



## Government Employment Creation Programmes

### The Business of the Expanded Public Works Programme (EPWP) in the Social Sector

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## 1. Overview

*"To take the interventions in the Second Economy forward, the following additional programmes will be introduced or further strengthened by April 2005, as part of the Expanded Public Works Programme and focused on providing training, work experience and temporary income especially to women and youth. These are:*

*The Early Childhood Development programme, based on community participation, having ensured a common approach among all three spheres of government – the necessary additional funding will be provided;*

*Increasing the numbers of Community Health Workers, having harmonized training standards and increased resources allocated to the programme."*

*(Address of the President of South Africa, Thabo Mbeki, at the Second Joint sitting of the third Democratic Parliament, Cape Town, 11 February 2005)*

An increasing number of people are becoming conversant with the aims and goals of the Expanded Public Works Programme (EPWP). These numbers, however, constitute a far cry from the desired critical mass of the target people whom the EPWP is intended to benefit. Beyond the promise and expectation of a million jobs, the quality of this awareness remains nascent and emerging. What is required is an accompanying effort aimed at enhancing a deeper understanding, knowledge and practice based on the nature of the EPWP in general, and its extension to the Social Sector in particular.

Contributing to this understanding is the now familiar definition that the EPWP is one part of an overall government strategy to reduce poverty through the alleviation and reduction of unemployment. It is a deliberate approach so that participants gain the necessary skills, increase their capacity to earn an income and increase their chances of getting gainful employment or embarking on sustainable entrepreneurial activities at a community level. Furthermore, it is also one of the key interventions in the second economy to address the social and economic inequities.

This meaning of the EPWP is as true for the infrastructure sector as it is for the economic, the environmental and cultural sector. Extended to the social sector, the meaning has, unwittingly, yet to manifest the far salient and profound role of the EPWP in this sector.

The policy intention(s) is clear: *to utilise and leverage public resources and expenditure to contribute to the stated goals of poverty reduction, creation of work opportunities and capacities for earning or enhancing livelihoods.* How these objectives are understood, translated into practice and realised depend no less on the nature of the sectors, the level of crystallisation (development) and needless to say opportunities. Accordingly, the purpose of this input is:

- First, to provide a perspective and rationale- broader than employment- of the EPWP in the social sector.
- Second, to locate the role and place of the EPWP within the strategic objectives and priorities of the Social Sector Cluster.
- Third, to provide a broad profile of the sector plan, opportunities, challenges and tactics.

It is proper that the assumptions we are making are stated at the outset:

- The genesis and reproduction of the problems of poverty, unemployment and inequality in our society are largely attributable to the history of exclusion in the political, economic, social and cultural spheres. Hence their solutions cannot be considered outside a firm grasp and recognition of this persistent political economy.
- Unemployment and its associated income poverty define only one aspect of a set of vulnerabilities at play. Such is the irony of the ‘working poor’.
- Unemployment is pervasive, mass-based, structural and chronic rather than transient and a result of the economic cycles of demand and supply.
- Experience of the implementation of public works in various continents though providing rich and diverse experience, these are limited because of an overwhelming focus on bricks and mortar- and at most short-lived benefits.
- Public works interventions on their own are no substitutes for strategies dedicated to growing the economy- and the nature of such a growth path- development oriented and sustainable livelihoods enhancing measures.

## 2. The social sector in context

The social sector is made up of Health, Social Development and Education, the largest consumers of the budget. In the 2005/2006 budget, these three departments, including other social services, jointly account for 59.5% of the total budget.

The service delivery needs in the social sector are immense and despite heroic provisions resulting from the first decade of democracy the backlogs remain daunting.

The sector, unlike the more established, more cohering sectors in the like of the economic and infrastructure, displays a heterogeneity of practise and systems, a dearth of resources and woeful capacities. Yet this is the sector wherein the majority of the poor ply their survival strategies and eke out livelihoods. It is a sector that is plied by a host of public entities, well meaning non-governmental and community based actors. It is no less a sector that is recipient of resources and work that is hard to quantify particularly where impact is concerned given fragmentation, duplication – and some instances outright inefficiencies.

Yet for all these challenges this is the sector that remain a sector endowed with growth potential as long as human kind persist; children are born; live to a ripe age; and those with disabilities access their right to care and support no less. This potential will remain only a potential until the constraining challenges alluded above are addressed. A particular asset of the sector is the people, the motive actors – for the most part working without compensation and with only the incentive to change the situation. The volunteers are the repository and the embodiment of this spirit. The critical role of the volunteer in South Africa, largely at the political level and no less at the developmental project level, is epitomised by Madiba, volunteer-in-chief.

This is the sector where social capital is formed, the originator for all other forms of capital however we wish to define it. In a study on Italy, Robert Putnam (1993) concluded that the presence of social capital and the vibrancy of civil society is a key determinant for socio-economic development and political democracy. He even goes so far as to argue that the strength of social capital and the vibrancy of civil society is a much more reliable indicator for future economic growth. Whatever the arguments for and against, it must be acknowledged there are something in the social sector that holds the potential to stimulate growth and work opportunities.

### **3. The strategic context of the EPWP in the social sector cluster**

The social aspect of EPWP is identified as one of an array of the social sector cluster of priorities aimed at realising three overarching outcomes:

#### **3.1 The provision of a sound social security net for the poor**

*Social Assistance Grants:* Redressing the intractable legacy of apartheid and the efforts to give effect to the social security rights of people have seen the unprecedented extension of social assistance grants to almost a tenth (10 million coverage) of the poorest and vulnerable. While growing concern has been noted regarding the long-term impact of the trend on the fiscus, the biggest challenge is creating dependency in society in contrast to the avowed ideal of a developmental society. EPWP, therefore, is seen as one critical response that is contributing to an armoury of programme instruments that is directly affirming those disempowered and excluded.

*Social Wage:* A second and related anchor of the provision of the social net is what has come to be known as the social wage referring to the provision of a selected range of free basic services. There are indeed serious sustainability issues particularly where the extension of these services runs the risk of discontinuation.

#### **3.2 Building sustainable livelihoods through people-driven programmes**

The EPWP contributes directly – against heavy odds – to this thrust in that it provides the opportunity, tools and capacity for the target group to be directly involved in the challenge- beyond being recipients. This is a critical contribution particularly given the fact that the targeted people are able and willing to do things for themselves given the opportunity. EPWP, notwithstanding design and implementation challenges, begins to give concrete tools for the strategic objective of empowerment. Hence, in the design, particular attention has been given to career paths or in the language of the social sector plan exit strategies- to ensure those entering the programme do not revert to the reserve army of the unemployed after two years. The validity of these design assumptions is an empirical matter rather than theory in these early days.

### **3.3 Creating a new South African national identity and social cohesion**

For the purpose of this input we will not dwell much as the national goal of the NDR and the imperative of the RDP as the soul and fabric of our society is hopefully much appreciated.

Other strategic programmes of the Cluster that are interlinked with the EPWP are:

- The development of a comprehensive health care.
- Developing an integrated food and nutrition programme.

## 4. The business of the EPWP

Accordingly, the rationale of EPWP in the social sector can be conceived as fourfold beyond the imperative of just creating work opportunities:

- Societal goal: strengthening social capital.
- System reform goal: fostering coherency, co-ordination and integration within the social sector.
- Delivery goal: acceleration and improvement of social service provision.
- Developmental goal focusing on enhancing livelihood capacities.

More specifically, the objectives of the programme are:

- To draw significant numbers of the unemployed into productive work to enable them to earn an income within the first five years of the programme.
- To provide unemployed people with work place experience and skills training within the first five years of the programme.
- To ensure those participants in the EPWP are able to translate the experience into gainful employment and/or are enabled to set up their own business/service or become employed.
- To utilise public sector budgets to reduce and alleviate unemployment.

## 5. The focus of the EPWP

The initial focus is on Home Community Based Care (HCBC) and Early Childhood Development (ECD). These areas were chosen because of the huge potential of stimulating work opportunities in the expansion of service delivery whilst simultaneously addressing the backlog and pressure points. Other areas with a high potential for creating work opportunities will be investigated for inclusion into the EPWP.

The three responsible departments have overlapping responsibilities. The expectations are for departments to align, integrate and synergise their delivery processes to create maximum impact at the point of delivery. Health and Social Development has developed an integrated plan and Education and Social Development are finalising their integrated plan.

In addressing the challenges of delivery, the EPWP aims to provide over 200,000 unemployed with the opportunity to acquire temporary work and income over the next five years. Preference will be given to unpaid (stipend) volunteers and the unemployed.

## 6. Opportunities

Unlike many of the other EPWP sector programmes, the labour-intensive component of the social sector programme cannot be short-term. In line with the commitments made by government in its integrated HIV/Aids, CHW and ECD plans, government must create the long-term work opportunities in under-resourced communities that trained personnel can then exit into, thereby creating a bridge between the first and second economies. The expansion of ECD and HCBC/CHW therefore offers one of the biggest opportunities to both enhance skill levels and create work opportunities for low skilled workers, especially women and youth, while at the same time meeting basic needs.

The rationale of the EPWP is to ensure that unskilled and unemployed beneficiaries of the programme enters the programme to gain relevant experience and skills, and then exit either into the formal labour market or into the next NQF level.

A yet unexplored opportunity for participants to exit into is the growing and surprisingly profitable sector of private social services. The sector for example is recruiting unqualified people and providing them with basic unaccredited training to provide social care ranging from private childcare to frail and health care. The skills training that is a critical component of the EPWP will not only give participants the necessary skills but also increase their marketability to obtain gainful employment in the private sector. The programme, although not by design, has the potential to impact qualitatively on the provision of private social care.

## 7. Challenges

The implementation of the programme does not come without challenges. The following are critical challenges that are being dealt with.

- Allocating the necessary resources for the implementation of the programme remains a critical challenge. The intention is to fund the EPWP through existing line functions and making additional resources available.
- Gaps in inter-departmental *and* intergovernmental co-ordination: Efforts are earnestly underway to integrate the process of delivery.
- Capacity constraints within public bodies to manage expanded programmes that requires departments to work in an integrated manner.
- The introduction of stipends at a site level that would act as an incentive instead of dampening the spirit of volunteerism. An anticipated challenge for example is that all volunteers would regard themselves as entitled to an EPWP job.

## 8. Conclusion

To conclude in brief:

- The Social Sector is the cradle of development and growth. The EPWP provides one entry point amongst other to stimulate social capital.
- The EPWP is *one* of government's programmes to address the delivery deficits and to extricate people out of poverty.
- The EPWP offers one of the biggest opportunities to enhance skills levels of people trapped in the second economy.
- It has the potential not only to impact on public service delivery, but also to impact qualitatively on the delivery of private social services in the first economy.
- The EPWP creates an enormous opportunity to accelerate and deepen the delivery of service.
- Unlike in the other sectors, the EPWP in the social sector is aimed at creating long-term work opportunities for low-skilled workers, especially women and youth.