

**UPSCALING THE EXPANDED
PUBLIC WORKS PROGRAMME
IN THE CITY OF JOHANNESBURG**

by

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A research report submitted to the Faculty of Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management (in the field of Public and Development Management).

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ABSTRACT

The main purpose of this explanatory study was to examine how programme planning, budgeting and political commitment influence the implementation of the Expanded Public Works Programme (EPWP) infrastructure projects in the City of Johannesburg. With the high rate of unemployment in South Africa, the Expanded Public Works Programme provides a platform for creating employment opportunities and training for unskilled people in South Africa.

The research found that EPWP projects implemented by the City are dependent upon each entity to prioritise as there is no separate budget for EPWP in the City. However, since Joburg Water continues to receive the second highest capital budget allocation in the city, the research found that there was huge potential for Joburg Water to expand EPWP job opportunities. There has been minimum support for EPWP by top political leadership and a lack of understanding of the purpose and role of EPWP. Furthermore, there has been a lack of coherent EPWP policy management and co-ordination within the City and its entities.

The research concluded that improved EPWP implementation should be enforced through a new EPWP Policy that would require all entities to set targets for the programme and be monitored as part of the Balanced Score Cards of each manager. The level of understanding of EPWP among politicians needs to be strengthened for them to provide adequate support to the EPWP. In the City, the EPWP requires a long-term programme approach so that job duration is longer and training is properly structured. The research also found that the City would need to strengthen co-ordination of the EPWP Programme among entities.

DECLARATION

I declare that this research report is my own work, unaided work. It is submitted in partial fulfilment of the requirements of the degree of Master of Management (in the field of Public and Development Management) in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other University.

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CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

The Expanded Public Works Programme (EPWP) is a nationwide framework adopted by the South African Government aimed at creating employment opportunities and providing training for at least one million unskilled and unemployed people for the first five years of the programme. Considering the high rate of unemployment and gross inequalities in South Africa, the EPWP is one of an array of government strategies aimed at addressing unemployment and poverty among unemployed and low-skilled people. While the EPWP is an existing programme, with 2008 being its fourth year of implementation, the extent of buy-in and the level of implementation of the programme by public bodies has not been adequate.

The Gauteng province has, compared to other provinces, not implemented the EPWP to the expected level in the past four years of implementation. Improving EPWP implementation may contribute to reducing unemployment whilst providing public goods and services. As a major player in the economic development of the country, the City of Johannesburg plays a key role in reducing unemployment in Gauteng. This research therefore examines the level of implementation of the EPWP in the City of Johannesburg.

1.2 BACKGROUND

South Africa as a developmental state needs political leadership that will purposefully drive and steer development such that the majority of unemployed people are eventually absorbed into productive sectors of the economy. The

government should create an environment that will accelerate development and identify specific strategies and interventions that address poverty and unemployment, target the poorest of the poor and women to increase their per capita income. Policy programmes such as the EPWP aim to develop human capacity and give individuals work experience that may be used to move them out of poverty.

1.2.1 OVERVIEW OF THE EXPANDED PUBLIC WORKS PROGRAMME

According to the Framework and Overview of the Expanded Public Works Programme “the EPWP is a nation-wide programme which aims to draw significant numbers of the unemployed into productive work, so that workers gain skills while they work, and increase their capacity to earn an income once they leave the programme. The overall goal of the EPWP is “to alleviate unemployment for a minimum of 1 million people in South Africa by 2009” (NDPW, 2004a: 2).

Before 2003, Public Works Departments were implementing the Community Based Public Works Programme as a poverty relief programme. In the 2004/05 financial year, National Treasury took a decision to dissolve the Community Based Public Works Programme fund and to redirect poverty relief allocations directly to provincial departments and municipalities as part of their infrastructure line budgeting processes. Hence, the EPWP receives no special poverty funding from National Treasury, but public bodies reorientate their line function budgets and some conditional grants such that, whilst providing the needed goods and services, employment opportunities for unskilled labour are also created using labour-intensive methods (NDPW, 2004a: 13).

The EPWP is a transversal programme designed to be implemented by all spheres of government, including state-owned enterprises and across four

sectors - Infrastructure, Environment and Culture, Social and the Economic Sector. Each public body identifies and executes projects that promote the use of labour-intensive methods in any of the four sectors for the creation of additional work opportunities.

1.2.2 FOCUS ON INFRASTRUCTURE SECTOR

This research focuses on employment creation in the process of implementing labour-intensive infrastructure development in the City of Johannesburg. In the context of the EPWP, infrastructure refers to roads, sidewalks, water and sewer provision, stormwater, electricity, civil works in housing development, clinics and school building infrastructure (NDPW, 2005). This research, however, focuses on one Municipal Entity that implements water infrastructure i.e. Johannesburg Water, and this forms the unit of analysis for this research.

In this research, labour-intensive construction refers to the methods of construction and maintenance that use a combination of hand tools, light machinery and equipment with labour where a higher proportion of labour is preferred. Labour-intensive construction is defined as “the economically efficient employment of as great a proportion of labour as is technically feasible to produce as high a standard of construction as demanded by the specification and allowed by the funding available” (McCutcheon, 1995: 332). It can be argued that unemployment could be alleviated through a well-planned employment creation programme such as the EPWP using labour-intensive methods of construction and maintenance.

The National Infrastructure Sector Plan identifies nationwide outputs for employment opportunities for the sector and targets per type of infrastructure, and provides general guidelines on construction activities that are conducive to labour-intensive methods (NDPW, 2004c). Furthermore, the Guidelines for the

Implementation of Labour-Intensive Infrastructure Projects under the EPWP assist project managers in the design and contract documentation of an EPWP labour-intensive infrastructure project. The EPWP Guidelines highlight activities that have greater potential for absorbing labour, such as the construction of stormwater drains, access roads, low volume roads, sidewalks, and trenching in water reticulation and sanitation projects (NDPW, 2005: 2).

To ensure that departments and municipalities comply with the EPWP Guidelines, National Treasury allows conditionality in the Provincial Infrastructure Grant and Municipal Infrastructure Grant, specifying the use of EPWP methods in identified construction activities in line with the EPWP Guidelines (NDPW, 2005).

1.2.3 RATIONALE FOR CHOOSING THE CITY OF JOHANNESBURG

The researcher selected the City of Johannesburg (COJ) as a case study to explore the upscaling of EPWP implementation because COJ is a major metropolitan municipality in Gauteng province and an important contributor to the socio-economic development of the people of Gauteng, as well as to the national Gross Domestic Product of the country.

Gauteng province is the second most densely populated province, after KwaZulu-Natal, with 10.4 million people recorded in the 2007 community survey. It has an unemployment rate of 22.6 per cent. The City of Johannesburg is the biggest metropolitan municipality in Gauteng Province and an important contributor to the national Gross Domestic Product of South Africa. Each day, the rapid increase of urbanisation and in-migration significantly increases the population of the City. It has grown from a population of 2.6 million in 1996, by 23 per cent to 3.2 million people in 2001, and to about 3.8 million people in 2007, reflecting a further growth of 22 per cent from 2001 to 2007 (Statistics SA, 2004 and 2007).

The City has seen an increase in informal settlements, which may be an indicator of rural to urban migration and an increasing number of low-income people and the unemployed in urban areas. Figure 1 below provides a schematic view of the City of Johannesburg in the context of Gauteng Province and the regions that comprise the City of Johannesburg. Of the seven City Regions, the highest population increase is in Region A: Diepsloot, Midrand and Ivory Park; and Region G: Ennerdale and Orange Farm.

In 2007, Statistics South Africa recorded that 18.8 per cent of the 1.16 million households are located within the 179 informal settlements and/or live in backyards around the City (Statistics SA, 2007b: 101).

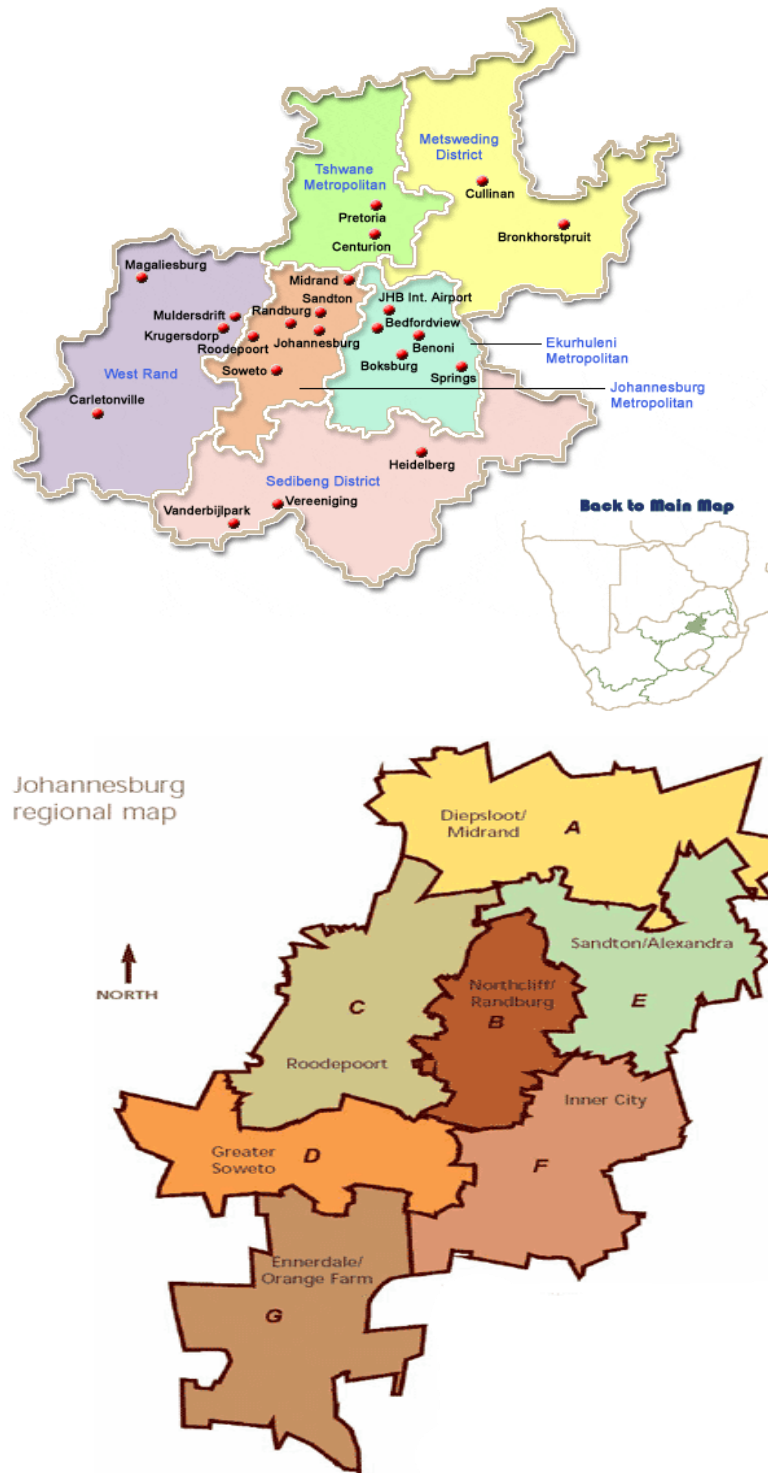
As the country faces the challenges of increasing unemployment, Johannesburg, despite the rapid urbanisation, has failed to grow its Gross Geographic Product as fast as other international cities (COJ, 2002: 12). According to Census 2001, close to 50 per cent of residents viewed job creation as the most serious problem, followed by provision of electricity, water, clinics and toilets (Statistics SA, 2004). This statistic is important for the purposes of this study as it indicates the dire need within communities for jobs and employment.

Given the gloomy picture of unemployment and poverty, the assumption made by this research is that there is an expectation of provinces and municipalities to implement EPWP, and the COJ, as the economic hub of the country, is strategically positioned to provide work opportunities.

The COJ has been involved in Labour-Intensive Construction (LIC) as early as the 1990s, where a number of streets and water reticulation projects in Soweto were constructed using labour-intensive methods under the Soweto Contractor Development Programme which, according to Horak (as cited in Gertzen, Nevin

and McCutcheon, 2003: 155), later formed part of the Strategic and Service Delivery initiatives of the Metro. The COJ is selected for ease of access to officials and information about the COJ as the researcher is employed in the National Department of Public Works (NDPW) tasked with co-ordinating and managing the implementation of the EPWP in Gauteng.

Figure 1: City of Johannesburg in Relation to Gauteng and the City Regions



Source: Maps downloaded (2008) from www.joburg.org

1.2.4 CONTEXT OF THE RESEARCH

International experiences in labour-intensive national programmes indicate that some of the critical requirements for success are, among others, proper long-term programme planning, sound assessment of technical and economic feasibility of programmes, long-term financial commitment, long-term political support and good management systems (McCutcheon, 2005). Notwithstanding the importance of each critical success factor, this research only draws on three factors and examines the extent to which these could affect the upscaling of EPWP implementation in the COJ. The research therefore examines the planning stage of EPWP programme development and the link between inputs (policy, goals, commitment) and their influence on outputs (programme adoption, budget allocation) in Joburg Water. The researcher chose three factors; programme planning, budget allocation and political commitment, based on the understanding that the three factors are interrelated and interlinked with each other, and on their positive influence on the success of employment creation programmes such as the EPWP.

National objectives such as job creation and poverty alleviation find their way to strategic goals of government departments and municipalities, but translating those goals into actual programmes and projects for successful implementation, for some reason, seem at times to elude planners and implementers. Firstly, the study looks at how the goals of the City are aligned with programme and project planning. The reason for examining programme planning is that for the EPWP to be fully implemented at project level, it is easier if the priority of reducing unemployment through the EPWP is part of the goals of the City, linking the city strategies back to the national goal. Secondly, this study examines the financial commitment to the EPWP and seeks to understand the capital infrastructure budgeting processes of the City, and how budgeting decisions eventually

influence the implementation of the EPWP.

This draws the researcher to the third factor, political will and commitment to the EPWP. Could it be that other implementing public bodies across the country were able to leverage political support for the EPWP? This research seeks to establish the levels of political will in the COJ in support of the EPWP.

In summary this research analyses the three factors required for the increased implementation of the EPWP infrastructure projects in the COJ with a particular Municipal Entity focus on Johannesburg Water.

1.3 PROBLEM STATEMENT

With the high rate of unemployment in the country and in Gauteng province, the EPWP provides a platform for employment creation for unskilled people. The implementation of EPWP by the City of Johannesburg has been slow, and only gained momentum in the 2007/08 financial year. There is scope for examining how the City, endowed with capital budgets and arguably with good technical institutional capacity, as to how it is taking advantage of the potential of the EPWP. Each year, the COJ has a huge capital budget and municipal infrastructure grant from which the City should allocate spending on labour-intensive infrastructure programmes and projects of the EPWP.

1.4 PURPOSE STATEMENT

The purpose of this research is to examine how the three factors (programme planning, budgeting and political will) influence the implementation of the EPWP infrastructure projects in the COJ. This research argues for a planned long-term EPWP infrastructure programme for the COJ, linked with satisfactory budgets and backed up by extensive political support.

The secondary objective of the research is to draw conclusions and provide strategic recommendations for EPWP infrastructure implementation in the COJ.

1.5 RESEARCH QUESTIONS

The research questions examine how the three factors (i.e. programme planning, budgeting and political will) influence implementation of the EPWP infrastructure projects in the COJ. The three main questions this study seeks to answer are:

Programme Planning: How are the implemented projects aligned to the developmental goals of the City? In other words, how are programmes prioritised?

Budgeting: How does the COJ prioritise and split the budget for infrastructure and what implications does it have on the EPWP? How does the capital budget reflect the developmental goals of the City?

Political Will and Commitment: How has political leadership supported the implementation of the EPWP in the COJ? What has the level of support been from political heads?

1.6 STRUCTURE OF THE REPORT

Together with this introductory chapter, the research report contains the following chapters:

Chapter two presents a literature review on what the researcher has identified in the form of previous research findings, debates and theoretical perspectives in

addressing the problem at hand. The literature review firstly presents the conceptual framework for labour-intensive construction and the employment-creation public works programmes. Key themes are guided by the research questions. The key themes are unemployment and poverty in South Africa; the role of the state in addressing unemployment; the concept of welfare development and its relevance to this research; developmental planning and management; public sector budgeting; and political will and commitment in policy implementation. The researcher has organised, evaluated and synthesised what others have said and integrated her opinion into it.

The third chapter provides the research framework and why a qualitative approach has been selected. It also presents the case study design and the methods used in gathering data.

Chapter four presents findings of the research. Presentation of information follows the category of questions used during interviews, while chapter five provides data analysis, organising the data, categorising it into key themes, interpreting it, and identifying key patterns. This section draws meaning from the synthesis, seeking a conclusion from the results.

Chapter Six brings together the conclusion and recommendations of the research, clearly highlighting the main findings of the research and relating this to the main research questions.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

The aim of this chapter is to provide a representation of literature, knowledge gaps and arguments drawn from different sources on issues of relevance to the research. Badenhorst (2007:43) notes that “Literature reviews contain an argument of what exists in the literature. It is a representation of the literature with evidence drawn from articles and books to provide strength to the claims being made”.

The literature review includes five focus areas:

- (1) presentation of the conceptual framework for employment-creation public works programmes
- (2) an examination of unemployment in South Africa and the role of the state and the concept of human welfare development in addressing it
- (3) developmental planning and management approach
- (4) public budgeting, and
- (5) the political leadership commitment factor in effective policy implementation.

2.2 CONCEPTUAL FRAMEWORK FOR EMPLOYMENT CREATION OF PUBLIC WORKS PROGRAMMES

When the economy fails to absorb labour effectively and efficiently, structural distortions resulting in unemployment occur. Work is essential as a means of

accessing choices. This section reviews arguments on the potential of governments to generate a significant increase in employment opportunities through the use of employment-intensive methods in the construction and maintenance of infrastructure.

Labour-Intensive Construction in Public Works Programmes has grown into a theoretical concept that argues that if labour-intensive methods of construction are used, employment generated in works programmes inevitably carries people out of unemployment and poverty. The Expanded Public Works Programme emerged from this theoretical concept of employment generation through Public Works Programmes. Hence, this section introduces literature around this concept, as the critical part of the theory that underpins this research.

2.2.1 THEORETICAL BASIS FOR LABOUR-INTENSIVE CONSTRUCTION

By its definition, labour-intensive construction methods refer to the manner of construction that uses a higher proportion of labour than other conventional civil construction methods. A number of terms are used referring to “labour-based”, “community-based”, “employment-intensive”, all generally referring to the higher labour content used in the construction processes. In this research report, the term ‘labour-intensive’ is used.

According to McCutcheon (1995: 332), labour-intensive construction or alternatively employment-intensive construction, which McCutcheon prefers (2003), “is the economically efficient employment of as great a proportion of labour as is technically feasible to produce as high a standard of construction demanded by the specification and allowed by the funding available”. It is further voiced by Phillips, McCutcheon, Emery, Little and Kwesiga (1995: 2) that “the term “labour-intensive” includes direct employment of labour by state departments, employment of labour by small local contractors under a main

contractor or under a project management team, and employment of labour directly by a main contractor. The term does not mean that only labour should be used in the construction process; rather, it implies the use of a range of machine/labour combinations, based on consideration of quality, cost and time constraints”.

The theoretical basis for labour-intensive construction was, according to McCutcheon (1990: 483),

... developed partly through the recognition that some of the conditions relating to the factors of production were different in developing countries from those in the industrialized world and the appreciation of the employment potential in civil engineering as a whole, combined with a theoretical analysis that indicated the reasons why labour-intensive methods might be both technically feasible and economically efficient in relation to the earthworks component of civil engineering.

As early as 1969 the International Labour Organisation (ILO) established the World Employment Programme “which was devoted to seeking ways of creating employment opportunities in the absence of economic growth and concluded that the possibility of the efficient reverse substitution of people for machines was more likely in ‘product centred’ industries” (McCutcheon, 1995: 336). The major findings from the World Employment Programme were that about 70 per cent of public works in developing countries are civil works projects; and 50 to 60 per cent of most countries' capital formation is in construction of houses, hospitals, schools, power stations, roads, railways, dams and ports. While the quantity of labour used on construction sites tends to be greater per unit of investment, the actual level of employment, as a proportion of population, rises as one moves from the poorest to the richest countries (McCutcheon, 1990: 484). The ILO studies concluded the following:

- The use of labour-intensive methods of construction can significantly reduce inequalities in the distribution of income and achievement of social justice.
- Labour-intensive methods could be competitive with equipment-intensive methods at shadow prices and could be cheaper at shadow prices if labour productivity could be improved.
- Labour-intensive methods are more economically viable than equipment-intensive methods at both market and shadow prices.

For the purpose of this research, the first listed conclusion bears more weight and relevancy as it affirms the potential of the EPWP in providing the platform for creating employment opportunities for the 1 million targeted people, through labour-intensive construction contributing to income distribution. The EPWP has become a major strategy that the South African government uses as part of the second economy interventions in reducing unemployment and poverty.

Altman and Hemson (2007) undertook a study on employment scenarios, and findings indicate that even if South Africa achieved 6 per cent average annual growth until 2014, the government would have to plough resources into social grants and double the size of the EPWP to meet its poverty targets. By 2014, at 6 per cent, growth unemployment rate without EPWP would be 16.5 per cent (13 per cent with EPWP); at 4.5 per cent growth rate, unemployment without EPWP would be 21 per cent (13 per cent with EPWP) and at 3 per cent growth rate, unemployment without EPWP would be 28.2 percent (13 per cent with EPWP). These scenarios could be achieved if government steps in and invests more to ensure that more jobs are created to enable a sufficient number of people to reach governments' target of halving unemployment (Altman and Hemson, 2007: 9-21).

The World Bank in 1971 conducted research into the substitution of labour and equipment — “*Study of the Substitution of Labour for Equipment in Road Construction*”. This research led to the delineation of several basic concepts including those of ‘*technical feasibility*’ and ‘*economic efficiency*’. The conclusion regarding the concept of ‘*technical feasibility*’ was extended beyond road construction and qualified labour-intensive methods for a wide range of construction activities without compromising the level of product quality normally achieved through the use of equipment-intensive methods.

The researcher drew similar conclusions on the argument for promotion of labour-intensive construction from the ILO, World Bank and the WORK Research Centre for Employment Creation in Construction at the University of the Witwatersrand. In summary, these highlight the following, adapted from (McCutcheon, 2003: 33), as being critical in the success of employment-intensive large-scale programmes:

1. Programmes were long-term and national and not ad hoc projects
2. Decision-makers understood the concept and principles of labour-intensive approaches
3. Sound technical feasibility and economic efficiency measures were applied
4. Technical, institutional, organisational, managerial and socio-economic aspects received attention
5. Training of workers was intensive
6. Long-term political support was evident
7. Long term financial commitments were made
8. Good co-ordination between national, provincial and local governments, and
9. There were good management systems in place.

This research examines success factors 1, 6 and 7 mentioned above in their relevance and applicability in successfully implementing an Expanded Public Works Programme (EPWP) in the City of Johannesburg. Considering the implementation, history and experience in such programmes, upscaling the EPWP and improving implementation from the initial phase would contribute significantly to alleviating unemployment.

McCutcheon (1995) stresses that labour-intensive construction results in the generation of a significant increase in employment per unit of expenditure by comparison with conventional capital-intensive methods. This research investigates the conditions for scaling up the employment creation programme in Joburg Water, a municipal water and sanitation service delivery entity of the City of Johannesburg, basing the analysis on the already proven feasibility of labour-intensive methods of construction.

The Expanded Public Works Programme (EPWP) aims to distribute income in the second economy by providing work opportunities and the chance for the unemployed to earn an income whilst providing the needed public infrastructure goods (NDPW, 2004a). In the view of the writer, the EPWP is premised upon the theoretical underpinnings that support theories of community participation and labour-intensive construction methods as one of the means of relieving unemployment and poverty using abundant labour resources and creating sustainable development. Investigations undertaken by the International Labour Organisation and the World Bank concluded that labour-intensive methods were technically feasible and economically efficient for a wide variety of construction activities and generally produced the same quality of product as machine-intensive methods (McCutcheon, 1990).

Under the EPWP, labour-intensive infrastructure projects encompass “using

labour-intensive construction methods to provide employment opportunities to local unemployed people, providing training or skills development to those locally employed workers and building cost-effective and quality assets” (NDPW, 2005: 6). EPWP brings an important element of labour-intensive methods, that of targeting the poor people in communities as a way of lifting poor households out of poverty.

2.2.2 ARGUMENTS FOR EMPLOYMENT CREATION PUBLIC WORKS PROGRAMMES

Wilson and Ramphela (1989: 321) believe public works programmes to be necessary in relieving unemployment:

... indeed we argue that it is precisely by means of massive public investment that the State could simultaneously create large numbers of jobs whilst undertaking investment that would substantially improve the quality of life for all people, especially the poor, and also be the necessary engine to empower further growth in the economy.

As described by Antonopoulos (2007), Roosevelt in 1933, under the New Deal Program, provided public investment to the jobless when unemployment in the United States reached 25 per cent. It is only in the 1980s that the role of the American government was diminished in favour of markets and neo-liberal policies.

If governments create space for employment creation within public works programmes, the adoption of well-designed projects will lead to job creation for the unemployed and the “inactive” poor. This will contribute to:

1. the prevention of starvation and eradication of poverty of the poor at the bottom;

2. the regeneration of natural resources, which are rapidly depleting and degrading under neo-liberal policies and on which the livelihood of the majority of populations depend;
3. the growth of agriculture and allied activities that would establish strong linkages between primary and non-primary sectors; and
4. the construction of infrastructure that would improve quality of life as well as create enabling conditions for overall economic growth (Hirway, 2006).

In situations of structural unemployment such as in South Africa, Antonopoulos believes that “when combined with other interventions that promote community-based assets and small enterprises, Employer of Last Resort programs can result in localized engines of economic development” (Antonopoulos, 2007: 8).

The proposal for the EPWP in the future is modelled on India’s National Rural Employment Guarantee Act (NREGA) that guarantees rural poor households 100 days of employment. According to Antonopoulos (2007: 4), “the idea of government acting as the employer of last resort has a very long history, as many countries have taken variations of employment guarantee schemes, public employment programmes, food for work, public works programmes”. Since the 1970s, social funds in the Indian State of Maharashtra became permanent basic entitlements during the seasonal unemployment and drought periods (Antonopoulos, 2007: 9). Nationalised in 2006, NREGA covers over 330 districts and guarantees employment for poorer sections of the community, such as landless labour and marginal farmers and gains include improved land productivity, farm productivity, income and employment over time.

Another example of employment creation programmes is found in Argentina — the *Programa de Jefes de Hogar Desocupados*, which started in 2002 to deal with

the 2001 economic crisis which saw the collapse of the currency, unemployment above 25 per cent and over 50 per cent of the total population living in poverty. The *Jefes* was aimed at providing jobs to unemployed people willing to devote 20 hours per week. Within two years, the *Jefes* programme had reached around 2.4 million beneficiaries, benefiting 47 per cent youth and 71 per cent-female headed households (Kostzer, 2008).

In Kenya, the Rural Access Roads Programme (RARP) employed more than 13 000 workers and of benefit was the redistribution of investment funds into local communities. The International Labour Organisation (ILO) noted that over US \$24 million was invested locally (67 per cent of expenditure) in the RARP compared to US \$10 million if capital-intensive technologies were used (ILO, 1987: 63). The Kenyan RARP experience bears testimony that employment-creation programmes can redistribute income to poor communities. In South Africa, the Expanded Public Works Programmes has the potential to play that redistributive role.

According to Nattrass and Roux (1991: 96), “it cannot be overstressed that the most important way of alleviating poverty is to create income-generating opportunities for the poor through special employment programmes of some sort, where activities include road and dam building, housing construction, environment protection”. Despite research and experience indicating the applicability and benefits of employment creation methods, its implementation has not taken off in a large scale in this country. Well-designed public job creation has the potential to steer the economy in a direction that is both efficient and equitable and to improve the situation of the poor, and especially women, by reducing the time-tax imposed on them.

In South Africa as early as the 1920s and 1930s, the state took on the responsibility of creating jobs for unemployed poor whites. According to

Abedian, Schneier and Standish (in Wilson and Ramphela, 1989: 316),

“... government introduced an ambitious public works programme which consisted of employment creation, employment increases in railways and employment increases in government financed by the fiscus”.

The same is noted by Cawker and Whiteford (1993: 96),

“... the success of government policies to eradicate the poor white problem is a well known concerted government effort in its public works programme which saw the problem eradicated by the mid 1950s and subsequently discontinuation when more whites were drawn into employment opportunities and subsequent shortage of poor whites”.

Moll (1991: 118) argues, based on the shocking statistics of income inequalities in South Africa, that Blacks, including Coloureds and Indians, “have bases for redress”, and he points to the fact that “no future government or political party or economist can afford to ignore the call for redistribution”.

Since the early 1970s, employment-intensive methods of construction have been explored and used in Africa, and in South Africa projects have in the past been implemented successfully. Studies by Croswell and McCutcheon (2000) and McCutcheon (1995), relate to labour-intensive programmes successfully completed in Kenya, Botswana, Lesotho, Malawi, Ghana and Namibia. Research in the field implementation into the use of employment-intensive methods has been carried out by the WORK Research Centre for Employment Creation in Construction at the University of the Witwatersrand, and has reconfirmed the applicability of employment-intensive methods in not only low volume roads, but also in high standard, trafficked roads without compromising the economic

efficiency.

The advantages of employment creation programmes according to Kostzer (2008) include:

1. A global strategy against exclusion and poverty
2. Provides a clear schema of social protection, not charity
3. Reduces unemployment
4. Integrates excluded groups
5. Allows the identification of problems for further interventions
6. Improves human capital at individual, local, and national level, and
7. Involves beneficiaries in collective plans and projects.

The goal of the EPWP, being an employment creation programme, is to reduce unemployment (no. 3 above) for 1 million people in South Africa. Spinoffs from the overall goal could include objectives no. 1, the strategy against exclusion and poverty as there is an implication that EPWP addresses unemployment and poverty; and no. 4, integrating excluded groups which, in this case, would be the poor, and previously marginalised people of Johannesburg. Objective no. 6, improving human capital, is relevant in this research as one of the EPWP's objectives is to provide training and skills development for its beneficiaries.

The sentiment for employment creation is echoed by Antonopoulos (2007: 23): "... we should not miss the opportunity to confront this issue, especially as we talk about the achievement of the Millennium Development Goals, poverty alleviation, and pro-poor growth".

2.2.3 THE EXPANDED PUBLIC WORKS PROGRAMME

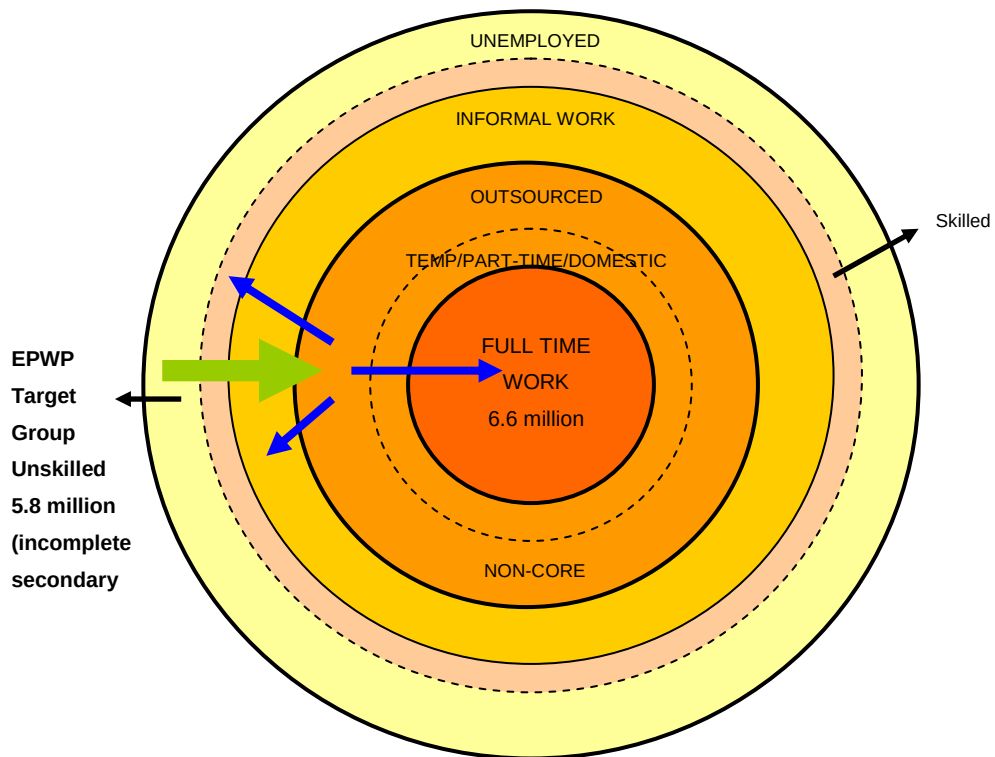
The Expanded Public Works Programme (EPWP) is defined as a "nation-wide

programme which will draw significant numbers of the unemployed into productive work, so that workers gain skills while they work, and increase their capacity to earn an income once they leave the programme” (NDPW, 2003: 1). Launched in May 2004, the overall goal of the EPWP as stated in the Programme Overview and Logical Framework is “to alleviate unemployment for a minimum of 1 million people in South Africa by 2009” (NDPW, 2004a: 2). The EPWP soon became one of government’s flagship programmes in contributing towards “pushing the frontiers of poverty and expanding access to a better life for all” (Mbeki, 2002).

The EPWP is one of an array of broad government strategies aimed at reducing unemployment and poverty. Other medium to long-term approaches from Government to addressing unemployment and poverty include increased economic growth, provision of social security nets, an improved education system and skills development, and appropriate macroeconomic policies. The EPWP “is an important means of providing exposure to the world of work in a context where a very high proportion of the unemployed have never worked. Indeed, in the 16-34 age group, 70 per cent report never having worked, while 59 per cent of all unemployed people have never worked” (NDPW, 2004a: 13).

Figure 2 below shows that approximately 6.6 million people are full-time workers and 3.1 million are ‘outsourced’, in that they are undertaking temporary, part-time or domestic work. There are 5.8 million unskilled unemployed individuals who have not completed secondary school, while 2.6 million have matric or above and an estimated 2.2 million operate within the informal sector. Figure 2 indicates that the target group of the EPWP is the 5.8 million unskilled people without employment, in which the EPWP seeks to provide temporary work to such individuals and skills training, so as to equip them in moving into full-time work (HSRC, 2007: 9).

Figure 2: Target Group of the EPWP



Source: HSRC, 2007: Mid-Term Review of the EPWP: Synthesis Report

Each public body (national and provincial departments, municipalities and state-owned enterprises) identifies and implements projects and programmes that are amenable to the use of labour-intensive methods in the Infrastructure, Environment and Culture, Social or Economic Sectors through their capital budget. Some conditional grants implement those as EPWP and include skills training for the workers. For the infrastructure sector, there are conditionalities attached to infrastructure grants to Provinces and Municipalities that specify the use of labour-intensive methodologies for certain types of infrastructure projects as a mechanism to promote implementation of the EPWP. Since 2004, National Treasury has increased the Provincial Infrastructure Grants (PIG) and Municipal Infrastructure Grants (MIG) allocations to accommodate EPWP projects that municipalities and the provincial roads and transport departments identify. The

decision to implement, and the extent of the resources, ultimately rests with the public bodies as they re-orientate their budgets towards labour-intensive projects. Hence this research examines how planning, budgeting and political will has influence in scaling up implementation of the EPWP at the City of Johannesburg.

In 2003, Cabinet appointed the National Department of Public Works (NDPW) to lead, co-ordinate and monitor the implementation of the EPWP. NDPW gathers quarterly reports from participating public bodies and consolidates them into one national EPWP quarterly report that is presented to Cabinet and to Stakeholders and the Public via the EPWP website.

The overall co-ordinating role of NDPW (NDPW, 2004b: 1) is summarised as follows:

- Creating a supportive and enabling environment for the implementation of EPWP projects
- Co-ordinating activities of different public bodies so that wherever possible they are aligned
- Facilitating learning between public bodies on the implementation of public works projects and programmes
- Monitoring, evaluating and reporting on the EPWP
- Assisting with the identification of opportunities to implement EPWP projects.

The implications are that the National Department of Public Works plays an integral role in supporting municipalities and monitoring implementation of the EPWP. The monitoring role is of relevance in this research as will be explained in chapter four, drawing on information from the COJ.

The Guidelines for the Implementation of Labour-Intensive Infrastructure Projects under the Expanded Public Works Programme assist project managers in the design and contract documentation of an EPWP labour-intensive infrastructure project. The Guidelines focus on the specific type of infrastructure that has greater potential to use unskilled labour, drawing on activities such as construction of stormwater drains, low volume and access roads, trenching in water reticulation projects, and sidewalks. The Guidelines further give employment conditions, health and safety stipulations under EPWP projects and specify the training requirements for all workers (NDPW, 2005).

In assisting with the quick identification of suitable EPWP projects, design, alignment of contract documents, identification of beneficiary training needs and reporting, NDPW provides technical support to prioritised municipalities. This process facilitates compliance with the EPWP by municipalities that have the potential to contribute more extensively to job creation. Cloete and Wissink (2000) identify potentially influential clients and coalitions as a critical variable for policy implementation. Technical support also ensures commitment from clients as relationships are developed with that particular municipality. Therefore, technical support is a targeted strategy for municipalities with potential. The deployment of technical support also promotes organisational learning for the municipal officials.

2.3 UNEMPLOYMENT AND THE ROLE OF THE STATE

2.3.1 UNEMPLOYMENT AND POVERTY

Poverty is a major social ill, and in Sub-Saharan Africa, arguably the majority of people live in absolute poverty. The researcher concurs with Chambers (1997) when he says, “We live in a world where millions of children cry from avoidable hunger and pain everyday”. There is common agreement that there are more

poor people in the world than ever before and they are more concentrated in the south regions, are weak, deprived, lack resources, and are impoverished by debt and civil disturbances (Chambers, 1997; Cousins, 2005; and Economic Commission for Africa, 2005). These, the “southern underclass”, have increased number of people who are “physically weak, isolated, poor, vulnerable and powerless” (Chambers, 1997: 7). Poverty is a scourge that takes away people’s dignity, the right to a better life and a person’s ability to make decisions freely.

It has been reported (Chambers, 1997; Cousins, 2005; and Du Toit, 2004) that poverty is worsening, as the majority of people are poor. According to Wilson and Ramphela (1989: 4), poverty inflicts damage in individuals, hunger in children who cannot concentrate at school, causes sheer inefficiencies, manifests in great inequalities and is a symptom of deeper malaise. In 2003, it was noted that Sub-Saharan Africa had the highest poverty rate of 55.8 per cent of people living on less than US\$ 1 a day (ECA, 2005). According to Seekings and Nattrass (in Du Toit, 2004), 41 per cent of the South African population are the marginal working class and the jobless, unable to participate in the formal economy, having less than 10 per cent of the total income. The Economic Commission for Africa reported that progress on the Millennium Development Goals (MDGs) indicates that countries that are unlikely to achieve the MDG goal of eradicating extreme poverty are Algeria, Botswana, Burkina Faso, Cameroon, Egypt, Ghana, Lesotho, Libya, Mauritius, Morocco, South Africa, Tunisia and Uganda (ECA, 2007).

There is general agreement that unemployment in South Africa is structural (Altman, 2004; Banerjee, Galiani, Levinsohn and Woolard, 2006; Bhorat, Dieden and Hodge, 1998; Hausmann, 2008; and Rodrik, 2006). According to Hausmann of the Harvard International Panel on the Accelerated and Shared Growth Initiative for South Africa (2008), unemployment in South Africa is a structural problem mainly caused by the sector shifts from mining to agriculture and

manufacturing sectors which used to be highly labour-intensive, and a shift in the economy towards services which are biased towards skilled and highly educated employment. Rodrik (2006: 8) notes, “The structural change in South Africa implies a significant decline in relative demand for low-skilled labour because the declining sectors constitute the least skill-intensive parts of the South African economy”. There is therefore a disjuncture in the labour supply with a surplus of unskilled labour and a shortage of skilled labour. Hausmann (2008) further identifies the structure of the apartheid education system and the disjuncture between where the jobs are located where people live as being contributors to structural imbalances. According to Cawker and Whiteford (1993: 22), the most important factor contributing to the high rate of unemployment has been “the country’s poor economic growth performance, which can in turn be linked to a number of structural factors which have been a deep-seated part of the structure of the economy”.

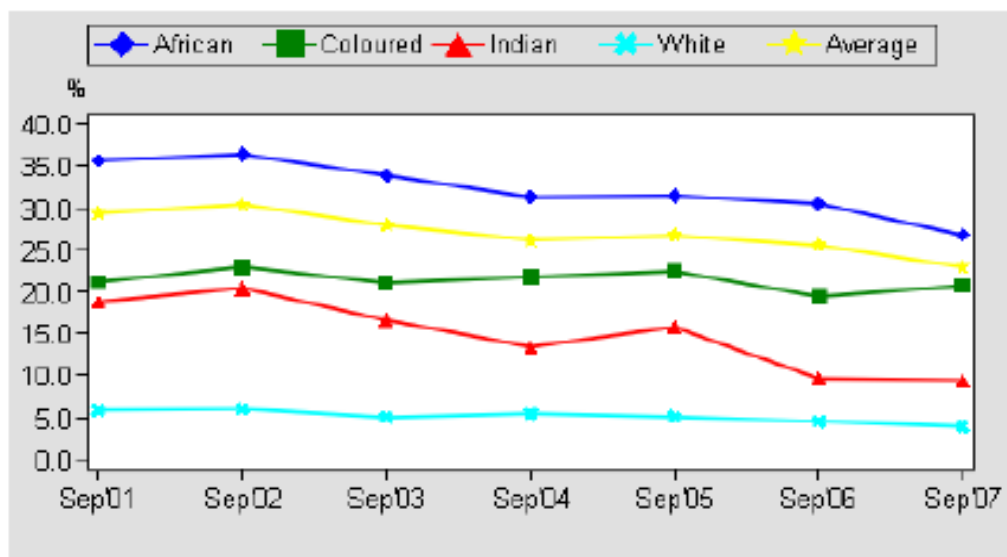
Income inequalities between the rich and the poor of a particular country, without any intervention, will continue to grow, and markets in developing countries appear unable to produce equal distribution of income. Todaro (1994: 83) refers to “dualistic development as the coexistence of wealthy, highly educated elites with masses of illiterate poor people”. The then President of South Africa, Thabo Mbeki, has referred to the first and second economy when speaking of the divide in income distribution between the rich and the poor in the country (Mbeki, 2004, paragraph 82). The first economy comprises well-off who are highly educated, living in suburbs and owning shares and property. The second economy is characterized by the poor, living in squatter camps and rural areas, lacking education, often illiterate, with little access to markets and sources of income.

Du Toit (2004) links poverty and high levels of inequality in South Africa to the history of apartheid where the majority of people were subjected to cash

poverty, deprived of access to land, limited in their participation in society and politically disempowered. For instance, in 1980 the white population comprised 15 per cent of the country and earned 64.9 per cent of total income, whilst Blacks who comprised 73 per cent of the population, only earned 24.9 per cent of total income (Wilson and Ramphela, 1989: 20).

Figure 3 below shows the variation in unemployment rate among the population groups in South Africa in 2007. The rate of unemployment in South Africa was 40.1 per cent (broad definition), and the unemployment rate among Black African people (30.5 percent) was higher than among Coloured (19.4 percent), Indian (9.6 per cent) and White people (4.5 per cent) (Statistics SA, 2007a: xviii). These high rates of unemployment are but one of the reasons government adopted the EPWP as one of the measures of addressing unemployment, mostly among the unskilled with no secondary education, as indicated earlier in Figure 2 that showed the EPWP target group.

Figure 3: Unemployment Rate by Population Group, September 2001 to September 2007



Source: Statistics SA, 2007: Labour Force Survey

Compared to other middle-income countries, South Africa has the highest unemployment rate, above 30 per cent, compared with Brazil between 8 to 10 per cent, and Turkey 10 to 11 per cent, while Mexico, Malaysia and Thailand all have less than 5 per cent unemployment (OECD, 2008: 107). The South African unemployment rate is higher than the Sub-Saharan average of 16 per cent, Latin America 8.1 per cent and Asia 5.3 per cent (Rodrik, 2006: 7).

In a study by Banerjee, Galiani, Levinsohn and Woolard (2006), it is suggested that the problem of development in South Africa is that not enough South Africans are working; the economy is unable to absorb the expanding economically active population; and unemployment is predominately high among the less educated, young and black. Altman (2004: 449) confirms that though the South African economy is experiencing strong growth rates, the pace of labour force absorption is only 20 to 30 per cent of the people added to the labour force annually, which explains why the unemployment rate rises by one to two per cent each year. According to Coetzee, Davies, Olivier and de Coning (1990: 181), the absorption capacity of labour for the formal sector declined from 73.6 per cent (in the years 1965 to 1970) to 12.5 per cent (in the years 1985 to 1990), while between the years 1974 to 1989, only 1.2 million employment opportunities were created by the formal sector relative to a labour force of 4.7 million.

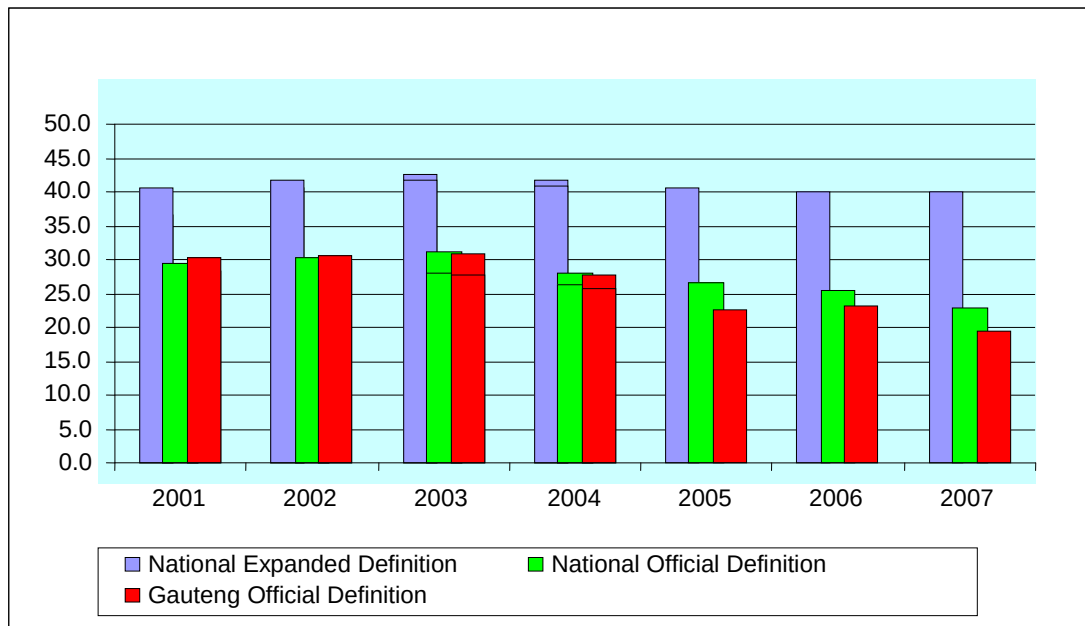
In 2002, “unemployment for Africans with tertiary education stood at 25 per cent compared to four per cent of White tertiary graduates, and more than 55 per cent African matriculants were unemployed compared to 8.6 per cent White matriculants” (Oosthuizen and Bhorat, 2004: 29). There was approximately 50.2 per cent unemployment rate among the 15- to 24-year-olds in 2007 (OECD, 2008). These figures give a grim picture of unemployment and inequality in the South African economy and the dire need for a plan for eradicating these inequalities and creating opportunities for employment among the poor.

Though there are high levels of unemployment and poverty in the rural areas, urban areas have seen an increase in unemployment levels as people flock from rural to urban areas in the hope of better jobs. According to Smith (1994: 44), “poverty is severest in rural areas and agriculture is the main source of income for most of the world’s poor, although urban poverty is a worsening problem”. Although urban migration does take place in developing countries, the Lewis two-sector labour supply model, though valuable, is not fully realised and remains over-optimistic as most of the great number of the rural hopefuls who migrate to urban areas appear to linger around city streets with no formal work.

Calitz (1990: 59) observes that “job wage expectation rather than firm employment prospects are the major considerations in urbanisation, migration to urban areas and they merely shift the location of unemployment and thereby increases urban unemployment”. Smith (1994) relates that Venezuela has over 85 per cent of the poor living in urban areas and in Brazil, 75 per cent of the urban poor have informal jobs paying low wages. As Black (1987: 7) points out, “many new arrivals in the city join the so-called unorganised or informal sector where they make ends meet while waiting for the chance of securing a well paid job in the formal sector”. The percentage change in the population of Gauteng from 1996 to 2001 was 20.4 per cent, the highest change of all provinces, and saw a 13.9 per cent change from 2001 to 2007 (Statistics SA, 2007a). Evidence of high levels of unemployment is apparent in the increase in informal economic activities and the mushrooming of informal settlements seen around Johannesburg, Durban and Cape Town.

Figure 4 illustrates the National and Gauteng Province’s unemployment rates from 2001 to 2007, Gauteng being a province with a high concentration of urban areas.

Figure 4: Unemployment Rates in South Africa from 2001 to 2007



Source: Researcher's Own: Adapted using figures extracted from Statistics SA Labour Force Survey Historical Series, (2005)

Figure 4 illustrates the extent of the unemployment rate in Gauteng. For the national unemployment rates, figures for both the expanded and official definitions of unemployment are shown, while for Gauteng Province, unemployment rates in the official definition are indicated. In the period 2001 to 2004, the unemployment rates in Gauteng were slightly higher or almost the same as the national official unemployment rates. Although from 2005, Gauteng unemployment rates have gradually decreased, they are still high compared to other middle-income countries, as discussed earlier in this chapter. In September 2007, the unemployment rate in the province was recorded at 19.5 per cent and nationally it was recorded at 23 per cent (official definition).

The existence of high unemployment levels among the unskilled even in urban provinces and metropolises is of relevance to this study, since it is believed that positive policy developments that promote employment creation public works

programmes, such as the EPWP, can play an important role in the development of cities. When the pressures of modernity and industrialisation forced the country to become more capital-intensive, the construction industry also moved towards conventional machine-intensive construction methods. The language 'pick 'n shovel', 'primitive', 'backward', is used in relation to labour-intensive construction. However, considering the debates presented above on the structure of unemployment in South Africa, and the availability of abundant low-skilled labour, employment creation programmes, no matter how 'primitive', do offer an alternative policy option. As Mbeki (2002) indicated:

In pushing back frontiers of poverty, we shall do this in partnership with many in our society who are ready to lend a hand in the national effort to build a better life (Mbeki, 2002).

This research looks at the urban metropolis of Johannesburg and analyses the factors necessary for implementation of the EPWP to absorb as much labour as possible in the context of high unemployment in both Gauteng Province and South Africa as a whole.

2.3.2 THE ROLE OF THE DEVELOPMENTAL STATE

In South Africa, many black South Africans suffer unemployment and poverty, and this increasingly shows the divide between the rich and the poor. Rodrik (2006: 2) warns that "the poor record on employment represents not only an economic tragedy; it poses a significant threat to the stability and eventual health of the South African democracy." Wilson and Ramphela (1989) believe that poverty is a political issue and that without fundamental redistribution of political power, poverty will remain a central feature of the South African economy. They argue for the interventionist role of the state in addressing unemployment and poverty in the country.

Nattrass and Roux (1991: 86) also confirm that the redistributive role of government “makes government policy decisions a central focus in the struggle to create jobs, eliminate poverty and reduce inequality”. As a developing economy, the role of the State in driving development is critical, and for the South African unemployment crisis, the “strategy should be to direct the economy towards a more labour-intensive high economic growth path” (Cawker and Whiteford, 1993: 53).

Contrary to the capitalist *laissez-faire* approach and the neo-liberal economics, the government needs to take a leadership role in driving development. Stiglitz (2001: xi) confirms that “the fact of the matter is that unemployment is not a phantasm, modern societies need ways of dealing with it, and the self-regulating market economy has not done so, at least in ways that are socially acceptable”.

The role of the State is emphasized (Amsden and Chu, 2003; Cousins, 2005; Mhone, 1993; Nattrass, 1983; and Todaro, 1994) where the State is seen as the driver and facilitator for economic development. Mhone (1993) calls for a “Dirigist State”, one that will “govern the market”, actively regulate, facilitate and steer the economy toward a desired outcome, especially in the economies of the South. In a developmental state, the state becomes the key in promoting development through the provision of public goods and services, allocating resources, providing direction for driving the productive sectors that have the highest potential to absorb labour, and ensuring that the State has the necessary capabilities to implement and manage policy.

Developmental states have long been in place, a good example being the “Four Asian Tigers”. Economists in the period 1970 to 1990 have linked the successes of East Asia to the core intervention by the state and its ability to forge links with the private industrial elites in investing in industrial development programmes

with the state. This scholarly view places the fortunes of East Asia on private investment and with the state incentives and regulation of industries, countries were able to turn around and economies boomed. Developmental states are built from the common agreement that markets fail to bring about sustainable growth and development and hence state intervention is necessary. The classical and neoclassical view of *laissez-faire* does not hold for developmental economists. In the case of the “Four Asian Tigers”, in defining the role of the state, literature uses phrases such as steering, driving, facilitating and directing development. Beeson (2003) believes that the governments of the “Four Asian Tigers”, (Taiwan, Singapore, Hong Kong and South Korea) directed state and private sector investments towards a “plan rationale” of massive industrialisation, technological advancement and development of value-add activities which improved the standards of living of the people of each country and the region.

Mkandawire (2001: 292) points to “mounting evidence that the state had been the key agent behind the spectacular success of the East Asian “Four Tigers”. He further shows that “since market failures differ in intensity, scope and location, a selective set of interventions is required”. The state becomes the key in promoting development, providing direction in driving the productive sectors.

Mkandawire (2001: 290) provides an analysis of the literature on the interpretations of the early developmental states, stating that it is entrenched in the understanding that the vision and mission of development meant high rates of accumulation and industrialisation, establishing an “ideological hegemony” with the capital elites. The new wave of developmental and institutional economists, Evans (1995, 2006), Heller (2001), Rodrik (2004) and Woolcock (1998), among others, show that having developmental goals and partnerships with private industrial elites is not enough to sustain development in the late developing economies. For the new developmental state, Evans (2006) suggests

a convergence of knowledge, ideas and human capability (endogenous growth) with capability of state institutions (institutional approach) and the improvement in human well-being with civil society as the centre of developmental goal-setting (capability approach). Nattrass and Roux (1991: 88) agree that, "In enhancing medium-term growth, the development strategy by government should prioritise policies which provide people with capacity for increased earning potential."

In my analysis, the South African Government led transformation of the country post-apartheid into a new democracy and instead of leading growth and socio-economic development as envisaged in the Reconstruction and Development Programme, South Africa has — since the introduction of GEAR in 1996 — played a facilitating role. Chipkin (2002: 61) points out that, "rather than stimulate growth and equality through direct public investment, GEAR envisions a more restrained and strategic government intervention and greater emphasis on non-state bodies and the private sector in particular". GEAR supported privatisation, opening markets for private investments, development of black private elites and macroeconomic stability and fiscal discipline. South Africa gradually moved away from the socio-economic redistributive role of government towards neoclassical and neo-liberal market-oriented growth policies.

Unfortunately for South Africa, in pushing for a capital accumulation growth model which promotes the "efficient" use of capital-intensive technology, which resulted in limited job creation, the country abandoned labour which in South Africa is in over-supply. Chang and Grabel (2004: 1) also believe that "there is now abundant and increasing evidence that the economic policies associated with the neo-liberal agenda have failed to achieve their chief goals and have introduced serious problems in the developing world". To increase the absorption of labour entrants, "decision-makers have to be sensitive to labour

intensity of alternative growth paths. Attempts must be made to reduce the effects of factors which encourage capital-bias and capital-intensification” (Cawker and Whiteford, 1993: 46). The primary focus of the state should be to use its political power and address these inequalities and be responsive to society using state institutions and societal relations.

Driving development requires a political decision in transforming the economy for a better life for all. It is incumbent on the South African government to create an environment that will accelerate development and identify specific strategies and interventions that address poverty and unemployment, target the poorest of the poor and women to raise their per capita income.

Unlike the traditional developmental state, the new democratic developmental state calls for a different kind of state-society relations, grounded in grassroots participation. Heller (2001: 133) notes that “building local democratic government requires a balance between institution building and grassroots participation”. This requires state institutions to be working with local communities and civil society in planning for development, prioritising, implementing programmes as well as monitoring progress. Woolcock (1998: 164) refers to these relations as “social capital” and reckons that “development outcomes are shaped by the extent that both embeddedness and autonomous social relations prevail when people nurture social ties both at micro and macro levels”.

The vision for a new democratic developmental state of social transformation should be clear to all South Africans so that everyone works towards a common goal. Driving development requires a political decision and the participation of State institutions in transforming the economy. South Africa needs strong leadership with a vision of bringing about a genuine transformation of society.

The Strategy and Tactics Document of the ANC notes that “the national democratic state should continually implement integrated anti-poverty programmes, ensuring that these programmes address not only social assistance, but also the sustainable integration of all communities into economic activity” (ANC, 2007: 5). While South Africa has a poorly skilled and educated labour force, providing employment for that group remains critical for growth and development.

The Expanded Public Works Programme (EPWP) is strategically positioned to provide increased income-earning potential to those willing to work. The government, through massive public investment, could simultaneously create large numbers of jobs while undertaking infrastructure investment that would improve the quality of life of people and be the engine for growth in the economy. The EPWP is grounded upon that premise, and therefore scaling up the EPWP as a means for job creation in public infrastructure programmes in Gauteng and its municipalities, such as the COJ that have high unemployment, is a contention for consideration by this study.

2.3.3 WELFARE DEVELOPMENT

Human development has, since the early 1990s, improved how countries value human beings as drivers of development, which has led to a more holistic goal of economic development to encompass improving the quality of life of people. According to Chambers (1997) and Smith (1994), development equates to improvements in the quality of life through improvements in better living conditions, health care, improved diets, increased literacy and low infant mortality. Therefore development should not just be measured using the Growth National Product, but on overall quality of life. As Sen (2001: 4) asserts, “freedom is central to the process of development, and the achievement of development is thoroughly dependent on the free agency of people”.

Nattrass and Roux (1991) focus on three aspects of welfare development — health care, nutritional intervention and special employment programmes, and show that redistributing government expenditure in these areas can improve the quality of life of the poor. According to Nattrass and Roux (1991: 98), the World Bank favours special employment programmes as instruments of welfare policy. They maintain that the special employment programmes tend to be cost-effective relief measures since the low wage can be used to screen out the non-poor. An example is provided of Indonesia and Malaysia, which were able to increase the income of the poor by promoting the productive use of labour while simultaneously increasing the quality of life by means of social spending programmes.

The redistribution of government expenditure is echoed by proponents of employment spending rather than just welfare policy. Mitchell (2008) indicates that the chronic unemployment in South Africa might seem to be a microeconomic problem, but to him the problem is government's acceding to the litany of neo-liberal constraints on macroeconomic policy from the outset that makes it hard to see how any coherent policy progress could have been achieved which seriously addressed unemployment and poverty. Smith (1994: 23) observes the importance of human capital, which contributes to development as being accumulated knowledge, skills, and attitudes of the people and encompasses the physical, mental and social health of the nation. To Smith, education, health and training are so critical to growth and development that he suggests they are part of the economic issues of the country rather than the social welfare system. Evans (2006: 22) asserts that even the "East Asian tigers were renowned for their levels of investment in human capital and continued to invest in the expansion of education".

Mitchell (2008: 8) believes that employment creation programmes such as the

EPWP, whilst they are an ideal vehicle for unlocking the fiscal potential of the government, are incorrectly constructed within the neo-liberal paradigm, which assumes that government will be financially constrained. He notes that, “these voluntary policy constraints are based on a false view of the way a modern monetary macro-economy such as South Africa’s works, as the constraints are ideological and political”. Proponents of employment guarantees view the Basic Income Grants as a weaker option than an employment guarantee. Mitchell (2008) is of the view that Basic Income Grants deny the skills-building and social aspects of work as they create a passive welfare dependency and fail to develop capacity (productive and social), effectively relegating citizens to being seen as “consumption units” that are to be kept alive but play no role in building the nation. Hence Mitchell suggests that Basic Income Grants should supplement the EPWP minimum wage to cater for family size variation and other needs, and should never be the primary income source for working aged men and women.

The implications of this view are that the EPWP cannot simply be seen as an issue of social welfare (as it targets the poor) but also of macroeconomic importance because of its emphasis on training, skills development and employment creation, as well as providing necessary public goods and services. Employment programmes link to economic growth, particularly through the introduction of employment opportunities into mainstream investment in basic services like roads, water, housing and schools. While Nattrass and Roux (1991: 97) warn that even where the main objective of special employment programmes is poverty alleviation and income redistribution, this aim should not be overshadowed by the general development initiatives of quality infrastructure or cost-benefit analysis in technical and planning requirements.

The advantages of employment guarantee by government where government provides an “unconditional offer of a public sector job at a fixed (minimum) wage to anyone who wants work are that among others, it maintains an effective

labour supply and represents the minimum government spending to achieve “loose” full employment” (Mitchell, 2008: 21).

Programmes such as the EPWP, which offer the poor who are willing to work an opportunity to earn an income, contribute towards human development. Human development is a process of enlarging people’s choices and access to resources, a long and healthy life and education. This research links this understanding to the spending by the City of Johannesburg in EPWP projects as having a tremendous impact on employment opportunities and improving the quality of life of the poor in the area.

2.4 DEVELOPMENTAL PLANNING AND MANAGEMENT

2.4.1 PLANNING MODELS

The main purpose of planning is summarised by Smith (1994: 2) as seeking clarity of purpose, unity of purpose, achievement of purpose and a framework for day-to-day decision-making. The first step in any policy management is the identification of clear goals and objectives that will guide programme managers of a public entity as to what exactly the policy intends to achieve. Smith (1994) shows how strategic management and planning processes should be designed and managed in the public sector, emphasizing the need for a long-term focus, top management involvement, shared vision and continuous monitoring. The long-term focus in strategic management ensures that development planning is realistic and is viewed holistically rather than in a piecemeal manner.

The importance of planning is reiterated by Hovey (1968: 68) when he stresses that planning can provide a sense of direction by informing employees of the organisation’s goals and the general types of policies which the organisation intends to pursue to accomplish those achievements. Halachmi (1991) outlines

the difference between a comprehensive plan and a strategic plan, noting that a long-term plan is from 5 to 20 years, consistent with adopted policies, includes goals of the city and tends to focus on physical development. A strategic plan is 1 to 5 years, used as a management tool, does not include goals of the city, and is focused on strategies for functioning activity centres.

Moynihan and Ingraham (2003), in their study on performance-based accountability systems, concluded that governments need to engage in strategic planning, and provide clear goals and objectives to be communicated to all stakeholders and employees. The study further calls for strong leadership at the political level to drive a strategic vision based on political goals and informed by lower level planning and the vertical integration of goals where local low level goals match with national high level goals. This alignment should cascade down to the level of programme implementation and individual employees. According to the Economic Commission for Africa (2003: 41), the Organizational Strategic Management integrates all major activities and functions of an organization and directs them towards advancing an organization's strategic agenda by providing a systematic, coherent and effective approach in establishing, attaining, monitoring and upgrading a Municipal Entity's strategic objectives.

Sections 2.1 and 2.2 above indicate that poverty is a political issue requiring the State to play a leading role in creating opportunities for employment. The discussion centres around the fact that government departments and municipalities need to filter the already adopted national strategic policies into their local operational plans. Given the dynamic political and institutional environment within which many public agencies operate, an effective strategic management capability is essential for maintaining or strengthening the links between the organizations, external stakeholders, and managing for results.

It is noted that most planning in the public sector has turned into a new public

management's managerialism playing field where public managers tend to concentrate on input, process and output data, but "it does little to illuminate deeper questions of need, quality, equity and effectiveness" (Pollitt, 1998: 67). New Public Management refers to a management culture that emphasizes the centrality of the citizen or customer, as well as accountability for results. According to the Economic Commission on Africa (2003) the traditional model of organization and delivery of public services, based on the principles of bureaucratic hierarchy, planning and centralization, direct control and self-sufficiency, is apparently being replaced by a market-based public service management or enterprise culture. "The basic foundation of the New Public Management movement is the drive for efficiency and the use of the economic market as a model for political and administrative relationships" (ECA, 2003: 7).

The blunt lesson from New Public Management is that "the achievement of planned outputs does not inevitably lead to the intended outcomes which can undermine the very ethos of public service" (Paine, 1999: 47). Furthermore, Smith (1994: 150) notes that comprehensive planning, though it gained popularity in transforming the Soviet Union using "commands" of measuring not only outputs but also inputs of the production process, later lost currency as it posed problems in less developed economies that lacked statistical techniques to produce accurate output-input planning figures.

The real agenda for public management, as stated by Ott, Hyde and Shafritz (1991: xvi) is balancing political, economic and social concerns for equity, ethics and fairness, as well as integrating perspectives for improving the public good in complex, highly diverse, competitive and inequitable environments. Public sector accountability requires that government responds to the needs of the people in an effective and efficient manner and delivers value for money. Planners therefore "have a moral obligation to understand how the population feels about programs and how it is affected by them" (Valadez and Bamberger,

1994: 331).

2.5 PROGRAMME PLANNING APPROACH

Abedian and Standish (in Nattrass and Roux, 1991: 97) oppose schemes that offer notional jobs at minimal wages and argue in favour of “reducing efficiencies and maximising the longer term development objectives of special employment programmes which implies careful planning, systematic organisation and high level government commitment”.

Croswell (2000) and McCutcheon (1995) note that success in employment creation programmes elsewhere in the world is linked to their long-term programme nature. For projects of a labour-intensive nature to succeed, they must be part of long-term programmes. McCutcheon stresses that labour-intensive programmes “are not short-term relief projects” (McCutcheon, 2003: 34). The strategy to plan for a programme for large-scale replication of innovative work must include the following (adapted from McCutcheon, 2003: 48):

- Major policy- and decision-makers must understand the concepts and principles of employment-intensive construction and the guidelines regarding a programme approach to long-term development programmes.
- A long-term perspective must be adopted in which a programme is developed (rather than *ad hoc* projects).
- Identification and delineation must be carried out of the type of work and project that could incorporate greater use of local resources, in particular unskilled and semi-skilled workers.
- Attention must be given to other influences such as institutional and socio-economic factors.

This research has sought to examine the applicability of the long-term programme approach in enhancing EPWP implementation. The replication of large-scale programmes would involve the following four-phased approach (adapted from McCutcheon, 2003: 48-49).

Phase 1: Orientation - This phase involves the orientation and education of all the parties (policy-makers, clients, communities, consultants, contractors, project managers) on the policy objectives, types of projects, methods of construction, conditions of employment and the concepts and principles of labour-intensive work.

Phase 2: Preparatory Work – This involves detailed analysis, design, planning and documentation. In particular, the aspects determined here include institutional framework (national and local level), organisation for work, funding and staff recruitment policy. Specifications and training materials are prepared as well as conducting community briefings and selection of trainees.

Phase 3: Piloting - Pilot or demonstration projects and embryonic training programmes implemented and progress reviewed and monitored.

Phase 4: Expanded Training – This will lead to large-scale programme-expansion into large-scale local, provincial and national programmes. The expansion of programmes is allowed to proceed at the rate at which the programme can produce trained personnel, local and national institutions and whether the communities have the capacity to absorb the trained personnel and be in a position to maintain their roles in the programme.

The phased approach to a programme ensures the requisite individual development and institution-building at all levels. The approach must be located

in an appropriate institutional framework identified early in the process.

The notion of long-term programme focus is of relevance to this research as the research examines the expansion of the EPWP in the City of Johannesburg and factors that will promote such expansion.

2.6 PUBLIC SECTOR BUDGETING

The function of the budget is to convert public policy into policy commitments for action. Abedian and Biggs (1998: 435) mention the three basic functions of all budget systems as being “to maintain overall fiscal discipline, ensure allocative efficiency and promote delivery efficiency”. This section reviews public sector budgeting and management.

2.6.1 APPROACHES TO BUDGETING

The evolution of budgeting in the public sector has evolved from line-item budgeting prior to World War 1, to programme budgeting in the 1960s and the zero-base budgeting of the 1970s. Ott, *et al.*, (1991: 308) outlines the different forms of budgeting and notes each one’s continued usage. Planning programming budgeting enhances a strong policy planning orientation, zero-base budgeting is effective when resources are in short supply, and line-item budgeting is incremental but of limited value in the planning process.

The reflections on budget systems is provided in Lewis (1991) where he gives a theoretical evolution of the Programme Budgeting, Line Item Budgeting, Planning-Programming Budgeting and Zero-Based Budgeting by analysing their structures and objectives and observing that budget systems are bundles of concepts that are somehow related to each other. The analysis by Lewis concludes that the deficiencies in each bundle of system are not as great in the

theoretical concepts as in their implementation, and consideration should be given to the integration of new ideas with essential features of traditional budgeting. Schick (1987: 60) explains that Planning Programming Budgeting is more teleetic as it aspires to create a different environment by defining its mission in terms of budgetary objectives and purposes. In this way, the budget-making process which begins with objectives will require the base to compete on an equal footing with new proposals.

Line budgeting is said to have survived because it works, according to the analysis by Wildavsky (1978: 501-509) in his 'budget for all seasons' where he summarizes arguments against rational, comprehensive, programme-type budgeting and for traditional, incremental line item budgeting which, in his view, is the budget that lasts.

2.6.2 BUDGETING IN SOUTH AFRICAN LOCAL MUNICIPALITIES

In South Africa, the Municipal Finance Management Act requires that each municipality adopts a budget that will ensure that its long and medium term goals and priorities are funded. At the same time, the Constitution of South Africa and the White Paper on Local Government mandates municipalities to assume a more proactive role in the development of their local economies and communities.

Section 153 of the Constitution states that

A municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community and to promote the social and economic development of the community.

Nattrass and Roux (1991: 91) agree that “achieving a successful balance between reducing poverty through promotion and by redistributing through the budget is of overriding importance”. The challenge for municipalities is to allocate limited resources to the many competing priorities. Schick (1987) notes that largely Planning Programming and Budgeting reverses the decisional flow to a top-down approach where top policy is made and constrains budget estimates prepared below. The implication is that, depending on the priority of strategic goals and programmes of the municipality, budget will be allocated according to priority.

Nattrass and Roux (1991: 99) further note that “in the interests of targeting as many of the poor as possible, there are hard choices to be made in every category of spending, and it is probable that special employment programmes offering low wages to many people are preferable to better paying programmes with limited employment effects”. This notion has implications for the scaling up of the EPWP in COJ, which would require that it is a top priority of the city to secure budget irrespective of its socio-economic benefits and national drive. As Abedian and Biggs (1998: 438) stress, “the higher the prevalence of poverty, the greater is the imperative to put in place a sound and effective budgeting system”. The World Bank also notes that Poverty Reduction Strategy priorities should in effect guide resource allocation, focus on core policy processes and on turning budgets into more policy-oriented tools (World Bank, 2007).

South African government agencies implement the Medium Term Expenditure Framework (MTEF). According to Fozzard and Foster (in Fozzard, 2001: 28) the “MTEF allows for the first year to establish the budget limits for programmes for the coming year, while the outer years are indicative, rolled forward by one year and revised during the next budget cycle. The MTEF helps to communicate policy by setting out clear priorities and forward projections help guide and track reallocation of resources in line with governments’ development priorities”. Abedian and Biggs (1998) look at budgeting-system reform where they argue

against annual budgeting and propose that South Africa should consider a move from a Medium Term Expenditure Framework (MTEF) to a performance budgeting system on the grounds that it integrates accountability, transparency and monitoring systems and focuses on defined outputs linked to desired outcomes.

The City of Johannesburg's capital infrastructure budget reports will shed light on this research, and demonstrate how budget is split among priority programmes of the City.

2.7 POLITICAL WILL AND COMMITMENT TO POLICY IMPLEMENTATION

Cloete and Wissink (2000: 186) believe that policy implementation is dynamic and complex, and depending on the situation, some of the 5-C protocol variables (these are Content, Context, Commitment and Clients and Coalitions) are likely to be more complex than others. Though the magnitude of the EPWP's complexity would relate to all the 5-C protocol variables, this study concentrated on Commitment as one critical variable under research. In this study, political and management commitment is examined on how leadership has supported EPWP policy implementation and management

Gaining political legitimacy make policies attract the necessary authority and money for successful passage through the policy-making process especially the implementation stage (Moore, 1995). It is therefore important for project managers that are tasked with implementation of EPWP projects to have political support, if they are not to encounter competing priorities of the City leading to difficulties in getting projects approved and getting budgets confirmed.

Labour-intensive programmes involve community negotiations and buy-in. The role of community representatives is elevated when projects involves labour

from communities and gives legitimacy to the project. Croswell and McCutcheon (2003: 341) propose that projects have more chance of success if community is consulted on the nature and type of project, methods of construction, recruitment of labour, conditions of employment, wage rate and training.

In a new Democratic Developmental State, the state-society relations that Heller (2001) calls for, democratic decentralisation will be achieved and become a force for transformation, building democracy from the bottom up, and the state will build ties with local forces in support of a political project. The case of Kerala in India and Porto Alegre in Brazil (Baiocchi, 2003; Evans, 1996; Heller, 2001) are examples of new developmental states built from the bottom up, actively involving citizen participation in local planning and decision-making. Baiocchi (2003), in analysing Porto Alegre, recommends state-sponsored institutions in fostering open-ended discussions with civil society, where organised networks of civil society play an important role and significantly extend the range of potential actors for civil activities.

Van Dijk and Croucamp (2007: 665) link the municipal protests to the dissatisfaction of communities, explaining that “between 1994 and 2004/5, just more than 50 protests against municipalities and their capacity to deliver basic services in communities were recorded”. The researcher is of the view that if more and more communities are protesting against slow municipal service delivery, government should be more responsive. If South Africa adopted the models of Kerala and Porto Alegre, development projects would have been proactively planned and prioritised with communities, and they would have been part of the implementation of some of these projects. Instead, the response has been dismissive based on the view that these protests are the work of a third force.

Evans (2007: 6) points to the role of the State to deliver as critical for any

developmental state: "... state capacity will have an even greater role to play in societal success in the coming century than it did the last." The relevance of Evans' paper to this research is how the capacity of the state to implement EPWP is embedded in the will of politicians at local level to steer local development and monitor policy implementation.

2.8 CONCLUSION

In conclusion, the literature review presents four main themes that are critical in the analysis of this research.

Firstly, the literature review has presented the conceptual framework that underpins this research as being that of labour-intensive construction and employment creation public works programmes. The body of literature has shown that labour-intensive construction methods (the manner of construction that uses a higher proportion of labour than conventional construction methods) are technically feasible for a wide range of construction activities and can produce the same quality of product as conventional methods. Readings from Croswell and McCutcheon (2003), International Labour Organisation (1987) and McCutcheon (1990, 1995, 2003) have highlighted how labour-intensive methods should be implemented through a programme approach in order to be successful on a large scale, be sustainable, distinguished from drought relief, properly targeted at the poor households and linked to a long-term training programme.

Within this conceptual framework, literature has distinguished employment creation public works programmes, of which the Expanded Public Works Programme is one, and how these programmes can alleviate unemployment and provide people with income. Authors such as Cawker and Whiteford (1993), Hirway (2006), Moll (1991), Nattrass and Roux (1991) and Wilson and Ramphel (1989) confirm the concept of employment creation programmes and their

appropriateness in the role of the State in creating employment and redistributing income. Furthermore, some academics such as Antonopoulos (2007), Croswell and McCutcheon (2000), Kostzer (2008) and McCutcheon (1995) provide examples of countries where employment creation programmes have been implemented successfully.

Secondly, the literature review was able to show the scale of unemployment that South Africa faces, especially among young people (15-34 years), the less educated with secondary schooling and unskilled black people with no tertiary qualification or experience. The importance of the literature review on unemployment is that it elevates the fundamental problem that is core to what this research seeks to address. The scourge of chronic high unemployment rates in South Africa have been highlighted by Altman (2004), Banerjee, Galiani, Levinsohn and Woolard (2006), Borat, Dieden and Hodge (1998), Cawker and Whiteford (1993), Du Toit (2004), Oosthuizen and Borat (2004) and Wilson and Ramphela (1989), amongst others. The fact that there is increasing unemployment in urban provinces such as Gauteng and in the urban metropolis of Johannesburg is of relevance to this research, as it improves the possibility of implementing employment creation programmes as one of the alternative measures to address unemployment. These readings will provide insight into the potential for scaling up the Expanded Public Works Programme in the City of Johannesburg.

Thirdly, literature has shown how the design and planning of programmes is significant in the successful implementation of programmes. Some authors, for example Mitchell (2008) and Smith (1994), argue that the design of employment creation programmes should enhance human capital development through skills training, education and social aspects of work. The value of this literature talks to the design of the Expanded Public Works Programme and the importance of training of community workers. Hence, Croswell (2000), McCutcheon (2003) and

the NDPW (2005) argue for the long-term programme approach in employment creation programmes to maximise longer term development objectives. The programme approach requires commitment from politicians and planners, balancing the social moral obligations and the economic concerns as stressed in Ott, Hyde and Shafritz (1991), and Valadez and Bamberger (1994). Significant for this research is that a long-term programme approach gives clarity of purpose, a sense of direction and ensures that greater impact is achieved in prioritised programmes.

Fourthly, the commitment to the development of communities is what encapsulates the new democratic developmental state. Political commitment to the social and economic development of the people should be translated into implementable programmes for service delivery that the people have prioritised as needs in their communities. Authors such as Baiocchi (2003), Croswell and McCutcheon (2003) and Evans (2007) raise the notion of politicians and the State in responding to the needs of communities. This research will examine how political leadership has committed and supported the implementation of the Expanded Public Works Programme in the City of Johannesburg.

CHAPTER THREE

RESEARCH FRAMEWORK

3.1 INTRODUCTION

This section outlines the research approach, gives reasons why the particular framework was followed, explains the research design chosen, the methods used and strategies in ensuring the validity and reliability of this research.

3.2 RESEARCH APPROACH

The researcher adopted a qualitative approach as it allowed the researcher to seek a deeper understanding of 'how' planning and budgeting for EPWP programmes and projects links to organisational goals and a deeper inquiry into the level of political commitment to EPWP in the City of Johannesburg. The choice of the research approach allowed the researcher to achieve the research objectives as set out in chapter one.

Merriam (2002: 5) identifies key characteristics of qualitative research as being

- researchers striving to understand the meaning people have constructed about their world and experiences;
- the researcher as the primary instrument for collecting and analysing data;
- the researcher does not attempt to test existing theories, but rather gathers data to build a hypothesis or concept; and
- the qualitative inquiry is richly descriptive.

Marshall and Rossman (in Merriam, 2002: 11) suggest that "qualitative research

is designed to (1) understand process, (2) describe poorly understood phenomena, (3) understand differences between stated and implemented policies or theories, and (4) discover thus far unspecified contextual variables". In this research, the approach followed allowed for numbers (1) and (3) to be followed by the researcher gaining a deeper understanding, asking 'how', 'why' and 'what' questions, and lending itself to a more explanatory and exploratory approach.

The choice of explanatory approach is based on the understanding that Babbie (1998: 113) gives of explanatory research, as referring to "the discovery and reporting of relationships among different aspects of the phenomenon under study", in this case being the choices made that affect the decisions on priority projects undertaken by the COJ's Joburg Water. Peshkin (in Leedy and Ormrod 2005: 135) identifies the following purposes for qualitative approach — "description, interpretation, verification and evaluation". An explanation is provided of 'how' and 'why' programme prioritisation for the EPWP is undertaken. The research obtained explanations of 'how' political leadership has or has not supported the implementation of the EPWP in Joburg Water. Put differently, the research enquired 'what' the levels of political support for the EPWP have been, thus providing the research with exploratory elements as well.

Further, Merriam (2002: 6) identifies various types of qualitative research as being interpretative qualitative research, phenomenological, grounded, case study, ethnographic study, narrative analysis, critical qualitative research and post-modern research. As explained in the section below, this research adopted a Case Study Design.

3.3 RESEARCH DESIGN

According to Mouton (2001: 55), research design is defined as a plan or blueprint

of how one intends to conduct the research. The choice of the research design is guided by the research problem, the questions the research intended to answer and the results of this research. An explanation provided by Leedy and Ormrod (2005: 85) is that research design helps the researcher plan the research by providing a structure for the procedures to be followed, the data to be collected and the analysis to be conducted.

In order to obtain an in-depth understanding and a more complete picture of the implementation of the EPWP in the City of Johannesburg, the researcher opted for a Case Study Design Method. A case study “looks at a particular individual program, or event that is studied in depth for a defined period of time and is useful for investigating how an individual or program changes over time as a result of certain circumstances or interventions” (Leedy and Ormrod, 2005: 135).

The “individual programme” or the unit of analysis in this research is the water infrastructure implementing Municipal Entity of COJ, Joburg Water. Joburg Water was chosen as the unit of analysis because they implement water infrastructure projects that are highly amenable to labour-intensive EPWP methods of construction. Furthermore, the research should “specify what information about those units is the focus of the study [and] what aspects of those units of analysis will be observed” (Durrheim 1999: 38). In this study the focus on Joburg Water pertains to their decisions in planning, prioritising and committing to the implementation of the EPWP programmes and the researcher had no control over the events being studied. The line of questioning used in this study is in line with Yin’s analysis of the Case Study method’s suitability, which seeks to answer the ‘how’ and ‘why’ questions and that “such questions deal with operational links needing to be traced over time” (Yin, 2003: 6).

By using a case study the research “offers a means of investigating complex social units consisting of multiple variables of potential importance in

understanding the phenomenon and offers insights and illuminates meanings that expand its reader's experiences" (Merriam, 2001: 41). The advantage of using a case study is that it allows the researcher to deal with complexity and context around the EPWP implementation as informants provides inside information on how EPWP decisions were implemented. As will be discussed further in the next section, the case study method allowed the researcher to use multiple sources of evidence as a way of constructing validity of the issue at hand through interviews, document analysis and literature review to validate the concept and findings of this study.

The researcher acknowledges the weakness of a single case study, in that the findings with regard to Joburg Water cannot be generalised to other implementation agencies because the results are specific to one single case, and the sample size is not large or widespread enough to generalise the findings. Yin (2003: 10) responds to this weakness of a case study method by pointing out that "the case study like an experiment does not represent a sample and in doing a case study, the goal will be to expand and generalise theories (analytic generalisation) and not to enumerate frequencies (statistical generalisation)". Hence, the insight gained from this case should nevertheless allow for sharing of lessons in EPWP policy planning and implementation.

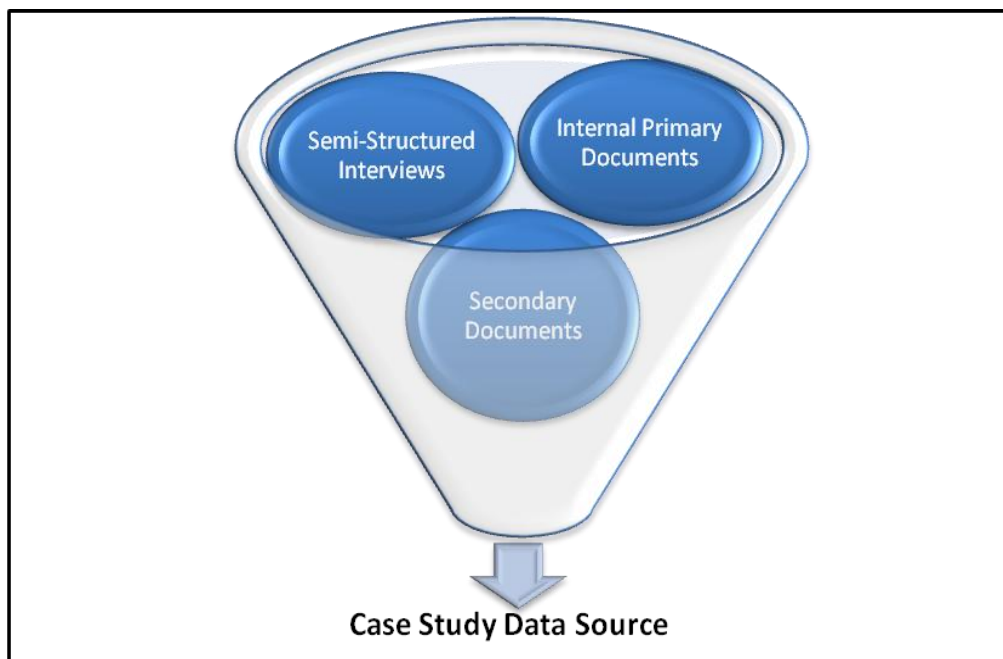
3.4 DATA GATHERING METHODS

The research used a case study design which allowed the researcher to interconnect multiple sources of data. The data collection method followed the three principles identified in Yin (2003: 97-106), where the researcher must use multiple sources of data, create a case study database and maintain a chain of evidence. In this study, both primary documentation sources, interviews and secondary documentation sources of data were utilised to enhance the research's validity. Patton (in Merriam, 2001: 137) confirms that "multiple

sources of information are sought and used because no single source of information can be trusted to provide a comprehensive perspective [and] by using a combination of observations, interviewing, document analysis, the fieldworker is able to use different data sources to validate and cross-check findings”.

The use of multiple sources of data confirms the rationale for triangulation (Leedy and Ormrod, 2005: 99; Merriam, 2001: 204 and Yin, 2003: 97). Figure 5 below illustrates the data gathering technique followed in this case study.

Figure 5: Case Study Data Gathering Technique



Source: Researcher's own (2008), based on interpretation of theoretical overview of Triangulation presented by Leedy and Ormrod (2005), Merriam (2001) and Yin (2003)

Figure 5 illustrates that the researcher combined the use of semi-structured interviews and internal documents as the primary sources of data and combined them with reports and other documents that formed the secondary data. This triangulation as outlined in Figure 5 gave the researcher the advantage of being able to confirm the validity of the process by combining data from multiple sources.

Sampling is a process where the researcher selects a group from the population to be observed. There are two types of sampling, probability and non-probability sampling. In a probability sampling, “the sample will be representative of the population from which it is selected if all members of the population have an equal chance of being selected in the sample” (Babbie, 1998: 201). The advantages of probability sampling are that it allows the researcher to estimate the amount of probable success or error in the results and it also avoids the researcher’s conscious or unconscious bias in the selection of elements. Examples of probability sampling include simple random selection, systematic, stratified and cluster selection.

Non-probability sampling, on the other hand, can be less expensive and more feasible and convenient to carry out, especially for small-scale research. Types include purpose or judgemental sampling, snowballing and quota sampling. This research undertook a purposive non-probability sampling (also called judgemental sampling) because “sometimes it is appropriate to select the sample on the basis of your own judgement and purpose of the study” (Babbie, 1998: 195). Purposeful sampling is based on the assumption that “the investigator wants to discover, understand and gain insight and therefore must select a sample from which the most can be learned” (Merriam , 2001: 61).

In this study, the target sample was drawn from Joburg Water, the Metro, and city councillors.

3.4.1 PRIMARY SOURCES OF DATA

To enhance the validity of the findings, the researcher collected primary data in the form of qualitative semi-structured interviews. Clarke (1999: 66) confirms that “Collecting primary data involves the use of research instruments, for

example, interview schedules, designed to produce data considered by the evaluator to be essential in order to address the evaluation issues generated by a particular policy programme”. As mentioned above, the sample was purposeful as the researcher used her understanding of the elements within the case and the level of convenience in accessing information from the chosen sample.

1. Qualitative Semi-Structured Interviews

Babbie (1998: 291) defined qualitative interviews as “an interaction between an interviewer and a respondent in which the interviewer has a general plan of inquiry but not a specific set of questions that must be asked in particular words and in a particular order”. In this study, the researcher identified key informants involved in the implementation of EPWP projects within Joburg Water, those who managed and reported on the overall performance of EPWP in the whole Metro and were well-placed to provide insight into the information being studied on EPWP implementation, and conducted semi-structured interviews during the months of September to November 2008. Key informants were useful in providing the researcher with supporting documentation and information needed to explain issues. Key informants in this case are individuals who, as a result of their position and experience, have access to information about matters being studied (Valadez and Bamberger, 1994: 348).

The face-to-face interaction with identified elements allowed the researcher to not only gather direct responses but also provided the opportunity to observe and record physical reactions to questions, and the ensuing discussion. There is also an added advantage of semi-structured interviews where the researcher in some instances further explained or clarified some questions immediately, and in turn asked the informants for examples related to some responses. This interaction confirms how Dexter (in Clarke, 1999: 72) describes interviews, as a “conversation with a purpose”.

Although the researcher had initially proposed to interview 12 informants, due to the unavailability of other informants the researcher was able to conduct only six interviews. The researcher did, however, make use of internal primary documents to obtain further direct internal information and strengthen the case study.

As Bernard advises, “semi-structured interviews are suited to situations where there will only be one opportunity to interview the respondents and where the respondents are senior managers accustomed to the efficient use of their time” (Bernard, 2000: 191). The researcher conducted semi-structured interviews with informants in the following positions on a face-to-face basis:

- 1x EPWP Manager at the EPWP Coordination Office of the City
- 1x EPWP Monitoring and Evaluation Manager at the City
- 1x Senior Manager in the New Service Delivery Unit at Joburg Water
- 1x Project Engineer at Investment Delivery Unit at Joburg Water
- 1x Project Manager for Capital Infrastructure Support and Special Projects
- 1x Councillor and Chairperson of Community Development Portfolio.

An email introducing the researcher was sent to the interviewees, outlining the purpose of the research and requesting their participation. A letter from the Graduate School of Public and Development Management signed by the researcher’s supervisor, introducing the researcher as a registered student and explaining the topic, was included in the emails to confirm to the informants the authenticity of the research. Most of the interviews lasted up to two hours although two or three interviews lasted more than the two hours. The researcher opted to take written notes during the interviews, making the informants more comfortable than if a tape recorder were to be used. The key informants were given the option of remaining anonymous if preferred.

An interview schedule was used to strengthen the reliability of the process. Though interview schedules are mainly used in a highly structured interview, the researcher in this case used an interview schedule for the semi-structured interviews, but maintained the flexibility of varying the order and phrasing of questions to allow informants to expand their information. Appendix A of this report gives the full interview guide followed during the interviews. Although some questions had follow-up questions, the main guiding questions used the same theme:

- The extent to which the developmental goals of the City and Joburg Water are translated into implementable programmes and projects.
- The extent to which the goals of the City and Joburg Water have fostered the implementation of the EPWP.
- The approach that should be taken to plan for EPWP in Joburg Water.
- The role the budget can play in accelerating implementation of the EPWP.
- The formula used to allocate budgets and additional points to EPWP projects.
- Political leadership and top management support for the EPWP.
- The role of political leadership in EPWP implementation and management.

In most of the interviews, the experience was that respondents were eager to provide the approach they believe should be followed even before question 3 was asked. In addition, one Engineer who was not involved in budget processes struggled to respond to questions 4 and 5. This did not, however, discredit her as a valuable informant.

2. Internal Primary Documents (Document Analysis)

The researcher made use of internal documents that strengthen the case study. Yin (1994: 42) confirms that primary documents “provide an important source of

corroboratory evidence to augment data collected by other methods". Depending on how information is used, documents and reports can be the source of primary data. The following primary documents were obtained from informants: the COJ EPWP quarterly project reports from 2004 to 2008 and the EPWP Progress Reports to Mayoral Council and to the Municipal Manager. These assisted the researcher in confirming direct progress reports from the City.

3.4.2 SECONDARY SOURCES OF DATA

The researcher used secondary data in the form of reports and strategic plans from City of Johannesburg and National Department of Public Works to strengthen the case. In addition, the researcher used literature and journal articles as a form of secondary data source. Nadler (1977: 119) mentions three main advantages of secondary data, that it is non-reactive therefore has no response biasness, has high face validity and is easily quantified. There is, however, the expectation that the evaluator will critically examine and analyse data produced by others (Clarke, 1999: 67). The information was sourced from COJ documents and reports, including:

- Approved Joburg Water 2008/2009 capital projects
- Integrated Development Plans 2005/06-11
- Integrated Development Plan Revision 2008/09
- Strategic Development Framework 2008/09
- Joburg 2030
- Medium Term Budget 2008/09 – 2010/11
- Joburg Water Organogram
- National EPWP Quarterly Reports from National Department of Public Works.

The researcher found valuable information in these documents that was used in

the introduction and background section of this Research Report, and presented in Chapter 4 on the Findings and in Chapter 5 on the Interpretation and Analysis.

The researcher further engaged literature to argue and assess what is known against what is not known. A review of theoretical data and journal articles on topics relevant to this research was undertaken, as explained in Section 2 of this report.

3.5 DATA ANALYSIS

Data analysis, according to Merriam (2001: 178), defines the process of making sense out of data, a process of making meaning. This definition of data analysis is affirmed in Babbie (1998: 305) as “a search for patterns of similarities and differences followed by an interpretation of those patterns drawing conclusions that reflect on the interests, ideas and theories that initiated the inquiry”. The researcher gathered data from interviews, documents, literature, articles and books. The data from these sources was analysed, taking into account the three major research questions, the fundamental problem and the purpose that this research is addressing, as the major guide in drawing similarities in the data.

In analysing the data, the researcher followed the logic and framework adopted from Creswell (in Leedy & Ormrod, 2005: 136) as presented in Chapters 4 and 5 of this Research Report.

Organisation of details of the case: The researcher arranged the facts about the case in logical order. This step entailed the researcher reading through the written notes from the semi-structured interviews and primary documents from the City of Johannesburg and making logical sense out of the information by developing headings that later formed part of the main themes that emerged. The researcher examined and classified the data into key headings, such as

planning issues, budgeting and financial support. New sub-headings were identified as they emerged from the data i.e. co-ordination, proposed approach and monitoring of EPWP. This logical order involved “knowing more or less what kind of things can be found where as well as what sorts of interpretations are likely to be/not be supported by data” (Terre Blanche and Kelly, 1999: 141).

Categorisation of data: The researcher looked for patterns of similarities in the data by grouping the data into headings and sub-headings that emerged from the data, as presented in Chapter 5. The categorisation phase is sometimes referred to as coding. In categorising the data, the researcher was guided by the purpose of the research and the questions used in the interviews. John and Lofland (in Babbie 1998: 298) suggest six different ways of looking for patterns in the topic of the research: frequencies, magnitudes, structures, processes, causes and consequences. In this research, the frequencies and magnitude of the theme brought meaning into the research.

Interpretation of single instances: The researcher brought data from interviews and primary reports together with literature and secondary documents, and looked for meaning that is related to the case.

Identification of patterns: At this stage of the analysis the researcher considered how each unit of pattern relates back to the subject as a whole, arguing points and bringing the researcher’s opinion into the analysis. The research report consists of mostly a narrative discussion and in some instances the researcher used figures and quotes from interviews to emphasize the points under discussion.

Synthesis and conclusion: The researcher interpreted the findings, added her views to the analysis and drew conclusions in Chapter 6.

3.6 VALIDITY AND RELIABILITY

Validity measures whether the analysis is true and correct in getting the views of COJ right. Rossi and Freeman (1993: 232) indicate that ‘a measure is valid to the extent that it measures what it is intended to measure and there must be consistency with usage, consistency with alternative measures, internal consistency and consequential predictability’.

In this study, to ensure validity, the researcher made use of multiple strategies. An initial content validity was done whereby the researcher gave the interview guide to two colleagues who measured the content of the questions and whether they cover what they intend to answer. The use of triangulation of multiple sources of data, including interviews, documents, reports as well as literature and articles, improved the validity of the research. As Clarke (1999: 88) states “one of the main advantages to be gained from using triangulation as part of a multi-method research design is that it allows the researcher to have greater confidence in the research findings than is the case when a single method is used; it effectively reduces measurement error and helps overcome problems of bias”.

The selected sample for the interviews was also varied and allowed for diversity of opinion. During the interviews, the researcher observed the informants as they responded, as Durrheim (1999: 46) assert, “qualitative research validity is defined by the degree to which the researcher can produce observations that are believable for her, the subjects being studied and the eventual readers of the study”. Throughout the research report, the researcher made use of schematic figures to illustrate issues and text boxes to bring forth direct representations of informant’s views. Towards finalising the Research Report, the researcher further obtained the opinion of a peer who checked that interpretations of the

data and conclusions drawn are valid.

Reliability, on the other hand, refers to the idea that the events and settings studied are not modified by the researcher's voice or actions and give an accurate and credible reflection of the truth. According to Rossi and Freeman (1993: 230), "a measure is reliable to the extent that in a given situation, it produces the same results repeatedly".

3.7 LIMITATIONS OF THE STUDY

This section highlights the limitations that the researcher faced.

3.7.1 LIMITED FOCUS

The research is limited to studying the implementation of the Expanded Public Works Programme (EPWP) in the City of Johannesburg and only refers to implementation by other national, provincial and municipal bodies when a specific example is given. The study therefore cannot necessarily generalise the findings to all public bodies implementing EPWP.

The study does not look at the implementation of other policy programmes in the COJ but focuses only on the EPWP. The study conducts a deep inquiry pertaining to the implementation of only the infrastructure sector of the EPWP and does not examine the other three sectors, i.e. the social sector, environment and culture sector, and the economic sector. The study further limits the infrastructure sector to those conducive to labour-intensive construction and therefore focuses on Joburg Water that provides water-related infrastructure.

Furthermore, the study is limited in its focus on the three pillars which are budgeting, programme planning and political will. Other factors that may have

influence on the implementation of the EPWP programme, such as institutional arrangements, management practices, technical capacity in designing labour-intensive infrastructure and other co-ordination factors between national, provincial departments and the metro, were not the focus for detailed study in this research.

There was a limitation in the number of interviews conducted. Initially the researcher had proposed to interview 12 informants, but because of their unavailability, the researcher was able to successfully conduct six interviews. The researcher did, however, make use of internal primary documents to obtain further direct internal information and strengthen the case study.

3.7.2 BIAS

Biasness is a limitation that can happen in any research study. According to Leedy and Ormrod (2005: 208), “in research, bias is any influence, condition or set of conditions that singly or together distort the data”.

The researcher acknowledges the possibility of biasness that may have influenced the findings of the study. Firstly, the researcher was working in the National Department of Public Works co-ordinating and managing the implementation of the EPWP in Gauteng Province which opens up the possibility of the researcher being too passionate about the subject. Furthermore, the researcher may have inadvertently influenced the responses of interviewees. As Leedy and Ormrod (2005: 209) indicate, “the researcher’s tone of voice or inflection or emphasis within the sentence may influence how the respondent replies”. However, during the interviews, the researcher was mindful of biasness, and tried not to influence responses in any form or manner and detached herself from the knowledge that she was working at the National Department of Public Works.

Secondly, as National Department of Public Works is the overall national co-ordinating body of the EPWP, respondents could have felt intimidated by the researcher and became hesitant in responding freely in fear that the report would be read by their superiors. This the researcher avoided by giving the informants the option of remaining anonymous and by not using a tape recorder during interviews. The researcher further confirmed that the interviews were purely for academic research purposes and provided the letter from the University as confirmation. To deal with anonymity, the researcher has opted to name the respondents as Manager "A", "B" and "C", Engineer "X", "Y" and Councillor "Z".

Thirdly, because the sample is non-random and purposeful, there was a subjective decision in the selection of the interviewees. The researcher did maintain professionalism throughout the interview process, applied integrity in letting the data speak for itself, and did not force the data to support anything per se.

3.7.3 LACK OF IMPACT SURVEYS

The researcher acknowledges the lack of quantitative surveys that looked at the impact of the EPWP in the COJ in reducing unemployment and improving the quality of life of communities. These surveys could have shed some light on the effectiveness of the EPWP in COJ in alleviating unemployment which might, to some extent, influence decision-making in COJ in scaling up the implementation of the programme.

CHAPTER FOUR

PRESENTATION OF FINDINGS

4.1 INTRODUCTION

This research examines the scope for the expansion of the EPWP in the City of Johannesburg (COJ) with a specific detailed study on Johannesburg Water, one of the municipal entities owned by the City. This Chapter gives a brief background on COJ and Joburg Water and presents the findings of the research. To allow for the flow of data from the interviews and from documents, the researcher opted to present the findings from both the interviews and documents under each sub-heading throughout this section.

4.2 BACKGROUND ON THE CITY OF JOHANNESBURG AND JOHANNESBURG WATER

Johannesburg is the biggest metropolitan municipality in Gauteng Province and an important contributor to the Gross Domestic Product of South Africa. Johannesburg has a population of 3.8 million people, which grows at 3.16 per cent per annum (COJ, 2008b: 24). It is believed that continued high population growth rates in Johannesburg are driven primarily by rural to urban, as well as cross-border, migration. The City has, however, failed to grow their Gross Geographic Product at the pace at which the population has been growing. This poses a challenge to the City of Johannesburg if the majority of the migrants are not absorbed economically and become marginalised socially, economically and spatially.

The socio-economic conditions facing Johannesburg include high levels of unemployment, increasing in-migration, spatial concentrations of low-income

households, skills mismatch and peripheral residential developments located far from business hub and employment opportunities. Of the seven City Regions (presented in Chapter One of this Report), Region G which comprises Ennerdale, Eldorado Park and Orange Farm is the poorest region in the city as many residents have no regular source of income (COJ, 2008c: 64). The infrastructure challenges include insufficient capacities maintenance and refurbishment, expansion outstripping supply and infrastructure policies/instruments, e.g. bulk contributions have not kept track with development trends (COJ, 2008a: 40).

The Constitution of the Republic of South Africa (Act 108 of 1996) sets out the objectives of local government:

1. to provide democratic and accountable government for local communities;
2. to ensure the provision of services to communities in a sustainable manner;
3. to promote social and economic development;
4. to promote a safe and healthy environment; and
5. to encourage the involvement of communities and community organisations in the matters of local government (Constitution, 1996: 84).

Emanating from the objectives of local government and the provisions of the Municipal Systems Act (Act 32 of 2000), municipalities must draw up an Integrated Development Plan (IDP), a vision for long-term development, which includes an assessment of the existing level of development; development priorities and strategies and internal transformation needs; Spatial Development Framework; operational strategies; disaster management plan; and key performance indicators and performance targets (COJ, 2008b). The IDP guides development and service delivery in the municipality.

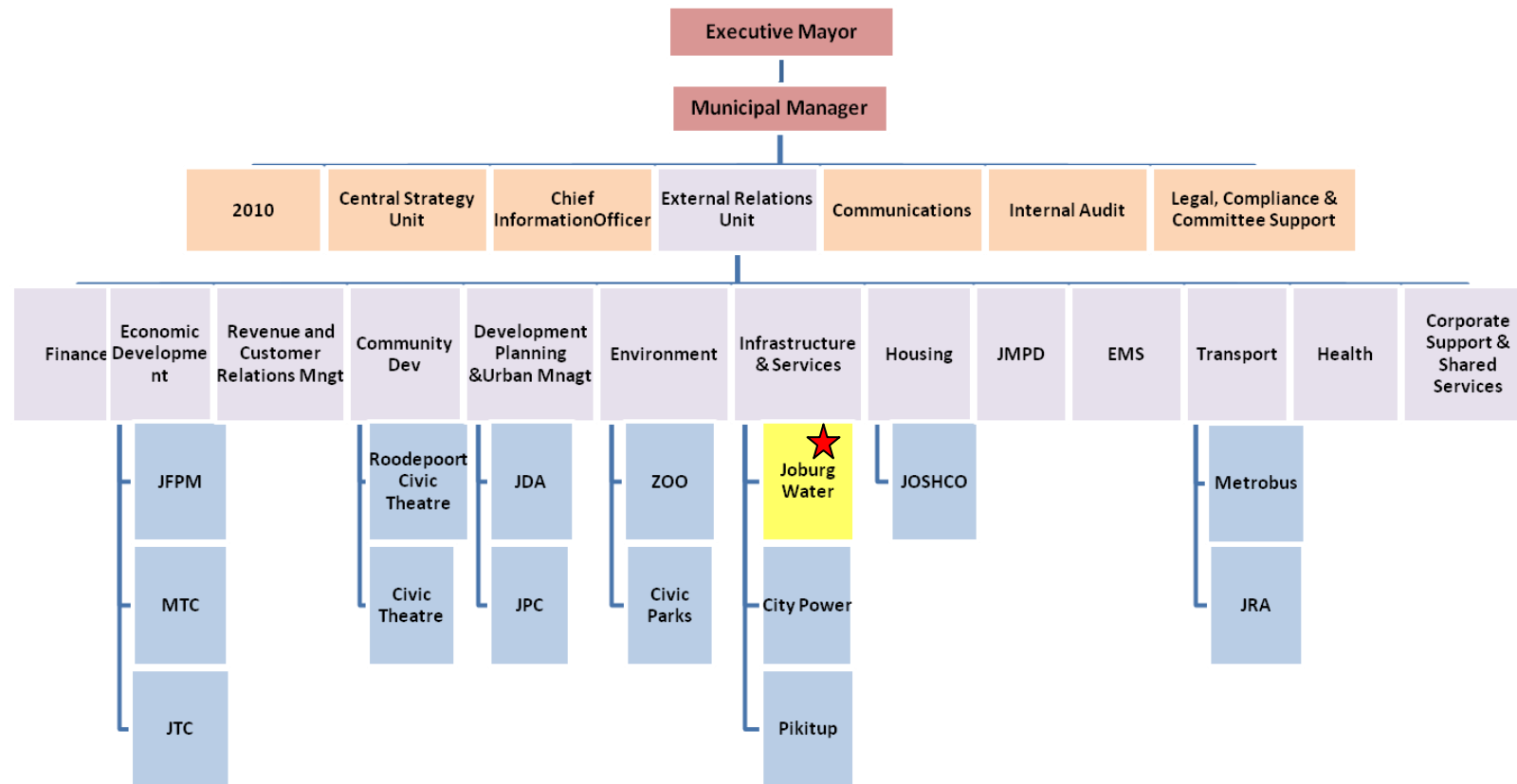
For the City of Johannesburg, the long-term strategy influencing the IDP is the Joburg 2030 plan, the cornerstone of the COJ's strategy to achieve a better quality of life for all, measured in terms of a rise in income per capita and improvements in the Human Development Index (COJ, 2002). The national priorities and Provincial Growth and Development Strategy guide the strategic context for the City. There are similar set of priorities emerging between the national, provincial and COJ strategies that emphasise developmental issues such as the need to reduce poverty and increase service delivery, and the building of the economy through increased growth and job creation.

There were fifteen IDP programmes identified in the 2006/11 Five-Year IDP, and each year a review is done on key interventions. From the IDP, the key strategic thrusts and the mayoral priorities are identified. These are further taken to the level of identifying key performance indicators for management, and the actual programmes and projects for implementation are then finalised.

Johannesburg has a number of municipal-owned entities that run as separate companies, but wholly owned by the City as depicted in Figure 6 below. The entities were set up after the iGoli 2002 recommendations to focus delivering services along business principles, ensuring customer satisfaction and cost recovery modelled along the New Public Management approach. The City is the sole shareholder of Joburg Water utility, and acts as the "client" to Johannesburg Water, setting requirements and monitoring performance and customer care.

Figure 6 illustrates the structure of the COJ, with the service delivery municipal entities highlighted at the bottom, each reporting to a department in the city. The focus of this research is on Joburg Water (marked with the star in Figure 6). Joburg Water is the City's water and sanitation utility providing services to over three million people.

Figure 6: City of Johannesburg Structure



Source: Retrieved (2008) from www.joburg_archive.co.za/2007/pdfs/admin_structure.pdf

The mission for Joburg Water (COJ, 2008e) is to:

1. To provide all people of Johannesburg with access to safe and affordable water and sanitation services.
2. To be environmentally compliant and committed to high water and waste water quality standards.
3. To be customer-focused, responsive and efficient in all its operations.
4. To meet its social obligations to the poor and marginalised communities of Johannesburg and to improve service delivery to these areas.
5. To demonstrate responsibility for the introduction of a lifeline tariff for the poor.
6. To be an employer of choice, in which individuals are able to develop their potential and grow in their careers.

For the Expanded Public Works Programme, point 1 on providing access to safe water and sanitation and point 4 on meeting social obligations to the poor communities, is significant to this research as it speaks to the objectives of the EPWP.

According to Manager A,¹ Johannesburg Water is headed by a Managing Director (MD), who reports to the Municipal Manager under management of the Executive Director Infrastructure and Services at the City. Reporting to the MD is the Chief Operating Officer (COO). There are four divisions under the COO, the Strategic Planning, Development and Implementation; Capital Budget; New Service Development; and Quality Control. Capital Budget is headed by Divisional Heads: Investment Delivery; Strategic Planning; Development Control; and GIS. Under the Investment Delivery, there are three unit managers: two

¹ Interview with Manager A from the New Service Delivery Unit, 18 November 2008. All further references to this informant are as 'Manager A' in this report.

Investment Delivery Managers responsible for Project Engineers that service two regions each and the Investment Delivery Manager for Bulk Water Treatment Plants (Manager A, 2008).

Joburg Water's flagship programmes are:

1. Operation Gcinamanzi Programme that installs pre-payment water meters in Soweto with the aim of substantially reducing water loss both on private properties and within the municipality networks, to repair private plumbing fixtures, and promote the installation of free-payment water meters on each property.
2. Water Festival that promotes awareness about water use and conservation.
3. Project Thonifho where all informal settlements across Johannesburg are to get basic water and sanitation services within the next four years as part of Johannesburg Water's goal of eradicating all water backlogs by 2008 and all sanitation backlogs by 2010. The project includes the delivery of 20 000 ventilation improved pit (VIP) toilets.
4. The Mati Irihanyu Project, within Ivory Park People's Project, is an innovative water conservation initiative whose aims include installing conventional water meters, educating people about water conservation and water costs, improving services and financial administration such as updating the residents' database, and motivating people to pay for services.
5. 6 000 Free, which provides all households in its jurisdiction with 6 000 litres of free water a month. This programme is part of the overall poverty alleviation campaign aimed at providing relief to the poorest of the poor.
6. Operation Caring for the Environment - an extensive sewer-monitoring programme, pollution-monitoring programme for the entire river system

within Joburg's boundaries (COJ, 2008e).

Joburg Water's capital budget has increased each year from R450 million in 2004/05 financial year to R 872 million in 2008/09 financial year, which is 32.7 per cent of City's capital budget for municipalities (COJ, 2008d: 45-47). A portion of R121 million is from the Municipal Infrastructure Grant.

The following section presents findings of the research.

4.3 PERFORMANCE OF THE EXPANDED PUBLIC WORKS PROGRAMME (EPWP)

4.3.1 ESTABLISHMENT OF EPWP IN 2004

Former President Thabo Mbeki called upon all government bodies to embark on the mission of creating employment opportunities through the Expanded Public Works Programme:

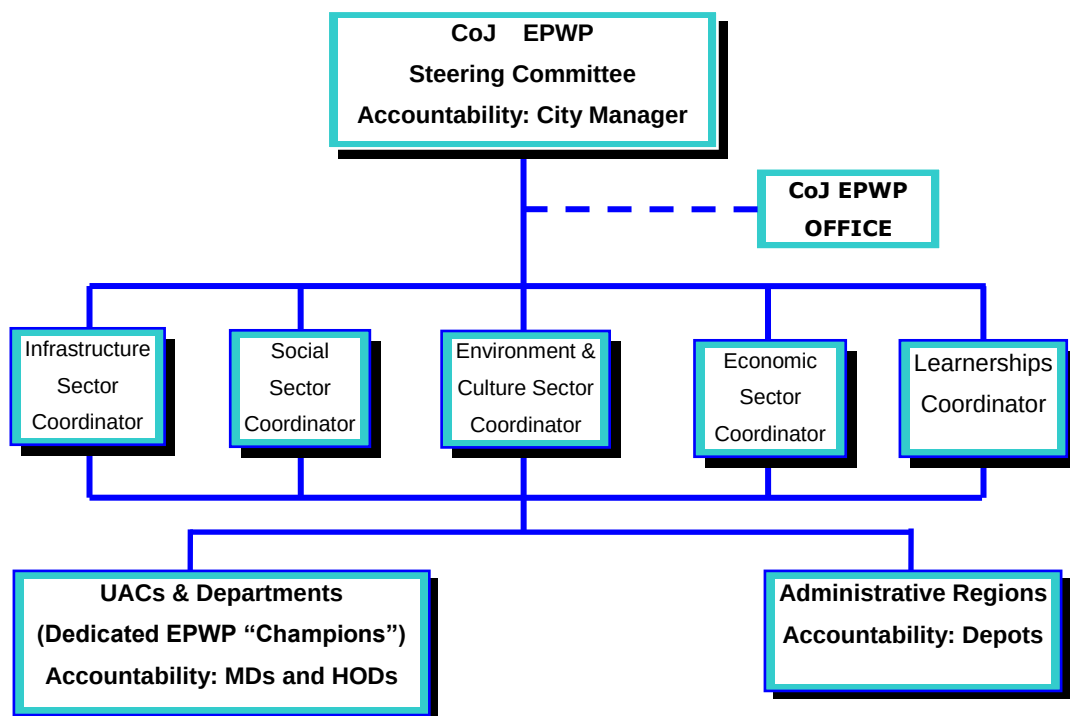
..... the government must act to ensure that we reduce the number of people dependant on social welfare, increasing the numbers that rely for their livelihood on normal participation in the economy. To address this investment in social infrastructure, the government has decided that we should launch an expanded public works programme. This will ensure that we draw significant numbers of the unemployed into productive work, and that these workers gain skills while they work, and thus take an important step to get out of the pool of those who are marginalised (Mbeki, 2003).

Under the mandate of Cabinet in 2003, the National Department of Public Works (NDPW) embarked on a national campaign to inform public bodies of the Expanded Public Works Programme (EPWP) and assist them to kick-start labour-

intensive programmes in their departments and municipalities. Part of the strategy was to assist municipalities to establish EPWP offices that would co-ordinate EPWP in the entire municipality, liaise and provide progress reports to NDPW on behalf of the whole municipality.

In the City of Johannesburg (COJ), an EPWP Co-ordination office was established in 2004 within the Project Management Unit of Development Planning and Urban Management tasked by the City to drive the EPWP and to report on the total number of job opportunities created citywide (COJ, 2007: 1). The Co-ordination Office developed an EPWP Policy Unit in October 2004 and advised the City's agencies to identify EPWP Champions within each Municipal Entity that will facilitate implementation and provide Municipal Entity reports to the EPWP Co-ordination Unit (COJ, 2004: 11). Figure 7 below depicts the co-ordination of the EPWP in the City and the formation of the Steering Committee accountable to the Municipal Manager.

Figure 7: EPWP Steering Committee proposed in 2004



Source: COJ, 2007: The Status of the Expanded Public Works Programme City Wide

Figure 7 indicates that an EPWP Steering Committee was established consisting of all champions from the Municipal Entities and Departments, initially envisaged to be chaired by the Municipal Manager, but which was eventually chaired by an Executive Director. Sector Committees were established that particularly address sectoral issues such as Infrastructure Sector, Environment Sector, Social and the Economic Sector. The success of the EPWP within the City of Johannesburg depends on the effective collaboration, participation and dissemination of information between all affected parties (COJ, 2007: 2).

According to Manager B², the EPWP Steering Committee has been progressing well since 2004, gaining strength even with the changes made through the years, such as changes in chairpersons and the departmental champions.

The EPWP Policy projected the initial EPWP targets of 100 000 infrastructure work opportunities and 80 contractor learnerships to be achieved in the period 2004 to 2009 (COJ, 2004: 22). The 2008/09 IDP indicates that the targets were revised to 120 000 jobs to be created in 2006/11 through the EPWP (COJ, 2008b: 99).

4.3.2 PERFORMANCE OF EPWP FROM 2004 TO 2008

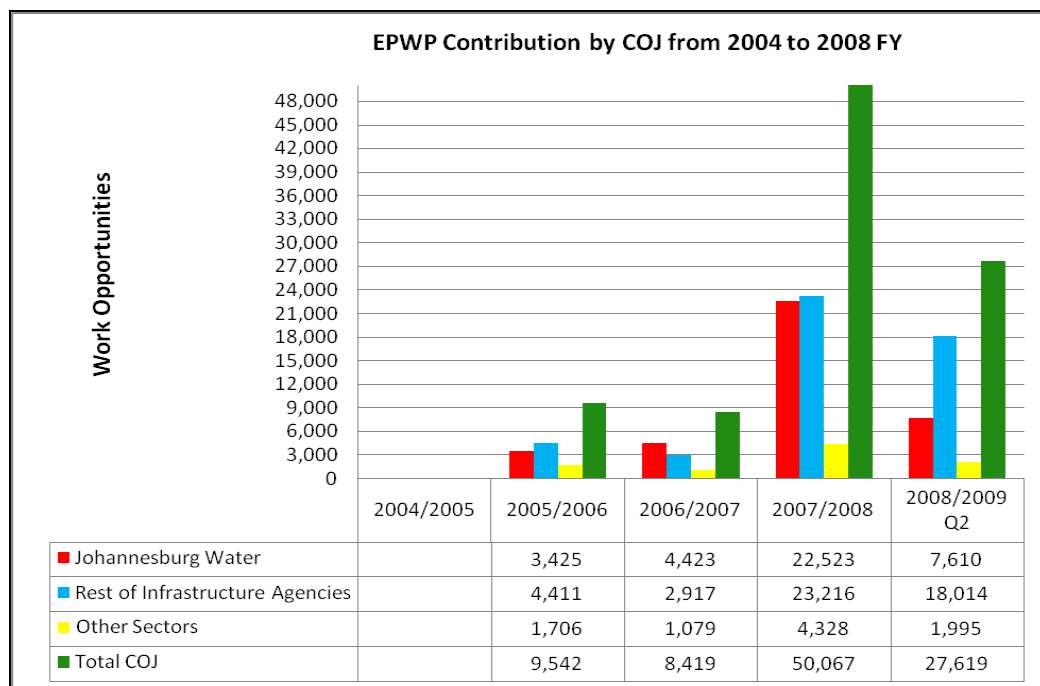
The contribution of Joburg Water and the COJ overall to the EPWP started at a slow pace from 2004/05 financial year as depicted in Figure 8.

Figure 8 below shows that there were no reports from Joburg Water on their EPWP contribution. It was only in 2005 /06 that Joburg Water reported on 3 425 work opportunities achieved through the EPWP. The 2007/08 financial year saw

² Interview with Manager B from the EPWP Co-ordinating Office at the Metro, 27 September 2008. All further references to this informant are as 'Manager B'.

a dramatic increase in work opportunities to 22 523 opportunities from Joburg Water, of which R108 million was paid in wages by Joburg Water alone. In the second quarter of 2008/09 financial year, COJ as a whole reported 27 619 work opportunities (COJ, 2008f).

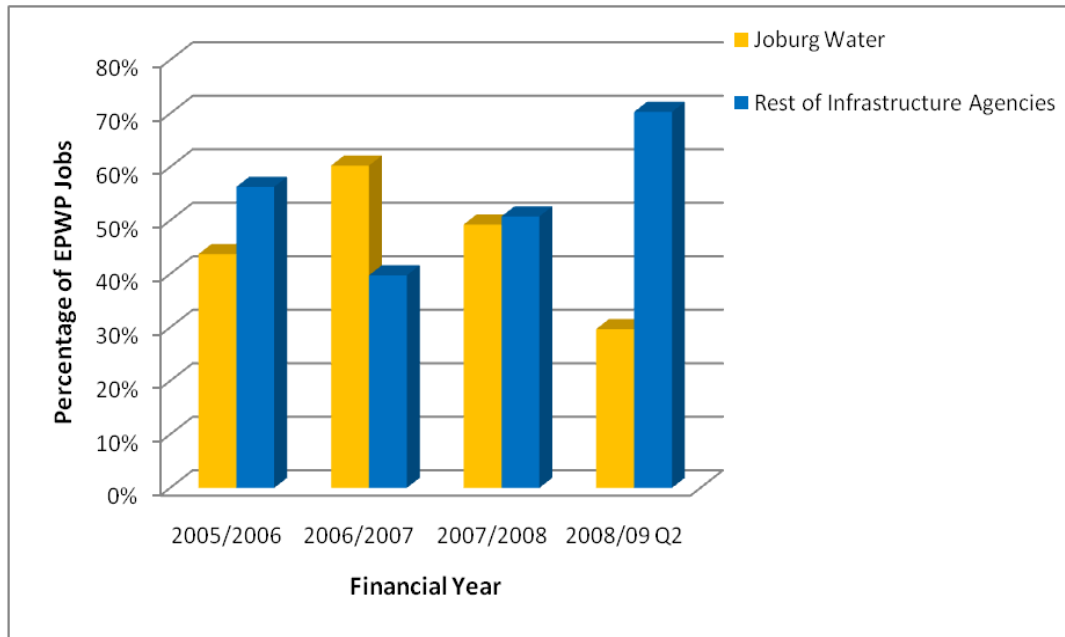
Figure 8: EPWP COJ Work Opportunities from 2004 to 2008



Source: Researcher's own (2008)-Adapted using COJ EPWP Quarterly Reports from 2004 to 2008/2009 Q2.

Figure 8 further shows that the infrastructure sector is a major contributor in work opportunities in the COJ, and the contribution of jobs to the EPWP coming from Joburg Water is significant. Figure 9 below reports on the infrastructure jobs from all entities.

Figure 9: Percentage Contribution of Joburg Water Jobs

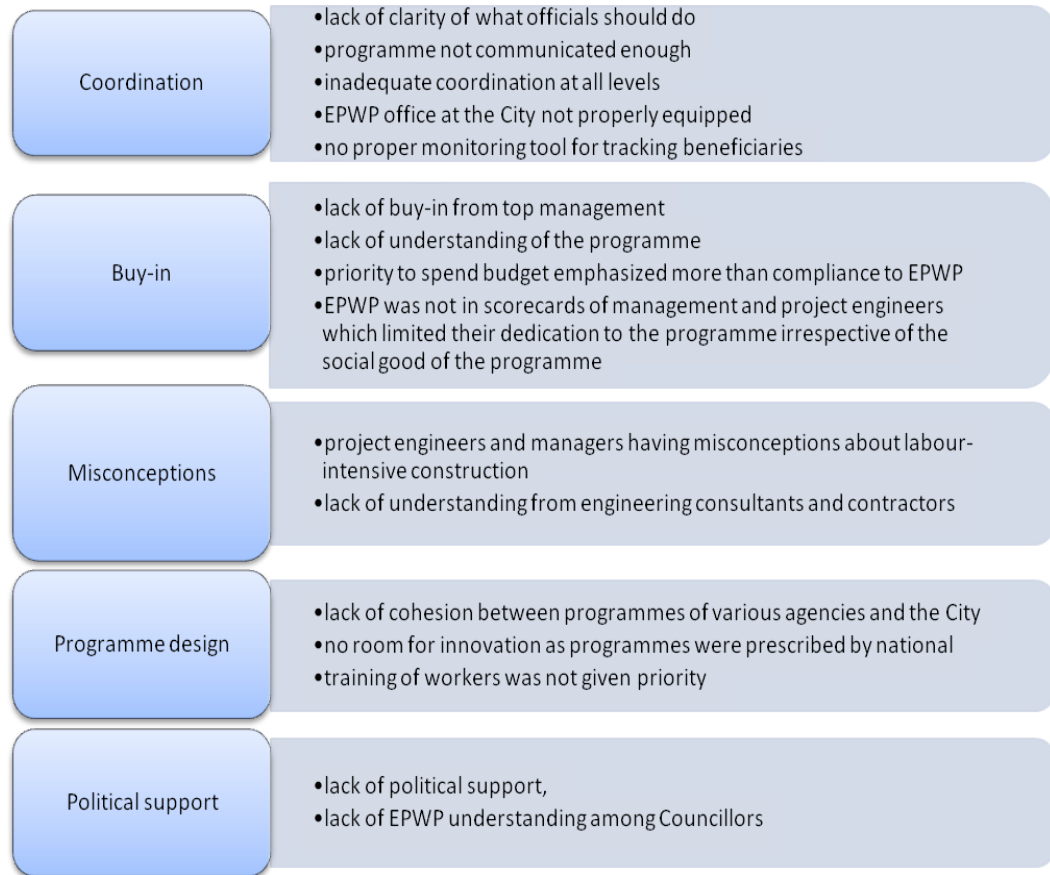


Source: Researcher's own, 2008-Adapted using COJ EPWP Quarterly Reports from 2004 to 2008/2009 Q2.

Figure 9 shows that in the 2005/06 financial year, 44 per cent of jobs were from Joburg Water, in 2006/07 60 per cent of infrastructure jobs came from Joburg Water and in the second quarter of 2008/09 which ended in September 2008, already 30 per cent of infrastructure jobs were from Joburg Water.

The review of the performance of the COJ in implementing the EPWP indicates that the COJ faced numerous challenges in the early years of EPWP implementation. Most of the informants interviewed identified the challenges that hampered EPWP policy implementation from 2004 to 2006 as a lack of co-ordination, lack of buy-in, misconceptions among officials, poor design of the EPWP and the lack of political support of the programme. Figure 10 provides a summary of the challenges raised.

Figure 10: Challenges Facing EPWP Implementation



The challenges summarised in Figure 10 are discussed in the rest of this chapter within the text as interview data and document findings are presented in detail.

4.4 PLANNING FOR EPWP

4.4.1 ALIGNMENT WITH NATIONAL GOALS

For the City of Johannesburg, the medium-term strategic planning is based on the 2005/2006-11 Five-Year IDP and the Growth and Development Strategy (GDS) of the City (COJ, 2008b). There is a common agreement among informants that the developmental goals of COJ are aligned with the Provincial GDS and National Priorities such as the goal of halving unemployment by 2014 and HIV/AIDS programmes. Developmental planning takes place from the bottom

up, consulting with communities in identifying areas of development. At the same time national government sets key strategic goals for the nation to which the COJ aligns itself and on a quarterly basis the Mayor reports on intervention progress to the Provincial Head.

In 2002, the COJ developed a Vision, the Joburg 2030 plan, which set out to make Joburg a world class city and forms the basis of planning for programmes. Planning flows from the IDP as programmes and projects are prioritised to foster development and achieve the goals of the City. There is a three-year budgeting process that links budgets to IDP priorities. The Central Strategy Unit within the Office of the Executive Mayor drives the overall planning process.

Manager C³ believes there is a lack of cohesion between programmes. For example, strategic development programmes aimed at making COJ a world class city are spread out and implemented in isolation, such as the Spatial Development framework, Soweto Development Zone and Inner City Development Zone, all of which have programmes that include road and water infrastructure, SMME development, transport planning and job creation (Manager C, 2008).

4.4.2 PRIORITY PROGRAMMES

There are serious gaps in the registration office of the Department of Planning and Urban Management as planning for programmes is not co-ordinated.

One Engineer X⁴ supports the notion that planning and the design for EPWP should happen at local level as Joburg Water knows the areas they have worked

³ Interview with Manager C from the EPWP Co-ordination Office, 17 October 2008. All further references to this informant will be as 'Manager C'.

⁴ Interview with an Engineer in the Investment Delivery Unit, 20 October 2008. All further references to this informant are as 'Engineer X'.

on before and the local people can identify their needs, hence planning should start from the bottom. Planning takes place between the COJ and Joburg Water so that both identify areas where money should be spent, and this process could be improved.

In Joburg Water, programmes are prioritised according to community needs and budgets are allocated and submitted to the City as part of the City Budget process (Manager A, 2008). Adjustments on priorities are made upon approval of programmes and budgets from the City. Joburg Water is aligned to the City's priorities of service delivery programmes, requiring good water systems and services to deliver to the communities.

When EPWP was rolled out, the National Department of Public Works (NDPW) stipulated the conditions and types of projects for each sector of the EPWP with "limited consultation from implementers", explained Manager C. This, according to Manager C, limited local municipalities from expanding their scope of EPWP projects. The COJ has many innovative labour-intensive projects that are only now being added to the EPWP as the City is on a mission to have EPWP activities as part of each project. Manager C believes that the City should improve its planning for the EPWP, look at regions and wards and all departments and Agencies and plan in a cohesive and holistic manner so that benefits to the people are of a longer-term nature.

It is believed (Manager A and Manager C) that improvements and investment will be seen in the nodal areas as construction activities in those nodal areas will create jobs for the local people. According to the Growth Management Strategy of the City, the functional areas with high priority are public transport and the marginalised areas, followed by the medium priority areas, which are the consolidation and expansion areas (COJ, 2008b: 57). Most of the work opportunities can be identified in the marginalised areas as construction

activities include socio-economic facilities and development programmes for areas such as Diepsloot, Orange Farm, Alexandra and Soweto.

Some programmes in Joburg Water are funded year after year because of their status as priority programmes, such as Operation Gcinamanzi and Project Thonifho (Manager A, 2008). The nature of these two programmes qualifies them as development priorities for the City because they “give back the dignity and respect to the people” by providing access to water and sanitation, both in Soweto and to informal settlements around the city and create job opportunities.

By way of explanation, the Operation Gcinamanzi Water Project aims to address the problem of aging water and sewerage infrastructure in Soweto that is resulting in water leaks and burst pipes. Started in 2006, the objectives are to deliver a sustainable, affordable and cost effective service, create job opportunities through the application of labour-intensive methods of construction, conduct leak detection of all existing mains that will not be upgraded, and replace secondary water mains where necessary. This includes Zone Meters, rehabilitating private plumbing fixtures including taps, flow control valves on hot water systems, cisterns, pans, gullies and the provision of water troughs if necessary. It also involves building capacity through the development and training of beneficiaries, and developing emerging contractors through training and sub-contracting of work to local small contractors. The main achievements include the servicing of over 110 000 stands, 60 km of bulk supply has been piped, 260 km of water mains reticulated, 3 500 toilets installed, water wastage has been reduced by as much as 70 per cent, 12 657 jobs have been created, 477 plumbers and emerging contractors have been trained and contracted and 11 super blocks (15 townships) have been covered. In implementing the project, R670 million has been spent. In addition, the project has provided exit opportunities to 248 SMME beneficiaries (South African Cities

Network, July, 2008, Report on EPWP).

4.4.3 PRIORITISATION OF EPWP

Various community development projects are EPWP and aligned to the goals of the City as well, such as social cohesion and job creation. Economic development and job creation are one of the Mayoral priorities (COJ, 2008d), so the challenge is to identify EPWP projects within Municipal Entity programmes. In response to questions posed by the MEC for Local Government on the 2007/08 Integrated Development Plan on the City engaging with the Department of Public Works and the Department of Labour in increasing EPWP interventions, the response by COJ was that “the City will improve collaboration with the Department of Public Transport Roads and Works and the Department of Labour to enhance the EPWP” (COJ, 2008b: 31). The statement can be interpreted to indicate an intention to enhance the EPWP in the City.

Manager B observed that although it took some time for the City to understand the context of the EPWP, the EPWP can be a good vehicle for the COJ to create jobs. When EPWP was introduced in 2004, it was an unknown programme to some officials, there was therefore insufficient buy-in from top management as they saw a risk of failure on a programme not yet tested. However, Councillor Z⁵ believes people think EPWP is just about buildings and structures, but in his opinion, the scope for EPWP jobs exists in all departments and Municipal Entities in the COJ (Councillor Z, 2008).

Because procurement procedures require the use of local suppliers and local employment, it strengthens the link between local economic development and the EPWP. The suggestion by Engineer X (2008) is that all projects can possibly

⁵ Interview with Councillor and Portfolio Chairperson of Community Development, 16 November 2008. All further references to this interview are to ‘Councillor Z.’

be designed as labour-intensive, and moreover project engineers can attend the NQF5/7 on labour-intensive training that would assist them in determining EPWP activities in their own projects, since most Joburg Water projects can be implemented as EPWP.

There is a view that some units within Joburg Water are not using EPWP Infrastructure Guidelines and of those that do use it, one finds that they are not reporting, to which Engineer X (2008) suggested the enforcement of utilisation of EPWP Guidelines and changes in tender documentation to comply with the EPWP. The view of Engineer X (2008) is that “it becomes easy to achieve objectives in a labour-intensive project, as long as beneficiaries are trained”. Joburg Water has in the 2008/09 financial year increased the priority given to the EPWP and set aside training budget for beneficiaries for every project.

In Operation Gcinamanzi projects, 35 per cent of budget goes to local economic development in the form of jobs and local contractors, confirmed Manager A (2008). Moving forward, Manager C believed that projects of the City are to create special preference for people through labour-intensive methods and each Municipal Entity of the City would need to identify special projects that would be planned in an integrated approach.

Engineer X believes there is a need for educating project engineers on the main reason for implementing EPWP, as some have the sentiment that projects with more people tend to have more human problems and see these projects as contributing to delays in spending allocated budget which is the main performance measure. Engineer Y⁶ confirmed this sentiment, that some officials are against EPWP and prefer big conventional contractors to black emerging contractors. Engineer Y further stated that EPWP types of programmes are

⁶ Interview with an Engineer from the Johannesburg Roads Agency, 30 September 2008. All further references to this informant are as ‘Engineer Y’.

implemented in Asia, for example, Cambodia, etc., and serious jobs could be created, it just needs a correct approach and proper planning.

The balanced scorecards of managers and project engineers at Joburg Water previously did not indicate targets for EPWP jobs, hence until 2007 there was no EPWP performance indicator in the balanced score cards of management and project engineers. Officials work according to what is expected of them as reflected in their balanced scorecards, and anything else would not be prioritised even if it is for the common good of the people, voiced Manager C (2008). Putting EPWP indicators in the balanced scorecards means that all projects funded through Capital Budget must be EPWP-compliant and people take accountability for its implementation. The Executive Committee and the Board of Joburg Water has recently bought into the EPWP which has given the EPWP greater weight.

4.5 BUDGETING FOR PRIORITY PROGRAMMES

4.5.1 BUDGETING PROCESS

In Joburg Water, management allocates budgets for priority programmes towards meeting the strategic objectives of the entity. The Municipal Financial Management Act guides the adoption of medium term budgets by requiring municipalities to fund long and medium-term goals and priorities. The Growth and Development Strategy (long-term vision and strategic interventions) and the Integrated Development Plans (five-year medium-term plans detailing goals and priorities) provide direction for the allocation of budget. Informants have an understanding that the City allocates more of its resources to programmes that will promote growth for the City. The City's paradigm is premised on the understanding that economic development is a necessary condition for improving the lives of the people (COJ, 2008d: 14). More people engage in

economic activities and jobs are created as the economy of the COJ grows.

The needs and priorities emanating from the communities inform the direction of the capital budget for Joburg Water. Joburg Water submits the budget from the entity to the City, which is then consolidated with the budgets from all other entities and departments. Once the City approves the overall City budget, it sends the budget back to the entities for reprioritising based on the final allocation given by the City. Joburg Water bases their budgeting solely on the needs from communities as the points system is not used in prioritising projects (Manager A, 2008).

For other investment delivery projects, Joburg Water utilises the City's Investment Management System for the prioritisation of capital projects. The Capital Budget for Joburg Water for 2008/09 is R871, 8 million which amounts to 32.7 per cent of the capital budget for municipal entities.

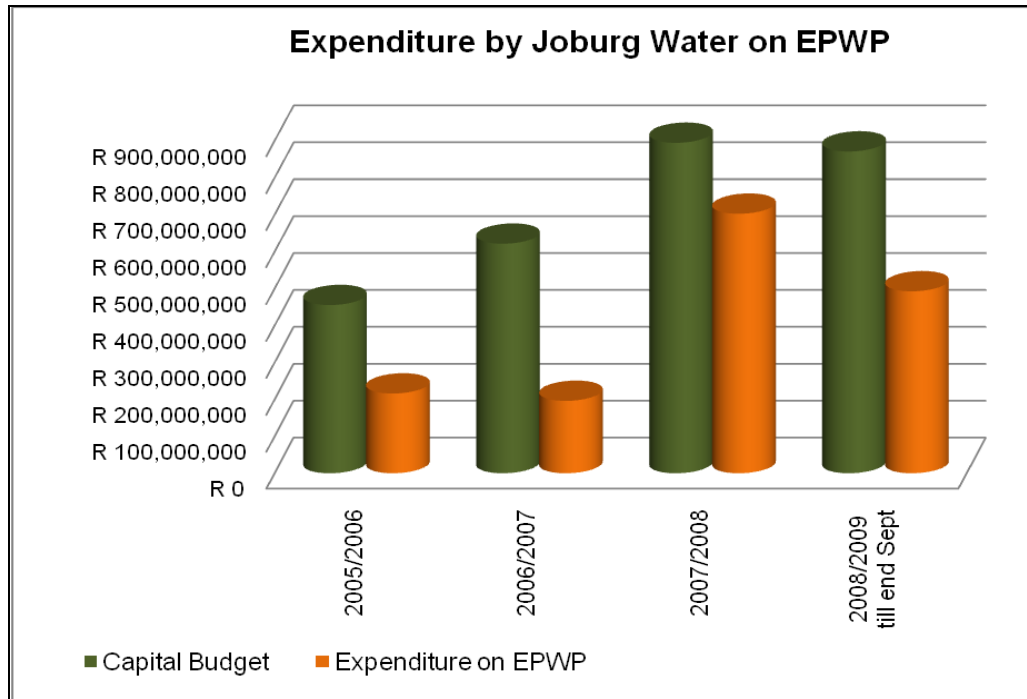
As the key strategic programmes of Joburg Water, Operation Gcinamanzi and Project Thonifho secure budgets year on year (Manager A, 2008). The budget for Operation Gcinamanzi for 2008/09 for the Soweto region is R200 million (COJ, 2008b: 33). The rationale is that Joburg Water justifies the spending on the historically disadvantaged areas in order to uplift the people's lives. Given the high budget allocation for Joburg Water, the implication for the scope for EPWP implementation is high.

4.5.2 EPWP BUDGET

The Division of Revenue Act (DORA) makes provision for assisting municipal governments by transferring funds for construction, maintenance or rehabilitation of municipal infrastructure and for developing and improving municipal systems (COJ, 2004: 9). The Municipal Infrastructure Grant (MIG),

which is a consolidated grant mechanism for municipalities allocates funds annually to municipalities from the National Treasury. One of the conditions of the MIG is that certain types of infrastructure activities should be targeted for the Expanded Public Works Programme (EPWP). Hence, there is no specific separate budget for the EPWP in the City but the EPWP projects are budgeted through normal budget process for priority programmes and it then prioritises those projects for implementation using EPWP guidelines. Though Joburg Water prioritises some EPWP programmes such as Project Thonifho, they get the priority status not because they are EPWP, but because of the need from the communities and the fact that they address water and sanitation services in deprived areas (Manager A, 2008). The deciding factor for budget allocation is the access to services for all communities. The EPWP is a mechanism for constructing the infrastructure. Figure 11 shows expenditure on EPWP by Joburg Water from 2005 to September 2008.

Figure 11: Reported expenditure on EPWP by Joburg Water from 2005 to 2008 September



Source: Researcher's Own-Adapted using COJ Budgets extracted from the Mid-Term Budget2008) and Expenditure Reports on EPWP Quarterly Reports (2005- 2008 Quarter 2).

Figure 11 indicates that in the 2005/06 financial year, of the R456 million capital budget for Joburg Water, projects to the value of R216 million were reported to the National Department of Public Works as EPWP expenditure. That equates to 47 per cent of budget. Expenditure on EPWP reduced to 32 per cent of budget in the 2006/07 financial year. In the 2007/08 financial year there was a significant increase in expenditure of EPWP totalling R703 million of the R895 million budget. A number of factors could be attributed to the significant increase.

There is agreement among interviewees that all departments and entities should have EPWP projects. Manager B (2008) believes that the EPWP Co-ordination Unit should provide extra support to the entities with bigger capital budgets so that the impact of job creation is greater.

4.6 CO-ORDINATION OF EPWP ACTIVITIES

4.6.1 AWARENESS AND UNDERSTANDING

There is a limited understanding of the EPWP among Councillors, resulting in some Councillors not fully playing their expected role at the early stages of project planning and implementation (Councillor Z, 2008). Councillors and some officials, according to Councillor Z, think EPWP is about numbers and structures, and do not understand that there should be training of beneficiaries in all EPWP projects. There is a view that Councillors who joined in the 2006 term have not had a proper briefing of EPWP (Manager B and Councillor Z). To improve the level of understanding among councillors, the EPWP Co-ordination Office at the City should conduct training workshops for Councillors, suggested Councillor Z (2008).

The EPWP co-ordination office (Manager B and Manager C) confirm that it has held a number of workshops with departments and entities to increase the level of awareness on EPWP and obtain buy-in for implementation. Manager B (2008) was of the view that it is the role of the EPWP Co-ordination Office to pre-empt support to Entities in advance.

The level of understanding of the EPWP among officials differs among entities. The view of Engineer X (2008) is that there is some degree of understanding among project managers in Joburg Water. Project Managers need to work with consultants who design the projects in ensuring that labour-intensive designs comply with the required standards of design (Engineer X, 2008).

4.6.2 Co-ORDINATION

One of the major problems in implementing the EPWP in the COJ is the lack of

co-ordination and communication between the City and Municipal Entities. The general opinion of the EPWP Co-ordination Office (Manager B, 2008) is that prior to 2006, the EPWP did not receive enough support as was the expectation of senior management. The lack of participation by the key role-players who are responsible for disseminating EPWP information has also perpetuated the lack of understanding of the whole EPWP programme by officials in Departments and the Municipal Entities (COJ, 2007: 2).

There is a notion (Councillor Z, 2008) that the overall EPWP Co-ordination in the City should be located under the Community Development Branch instead of the Department of Economic Development. The argument provided is that the Community Development Branch deals with human development, women's and youth development, social projects such as Early Childhood Development, disability grants and community projects such as sports and recreation facilities, which all falls within the ambit of the EPWP.

From 2004 to 2006, EPWP Co-ordination was located within the Department of Planning and Urban Management, then it was moved to Infrastructure Services and it was in early 2007 that it was formally placed within Economic Development (Manager B). According to a report from the EPWP Co-ordination Office to the City Manager, a number of problems emerged over the years with respect to the Unit's ability to provide an adequate support function (COJ, 2007: 3). The main obstacles relate to:

- Lack of direct access to strategic structures within the City
- Lack of authority to enforce implementation of EPWP policy on executors of Capital Projects
- Lack of oversight and scrutiny of EPWP implementation
- Overall responsibility and accountability for implementation seems unclear

- Lack of sufficient operating budget, particularly for the running of the Learnership (Emerging Contractor Development) programme.

In view of these obstacles, the recommendation from the report was for the EPWP Office to be empowered to perform its functions by giving it the required authority, which potentially required relocating the unit to a strategic position within the city structure. The Co-ordination Office fulfils the role of a support function to the EPWP steering committee and other role-players through the provision of technical support, implementation strategies, monitoring and evaluation of the EPWP process within the City and the various entities (COJ, 2007: 3).

The opinion of Councillor Z (2008) is that the EPWP Co-ordination Office should be working with all departments and councillors in ensuring that people receive training and ensure that there is post-project monitoring for exiting beneficiaries. The EPWP Co-ordination Office is either not properly empowered, does not have enough resources or is not clear about its scope of work (Councillor Z, 2008).

The EPWP Co-ordination Office in the City, according to Manager C (2008), should rather prioritise entities that would be implementing bigger projects that would have bigger impact on EPWP and prioritise those implementing entities in the planning and training of EPWP beneficiaries.

The EPWP Champion at Joburg Water is tasked with receiving EPWP reports from all units, consolidates these into one and submits it to the EPWP Co-ordinating Office at the City. The EPWP Champion is a project engineer in Investment Delivery Unit servicing one region. There is a limited role as the Champion is not informed when projects are initiated in other regions, in that information lies with Investment Managers. It is said that in most entities and COJ departments it is apparent that the Champions need support from within their

organisations/departments in order for them to organise EPWP programmes and participate fully in city-wide EPWP programmes (COJ, 2007: 3).

Engineer X (2008) is of the view that the structural location and reporting lines of the EPWP Champion at Joburg Water is not appropriate. The Champion should be dedicated to co-ordinating EPWP activities, reporting to Chief Operations Officer or at the Managing Director's office and have access to all departments within Joburg Water and facilitate implementation of EPWP appropriately (Engineer X, 2008). If the Champion is located at the Managing Director's office, he/she could easily inform the Planning Department to identify learnership projects so that by the time it goes to the Investment Delivery Unit, projects have already been planned as EPWP.

From an Interview with Engineer X, October 20, 2008

"People think a Champion just does reporting, but don't think of training, design and people to be employed. We could do skills audit, know which people to target, opportunities to be created and look at exiting of workers and sit down with engineers to make sure projects are designed the EPWP way" (Engineer X, 2008).

However, Manager A did not believe the Champion is inappropriately placed:

... the Champion can be strengthened by ensuring that all units within Joburg Water submit quality reports on time. This can be further made easier if contracts could stipulate EPWP information to be submitted by contractors with every payment certificate (Manager A, 2008).

On the monitoring of projects, Manager A (2008) was of the view that projects should be monitored and audited on regular basis by someone from National Department of Public Works (NDPW) to check if projects are implemented correctly at Joburg Water.

From an Interview with Councillor Z, November 16, 2008

“We cannot say we are fighting poverty without a monitoring system. We have too many projects and we should have a system to monitor people who have worked in our projects before and tracking where they are now. The whole of government do not have a tracking system of the people who have been trained and given jobs” (Councillor Z, 2008).

4.7 COMMITMENT AND BUY-IN

In the past there has been no political support from top leadership: “Haven’t seen support, people just want to achieve their targets”, noted Manager C (2008). There should be a drive from the Executive Mayor’s Office as part of job creation priorities. The sentiment was raised that “if the Executive Mayor talks of job creation and reducing poverty, the Mayoral Committee, S79 Councillors will dance to the same tune as the Mayor and implementation gets done” (Manager A, 2008).

One Councillor indicated that he does not know the extent that EPWP is discussed by the Mayoral Committee as he does not sit on the Committee, but notes that there is a problem with the EPWP implementation in the COJ. Proper monitoring is an issue, and “even if the Mayor were to talk of the EPWP, there are no statistics for the Mayor to quote as EPWP is not properly monitored” (Councillor Z, 2008). The EPWP Co-ordination Office, however, confirmed that reports on EPWP are submitted on a monthly basis to the Municipal Manager and Executive Mayoral Committee through the Executive Director, Economic Development. Reports give details on the projects and jobs created by each Municipal Entity. This, according to Manager B (2008), has resulted in the tremendous improvement of the support of and buy-in to EPWP.

Politicians in some areas do force the use of local labour in projects, but can do more and require project information from engineers beforehand in order to understand the level of EPWP activities in projects. The general feeling was that Councillors should be aware of the level of unemployment in their areas and understand project activities as they foster relationships between the community and the City. Because of the short-term nature of the Councillors term, Engineer Y (2008) believes that has led to some Councillors wanting to be seen by their communities to be providing projects and service in the quickest possible time using machines instead of looking at empowering communities through jobs and training, whilst providing the needed infrastructure service. One councillor interviewed indicated that he knows how many people would be employed in any coming project, arranges training and ensures the EPWP targets of women, youth and people with disabilities are prioritised. As Engineer X (2008) puts it “Community Liaison Officers are our eyes, and they should provide progress on projects to Councillors at all times”.

The Councillors’ main role in the EPWP is to co-ordinate and mobilise communities. There is engagement that takes place before a project starts between Councillors and project managers to obtain information and specifications on planned projects. If Councillors do not favour the project, then Joburg Water would not have on-the-ground buy-in (Manager A, 2008). Councillors call mass meetings, introduce the project, indicate the benefits of the project and make sure the project and the appointed contractor are positively received by the community. Engineer X (2008) observes that Councillors could further assist in establishing skills audits within the wards, establish the levels of experience of beneficiaries so that when the Joburg Water project starts, Councillors already have a database of available skills in the wards.

There are no proper guidelines for Councillors to follow when engaging with projects in communities. In some wards, Councillors do ensure projects are

implemented using EPWP guidelines, ensure that beneficiaries are willing to work, attend project steering committees and site meetings to keep abreast of the progress of the projects. There are instances where Councillors are not visible during project implementation and that emanates from lack of involvement and understanding of their role in EPWP projects. In this regard, the suggestion provided by Councillor Z (2008) was that the EPWP Co-ordination Office should prioritise the training of Councillors on EPWP matters.

4.8 FUTURE APPROACH ON EPWP

There is a common agreement among informants that all projects have the potential of being EPWP projects. The City, together with its Municipal Entities, is currently reviewing the EPWP Policy, recommending that all projects are to be EPWP and considering the Budgets. According to Manager C (2008), the Policy will be submitted to the Executive Mayor for endorsement. In the reviewed Policy, the training of beneficiaries would be prioritised and budgeted for.

The approach for EPWP implementation, echoed by both Manager B and Manager C, requires that planning be done holistically inclusive of all departments as the COJ. Programmes should be prioritised based on the types of programmes and budget allocation, and early support be provided by the EPWP Co-ordination Office to ensure that planning and designs incorporate EPWP.

From an Interview with Manager A, November 18, 2008

“Jobs of EPWP are temporal, it’s like you have given someone a fish, next the dam is dry and the person gets hungry. There should be a drive towards longer-term projects, equip people to establish even their own companies and be entrepreneurs and in turn employ more people in the area” (Manager A, 2008).

To provide support, Councillor Z calls for the strengthening of the EPWP Co-ordination Office for it to monitor EPWP project implementation by all departments, “even if the EPWP office were to move to the Mayor’s Office it could be better” (Councillor Z, 2008).

The Strategic Planning Unit in Joburg Water needs greater awareness on labour-intensive project planning so that they are able to impose EPWP projects and be supported by the Managing Director. This requires “prioritisation to know about EPWP before a project is approved and designed” (Manager C, 2008). The same sentiment is expressed by Engineer X (2008) who believes that it would work out better if the EPWP Champion at Joburg Water could be positioned at the MD’s office so that he/she has access to all departments such as planning, procurement, operations, Investment Delivery and New Service Development within Joburg Water.

Moving forward, according to Engineer X (2008), requires improved consultation between the community and the City through active involvement of Councillors in the prioritisation of community needs, mobilisation for involvement in projects and skills audits. Improving co-ordination requires training and capacitating Councillors and the Mayoral Committee to understand EPWP and to manage projects. The City must develop Guidelines on EPWP for guiding Councillors (Councillor Z, 2008). Further, Councillors need to be more visible and attend site meetings to check if EPWP projects are going well (Engineer Y).

The EPWP Co-ordination Office should provide constant awareness to project designers to clarify how projects should be implemented. There should be a framework and standardisation of how to implement and report on the EPWP, within the protocols of the City, echoed Manager A. The City as a whole needs to look at key deliverables of the EPWP and cascade them down into programmes.

A suggestion from Manager A (2008) on issues that the Framework on EPWP should include is the co-ordination between National and the City, better monitoring of projects, a drive towards longer-term projects, standard guidelines of calculating job opportunities, and stronger enforcement through contract documentation.

Engineer Y recommended that the new EPWP Policy should require that the scoring of tender documents indicates the EPWP contribution as a way of enforcing EPWP in the City Capital Budget Policy.

Moving forward, the City should track emerging contractors that have been trained and contracted jobs by Municipal Entities so that once on the database, contractors can be given emergency repair and maintenance work in various City projects and not just Joburg Water (Engineer Y, 2008). The issue of a tracking system is confirmed by Manager B (2008), that in the past the EPWP was monitoring numbers of labour utilised, now the City is looking at the creation of a database for local SMMEs and labour that benefited in projects to further track their movement and measure impact on poverty and unemployment. Councillor Z (2008) also emphasized the need for a tracking system for all beneficiaries previously involved in projects.

The EPWP Co-ordination Office raised the lack of effective co-ordination of beneficiaries data (pre- and post-project implementation) and recommended the development of an EPWP Labour Information Management System in a report on the status of job creation to the Mayoral Committee in 2006 (COJ, 2006: 4). The issue arises again in a status report to the Municipal Manager in 2007 (COJ, 2007: 9). The argument for the Labour Information Management System was also based on the premise that it would simplify the reporting process, improve the credibility of the information submitted, provide information on unemployed and employed labour, track training offered and the availability of local emerging enterprises in the various regions and wards in real time (COJ, 2006: 4).

CHAPTER FIVE

DATA ANALYSIS

5.1 INTRODUCTION

As presented in Chapter 4, the case of the City of Johannesburg (COJ) with specific focus on Joburg Water, examined the scope of scaling up the Expanded Public Works Programme (EPWP), focusing on questions around programme planning and budgeting, and political commitment to the programme. The researcher has presented the research findings of this case study from the interviews and from primary documents.

This Chapter draws an analysis of the case, synthesising the three elements that comprise the triangulation of data as introduced in the research framework, namely primary data which is the voices from the interviews and from main reports from the COJ, information from the literature, and adding the researcher's own knowledge and interpretation of the information.

5.2 ANALYSIS ON PROGRAMME PLANNING

5.2.1 COJ ALIGNMENT WITH NATIONAL DEVELOPMENTAL GOALS

The views of interviewees such as Engineer X, Manager B and Manager C are that there is alignment between the goals of national and provincial governments with the priorities of the City, especially around alleviating unemployment, job creation, economic growth, HIV and AIDS, housing and social services, safety and environment and community development. The IDP 2008/09 document

describes the alignment between the Provincial Development Growth Strategy and the City's own Growth Development Strategy. Further alignment is strengthened through inter-governmental collaborative plans and targeted service delivery between the City and the Gauteng Provincial Government (COJ, 2008b).

The City of Johannesburg has a 2030 Vision that is central to future developmental planning for programmes in the City. The Growth and Development Strategy outlines the City's long-term vision and priorities. The Integrated Development Plan gives the medium-term plan of five years and spells out strategies the City will employ over the medium-term towards achievement of its long-term goals. The Central Strategy Unit within the Office of the Executive Mayor drives the overall planning process.

5.2.2 BOTTOM-UP PLANNING

As part of the IDP process, planning occurs from the bottom up in consultation with community structures. Most informants (Councillor Z, Engineer X, Manager A and Manager B) believed that the COJ does involve communities in the Integrated Development Planning (IDP) process and has community political representative structures in the council. The City of Johannesburg adopted the IDP Outreach and Community Based Planning approach where each Ward Councillor, Ward Committees and communities take ownership for development in their ward and ensures the quality of the development plans (COJ, 2008b: 44).

The bottom-up community-based planning approach was achieved in the 2007/2008 and the 2008/09 IDP Processes. Individual Ward plans were prepared and presented at the regional summit where Councillors, Municipal Officials, Ward Committee members, community development workers and targeted community sectors such as business and faith organisations discussed challenges,

visions and objectives, and issues for each ward were identified (COJ, 2008b: 45). Ward priorities were then assessed and costed by the departments, and then presented at the Stakeholder Summit and Sector Commissions.

Public sector management and accountability requires that the government responds to the needs of the people. Therefore, planners “have moral obligations to understand how the population feels about programs and how it is affected by them” (Valadez and Bamberger, 1994: 331). Furthermore, Satgar (2008: 40) believes that “the task to achieve a democratic developmental state requires realignment and renewing civil society by building a bottom-up development and participatory democracy”. As the ruling party in government, the African National Congress (ANC) recognises that the drivers of change “are made up of black workers: employed and unemployed, rural and urban.... their sense of mobilisation locates them as the main motive force and the leader of the process of change” (ANC, 2007: 9). The ties between officials and local communities are important as they increase legitimacy of the government and connectedness with society.

In the researcher’s view, the IDP Outreach process confirms that the COJ does draw communities into their IDP planning process and fully supports community-based bottom-up planning. Communities are in a better position to know what they need and have access to the policy-making process, leading to a greater governmental legitimacy.

5.2.3 Co-ORDINATION AND COHERENT PLANNING AMONG ENTITIES AND THE CITY

Overall planning for programmes among all municipal entities and the city seem to be unco-ordinated, according to some of the informants from the EPWP Co-ordinating Office (Manager B and Manager C). Because the COJ has over 16 entities operating as separate private service delivery companies, there seems to

be limited cohesive and co-ordinated planning for development programmes among entities and the City as the whole. Informants were of the opinion that municipal entities implement projects separately according to their plans and budgets with only limited consideration of integrated programme planning as long as targets and outputs are achieved by each entity.

Informants raised the lack of coherent policy co-ordination within the City and its entities as a major obstacle to EPWP policy management and implementation. The management at Joburg Water and the rest of the COJ entities focus on individual entity output targets, limiting attention on anything outside the scope of the individual's balanced scorecard. Engineer X, Engineer Y, Manager B and Manager C confirm this view. There has been disjointed planning for programmes among entities in addressing cross-cutting problems of economic development and unemployment; examples given by Manager C include opportunities around development zones, nodal areas, EPWP training and employment strategies. Public sector accountability requires that government respond to the needs of the people in an effective and efficient manner. In my view the City has failed to plan for the EPWP as one programme within the City, instead depending on the level of commitment from each entity, which means that the EPWP was dependent upon each entity to identify projects for implementation using the EPWP guidelines.

There has been a lack of both internal and external coherence. Internal coherence relates to the alignment of political and implementation capacities among the entities and the city, and external coherence would relate to the alignment between the EPWP policy and various other policies that exist in the City that may impact positively or negatively on the outcomes of the EPWP. It is the view of Councillor Z and Manager C that co-ordination among entities is critical in harmonising effectiveness of policies in dealing with frameworks for community employment and labour training initiatives.

According to the literature, such as Chipkin (2002), Paine (1999) and Pollitt (1998), chasing output targets was the experiences of new public management and experience indicates that the achievement of outputs does not necessarily lead to the intended outcomes, which undermines the very ethos of public service and social inclusion. Heller (2001: 145) also argues that when the South African public service moved away from public administration towards New Public Management, this weakened state capacity to deliver.

In my view, the lack of co-ordinated planning among entities weakens the management at the City, giving more freedom to the entities. These may be symptoms of the New Public Management model that the City adopted in 2000 where managers concentrated on achieving their individual targeted outputs with little consideration of the intended outcomes of public service delivery. The researcher is of the view that proper co-ordination of activities might require restoring the ethos of public service within Joburg Water and other COJ entities.

5.2.4 PRIORITISATION OF THE EXPANDED PUBLIC WORKS PROGRAMME

In the COJ, before 2006, management did not prioritise the EPWP as one of the job creation programmes, in the view of Manager B and Manager C. This is confirmed in that, although an EPWP policy framework existed since 2004, its implementation has been faced with challenges. During this period, the City struggled to implement the EPWP, with no EPWP report in the 2004/05 financial year from the City. The main challenge raised by several informants, including Councillor Z, Engineer X, Engineer Y, Manager A and Manager B, is the lack of understanding of EPWP and the sentiment that projects employing more people tend to have more human problems, hence they see these EPWP projects as delaying expenditure which in their view is the main performance measure.

Officials at Joburg Water and in the City work to achieve what is reflected in their balanced scorecards, and anything else would not be prioritised even if it is for the common good of the people (Manager C). It is confirmed by Engineer X and Manager A that, until 2007, the balanced scorecards of managers and project engineers at Joburg Water previously did not indicate targets for EPWP jobs. To effect positive change, the proposal in 2008, confirms Manager B and Manager C, was that all balanced scorecards of managers should include EPWP targets. Manager A confirmed that the Executive Committee and the Board of Joburg Water had recently bought into the EPWP, and as a result the EPWP is given more weight by putting EPWP indicators in the balanced scorecards of all managers.

There seems to be a positive relation between prioritising EPWP through inclusion of EPWP as one key performance indicator and EPWP implementation. This relation is associated with the new public management paradigm that measures performance with the outputs of performance plans and balanced scorecards. Most policies on the EPWP of the various cities indicate that the EPWP is incorporated into the Key Performance Indicators of relevant Directors, Executive Directors and the City Manager, and further mainstreamed into line departments (SACN, 2008: 16).

In prioritising EPWP, Engineer X (2008) suggested the enforcement of utilisation of EPWP Guidelines by departments and changes in tender documentation to comply with the EPWP. The researcher is in agreement with this suggestion and further believes that standardising tender documentation for contracts will leave less room for individual managers to deviate from the principles of EPWP.

Engineer Y stated that EPWP types of programmes were implemented in Asia and serious jobs could be created with a correct approach and proper planning in the City of Johannesburg. This is confirmed in the literature by Antonopoulos

(2007), Croswell and McCutcheon (2000), Kostzer (2008) and McCutcheon (1995), through examples of countries where employment creation programmes have been implemented successfully.

The theoretical concept of employment creation programmes points to the critical role that decision-makers play in prioritising these programmes as a deliberate intervention by the state in addressing unemployment and poverty, using the labour resources that are in surplus. Readings from Cawker and Whiteford (1993), Moll (1991), Nattrass and Roux (1991), and Wilson and Ramphela (1989) confirm the concept of employment creation programmes and their appropriateness in the role the State can play in creating employment and addressing income and social inequalities. It is confirmed by Croswell and McCutcheon (2003), the International Labour Organisation (1987), and McCutcheon (1990, 1995, 2003) that labour-intensive programmes contribute to reducing income inequalities by providing jobs as well as infrastructure service delivery.

In view of the theoretical support for employment creation programmes, the researcher believes opportunities exist for Joburg Water, the COJ and other municipalities across South Africa to implement the EPWP and contribute towards reducing unemployment in the country.

Where the EPWP implementation has been successful, politicians and management have prioritised the EPWP programme as a key municipal strategic programme, which resulted in council policy resolutions. The South African Cities Network (SACN) cites eThekweni Metro as an example of a municipality that released its EPWP policy in April 2007 and which is implemented across all sectors and clusters with the objective of guiding the implementation of a sustainable EPWP within the Municipality (SACN, 2008: 15). In agreement, McCutcheon (1995 and 2003) echoes the prioritisation of EPWP through a

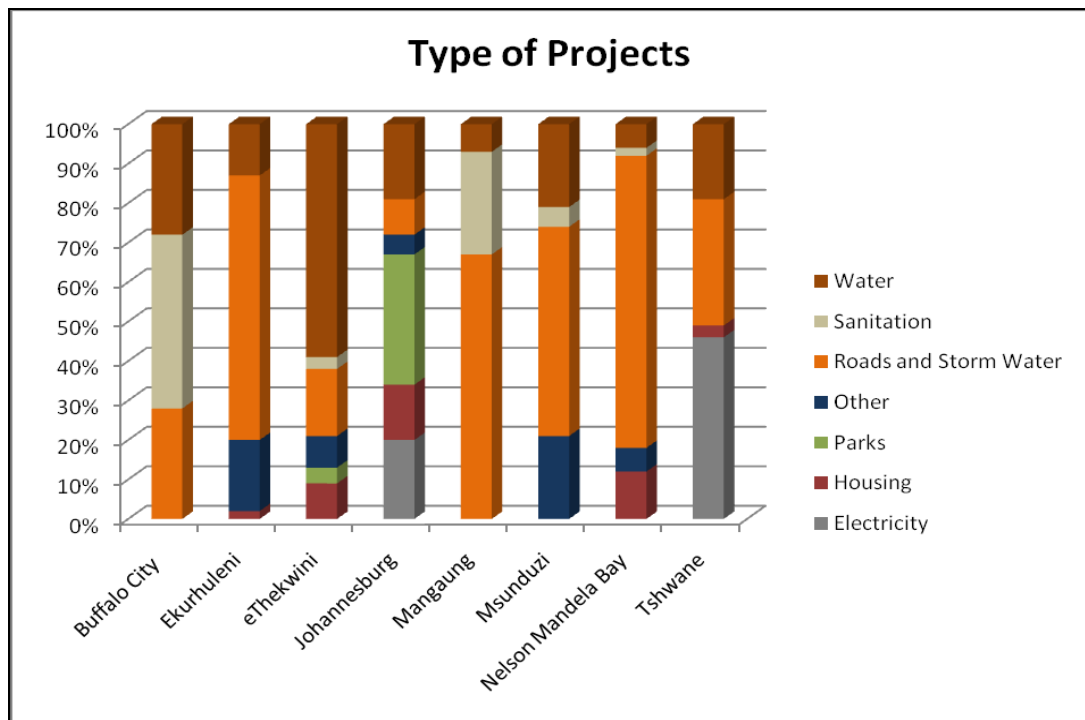
programme approach where he stressed that for labour-intensive programmes to be successful on a large-scale and be sustainable, they should be distinguished from drought relief and properly targeted at the poor households and linked to a long-term training programme.

The percentage change of jobs created from the 2006/07 to 2007/08 financial years in Joburg Water alone rose to 409 per cent. This drastic increase in reporting is a result of reports accumulated from 2005/06. The National Technical Support Programme (an initiative of the National Department of Public Works to fast-track EPWP implementation) believes that until explicit work opportunity targets are set and applied across infrastructure programmes, and all leaders are regularly required to report on progress, EPWP delivery will remain low (SACN, 2008: 12).

In an analysis on contribution to the EPWP by various cities, the researcher found that the highest contribution in the COJ has been in water followed by roads, which is consistent with other cities (SACN, 2008: 20).

Figure 12 below illustrates that in the City of Johannesburg, Joburg Water is the main contributor to EPWP projects. This further confirms Figure 9 in Chapter 4 that showed a high percentage of jobs created through Joburg Water.

Figure 12: EPWP Projects Implemented by Cities by Type



Source: South African Cities Network (2008: 20): Report of the South African Cities Network-Expanded Public Works Programme

Prioritising EPWP as a developmental strategy requires a capable bureaucratic state organ and a policy decision by leadership of the organisation. The researcher's synthesis of various readings on the successes of East Asian states draws conclusions that the success not only lies in the state interventions but in what Evans (1996) calls "embeddedness", the capacity of state institutions to manage capitalist interests to complement, reinforce and stimulate entrepreneurship. Literature brings forth evidence that East Asian public institutions were in fact "bureaucratic structures characterised by traditional Weberian features such as meritocratic recruitment, good salaries, sharp sanctions against violations of organisational norms and solid rewards for career-long performance" (Evans, 1996: 124). Linked to the bureaucracy is the commitment to improve the quality of lives of the people, which in my view the entities within COJ overlooked at the early stages of EPWP implementation.

5.2.5 LONG-TERM PROGRAMME PLANNING

Joburg Water, particularly the New Service Development Unit, implements longer term programmes, mainly Operation Gcinamanzi and Project Thonifho. According to Manager A, the management of Joburg Water considers both these programmes priorities and as such, management set aside yearly budget for these labour-intensive programmes. The nature of Operation Gcinamanzi and Project Thonifho (i.e. rehabilitation and replacement of water infrastructure in previous black townships and the provision of water and sanitation services in informal and new settlements) qualifies both programmes to have a long-term perspective. Phillips, *et al.*, (1995: 20) confirms that there is great potential for using highly labour-intensive methods to construct water supply and sanitation systems, and the need for provision of adequate water and sanitation systems in South Africa is widely recognized.

However, the Investment Delivery Unit of Joburg Water seem to implement on a project-to-project basis and there is no long-term labour-intensive programme that the Unit has planned.

Planning provides a sense of direction, informs employees of the organisation's goals and the policies which the organisation intends to pursue. Literature (McCutcheon, 1995 and 2003) emphasises the need for long-term planning in employment creation programmes and discourages ad hoc interventions. The researcher's understanding is that long-term planning considers a plan that is of 5 to 20 years duration, consistent with adopted policies, includes goals of the city and tends to focus on physical development, whilst strategic planning on the other hand is a period of 1 to 5 years, used as a management tool, does not include goals of the city, and is focused on strategies for functioning activity centres.

Evidence from employment creation programmes around the continent, such as Kenya, Botswana and Malawi, indicates the interventionist role by government in adopting labour-intensive construction as part of long-term developmental programmes (Croswell and McCutcheon, 2000). Experiences in employment creation programmes presented by Antonopoulos (2007) and Kostzer (2008) further show that the adoption of well-designed programmes leads to co-ordinated job opportunities for the unemployed. Theories on labour-intensive programmes presented by Croswell and McCutcheon (2000) and McCutcheon (2003) suggest that public works programmes should adopt a long-term perspective.

The success of employment creation programmes depends upon the co-ordination of various small projects into a programme approach. Such is the National Rural Employment Guarantee Act of India, a long-term programme providing permanent basic entitlements to poverty-stricken rural farming districts.

The researcher is of the view that when planning, programme managers of Joburg Water and the City of Johannesburg should identify and delineate the type of work and projects that could incorporate greater use of local resources, in particular unskilled and semi-skilled workers and pay attention to other factors such as institutional and socio-economic factors. As indicated before, the researcher is of the opinion that project-by-project planning limits the scope for proper community co-ordination and the planning for labour involvement and training on the ground.

5.3 ANALYSIS OF DEVELOPMENTAL BUDGETING

5.3.1 BUDGET IN SUPPORT OF DEVELOPMENTAL PROGRAMMES

In Joburg Water, management allocates budgets for priority programmes towards meeting the strategic objectives of the entity. There is agreement that the City complies with the Municipal Financial Management Act by requiring municipalities to fund long and medium term goals and priorities as presented in the Mid-Term Budget of the City (COJ, 2008d). The Integrated Development Plans, which are the five-year medium plans detailing goals and priorities, provide direction for the allocation of budget.

The theoretical evolution of budgeting from programme budgeting, line item budgeting, planning-programming budgeting and zero-base budgeting is explained in Lewis (1991) and (Ott, *et al.*, (1991). Planning programming budget enhances a strong policy planning orientation; zero-base budgeting is effective when resources are in short supply whilst the line-item budget is incremental but of limited value in the planning process. There is an argument by Wildavsky (1978) against rational, comprehensive, programme-typed budgeting and for traditional, incremental line-item budgeting, where line-item budgeting is the budget that lasts. At the same time, there are proponents such as Abedian and Biggs (1998) who argue against annual budgeting and propose a move away from Medium Term Expenditure Framework to a performance budgeting system on the grounds that it integrates accountability, transparency and monitoring systems and focuses on defined outputs linked to desired outcomes.

The researcher observes that the challenge facing municipalities is to allocate limited resources to the competing priorities. Municipalities allocate budgets depending on the priority and urgency of programmes of the municipality.

Municipalities face hard choices in every category of spending, and in my view, employment creation programmes that offer lower wages to people should be preferable in the face of high unemployment. It is the understanding of the researcher that the expectation emanating from the employment creation paradigm is that the higher the prevalence of poverty, the greater is the imperative to put in place a sound and effective budgeting system in support of developmental programmes that promote job creation and at the same time, encourage infrastructure development.

5.3.2 BUDGETING FOR EPWP IN JOBURG WATER

Because Joburg Water and the City as a whole do not have a planned EPWP Programme for the City, entities budget and implement projects in isolation. There is no separate budget for the EPWP in the City. There is a misconception that EPWP projects are only Municipal Infrastructure Grant (MIG)-funded, hence Joburg Water had not allocated projects funded from other Capital Budget sources towards the EPWP. That is because National Treasury could only agree to the inclusion of a condition on the MIG for municipalities to use labour-intensive methods for certain types of infrastructure activities. As a result, at the early stages of EPWP implementation, COJ associated the EPWP with only the MIG. The COJ EPWP Policy Framework also indicates that the MIG is the main funding source for the EPWP (COJ, 2004).

The EPWP projects are budgeted through normal budget process for priority programmes and it then depends on whether those programmes and projects are implemented using EPWP guidelines. The disadvantage of this approach of not planning for an EPWP Programme has contributed to some units within Joburg Water or the City not prioritising EPWP guidelines in their projects. Programmes such as Project Thonifho and Operation Gcinamanzi are EPWP by default because of the choice of construction methods. Confirmed by Manager

A, these programmes get the priority status and secure budgets not because they are EPWP, but because of the need from the communities and the fact that they address water and sanitation services in deprived areas.

The capital infrastructure budget for the City of Johannesburg was R4.6 billion in 2007/08, R5.2 billion in 2008/09 and projected R4.5 billion in 2009/10 (COJ, 2008d). An amount of R420 million in 2008/09 for the Municipal Infrastructure Grant may seem a small amount with which managers need to work, but for the EPWP it is the minimum that the City can implement EPWP on.

Joburg Water is currently a main contributor of EPWP infrastructure jobs in the City of Johannesburg. In my analysis, if budgets for priority programmes were further increased, and the rest of the departments in Joburg Water alone implement the EPWP guidelines, there is huge potential for the entity to expand labour-intensive job opportunities in the City. Most of the EPWP jobs created came from the New Service Delivery Unit and a few from Investment Development. The researcher's assessment points to the danger of not having a dedicated budget for EPWP in that the decision to implement EPWP is dependent upon the implementing entity, particularly the project engineer.

In the 2008/09 capital budget, Joburg Water was allocated 32.7 per cent of the capital budget, the second highest allocation to an entity after City Power at 39.2 per cent of overall capital budget. This creates scope for expansion of the EPWP in Joburg Water. In the 2009/10 and 2010/11 capital budgets, Joburg Water remains the highest receiving municipal entity after City Power, which further provides scaling-up opportunities for the EPWP in the COJ.

5.4 ANALYSIS OF COMMITMENT AND POLITICAL WILL

5.4.1 POLITICAL COMMITMENT TO EPWP IN JOBURG WATER

There is a lack of understanding of EPWP among Councillors. As confirmed by Councillor Z and Manager B, councillors think of EPWP only in terms of the number of jobs, and there is a lack of understanding of what the EPWP entails as a whole. In the first three years of EPWP implementation, there has been no support from top political leadership.

In Joburg Water, the officials value the contribution of Councillors in co-ordinating and mobilising communities to be engaged in projects. Interviewees indicated that Councillors call mass meetings, introduce the project, indicate the benefits of the project, and make sure the project and the appointed contractor are well received. However, it was found that there are no uniform standards around which councillors should engage communities in EPWP projects. The researcher agrees with Councillor Z who suggested that the EPWP Co-ordination Unit should prioritise awareness and training campaigns on EPWP.

Policy implementation is dynamic and complex and according to Cloete and Wissink (2000), it requires that institutions give attention to the Content, Context, Commitment and Clients and Coalitions as critical variables in the success of policy implementation. The Commitment variable refers to political leadership, community representatives, management commitment all in support of policy decisions and their role in the management of policy implementation and inevitably the outcomes.

Literature on commitment (Moore, 1995) refers to political representatives gaining legitimacy in the policy-making process, especially the implementation

stage. It is confirmed (Croswell and McCutcheon, 2003: 341) that projects have more chance of success if government consults with communities through representatives on the nature and type of project, methods of construction, recruitment of labour, conditions of employment, wage rate and training. Labour-intensive programmes by their very nature require a higher level of community negotiations and buy-in.

The case of Kerala in India and Porto Alegre in Brazil presented in Baiocchi (2003), Evans (1996) and Heller (2001) are examples of new developmental states built from the bottom up, actively involving citizen participation in local planning and decision-making. In Porto Alegre, state-sponsored institutions fostered an open-ended discussion with civil society; organised networks of civil society played an important role and significantly broadened the number of potential actors for civil activities. Experiences in other employment creation programmes around the world, such as the *Plan Jefes* of Argentina and the National Rural Employment Guarantee Act of India, show that such programmes need a certain degree of political will and autonomy (Antonopoulos, 2007; Kostzer, 2008).

Political commitment accelerates political advantages as follows:

- (1) it constitutes a global strategy against exclusion and poverty;
- (2) it is a clear schema of social protection, not charity, enhancing the political and social acceptability of the plan;
- (3) it reduces unemployment, one of the crucial variables that help in the appraisal of a political administration;
- (4) it integrates excluded groups; and
- (5) it allows the identification of problems for further interventions.

In this research, it has been found that (2), (4) and (5) have been the advantages

in the COJ for the involvement of ward councillors and structures in planning. It is therefore important for project managers tasked with implementation of EPWP projects to have political support, or else they will be faced with competing priorities of the City, which will lead to difficulties in getting projects approved and getting budgets confirmed. The relevance of Evans' (2007) paper is how the capacity of the state to implement EPWP is embedded in the will of politicians at local level to steer local development and monitor policy implementation.

In my analysis of the Mayoral addresses, since the adoption of the EPWP in 2004, there was hardly any mention of EPWP in the State of the City address by the Executive Mayor. The researcher believes that there should be a drive from the Executive Mayor's Office to promote EPWP as part of job creation priorities. To improve the level of understanding among Councillors, Political Leadership, the EPWP Co-ordination Unit and the Champions should engage more in explaining the objects of the EPWP and conduct training workshops for Councillors.

5.4.2 MONITORING PROGRESS OF EPWP IMPLEMENTATION

In the past three years of EPWP implementation, although the EPWP Co-ordination Office did submit reports to political heads, it was only in 2007 that interest in the reports grew. The EPWP Co-ordination Office consolidates monthly reports received from champions of entities and submits to the Municipal Manager and to the Office of the Executive Mayoral Committee. Reports give details on the projects and jobs created by each Municipal Entity. The importance of progress monitoring is to use the information provided to improve on policy implementation.

The researcher commends the move towards including EPWP indicators as part of the balanced scorecards as positive, and this is expected to improve the way

managers view the EPWP. Managing for Results, a concept discussed by Moynihan and Ingraham (2003), also argues the increased role of a performance management system in increasing performance levels and accountability of public organisations. As a performance management tool, the City views balanced scorecards as a tool to assist in monitoring performance on the EPWP by each unit manager, hence the approval by Council.

The literature indicates that performance information is critical in policy management as it allows managers to focus from inputs, processes to outputs and outcomes, and improves overall performance. The figures on the EPWP performance as depicted in Figure 9 also show that there is renewed commitment towards EPWP on the part of Joburg Water and the COJ management.

The case study has further found that there are weak monitoring systems in Joburg Water and COJ. There was no database or information system that could ensure that project managers have access to information on job seekers, contractors and beneficiaries that have exited the programme. Raised by the EPWP Co-ordinating Office in various reports (COJ, 2006 and COJ, 2007), and by informants such as Councillor Z and Manager C, the Labour Information Management System is critical to assist with statistics that are pertinent to politicians as well as to overall utilisation of the labour force and the implementation of the programme. Councillors could further assist in the future by obtaining information on the level of skills within the wards and in maintaining the labour database that was proposed by most informants, including Manager A, Manager B and Manager C.

Managing implementation and monitoring performance results have become key success factors of any policy management. Confirmed by Moynihan and Ingraham (2003), performance monitoring provides managers with regular

feedback that allows them to identify problems and put corrective measures in place. The researcher believes that reporting on progress of the EPWP to political leadership enables entities to make the necessary adjustments to changing circumstances towards the fulfilment of the developmental objectives of the EPWP.

5.5 CONCLUSION

This study has focused on the scale-up of the Expanded Public Works Programme in the City of Johannesburg, particularly Johannesburg Water as the unit of analysis. The case has presented findings on three main factors that the research sought to examine, namely planning, budgeting and political commitment to the EPWP. The researcher was able to use data from multiple sources combining literature, interviews, primary reports from the COJ and other documents that enriched the case. In the analysis of data, the researcher further added her voice to the analysis as a way of cross-checking evidence and ensuring that the triangulation of data is achieved. Chapter 6 draws conclusions.

CHAPTER SIX

CONCLUSION AND RECOMMENDATIONS

6.1 INTRODUCTION

The overall policy goal behind the EPWP is to reduce poverty and unemployment through the creation of labour-intensive work. International experience shows that public works programmes have the potential to alleviate socio-economic problems whilst creating infrastructure services. These programmes have been successfully implemented in a number of countries. The theoretical basis for the employment creation programmes has been the research done by the International Labour Organisation and the World Bank, which have shown the technical feasibility and economic efficiency of labour-intensive methods for a wide range of construction activities.

The research problem identified in this study was that the implementation of the Expanded Public Works Programme (EPWP) had not taken off at a large scale in the City of Johannesburg and an opportunity existed to examine the factors affecting EPWP policy implementation. The problem is viewed in the light of the high rate of unemployment in Johannesburg. The presumption is that the COJ would implement their water, roads and sanitation infrastructure projects using EPWP methods that maximise the use of unskilled labour as a means of creating jobs.

The purpose of this research was to examine how programme planning, budgeting and degree of political commitment influence the implementation of the EPWP infrastructure projects in Joburg Water, a service delivery municipal entity of the City of Johannesburg. The main research questions asked how

political leadership has supported implementation of the EPWP in the City, how programmes are prioritised, how the COJ budgets for infrastructure projects, and what implications the budget has on the implementation of the EPWP.

Chapter two of this research report provided a picture of unemployment in South Africa, arguing that the structural changes in our economy have had a devastating effect on levels of employment. From the review of relevant literature, there was agreement that the unemployed are mainly black, youth, with low levels of education, unskilled and female. The conceptual theory of labour-intensive construction was presented with arguments on the role that employment-creation public works programmes can play in alleviating unemployment and poverty. Successful cases elsewhere in the world were cited from various readings in support of the concept of labour-intensive construction. The literature then pointed to the role of the developmental state in adopting policy choices that seek to improve the quality of life of all people. Investment in works programmes such as the Expanded Public Works Programme requires a policy decision from the State to invest in infrastructure development and promote job creation, thus reducing the reliance on state welfare for the economically active population.

Most work undertaken by the International Labour Organisation, World Bank and the WORK Research Centre for Employment Creation in Construction indicates some crucial success factors in employment creation programmes. This research has analysed three of these factors — programme planning, financial/budget commitment and political commitment. The rationale was to assess how these factors have affected EPWP implementation. Presented in Chapter 4 is the case of the City of Johannesburg with specific focus on Joburg Water in examining the scope of scaling up the EPWP. The responses from the interviewees, the literature and other secondary data was used to synthesize and analyse the case and draw conclusions on scaling up of the EPWP in the City of

Johannesburg.

This Chapter presents the conclusions of the case study. The researcher also provides recommendations based on the conclusions, theory and the researcher's own interpretation of the case.

6.2 EPWP PROGRAMME PLANNING

The City's plans centre around the promotion of economic development and growth as a necessary condition for improving the quality of lives of the people. Projects to be implemented in a financial year are prioritised and approved after going through the Integrated Development Planning (IDP) Process which includes community-based planning. There are no specific EPWP programmes and projects that the COJ has identified outside the normal IDP planning process. All EPWP projects that the City has implemented are dependent upon each entity and department to prioritise and implement. As such, some units within Joburg Water have not planned for long-term labour-intensive programmes and have only implemented the EPWP on a project-to-project basis. The limitation in not planning for the EPWP as a long-term Programme has been that the decision to/not implement the EPWP in a particular project then lies mainly with the project engineer and managers of that particular division. Enforcement is weak.

Joburg Water implements longer-term programmes, mainly Operation Gcinamanzi and Project Thonifho. The management of Joburg Water considers both these programmes priorities because they provide residents with access to water and sanitation and create job opportunities.

The EPWP requires a long-term programme approach so that jobs provided become longer-term, training provided to labour becomes more structured and there is sustained infrastructure construction and maintenance. The added

advantage for a long-term programme approach would be that labour would be co-ordinated effectively in terms of job seekers, availability of skills and tracking of beneficiaries once they exit the programme.

6.3 DEVELOPMENTAL BUDGETING

In Joburg Water, management allocates budgets for priority programmes towards meeting the strategic objectives of the entity. The Integrated Development Plans, which are the five-year medium plans detailing goals and priorities, provide direction for the allocation of budget.

Because Joburg Water and the City as a whole did not have a planned EPWP Programme for the City, entities budgeted and implemented projects in isolation. There has been no separate budget for the EPWP in the City. The EPWP projects have been budgeted through normal budget processes for projects and the EPWP component was the manner in which normal projects were implemented using EPWP guidelines. Programmes such as Project Thonifho and Operation Gcinamanzi are EPWP by default because of the choice of construction methods. They are given priority status and secure budgets not because they are EPWP, but because of the need from the communities and the fact that they address water and sanitation services in deprived areas.

From the jobs created under the EPWP in the City, the major contribution comes from Joburg Water. Given that Joburg Water continues to get the second highest capital budget allocation in the City, there is consequently huge potential for Joburg Water to expand EPWP job opportunities if given greater resources to do so. There is also scope for expansion of the EPWP to the other municipal entities of the City.

6.4 POLITICAL AND MANAGEMENT COMMITMENT TO EPWP

There has been a lack of understanding of what the EPWP entails among political representatives in Council. The lack of understanding of the EPWP as a programme may have negatively affected the level of support that politicians have given to the programme. In the first three years of EPWP implementation, there has been minimal support from top political leadership. Since the adoption of the EPWP in 2004, the researcher found that there was hardly any mention of EPWP in the State of the City address by the Executive Mayor.

In Joburg Water, the officials valued the contribution of Councillors in mobilising communities to become engaged in projects. The management of EPWP policy has been unsystematic with no uniform standards around what the EPWP expects from Councillors when engaging communities for negotiation and participation in EPWP projects. When new Councillors started the 2006 term, there was no proper orientation on EPWP by officials. Lack of understanding of EPWP has hampered the extent of support and commitment for the programme from politicians.

Before 2006, management of COJ did not prioritise EPWP as one of the job creation programmes. During this period, the City struggled to implement EPWP, with virtually no reports in 2004, the first year of EPWP reporting. Though job creation is a stated priority of the City, it did not necessarily translate into prioritisation of the EPWP type of job. From 2007, there is an improved commitment to the EPWP on the part of Joburg Water and the COJ management. The inclusion of EPWP indicators into the balanced scorecards of managers confirms management's commitment to EPWP implementation and is expected to improve on EPWP performance.

6.5 CO-ORDINATION

Overall planning for EPWP programmes among all municipal entities and the city appears to be inadequately co-ordinated. Because the COJ has over 16 entities operating as private companies, there seemed to be limited cohesive and co-ordinated planning for development programmes among entities and the City as a whole. The management at Joburg Water focused on their own output targets, limiting attention to anything outside the scope of the individual balanced scorecards of managers. There is lack of coherent EPWP policy management and co-ordination within the City and its entities. There has been disjointed planning for programmes among entities in addressing cross-cutting problems of economic development and unemployment. Examples include opportunities around development zones, nodal areas and EPWP training and employment strategies. Co-ordination among entities is critical in harmonising effectiveness of policies in dealing with the framework for community employment and labour training initiatives.

The level of understanding of the EPWP among officials differs among entities, and in Joburg Water there has been some level of understanding among project managers. There is room for improvement on the part of top management in making the EPWP a priority to ensure that all project engineers and managers understand the EPWP and implement projects as such. The co-ordination role of the EPWP Co-ordinating Office is weak and needs to be strengthened.

As part of co-ordination of the EPWP Programme, monitoring of EPWP progress in projects by the EPWP Co-ordinating Office has been weak in Joburg Water and the COJ. The City lacks a labour information management system or database that enables project managers from all entities to access information on job seekers, contractors and beneficiaries that are looking for jobs and also those

that have exited the programme.

In conclusion, with regard to the implementation of the EPWP in the City of Johannesburg, Joburg Water has been faced with numerous challenges, negatively affecting the uptake of the programme. The current planning approach for the EPWP in the City is unco-ordinated, limiting the scope for employment creation and training. The lack of political commitment and will from top political and management leadership has been missing. There has been no proper monitoring of the programme. The design for the EPWP in the City would need to change to impact positively on the implementation of the EPWP.

6.6 RECOMMENDATIONS FOR UPSCALING EPWP IMPLEMENTATION AT COJ

Based on the analysis of the case, this section presents the recommendations for scaling up the EPWP in the City of Johannesburg.

6.6.1 LARGE-SCALE EPWP PROGRAMME DESIGN

The City should adopt a large-scale EPWP labour-intensive programme that would involve all municipal entities and departments. For greater impact of long-term developmental programmes, the EPWP programme design should span between 5 to 20 years. Council should endorse the programme through council policy to give the programme credence. The COJ should improve its planning for EPWP, look at regions, wards, departments and municipal entities, and plan one holistic EPWP programme that would benefit communities including packaging skills training, and work opportunities of longer periods.

6.6.2 SECURE FINANCIAL COMMITMENT

The City should commit to fund the large-scale EPWP Programme for the full

term of the programme. Funding should be aligned to the IDP priorities and funded not only through the Municipal Infrastructure Grant, but also through municipal capital funds. An increase in the budget for the EPWP programme would have a positive effect in job creation, increasing the guarantee for longer jobs. The COJ should strengthen and mobilise external co-funding with strategic partners such as the Innovation Hub around interventions such as the development of information management systems for the EPWP and other community development projects.

6.6.3 SECURING POLITICAL BUY-IN

The success of the EPWP Programme partly lies in the support and commitment from top political leadership. The Executive Mayor should be seen to support the programme, and endorse Council policy to extend the programme to a large-scale programme of the City. The Executive Mayor should be encouraged to publicise the EPWP in his speeches to reinforce commitment by the City. Political support should be cascaded to Councillor level so that Councillors support the programme and engage communities from an informed position.

There should be improved consultation between communities and the City through active involvement of Councillors in prioritisation of community needs, and mobilisation for involvement in the programme. The EPWP Co-ordination Office should prioritise capacitating Councillors in understanding EPWP and understanding their role as Councillors in the programme.

6.6.4 STRENGTHEN CO-ORDINATION

The City should review the EPWP Co-ordination Office with the view to strengthening the Office for it to better co-ordinate, manage and monitor EPWP programme implementation across all municipal entities. The EPWP Co-

ordination Unit at the City would co-ordinate and facilitate activities including planning with various stakeholders, project identification within the programmes, developing frameworks and guidelines for the City, setting up a labour database, planning and co-ordinating labour training per region, facilitating awareness and training of officials and councillors, and formalising monitoring and reporting systems.

6.7 CONCLUSION

The main purpose of this study was to examine how programme planning, budgeting and political will influence the implementation of the EPWP infrastructure projects in the COJ with a particular focus to Johannesburg Water. With the high rate of unemployment in the country and in Johannesburg, the EPWP provides a platform for employment creation for unskilled people and scope exists to examine the City endowed with capital budgets and arguably technical institutional capacity as to how it meets the requirements of the EPWP.

This research has concluded that there is scope for scaling up the implementation of the EPWP in the City of Johannesburg. The scope exists to adopt a large-scale long-term programme approach to the EPWP, increasing the level of political support which has been lacking, committing financially to the programme and improving co-ordination in order to better contribute to the success of the programme.

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APPENDIX A- INTERVIEW SCHEDULE (MANAGERS AND ENGINEERS)

SECTION 1: INTRODUCTIONS

1. The researcher introduces herself and explains the purpose of the research.
2. Confirmation of approval to conduct the interview, request use of tape recorder, explains confidentiality, and option of using pseudonym or remaining anonymous if wished.
3. Offer copy of research findings upon completion.

SECTION 2: INTERVIEW QUESTIONS

1. Warm up Questions:

- 1.1. How long have you worked at COJ and in the position you are occupying?

2. Programme Planning

- 2.1. Please explain how medium to long-term development plans of the City are reached.
- 2.2. Explain the alignment between the City's developmental goals with those of the Province and National government.

(What are the City's developmental goals. How are they linked to National and Province)

- 2.2.1. Do you think planning should start at the City level and inform provincial strategy and then national goals or that planning for programmes of the City should be guided by National and Provincial policies?
- 2.3. How are the developmental goals of the City or Joburg Water translated into implementable programmes and projects? Give Examples for better explaining your point.
 - 2.3.1. How have the goals and priorities of the City or Joburg Water fostered the implementation of the EPWP?
 - 2.3.2. Explain how is the implementation of the EPWP programmes is

/not a priority for the Joburg Water.

- 2.4. What do you think is the correct approach that should be taken to plan for EPWP in Joburg Water and the City?

3. Budgeting

- 3.1. How is the capital budget split between competing programmes? (How does Joburg Water allocate capital budget?)
- 3.2. To what extent is the budget used as a developmental tool for the Joburg Water?
- 3.2.1. How does the Joburg Water ensure that budget is used to promote the developmental plans agreed to?
- 3.3. What do you think is the role the budget can play in accelerating implementation of the EPWP can be accelerated in Joburg Water?
- 3.3.1. How is EPWP budgeted for in Joburg Water?
- 3.3.2. How has the budget been used to promote job creation through EPWP
- 3.3.3. The formula used to allocate budgets, are there any additional points given to EPWP or other job creation programmes?
- 3.3.4. In the last financial years, how much do you think Joburg Water has spent on EPWP?
- 3.4. In percentage form, what percentage of capital budget do you think should go the EPWP programme?
- 3.4.1. What do you think should be done better to accommodate your suggested percentage?

4. Political Will and Commitment

- 4.1. How has political leadership in the City supported the EPWP?
- 4.2. How has management supported EPWP?
- 4.3. What is the role of political leadership in the EPWP implementation?
- 4.4. What can politicians do more in managing EPWP implementation?

INTERVIEW SCHEDULE

(COUNCILLOR)

SECTION 1: INTRODUCTIONS

- The researcher introduces herself and explains the purpose of the research.
- Confirmation of approval to conduct the interview, request use of tape recorder, explains confidentiality, and option of using pseudonym or remaining anonymous if wished.
- Offer copy of research findings upon completion.

SECTION 2: INTERVIEW QUESTIONS

Warm up Questions:

How long have you been a Councillor at COJ?

Programme Planning

1. Please explain how medium to long-term development plans of the City are reached.
2. Explain the alignment between the City's developmental goals with those of the Province and National government.
3. Do you think planning should start at the City level and inform provincial strategy and then national goals or that planning for programmes of the City should be guided by National and Provincial policies?
4. How are the developmental goals of the City translated into implementable programmes and projects? Give Examples for better explaining your point.
5. What do you think is the correct approach that should be taken to plan for EPWP in the City?

Political Will and Commitment

1. What is the level of understanding of EPWP among Councillors?

2. What is your involvement as a Councillor in project planning, implementation and management?
3. How has political leadership in the City supported the EPWP?
4. What percentage of projects in your ward are EPWP or labour intensive projects?
5. How has management supported EPWP?
6. What is the role of political leadership in the EPWP implementation?
7. What can politicians do more in managing EPWP implementation?