

SERVICE DELIVERY PARTY



CAPE TOWN WORKS 2031

*A five-year plan to connect Capetonians to work, skills,
enterprise and economic opportunity*

POLICY WHITE PAPER

2026–2031

Cape Town Works 2031

A five-year plan to connect Capetonians to work, skills, enterprise and economic opportunity

PORTFOLIO OWNERSHIP

Jointly owned by the **Local Economic Development** portfolio (**Anda Grobbelaar**) and the **Youth Employment and Skills** portfolio (**Kariema Nortje**). Policy White Paper 2026–2031, Service Delivery Party.

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OVERVIEW

Executive Summary

Cape Town does not need another jobs strategy that counts training courses, certificates or temporary placements.

It needs a system that connects people to real economic opportunities.

The central proposition of Cape Town Works 2031 is simple:

The City cannot create every job. It can, however, become a much better broker between people looking for work, businesses looking for workers, institutions providing skills and public infrastructure that creates demand.

Cape Town already has many of the ingredients required.

The city has major infrastructure programmes, a substantial tourism economy, a growing business-process-outsourcing sector, manufacturing, clothing and textiles, marine industries, renewable energy, logistics, construction, food production, a substantial informal economy and three established public TVET colleges.

The Western Cape Growth for Jobs Strategy similarly recognises that the private sector creates jobs while government should create the conditions that allow people and businesses to participate in economic opportunity.

The problem is the connection between these opportunities and the people who need them.

Cape Town Works 2031 proposes a five-year employment and opportunity system built around six pillars:

Pillar	What it delivers
1. WORK	Paid first-job opportunities, internships, work experience and employment pathways.
2. TRADE	A major employer-led apprenticeship and artisan programme involving small workshops, contractors, farms and manufacturers.
3. SKILLS	A Cape Town Technical Skills Network using existing TVET infrastructure while investing in equipment, employer partnerships and workplace learning.

Pillar	What it delivers
4. BUILD	Use infrastructure spending to create skills, apprenticeships, local enterprise and permanent maintenance capacity alongside physical infrastructure.
5. GROW	Help informal businesses, micro-enterprises and small contractors become sustainable businesses and eventually employers.
6. ACCOUNT	Measure employment outcomes at six, 12 and 24 months rather than measuring success through enrolments and certificates.

The base financial model proposes approximately 100,000 pathways to economic opportunity over five years.

These pathways are not all guaranteed new jobs. They include apprenticeships, paid work experience, first jobs, occupational training linked to employers, internships and enterprise-transition opportunities.

Under the base model:

Base model	Planning figure
Pathways to economic opportunity	100,000
People reaching 12-month sustained employment or economic activity	approximately 65,000
Catalytic City funding	approximately R1.36 billion
Potential employer and external contributions	approximately R1.56 billion
Total programme resources	approximately R2.92 billion

The figures are planning assumptions, not forecasts.

The central financial principle is leverage.

Cape Town should not pay for training that SETAs already fund. It should not pay an employer for a worker the employer would have hired anyway. It should not construct a new institution where existing TVET capacity can be upgraded.

The City should use its money to remove the barriers between a person and a job.

Cape Town Works 2031 therefore seeks to change the question from:

"How many people did government train?"

to:

"How many people are still earning an income 12 months after entering the programme?"

FOUNDATION

The Constitutional Mandate

Cape Town Works 2031 is not a discretionary add-on to municipal function. It rests on the constitutional purpose of local government.

Section 152 of the Constitution sets out the objects of local government. These include democratic and accountable government, the promotion of social and economic development and the encouragement of community involvement in local government matters. Section 152(2) adds that a municipality must strive, within its financial and administrative capacity, to achieve those objects.

Section 153 requires a municipality to structure and manage its administration, budgeting and planning to give priority to the basic needs of the community and to promote the social and economic development of the community. It also requires a municipality to participate in national and provincial development programmes.

Each pillar of this strategy gives effect to a specific constitutional duty:

Constitutional provision	What it requires	How Cape Town Works 2031 gives effect to it
Section 152(1)(a)	Democratic and accountable government	The ACCOUNT pillar, the public performance dashboard and independent outcome verification.
Section 152(1)(c)	Promotion of social and economic development	The WORK, TRADE, SKILLS, BUILD and GROW pillars.
Section 152(1)(e)	Involvement of communities and community organisations	Jobs Connect and the sector consortia bring employers, industry associations, training providers and community enterprises into the design and running of the system.
Section 152(2)	Action within financial and administrative capacity	A staged funding ramp, five financial rules, a first-year focus on building the machinery and a refusal to fund programmes that do not produce results.

Constitutional provision	What it requires	How Cape Town Works 2031 gives effect to it
Section 153(a)	Budgeting and planning that prioritise community needs and development	Outcomes-based funding and the Geographic Jobs Map, which direct spending to where unemployed residents live.
Section 153(b)	Participation in national and provincial development programmes	The leverage principle: SETA grants, provincial stipend programmes and national employment initiatives are connected to local employers rather than duplicated.

The mandate is one of enabling and co-ordination, not sole delivery. TVET colleges and SETAs sit largely with national government, and provincial government runs its own skills and stipend programmes. The City's constitutional footing is economic development, planning, budgeting and participation in the programmes of the other spheres.

That is why this strategy positions the City as market maker, broker and outcomes funder, rather than as a direct provider of training or employment.

SECTION 01

The Problem

Unemployment is not a single problem.

A 19-year-old school leaver with no work experience faces a different barrier from a 34-year-old informal mechanic who has never obtained a formal qualification.

A 47-year-old construction worker may need recognition of prior learning rather than another entry-level course.

A small electrical workshop may have enough work to employ an apprentice but lack the cash flow and administrative capacity to train one.

A young person may have a qualification but no transport to reach an industrial area.

A woman may have the skills to run a small catering business but lack access to premises, equipment, procurement opportunities and finance.

These are different problems.

They therefore require different interventions.



The greatest mistake would be to treat unemployment as a shortage of training alone.

Cape Town Works 2031 begins from a different premise:

People need a pathway from where they are now to where the economy needs them to be.

SECTION 02

Cape Town's Economy Already Contains the Building Blocks

Cape Town is not starting from zero.

The City reported that its economic growth partnerships contributed 15,948 direct jobs and R18.9 billion in investment during the 2025/26 financial year across sectors including BPO, marine manufacturing, clothing and textiles, ICT, creative industries and green manufacturing.

The City has also adopted a Manufacturing Support Policy intended to expand support across all 33 industrial areas in Cape Town.

The Western Cape has identified ICT, BPO, tourism and hospitality, manufacturing and technical trades among its priority skills areas. Its SkillsBoost 2026 work examines the skills requirements of these sectors as well as the barriers preventing skills from translating into employment.

Cape Town therefore possesses substantial economic activity.

The policy challenge is to ensure that more residents can enter, participate in and progress through that economy.

SECTION 03

A New Employment Contract

Cape Town Works 2031 proposes a different relationship between government, employers and residents.

Government cannot promise every resident a municipal job.

It should not attempt to replace the private economy either.

Instead:

- Government creates the conditions.
- Employers provide work.
- Training institutions provide skills.



- Residents provide effort, talent and ambition.
- The City coordinates the system and measures whether it works.

This is consistent with the Western Cape Growth for Jobs approach, which describes the private sector as the creator of jobs and government as an enabler of the environment in which people and businesses can create and exploit opportunities.

Cape Town Works 2031 would apply this principle at municipal level.

SECTION 04

The Five Employment Pipelines

The strategy is organised around five broad employment pipelines.

PIPELINE ONE: BUILD

- Construction
- Housing
- Water
- Sanitation
- Roads
- Stormwater
- Energy infrastructure
- Building maintenance

PIPELINE TWO: MAKE

- Manufacturing
- Clothing and textiles
- Marine manufacturing
- Automotive
- Food processing
- Renewable-energy equipment

PIPELINE THREE: SERVE

- | | |
|--------------------|---------------------|
| ■ BPO | ■ Logistics |
| ■ Digital services | ■ Care |
| ■ Tourism | ■ ECD |
| ■ Hospitality | ■ Customer services |



PIPELINE FOUR: REPAIR

- Electrical
- Solar
- Battery systems
- Vehicles
- Appliances
- Refrigeration
- Plumbing
- Water infrastructure
- Waste and recycling
- Municipal maintenance

PIPELINE FIVE: CREATE

- Informal businesses
- Micro-enterprises
- Small contractors
- Creative industries
- Agriculture
- Food enterprises
- Community enterprises
- Self-employment

SECTION 05

Cape Town Jobs Connect

Cape Town Works 2031 proposes the establishment of Cape Town Jobs Connect.

This should not necessarily become another large municipal department.

It should be a digital and physical employment-matching system connecting:

- residents
- employers
- TVET colleges
- SETAs
- training providers
- municipal programmes
- provincial programmes
- national employment initiatives
- industry associations
- small businesses

Jobs Connect should be established inside the City's existing Economic Growth Directorate rather than as a freestanding entity. That keeps it in the department that already holds the economic growth partnerships described in Section 2, avoids a new reporting line and allows it to draw on the Directorate's existing investment-facilitation and industry-liaison capacity.



Jobs Connect should maintain a live database of:

- vacancies
- apprenticeships
- internships
- learnerships
- occupational qualifications
- employer requirements
- training capacity
- transport requirements
- workplace locations
- wage ranges
- skills shortages
- participant outcomes

The system should also identify where supply and demand do not match.

If 500 businesses need electricians but only 100 appropriately trained candidates are available, funding should respond.

If 2,000 people are enrolled in a programme for which employers are not hiring, the programme should be reviewed.

Training should follow opportunity. Opportunity should not be manufactured to justify training.

SECTION 06

The Cape Town Technical Skills Network

Cape Town should be cautious about building an entirely new general-purpose TVET campus.

The city already has established TVET institutions, including College of Cape Town, False Bay TVET College and Northlink TVET College.

The first priority should therefore be to strengthen the bridge between existing training institutions and employment.

Cape Town Technical Skills Network would connect existing TVET institutions to employers.

Investment should focus on:

- modern equipment
- trade workshops
- solar and battery laboratories
- electrical equipment
- automotive diagnostics
- welding equipment
- refrigeration equipment
- marine equipment
- construction equipment
- digital laboratories
- industry-standard tools
- workplace learning
- career guidance
- employer matching
- recognition of prior learning

The principle is:

Do not build another college before fixing the transition from college to work.

The Western Cape Government already provides stipend support for BPO, artisan, Work and Skills, experiential learning and technology programmes. Cape Town should therefore seek to complement rather than duplicate provincial programmes.

SECTION 07

The Cape Town Trade Apprenticeship Programme

One of the most promising opportunities is to turn small businesses into training workplaces.

Cape Town has thousands of potential training environments:

- mechanical workshops
- electrical workshops
- plumbing businesses
- welding shops
- carpenters
- refrigeration companies
- air-conditioning companies
- panel beaters
- marine workshops
- construction firms
- solar installers
- agricultural machinery workshops
- landscaping businesses

The barrier is often not the willingness to train.

It is the cost and administration.

Cape Town should therefore establish a Trade Apprenticeship Programme in partnership with employers, SETAs, TVET institutions and relevant government departments.

An approved employer would:

- take an apprentice
- pay the worker
- provide supervised workplace experience
- provide equipment and mentorship
- participate in assessment
- support completion of the relevant qualification



The programme would provide targeted support where a funding gap exists. Support should be milestone-based.

For example:

- worker starts
- six months completed
- qualification milestones achieved
- 12 months completed
- permanent employment achieved

The largest incentive should be linked to successful retention.

This reduces the risk of employers taking subsidised workers and releasing them when the subsidy ends.

DEADWEIGHT-LOSS SAFEGUARD

The programme must not subsidise employment that would have happened anyway. An approved employer must therefore show that:

- the position is newly created, or has been vacant for a defined minimum period before application
- the employer has not placed and released a subsidised apprentice in the same role in the previous 24 months
- headcount at the employer is compared year on year, so that City funding is shown to add positions rather than substitute for organic hiring

The retention-weighted payment structure above independently discourages take-and-release behaviour. Eligibility screening and retention weighting together mean the City pays for additional opportunity, not for hiring that was already planned.

SECTION 08

Small Workshop Consortia

A major barrier to apprenticeship expansion is that a small employer may not have the administrative capacity of a large corporation.

Cape Town should therefore establish sector-based workshop consortia.

Examples include:

- Cape Town Electrical Consortium
- Cape Town Automotive Consortium
- Cape Town Plumbing Consortium



- Cape Town Solar Consortium
- Cape Town Refrigeration Consortium
- Cape Town Marine Trades Consortium
- Cape Town Construction Consortium
- Cape Town Agricultural Machinery Consortium

The consortium provides shared administration, recruitment, training coordination, assessment support and reporting.

The workshop provides the practical environment.

This allows ten or twenty small employers to collectively create a training pipeline that would be difficult for each business to operate independently.

SECTION 09

The Farm and Workshop Apprenticeship Idea

Agriculture is an important regional economic opportunity.

However, Cape Town should not pretend that large-scale agricultural employment can simply be created inside the metropolitan boundary.

The opportunity is to connect Cape Town residents to the wider Western Cape food and agricultural economy.

Potential occupational streams include:

- | | |
|--------------------------|----------------------------|
| ■ agricultural machinery | ■ cold-chain operations |
| ■ irrigation | ■ agricultural logistics |
| ■ horticulture | ■ landscaping |
| ■ packhouse operations | ■ renewable-energy systems |
| ■ food processing | ■ agricultural maintenance |

A participating farm or agricultural business provides the workplace.

Government and SETA mechanisms help bridge the training and wage-support gap.

The same principle applies to workshops.

Government does not need to own the farm or workshop.

It needs to make it easier for the business to give someone their first opportunity.

SECTION 10

Construction as a Five-Year Employment Engine

Cape Town is already spending substantial amounts on infrastructure.

The City has identified major investment in water, sanitation, energy, roads, transport and other infrastructure.

This expenditure should be viewed not only as capital investment but as an opportunity to develop human capital.

Every major infrastructure project should identify opportunities for:

- apprenticeships
- trade assistants
- first-time workers
- SMME subcontractors
- local supplier development
- skills transfer
- workplace learning
- maintenance careers

The objective is not to inflate construction costs or compromise procurement.

The objective is to ensure that legitimate employment and training opportunities generated by public expenditure are deliberately identified and measured.

SECTION 11

Water, Sanitation and Stormwater Jobs

Water and sanitation should become a permanent technical employment pipeline.

Potential occupations include:

- plumbers
- water technicians
- leak detection technicians
- pump technicians
- wastewater technicians
- stormwater technicians
- drainage workers
- civil construction workers
- pipe installation teams
- maintenance technicians

This connects directly to a broader SDP principle:

Every water and sanitation project must include the infrastructure required to operate and maintain it.



That principle has an employment consequence.

Infrastructure creates construction jobs.

Maintenance creates permanent technical jobs.

A leaking pipe should not simply represent a service-delivery failure.

It should also represent an opportunity to build a local maintenance economy capable of preventing the next failure.

SECTION 12

Energy as a Trade Industry

Cape Town's energy transition can become a skills transition.

Potential occupational pathways include:

- solar installation
- electrical work
- battery systems
- inverter installation
- metering
- energy auditing
- building efficiency
- heat pumps
- refrigeration efficiency
- EV charging
- electrical maintenance
- battery maintenance

The City's energy investments and its existing renewable-energy ecosystem provide a base for employer-linked training.

Cape Town should seek to ensure that residents are not merely consumers of the energy transition.

They should also become installers, technicians, contractors and entrepreneurs within it.

SECTION 13

BPO and Digital Services

BPO is one of Cape Town's strongest existing employment platforms.

The Western Cape Government identifies the province as a major BPO hub, while its SkillsBoost 2026 programme specifically examines the sector's movement towards digitally enabled and AI-supported service delivery.

Cape Town should therefore treat BPO as more than a call-centre industry.



The employment ladder should include:

- customer service
- quality assurance
- team leadership
- training
- operations
- technical support
- data services
- digital administration
- AI-assisted service operations
- cybersecurity support
- business-process management

The objective is not simply to create more entry-level call-centre jobs.

It is to create a progression pathway from entry-level employment into higher-value work.

SECTION 14

Tourism and Hospitality

Tourism provides a broad entry point into employment.

Potential jobs include:

- housekeeping
- food preparation
- waiting
- reception
- maintenance
- gardening
- laundry
- events
- visitor services
- tour operations
- transport
- administration

The sector also offers clear progression pathways.

Cape Town should work with tourism employers to expand paid workplace-learning programmes rather than relying solely on classroom training.

SECTION 15

The Care Economy

Cape Town's care economy can provide substantial employment close to communities.

Potential areas include:

- early childhood development
- elderly care
- disability support
- home-based care
- after-school programmes
- community nutrition
- social support services

The policy should distinguish between formal employment, supported community work and regulated professional care.

ECD deserves particular attention because improving access to quality early childhood development can simultaneously create employment and support parents' ability to participate in the labour market.

Skills development must lead to measurable employment or enterprise outcomes, rather than simply certificates.

SECTION 16

Manufacturing

Cape Town should focus on competitive, specialised manufacturing rather than attempting to compete with global low-cost mass manufacturing.

Priority areas include:

- renewable-energy equipment
- battery-related manufacturing
- marine equipment
- food processing
- specialised engineering
- clothing
- textiles
- automotive components
- fabrication
- packaging
- assembly



The City's Manufacturing Support Policy extends support across Cape Town's 33 industrial areas and is intended to facilitate investment, development and job creation.

The policy opportunity is to connect that industrial investment directly to skills pipelines.

SECTION 17

Clothing and Textiles

Clothing and textiles remain important to Cape Town's employment base, particularly in the Cape Flats.

The policy should focus on orders rather than subsidies.

Potential markets include:

- school uniforms
- municipal clothing
- workwear
- protective clothing
- hospitality uniforms
- sportswear
- bags
- furniture textiles

The principle should be:

Help businesses win sustainable orders. Do not create businesses that survive only because of grants.

SECTION 18

Logistics and Warehousing

Cape Town's port, industrial areas, retail economy and growing digital economy create opportunities in:

- warehousing
- stock control
- packing



- dispatch
- forklift operation
- fleet administration
- cold-chain logistics
- e-commerce fulfilment
- last-mile distribution
- logistics coordination

These jobs can provide entry points for people without university qualifications while offering progression into supervisory and technical roles.

SECTION 19

Food and Agri-Processing

Cape Town's food economy extends well beyond farming.

It includes:

- production
- packaging
- processing
- cold storage
- distribution
- wholesale
- restaurants
- catering
- retail
- equipment maintenance

Agriculture-related employment programmes should therefore connect residents to the entire value chain.

SECTION 20

Waste and the Circular Economy

Waste should be treated as a resource stream.

Potential employment opportunities include:

- collection
- sorting
- recycling
- e-waste
- repair
- refurbishment
- construction-waste recovery
- composting
- plastics recovery
- fishing-net recovery
- appliance repair



Circular-economy policy should aim to move people from informal collection into formal micro-enterprises and then into processing and manufacturing.

The goal is not merely to employ people collecting waste.

The goal is to create businesses that extract economic value from materials that would otherwise be discarded.

SECTION 21

Marine Trades

Cape Town possesses a unique marine economy.

Potential trade pathways include:

- welding
- boatbuilding
- fibreglass work
- marine electrical
- marine engines
- carpentry
- rigging
- painting
- refrigeration
- mechanical maintenance

These occupations are well suited to employer-linked vocational training.

A Marine Trades Academy could therefore be developed as a network operating through existing TVET and industry facilities rather than necessarily as a new standalone institution.

SECTION 22

Automotive and Electric Mobility

Cape Town's automotive repair sector provides another natural apprenticeship environment.

Traditional trades include:

- motor mechanics
- panel beating
- spray painting
- welding
- vehicle electrical

These can be supplemented by:

- EV diagnostics
- battery systems
- charging infrastructure
- vehicle electronics
- fleet maintenance
- electric taxi maintenance

As mobility changes, the skills system must change with it.

Employment pathways linked to the transformation of the minibus-taxi industry are addressed in the separate DASSIE policy (the Integrated Taxi Transformation Programme). Cape Town Works 2031 cross-references that programme and does not duplicate it.

SECTION 23

Landscaping and Environmental Employment

Not every employment opportunity needs to be high technology.

Cape Town requires people to maintain:

- parks
- rivers
- wetlands
- stormwater systems
- public spaces
- firebreaks
- landscaping
- urban agriculture
- invasive-vegetation control

Environmental work should therefore include training in:

- horticulture
- irrigation
- machinery
- landscaping
- environmental management
- supervision
- entrepreneurship

The objective should be to turn entry-level environmental work into a pathway towards skilled employment and contracting.



SECTION 24

The Informal Economy

An informal trader who employs two people is already a micro-employer.

Policy should recognise this.

The objective should often be a two-person business growing into a five-person business and then into a ten-person business.

Support could include:

- registration
- bookkeeping
- digital payments
- food safety
- trading infrastructure
- shared kitchens
- equipment
- procurement access
- business mentoring
- storage
- market access

The City should measure whether support results in:

- higher turnover
- business survival
- new employees
- formalisation where appropriate
- new contracts
- increased household income

SECTION 25

The Enterprise Transition Fund

Cape Town Works 2031 should establish an Enterprise Transition Fund for workers moving from employment into contracting.

Support could include:

- tools
- business registration
- insurance
- accounting
- tax compliance
- procurement preparation
- tender preparation
- mentoring



- shared equipment

The principle is:

Worker › skilled worker › contractor › employer.

SECTION 26

Cape Town Tool Banks

Lack of tools can prevent a qualified person from becoming economically active.

A young electrician may have the qualification but not the equipment.

A mechanic may lack diagnostic equipment.

A carpenter may lack professional tools.

A landscaper may lack machinery.

Cape Town should therefore investigate shared Tool Banks providing equipment through:

- loan schemes
- shared workshops
- equipment libraries
- affordable purchase plans
- cooperative ownership

The aim is to turn skills into productive capacity.

SECTION 27

The Age Model

A jobs policy should not treat everyone under 35 as “youth” and everyone else as an afterthought.

Age band	Emphasis	Pathways
AGES 16–18	Exposure	career guidance · workplace visits · trade demonstrations · holiday programmes · coding · entrepreneurship · vocational awareness
AGES 18–24	First foothold	BPO · construction · hospitality · logistics · apprenticeships · digital services · environmental work
AGES 25–34	Skills acceleration	trade qualifications · energy · construction · manufacturing · logistics · business development
AGES 35–49	Skills conversion	recognition of prior learning · trade assessment · formalisation · contracting · enterprise development
AGES 50+	Experience economy	master artisans · mentors · supervisors · trainers · technical advisers · enterprise mentors

A 60-year-old electrician may possess more economically useful knowledge than a 20-year-old graduate.

Cape Town should use that knowledge rather than allowing it to disappear from the economy.

SECTION 28

Women’s Economic Participation

Women should have access to the entire employment system.

This includes:

- BPO
- ECD
- care
- tourism
- manufacturing
- digital services
- construction
- electrical
- solar
- automotive
- logistics
- entrepreneurship



The objective is not simply to increase enrolment.

The outcome should be:

- qualification
- placement
- retention
- income
- progression
- enterprise creation

SECTION 29

People with Disabilities

Employment programmes should incorporate reasonable accommodation and accessible recruitment.

Potential opportunities include:

- BPO
- digital services
- administration
- customer service
- packaging
- selected manufacturing
- remote work
- creative industries

The principle should be to assess capability rather than exclude people based on assumptions about disability.

SECTION 30

Municipal Procurement as An Employment Lever

Municipal procurement represents a major opportunity.

Every significant contract should be assessed for lawful opportunities to support:

- local SMMEs
- subcontractors
- apprenticeships
- skills transfer



- supplier development
- employment pathways

This must never override value for money, competition, procurement law or technical competence.

The objective is not to make infrastructure more expensive.

It is to ensure that economic development is considered when infrastructure is designed, procured and implemented.

SECTION 31

Infrastructure Should Create a Second Asset

A public project should ideally create two assets.

The first is physical:

- a road
- a pipe
- a wastewater plant
- a substation
- a building
- a solar installation

The second is human:

- a qualified artisan
- a trained technician
- a new contractor
- a local supplier
- an experienced supervisor

Cape Town Works 2031 therefore proposes that major infrastructure projects include an Employment and Skills Plan identifying:

- | | |
|-------------------------------------|------------------------------------|
| ■ number of workplace opportunities | ■ skills-transfer commitments |
| ■ trade opportunities | ■ maintenance pathways |
| ■ apprenticeships | ■ post-project employment strategy |
| ■ SMME opportunities | |

SECTION 32

Outcomes-Based Funding

South Africa has already demonstrated that employment funding can be linked to verified outcomes.

The national Jobs Boost Outcomes Fund pilot used a R300 million pay-for-performance mechanism, with 80% of funding tied to verified sustained employment. By March 2026, the pilot had enrolled 9,174 young people, secured 7,044 placements and verified 5,211 three-month sustained jobs. Government is preparing a larger R1 billion programme.

Cape Town should learn from this model.

Providers should not be paid simply because:

- someone attended a course
- someone received a certificate
- someone was registered
- someone completed a workshop

Payment should increasingly depend upon:

- placement
- three-month retention
- six-month retention
- 12-month retention
- progression
- earnings
- enterprise survival where self-employment is the outcome

SECTION 33**The Cape Town Works Fund**

The proposed financial model uses approximately R1.36 billion of City funding over five years.

This should be regarded as a planning envelope rather than a predetermined appropriation.

The model assumes approximately:

Model assumption	Planning figure
City contribution	R1.36 billion
External and employer contribution	R1.56 billion
Total programme resources	R2.92 billion
Pathways	100,000
12-month sustained employment outcomes	approximately 65,000

The City contribution should be used to leverage:

- SETA funding
- provincial funding
- national employment programmes
- employer contributions
- private-sector investment
- philanthropic capital
- training-institution resources

THE SKILLS DEVELOPMENT LEVY

A further source of leverage is the national Skills Development Levy, paid by registered employers into the SETA system. Cape Town Works 2031 should not attempt to draw down levy funds directly, because that mechanism belongs to SETAs and employers.

It should instead design the Technical Skills Network and the Trade Apprenticeship Programme so that participating employers are actively supported in claiming the SETA discretionary and mandatory grants for which they already qualify. For small workshops and consortia, the barrier is usually administration rather than eligibility. The City's role is to remove that barrier, not to create a new fund.

The City should never pay twice for the same outcome.

SECTION 34

Proposed Programme Allocation

The initial model identifies 13 pipelines.

Pipeline	Pathways
BPO and digital services	15,000
Construction and building trades	12,000
TVET trade apprenticeships	12,000
Energy, solar and electrical	8,000
Tourism and hospitality	10,000
Care and ECD	8,000
Manufacturing	7,000
Logistics and warehousing	6,000
Food, agriculture and agri-processing	4,000
Waste and circular economy	4,000
Marine trades	3,000
Enterprise transition and micro-contracting	6,000
Municipal maintenance and environment	5,000
TOTAL	100,000 pathways

These figures are planning allocations.

They should be adjusted annually according to actual labour-market demand and programme performance.



SECTION 35

Five-Year Funding Ramp

The programme should not spend its entire budget immediately.

Financial year	Share of budget
2026/27	10%
2027/28	18%
2028/29	22%
2029/30	25%
2030/31	25%

The first year should establish the machinery.

The later years should scale programmes that have demonstrated sustained employment outcomes.

SECTION 36

Cost Per Sustained Job

The principal financial metric should be:

City cost per 12-month sustained employment outcome.

Not:

- cost per trainee
- cost per certificate
- number of workshops
- number of applications

The model currently estimates an average City contribution of approximately R13,600 per pathway and approximately R21,000 per 12-month sustained outcome.

These figures require detailed validation before implementation.

Actual cost should be published by programme.

SECTION 37**Five-Year Delivery Plan**

YEAR ONE: BUILD THE MACHINE (2026/27)

- Establish Cape Town Jobs Connect.
- Map vacancies.
- Map training capacity.
- Identify priority occupations.
- Create employer database.
- Launch apprenticeship pilots.
- Establish independent outcome verification.
- Begin TVET equipment upgrades.
- Create the first sector consortia.

YEAR TWO: SCALE (2027/28)

- Expand apprenticeships.
- Expand BPO pathways.
- Launch construction and infrastructure employment plans.
- Expand tourism and care programmes.
- Begin Tool Banks.
- Create sector-specific employer incentives.

YEAR THREE: INDUSTRIALISE (2028/29)

- | | |
|-------------------------|---------------------------------|
| ■ Expand manufacturing. | ■ Food processing. |
| ■ Marine trades. | ■ Circular economy. |
| ■ Energy. | ■ Logistics. |
| ■ Automotive. | ■ Increase employer co-funding. |

YEAR FOUR: BUILD ENTERPRISE (2029/30)

Move successful workers into:

- contracting
- supplier development
- micro-enterprise
- cooperative models
- small business expansion

Expand municipal procurement opportunities.

YEAR FIVE: PROVE (2030/31)

Publish a full Cape Town Employment Outcomes Report.

Report:

- placements
- six-month retention
- 12-month retention
- 24-month retention
- earnings
- qualifications
- businesses created
- businesses surviving
- geographic distribution
- age
- gender
- disability participation
- City expenditure
- external funding
- cost per sustained outcome

SECTION 38

The Geographic Jobs Map

The strategy must operate geographically.

The City should map:

- where unemployed people live
- where employers are
- where industrial land exists
- where training institutions are located
- where transport is available
- where vacancies are concentrated

This could identify spatial employment corridors such as:

Area	Employment focus
Khayelitsha	construction · BPO · energy · care · manufacturing · logistics
Mitchells Plain	automotive · BPO · construction · logistics · care
Delft	construction · manufacturing · logistics · energy · environmental work
Philippi	food · agri-processing · logistics · manufacturing · urban agriculture
Bellville and Parow	BPO · logistics · manufacturing · technical trades
Atlantis	green manufacturing · renewable energy · technical trades

The map must be evidence-driven and updated as labour demand changes.

SECTION 39

The Jobs Intelligence Unit

Cape Town Works 2031 should establish a small Jobs Intelligence Unit, located in the Economic Growth Directorate alongside Jobs Connect.

Its purpose is not to produce reports for their own sake.

Every six months it should answer:

- What jobs are employers advertising?
- Which occupations have shortages?
- Which programmes are producing placements?
- Which programmes have poor retention?
- Which skills are becoming obsolete?
- Which sectors are expanding?
- Which sectors are contracting?
- Where are employers located?
- Where are unemployed residents located?
- What transport barriers exist?
- Where should the next round of employment funding go?

This creates an adaptive employment strategy rather than a five-year plan that becomes obsolete after six months.

SECTION 40

The Performance Dashboard

Cape Town should publish a public dashboard.

For every programme:

- | | |
|---------------------------|------------------------------|
| ■ Participants | |
| ■ Placements | |
| ■ Three-month retention | |
| ■ Six-month retention | ■ Businesses created |
| ■ 12-month retention | ■ Businesses surviving |
| ■ 24-month retention | ■ City funding |
| ■ Median earnings | ■ External funding |
| ■ Qualifications achieved | ■ Cost per sustained outcome |

The data should be independently audited where practical.

No programme should be protected from cancellation because it is politically convenient.

If a programme consistently fails to produce employment outcomes, funding should move elsewhere.

SECTION 41

What Cape Town Works 2031 Will Not Do

- It will not promise that government can employ everyone.
- It will not create unnecessary municipal positions.
- It will not build a new TVET institution simply because a new building is politically attractive.
- It will not train people for occupations where there is no demonstrated demand.
- It will not measure success through certificates alone.
- It will not subsidise businesses indefinitely.
- It will not compromise procurement rules.
- It will not confuse temporary public employment with permanent employment.
- It will not assume that youth unemployment is the only employment problem.
- It will not ignore people aged 35–50.
- It will not treat informal businesses as failures simply because they are informal.
- It will not allow public funding to continue indefinitely without evidence of results.

SECTION 42

The International Lesson

The strongest lesson from employment policy internationally is not that government should choose which industry will win.

It is that training works better when it is connected to actual labour demand.

Recent evidence reviewing worker-retraining programmes finds generally modest average effects but substantially stronger results from sector-based programmes that screen participants, design curricula with employers and track local labour demand.

That supports the central design of Cape Town Works 2031:

Order	Principle
First	Employer first.
Second	Training second.
Third	Placement third.
Fourth	Retention fourth.
Fifth	Progression fifth.

Government funding follows the outcome.

SECTION 43

The Public-Sector Role

Cape Town's role should be divided into seven functions.

Function	What the City does
MARKET MAKER	Use infrastructure and procurement to expand demand.
BROKER	Connect people and employers.
RISK SHARER	Help employers take on inexperienced workers.
SKILLS COORDINATOR	Align TVET and SETA programmes with demand.
CUSTOMER	Use municipal procurement where appropriate to develop local suppliers.
DATA PROVIDER	Publish labour-market intelligence.
OUTCOMES FUNDER	Pay increasingly for verified employment results.

SECTION 44

The Employment Ladder

The ultimate objective is not a temporary placement.

It is progression.

A successful pathway should look something like:



The person who enters the system looking for a job should ideally leave it capable of creating a job for somebody else.

SECTION 45

A Different Approach to Youth Employment

South Africa has already demonstrated the scale possible through national employment programmes.

The Presidential Employment Stimulus has generated millions of work and livelihood opportunities while the National Pathway Management Network has provided hundreds of thousands of opportunities to young people. Government's own current policy direction is increasingly focused on green manufacturing, renewable energy, electric vehicles and digital services.

Cape Town should not duplicate these systems.

It should connect them to local employers.

A young person should not have to navigate five government departments to find an apprenticeship.

The system should navigate government for the young person.

SECTION 46

A Note on Public Employment

There will remain circumstances in which public employment is appropriate.

Examples include:

- environmental rehabilitation
- public-space maintenance
- community services
- social programmes
- emergency response
- community infrastructure

Public employment can provide income, work experience and social value.

However, where a private-sector employment pathway exists, the objective should be to transition people into sustainable employment.

Temporary work should be a bridge, not a destination.

SECTION 47

Financial Discipline

Cape Town Works 2031 should operate under five financial rules.

Rule	Requirement
RULE ONE	No programme without a defined employment outcome.
RULE TWO	No major programme without an identified employer or market.
RULE THREE	No duplication of existing national or provincial funding.
RULE FOUR	Increasing payment should be linked to increasing outcome certainty.
RULE FIVE	Programmes should be expanded, redesigned or terminated according to measured results.



SECTION 48

The First R100 Million

If implementation began with R100 million, the priority should not be to distribute the money across every possible programme.

The first allocation should establish the machinery.

Priority areas should include:

- Jobs Connect
- employer mapping
- outcome verification
- apprenticeship pilots
- TVET equipment
- BPO placement
- construction trades
- solar and electrical trades
- sector consortia
- transport support for priority placements

The objective would be to prove the model before scaling it.

SECTION 49

The First R500 Million

At R500 million, Cape Town Works could operate as a substantial employment system.

The emphasis would shift towards:

- thousands of apprenticeships
- BPO and digital placements
- construction
- energy
- tourism
- manufacturing
- care
- logistics
- enterprise transition
- Tool Banks
- supplier development

The City would increasingly act as a leverage mechanism rather than the primary payer.

SECTION 50

The Full Five-Year Model

At approximately R1.36 billion of City catalytic funding, the model seeks to facilitate 100,000 employment pathways while leveraging approximately R1.56 billion from employers and external programmes.

The objective is not to claim that R1.36 billion “creates 65,000 jobs”.

That would be misleading.

The objective is to create a system capable of moving approximately 100,000 people through opportunities with an explicit target of sustained economic participation.

The final number should be determined by annual evidence.

If the programme produces fewer outcomes at higher cost, it should be redesigned.

If it produces more outcomes at lower cost, it should be expanded.

SECTION 51

What Success Looks Like in 2031

A successful Cape Town Works 2031 would mean:

- A young person can leave school and find a clear vocational pathway.
- A small workshop can take an apprentice without carrying the entire financial and administrative burden.
- A qualified but unemployed electrician can find work.
- An informal mechanic can obtain recognition of prior learning.
- A woman running a small food business can become a larger employer.
- A construction worker can progress into contracting.
- A TVET student can see a real job at the end of the qualification.
- A retired artisan can mentor the next generation.
- A solar installer can move from employee to contractor.
- A person in Khayelitsha can see where jobs exist in Bellville, Atlantis or the Cape Flats and what qualification is required.
- A City infrastructure project can leave behind both a functioning asset and a trained workforce.

Most importantly, the City can demonstrate where every rand of employment funding went and what happened afterwards.

SECTION 52

The Principle

Cape Town Works 2031 is built around a simple proposition:

Government does not need to employ everybody. Government needs to remove the barriers that prevent people from becoming economically active.

The City cannot manufacture prosperity through grants.

It can, however:

- build infrastructure
- create demand
- connect employers and workers
- support apprenticeships
- strengthen vocational education
- help businesses expand
- improve procurement
- reduce information barriers
- support mobility
- coordinate funding
- measure whether any of it actually works

SECTION 53

Risks and Limitations

Cape Town Works 2031 carries risks that should be stated plainly rather than assumed away.

Risk	What could go wrong	How the strategy responds
Deadweight	City funding subsidises hires or apprenticeships that would have happened anyway.	The eligibility test in Section 7 and payment weighted towards 12-month retention.
Displacement	A subsidised apprentice is preferred over an equally qualified unsubsidised worker, so total employment does not rise.	Jobs Connect compares placements with headcount at participating employers, and the Jobs Intelligence Unit reviews the results every six months.
Data quality	The dashboard depends on employer-reported retention data, which may be incomplete in the early years.	Independent outcome verification from Year One and independent audit where practical (Sections 37 and 40).

Risk	What could go wrong	How the strategy responds
Institutional	Housing Jobs Connect in the Economic Growth Directorate avoids a new bureaucracy but ties delivery to that Directorate's capacity and priorities.	Published outcomes and the rule that programmes are expanded, redesigned or terminated on measured results (Section 47).
Funding	The R1.56 billion in employer and external contributions is a planning assumption, not a commitment.	If co-funding falls short, the pathway target is revised downwards rather than backfilled by the City (Sections 33 and 47).
Cost estimates	The figures of R13,600 per pathway and R21,000 per sustained outcome are unvalidated planning estimates.	Detailed validation before implementation and publication of actual cost by programme (Section 36).
Economic cycle	Placement and retention will move with the BPO, tourism and construction cycles regardless of programme quality.	Annual adjustment of sector allocations and six-monthly demand review (Sections 34 and 39).
Procurement law	Linking procurement to employment outcomes could conflict with procurement law or value for money.	Nothing overrides value for money, competition, procurement law or technical competence (Section 30).
Competence and duplication	Skills and TVET are largely national and provincial functions, so the City could duplicate them.	The City acts as broker and outcomes funder, complementing provincial and national programmes (Sections 3, 6 and 45).

None of these risks is a reason not to proceed.

They are the reason this strategy insists on independent verification, milestone-based payment and annual review.



SECTION 54

Final Policy Commitment

The Service Delivery Party proposes that Cape Town adopt an employment system based on opportunity rather than dependency.

The measure of success will not be the number of people who attended a programme.

It will not be the number of certificates issued.

It will not be the amount of money allocated.

The measure will be whether people are working, earning, learning, progressing and creating opportunities for others.

Cape Town Works 2031 therefore sets out a five-year ambition:

- 100,000 pathways to work and economic opportunity.
- A substantial increase in apprenticeships and workplace learning.
- A strengthened technical skills network built around existing institutions.
- A major expansion of employer-led training.
- A systematic connection between infrastructure expenditure and skills development.
- A stronger bridge from informal enterprise to sustainable business.
- A public employment dashboard based on verified outcomes.
- A City that uses its purchasing power, infrastructure, partnerships and convening power to make Cape Town a place where more people can enter the economy and build a livelihood.

The objective is not simply to get people through the door. It is to keep the door open.

WORK.
SKILLS.
OPPORTUNITY.
PROGRESSION.
DIGNITY.