# NATIONAL ASSEMBLY WRITTEN REPLY

**QUESTION NUMBER: 1462 [NW1833E]**

**1462. Mr X Ngwezi (IFP) to ask the Minister of Employment and Labour:**

What has he found are the biggest challenges that institutions such as (a) Harambe, (b) Youth Employment Service, (c) Youth Lab and (d) any other youth employment incubator initiatives are facing in view of the fact that the latest statistics from Statistics South Africa paints a bleak picture of the reality facing 20,6 million young South Africans between the ages of 15 to 34 years who are neither employed nor in any form of educational institution and/or training facility and that the numbers for black youth in the rural and peri-urban areas are exponentially worse where unemployment figures are in excess of 40%?

NW1833E

# REPLY

I may not be familiar with every little challenge that the provided list of youth organisations faces on a daily basis as none of these entities fall under the Department of Employment and Labour whilst others are not even in government. Amongst the challenges that we have identified within government that continue to contribute to high unemployment rate amongst the youth are the following:

* The structural nature of the South African economy, low economic growth levels compounded by Insufficient investments by the private and public sector in new ventures and infrastructure
* socio economic challenges and the high poverty levels that remain amongst blacks and in some instances contributing to school drop outs especially in peri-urban and rural areas,
* limited skill acquisition and resultant inadequate preparation of youth for entry into the world of work,
* rapid changes in the labour market fuelled by digitization and automation.
* The covid-19 pandemic has further added to the above challenges.

I am aware that despite challenges that these youth organisations continue to face on a daily basis, they have done a lot to assist government in addressing the plight of our young people. Within government, great strides have been made in improving employability of young people through interventions in the education system but more still needs to be done. Government has also implemented a number of interventions to address the youth unemployment problem. These includes:-

* High level interventions to grow the economy within National Development Plan 2030, the Medium Term Strategic Framework and Agreements conclude by the President and the various Ministers.

Within the Department of Employment and Labour:

* The Promulgation of the Employment Services Act 2014 was introduced to guide the Department in its free services to promote youth employment. These services include registration of work seekers and employment opportunities, the matching, counselling, placement offered through 126 Labour centres, satellite and visiting points; and vulnerable groups employment schemes through 13 Supported Employment Enterprises Factories and Subsidized organizations that employ people with disabilities.
* Labour Activation programmes funded by the Unemployment Insurance Fund
* Occupational death dependants Youth bursary scheme funded by the Compensation Fund.

Other departments have also initiated the following interventions that benefited millions of young people as part of their contribution:-

* The Expanded Public Works Programme (EPWP)
* Employment Tax Incentive (ETI) and Jobs Fund by National Treasury
* The 2018 Jobs Summit Framework Agreement, as well as the establishment of the Job Fund
* The Skills development system funded by the Skills levy, the Bursary Scheme funded under the NESFAS in the High Education and Science and Technology Department
* More recently Government has developed the Presidential Youth Employment Interverntion which provided for the Presidential Youth Service, scaling the Youth Employment Service (YES) and the creation of a national pathway management network.