

KEYNOTE ADDRESS BY THE HONOURABLE PREMIER R.M.MTSHWENI-TSIPANE OF MPUMALANGA PROVINCE ON THE OCCASION OF THE NCOP MINISTERIAL BRIEFING ON YOUTH POVERTY AND UNEMPLOYMENT

DATE: 24 AUGUST 2021

VENUE: VIRTUAL PLATFORM

Honourable Chairperson of the National Council of Provinces, Honourable Amos Masando;

Honourable Deputy Chairperson of the National Council of Provinces, Honourable Sylvia Elizabeth Lucas;

Honourable Minister of Small Business Development , Honourable Stella Ndabeni Abrahams;

Esteemed Members of the National Council of Provinces;

Esteemed Premiers in our midst;

Ladies and Gentlemen

1. Chairperson of the session, It is a singular honour and privilege to join you all on this auspicious day.
2. We gather here today to join hands and develop a sustainable response to the crisis that is youth unemployment.
3. The current generation of young people is confronted by socio-economic challenges include poverty, inequality and an unacceptably high levels of unemployment.
4. Empirical data reflect an unemployment rate of roughly 63,3% amongst young people between the ages of 15-24 and an unemployment rate of 41,3% amongst young people between the ages of 25-34.
5. In practical terms, the report reflects that there are approximately 7 242 000 unemployed people in the country with a significant majority of these people being the youth.
6. The scourge of unemployment is exacerbated by the advent of the Covid-19 crisis which has deepened the hardship experienced by the youth in our Province.

7. In essence, young people have been the most disproportionately affected cohort of the population by Covid-19. Furthermore, young people are more vulnerable to the decreasing demand for labour.
8. Whilst temporary initiatives such as the R350 Covid-19 relief grant played some role in shielding our young people from some of the devastating impact of the pandemic, it is not a sustainable long term solution to the challenges faced by our young people.

Mpumalanga driven initiatives

9. Chairperson, we are alive to the fact that the challenges faced by our young people will require a collaborative and multi-sectoral effort from all material stakeholders before we begin to see the rewards.
10. We must take cognisance of our shared responsibility, as government, business, labour and civil society, to develop pathways for young people towards sustainable work streams.
11. It is this responsibility that must direct all our efforts and all our energies.
12. To this effect, the Mpumalanga Provincial Government will continue to engage youth organisations such as the ***National Youth Development Agency (NYDA)*** and the ***South African Youth Council (SAYC)*** in order to steer policy development and planning towards the promotion of young people's involvement in material economic activity across the Province.
13. Furthermore, we have roped in a number of stakeholders from different spheres of government and the private sector to establish the ***Provincial Youth Development Coordinating Forum (PYDCF)***.
14. ***The PYDCF is*** a multi-sector platform made up of the private sector, public sector and civil society stakeholders tasked with dealing with the overall youth development agenda in the province.
15. The PYCDF has been established to expedite the inclusion of young people across the Province in the mainstream economy. The PYCDF is established in recognition of the fact that there is no-one-size-fits-all solution to addressing the youth problem in Mpumalanga. All stakeholders need to come on board and work together to tackle the youth unemployment in the Province.
16. The forum will be convened quarterly in order to monitor progress on youth development in the province.
17. Their work will be informed by the fact that the lasting solution lies in the profound restructuring of the Province's economy so that it can work for all the people of Mpumalanga.

18. As part of advancing our support to young people and through the ***Mpumalanga Youth Development Fund (MYDF)***, the Provincial Government shall provide a wide range of financial and non-financial support services to Mpumalanga youth owned businesses.
19. The Fund will, amongst other things, prioritize SMMEs owned by historically marginalised groups of young people including, young women, young persons with disabilities and above all, youth residing in rural areas.
20. This initiative will increase youth participation in the economy, whilst reducing unemployment across the Province.
21. An amount of 90 million rand will be invested in this programme in the current financial year. Additional support will be provided to young people without the requisite skills to develop bankable business plans but keen to establish businesses, to be capacitated through targeted mentoring, coaching and training programmes.

ECONOMIC EMPOWERMENT PROGRAMMES FOR YOUTH OWNED ENTERPRISES

22. Chairperson, as I have indicated earlier, the COVID-19 pandemic has disproportionately affected young people in the Province.
23. In order to address this, the Provincial government shall, through the ***Mpumalanga Economic Recovery and Reconstruction Plan***, prioritise the development of youth owned enterprises.
24. This will augment existing initiatives aimed at expediting the participation of young people in the mainstream economy.
25. These initiatives include;
26. The creation of 19 649 employment opportunities through the Expanded Public Works Programme. Of the 19 649 jobs created, a total of 12 254 or 62% of the beneficiaries are young people.
27. We have also taken cognisance of the impact COVID-19 has had on young people within the Provincial tourism sector.
28. In an effort to fast-track the recovery of this industry whilst empowering the youth, we have augmented the efforts of the national sphere of government to assist youth owned enterprises in the tourism sector through the Tourism Equity Fund. We have availed R20 million to help SMMEs in the tourism sector with a specific focus on youth owned enterprises.

29. Chairperson, in a couple of weeks, in a few weeks, I will oversee the sod turning ceremony for the R350 million four star hotel that shall be constructed in Middelburg. We have engaged the developers and informed them that they must ring fence a percentage of their procurement for the benefit of youth owned enterprises within Nkangala District.

AGRARIAN ECONOMIC PARTICIPATION

30. Through the Fortune 40 provincial programme, we have capacitated 97 young people who are currently operating their own farms and participating within the Agricultural value chain in the Province.
31. We are currently facilitating the incorporation of an additional 144 young people in the programme and ensuring that they are provided with the requisite support to operate sustainable farming enterprises before the end of the current financial year.
32. We are also implementing the ***Zonda Insila programme***, through which we aim to eliminate poverty and create jobs whilst promoting a clean environment.
33. Young people currently constitute 80% of enrolments within this programme. The participants of this programme are being trained to recycle optimally, establish nursery projects, tree planting projects and overall clean-up projects around their communities. The ultimate goal is to position young people to establish waste recycling facilities and ultimately establish and own the waste economy in the Province.
34. Through the ***PhezukoMkhono Mlimi*** plant production programme, we have assisted over 2800 young people across the province to plough and plant food in their backyards and surrounding arable land for sustenance and commercial farming.
35. Chairperson, the initiatives that I have outlined above are augmented by a concerted effort to ensure that procurement in key catalytic projects such as the Nkomazi Special Economic Zone and the Mpumalanga Fresh Produce Market is geared towards capable youth owned and managed enterprises.
36. We will also ring-fence 40% of government expenditure in programmes such as government school nutrition, sanitary towel distribution, creative arts, stationery and office furniture towards youth owned enterprises.
37. Chairperson, the above is but a synopsis of the initiatives currently underway in the Province of the rising sun to accelerate the participation of young people in the mainstream Provincial economy. This strategic approach will fast track the creation of sustainable employment opportunities for young people in the Province.

38. I thank you.