

EASTERN CAPE JOB SUMMIT AGREEMENT

16 FEBRUARY 2006

SECTION 1: VISION, OBJECTIVES AND OUTCOMES

1.1 INTRODUCTION

- 1.1.1 This Eastern Cape Jobs Summit comes in the wake of concerns over significant job losses in the Province, and the systematic failure of the Provincial economy over the past twenty years to create sufficient new jobs to absorb work-seekers.
- 1.1.2 This Eastern Cape Jobs Summit builds on the 1998 Presidential Jobs Summit and 2003 National Growth and Development Summit. More specifically the Eastern Cape Jobs Summit will endeavour to translate the nationally-agreed outcomes into Provincial-specific commitments and deliverables.

1.2 VISION

- 1.2.1 The Jobs Summit Agreement commits the social partners and role-players to working towards a poverty free Eastern Cape where all people have equitable access to social services and fully benefit from the economy.
- 1.2.2 In order to achieve this goal the partners commit to working together to build a robust social partnership in support of the 2014 targets of the Eastern Cape Provincial Growth and Development Plan.
- 1.2.3 The 2014 PGDP targets are:
- To maintain an economic growth rate of between 5% and 8% per annum.
 - To halve the unemployment rate by 2014.
 - To reduce by between 60% and 80% the number of households living below the poverty line by 2014.
 - To reduce by between 60% and 80% the proportion of people suffering from hunger by 2014.
 - To establish food self-sufficiency in the Province by 2014.
 - To ensure universal primary education by 2014, with all children proceeding to the first exit point in a secondary education.
 - To improve the literacy rate in the Province by 50% by 2014.
 - To eliminate gender disparity in education and employment by 2014.
 - To reduce by two-thirds the under-five mortality rate by 2014.
 - To reduce by three-quarters the maternal mortality rate by 2014.
 - To halt and begin to reverse the spread of HIV/AIDS by 2014.
 - To halt and begin to reverse the spread of tuberculosis by 2014.
 - To provide clean water to all in the Province by 2014.
 - To eliminate sanitation problems by 2014.

1.3 STRATEGIC OBJECTIVES

- 1.3.1 The primary objectives enshrined in this agreement are to defend jobs and accelerate the pace at which new jobs are created in the Province.
- 1.3.2 In the implementation of this Agreement special measures will be taken to ensure that the interest of historically marginalised sectors, such as youth, women, the disabled, people living with HIV and AIDS are substantively addressed.

1.4 OUTCOMES

- 1.4.1 In order to give effect to the content of this agreement, the partners commit themselves to build an enduring partnership around a number of short, medium and long range outcomes that create jobs, promotes growth and investment, based on the principle of people-centred development.

SECTION 2: MORE JOBS, BETTER JOBS AND DECENT WORK FOR ALL

2.1 PUBLIC INVESTMENT INITIATIVES

- 2.1.1 With respect to building a more balanced and equitable Provincial economy, Provincial Government commits Provincial resources to accelerate the roll-out strategic economic infrastructure in the rural hinterland and other developed parts of the province. Further, provincial government commits to mobilizing resources from national Government and public entities in support of provision of infrastructure.
- 2.1.2 Key initiatives include:
 - 2.1.2.1 Implement the prioritized PGDP and ASGISA projects (Mzimvubu, Forestry Development and the Bio-Fuels) to stimulate growth of urban and rural economies in the former bantustan areas of the Province to the amount of R29 billion (including private sector and public entities) with the potential of creating 500 000 jobs.
 - 2.1.2.2 Implement the other Provincial Icon Projects including the Wild Coast Meander, rail projects including Shishen-Coega, Gauteng-East London, Kei Rail, among others; and the Indwe-Molteno Coalfields and Power Station
 - 2.1.2.3 Accelerate investment in social infrastructure primarily in the second economy including schools (R 2,3 billion over 3 years), health facilities (R 1,7 billion over 3 years), and housing (R 3 billion over 3 years).

- 2.1.2.4 Build and maintain an equitable road network that unlocks economic development potential across the Province (R 5,2 billion over 3 years);
- 2.1.2.5 Give impetus to agrarian transformation through the Green Revolution through the refurbishment and delivery of agricultural infrastructure, including the former parastatal irrigation schemes (R 592 million over 3 years)
- 2.1.2.6 Consolidating and expanding the Province's industrial sector through continued promotion and investment in the East London and Coega IDZs
- 2.1.3 Organised Labour, Business and Provincial Government commit to development of strategies for rescuing vulnerable sectors and industries.

2.2 ACCELERATING PRIVATE INVESTMENT IN PRIORITY JOB CREATING SECTORS

- 2.2.1 All the Provincial Business Chambers commit to advocating a policy of re-investment of capital and profits in the Eastern Cape for economic expansion in job creating sectors. This policy will be in place within 6 months of the Summit.
- 2.2.2 All the Provincial Business Chambers commit to foreign direct investment and trade promotion by actively participating and supporting initiatives by Chambers and trade promotion agencies. This includes ensuring participation of Business in Development Agencies.
- 2.2.3 Business also commits to encourage Public Private Partnerships in new capital infrastructure projects and programmes.
- 2.2.4 COSATU commits itself to engage unions at national level to leverage union-controlled pension and provident funds to direct investment towards underdeveloped areas.

2.3 EXPANDED PUBLIC WORKS PROGRAMME

- 2.3.1 Provincial and Local Government commits itself to creating 200 000 work opportunities within the Expanded Public Works Programme over 5 years.
- 2.3.2 Provincial and Local Government agree to work closely with civil society to place more emphasis on sustainability, particularly skills development and exit strategies

2.4 SUPPORT FOR PRIORITISED EMPLOYMENT DRIVERS

- 2.4.1 Organized business, labour and government hereby commit to hosting sector summits by the end of the 2006/2007 financial year. These summits will formulate and implement sector strategies, commit investment and create jobs under the auspices of an overarching provincial industrial strategy.
- 2.4.2 Priority sectors include Tourism, Agriculture, Agro-processing, Forestry/Timber, Construction and Automotive and related industries.

2.5 LOCAL PROCUREMENT

- 2.5.1 Provincial and Local Government, Organised Labour, Institutions of Higher Learning Business and Civil Society hereby commit to procuring goods and services from Eastern Cape suppliers.
- 2.5.2 All partners commit to launch the “Working for the Eastern Cape” campaign within 6 months. The campaign will implement supply and demand side measures for increased market share for local producers and suppliers, with a particular emphasis on pro poor sources.
- 2.5.3 Provincial and Local Government commit to establishing tender advice centres in each district municipality and to develop and support local suppliers through the implementation of Supply Chain Management.

2.6 SMALL ENTERPRISE PROMOTION

- 2.6.1 All partners commit to implementing supply and demand side measures for supporting small enterprise development. This includes access to micro-credit/development finance.
- 2.6.2 Provincial Government commits a minimum of R 300 million for Enterprise Finance over three years.

2.7 SUPPORT FOR CO-OPERATIVES

- 2.7.1 All partners commit to the promotion of Co-operatives. The Provincial Government will ensure that the following measures will be in place:
 - 2.7.1.1 Supply side support measures for co-operatives
 - 2.7.1.2 Access to credit
 - 2.7.1.3 Access to markets
 - 2.7.1.4 Linkages to FETs and other institutions of Higher Learning

2.7.1.5 Establish a provincial co-operative institute

2.8 ECONOMIC EMPOWERMENT

2.8.1 All partners commit to meet targets of national Sector Charters in sector where such charters have been developed. In addition, provincial government will develop provincial empowerment targets within 1 year of the Summit.

2.9 ACCELERATED ACCESS TO PRODUCTIVE ASSETS AND TECHNOLOGY

2.9.1 Provincial and Local Government commit to accelerate access to productive assets for the poor:

2.9.1.1 Arable, irrigable land

2.9.1.2 Credit and Finances

2.9.1.3 Plant, machinery and other implements

2.9.2 Business and Higher Education Sector commits to accelerated pace of knowledge and technology transfer, particularly Information Communication Technologies, Multi Purpose Community Centres, targeted Research and Development.

SECTION 3 HUMAN RESOURCE DEVELOPMENT

3.1 ADDRESSING HUMAN RESOURCE CHALLENGES IN THE PUBLIC SERVICE

3.1.1 In order to accelerate the rate of growth, and quality of public service, Provincial and Local government commits to the following within six months of the Summit:

3.1.1.1 To complete audits of all establishments against service delivery

3.1.1.2 Determine levels of vacancies

3.1.1.3 Design and implement strategies for filling of vacant posts prioritising areas where service delivery is compromised by vacancies.

3.2 PGDP HUMAN RESOURCE PROGRAMMES

3.2.1 All partners commit to the targets set in the PGDP, particularly pertaining to: Early Childhood Development, Adult Basic Education and Training, Further Education and Training, General Education and Training.

- 3.2.2 The implementation of these programmes should place a particular emphasis on equity and redressing the apartheid imbalances imbedded in the education system.

3.3 HIGHER EDUCATION SECTOR

- 3.3.1 The Higher Education Sector commit to
 - 3.3.1.1 Production of local skills relevant to and appropriate for local needs
 - 3.3.1.2 Relevant and appropriate research to assist local businesses and government
 - 3.3.1.3 Buying local
 - 3.3.1.4 Form partnerships and joint-ventures with local entrepreneurs
 - 3.3.1.5 Minimise shedding of jobs in campuses
 - 3.3.1.6 Offer service tenders to local entrepreneurs
 - 3.3.1.7 Community engagement or partnerships to ensure utilisation of available land for production
 - 3.3.1.8 increased accessibility for the poor and disadvantaged commitment to realign programmes with skills needs in job creating sectors

3.4 WORKPLACE TRAINING

- 3.4.1 All partners commit to:
 - 3.4.1.1 Jointly setting provincial targets for learnerships across 25 SETAs within 1 year of the Summit
 - 3.4.1.2 Increased investment within public and private sector in apprenticeships, internships, and skills programmes
 - 3.4.1.3 Establishment of Provincial Skills Development Co-ordinating Forum

SECTION 4 ECONOMIC GOVERNANCE

- 4.1 Provincial and Local Government commit to strengthen the capacity of the state to implement the PGDP and the Summit Agreement, and provide the necessary stewardship over the economy.
- 4.2 This includes:
 - 4.2.1 Improving the capacity in Provincial Government's economic services sector departments and entities;
 - 4.2.2 Aligning plans and budgets of Provincial and Local Government to Jobs Summit outcomes;
 - 4.2.3 Provincial Government to implement a hands on programme to capacity in local government to facilitate local economic development
 - 4.2.4 Integrating and mainstreaming HIV and AIDS in economic development
 - 4.2.5 Hosting of Growth and Development Summits, and formulate Growth and Development Strategies for each District and the Metro.

- 4.2.6 Business, Civil Society and Organised Labour commit to participating in IDP processes.

SECTION 5 POST SUMMIT PROCESS

5.1 POST SUMMIT PROCESS MANAGEMENT

5.1.1 Provincial Government commits to:

- 5.1.1.1 Enhance ECSECC's capacity to promote stakeholder participation in socio-economic policy processes.

5.2 POST SUMMIT COMMITMENTS

5.2.1 All partners commit to:

- 5.2.1.1 Participate in the foras and structures required for the successful implementation of the Summit Agreement
- 5.2.1.2 Participate in the monitoring and evaluation processes of the Summit Agreement
- 5.2.1.3 Make available the resources necessary to implement this Summit Agreement
- 5.2.1.4 Implementation of the Batho Pele principles in the public sector
- 5.2.1.5 Fight corruption

5.2.2 Provincial Government commit to:

- 5.2.2.1 Convene bi-monthly meetings with all Business Chambers
- 5.2.2.2 Convene bi-monthly meetings with Labour
- 5.2.2.3 Hold a Jobs Summit every two years, including regular and ongoing review of progress
- 5.2.2.4 Making available the budgets necessary for the successful implementation of this Summit Agreement

5.2.3 Organised Local Government commits to:

- 5.2.3.1 Mobilise for district and local municipalities participation in the implementation of the Summit Agreement

5.2.4 Civil Society commits to:

- 5.2.4.1 Participate with partners in monitoring the implementation of Summit Agreement
- 5.2.4.2 Mobilise constituencies to participate in the successful implementation of the summit agreement
- 5.2.4.3 Periodically carry out independent monitoring and review of the implementation of the Summit Agreement

5.2.5 Organised Labour commits to:

- 5.2.5.1 Support the successful implementation of this summit agreement
- 5.2.5.2 Mobilise constituencies to cooperate with other partners in the implementation of the Summit Agreement

- 5.2.5.3 Participate with other partners in the monitoring and evaluation processes of this Summit Agreement
- 5.2.6 Organised Business commits to:
 - 5.2.6.1 Achieve business unity and the establishment of a provincial structure of BUSA/CHAPMSA by August 2006.
 - 5.2.6.2 Facilitate the participation of Big Business in the implementation of the Summit Agreement
- 5.2.7 Higher Education Sector commits to:
 - 5.2.7.1 Mobilisation of all institutions of higher learning to participate in the successful implementation of this Agreement
- 5.2.8 ECSECC to:
 - 5.2.8.1 Coordinate implementation of Jobs Summit Agreement
 - 5.2.8.2 Establish a Jobs Monitoring Facility to monitor job creation and job loss in line with targets of Job Summit
 - 5.2.8.3 Monitor implementation of commitments made at Summit

6. SIGNATORIES TO AGREEMENT

We, the undersigns, hereby commit to this Agreement.

East London, Thursday 16th February 2006

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Provincial Government

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Organized Business

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Organized Labour

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Organized Local Government

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Civil Society

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Higher Education Sector