

UNEMPLOYMENT

Access to digital tools is critical to upskill the youth in scarce skills to turn the tide of unemployment.

WHAT DO WE NEED TO DO TO GET THE YOUTH EMPLOYED?

In the first months of hard lockdown, 2.2-million people lost their jobs. Hardest hit have been the youth. By PUSELETSO MOMPEI

South Africa's unemployment rate reached 32.5 per cent in the last months of 2020, the highest since Statistics South Africa's quarterly labour force survey began in 2008.

In February of this year, the survey showed 63.2 per cent of those unemployed are between the ages of 15 and 24.

CEO of Global Business Solutions and labour analyst Jonathan Goldberg says one of the major stumbling blocks when it comes to the issue of youth unemployment is policy.

"We need to have more flexibility in labour laws. Employers should be able to engage youth for a few months without having to worry about South Africa's labour law too much," he says.

"This will free up the system to allow young people to enter the workforce, gain some experience, pick up some skills quickly, network and get insider information in their sector."

Labour analyst and founder of Economists.co.za, Mike Schussler says because most businesses are small, government must find easy ways to encourage job creation.

"For say, every intern in a company with less than 10 people they could pay the rate for two to the company so that income is shared between the employer and the person

he appoints to mentor or train the young person." Schussler says the economy needs to grow past four per cent a year which is the world average for South Africa to attract more capital and create more jobs - weak growth plays a role.

Goldberg says that the world is increasingly digital so youth need access to data and centres to study and work.

"Real access to digital education is crucial. After they have picked up digital skills, youth also need help positioning their skills and marketing them. There are global marketplaces that South African youth should be on, but they need to be guided on building portfolio and demonstrating their capabilities."

GOVERNMENT'S ROLE

Goldberg says government needs to be asking whether it's spending money in the right place and has the correct incentive schemes in place.

"For example, we could look more closely at the SETAs and interrogate if there is a better way to get training to youth. Many government systems are expensive and bureaucratic. We could use that money and focus on being output focused, and making sure schemes deliver on helping more young people secure work."

Schussler says, "If government could create more political and economic certainty that

would help business confidence and consumer confidence, that would change our mindset away from fear."

Schussler believes government should encourage self-employment. "One way could be to reward people who perform certain tasks like waste pickers who clean sidewalks or fix streetlights."

Instead of public works programmes, he says, government can offer an incentive to work and therefore encourage more people to participate in ongoing tasks that are essential to communities functioning.

SMALL FIRMS MATTER

"Too often, government policy is drafted as if all firms are big. Small firms with less than 10 people employ about half of people in the private sector. When formulating policy, government must consider how a small firm would be impacted. Thinking big business all the time must become a thing of the past."

Goldberg cautions that the situation is critical. "We need decisive, definitive action and a road map that will drive youth employment."

He believes one way would be for the public and private sectors to partner on projects that make a difference. For instance, where possible, businesses should work closely with TVET colleges in their relevant industries and align output with skills needed on the ground.

Schussler echoes this, saying, "Private sector should also be saying what they need so that technical colleges and universities can provide that practically in teaching and learning courses." ■

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