

Economic Performance and Development



Community Work Programme, COGTA

Presentation by
Shirin Motala
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Background

- In 2005, India passed a law guaranteeing every rural households with unemployed adults willing to do unskilled work up to 100 days of work per annum, at minimum wage rates.
- The Mahatma Gandhi National Rural Employment
- Guarantee Act (NREGA)
- World first in terms of “right to work”
- Over 55 million households now participate in the programme, with significant impacts on poverty in rural India.
- It had 3 objectives – provide wage employment; strengthen rural governance (transparency and accountability); strengthening sustainable livelihoods – asset creation.

Key features of NREGA:

- Households apply for registration to the local Gram Panchayat (local government); they are issued with a Job Card.
- They may then submit a written application for employment to the Gram Panchayat, stating the time and duration for which work is sought – with a minimum of fifteen days.
- The Gram Panchayat issues a dated receipt for the application.
- The Act specifies that ‘if an applicant under this act is not provided such employment within fifteen days of his application seeking employment’, s/he shall be entitled to a daily unemployment allowance which will be paid by the state government. ‘

Cont.

- While central government pays the wage costs and 75% of materials cost in the scheme, state governments that are unable to provide work within fifteen days must pay the unemployment allowance from their own budgets.
- Work is identified and planned by the local state, and must have a 60:40 wage: material ratio. Contractors are prohibited.
- • Work should be provided within 5 km of the village or else extra wages of 10% are payable.
- The kind of work that can be performed under NREGA water conservation, drought proofing, construction of irrigation canals and other works focused on land, rural infrastructure and environmental services.

Innovation

- NREGA is linked to the Right to Information Act also passed in India at the time
- Access to information – all information should be in the public domain – electronic – and it IS
- Commitment to Transparency – see the website www.nrega.nic.in.
- Social Audits must take place bi-annually at each site— results shared at community assembly – to verify reports
- High level of accountability has been introduced, minimized corruption
- Complaints lodged on website for all to see – governments have to respond within a set number of days.

Why the need in SA?

- SA has one of the highest unemployment rates globally (25.2% or 4,3 million people)
- If we include discouraged work seekers then its 32.7% or 6,2 million people.
- Uneven distribution – former Bantustans and informal settlements e.g. 58% in Umzumbe
- High levels of inequality (structural, spatial, capacity) makes it difficult to create jobs and for rural areas to play the role of absorbing unemployed and food security
- No safety net for unemployed adults if they have never been formally employed
- Need to break cycle of “discouraged work seekers” – sector is growing annually (50% of 35 year olds and under have never worked – give back dignity etc.

Current Policy Context

- SA has already implemented a public employment scheme through EPWP
- EPWP Phase 1 (2004-2009) reached 1 million work opportunities
- Phase 2 (now till 2014 – 4.5 million work opportunities – 680 000 FTE
- Targets low in relation to problem
- Many challenges to scaling up EPWP (sustainable employment, exit strategies? Targeting Etc.)

CWP, SA

- Initially started as a pilot, outside government with donor funding, Steering Committee from Cabinet & implemented by TIPS
- Currently operated via COGTA
- NOT an employment guarantee like India
- It offers 2 days employment per week (8 days pm) at R50 pd
- From 2009 to Sept 2010 – 75 000 participants in all provinces in 55 sites
- Target is to establish one CWP in each municipality by 2014.

The SA Model

- A site is between 2-10 wards in a municipality
- 1000 people employed
- Work to be done decided by community through participatory processes
- Must be useful work and benefit the community, not individuals
- Work includes home-based care, food gardens, teacher assistance, ECD assistance, environmental services and the creation and maintenance of community assets such as parks, graveyards, schools, clinics, churches, secondary and village roads, and water pipelines
- Sites have supervisors and clerks (1;25 ratio)

Is this important for ECD sector?

- CWP is looking for innovation to reach its target of 215 000 people by 2012.
- Also looking to identify new work areas
- Is currently involved with ECD – unsure of quality?
- What opportunities and threats does this pose?