

Global youth unemployment

- **Employment:** rates of unemployment amongst youth remain high. "Youth unemployed has increased to a record high of 88 million," World Youth Report 2005:3. The highest rates of youth unemployment are in Western Asia, North Africa, and sub-Saharan Africa.

Interventions to address youth unemployment

- Increase/ improve skills development and education
- Increase self employment through support to SMMEs
- Improve the Job Linking Function (job development and job preparation)
- Increase activation of Second economy initiatives such as Expanded Public Works Programme and National Youth Service Programme
- Increase fixed and foreign direct investment (ASGISA identified growth industries)
- Evaluate/ assess impact of labour legislation and immigration

Skills development & Education



- Learnerships play an important role and challenges can be addressed
 - Improve employer involvement to inform skills needs and participation in programme. Propose establishment of **Employer Councils** (not as part of the ETQA function)
 - Focus on **job development & preparation**. Specific capacity to ensure placement
 - Increase **Entrepreneurship Education** for self-employment. Support for self-employment
- Career guidance and awareness
 - **Career fairs** at local level tapping into local players (e.g. Post Office; Eskom; Telkom; Local Business, Nearby HET). Schools & Municipalities should organise these.
 - National Youth Service Programme

Skills development & Education



- Improve Maths, Science & English – DOE doing a great deal
- Increase enrollment in Further Education & Training Colleges. Provide funding to FETC students (NSFAS not covering FETCs). Recapitalisation programme evolving
- Historically Disadvantaged Universities
 - Improve throughput in key skills
 - Increase funding sources for students
- Focus on increasing practicals for technikon students (Universities of Technology)

UYF's contribution (Skills Development & Education)

- Funding 30 of 50 FET Colleges for skills development & training of unemployed youth –
 - More than 3000 youth; R28million grant.
 - Training in key skills such as agriculture, engineering, construction skills
- School to Work programmes focus on scarce skills
 - Accounting, Agriculture, Engineering, IT
- Introduced Entrepreneurship Education in 60 schools in 6 provinces benefiting 360 educators/ 18 000 learners. Grades 8 to 11
- Introducing in June 2006 – Kulani Education Trust to provide finance to HET & FET students in scarce skills
- Through NYSP with Higher Education Students to provide Maths and Science as volunteers

Self employment - support to SMMEs

- Increase access to Finance (both SME & Micro Finance)
 - Funding for early stage investments is low in South Africa (start-ups, seed capital)
- Increase Business Development Support
 - Improve and Increase number of BDS consultants
- Increase access to Procurement Opportunities
 - Sector charters targets must be monitored
- Improve awareness and information

UYF's contribution - support to SMMEs

- Access to Finance (both SME & Micro Finance)
 - UYF's book at R230 million is largest for black youth – 18 to 35 years. Over 8000 micro loans and 150 SMEs
 - Funding: Micro (R1000 to R50 000), Small (R50 000 to R100 000); Medium (R500 000 to R5 million)
 - Leverage R260 million from FNB & Business Partners
 - Launched provincial funds (Limpopo, Free State, Northern Cape)
 - Integration of The Nations Trust and Nicro Enterprise Finance – Micro Finance Capacity
- Business Development Support
 - **Business Development Service Voucher Programme** – 10 000 youth have received vouchers (R105 million – Finance; R100 million tenders received)
 - Introduced the **Business Opportunities Support Service** – for procurement & linkages (e.g. MTN; Nestle; Massmart)

UYF's contribution - support to SMMEs

- Improve access through Youth Advisory Centres (new YAC points with 56 municipalities (to total 124 offices)
- Entrepreneurship Education for Out-Of-School youth
 - 30 000 youth trained in Basic Business Skills
- Volunteer Mentorship with organised formations (NBI in place) e.g. AHI, BUSA, YPO, NAFCOC
- Launched 2010 campaign for increased of Total Entrepreneurship Activity amongst the youth
 - GEM Research partnership
 - Partnership with NAFCOC Youth & SA Youth Chamber of Commerce, Youth Mining Chamber
- Finalising the Youth Enterprise Strategy

UYF's contribution - Job Linking Function

- Aimed at linking youth to jobs, providing life skills to enhance employment prospects and improving their readiness for the world of work
- Graduate Database (JOBS)
- Graduate Development Programme
 - 750 youth in training to acquire computer skills, writing, world of work skills, drivers licence, CV writing, Interview Skills, networking and job hunting. Improving Social Capital
 - Ideally course should be introduced at all HET & FET institutions

Other second economy initiatives



- Expanded Public Works Programme
- National Youth Service Programme
 - Youth acquire Life & Technical Skills & Work Experience
 - 30 projects registered with 13 000 youth participating
 - UYF funded R93 million (leveraged R150 million from government departments & donors). 6700 young people participated
 - New Business Plan – 510 000 youth participating in the years 2007 to 2010
 - Category 1 – unemployed youth (Community Care, Early Childhood development; construction (housing)
 - Category 2 – HET & FET students (Maths, Science & other fields Law)
 - Category 3 – pure volunteers (employed & unemployed)

Other interventions



- Fixed and Foreign Direct Investment
 - Infrastructure spend
 - Other ASGISA targeted sectors (Tourism, Business Process Outsourcing, Chemicals, Beneficiation, etc)
- Evaluate/ assess impact of labour legislation and immigration
 - Recent round table on labour legislation undertook to investigate further factors affecting SMEs and introduce improvements
 - Need to study/ research more – the impact of immigration on youth unemployment.
 - Are employers showing preference to immigrant workers to circumvent the law?
 - Has the increase in Services Sector (latest GDP figures) resulted in corresponding increase in jobs (e.g. restaurant, hotels, security)?



Thank you

Umsobomvu Youth Fund