

NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 269 [NW344E]

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269. Mr M Swart (DA) to ask the Minister of Finance:

- (1) How many of the organisations and/or companies listed in his reply to question 2477 on 5 November 2012 have taken up funds to create jobs through the Jobs Fund administered by the Development Bank of South (– Southern-sic) Africa;
- (2) (a) how many actual jobs have so been created in the current financial year and (b) at what average cost per job?

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REPLY

- (1) The fund attracts project applications by issuing an open call for proposals and thereafter competitively assessing the merits of the applications. The intention is that a number of calls for proposals will be issued over the duration of the Fund (three years have been allocated to successful applicants to implement their projects). The period of implementation for individual projects will range between April 2012 - March 2016.

As soon as funds are allocated to projects the DBSA begins the process of contracting with grantees (this includes a final schedule of project deliverables over the life of the project and the budget which tags funds against specific deliverables), only when the contract is signed and grant conditions met will funds be disbursed to the project. Projects are required to report every quarter on the achievement of project milestones and thereafter funds are disbursed against targets achieved.

Of the 41 projects that were listed in the response to PQ 2477 the status is as follows: (note that was the status of approved projects as at September 2012, please see Annexure 2 for the net approved projects)

21 of these projects had been contracted

10 of these projects were in implementation

1 of these projects had withdrawn their application

2 of projects had delayed implementation until preliminary technical assistance activities are completed.

7 of these projects were in the contracting process

(2) (a)

KEY PROGRAMME INDICATORS FOR 22 IMPLEMENTING PROJECTS			
	YEAR TO DATE*		OVERALL TARGETS#
	TARGET	ACTUALS	TARGET
Number of new permanent jobs created as a result of the funded initiatives	255	911	35 588
Number of Beneficiaries placed in permanent positions with project partners	2 052	1 115	29 578
Number of new short term jobs as a result of grant funding	581	195	2 933
Number of beneficiaries trained	5 133	4 286	82 893

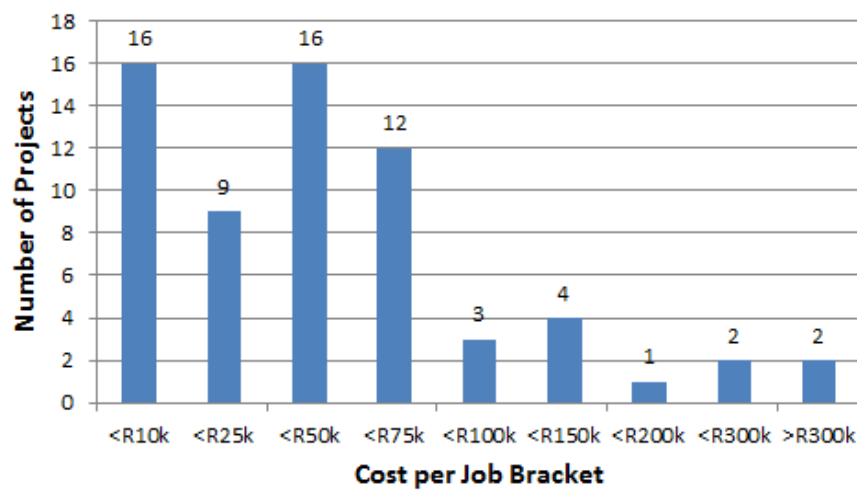
* *This means April 2012 to December 2012*

this means the target over the life of the project which generally translates to 3 years

(2) (b)

As at the end of December 2012 the jobs fund had allocated funds to a cumulative 65 projects. (note many of the newly approved projects are in the contracting phase and not yet in implementation). For 45 of these projects the cost per job is less than R50 000 per job. The figure below provides an indication of the distribution of the cost per job across the 65 projects to which funds have been allocated.

Number of Projects Split by Cst per Job Bracket **(Dec 2012)**



The contracting process is very elaborate. The DBSA and relevant Treasury officials have been directed to significantly ramp up the process and ensure much faster processing of applications and allocations of funds. This is expected to speed up the job creation process.