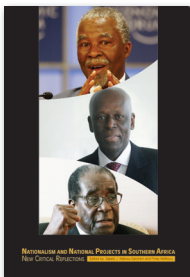
ISBN 978-0-7983-0255-5



**Bondage of Boundaries and Identity Politics in Postcolonial Africa: The 'Northern Problem' and Ethno-Futures**

Edited by Sabelo J. Ndlovu-Gatsheni and Brilliant Mhlanga

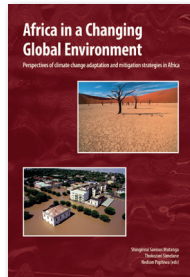
ISBN 978-0-7983-0391-0



**Nationalism and National Projects in Southern Africa: New critical reflections**

Edited by Sabelo J. Ndlovu-Gatsheni and Finex Ndhlovu

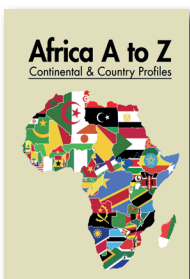
ISBN 978-0-7983-0395-8



**Africa in a Changing Global Environment: Perspectives of climate change and mitigation strategies in Africa**

Edited by Shingirirai Savious Mutanga, Thokozani Simelane, Nedson Popiwa

ISBN 978-0-7983-0375-0



**Africa A to Z: Continental & Country Profiles**

Cartographer: Elize Van As



**Forum on China-Africa Cooperation Knowledge, Skills and Development Cooperation**

Edited by Li Anshan and Funeka Yazini April

ISBN 978-0-7983-0367-5



PO Box 630  
Pretoria  
0001  
South Africa

Embassy House  
No 1 Bailey Lane  
Arcadia  
Pretoria

Tel: +27 (0)12 304 9700  
Fax: +27 (0)12 323 8153

E-mail: [publish@ai.org.za](mailto:publish@ai.org.za),  
Website: [www.ai.org.za](http://www.ai.org.za)

**AISA** is a statutory research body focusing on contemporary African affairs in its research, publications, library and documentation. **AISA** is dedicated to knowledge production, education, training and the promotion of awareness on Africa, for Africans and the international community. This is achieved through independent policy analysis, and the collection, processing and interpretation, and dissemination of information.

ISSN 1998-7994



9 771998 799009