

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1979 [NW3330E]
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1979. Ms O M C Maotwe (EFF) to ask the Minister of Finance:

Following his presentation to the Portfolio Committee on Finance after the Medium-Term Budget Policy Statement, in which he indicated that the implementation of the plans he tabled will likely be to tackle poverty and unemployment that currently sits at 42%, what (a) are the short- to medium-term job creation (i) plans and (ii) targets that the Government has set and (b) key industries will lead the specified job creation strategy? NW3330E

REPLY

- a. Through a suite of employment initiatives, the South African government continues to prioritize job creation and support for vulnerable groups. Key short- to medium-term interventions are Public Employment Programmes (PEPs), which provide limited-duration work, skills training, and work experience. Key programs include:
1. The Expanded Public Works Programme (EPWP) and Community Works Programme (CWP) which have created more than 500,000 job opportunities in the current financial year.
 2. The Presidential Employment Initiative, which has created over 1.7 million jobs since its 2020 inception. An amount of R7.4 billion has been set aside for the Initiative in 2024/25 through a combination of reprioritisation, provisional allocations and funding from the Unemployment Insurance Fund's Labour Activation Programme.
 3. As of 30 June 2024, projects contracted through the Jobs Fund had contributed R14.6 billion in matched funding to job creation off the back of R7.3 billion in grant funding disbursed to date (i.e., for every Rand government has contributed, project partners have contributed approximately R2.01). The Fund has created over 320,000 jobs and internships, most of which are filled by women and young people. The Fund has also trained over 320,000 work-seekers and entrepreneurs, thereby assisting them in improving their employment and business outcomes.

4. Importantly, the National Treasury and the Presidency, working with other state institutions, have initiated a comprehensive review of PEPs and broader Active Labour Market Policies and the social support system to improve their efficiency and effectiveness. The first phase of this review will be completed by March 2025.
- b. Over the longer-term, to tackle unemployment, the government is committed to accelerating economic growth that fosters job creation and improves livelihoods. As indicated in the 2024 Medium Term Budget Policy Statement, government's efforts will be anchored by a four-pillar growth strategy focused on a stable macroeconomic framework, reforms to boost competitiveness, improving state capability to deliver essential services, and delivering quality infrastructure that itself will work to stimulate job demand.

In addition, work is underway through the National Economic Development and Labour Council (Nedlac) through a Labour Law Reform Task Team that is considering and enacting amendments to key pieces of labour market legislation. This seeks to address several structural challenges in the labour market while balancing the needs of employers and employees. The reforms seek to, amongst others:

- Simplify the regulatory burden on businesses, including of dismissal procedures.
- Extend collective bargaining rights and protections to non-standard workers, such as those in temporary or part-time employment.
- Improve the efficiency of dispute resolution mechanisms between employer and employee.