

IMPLEMENTATION FRAMEWORK ANNEXURE FOR CALCULATION OF PRO-RATA PAYMENT

FOR YOUTH PLACED IN THE

BASIC EDUCATION EMPLOYMENT INTERVENTION (BEEI) AS PART OF

PRESIDENTIAL EMPLOYMENT STIMULUS

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The document is drafted to provide Provincial Education Departments (PEDs) with a guide on the calculation of pro-rata payment of stipends for youth placed as part of Phase V of the Presidential Youth Employment Initiative - Basic Education Employment Initiative (PYEI-BEEI) in public schools across the nine provinces. The guideline should be read in conjunction with the Implementation Framework and the Basic Conditions of Employment Act, as it informs the Conditions of Employment for youth placed in PYEI-BEEI Phase V.

1. Introduction

The Department of Basic Education (DBE) is implementing the Presidential Youth Employment Initiative - Basic Education Employment Initiative (PYEI-BEEI) in partnership with the Department of Employment and Labour (DEL), using the Industrial Development Corporation (IDC) as the Implementing Agent for payment of stipends to beneficiaries. PYEI-BEEI forms an integral part of the Presidential Employment Stimulus (PES). It seeks to confront the devastating economic challenges and ramifications of COVID-19, this being part of the government's broader economic recovery agenda. This is the government massifying the public employment programmes with a target of 204,676 job opportunities for unemployed youth, who are 18 – 35 years old. The initiative seeks to address youth unemployment in South Africa. The youth will be offered six-month contracts, commencing on 1 June 2025 to 30 November 2025. Assistants should receive a monthly stipend of R4,000.00 per month. There should be a deduction of one percent (1%) from the monthly stipend for the employee Unemployment Insurance Fund (UIF), which is payable to the Department of Employment and Labour or the South African Revenue Fund (SARS or DEL), together with one percent (1%) of employer's contribution of UIF.

2. Purpose

The purpose of the guideline on pro-rata calculation for the payments of youth placed in the PYEI-BEEI in POS and LSEN across nine PEDs is to ensure that there are common standards and consistency in the implementation of pro-rata payments across the sector. The provinces that pay youth through school transfers will be required to provide further support to schools on how to implement pro-rata payments.

3. Role players

The BEEI is implemented through collaborative efforts across various spheres in the Sector, from the national, provincial, district, circuit and school. The role players in the Implementation of the BEEI are outlined below:

- 3.1 Department of Basic Education;
- 3.2 Independent Development Corporation (IDC);
- 3.3 Provincial Education Departments;
- 3.4 Education Districts;
- 3.5 Circuit Managers;
- 3.6 Schools; and
- 3.7 Education Assistants (EAs) and General School Assistants (GSAs).

4. Definition

- (a) The direct translation of the term "pro rata" is "in proportion" or "proportional rate".
- (b) Pro-rata pay is offered to part-time employees based on the number of hours they work. It is proportional to the amount they would have earned if they worked full-time.
- (c) Part-time employees are also salaried employees, but the amount they receive is proportional to the hours they work. In other words, they receive a pro rata salary.
- (d) Pro-rata salaries/stipends are paid to part-time/casual employees should they work less hours than a full-time employee.
- (e) Before you begin to calculate pro rata salary, you need to know the exact amount a part-time employee would earn if they worked full-time.
- (f) You also need to know how many actual hours the part-time employee will be working.
- (g) The Conditions of employment for youth placed in BEEI should be the guiding principle for the pro-rata calculation.

5. Pro-rata calculation

daily rate on stipend =
$$\frac{\text{monthly stipend amount } \times 12 \text{ months}}{365 \text{ (days)}}$$

$$= \frac{R \, 4030.00 \times 12}{365 \, \text{days}}$$

$$= R132.49$$

$$daily \, rate \, on \, UIF = \frac{\text{UIF Employer contribution } \times 12 \, \text{months}}{365 \, \text{(days)}}$$

$$= \frac{R \, 40.00 \times 12}{365 \, \text{days}}$$

Where:

- monthly stipend amount is R4000.00 inclusive of 1% employee of R40
- R30.00 for data, totaling R4030
- Use twelve months to calculate the daily rate.
- 365 days is the number of days in 12 months

6. Applicability of pro-rata payment

Pro-rata payment should be considered in terms of the following:

- Youth who resign prior to the end of a month during which they are under contract
 - e.g. Assumption of duty <u>1 June 2025</u>, resignation date <u>23 June 2025</u>
 - Daily rate X number of days worked = total stipend 2% UIF employee and the employer.

R132.49 X 22 days worked R2914,78

Less than 1% UIF - R29,15

Stipend payable - R2885.63

Total UIF to DoEL - R29.15 X 2 = R58,30

- Youth that resign/die prior to end of the month.
- Youth assuming duty in the middle of the month (this should not be implemented
 if delays were caused by administration process by the employer (school, circuit,
 district, or head office).

• Leave taken by youth, however, not qualifying for that leave (e.g. sick leave, family responsibility).

7. Period of applicability of the guideline

This guideline remains applicable until the end of the BEEI Phase V, from the second month of the implementation to the end of the contract period as stipulated on the signed contracts of Assistants. The pro-rata guideline should not be applied the delays were due to processes of the school/district/province. The schools must provide evidence to the District and Province supporting the decision not to apply pro-rata. Provinces and Schools are required to adhere to their provisions when calculating pro-rata payment of stipends for EAs and GSAs. IDC will use the same guideline for the calculation of Prorata payments. All parties involved in the implementation of BEEI Phase V should ensure that young people are not penalised unjustly by deducting monies from their stipends when the delays were caused by officials or processes of the Department or IDC.