

SIKHULILE – SMALL STEPS TO BIG THINGS

By starting saving clubs and pooling a portion of their daily Community Work Programme wages, people are accumulating skills and assets they only dreamt of acquiring before, from getting a driver's licence to buying a television set.

Unless there was a specific reason to visit the town of Sterkspruit, there is little reason to go at all. Situated way off the main highways joining Guateng to the coast means little stopover traffic. Placed too far West of the Drakensberg range and too far South of the main border crossing into Lesotho, means that tourists also give it a miss.

Nestled in the Eastern Cape, where it meets the Free State, the rural communities surrounding this tumble-down yet vibrant trading town face genuine difficulties. As in nearby old farming settlements, unemployment is pandemic – there are no jobs and the wages earned from the Sikhulile Community Work Programme (CWP) are one of the few sources of income.

As the CWP participants, supervisors and facilitators started earning a regular income, Tandekile Busakwe, an innovative CWP facilitator, had the idea of starting traditional *stokvel* savings clubs in which group of earners club together and pay an equal amount from their salaries into a communal pot that is allocated to an individual each month and in turn. “It means that every member can make large purchases, which are usually hard to do,” she says.

Thandikile recognised that while the CWP offered opportunity in a sea of acute poverty it would be prudent to use this to look for ways to optimise the opportunity and benefits. She discussed the idea with her colleague, Noluthando Makeneke, and then they and the other two project facilitators discussed the idea with the participants in the CWP projects.

CWP includes participants, who do the work, and some of them are supervisors who see that the work is done properly. Sihulile has 1 000 participants and a number of supervisors. What they discussed and agreed is that each month the supervisors, who work five days a week and earn R90 a day, would put R50 into a kitty. Participants, who work two days a week and earn R60 a day, put in between R20 and R35.

Part of the approach is to set up a number of smaller *stokvels* so that people do not have to wait that long for their turn. Participants decided to have more, smaller groups with around 10 members so that the turnaround is quicker. Participants put between R200 and R250 into a kitty, making a total of around R2 000 with group members taking turns to take and use this.

Each group operates independently of the others so the funds available vary. Every month one of the group members has their turn to take and use the kitty – but the use has to be approved by their fellow group members before they can access it.

The funds have mainly been used to acquire skills such as paying for a driving licence or lessons, or to make a cash payment for a household item such as a stove instead of paying interest on a credit purchase.

Beneficiaries have increased their technical skills, which in turn increases employability. “Already two young women supervisors have got their driver’s licences through this and another one is busy getting one,” says Tandekile. “Another one is doing a computer course and others have been able to go to two to get furniture and even a television set.”

The groups have recognised that the CWP offers a breakthrough into opportunities and efficiencies that could never exist without a predictable, stable income. It is striking, and even humbling, that these choices are being made by people who are still extremely poor and who have mostly never had a job or stable income in their lives. What is breathtaking is that the money they manage to pay in comes from the small monthly income being earned.

The story goes beyond self interest into social responsibility. All the participants have voluntarily agreed that in the event of one of their number dying, each will put in R20 towards the funeral costs. Very few of them have been able to afford funeral insurance so paying for a funeral is an extremely important concern for the families involved. The agreement also extends beyond the financial one into offering many of the services associated with arranging funeral – and food from some of the many gardens built through the CWP is also donated.

Without the guaranteed regular income provided by the CWP, none of this would be possible. However, it all happened by spontaneous effort on the part of those associated with CWP and it is not being organised or paid for by CWP.

CWP created the conditions in which something like this was possible as opposed to almost impossible without it.

This profile is part of a series that looks at local innovation in the South African government’s Community Work Programme (CWP). It was produced by Trade & Industrial Policy Strategies (TIPS) for the Department of Cooperative Governance (DCoG). For more information about the CWP go to www.cogta.gov.za/cwp.