REPORT ON UNDERTAKINGS MADE IN THE NCOP PLENARY ON 28 JULY 2020 – BY Ms BE MOLOI, MP, DEPUTY MINISTER OF EMPLOYMENT AND LABOUR

PREPARED FOR SELECT COMMITTEE ON PETITIONS AND EXECUTIVE UNDERTAKINGS MEETING OF 2nd SEPTEMBER 2020

1. Department of Employment and Labour is involved in a joint programme with Department of Higher Education, Science and Technology, as well as European Union (EU) which will purchase 24 Mobile Units, to operate across all Provinces.
* A Project Plan and draw down has been submitted to National Treasury for the purchase of the 24 Mobile Units, and development of the mobile applications it is projectedthat the funding will be made available during the course of October 2020.
* Further on the Department is already working on a detailed implementation plan that includes amongst others:
1. The allocation and rotation of staff at Provincial and Labour Centres to manage the Mobile Units
2. Training of Staff to manage the Mobile Units
3. Storage facility for the Mobile Units and
4. The schedule of visiting points
5. Unemployment Insurance Fund (UIF) is committed to implementing its Section 5D obligation under Unemployment Insurance (UI) Act (as amended). It will set aside 10% of its assets for Labour Activation Programmes (LAP) in support of jobs and training geared to the changing needs of Labour Market
* UIF intends to implement the above undertaking within the timeframes as indicated in its Strategic Plan 2020/21 Annual Performance Plan. The undertaking shall be implemented over a period of 3 years. Table 1 – below tabulates the timeframes

TABLE 1

|  |  |  |  |
| --- | --- | --- | --- |
| TARGET | 2020/21 | 2021/22 | 2022/23 |
| % of Asset under management set aside to fund Employment Creation Schemes | 1.6% | 2% | 4% |
| Number of jobs created through UIF funding and investment initiatives | 5 000 | 10 000 | 1 500 |
| Budgeted Amount in billions | R3 280 | R3 444 | R3 609 |

1. UIF has committed R349 million to funding training for 26 000 – 50% to be the Youth and Women R5.9 million is committed to finance the interventions of the CCMA to preserve jobs.
* UIF intends to implement the above undertakings within the timeframes as indicated in its Strategic Plan and the 2020/21 Annual Performance Plan. UIF plans to implement this undertaking over a period of 3 years. In TABLE 2 below are the timeframes.
* The funds are already made available for the 2020/21 Financial Year. Applications for interventions are made through the CCMA under the Temporary Employer Employee Relief Scheme (TERS). The adjudication and approved or rejected process is done within 15 working days.

TABLE 2

|  |  |  |  |
| --- | --- | --- | --- |
| TARGET | 2020/21 | 2021/2022 | 2022/23 |
| Number of contributors provided with learning opportunities | 27 000 | 40 700 | 40 700 |
| Number of Youth Participating on Public Employment Programmes | 6 000 | 12 210 | 12 210 |

1. The UIF will provide R104 million to ProductivitySA to support some 6 000 SMMEs improve productivity to presence and create jobs.
* The UIF in its plans to achieve this commitment during the course of this (2020/21) Financial Year concluded a Memorandum of Agreement (MoA) with ProductivitySA.
* The 6 000 SMMEs are expected to be assisted by 31 March 2021 as part of the funding agreement and its One-Year-Project-Plan.
* As per the MoA the R104 million will be dispensed to ProductivitySA in 3 Tranches as indicated in TABLE 3 below:

TABLE 3

|  |  |  |
| --- | --- | --- |
| TRANCHES | AMOUNT | REMARKS |
| Tranche 1 | R23 429 980.00 | This tranche has been dispensed to ProductivitySA to initiate work to be done |
| Tranche 2 | R39 832 980.00 | This tranche has not been dispensed yet, it will be dispensed in line with provisions of the MoA |
| Tranche 3 | R49 308 040.00 | The tranche has not been dispensed yet, it will be dispensed in line with provisions of MoA |

1. The fund is also strengthening its online application system in advance of an uptick in claims. For those employers and healthcare practioners who will experience challenges in accessing the CompEasy system, the Fund is embarking on a National Campaign to assist stakeholders.
* The Fund has rolled out the CompEasy System by SABC Education to roll out its National Campaign. The Funds National Campaign commenced at the end of July 2020 and it is anticipated that it will end at the end of September 2020.