

# MEC: 'HIGH UNEMPLOYMENT RATE REMAINS CAUSE FOR CONCERN'

**THE** MEC for the Department of Economic Development Tourism and Environmental Affairs (EDTEA), Ravi Pillay said the Quarterly Labour Force Survey conducted by Stats SA showed unemployment in our country rose from 32.5 in the fourth quarter of 2020 to 32.6 in the first quarter of this year.

MEC Pillay said while engaging with the youth in business at the Durban University of Technology (DUT) Indumiso Campus on Tuesday.

"During the same period, unemployment rate in KwaZulu-Natal increased by 0.9%. There is no doubt that this is a crisis and there is also no doubt that the majority of the unemployed are young people. I must say that the high rate of unemployment, especially among young people, remains a cause for concern to us," said MEC Pillay.

He said the department is contributing towards efforts to grow youth employment. Pillay added that in the next few weeks they will be rolling out the disbursements of Operation Vula Fund.

"I know that many young people have been asking questions through social media and other platforms as to when they will

be receiving the grant funding. A total of 4229 applications were received for consideration. The due diligence checks and balances led to the delay in concluding the applications. We are pleased to announce that 1025 applications with a value of R322 319 million have now been approved for funding. Of these, 383 applications were by youth owned businesses. A total of 178 applicants have already received business instruments to the

value of R29.7 million. We believe this funding will enable entrepreneurs and enterprises to create more jobs especially for young people," he explained.

The MEC also said apart from Operation Vula Fund, they will fund 350 youth businesses in the current financial year and this will be done through funding mechanisms in the department and through partnerships. He added that in the current financial year EDTEA and its entities has

also allocated R67.7 million towards job creation for the youth. He also said R68 million had been set aside for entrepreneurship development and support targeting the youth.

"We will also create 6000 job opportunities for young people through the Youth Employment Service Co-ordination within Private and Public Sector which includes EDTEA Extended Public Works Programme and private sector engagement.

