

Youth unemployment in South Africa: Understanding the challenge and working on solutions

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The high levels of unemployment in South Africa are a key concern for young people after leaving school. The challenges in the schooling and post-secondary education systems discussed in previous essays especially contribute to high levels of youth unemployment. But it is also important to consider how the structure of the labour market as well as personal, household and community factors impact on the ability of young peopleⁱ to access employment. Additionally, in considering interventions that could bring about change, it is important to acknowledge young people's agency and survival strategies. This chapter will provide an overview of these factors and explore the following questions:

- How big is the youth unemployment problem?
- Who is most affected?
- What labour market features limit young people's access to work?
- How do community, household and personal factors limit young people's access to work?
- What are the personal effects of unemployment?
- What interventions could enhance youth's access to the labour market?
- What are some of the possible ways to address youth unemployment in South Africa?

The essay takes a broad view of employment, acknowledging that young people may find work in the formal or informal sector, or in other forms of vulnerable employment (such as short-term and casual labour).¹ We focus primarily on interventions aimed at addressing unemployment, but also look at ways that can enable young people to progress to better, more stable forms of employment.

How big is the youth unemployment problem?

In the first quarter of 2015, the official youth unemployment rateⁱⁱ was 37% for youth between the ages of 15 and 34 years (which equates to approximately 3,646,000 young people).² This rate has increased from 33% in 2008. One major contributing factor is that the absorptionⁱⁱⁱ rate of youth into the labour market has declined over this period (from 36% to 33%). The data also show that there has been an increase in discouraged work-seekers

(from 4% to 8%) – in other words, more young people have given up looking for work over this period. When these young people are included, the expanded youth unemployment rate goes up to approximately 45%.³ This suggests that despite policy discussions and interventions, the situation for young people has worsened over the past seven years.

Who is most affected?

The broad definition of youth masks the differences in transitions to work at different ages. For instance 15 – 19-year-olds have much lower labour force participation rates (92% are not economically active) as the majority are still in education. As young people get older and move into the labour force, they are most likely to struggle with employment in their early 20s. The expanded unemployment rate^{iv} for 20 – 24-year-olds is 61%, going down to 42% for 25 – 29-year-olds and 33% for 30 – 34-year-olds.⁴

Young women are more vulnerable to unemployment than young men (see figure 14 on the next page), and there are significant differences in unemployment rates by province.

African and Coloured youth are far more vulnerable to unemployment than their White or Indian counterparts. Just over 40% of African youth and 32% of Coloured youth are unemployed, compared to 23% of Indian and 11% of White youth.⁵ A range of reasons explain these differences, including the inequalities in the schooling system (discussed in the essay on p. 34).

What labour market features limit young people's access to work?

Young people are disproportionately affected by unemployment in South Africa because demand for labour is highest for skilled employees. In the late 1990s and early 2000s, the country's economic policy shifted to a high productivity, technology-led growth path that was intended to stimulate investment in skills development and higher wages. This happened at the same time as an increase in the still largely unskilled labour force and a shift away from labour-intensive agriculture.⁶ The result has been a drop in the employment of unskilled labour and minimal growth in sectors that were intended to drive the growth path.⁷ Higher skilled labour is needed to drive technological development, and labour market absorption rates are therefore highest among those

i In this essay, we consider an expanded definition of youth (as aged 15 – 34) in order to track changes in labour market participation as young people age towards adulthood. This expanded definition corresponds to the one in the new National Youth Policy 2015 – 2020.

ii The official unemployment rate reflects three criteria that must be met: the person must be without work, available to work, and actively seeking work.

iii Labour market absorption is a measure of the proportion of working-age adults that are employed.

iv Including discouraged work-seekers.

with post-secondary qualifications.⁸ While the youth (15 – 34 years) unemployment rate for those with less than a matric qualification is 55%, for those with a tertiary qualification (certificate, diploma or degree) it is only 8%.⁹ Graduate unemployment rates are therefore not the main area of concern.

This demand for higher-skilled labour stands in strong contrast to the reality of the majority of young people in South Africa. Many enter the labour force with minimal skills due to the failures of the basic and post-secondary education systems (see the essays on p. 34 and p. 42). In addition, employers are demanding higher benchmarks (such as a matric certificate) even for unskilled positions and apply additional selection criteria such as references from current employees and previous work experience.¹⁰ The resultant skills mismatch and young people’s premature entry into the labour market (without matric or higher education and without the necessary degree of work readiness) are key drivers of youth unemployment. This essay therefore focuses on this large group of young people who enter the labour market with minimal skills (see figure 8 on p. 38) and thus have to compete with a large pool of other unskilled job-seekers¹¹ or with older workers who have more work experience.

How do community, household and personal factors limit young people’s access to work?

Apart from the labour market structure, it is also necessary to consider community, household and personal factors that drive youth unemployment. Many of these can be attributed to the legacy of apartheid, but are also the result of post-apartheid policies and planning. For instance, one community-level factor that drives unemployment is the high cost of transport to seek work. This factor is a consequence of both apartheid and post-apartheid urban planning that keeps the majority of poor and low skilled people trapped in areas far away from job opportunities,

making it particularly difficult for African and Coloured young people to seek work.

Community and household level factors also hinder access to information for the majority of poor youth. Many are, for example, unable to afford internet café fees to search for job opportunities or information on post-secondary education. Further, unlike middle-class youth, they lack “productive social capital” – social networks that can be used for information about and access to the labour market – which is an important asset for navigating entry into the labour market.¹²

Young people, and particularly young women, who have to take on care responsibilities within the household, are further limited in their opportunities to participate in the labour force.¹³

At the personal level, qualitative evidence suggests that young people are engaging in a range of work-seeking activities,¹⁴ but, in addition to their lack of access to information about how best to apply for jobs, may have unrealistic expectations of what kinds of jobs they are qualified for and what wages they should be earning.¹⁵

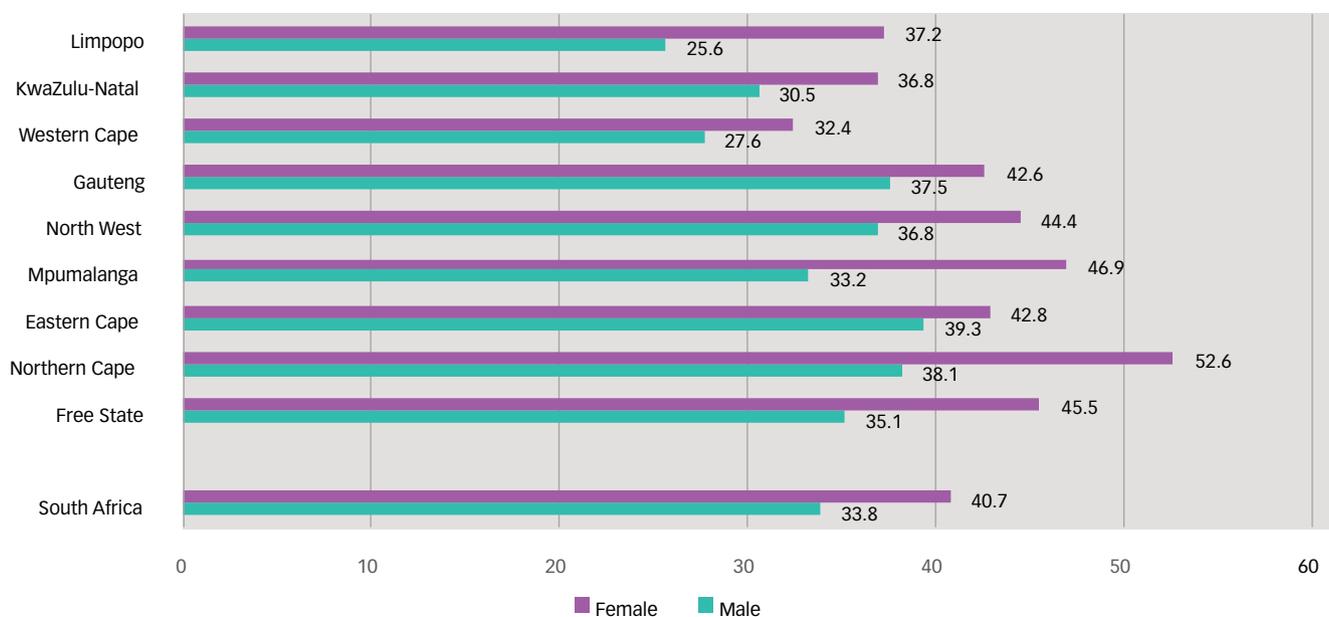
Youth also engage in various other strategies to attempt to make some kind of livelihood, including starting a small business and pooling small amounts of money to purchase items that they can sell:

This week toilet paper was on sale at the market. My friend and I bought loads of toilet paper and now people can come and buy one roll for R2.00 at my shack. Sometimes it’s eggs or sweets. (Rasta, 26-year-old, Gauteng)¹⁶

Others take advantage of seasonal peaks to earn some money:

When it is the festival [Grahamstown Arts Festival] we can get jobs at the shops or stalls for a short time but we always know it’s only for two weeks. Then we are back to where we started. (Beauty, 24-year-old, Eastern Cape)¹⁷

Figure 14: Unemployment rate (excluding discouraged work-seekers) of youth aged 15 – 34 years, by province and gender



Source: Statistics South Africa (2015) *National and Provincial Labour Market: Youth Q1: 2008–Q1: 2015*. Statistical release P0211.4.2. Pretoria: Stats SA.

Box 4: NEET – Youth not in any kind of employment, education or training

Of the almost 10.2 million young people between the ages of 15 and 24 years, 33% are what might be considered a particularly vulnerable group. They are the young people who are not in employment, education or training (NEET) and who are therefore considered as “neither improving their future employability through investment in skills nor gaining experience through employment.”¹⁸ They are arguably the most vulnerable to chronic unemployment and poverty as well as social exclusion.

The proportions of youth NEETs are still low for 15 – 17-year-olds, many of whom are still at secondary school, but rise quite dramatically for 18 – 25-year-olds, peaking at 51% for 21 – 25-year-olds. Thereafter the proportion of NEETs declines somewhat and for 30 – 34-year-olds the rate is 42%. This suggests that over time some young people are finding their way into employment, despite little training and experience. However a 42% NEET rate for 30 – 34-year-olds is still alarmingly high.¹⁹

As can be expected – youth with less education are more likely to be NEET.²⁰ For example, 58% of young people aged 21 – 25 who have not completed secondary education are NEET, while for those with some post-secondary education only 36% are NEET.²¹

In the same way that young women are more vulnerable to unemployment than young men, they are also more likely to

be both unemployed and not in education or training: 36% of young women 15 – 24-years-old are NEET, compared to only 30% of young men.²²

The high proportion of young people not in employment, education or training stems from many reasons as outlined in the essays on p. 34 and p. 42:

- Many young people are not completing matric and cannot easily access second chances to complete their schooling.
- There are limited places at universities and technical vocational education and training colleges.²³
- A lack of finance and information makes it difficult to access post-secondary education opportunities.

Given that the South African labour market has higher demand for skilled labour, engaging in some form of skills development and training is an important mechanism for improving young people’s chances of securing employment. It is therefore a serious concern that so many young people are not in environments in which they can enhance their skills and experience – either through the workplace or through training institutions. The above statistics point to the need for interventions to support young people to transition to some form of post-secondary education or training or workplace experience.

In an informal settlement in Tembisa on Gauteng’s East Rand, a youth leader shares how the local youth club tries to help young people find work:

Each week we [the leadership of the youth club] put whatever money we have together to buy the paper with the jobs advertised. We look through and highlight the ones that many young people could apply for. Young people in the community ... come to us and we help them with their CVs and applications. (Siphiwe, 27-year-old, Gauteng)²⁴

These examples show young people’s willingness to look for work or self-employment,²⁵ and provide opportunities for interventions. However, constant job searches with little success take a heavy toll on the overall well-being of youth:

I have taken my CV to many shops in the area. It’s useless. They always say “we’ll get back to you”. But they never do. If you don’t know someone there they won’t take you. (Letty, 25-year-old, Eastern Cape)²⁶

I don’t even try any more. I took my CV to so many places and nobody ever calls you back. It’s a waste of my time and money. (Thando, 28-year-old, Gauteng)²⁷

What are the personal effects of unemployment?

Unemployment may increase risk behaviour. Some young people may engage in unprotected sex in an attempt to survive. This includes engaging in transactional sex,²⁸ and staying with partners who are engaging in unprotected sex with others but who provide limited financial stability²⁹. These and other health-related issues are discussed further in the essay on p. 60.

Long-term unemployment and negative labour market experiences lead to decreased self-esteem, depression and discouragement, which, in turn, have negative effects on the likelihood of an employer hiring youth.³⁰ These negative consequences of long-term unemployment are well documented elsewhere in the world.³¹ Amongst Swedish youth, for instance, unemployment was associated with nervous complaints and depressive symptoms, even after controlling for initial psychological health and background factors.³² In Australia, youth unemployment was found to be strongly associated with suicide, depression and loss of confidence.³³ In South Africa, the cycle of mental ill-health, unemployment and poverty has been explored³⁴ but requires further research as this link with depression might, among other things, hamper young people’s access to interventions that aim to connect them to the labour market.^v

v Preliminary research on the topic is taking place at the Southern Africa Labour and Development Research Unit at the University of Cape Town.

Youth unemployment and the cycle of poverty

In South Africa the transition from school to work is not a smooth one, and for most youth it is characterised by a period of unemployment that can stretch to a number of years.³⁵ Youth who do not possess labour market-related qualifications are particularly affected by this interrupted transition, a factor that continues to entrench disadvantage. One way to mitigate negative outcomes might be to encourage early labour market experience through work while at school. International and South African evidence indicates that high school graduates who have worked while at school experience lower unemployment and obtain better quality jobs than their counterparts.³⁶ This implies that the manner in which the transition from schooling to work is negotiated has long-lasting implications. Long periods of unemployment between leaving school and entering the labour market affect prospective employers' views of the perceived productivity of an individual. Thus, individuals who have been unemployed for much of their youth may remain unemployed for much of their post-youth lives.³⁷

In addition, failure to complete any post-secondary education or training affects later productivity. The forgone earnings and lack of skills may make it difficult to escape poverty. The benefits of schooling on earnings, recognised worldwide as the average return per year of schooling (in terms of increased earnings), were reported to be 7.3% for men and 9.8% for women in 2007.³⁸

These challenges tend to reinforce the inequality gap between advantaged and disadvantaged youth in South Africa. Youth from middle- and upper-class households are likely to navigate fairly structured pathways from school through higher or further education to employment.³⁹ Further, they benefit from access to better education, financial resources, cultural and social capital that they can leverage for information about, and access to, the labour market. Youth from poorer households, however, face uncertainty as they exit the education and social grant systems. Inadequate access to social and financial assets and a lack of relevant skills, support systems, work experience and employment opportunities make it particularly difficult for poor youth to navigate the transition from school to work, which in turn increases the risk for chronic unemployment and poverty for both young people themselves, and their children.

What interventions can enhance youth's access to the labour market?

Government and non-governmental organisations (NGOs) have played a significant role in developing policies, programmes and interventions to address the challenge of youth unemployment. However, major changes can only be expected once labour markets are able to absorb more unskilled labour, or the education system produces job-seekers with the required skills set. In the meantime, however, measures can be put into place to support the efforts of young people seeking employment.

Policy framework

The Youth Employment Accord⁴⁰ identifies a number of strategies to enhance youth economic participation. These include: increasing youth employment targets; enhancing public employment schemes such as the National Youth Service, the Expanded Public Works Programme and the Community-Based Public Works Programme; supporting youth entrepreneurship and cooperative development; creating mechanisms for young people to be exposed to work; and enhancing skills development.⁴¹ In addition, the new National Youth Policy 2015 – 2020 (adopted in May 2015) suggests identifying and supporting sectors with the highest potential to absorb youth; and better preparing young people with the skills required in the workplace whilst they are still in education.⁴² It also notes the need to evaluate the impact of the Employment Tax Incentive (discussed on p. 55). While these policies make positive recommendations, targets are often over-inflated and they do not provide sufficient guidance on how to coordinate efforts across departments and sectors to enhance youth economic participation.

Employability interventions

Given the youth's low skills profile and challenges they face in navigating the labour market, a key intervention is enhancing the employability of young people. Employability refers to the skills and attributes that make a young person more "marketable" in the workplace, and that assist young people to navigate the labour market and workplace more effectively. This includes learnerships, entrepreneurship development programmes, service programmes, and short-term skills development programmes run by the state, civil society and the private sector.

Learnerships – or on-the-job training programmes – allow young people to complete a post-secondary qualification that is paid for by the employer while gaining work experience, thereby enhancing their prospects for later employment. Three organisations are worth mentioning. The company EOH provides information and communications technology and related services to client companies. Since 2011, EOH has developed an extensive learnership programme that attracts over 1,000 learners each year.⁴³ Learners complete an initial two-week work-readiness programme that focuses on basic workplace skills including punctuality, dress code and interpersonal communication. Thereafter they can choose to enrol in a particular qualification. They are placed at an EOH branch and mentored by an allocated supervisor and learnership co-ordinator, and receive a stipend. Once the learnership is completed, most are offered employment in the company. The EOH model has more recently been rolled out to its clients. EOH retains the training and coordination of the learners while clients provide work placement and supervision. Although the programme has not yet been independently evaluated,^{vi} it shows promise in enhancing young people's employment prospects and being relatively easy to scale up through partnerships.

vi The programme will be evaluated as part of the national Siyakhha Youth Assets and Employability Study of the Centre for Social Development in Africa at the University of Johannesburg and the University of North Carolina at Chapel Hill.

A second learnership programme in the social sector is loveLife's groundBREAKERS programme. Originally started as an intervention to reduce youth risk behaviour, groundBREAKERS has evolved into a learnership programme in which participants gain skills in community and youth programme development and management. They gain workplace experience by running youth programmes through local NGOs in return for a small stipend. A study found that the programme had a positive effect on participants' employment chances and access to post-secondary education.⁴⁴

The National Youth Service (NYS) programme run by the National Youth Development Agency (NYDA) is a year-long programme, based on the international YouthBuild model,⁴⁵ which places participants in a structured programme focused on technical, life- and work-readiness skills. The approach was piloted in 2011 and has been scaled up through partnerships with national and provincial government departments such as the Department of Human Settlements and local municipalities. While the National Youth Service Programme of the NYDA is involved in monitoring the roll-out of the programme, it has never conducted an impact assessment.⁴⁶

Learnerships tend to be quite formal in nature and are aligned to the National Qualifications Framework (NQF). Other, less formal programmes can also offer young people a stepping stone into work. These may be run by national, provincial or local governments, businesses or civil society. Most follow the model of shorter classroom training time combined with some work experience,⁴⁷ which takes the form of volunteering, service or work placements. The training programmes include hard skills development (ranging from retail or hospitality skills to plumbing and welding); soft skills development (self-esteem, communication skills), basic literacy and numeracy, computer literacy and work-readiness training (how to effectively look for and apply for a job, interviewing skills, and workplace conduct). Most programmes offer participants some form of support as they exit the programme, either in the form of referrals or ongoing mentorship.

Young people find it easy to connect with these programmes, particularly ones located within the civil society sector: they operate in local communities, have minimal entry requirements, do not require technical application processes, and the costs to participants are low.⁴⁸ Most programmes are highly flexible and adaptable with some degree of standardisation.

However, they also have significant weaknesses. The majority of these programmes have little interaction with employers thus limiting their ability to develop skills that are of interest to employers. While most include some degree of monitoring, independent evaluations and impact assessments are missing. This raises questions as to whether such interventions are effective and, if so, how best to scale them up to reach more young people.

Evidence suggests that participation in youth employability programmes in sub-Saharan Africa and other developing countries is positively associated with employment and earnings.⁴⁹ But this literature does not unpack the different types of interventions or

their various components. Further research is needed to decipher exactly what kinds of employability interventions work, what combination of programme components is most effective, and to determine the costs and benefits of such interventions.

Enhancing demand for youth employees

Two of the largest programmes aimed at enhancing demand for work-seekers, including young work-seekers, are the Expanded Public Works Programme (EPWP) and the Community-Based Public Works Programme (CBPWP). Both are large-scale public employment programmes aiming to provide short-term employment alongside training to people who are otherwise unemployed. The aim of the programmes, beyond providing short-term employment, is to prepare people for more permanent or longer-term employment.⁵⁰ Within both programmes, 40% of participants are supposed to be youth (aged 18 – 35). To date, these targets have been met and exceeded. However, the EPWP and CBPWP have been heavily criticised as they do not provide adequate skills training,⁵¹ nor prepare people adequately for jobs within the open labour market, nor enable them to develop their own livelihoods in the informal economy. This suggests that such programmes provide a stop-gap measure but do not significantly shift young people's employability and employment prospects. They nevertheless represent a significant state financial investment to support young people's attempts to enter the labour market. This may mean that, if current shortfalls are adequately addressed, they offer a leverage point for enhancing employability outcomes for young people.

The Employment Tax Incentive (ETI) is a recent national intervention to increase demand for young employees. Companies who employ youth aged 18 – 29 can apply for a reduction in the amount of Pay As You Earn (PAYE) tax, which is intended to help companies offset the costs of training young employees.⁵² Results from a randomised control trial of the pilot programme demonstrated that young people with wage subsidy vouchers^{vii} were 25% more likely to find and retain work than those who did not have vouchers.⁵³ Based on these findings, the ETI was implemented in January 2014. An evaluation of the ETI six months after inception was carried out and findings reflected no discernible effects on youth unemployment rates.⁵⁴ A possible reason for this finding is that at six months after inception of the ETI, employers may not yet have been fully aware of the programme. Furthermore, hiring decisions would not be governed solely by the availability of the ETI; increased hiring would also depend on feasibility of expansion, a decision process that may take more than six months.

Another approach to promoting demand for young work-seekers has been to try shift employers' perceptions. Impact sourcing is a process by which employers intentionally employ people who are vulnerable to unemployment and who would not normally be seen as viable employees.⁵⁵ Through this approach companies shift their perceptions of the minimum requirements for entry-level positions and implement policies and programmes that recruit such work-seekers and support them to stay and

vii A wage subsidy voucher allows the employer of the young person to claim back a portion of the wage that is paid to the worker.

Case 5: Harambee – Enabling youth labour market transitions

The Harambee Youth Employment Accelerator is a high-impact intervention to address youth unemployment based on the premise that there are entry-level jobs available, but that employers are reluctant to place young, first-time workers due to perceived risks. Since 2011, Harambee has been targeting employers to shift their perceptions about employing young workers, based on the motivation that employing young people makes human resourcing and business sense, and enables companies to contribute to national development.

Harambee has established that they are able to provide young, first-time workers who perform well and are likely to stay in their jobs. They can ensure this because of the support they provide to young work-seekers who are recruited via social media, word-of-mouth, community radio stations, and other community-based recruitment strategies. Youth are initially screened for numeracy and literacy potential, and are assessed to determine which sector they would be ideally suited to. Once youth have been screened, they are either counselled out of the programme (if they do not meet the placement criteria) or routed into different bridging programmes depending on their match to industry requirements. For instance, young people with competencies for retail will undergo a six-day bridging programme focusing on retail-specific skills; while those with competencies in business process outsourcing will go through an eight-week bridging programme as this requires longer-term training. All bridging programmes include workplace readiness

skills. Participants are then groomed for job interviews, and Harambee facilitates the engagement between the employer and various participants so that the employer may select the participants they prefer.

Harambee reached its initial goal of placing 10,000 young people in September 2014. Although the programme has not been evaluated for impact, Harambee does track participants and relies on feedback from employers. They report a higher retention rate than other placement agencies with almost 75% of their placements staying in their jobs for at least 12 months. This benefits the employee who is able to demonstrate commitment to other potential employers. It also benefits the employer who can reduce costs by retaining staff. These gains in turn help to make a case to other potential employers to employ young people.

A key design feature of the Harambee programme is that it addresses both the supply and demand side of the labour market equation. It addresses employers' fears about employing young people and skills up young people through short-term interventions. The programme also demonstrates the potential of young people, harnessing young people's desire to enter the labour market, and providing the connections that young people need to take that first step into employment. Harambee is demonstrating how to approach the challenge of youth unemployment innovatively but there remains a need to assess the impact of the programme.

grow in the workplace. Successes have been seen in the business process outsourcing sector^{viii} in which individuals, and particularly young people, from poor areas in Africa and Asia are targeted for entry-level positions.⁵⁶ Harambee Youth Employment Accelerator is a programme, funded by the Jobs Fund of the National Treasury and businesses, that encourages employers to employ young work-seekers with a matric qualification who would otherwise not be seen as "viable employees". Harambee has higher retention rates than other recruitment companies and has shown the ability to up-skill young matriculants quickly in preparation for entry-level jobs.⁵⁷ Harambee (see case 5 above) placed their 10,000th candidate in September 2014.

Addressing barriers to accessing the labour market

Alongside efforts to enhance the employability of youth and to drive demand for young employees, there are interventions that support young people in their attempts to connect to the labour market.

High transport costs are a key barrier preventing young people's access to the labour market in South Africa. A current study aims

to establish whether a transport subsidy in the form of travel vouchers has any impact on the job search behaviour of youth.⁵⁸

Many young people can also not meet a range of additional costs related to work-seeking and accessing post-secondary education. A small amount of savings may therefore make a difference in their ability to seek work more effectively, start small businesses or access post-secondary education. International evidence suggests that savings are associated with a change in young people's sense of future prospects⁵⁹ and are a significant predictor of college enrolment and progress.⁶⁰ A South African study is currently assessing whether such an intervention may support young people's transition to work.⁶¹

Another initiative of the NYDA is the Jobs and Opportunities Seekers (JOBS) programme – an online database intended to link unemployed young people with job and skills development opportunities. But, there is limited information about the impact of JOBS on helping young people to transition to work.

Temporary employment services or labour brokers may enable young people to access information on available jobs, especially when they live far from job opportunities and do not

viii A process of outsourcing particular business processes (such as call centres or data analytics) to a third party. These processes often involve high levels of engagement with information and communication technology, making young people an attractive potential workforce.

have access to the internet. Many employees are placed into their first jobs through such labour brokers.⁶² Analysis of the Cape Area Panel Study data demonstrates that about 5.5% of youth in the greater Cape Town Metropolitan area found work through temporary employment agencies, the same percentage as those who found jobs through newspaper advertisements.⁶³ While such organisations play an important role in connecting young people to first-time job opportunities, these are typically temporary in nature and there is no research to determine whether they assist young people to find more permanent work.

What are some of the possible ways to address youth unemployment in South Africa?

There are a number of promising initiatives in research, policy and practice that should help strengthen systems and support youth employment; yet these efforts tend to be fragmented and a more coordinated effort is required to develop more comprehensive approaches to youth unemployment.

Develop a stronger evidence base

There is a strong need for a cross-disciplinary, integrated analysis of the drivers of youth unemployment, alongside policies and interventions that aim to strengthen the demand side of the labour market and to increase youth employability – one that can determine evidence of what works, identify gaps in knowledge and policies, and begin to develop a coordinated theory of change to address youth unemployment. To address this gap, a systematic overview of research on youth unemployment drivers, programmatic and policy interventions will be undertaken by the Centre for Social Development in Africa at the University of Johannesburg and the Poverty and Inequality Initiative at the University of Cape Town.

Strengthen support for young people who do not access formal post-secondary education

Youth who do complete post-secondary education have a good chance of finding employment, but major efforts are needed to enhance skills development and employability of young people who do not have matric or post-secondary education and training. While there are a range of interventions currently targeting such young people, further research is needed to determine the impact of interventions. Do they enhance technical and workplace readiness skills? How effective are they, and what is the potential of up-scaling them at a reasonable cost? These questions are currently being researched in the hope that clearer answers will enhance support for young people who cannot access post-secondary education.⁶⁴ It is important to strengthen monitoring and evaluation as well as coordination efforts across programmes and sectors to achieve a positive impact on youth employability.

Target young people as they exit school

Interventions tend to target young people once they have exited the schooling system and are already unemployed. While such efforts are important, we also need to target young people as they

exit the schooling and social protection system, as they age out of the Child Support Grant (CSG). In this way those who struggle most to access the labour market could effectively be targeted with co-ordinated short- or long-term programmes that enhance their skills and connect them to the workplace. By targeting young people as they leave school, unemployment could be prevented rather than having to mitigate the effects of longer-term unemployment.

Extending the CSG to young people beyond 18 years of age is currently being considered by government.⁶⁵ This policy proposal warrants discussion as it acknowledges the fact that most young people after the age of 18 years are not ready to provide for themselves and may need additional support as they attempt to transition to work or further education. However, extending the beneficiary age for the CSG might not result in the kinds of transformative outcomes that are required. Rather, it is worth considering a package of support to young people that involves some financial support but which is also connected to investments in services including skills development, work placement or volunteer opportunities, job search support, and subsidising application fees for post-secondary education.

Create work opportunities for young people still at school

Interventions aimed at young people who are still at school are also needed. Working while at school increases the chances to find work. Interventions that link school-going youth with workplace opportunities over weekends or school holidays may provide poorer young people with the social and cultural capital they need to access the labour market later on, and help reduce the high rates of unemployment among school leavers.

Support the livelihood efforts of young people

The state has largely overlooked the role of the informal sector in generating employment. Yet qualitative evidence suggests that youth engage in a range of informal strategies to generate a livelihood. Government agencies such as the NYDA and employability programmes could also focus on strengthening the capacity of young people to operate more effectively in the informal economy. Entrepreneurship training that takes the informal economy seriously as a space for business development could assist young people already working in this economy.

There is also a need for increased support to youth co-operatives. For example, the Vulindlela Jozi programme of the City of Johannesburg partners with businesses who assist youth co-operatives to meet the technical requirements of bidding for a tender, and then actively encourages youth co-operatives to tender for municipal contracts.⁶⁶

Qualitative evidence points to the agency of young people who often volunteer within their local communities without any form of support or stipend.⁶⁷ Local municipalities should ideally find ways to connect these young people to programmes like the CBPWP so that they are able to receive a stipend for their efforts. Similarly, youth desks in local municipalities could drive youth development activities within communities that engage youth volunteers and offer them both a stipend and training opportunities.

Increase demand for young workers

Potential also rests in enhancing demand for youth employees. Although positive effects of the ETI are not yet evident, further research into the ETI's impact is warranted to investigate whether positive changes in youth absorption into the labour market would occur over time, or, if not, to understand what might be holding employers back from using the incentive.

The EPWP and CBPWP programmes represent massive state investments. Enhancing the training components of these programmes could increase both the demand for, and employability of, young people. For example, a recent partnership between the NYDA'S National Youth Service Unit and the EPWP aims to enhance young people's work readiness.

Impact sourcing is perceived, by employers, to have positive results and these efforts need to be recognised and built upon. Combined with the ETI there seems to be considerable potential in shifting employer opinion about the value of employing young people in entry-level positions. Interventions such as impact sourcing, led by the business sector, could also be coupled with

support services that assist young people to work effectively and stay in the workplace.

Help young people access work opportunities

Finally, further work is needed to help connect young people to workplace opportunities. The transport subsidy and savings studies are promising in that they are testing empirically whether simple interventions could assist youth.

A cobbled pathway to employment

Young people face multiple obstacles on their path from education to the labour market. The existing research, interventions and policies are evidence of the wish to address youth unemployment in South Africa. However, they remain uncoordinated, often inaccessible and far removed from the lives of young people. In a labour market where the pathway to employment is unlikely to be smooth for most young people, we require a range of cobblestones that, with each step, help a young person to make his or her way to employment or some form of sustainable livelihood.

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