DEPARTMENT OF LABOUR
UNEMPLOYMENT INSURANCE FUND
SOLAR WATER GEYSER INSTALLATION PROJECT

28 AUGUST 2018
Introduction

The rise in unemployment created by the financial and economic crisis led to:

• High levels of vulnerability for individuals, families and communities
• Worsened poverty
• Active labour market programs have been introduced by government to mitigate the impact of unemployment and poverty in the country
Introduction

The Unemployment Insurance Fund identified an opportunity to participate in these labour market programmes supported by the sections of the Unemployment Insurance Act

- Section 48(1) of the UI Act, 63 of 2001 (as amended), empowers the UIF Board to advise the Minister of Labour on policies for minimising unemployment; and the creation of schemes to alleviate the effects of unemployment
Introduction

• Section 18 of the UI Act empowers the Department of Labour Director General to refer UIF beneficiaries for vocational training as a pre-condition to qualify for unemployment benefits.

• Given these sections of the UI Act, the UIF established a Labour Activation Programmes Unit.
**UIF – LAP Overview**

**Labour Activation Programme**

- **Enable entrepreneurship**
  - Enterprise Development
    - Increase employment in SMME’s by improving the capability to self-employ

- **Enhance employability**
  - Training of the Unemployed
    - Up-skill the unemployed UIF beneficiaries to re-access the labour market

- **Preserve jobs**
  - Training lay-off Scheme
    - Provide financial assistance and turn around solutions to distressed businesses
  - Turn-around Solutions
    - Provide rescue solutions for companies to make them more efficient and effective

**The LAP GOALS (Vision 2022)**

- **R 1.75bn** Committed start-up support
- **400,000** Job opportunities sourced
- **50,000** Business opportunities sourced
- **85%** Match & placement rate
- **3.45 million** Trained in relevant skills
- **100,000** Jobs preserved

**The LAP WAY**

- **Source** job & business opportunities
- **Train**
- **Serve employers**
- **Serve employees**
- **Insure for Growth**
LAP – UIF

Challenges

Already Unemployed
- Already claimed from UIF
- Either looking for employment or stopped looking for employment

Claiming Unemployed
- Laying off or company closing
- Currently in process of applying for UIF Benefits
- Might be looking for employment

Risk of Unemployment
- Company in distress
- Possible opportunities for reskilling or diverting to other sectors/companies

What are we doing

Enhance Employability
- Training for employability – Partner with entities that will train and reskill jobseekers in market relevant fields
- Partner with Employers to create work opportunities and take in reskilled workers
- Placement of reskilled workers

Preserve Employment
- Assist Companies in distress
- Assist workers acquire/develop market relevant skills
- Placement of reskilled workers
- Introduce company to new markets

Enable Entrepreneurship
- Provide access to relevant training and support
- Provide and encourage mentorship
- Enhance access to markets
- Recruit from UIF job seeker base
- Start-up capital
- Go to market preparation
- Incubation

Outcomes

Key Notes:
- UIF processes over 720k claims a year;
- 80% of claims are for unemployment;
- Target to train and place Y1 450k, Y2 1 mil, Y3 2 mil;
- Programme to run 12 months
Target for 2018/19

• The target for Labour Activation Programmes is 450,000 participants
  – This is for the whole country
  – Participation in the Training of the Unemployed, Training Layoff Scheme, Turnaround Solutions and Enterprise Development
LAP PILLARS AND PROGRAMME MODEL

• Training of Unemployed
• Assisting companies in distress through TLS
• Provision of Turnaround Solutions
• Enterprise Development
• Partnerships with Government institutions and Public Entities, Development Agencies, Development Finance Institutions (DFIs)
• Partnerships with Private Sector institutions in the near future.
Training of the Unemployed

- Training targets UI beneficiaries and unemployed youth
- Partnerships with Technical and Vocational Education and Training (TVET) Colleges, Universities & Universities of Technology, Sector Education and Training Authorities (SETAs) and Public Entities listed in the PFMA
- During training learners must be placed in companies for workplace experience and mentorship
- Personal Protective Equipment (PPEs), Project Management fee and Medicals are covered (must be costed in the proposals)
Enterprise Development

• Cooperative programmes: to ensure sustainable income and job creation
• Mentorship and Incubation to small enterprises for meaningful participation in the mainstream economy
Assisting companies in Distress

- Training Lay Off Schemes
- Turnaround Solutions through Productivity
  South Africa
70% = UIF Beneficiary

30% = YOUTH – Youth Accord

Public employement services- PES = role players
Part of email addresses.
• R36 Million
• 19 Approved Municipalities
Thank You...