

# Presidential Employment Stimulus

## February Progress Report



PRESIDENTIAL  
EMPLOYMENT  
STIMULUS

# What is the Presidential Employment Stimulus?

*There is no shortage of work to be done to improve our society – so why should there be a shortage of work?*

The Presidential Employment Stimulus supports a range of programmes, from expanding public employment to protecting existing jobs and creating new jobs through market-based mechanisms. Its aim is to support livelihoods while the labour market recovers – investing in public goods and services, enhancing skills and employability, and boosting demand in the economy at the same time.

## R100 billion

In April 2020, President Ramaphosa announced R100 billion in support for job protection and creation in response to the coronavirus pandemic.

## R13 billion

Approximately R13 billion has been allocated to implement the Presidential Employment Stimulus this year.

## R87 billion

The remaining funds will be allocated over the next three years.

## Highlights



**The Department of Science and Innovation’s Enviro Champs programme**, implemented by the Duzi-uMngeni Conservation Trust (DUCT), is demonstrating the benefits of an effective blended finance partnership model in managing water resources. The programme has drawn in government entities (e.g. Umgeni Water), the private sector, and international funding (P4G, and Global Grand Challenge) to augment the allocation from the stimulus and support the programme’s implementation. This partnership model has enabled the appointment of 311 enviro-champs across 20 different project sites, and 9 different implementers, all conducting bio-monitoring of rivers using citizen science tools, and gathering the data on an open source app.



**The Department of Environmental Affairs, Forestry and Fisheries** has used the stimulus to restore ten times the hectares of land originally planned. Much of this has involved thinning bush encroachment. This can increase the grazing potential of such land by as much as 80%. It restores the water balance and improves the potential for wildlife-based tourism within conservation areas. All of this enables stronger economic outcomes.

Agricultural graduates appointed by the **Department of Agriculture, Land Reform and Rural Development** have completed on-site verifications of 71,188 subsistence farmers, with 35,000 production vouchers issued to date. In addition to verifying submitted data, the graduates assess the type and status of production, supported by photos. Through this process, the department has, for the first time, developed a geo-spatially reference data base of subsistence farmers with granular information that provides the basis for future support.

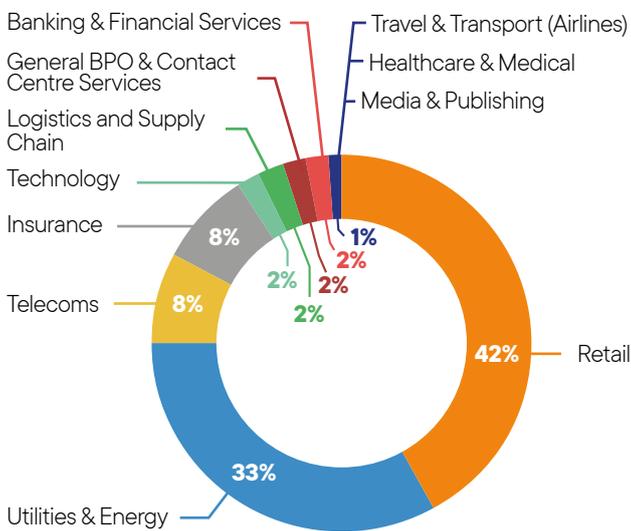
# Spotlight

## Spotlight on the Department of Trade, Industry and Competition

The Department of Trade, Industry and Competition (DTIC) initiated the Global Business Services (GBS) incentive (formerly known as the Business Process Services incentive) in January 2019. The primary aim of the incentive is to create jobs in the sector, with an emphasis on the youth. GBS includes call centres and other digital and technology services for domestic and export markets.



### Q4 2020 jobs servicing international vertical industries: percentage split

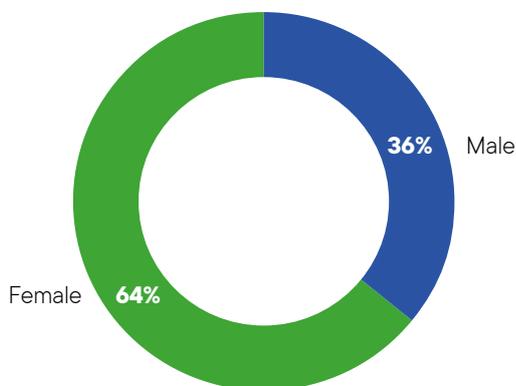


The Presidential Employment Stimulus supported the expansion of the GBS incentive programme from quarter 4 of 2020. This has enabled the creation of **6,459 additional jobs** to date, most of them going to the youth.

The GBS incentive is designed to position South Africa as an attractive destination for business services and to expand on the types of jobs supported to include more complex technical and specialist skills. South Africa has become a leading global player as a result of the country's low costs, large pool of English-speaking talent, and effective infrastructure (including digital and cloud technology).

The DTIC also entered into a Memorandum of Agreement (MOA) with Business Process Enabling South Africa (BPESA) to collaborate on marketing and skills development initiatives for GBS. As an industry body, BPESA aligns with the government strategy around job creation for youth, inclusive hiring and stimulating export revenue. They also report on the DTIC's numbers in respect of jobs creation and offer support through the incentive programme.

### Q4 2020 headcount breakdown by gender



Between October and December 2020, despite the effects of the global pandemic, many local service providers signed outsourcing deals with new global brands while existing organisations increased their workforce teams and investments into their GBS operations. Frontline, voice-based services for the retail, telecom, utilities and insurance industries collectively logged the highest job growth with 4,924 new positions. 5,006 jobs, or about 92% of new hires, consisted of youth workers aged 18 to 35.

“The GBS incentive has been vital in ensuring global competitiveness. Our clients, and the jobs they bring, have many other location options from which to choose and without the incentive there is a material risk that we would be priced out of the market.”

- Martin Roe, Group CEO, CCI SA (Pty) Ltd. (Participant in the GBS incentive)

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## Detailed progress report

Department	Programme	Opportunities	Budget (R'000)	Progress
<b>Basic Education</b>	Education assistants and protection of vulnerable teaching posts	344 933	7 000 000	More than 300,000 people are currently in post as a result of DBE's contribution to the stimulus. For school assistants, DBE is rolling out training in curriculum support, ICT, infrastructure maintenance, Child and Youth Care Workers (CYCW) and Reading Champions. In addition to the school assistants, the programme has provided funding for vulnerable teaching posts usually funded by school governing bodies but placed at risk by the impact of COVID-19
<b>Social Development</b>	Income support and registration support for the early childhood development sector, and retention and recruitment of social workers	111 142	588 728	Over 25,000 applications from ECD facilities were received, for support grants to more than 125,000 ECD workers. 140 civil society organisations assisted with the application process and are conducting physical site verifications for unregistered centres. DSD is currently processing the applications. All appointed social workers are at work.

				
<b>Agriculture, Land Reform and Rural Development</b>	Subsistence Producer Relief Fund, providing input vouchers to vulnerable small-scale farmers	74 626	1 000 000	DALRRD has now issued over 35,000 vouchers for production inputs to farmers and is on track to meet its target. It has employed agricultural graduates to do site verifications of applicants, and this process is nearing completion.
<b>Environment, Forestry and Fisheries</b>	Investing in the environment and natural resource management through public employment	50 311	1 983 000	Existing public employment programmes in Natural Resource Management have been expanded, while new programmes have been initiated in the Environmental Protection and Infrastructure Programme (EPIP).
<b>Transport</b>	Provincial Roads Maintenance	37 079	630 000	Physical work on rural roads projects supported by the stimulus has begun in all provinces except KZN and FS, where planning is being finalised. The department has reported 4,635 jobs to date.
<b>Sports, Arts and Culture</b>	Support for the creative, cultural and sport sectors	34 070	665 000	The National Arts Council approved grants in excess of its budget and was forced to recall these, creating serious challenges for the sector. Action is being taken against those responsible, and funds have now been reallocated to all approved applicants. The National Film and Video Foundation has issued over 200 awards in the film and video sector, in relation to 4 streams of activity (see <a href="http://www.nfvf.co.za">www.nfvf.co.za</a> for details). In the sports sector, the job retention in sports federations exceeded their target.
<b>Cooperative Governance</b>	Municipal infrastructure maintenance	25 000	50 000	The Municipal Infrastructure Support Agency (MISA) will capacitate and support 15 municipalities to adopt labour-intensive methods in the delivery of infrastructure maintenance projects, leveraging funds in the Municipal Infrastructure Grant (MIG). This will roll out in the next Financial Year because of municipal infrastructure planning cycles.
<b>Trade, Industry and Competition</b>	Global Business Services sector development incentives	8 000	120 000	The Global Business Services incentive programme has been reinstated, with incentives to create 8 000 new jobs. Of these, 6,459 jobs have been supported to date.
<b>Health</b>	Expanding enrolled and auxiliary nurses	5 531	180 200	Provinces have begun the process of recruiting enrolled and auxiliary nurses from existing databases of unemployed professionals.
<b>Science and Innovation</b>	Graduate programmes at the HSRC, WRC and CSIR	1 900	44 999	The department is supporting a range of programmes targeted at young science and social science graduates. All build on prior experience in similar programmes, and implementation is on track.
<b>Public Works and Infrastructure</b>	Public employment in water and energy efficiency, Welisizwe Rural Bridges programme, facilities management and waste management	1 560	158 880	A total of 1875 participants have been recruited across various programmes, exceeding the target by 315. This includes professional support to the Welisizwe Rural Bridges Programme.