

**Ministry**

**Employment & Labour**

**Republic of South Africa**

Private Bag X499, PRETORIA, 0001. Laboria House 215 Schoeman Street, PRETORA Tel: (012) 392 9620 Fax: 012 320 1942

Private Bag X9090, CAPE TOWN, 8000. 120 Plein Street, 12th Floor, CAPE TOWN Tel: (021) 466 7160 Fax 021 432 2830

[www.labour.gov.za](http://www.labour.gov.za)

**NATIONAL ASSEMBLY**

**WRITTEN REPLY**

**QUESTION NUMBER: 1372 [NW1662E]**

**1372. Mr M M Chabangu (EFF) to ask the Minister of Employment and Labour:**

(a) What immediate steps has his department taken with regard to the rising unemployment rate amongst the youth, (b) which strategy is in place and (c) by what date will we start seeing the unemployment numbers decreasing? NW1662E

**REPLY:**

1(a) **Rising unemployment interventions**

Hon. Chabangu, let us start by understanding the nature of unemployment in South Africa, even if briefly. Unemployment in South Africa is deep-seated. Unemployment in South Africa is structural. Unemployment in South Africa is systemic. It is further hard hitting to some racial groups and sectors. For instance, if you are black in South Africa you are likely to be unemployed. If you are a woman and again black, you are likely to be unemployed. If you are young and black, again you are likely to be unemployed. And this trend expands to settlements. If you are in the rural area you are likely to be unemployed. If you are in the township again you are likely to be unemployed. This is because of our history of segregation. This is also about the intricacies of the economy. It is therefore not a challenge of quick simple solutions, as some may want others to believe, because it is historical, systemic and complex. But this government is up to the task, as explained below.

The call to address unemployment in general and especially amongst the youth, is a cross cutting matter that requires interventions amongst all spheres of government departments at all levels, employers, trade unions, civil society including political parties. The Department of Employment and Labour, has introduced a number of programmes and interventions to address unemployment in general and specific programmes to assist young people that include the following:

1. **Branch Public Employment Services**
* For the period **1 April 2021 to 31 March 2022,** more than 281801 work seekers were provided with employment counselling services, to assist work seekers cope with unemployment and also to assist them to find work and self-employment opportunities. Working with employers more than 131 522 job opportunities were registered on the DEL ESSA database. This resulted in more than 67 058 permanent job placements. More than 936 621 work seekers were also registered, on the ESSA database, 423 298 were below 35 years.
* The Department also champions the Pathway Management Network process, which with the Presidential Stimulus funding created more than 673,514 job opportunities. This programme has facilitated entry into first time job opportunities, and is a stepping stone to the labour market.
1. **Unemployment Insurance Fund (UIF)**

During the financial year 2022/2023, the Unemployment Insurance Fund (UIF) planned to recruit about 15 000 learners. The UIF through its Labour Activation Programme (LAP) enters into funding agreements with implementing partners to train and guarantee employment of learners at the end of the training period.

The following are some of the initiatives aimed at alleviating unemployment under the UIF:

* R 551 million set aside for the three projects to benefit 19 921 beneficiaries in KwaZulu-Natal in the following skills disciplines: 14 771 Chief Food Handlers; 5 000 Enterprise Development (mixed farming systems); and150 Fibre Optic Technicians.
* R 201 498 000 worth of funding Agreement signed for job placement of 7 810 unemployed beneficiaries in Kwazulu-Natal, Free State, Gauteng, Limpopo, North West and Western Cape
* R 10 136 175 150 worth of funding agreements to train and place 150 unemployed beneficiaries in jobs in the Western Cape in the following fields of Horticulture 30, Generic Management 30, Early Childhood 30, Clothing Manufacturing 30, and Tourism 30.

- Implementation of an Equine Business Management Learnership project to train and create jobs for 50 unemployed beneficiaries in the Eastern cape on a co-funding basis at a total budget of R 20 000 000.00 (twenty million rand). the UIF contributes R 15 000 0000 and the partner contributes R 5 000 000 towards the costs.

- Funding Agreement to fund a Youth Technology Development Project targeting to train and create jobs for 500 unemployed youth at a total budget of R 96 760 750.00 (ninety-six thousand seven hundred and sixty thousand, seven hundred and fifty rand) where the UIF contributes R 70 151 543.75 (seventy million, one hundred and fifty one thousand, five hundred and forty three rand, seventy five cent) and the partner contributes R 26 609 206.25 (twenty-six million, six hundred and nine thousand, two hundred and six rand, twenty five cent). This project is implemented in the Eastern Cape Province.

- Funding agreement amounting to R 238 506 003.75 to implement a programme to train and place 5 000 unemployed beneficiaries as Assistant Chefs, Cook Convenience, Fast Food, Table Attendant and Barista programmes and place them in jobs in post the UIF Funding in Gauteng, KZN, North West, and the Western Cape over three years. This is a co-funded project where the UIF contributes R 220 618 053.47 (Two Hundred and Twenty Million, Six Hundred and Eighteen Thousand and Fifty-Three Rand, Forty-Seven Cents only) and Summit R 17 887 950.28 (Seventeen Million, Eight Hundred and Eighty-Seven Thousand, Nine Hundred and Fifty Rand, Twenty-Eight Cents only)

1. **The Compensation Fund**

Through the Vocational Rehabilitation Programme, the Compensation Fund supports COID Persons with Disabilities (Injured workers who have acquired a permanent disablement) to be upskilled and re-skilled. Through this programme,

* a total of **41** Persons with Disabilities (PWDs)were enrolled on various Vocational Training Institutions, and 32 PWDs were registered in the artisan and farming incubation programmes, respectively, during 2021/2022.
* The support is further extended to the dependents of COID Persons with Disabilities, Dependents of Fatally injured workers and the General Youth pursuing undergraduate qualifications related to Health Professional and related clinical science, Information and Communication Technology (ICT), Engineering, Statistics & Data Science, Actuarial Science, Maths & Science Education, Accounting, Psychology, Economics, Geography, Quality Control and Environmental Health. In addition, continuing students registered for Advanced Diploma/ Honours in Accounting Science (Stream: Certificate in The Theory of Accounting (CTA). For the financial year 2021/2022, the Compensation Fund funded **1177** students enrolled at Post School Education and Training Institutions.

**(b) Strategies in place**

* We have worked with NEDLAC social partners to develop the country’s Economic and Reconstruction and Recovery Plan that is currently being implemented. We are also involved in negotiations to conclude a Social Compact as instructed by the President.
* Employment Services interventions are guided by the Employment Services Act that is aligned to ILO conventions C88 and C181. The Branch has also introduced a National electronic system called Employment Services South Africa (ESSA) and Standard Operating Procedures that guides all Labour Centres on how to go about registering work-seekers, work and learning opportunities, counselling and placement into opportunities.
* We have published a Draft National Labour Migration Policy and Draft Employment Services Amendment Bill aimed at improving the governance and data administration, preserving employment for South Africans through measures that will limit employment of foreign nationals, and promoting employment of South Africans in other countries so as to acquire skills and to lower unemployment levels in our country. The NLMP is aligned to the ILO Convention C97.
* We have invested a lot of efforts in the research and drafting of a National Employment policy that is to be released for public consultations once we have exhausted internal government policy processes. The NEP is aligned to ILO Convention C122.
* We have a Labour Activation Strategy and Standard Operating Procedures that guides the implementation of the programme

We will continue to reconstruct this country. We will continue to transform this country. We will continue to develop this country. It is a revolution that we are still involved in. It is not an event with a commencement date and an end date. The aim is to continue to radically change our country and never stop in doing so!