

Impact of COVID-19 on public works programs: policy options in the short and medium term

26 May 2020

Audience questions & comments

Question 1: *Global unemployment from c25million to 188million; can we get more explanation, please? (From Blair Robert Ayeiaga)*

You can get more information on this from the ILO's annual World Employment Social Outlook, which sets global unemployment at approximately 200 million. ILO has recently estimated that employment is likely to increase by up to 25 million as a result of COVID-19 induced economic recession. Please see it here: https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_670542.pdf

Question 2: *What happens to the countries with no or limited social protection systems? How should they protect their most vulnerable citizens from the repercussions of COVID-19? (From Amie Khan)*

Where SP is limited there is the potential to increase provision in various ways if resources can be identified from government budgets or donors, drawing on a range of new budget lines and loan facilities established to address COVID-19, and the reallocation of existing programme budgets in favour of COVID-19 responses.

Some ministries have planned for such an expansion in the context of an emergency, by putting in place triggers and protocols for expanding provision, this is sometimes called 'shock responsive social protection' (SRSP).

The simplest ways to rapidly expand provision is to i) increase the amount of the transfer (known as vertical expansion), which offers a quick way to increase resources available in communities, or to ii) increase the number of beneficiaries in existing schemes and extend their geographical coverage (horizontal expansion). The simplest and most cost effective tools for achieving this are cash transfers, particularly when provision is universal or based on simple readily verifiable criteria, rather than complex targeting approaches. This can be facilitated by use of mobile technology. Where national registries and ID are available this can facilitate implementation, otherwise alternative forms of registration based on lower levels of the state are options during the crisis period.

The key issue is to ensure consumption smoothing to prevent increased impoverishment and a range of redistributive tools can be used to achieve this – which include not only cash transfers and LIPW, but also extending subsidies on key goods, reducing or suspending contributions to social security, enabling early/partial access to savings incurred through social security contribution, waiving fees for key services etc.

The key lesson here is that having basic SP systems in place, and investment in government structures, registries, transfer modalities etc, enables countries to respond to a crisis, as they provide a means for direct redistribution at the point of need.

Question 3: *To Dr. McCord – how would you consider these interventions to contain COVID-19, in impact evaluation?* (From Essa Chabue Mussa)

I would imagine that these interventions might be included in the national reviews of public health responses to COVID-19 which governments are likely to implement in the future, as the PWP are implementing mainstream public health activities, and will be part of a wider review of the DP response to COVID-19 and the role that SP played within that which will be implemented once the crisis phase has abated, in order to provide lessons for the next global pandemic and to ensure that future SRSP discussion and PWP-health sector linkages are better prepared by inclusion of pandemic scenarios in SRSP.

Question 4: *To Dr. McCord – Post COVID-19 food security, in particular in Africa, will be a major issue. Which good practices exist of how public works can support enhancement of food security?* (From Gabriel Fernandez)

This question was addressed during the webinar. Watch the Q&A session [here](#).

Question 5: *Public works programs have played a fundamental role in extending social protection. However, they do not guarantee access to traditional social security (social insurance). How can public works programs evolve to respond to the dual role of massive public employment and secured access to traditional social security?* (From Mondo Ngomba Paul)

This question was addressed during the webinar. Watch the Q&A session [here](#).

Question 6: *How to reach people who are in informal work like street vendors, sex workers? In Latin America, one of the challenges is to address those who are in informal work. Recently in Peru and Ecuador, people are demanding the right to work and the response from government is repression* (From Edgar Carrasco)

EPWP falls within the social protection net in SA. EPWP participants may not double dip, that is receive a grant and be employed in EPWP. EPWP recruits persons that are not eligible for any grants. Person that are involved in informal work falls into the target population for EPWP. This includes informal traders.

Question 7: *To Mr. Devan Pillay - Could you please detail a little if temporary workers employed by the PWP are trained for the roles they will perform? If yes, for how long and by who are they trained? Which impact has this training in the PWP budgets?* (From Alexandra Chaves)

Training is one of the key elements in EPWP. People are trained on the job, in the main. However, there are a number of Programmes that provide both theoretical and practical training. There is also targeted training on the establishment of SMMEs and co-operatives. The

intent is to elevate people into formal economic activity. There are significant achievements in the establishment of SMMEs and co-operatives. The challenge we experience, is that, persons that are trained are not absorbed into the formal economy.

Question 8: *Experiences across countries reveal a rise in social protection interventions in response to the covid-19 pandemic, especially social assistance. At the same time, confinement measures triggered work stoppages including public works. Some countries treated these work stoppages as sickness or involuntary unemployment covered by pre-existing social insurance programmes. However, labour intensive public works programmes were halted without accompanying social protection measures. How can PWP be redesigned to secure access to basic income in crises similar to covid-19?* (From Mondo Ngomba Paul)

Key here is that if a PWP is halted due to *force majeure*, then an alternative plan for the transfer of resources to beneficiaries is required – we have seen that this could take the form of payment without the work requirement – ie suspending the work component for the duration of the immediate crisis and still paying the transfer. Given the transfer is intended as a form of social protection this should not be contentious on a temporary basis, and could be accommodated in programme operational guidelines as a way of ensuring duty of care. This could also occur on an individual basis if a worker was sick or needed to quarantine, while the programme itself was ongoing.

Alternatively, PWP workers can theoretically contribute to social insurance schemes while employed in PWP in order to qualify for unemployment benefits – this has been trialled in some schemes by the ILO but is problematic due to the short duration of employment, the low wage (in many PWP below the threshold for social security contributions), and the scarcity of unemployment provision in most low and middle income countries etc.

Question 9: *To Dr.Ahal – What kind of controlling mechanism (how the work is being done and related to preventing themselves from COVID) is put in place when you allow people to work on individual private infrastructure creation?* (From Essa Chabue Mussa)

This question was addressed during the webinar. Watch the Q&A session [here](#).

Question 10: *To Dr.Ahal and Pillay – How, if at all, is the private sector involved in developing skills/assets that allow PW participants to be absorbed in formal labour market?* (From Shirin Merola)

This question was addressed during the webinar. Watch the Q&A session [here](#).