



Let's Get to Work

Background and Rationale

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The South African Context

- High inequality and uneven access to the benefits of growth and development;
 - Inequality constrains growth and the pro-poor effects of growth
- Deep structural unemployment
- The informal and sme sectors are small and weak: the core economy mass-produces the main items in the consumption basket of the poor;
- **A strong social grants system plays a vital role:**
 - But critical gaps in coverage – unemployed working age people
 - And real constraints to expanding it further;
- Policies to create market-based jobs show some success but progress is slow and in specific areas of the country and the economy.
- Policies targeting the economically-marginalised have tended to be project-oriented and have failed to reach the required scale.

SO: What are our options?

Processes underway

- The development of an anti-poverty Strategy
- A focus on innovation in strategies for the 'second economy'
- Design of EPWP Phase 2

The Second Economy Strategy Project:

- An initiative of the SA Presidency
- Tasked with promoting innovation
- Public employment is a key area
- 'Let's get to Work' - a set of pilots in this context
 - Within the context of EPWP Phase 2 design.





The Core Concept

- Adapt a form of minimum employment guarantee to SA

Key features:

1. Provide access to regular and predictable work opportunities – ie 1-2 days a week;
2. Use community development approaches to identify tasks and priorities at community level;
3. These can be multi-sectoral.



Why 'regular and predictable'?

A response to lessons from the following:

- EPWP Phase 1
- Social protection
- Livelihoods support work
- Enterprise development
- Labour market dynamics



Lessons from EPWP Phase 1

- EPWP was designed as if unemployment in SA is cyclical, and EPWP can provide a stepping stone into jobs.
 - But it's not, and it can't.
- 'Exits' into sustainable alternatives remain elusive: market-based jobs are not keeping up, sme survival rate is low.
- While there are clear poverty impacts from EPWP during the employment period, the gains are not sustained;
- Short-term employment can disrupt existing livelihoods.



Lessons from social protection.....

- There is evidence that the predictability of social grants encourages recipients to invest in economic activity;
- In SA, households in which at least one person receives a social grant are more likely also to have a member engaged in enterprise activity than those without;
- Far from creating dependency – the evidence suggests that grants mitigate the risks of economic investment.

Is it possible to reproduce these effects with a public employment programme rather than with grants?

By providing 'regular' rather than project-based employment?

Lessons from enterprise development

- SA has very low levels of informal sector or SME activity;
- For sme's and micro/survivalists – the first 6 months to a year is hard: often, no income is earned;
- Without some form of transitional income support, many cannot afford this investment.

Could a relatively flexible, predictable earnings safety-net help overcome these hurdles?



Changes in labour market dynamics

- Work isn't what it used to be
 - Characterised by transitions, insecurity and gaps in employment (and earnings);
- Debate about new forms of social protection to recognise this reality

Could an ongoing weekly work scheme at the local level provide a flexible form of transitional support?

Other possible advantages

- It addresses one of the key gaps in current social protection coverage (as do all EPWP programmes);
- There is no 'dependency' in this model
- Work is a key part of the transition to adulthood: without this experience, what kind of adults can society produce? Society owes the youth (in particular) the opportunity to work;
- It might assist young people to study for longer, by making it possible to earn an income;
- It can assist people who have never worked to build up an employment track record – a critical barrier to entry.
- It complements – and does not replace – other forms of public works and/or special employment.

But how to operationalise it?

The Organisation Workshop Methodology

- The EPWP Special Projects Unit in the Department for Social Development supported an Organisation Workshop in a place called Munsieville.
- What is an Organisation Workshop?
 - Origins in Chile: De Morais
 - Intensive community-wide month long process;
 - Teaches work organisation and task management skills at the local level
 - Combines learning with production
 - In Munsieville – mix of tasks:
 - Tree planting
 - Renovate church as community facility
 - Initiate productive use of peri-urban farm
 - Plus
 - Developing community responses to supporting needs of orphans
 - Addressing violence against women and the high incidence of rape
 - Developing community (as opposed to individual/behavioural) responses to HIV/Aids.



A lightbulb moment



Let's Get to Work

It's all very well, but...

- How to mobilise community support?
- How to identify tasks or work opportunities on the scale required?
- How to develop skills and capacities to allocate work at local level?
- How to avoid further burdening local government?

The Organisation Workshop

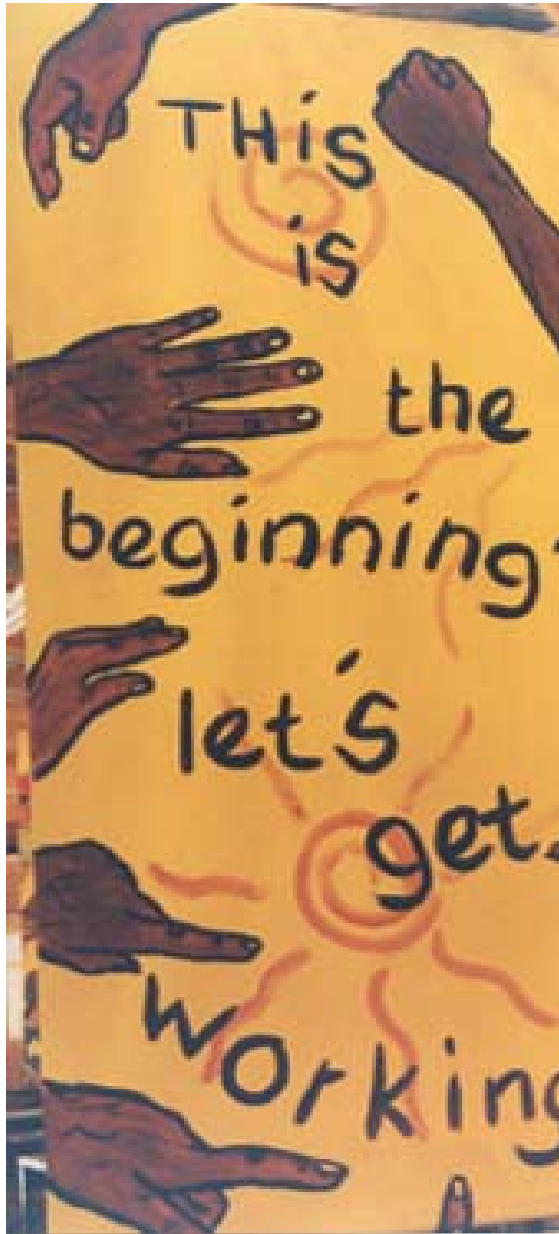
It's all very well, but.....

- How to sustain the momentum of intensive one-month process?
- How to create opportunities to apply the work-organisation skills learned?
- How to provide the follow-up for eg tree-planting (trees need water), for support to orphans (orphans need 'water' of love and life), for the anti-violence initiatives etc?

It will need some innovation, some adaptation.....
.... So let's do it!

The 'pilots'

- In Munsieville: a Saturday Work Scheme has been designed to build on the initial momentum of the OW process;
 - In Bokfontein (an informal shack settlement), an OW is currently underway, with adaptations so that it can operate as the inception phase for a Saturday Work Programme.
 - In Alfred Nzo, in the Eastern Cape, a pilot providing one day of work per week is being run by TEBA Development;
 - In Sekhukhuneland, the 'Working for Woodlands' programme – a part of EPWP – is looking at how to adapt its systems to a 'one day per person per week' model – within the framework of continuous work.
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- Each pilot is different
 - The project management arrangements differ
 - The wage rates are set locally, based in all cases except Bokfontein on prior arrangements
 - The process is meant to test what is possible, and what kinds of capacities are required.



The 'work'

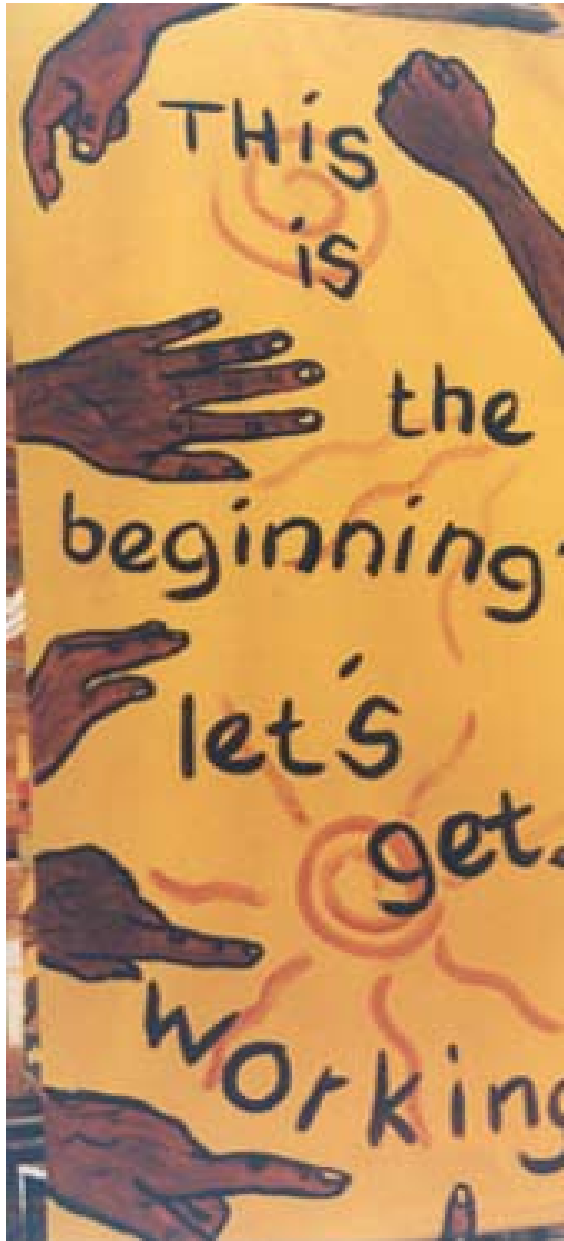
- Priorities are identified in community development forums
- Feasibility criteria are then applied by pm agencies, who manage logistics, procurement, and bring in expertise as required (a key function);
- Tasks are cross-cutting:
 - Alfred Nzo: water tank construction, rehabilitate classrooms, food gardens: labour support to vulnerable households.
 - Munsieville: creche, tree planting, reduce violence against women; map child-headed households;
 - Bokfontein: plant shade and fruit trees; build community info centre (part of IDP), upgrade roads, fix donga: and strike water!
 - Sekhukhune – pre-defined woodland rehabilitation programme.

The Cashless Payment System

- 'Cashless' payment is a condition of participation.
- It caused delays in payment of between 2-6 weeks at inception - as participants had to open Mzansi accounts: but in 2/3 pilots: payment now within 3 days.
- The cashless payment system has a range of positive implications:
 - Limits corruption, improves the audit and data trail for M+E
 - Promotes access to banking services for the poor via Mzansi accounts (only 54% banked in SA)
 - Assists banks to meet their Financial Sector Charter commitments: a facilitated interface.
- A key unintended consequence – in Bokfontein, 20% of participants dropped out when the cashless payment system explained, because illegal immigrants are unable to open bank accounts.
- A key problem: the OW was creating a sense of common purpose in the community: what now?
- So far, the issue has only arisen in Bokfontein – an informal settlement – but probably typical so poses a key challenge.

Outcomes so far (three months into the process...)

- The build up of participation has been incremental rather than overwhelming;
- Average participation is now about 750/week per site; (we projected 1,000 / week)
- Wages between R40 – 70/day ie average of about \$7-\$10/day;
- Consultation with local structures lengthy and complex, but in each case, a successful partnership with the municipality and local structures is now in place.
- The ‘authority’ of a national department was key.



Monitoring and evaluation

A separate agency is tasked with M+E; tracking the following:

- The number of participants;
- The consistency of participation over time;
- Demographic/social profiles: gender, age, education, previous work experience;
- The types of tasks identified and undertaken;
- The assets created locally;
- The cost structure;

And as far as possible:

- Changes in household income status;
- How participation impacts on other livelihood strategies, job search and economic investment;
- How the income is spent
- The impact on savings.

Issues arising

- Critical design issue going forward: how to institutionalise in the state;
- How to operationalise the wage incentive – and how to fund the balance of costs, which do not exist in accessible way in any existing budgets in the state;
- Alignment with municipal planning is key;
- Ownership and maintenance of assets – a critical issue where public goods are created;
- Creating a seamless link to wider social services that are the mandate of government departments: eg mapping childheaded households; home based care. Not been difficult so far – partly because Department of Social Development a key driver – but a key institutional issue.
- The process is meant to promote LED: needs clear (fair) processes for local procurement,
- But need to separate from an enterprise development function – and facilitate the linkages to such agencies instead.

The launch of the OW at Bokfontein



About 200 people work full-time for a month in the OW: an intensive action/learning experience. This large tent erected on an open space in the informal settlement is the OW HQ.

Members of the local organising committee



The ECD Choir arrives to perform at the opening



A member of the OW 'Crew' briefs the meeting





Thank you!