



## **Economic Digest 2**

**27<sup>th</sup> May 2019**

### **Unemployment: Interventions to stem the tide**

Last year President Ramaphosa hosted a Jobs Summit with the aim of kick-starting the drive to tackle South Africa's chronic unemployment challenge. The compilation of articles that follows is an attempt to provide a quick overview of that challenge and the initiatives that are being taken.

#### **1. Jobs summit produced over 70 strategies to deal with unemployment crisis**

The new interventions include: a commitment by large corporations and government to buy local products; a more aggressive approach to increasing exports; interventions in agricultural value chains, especially fruit, grain and livestock; and support for small and medium enterprises. <https://tinyurl.com/y6ezsm6b>

#### **2. Government's commitment to tackling unemployment**

Key among government interventions are the Youth Employment Service (YES), the Jobs Summit, the Economic Stimulus Recovery Plan, and the Investment Conference, which are short and long-term measures put in place to reignite the economy. It is hoped that these interventions will create an additional 275 000 direct jobs per year. <https://tinyurl.com/yxa3ropg>

#### **3. Nedbank and YES partner to create over 3 000 entry-level youth jobs**

From May 2019, Nedbank is set to employ approximately 3 315 youths for 12 months as part of a youth-employment scheme. The not-for-profit YES initiative is a partnership where business, government, labour and civil society work together to aid in getting young people onto the first rung of the employment ladder. <https://tinyurl.com/y5s2f2lw>

#### **4. Is Worker's Day worth celebrating with SA's high unemployment rate?**

Over the last decade, the local economy has not been growing to its full potential, which has meant that it cannot create enough jobs to stem the tide of unemployment. <https://tinyurl.com/y6zcuco3>

#### **5. Why a guaranteed jobs scheme in South Africa would pay for itself**

The country's current job creation plans are likely to be far too slow in boosting employment. Even if all the jobs being planned went to young people who are not in employment, education, or training, it would take 25 years to seriously tackle their unemployment. This is where guaranteed employment comes into play. <https://tinyurl.com/y3erj99o>

## 6. South Africa's informal sector: why people get stuck in precarious jobs

There are two schools of thought around the role and value of a country's informal sector. Some argue that it is merely a survivalist strategy that allows those without much formal education to work and earn a little money. But others argue that the informal sector is also an important space for entrepreneurs. <https://tinyurl.com/yxsvn43g>

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**Kenny Pasensie**  
**Project Co-ordinator**