

GIVING THE YOUTH A KICKSTART

On the eve of Youth Day, the National Employers' Association of South Africa (NEASA) remains concerned about the high unemployment rate in general but especially amongst young people, describing the current status quo as worrisome. NEASA Chief Executive, Gerhard Papenfus, is of the view that the current 55.2% joblessness rate among the youth is simply unacceptable.

'Throughout the country, only 1 in 3 young people of working age are employed. This distressing statistic does not only indicate the limited earnings potential and future prospects of these youths but is worsened by subdued business growth and unsustainable pressure on governments social programs.

Recent figures from Statistics South Africa show increasingly more young people are out of work. The official unemployment rate has risen from 27.1% previously, to 27.6% for the period from January to March 2019. The unofficial unemployment rate is closer to 40%. An estimated 237 000 people lost their jobs in the first quarter of 2019 with the overall number of unemployed standing at 6.2 million. Although government is still adamant that it will meet its objective of creating nearly 300 000 jobs per annum, Papenfus says this target is not realistic.

'If one looks at the year-on-year loss, it seems unlikely that government will reach its goals. It is very concerning considering the millions of young people who have no schooling or education. Why will the general trajectory of unemployment change if the underlying elements that are causing it is not addressed. The solution will require action from a variety of sectors and actors in order to turn the tide,' he says.

Papenfus says over the past five years, NEASA has been actively contributing to the employment and skills development of young people from all walks of life. This included the Department of Trade and Industry's (the dti) ITUKISE Program and the Department of Economic Development and Tourism's (DEDAT) work- and skills programs. These programs focused on providing 2060 unemployed youths with an opportunity to receive life skills and work readiness training in order to enter the job market in their chosen industry.

Approximately 50% of the participating youths gained permanent employment after completion of these programs.

'In addition to the above, NEASA has a dedicated Youth Program that is focused on various skills development initiatives which provide employers with value added services that, not only benefits business directly, but also contributes to the development of South Africa's youth. The NEASA Youth Program offers our members the unique opportunity to gain access to funded projects and to utilise recently qualified students as additional resources at a minimal cost to business. Currently, a very successful program is run in co-operation with FASSET,' he explains.

Through the NEASA Youth Program, NEASA supports numerous SMMEs across various industries by providing additional business capacity, assisting with legal compliance and addressing the challenge of youth unemployment.