



Youth Employability: A South African and African Challenge

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AGENDA

1. Background
2. Policy Priority Areas
3. The South African Context
4. The Role of the TVET
5. Challenges
6. Youth Employment Initiatives
7. Trends Towards 2030
8. The Global Context
9. The Goal



1. Apex body, formed in 2003, leveraging on the role that organised business played in a peaceful transition to democracy
2. Represents business with Government and Labour and in NEDLAC
3. Work closely with the CEO Initiative, Presidential Working Group, the NBI and the BBC
4. BUSA represents SA on the SADC Private Sector Forum, Business Africa, ILO and globally on the G20, and International Organisation of Employers and with Business Organisation counterparts across the globe. This enables business co-operation within the rest of Africa, South-South, BRICS and Internationally



2017 – 2019 STRATEGIC DRIVERS

10 Strategic Drivers Enabling Environment for Inclusive Growth and Employment in South Africa

1	Transformed, Inclusive Economy that Creates Sustainable Employment
2	Small & Medium Enterprises Thriving
3	Predictable, Certain and Enabling Regulatory Environment
4	Affordable, Reliable and Sustainable Energy to Meet Current and Future Needs
5	Productive and Stable Labour Market
6	A Progressive Tax System that Supports Inclusive Growth Objectives
7	Trade Regime & International Co-operation that enables South African Business
8	Education and Skills Development for Current and Future Work
9	Affordable Comprehensive Social Security Framework for Future Generations , including NHI
10	Co-operation and Influence in SADC, Africa and Globally



THE SOUTH AFRICAN CONTEXT

Education holds the keys to the future South Africa is held back by a lack of skills (history)

Skills = jobs

Jobs = economic growth

Therefore better skills = economic growth

A shocking 27% of pupils who have attended school for six years cannot read, compared with 4% in Tanzania and 19% in Zimbabwe. After five years of school about half cannot work out that 24 divided by three is eight. Only 37% of children starting school go on to pass the matriculation exam; just 4% earn a degree.

Funding is not the Challenge!



THE ROLE OF TVET

Further education and training (FET) colleges are expected to play a significant role in addressing the acute shortage of middle-level skills. The colleges are also well positioned to widen access since they are distributed across all nine provinces and have wider geographic reach than universities (DHET 2010). A significant increase in access can be achieved with less investment than a corresponding increase in university enrolment due to the much higher cost of university education.

Quality TVET is a key driver of economic growth, as it trains workers for technical and skilled jobs in growing fields such as healthcare, construction and advanced manufacturing. However, the premium placed on college attainment, in both developed and developing economies, means TVET is often viewed as a “second-best option” for learners. (WEF)



CHALLENGES

- 6 million youth are NEETS (not in employment, education or training)
- Low throughput from schools to post school (TVET, universities)
- Lack of responsive training- the needs of the labour market are not met by the education and training system
- Bureaucratic, rigid quality assurance regime
- Uneven provincial provisioning (focus on urban centres)
- Low economic growth and fiscal pressures
- Decent work vs. meaningful work vs. different forms of work

YOUTH EMPLOYMENT- A SOUTH AFRICAN FOCUS

- Focus on Skills Development- notion of *Jobs and Skills Mismatch* and *Preparing for the 4th Industrial Revolution*
- Create **1 million new jobs** (leverage existing programmes where possible e.g. Youth Employment Service (YES), Learnerships, Internships, Workplace Learning)
- **Accelerate SME growth** by building inclusive operating models and supply chains

- *Get the basics right*
- *Focus on life skills: resilience, flexibility*
- *Entrepreneurship*
- *Technology*
- *Practical skills that matter in the workplace*
- *Life-long learning*
- *Be sure to combine hard & soft skills*

TRENDS TOWARDS 2030

- Urbanisation
- Geo-political uncertainties
- Environmental sustainability
- Globalisation
- Demographic change
- Technological change
- Increasing inequality

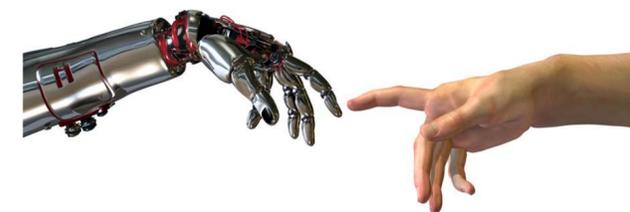
The World Economic Forum's Human Capital Index finds that Sub-Saharan Africa currently only captures 55% of its human capital potential, compared to a global average of 65%. With more than 60% of its population under the age of 25, Sub-Saharan Africa is the world's youngest region. By 2030, the continent's working-age population is set to increase by two-thirds, from 370 million adults in 2010 to over 600 million in 2030.

The share of this population with at least a secondary education is set to increase from 36% in 2010 to 52% in 2030. As 15 to 20 million increasingly well-educated young people are expected to join the African workforce every year for the next three decades, delivering the ecosystem for quality jobs – and future skills to match – will be imperative for fully leveraging the continent's demographic dividend.

THE GLOBAL CONTEXT

- Automation, technology and AI is rapidly reshaping the workplace
- Jobs are becoming obsolete faster than ever before
- What defined job success in the past is not what will define job success in the future
- Impact on of technology on education
 - What we learn; How we learn; When we learn; Why we learn
- With AI's rapid ascent, what skills will still be relevant by 2030?
- Learn to get a job vs. continuous learning

*The future of education is:
Cross-disciplinary
Flexible
Responsive
Real-world
Life-long*



THE SMARTER FUTURE

An estimated 15 to 20 million increasingly well-educated young people are expected to join the African workforce every year for the next three decades. Delivering the quality jobs to match in order to fully leverage the continent's demographic opportunity is set to be one of Sub-Saharan Africa's defining challenges over the coming years. Simultaneously, the Fourth Industrial Revolution will interact with a range of additional socio-economic and demographic factors affecting the region, resulting in major disruptions to labour markets, growth in wholly new occupations, new ways of organizing and coordinating work, new skills requirements in all jobs and new tools to augment workers' capabilities

*The Future of Jobs and Skills In Africa:
WEF, May 2017*

SMART ECONOMY (Competitiveness)

- Innovative spirit
- Entrepreneurship
- Economic image & trademarks
- Productivity
- Flexibility of labour market
- International embeddedness
- *Ability to transform*

SMART PEOPLE (Social and Human Capital)

- Level of qualification
- Affinity to life long learning
- Social and ethnic plurality
- Flexibility
- Creativity
- Cosmopolitanism/Open-mindedness
- Participation in public life

SMART GOVERNANCE (Participation)

- Participation in decision-making
- Public and social services
- Transparent governance
- *Political strategies & perspectives*

SMART MOBILITY (Transport and ICT)

- Local accessibility
- (Inter-)national accessibility
- Availability of ICT-infrastructure
- Sustainable, innovative and safe transport systems

SMART ENVIRONMENT (Natural resources)

- Attractivity of natural conditions
- Pollution
- Environmental protection
- Sustainable resource management

SMART LIVING (Quality of life)

- Cultural facilities
- Health conditions
- Individual safety
- Housing quality
- Education facilities
- Touristic attractivity
- Social cohesion



THE GOAL

A post-school system that can assist in building a fair, equitable, non-racial, non-sexist and continent;

A single, coordinated post-school education and training system;

Expanded access, improved quality and increased diversity of provision;

A stronger and more cooperative relationship between education and training institutions and the workplace;

A post-school education and training system that is responsive to the needs of individual citizens, employers in both public and private sectors, as well as broader societal and developmental objectives.