



**MINISTRY IN THE PRESIDENCY
FOR WOMEN, YOUTH AND PERSONS WITH DISABILITIES
REPUBLIC OF SOUTH AFRICA**

**Remarks By Minister Women, Youth and Persons with
Disabilities, Hon. Sindisiwe Chikunga, MP During the Presidential
Youth Employment Initiative**

Date: 29 August 20204

Time: 10:00 – 12:00

Venue: Protea Hotel, Balaika, Sandton, JHB

INTRODUCTION

CEO of the NYDA,

Colleagues from the PYEI Office

Distinguished Guests

Ladies and Gentlemen,

I am deeply honoured by your kind invitation and grateful for the opportunity to briefly address this important session on the Presidential Youth Employment Initiative. I am also pleased that you found it fitting for all of us to come together to reflect on how gender intersects with class, race, and other markers of identity in ways that reproduce unequal labour market outcomes and related opportunities.

Today's effort has the full support of our department. It is absolutely crucial that we draw from evidence-based learning, adapt and embrace new knowledge on various pathways for moving the youth from learning to earning. This session also offers us an opportunity to reflect and be brutally honest about what has worked and what has not worked.

I am happy that amongst the audience you have practitioners, scholars, activists and some beneficiaries. Every voice must be heard.

Indeed, as August draws to a close, we must acknowledge that, even among the most disadvantaged communities, women still bear the heaviest burden, simply because they are women.

YOUTH UNEMPLOYMENT AS A NATIONAL CRISIS - PRESIDENT RAMAPHOSA (2019, SONA)

As far back as 2019, during his State of the Nation Address, the President gave us clear marching orders regarding the alarmingly high rates of youth unemployment in the country. He said:

“The fact that the unemployment rate among young South Africans is more than 50% is a national crisis that demands urgent, innovative and coordinated solutions. Because more young people are entering the labour force every year, the economy needs to create far more jobs for youth than it currently does”. (President Ramaphosa)

More recently, in light of the unequal experiences of women in the labour market, the President reiterated during the policy lekgotla that:

“as we craft our contributions towards the program of the 7th administration, we must ensure that we make decisive progress towards women empowerment and a non-sexist South Africa.” Inclusive growth demands that we affirm the position of women and youth in the economy and enable the full participation of persons with disabilities and other vulnerable groups”.

The latest unemployment figures released by the Statistician General this month paint a worsening picture for all youth, both young men and women. The numbers indicate that unemployed youth increased from 44,3% in Q4: 2023 to 45,5% in Q1: 2024.

When you apply the **expanded definition of unemployment**, which includes those discouraged from seeking work, youth unemployment increased from 59.7% to 60.8% in Q2.

In 2024, the absorption rate of young men was 31,9%, outpacing young women, whose rate stood at 24,2%. The unemployment rate among young females was estimated at 49,4% in 2024, marking a notable increase of 3,3 percentage points from 46,1%.

In light of the mandate articulated above, what do these numbers mean to us? When the President declares youth unemployment a national crisis, as far back as 2019, what should this mean to us? Put differently, how has our approach match up to this national crisis? Do the size, scale, and pace of our interventions truly reflect the urgency of the crisis that the President refers to?

I want to suggest that by "national crisis," the President is not merely referring to the high rate of youth unemployment. What the President is highlighting is the structural nature of youth unemployment and, most importantly, the lack or absence of a structural response on our part.

His orders are for us to go above and beyond what we are accustomed to, stepping outside the structures we find comfortable or convenient, and to begin reimagining **more structural responses that do not rely solely on existing jobs**. He emphasises the need to create "new jobs" for the youth. Therefore, our task is not only to reduce unemployment but also to design catalytic, industrial-scale interventions that will anchor us well into a future of sustainable development.

Secondly, as we commemorate 30 years of our democratic dispensation, it is clear that despite the visible progress we have made, far too many of our people still lack reasonable prospects for socio-economic mobility. What do we need to do to prevent the past 30 years from repeating themselves on us?

Thirdly, there is the disheartening reality of an as-yet unquantified number of unemployed graduates. I have recently learned that even students we send abroad, who return with engineering degrees, are sitting at home. This is an abnormal situation that demands both innovative and aggressive solutions.

We are currently facing a situation where serious infrastructure projects are in the pipeline—from small harbours development, rail, road, and rural bridge construction to human settlements projects, water sanitation projects (including dam construction and maintenance), and energy infrastructure projects. It is about time that we insist that no labour is imported for these projects while unemployed graduates are sitting at home. Every project, from ideation to implementation, must include the upskilling, reskilling and placement of young people through emerging industrialist apprenticeships

URGENT NEED FOR CHANGE IN OUR APPROACH TO YOUTH UNEMPLOYMENT

The legacy of apartheid cannot be overcome with piecemeal and uncoordinated interventions. Apartheid was coordinated and structured and so is its legacy. We need strategies to cultivate all our resources in a coherent and purposeful effort and put forward interventions that can be sustained into the future. We cannot have our youth hopping from one learnership to another. One Internship to another. We need an

emerging industrialist programme that reaches every corner of this country.

These interventions should, in line with our DDM model, be implemented at national, provincial and local levels by government, parastatals, organisations within civil society and the private sector working within the framework of reconstruction and development.

The authors of the RDP also warned that **“as we develop, we must not perpetuate the separation of our society into a 'first world' and a 'third world' - another disguised way of preserving apartheid. We must not confine growth strategies to the former, while doing patchwork and piecemeal development in the latter, waiting for trickle-down development”**.

TRANSCEND TRADITIONAL DEPARTMENTAL BOUNDARIES AND DO AWAY WITH SHORT TERM SILOED INTERVENTIONS WITH NO CLEARLY DEFINED EXIT OPPORTUNITIES THAT ARE SUSTAINABLE

In order to respond in a more purposeful way, we are called upon to transcend traditional boundaries and do away with siloed interventions and adopt a more integrated and coordinated approach.

Lack of industrial dynamism, Youth unemployment, high cost of living, economic inactivity, violent crime and lack of social cohesion are all

multidimensional challenges that require what economists refer to as a Mission-Oriented Approach to development.

We are required to (a) Set Ambitious Goals; (b) foster creative Public-Private Collaborations, (c) approach the state as a patient investor-of-first resort, and (d) develop dynamic capabilities to adapt and steer the mission as it evolves.

The NYDA, for example, must be transformed into a capability that is able to:

- A. Gather market and economic intelligence about the future of industry and work,
- B. Identify emerging strategic opportunities,
- C. Measure (cross Sectoral) impact of policies
- D. Enhance our Ability to Spot Risks/Opportunities
- E. Increase our ability to Anticipate and Adapt, and
- F. Support New Agents of systemic socio-economic change

The NYDA must have a well-resourced research capability that is able to provide us with situational awareness and address the questions such as: in light of the youth question, where are we? where should we be going? and what is likely to get in our way [both threats and opportunities] as we navigate to that collectively desired destination. What adjustments, if any, do we need to make to deal with the threats and make the most of opportunities? Through knowledge management, we must be able to anticipate, respond, and navigate uncertainties and potential crises.

AREAS OF POTENTIAL BREAKTHROUGH

In the interest of time, I will briefly highlight some of the key sectors that I believe hold significant potential for breakthroughs in our efforts to attract manufacturing, promote beneficiation, and drive industrialization.

Firstly, we need to ensure that women and youth have access to land for agricultural purposes and related value chains. Land is wealth. **Many of them want to work the land. I am told there is even a new trend now, wherein youth are resigning as Chartered Accountants to pursue various forms of farming. Let's go work the land, and when we get you, the land do not sell the land. Once it's gone, it is gone.**

Secondly, we need an emerging industrialist fund to turn young people's ideas and innovation into productive economic activities.

Thirdly, we need to engage with all unemployed graduates, listen to their experiences, understand their needs, and work with them to pursue sustainable opportunities.

Four, we need a cap on the minerals that leave as unprocessed rocks. The mining sector remains our backbone. We need to leverage this industry for wealth redistribution.

Five, we need to leverage public procurement to provide offtake for youth and women owned business. We can only do this if we leverage our convening powers as government.

LESSONS FROM OTHER COUNTRIES

When we look at Asia, particularly countries like Japan, South Korea, China, and Singapore, that continent offers a wealth of experience in transforming nascent industries into powerful engines of economic growth and job creation.

When you examine how Asia became the manufacturing hub of the world, the literature points to several factors, including:

Firstly, all these countries embrace Strategic Government Intervention and Policy Support for infant industries.

Governments in these countries have actively nurtured emerging industries through policies such as **access to capital, favourable tax policies**, and **protection from unnecessary foreign competition**. In South Korea, this support illustrated by how the government protected and enabled the likes of Hyundai and Samsung to grow rapidly and create large-scale employment.

Secondly, they focus on Export-Oriented Industrialization.

Encouraging exports, as exemplified by China's manufacturing boom, allows emerging industrialists to benefit from global demand, leading to large-scale production and job creation. This approach has transformed cities like Shenzhen into global manufacturing hubs, generating millions of jobs.

Thirdly, **they make massive investments in Education and Skills Development with clearly defined exit opportunities.**

No one in these countries is being educated for education's sake. It's all linked to broader industrial aspirations and targets. Singapore's focus on upskilling its workforce ensures that it can meet the demands of emerging industries. Singapore's Skills of the Future initiative, for example, provides opportunities for lifelong learning, which is crucial for supporting the growth of new industrialists. As industries evolve and new sectors emerge, they allow the workforce, across all ages, an opportunity to upskill or reskill in order to meet the demands of new and emerging industries. And they pay you while you upskill through their lifelong learning initiative.

Lastly, in these countries, government is an investor of first resort, ensuring that infant industries have **Access to meaningful Capital and financial support to emerging industrialists.** This is particularly effective in rural and semi-urban areas where large-scale industrialization may not be feasible.

CONCLUSION

In conclusion, 30 years ago, this is what we had to say under the then GNU, through the RDP Document:

“But an election victory is only a first step. No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government”.

Let us be bold this time. We have a crisis in our hands

I thank you