



# SSACI NEWS

The newsletter of the Swiss-South African Co-operation Initiative

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This newsletter aims to keep SSACI's partners informed about what the Initiative is doing, and why.

It seeks to give sponsors and project implementers a better understanding of one another's perspectives.

It highlights issues in the fields of education, training and skills development that effect SSACI's work.

**"SSACI News" is issued quarterly from the desk of the Programme**

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## **At Your Service**

*SSACI's Programme Manager, Ken Duncan, poses with a group of SLOT trainees at St Aidan's guest house in Grahamstown (see article on p2)*



## **Latest Employment Figures for South Africa**

South Africa's official unemployment rate reached a new peak of 30.5% at the end of September 2002, according to the latest figures released by Statistics South Africa at the end of March. This was an increase of just over 1% on the figure of 29.4% for February 2002 and almost 5% up on the jobless rate of 25.8% in September 2000. These figures indicate that the economy's slow but steady growth is not yet creating enough new jobs. Economists predict that it will have to grow by at least 3.5% for two or more consecutive years to produce a significant number of new jobs.

The sixth labour force survey by the parastatal Statistics South Africa, gathered its data from 69'000 adults in 30'000 households across the country. It found that 4.8 million out of a total of 15.9 million potentially economically-active people are currently unemployed.

The survey noted that the number of employed people in the country has remained relatively constant over time, but the number of unemployed people has grown owing to a steady stream of new, mainly young, entrants into the job market.

Employment in mining, trading, energy, construction, transport, services and private households remained notably steady over the period February 2000 to February 2002. However, one sector of the economy has shown a significant decline in employment. Subsistence and small-scale agriculture has lost about a million workers over the past three years, almost two-thirds of its total labour force since February 2000. Some good news came from the manufacturing sector, where employment increased from 1.5 million in February 2000 to 1.7 million in February 2002.

## Focus on a Project: School Leavers' Opportunity Training

The School Leavers' Opportunity Training project (SLOT) is one of four funded by SSACI with a focus on the tourism and hospitality industry. SLOT was founded in Pietermaritzburg in 1990 with the objective of helping local youths, especially those from rural areas, to access training courses that lead to jobs. SLOT operates as a Section 21 (non-profit) company.

The attention given to this sector is justified by the growth of international tourism to South Africa, and its resultant potential for job creation. According to the most recently available figures from Statistics South Africa, overseas visitors to this country in October 2002 soared to a record 42% more than in the corresponding period in 2001, followed by a further 35% in November. This brought the cumulative increase in tourism for the first 11 months of last year to 18.5% more than in 2001, with a total of 1'668'352 foreign visitors.

The tourism and hospitality industries comprise a range of jobs requiring relatively low entry-level skills, while still offering good prospects of in-service training leading to further career opportunities. This makes it an ideal sector for young entrants into the job-market.

The SSACI-funded project being implemented by SLOT involves the training of 60 youths who will specialise in one of two areas: hotel catering or management. Approximately 240 applicants were interviewed for the 60 available places.

Trainees undergo a two-week life-skills course, followed by a foundational course in hotel-keeping (3 weeks), on-site skills training (10 weeks) and an internship in a hotel (6 or 9 weeks, depending on area of specialisation). Thereafter, SLOT will assist graduates to find employment.

The initial three weeks of technical skills training covers all the main departments of a hospitality establishment - namely, reception, reservations, housekeeping, maintenance, service, barkeeping and catering. It is conducted at St Aidan's Guest House in Grahamstown, a non-profit training institution established specifically to bring youths from disadvantaged communities into the hospitality industry. Housed in a former Catholic seminary in picturesque Grahamstown, St Aidan's is a fully functional B&B. Its Victorian mock-gothic architecture and extensive grounds provide a unique setting for trainees and visitors alike. (See photographs opposite and on front page)



*The imposing driveway and entrance to St Aidan's Guest House in Grahamstown*

The three-week foundational course at St Aidan's is followed by ten weeks of closely-supervised further training in a commercial hotel or bed-and-breakfast establishment. During this period the trainees' progress is monitored by SLOT field officers and the management of the establishment they are placed in. On the basis of this experience, the students decide on whether to specialise in management or catering. Thereafter, they go on to complete a six- or nine-week internship in 3- or 4-star hotels.

The 60 SSACI-sponsored trainees, divided into three cohorts, are well into their training. The first two groups of 15 and 30 trainees respectively have already commenced their nine-week hotel-internship in various hotels. Job offers for these trainees have come from thirteen establishments in the Western Cape and KZN that participated in the training programme, so prospects for employment look good. It is anticipated that at least 20 of the 60 trainees will be placed in employment immediately on completion of training and a further 20 will be placed within three months.

The cost of this project to SSACI is R554'000 over eighteen months. If SLOT delivers on its performance-objectives, further funding for a second phase may be forthcoming.

The omens within the industry itself are good. Minister for Tourism and Environmental Affairs, Valli Moosa, recently told Parliament that South Africa is the fastest growing tourist destination in the world and he expected emerging destinations, such as the new national road along the Transkei Wild Coast, to give a further boost to tourism.

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## ***SSACI's Five Guiding Principles***

### **1. Effectiveness**

SSACI is an outcomes-driven organisation that aims to make a positive impact on South African society. In pursuit of an effective funding programme, we:

- Focus upon an urgent national priority, namely, youth unemployment
- Seek projects that have the potential for systemic impact
- Select projects on the basis of their demonstrated potential for achieving specific, measurable outcomes and implementation partners on the basis of their track-record of delivery
- Monitor and evaluate all our projects in terms of their pre-determined objectives, but with an eye, too, for unintended outcomes

### **2. Efficiency**

As a cost-conscious organisation, SSACI seeks to increase the value of its support to development initiatives by discharging its responsibilities promptly and efficiently. This means that we:

- Keep our own operating costs at a very low level (less than 10% of our annual budget)
- Seek projects and partners that are cost-effective, with efficient management structures, low overhead costs, high levels of technical expertise and effective means of service delivery
- Respond quickly to correspondence and other contacts
- Process funding applications without delay and inform applicants immediately of our decision

### **3. Flexibility**

Recognising that development co-operation is not an exact science, SSACI seeks to be aware of the uncertainties involved in project implementation and the unexpected demands that may be placed upon implementing partners. This means that we:

- Are open to innovative ideas and willing to undertake promising experiments
- Are not bound by excessive internal bureaucracy
- Respect agreed plans and procedures but are ready to revise them to meet new exigencies

### **4. Transparency**

SSACI believes that the success of a project depends upon each of the partners' knowing what the others are about. To this end, we:

- Explain our funding criteria clearly and give specific reasons why a project proposal does or does not match those criteria
- Make our own objectives, expectations and possible contributions clear to potential partners from the start of negotiations on the implementation of a project
- Share evaluative information with partners and keep them informed of our views regarding the implementation of a project
- Report back regularly on our activities to our own funders and other interested parties

### **5. Learning**

Since success in any field is to a considerable degree dependent upon a thorough understanding of the realities, opportunities and problems that it presents, SSACI seeks to be a constantly learning organisation. This means that we:

- Constantly seek to update and extend our grasp of development issues
- Pay constant attention to lessons learned from our own experience and that of other organisations, as recorded in the research literature
- Share our experiences with other interested parties
- Develop the professional competence of our own staff

**Summary of SSACI Projects**  
**(February 2003)**

<i>Total number of projects funded by SSACI</i>	<b>27</b> , of which: <ul style="list-style-type: none"> <li>• <b>20</b> are in the first phase of funding</li> <li>• <b>3</b> are in a second phase of funding</li> <li>• <b>4</b> have run to completion</li> </ul>
<i>Total amount committed to projects</i>	<b>R 25'213'800</b>
<i>Total amount disbursed to date</i>	<b>R 14'275'000</b>
<i>Total number of youths to be enrolled for training</i>	<b>1 620</b>
<i>Number of youths who have completed training</i>	<b>643</b> , of whom: <ul style="list-style-type: none"> <li>• 351 are in full-time jobs (including 115 self-employed entrepreneurs)</li> <li>• 24 are studying full-time</li> <li>• 42 are doing voluntary community work</li> <li>• 226 are in a post-training support programme</li> </ul>
<i>Number of micro-enterprises created to date</i>	<b>44</b>

### Building Partnerships

SSACI sees an important role for itself in serving as a testbed for projects that can be scaled up, or replicated elsewhere, with increased funding from larger donor agencies. The National Skills Fund, into which go the levies on employers' payrolls, may be an important source of such funding. For this reason, SSACI is exploring various types of collaborative relationship with the Sector Education and Training Authorities (SETAs) that are responsible for implementing the National Skills Development Strategy. One promising form of collaboration is the trialling by SSACI of new learnerships designed to be accessible to unemployed youths, for whom the SETAs have to date been able to do relatively little, despite their being a priority target population within the national strategy. Three of our current projects - in the IT, services and education sectors - involve the development of new learnerships in conjunction with the relevant SETAs.

Another creative linkage now emerging between SSACI and some SETAs is the suffixion of a SSACI-funded job-placement or enterprise-development component to a SETA-funded vocational training programme, which adds value to both parts.

Apart from these emerging partnerships, two other SSACI projects have recently received increased funding from the Department of Labour and the government-funded Umsobomvu Youth Fund, largely on the strength of what they were able to accomplish with SSACI grants. One of them, the Siyavuka Lateral Improvement Foundation (SLIF), was featured in the December 2001 (No. 3) and July 2002 (No. 5) issues of *SSACI News*. In March this year, SLIF was awarded R840'000 from the Department of Labour to establish a production workshop for the ceramic artists trained with SSACI funding in 2002