

ADDRESS BY KWAZULU-NATAL PREMIER SIHLE ZIKALALA DURING A DEBATE IN THE NATIONAL COUNCIL OF PROVINCES ON YOUTH UNEMPLOYMENT AND POVERTY, 24 AUGUST 2021,

Chair of the NCOP, Mr Deputy Chairperson Hon Lucas,

Honourable Members,

We gather in a month dedicated to the heroic women of our country who on 09 August 1956 united across race, class, creed, and background and confronted the monster of apartheid. Side by side, they demanded a South Africa which is united, non-racial, non-sexist, equal and prosperous.

2021 is also a year dedicated to a liberation stalwart, Charlotte Maxeke. In her honour, we are called upon to advance Generation Equality by actively supporting the emancipation of women from patriarchy, underdevelopment, and economic marginalisation.

Honourable Members, the provinces of KwaZulu-Natal and Gauteng recently emerged from horrific scenes of unacceptable, deadly violence which sent shockwaves around the world. In a country where the Constitution is supreme and the rule of law sacrosanct, there must never be a justification for anarchy, violence, and loss of life to resolve societal challenges. As KwaZulu-Natal, we have learned from the ordeal; and working with national government, we are improving our response to any planned future lawlessness. We are rebuilding, rising again, and unequivocally declaring that **there are better days before of us** in our beautiful province.

Covid-19 and the lockdown of the economy has constrained national efforts to grow the economy and create employment. In Quarter1 of the Employment Labour Surveys, Stats SA revealed that official unemployment stood at 34.4 percent. This figure is even worse for the youth at 46.3 percent and 9.3 percent among graduates.

Since 1994, the democratic government has made education an apex priority to ensure that the doors of learning and culture are opened for all with an intention to provide skills for the youth. This year, more than R26 million from the **KZN Premier's Discretionary Bursary Fund** is supporting no less than 170 students from impoverished backgrounds across tertiary institutions in South Africa.

Through the Aerotropolis Institute Africa (AIA), we have supported a skills development programme with UKZN to develop **aviation skills** and empowerment of the youth.

We are implementing the **Provincial Integrated Youth Development Strategy** which is informed by the National Youth Policy 2020-2030. The Strategy looks comprehensively at youth development including the health and wellbeing of the youth. It targets youth groups like: Unemployed Youth, Young Women, Youth with Disabilities, School-aged-out of school youth, Youth in Rural Areas, Youth at Risk, Youth heading households, Youth in conflict with the law, and Youth characterised by substance abuse.

KZN is implementing a **job preparedness programme** after realising the need to capacitate unemployed graduates with necessary job-hunting skills. We have launched an online **Unemployed Graduates Database** so that we can assist them more effectively. The database will be accessible to government departments, municipalities, government agencies and the private sector. This support is brought to youth in remote rural areas through the youth mobile offices.

The provincial Human Resource Development Council is working closely with South Africa's Human Resource Development Council to ensure that we provide appropriate skills required for the 21st century. In line with the Provincial Youth Development Strategy and HRDC, we are ensuring that:

- Capacitate the unemployed especially women, youth and People With Disabilities.
- Capacitate people in workplaces and those in schools.
- Recognise the Fourth Industrial Revolution (4IR) as a cross-cutting aspect in all our employment efforts.
- Align our HRD Strategies to the provincial and national Economic Recovery and Reconstruction Plan (ERRP).

Honourable Members, the Provincial Public Service Training Academy (**PPSTA**) entered into a Memorandum of Agreement (MOA) with the Manufacturing, Engineering and Related Services Sector Education and Training Authority (merSETA) to facilitate the implementation of the **Artisan Development** Programme KwaZulu-Natal. This project is fully funded by merSETA and is being implemented in phases since 2013.

In the current phase of MTSF, the programme is targeting 200 youth who are enrolled for apprenticeships and 892 in Skills Programmes. It covers the areas of eThekweni, Richards Bay, Pietermaritzburg, Newcastle and surrounding rural areas and townships.

Honourable Members, entrepreneurship is the backbone of several leading world economies. The reality is that SMMEs are suffocated by lack of skills, funding and sustainable market.

In 2019, our province established the **KZN Youth Empowerment Fund** as part of the concerted effort by the Provincial Government to create an enabling policy environment for youth empowerment and enterprise development. The KZN youth fund during the 2019/20 financial year was capitalised to the tune of **R70 million rand** by the Provincial Government. During the first phase of the implementation, R69 million rand was disbursed to **53 youth enterprises and 408 jobs** were created in the province. The second phase of the fund is being implemented with 3675 applications received for funding and more jobs to be created.

We are leveraging government procurement and set asides to support cooperatives and SMMEs that are owned by women and the youth. We pursue the policy of 30% set asides for women, youth and black- owned SMMEs. On local procurement, our target is **35% youth**; 30% women; 5% people with disabilities, and 60% allocated to Africans. Our goal is that by 2024, 50 % of government spend support enterprises that are women-owned and women-led.

KwaZulu-Natal is transforming the economy in favour of women and the youth. Operation Vula - the KZN programme of Radical Economic Transformation - identified six commodities for meaningful black participation. These are bakery, clothing and textile, furniture, paper & pulp (detergents), fertilizers (seeds and animal feed) and construction.

On 22 June 2021, we launched the **Operation Vula Fund** as the backbone of the KwaZulu-Natal's Economic Recovery Plan. Through it, we are disbursing equipment with a combined value of R300 million to more than 1000 SMMEs. At least **42% of the successful applicants are youth owned-businesses**.

Funding was also approved to 447 women-owned businesses, which represents 47% of the total successful applications. Government is revising the OVF Policy in order to ensure that there is funding set aside for women-owned businesses.

Part of operation Vula is the dedicated agricultural programme which the KZN Radical Agrarian Socio-Economic Transformation (**RASET**) is to help previously disadvantaged farmers to access markets for food production. Many of our youths and women in farming are assisted by the provincial government to sell their products to government departments and traditional retailers.

Honourable Chairperson, In light of the economic challenges brought about by Covid-19, we are implementing the **KZN Economic Recovery and Transformation Plan**. The plan seeks to create jobs in these priority areas: Agriculture, Industrial Development, Health Innovation and manufacturing, Clothing and Textiles, Creative Industries, Informal sector, Investment and Trade, Infrastructure Development, Tourism, Fourth Industrial Revolution (4IR), ICT and Innovation and Finance.

In all of these sectors we have specific targets set for the youth benefits as entrepreneurs or employees.

We are utilising the **Zimele Traders Fund** to support small traders by addressing challenges which are impacting township and rural economic opportunities.

We are improving the participation of primary and secondary co-operatives in the mainstream economy through the **KZN Comprehensive Cooperatives Support Programme**.

KZN is also fast-tracking the implementation of policies that will ensure the **informal economy** goes to the hands of local women and youth of South Africa as part of Post Covid-19 Recovery Plan in KZN.

Honourable Members, the Provincial Government has devised a comprehensive youth empowerment programme called **Sukuma 100 000** to address some of the challenges of the youth unemployment and enhance placement and absorption of youth to job opportunities.

The Sukuma 100 000 Programme is implemented through various programmes such as internships, learnerships, apprenticeship, in-service training, work integrated learning program, etc. In 2020/21 financial year, 131 156 young people were placed through this program. The programme aim to create more than 500 000 youth employment opportunities over the next five years.

Through the Department of Human Settlements, KZN has developed the **Siyakha Incubation Programme** which is assisting on training, capacity building, mentorship and targeted procurement. The programme is opening up opportunities for the entrance of emerging companies in the sector. Many of our vulnerable youth are also benefiting from poverty alleviation programmes like the Expanded Public Works Programme (EPWP).

Honourable Members, we wish to thank the NCOP and MPs for standing with the people of KwaZulu-Natal in the recent violence. Some came to our province to see for themselves the damage, including damage to schools.

We invite you again to be with us all the way on our journey to recovery, stability, and prosperity. We ask this House to be seized with the important matter of youth development and empowerment. We ask you to work with us in eliminating poverty, unemployment, and inequality so that we remove the risks that provide a fertile ground instability in our land.

KZN remains alive with multiple possibilities, and we ready prepare to play our role in reducing youth unemployment and ensure their full integration in the mainstream economy.

Together Growing South Africa and KwaZulu-Natal!

I thank you!