

**Report of the public hearings on youth unemployment  
for the Portfolio Committee on Labour.**

ORGANISATION	SUBMISSION	COMMENTS: DEPARTMENT OF LABOUR	COMMENTS: PORTFOLIO COMMITTEE ON LABOUR
	<p>the cities for obvious reasons of a better life. The issue of career guidance is another factor that makes it difficult for students as they enrol for 'easy course/popular courses' so that they can graduate with ease hence SA is faced with more than 60000 of graduates unemployed. To demonstrate the fact of illogic in this matter, the job add publication are filled with jobs everyday, most organisations and some of the government divisions have declared so many times that they are incapacitated due to lack of skills. I am told that SA imported 7500 welders alone in 2005...</p> <p>↓ To identify gaps in legislation; The legislation must be held accountable in terms of allowing the education not to deliver skills that are required by the country. The government is liable by encouraging influx of skills without mentorship to SA citizens by foreign experts. The monitoring of affirmative action is another thing; here government is liable for not enforcing this legislation to the fullest. Young people are kept outside the job spectrum by job reservation that is rife in our country. White women and Asian people take preference when it comes to affirmative action - I wish government could investigate this matter thoroughly.</p>	<p>functioning employment services as its key priority for 2006/7. the system once operational, will be able to provide job matching, registration of vacancies, training referrals. Linked to unemployment data base to ensure that retrenched and those who loose their jobs are assisted to re-enter the labour market.</p>	

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	<p>↓ To consider the creation of jobs within the context of economic policy, with specific reference to ASGISA; and</p> <p>Gear, Nedlac and NSDS2005-2014 with their good intentions don't seem to make any dent in reducing unemployment rate making one sceptical of the success of ASGISA except that it is sheltered and monitored by the highest office in our land, the Presidency. My concern with ASGISA is that it talks a lot around what was deliberately damaged by the previous regime. Big companies and parastatals closed training centres post apartheid, now ASGISA suggests going back to Apprenticeship. In my opinion an investigation as to why this institutions were closed need to be carried out. Take for example SETAS with their huge government support on learnership, what have they produced so far is zero.</p> <p>The job creation strategy that will be sustainable is only if industry could by law be forced to train a number of young people according to business capacity. All learners must be attached to industry in one way or the other before they get enrolled in the University.</p> <p>↓ To gauge the effectiveness of labour market institutions in dealing with the</p>		

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	<p>issue of youth unemployment. It is bad I score them nil in dealing with this matter, in fact it is laughable that these institutions when they are formed they themselves become employers of choice for their good salaries. SETAs have failed dismally and the Department of Labour has no teeth to implement some of the related strategies. In conclusion I propose that the Ministers of DoL and DoE come together and form a strategy to attack this enemy number of our country. They should combine their departments that deal with common issues regarding skills development. Because of unemployment we have:</p> <ul style="list-style-type: none"> <li>↓ HIV Aids</li> <li>↓ Crime</li> <li>↓ Poverty and</li> <li>↓ Morale degeneration</li> </ul>		

THE EASTERN CAPE PROVINCIAL HEARING

DAY ONE: 7-08-2006 PORT ELIZABETH

ORGANISATION	SUBMISSION	COMMENTS: DEPARTMENT OF LABOUR	COMMENTS: PORTFOLIO COMMITTEE ON LABOUR
DoL (P.E.) UIF Systems	<ul style="list-style-type: none"> <li>▪ Moving towards scanning system.</li> <li>▪ Clients are seen and served on the first floor, where there's a support team which assists clients with completing UIF application forms.</li> <li>▪ Domestic employee compliance is still lacking, therefore receiving a lot of cases.</li> <li>▪ The system response is slow, but the office of the CIO is looking into it. Time spent at cubicle is estimated at 15 minutes per client.</li> </ul>	<p>The complaints were brought to the attention of the Acting Commissioner UIF and are being addressed as part of the UIF agenciefication process.</p>	
Hope Factory	<ul style="list-style-type: none"> <li>▪ Conduct training for the development of entrepreneurs and for job creation purposes. Have successful new venture business in New Brighton which makes corporate gifts. They are New Venture Creation training providers, but lack funding to start up new ventures.</li> </ul>	<ul style="list-style-type: none"> <li>▪ DoL is already funding these interventions under the National Skills Fund Social Development Funding Window managed by the province.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
Nelson Mandela Metro University	<ul style="list-style-type: none"> <li>▪ To expose learners to the working environment. To enable youth to use both theory and practical knowledge. Involved in studies</li> </ul>	<ul style="list-style-type: none"> <li>▪ The availability of workplace training opportunities remain a key challenge nationally and</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

	<p>where they are looking at the impact of development programmes and achieving interventions.</p> <ul style="list-style-type: none"> <li>▪ Skills development initiatives in communities are based on assumption as no skills audits are conducted.</li> </ul>	<p>requires employers both within and outside of the public service to commit themselves in alleviating this problem.</p>	
<b>COEGA</b>	<ul style="list-style-type: none"> <li>▪ There is a lack of funding. Developed funding proposal for NSF strategic projects. No human resource forecasting. Secondary participation through SMMEs and co-operatives is needed. Best practice models to be developed.</li> </ul>	<ul style="list-style-type: none"> <li>▪ COEGA is amongst the identified stakeholders that are to benefit from the DoL Strategic projects aimed at supporting Provincial Growth and Development Strategies.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>Youth Desk</b>	<ul style="list-style-type: none"> <li>▪ Skills audit should be conducted. No database of youth taken on learnership programmes. Require training in areas that youth will be able to operate in after the programme. There should be guidelines of good practice regarding youth development with emphasis on technical skills transfer. Maximize on-the-job training. Require mentorship for youth owned business. Training programmes should be flexible to accommodate all knowledge levels and there should be start up capital</li> </ul>	<ul style="list-style-type: none"> <li>▪ The learnership regulations were amended and take into consideration most of the concerns raised by the Youth Desk.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

	programme target approach. Skills Development programmes to be aligned to national strategies and NQF		
<b>MERSETA</b>	<ul style="list-style-type: none"> <li>Youth need guidance to study towards programmes that promote their growth. ABET learners should be kept interested in order to complete the programme. Youth should be prepared to work hard in order to prove that they want to work</li> </ul>	<ul style="list-style-type: none"> <li>DoL is in a process of producing Career Information Guides and ABET pamphlets.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>CETA</b>	<ul style="list-style-type: none"> <li>Employers should be taken on board to take on unemployed youth. The Department should take responsibility to co-ordinate SETAs in the Province. Have an over commitment and therefore have limited funds available. High drop-out rate of learners as they do not receive allowances due to over commitment of funds. Need to identify scarce skills.</li> </ul>	<ul style="list-style-type: none"> <li>The DoL has all along called on SETAs to consider opening a single office with shared services to increase their presence in the provinces and to minimise costs for maintaining such offices.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>GRADIMA (Graduates, Diplomates &amp; Matriculants)</b>	<ul style="list-style-type: none"> <li>Graduate unemployment rate in the Province is 26.7% Government should assist youth to find their feet e.g. capacity building, office space, travel expenses. Learnerships should be aligned to needs of youth. New</li> </ul>	<ul style="list-style-type: none"> <li>DoL will be making NSF funding available to support Provincial Growth Development Strategies. Youth are amongst the target group to be recruited</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

	<p>Venture Creation start-up is not easily accessible as it is expensive.</p> <ul style="list-style-type: none"> <li>DoL should form partnerships with youth to enter into learning programmes and achieve their dreams. Unhappy with sharing skills development initiatives with immigrants</li> </ul>	for training in this initiative.	
<b>Umsobomvu Youth Fund</b>	<ul style="list-style-type: none"> <li>Plans to roll- out youth advisory centers in all district municipalities. Need for youth co-operatives development. Need to work close with Labour Centres. A visible structure will enable UYF to make a difference in the Province.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>UNISA</b>	<ul style="list-style-type: none"> <li>Business can assist by financing a student through FET and guarantee a job opportunity for the student. Advertising of existing programmes should be done through all mediums of communication. Business should willingly give volunteer opportunities. DoL should inform communities of skills shortages and critical skills. DoL to get unemployed youth database from UNISA</li> </ul>	<ul style="list-style-type: none"> <li>DoL has produced a scarce and critical skills list in collaboration with DTI, DST, DoE, DHA and DPSA. The information will be used in the career guides, the Quota List to be published by Home Affairs to regulate the number of foreign skilled workers that can be allowed in the country.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>ETC (Eastern Cape Training Centre)</b>	<ul style="list-style-type: none"> <li>Lack of requisite skills therefore youth is unemployable. Lack of</li> </ul>	<ul style="list-style-type: none"> <li>Learnerships, Internships and Apprenticeships were</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

	<p>school-to-work programmes. Skills training should be market driven. Upgrade and renewal of skills to ensure employability.</p>	<p>introduced to breach this gap between school and work.</p>	
<p><b>Youth Commission (Eastern Cape)</b></p>	<ul style="list-style-type: none"> <li>▪ Need monthly collaboration with DoL on youth unemployment statistics. Lack of minimum education requirements (matric) in rural areas of the Province. Need DoL buy in on youth advisory centres. Support needed for enterprise development relationships. Graduate development needed. 2010 to involve youth participation. Lack of exit opportunities after learnerships result in youth recycling learnerships.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The DoL Employment services is being extensively reviewed to can provide proper and accurate statistics.</li> <li>▪ DoL uses its agency, the Umsobomvu Youth Fund to support youth advisory centers.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<p><b>Teko B Multi-Skilling Project</b></p>	<ul style="list-style-type: none"> <li>▪ The project was formed in 2003, located in Centane location. It is a community based project, benefiting all members of the community. Their current activities include cultivation of tomatoes; bee keeping and construction (building 450 houses). They are also busy with the production of synthetic diesel, of which the manufacturing process will be done in Germany. Their</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project can benefit more if it includes the CHIETA SETA in its initiatives. Information on the project will be directed to the SETA to follow-up.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>



	markets for tomatoes are local fruit and vegetable shops and the umthatha Spar.		
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**DAY TWO: 08-08-2006 EAST LONDON**

<b>ORGANISATION</b>	<b>SUBMISSION</b>	<b>COMMENTS: DEPARTMENT OF LABOUR</b>	<b>COMMENTS: PORTFOLIO COMMITTEE ON LABOUR</b>
<b>Khula</b>	<ul style="list-style-type: none"> <li>▪ Youth require Business Plans, but have insufficient Business Skills or training in their areas of operation.</li> <li>▪ There is a great need for youth to under go Business Skills training</li> </ul>	<ul style="list-style-type: none"> <li>▪ UYF is funded to assist in such interventions</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>Buffalo City Municipality (Special Programmes Unit)</b>	<ul style="list-style-type: none"> <li>▪ Need to develop a Buffalo City Youth Development Strategy. Implement HIV, Youth and disability programmes. Have partnership with Dutch Embassy to deal with HIV AIDS issues. Need more engagement with tertiary institutions to run occupational programmes.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>Buffalo City Municipality (Skills Development Facilitator)</b>	<ul style="list-style-type: none"> <li>▪ Challenges: Scarce Skills- Property Evaluators, FET institutions cannot assist on 12 month learnerships.</li> <li>▪ Need financial support for implementing skills development</li> </ul>	<ul style="list-style-type: none"> <li>▪ DoL Provincial strategic support programme could contribute to this initiative</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

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**Buffa** ge offer in-service training  
uates. Disadvantaged youth  
ffered bursaries. UYF is  
in more effort in ensuring  
th can access funds easily  
isory centres to be opened  
l areas. Need to form  
nerships with business  
e on learnerships.

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**Offi** ge learner drop-out rates  
vince. Co-operating with  
eholders to target youth  
velopment.

ETA, CETA, MERSETA,  
ODBEV, THETA and  
e conducted training in  
vince. Need NSF engaged  
three year project, target  
d women in the formal  
eratives and NVC.

outh are challenged to  
allenges when they arise  
mplete school and not  
emselves to higher education  
ere should be information  
tween National and Provincial  
overnment. Improvement  
velopment intervention

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	ordination by respective stakeholders		
<b>ETDP SETA</b>	<ul style="list-style-type: none"> <li>▪ CEO gave out 10 bursaries when SETA was launched in the Province. Challenge: employers are unwilling to take on learnerships. Lack of accredited training providers in the Province</li> </ul>	<ul style="list-style-type: none"> <li>▪ SETA Forum will be engaged to develop collective SETA intervention strategies in the provinces.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>LGSETA</b>	<ul style="list-style-type: none"> <li>▪ Businesses have not adapted to properly training SDFs</li> <li>▪ Challenge: job adverts do not indicate NQF levels or recognition of learnership qualifications</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>ISETT</b>	<ul style="list-style-type: none"> <li>▪ There should be a youth magazine which indicates skills shortages. Database of emerging youth enterprises is needed. Public promotions to direct youth to business opportunities. New venture support programme to be rolled out to the Province. Business Skills training to be conducted by unemployed graduates. Youth should be educated in the advantages that exist in volunteer work. Challenge: youth need a one stop shop where they can be assisted in the development of business plans, registration of Close</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

	corporations and compiling their business profiles.		
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**DAY THREE: 10-08-2006 UMTATA**

<b>ORGANISATION</b>	<b>SUBMISSION</b>	<b>COMMENTS: DEPARTMENT OF LABOUR</b>	<b>COMMENTS: PORTFOLIO COMMITTEE ON LABOUR</b>
<b>KSD FET COLLEGE</b>	<ul style="list-style-type: none"> <li>▪ National certificate Vocational speaks to economic demands. It is workplace relevant. DoL and DoE collaboration is essential. SETAs to fast track accreditation.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<b>Khulisa Youth Accountants Project (Walter Sisulu University students)</b>	<ul style="list-style-type: none"> <li>▪ Aim is bridge the gap between High School and Tertiary education. Walter Sisulu University is not SAICA accredited therefore qualification is not recognized and students have go on a bridging course before registering for a post graduate qualification. Have acted as internship recruiters for the Premier's Office, assisted students to obtain bursaries with WITS University. The project lacks funding, office space and equipment.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

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<p><b>KSD (King Sabatha Dalindyebo) Youth Council</b></p>	<ul style="list-style-type: none"> <li>▪ Government should priorities FET funds and more budget allocation to towards NASFAS. Lack of career guidance programmes in rural areas. Lack of exit opportunities after learnerships. Need SMME to support youth capacity building. DoL partnerships with youth advisory centres. Youth should be encouraged to take up volunteer work and DoL to formalize volunteer work policy.</li> </ul>	<ul style="list-style-type: none"> <li>▪ DoE has increased bursary allocations towards NASFAS and NRF.</li> <li>▪ DoL is also allocating bursary funds towards the two institutions.</li> <li>▪ The Learnership regulations were amended to incorporate and formalise the role of Employment and Skills Development Lead Employers in coordinating SMME training.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>
<p><b>Masihlangabezane Ngcadu Programme</b></p>	<ul style="list-style-type: none"> <li>▪ The project was formed in 2001, which is a Department of Social Development initiative as a food security programme. They cultivate vegetables and supply local supermarkets with their produce. The 15 project members who are responsible for compiling reports have under gone ABET training.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Projects already benefiting from DoL National Skills Fund Social Development Funding Window for training unemployed.</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

**DAY FOUR: 11-08-2006 KING WILLIAM'S TOWN**

<b>ORGANISATION</b>	<b>SUBMISSION</b>	<b>COMMENTS: DEPARTMENT OF LABOUR</b>	<b>COMMENTS: PORTFOLIO COMMITTEE ON LABOUR</b>
<p><b>Masihlangabezane Ngcadu Programme</b></p>	<ul style="list-style-type: none"> <li>▪ The project was formed in 2001, which is a Department of Social</li> </ul>	<ul style="list-style-type: none"> <li>▪ Projects already benefiting from DoL National Skills</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

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<b>Gcinisa Farme Co-operative</b>	Lin rure. Project was fn 200k over a ply Gont managed in scheve been trained kulturbour. They getable supplier of t Spar	▪ Pr fr Fu Fu tr

#### PROVINCIAL

' ONE: 7-08-2006 ULUN

ORGANI	SUBM	DEPA
Kungomathe Development	<p>h ratenployment h levaprotected sex ding tvels of V/Aid gh ratool drop-outs enagency with the pe of g social grants visibyouth ganizach as nsobouth Fund,</p>	<p>The DoI will assi staff anc accessib be direc executiv interver</p>

	<p>National Youth Commission. etc.</p> <ul style="list-style-type: none"> <li>▪ Dol Labour Centre inaccessible and officials not competent on their job description</li> </ul> <p>RECOMMENDATION</p> <p>The Government must develop an integrated youth plan which should also cater for rural youth.</p>		
Aquadine Housing Project	<p>CHALLENGES</p> <ul style="list-style-type: none"> <li>▪ Youth needs education and Training.</li> <li>▪ Teenage Pregnancy</li> <li>▪ High rate of school drop-out</li> <li>▪ HIV/ Aids</li> <li>▪ High rate of unemployment of people with disabilities</li> </ul> <p>RECOMMENDATIONS</p> <ul style="list-style-type: none"> <li>▪ Dol to create opportunities in which youth can participate</li> <li>▪ Dol to co-ordinate stakeholder liaison with other government Departments and NGOs in the Province.</li> </ul>	<p>DoL has stakeholder driven Provincial and Skills Development Selection Committees and Skills Development Forums that are working closely with the Premiers' offices in allocating SDFW training funds.</p>	
EYETHUSONKE	<ul style="list-style-type: none"> <li>▪ No SETAs visibility in rural areas</li> </ul>	<ul style="list-style-type: none"> <li>▪ Being addressed as part of</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>

DEVELOPMENT OF THE UNEMPLOYED	<ul style="list-style-type: none"> <li>▪ Richards Bay caters for most rural areas within the Northern Areas of KZN</li> </ul>	SETA shared services in provinces	
YOUTH COUNCIL	<ul style="list-style-type: none"> <li>▪ Gov. to be visible and transparent with their projects, Dol to markets its programs</li> <li>▪ SETAs to be more visible</li> <li>▪ The concept of Cooperatives is excellent but the assistance should not only be limited or focus on developing a business plan, it must include mentorship</li> <li>▪ They should be a link between education and skills training.</li> <li>▪ Government youth programs must be visible through-out the year not only on June 16.</li> <li>▪ UYF is not accessible and transparent. It should not discriminate in its interaction with young people. (Rural urban. Political affiliation )</li> <li>▪ Let local people be employed by UYF to service their local communities. They understand their rural development needs. ( “ Ruralize” UYF)</li> <li>▪ FET/HET to be at district levels or young people be financially assisted to go to such institutions which are</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>	<ul style="list-style-type: none"> <li>▪</li> </ul>





	<p>of skills that are being provided.</p> <ul style="list-style-type: none"> <li>▪ They is a condition of economic unproductively. caused by Problems in our education System</li> </ul>		
UNEMPLOYED GRADUATES	<p>WAY FORWARD</p> <ul style="list-style-type: none"> <li>▪ Legacy of apartheid must be addressed e.g. improvement of infrastructure in mainly African schools</li> <li>▪ Align programs to include theory and practice</li> <li>▪ Government departments with backlog like Home Affairs, Social Welfare should employ unemployed graduates to address the backlog</li> <li>▪ Relationship between Private Sector and Government – Government to re-look at employment agencies as it leads to casualization of the youth</li> <li>▪ The concept of voluntarism bothers on cheap labour. Dol to look into his issue and try to align it to internships.</li> </ul>	<ul style="list-style-type: none"> <li>• Learnerships, Internships and apprenticeships were introduced to address this problem.</li> <li>• Learnership Basic Condition of Service Determination and Apprenticeship regulations were introduced to protect learners.</li> <li>• SETAs are structures that brings government, labour and business together on these matters.</li> </ul>	

## **RECOMMENDATIONS**

From the various presentations and visits conducted by the Committee, issues raised are similar and could be grouped in categories that could assist the Committee in making specific resolutions. There are issues that are common although were raised using different context or wording. It is proposed that the committee consider grouping these matters in the following manner.

- Youth matters cut across a range of government departments and requires different spheres of government, the private sector, youth formations, portfolio committees, provider institutions, civil society etc working in partnerships.
- An integrated youth development strategy is critical in order to ensure a coordinated approach on youth matters,
- Special intervention measures will have to be developed and implemented to address the plight of youth in rural areas, those without schooling, HIV and AIDS, youth against the law, unemployed graduates, youth with disabilities, new entrepreneurs etc. These measures could include empowerment strategies, funding, access to information etc.
- Rights of young people enshrined in the constitution and other laws will have to be protected whilst at the same time implementing measures that will facilitate their entry into employment.
- Special Job Creation measures should in the main target the youth given the large numbers of unemployed in these categories