



Youth Employment Accord



**Signed at Hector Pieterse Memorial,
Orlando, Soweto on 18 April 2013**

South Africa

Youth Employment Accord

Preamble

1. Youth unemployment is a major national challenge and need urgent and coordinated responses to address. Above all, a comprehensive strategy on youth employment, as part of a broader focus on expanding employment in South Africa, is necessary.
2. The social partners recall the joint commitment to create five million new jobs by 2020 and welcome positive signs of a return to employment growth over the past two years, whilst recognizing that unemployment continues at critical levels and that new challenges have emerged that impact negatively on job creation.
3. The parties now agree to work together to address youth unemployment and expand the opportunities for greater employment and empowerment of youth in the economy.
4. The approach to youth employment is based on the common recognition that more jobs need to be created to ensure that the total number of South Africans employed is significantly stepped up, that the benefits reach many more people through sustainable, decent work opportunities and to avoid youth employment schemes that simply displaces older workers. At the same time, it is recognised that the absorption of young people into employment is a major challenge that must be successfully addressed.

5. The social partners and government recognises that more needs to be done, that additional urgency needs to be injected in job-creation efforts and that a national consensus on ways to grow youth and total employment is necessary. In particular, they agree that a comprehensive strategy is necessary to achieve this.
6. Such a strategy will require that the structural challenges in the economy are addressed, including poor skills, weak infrastructure, monopolies and cartels and lack of partnerships at workplace level. Particular attention should also be given to improving basic education outcomes as weak basic education feeds poor employment and economic performance.
7. This document proposes three distinct but connected workstreams:
 - Identifying areas of immediate action on youth employment in this accord that need to be implemented from 2013
 - Using the lessons learnt from this first phase, as well as the trust that develops through practical measures, to identify additional actions on youth employment that are possible, revise targets where appropriate and scale up the programmes on youth employment, in an expanded and updated accord to be concluded in 2014
 - Commence discussions on the constraints in the economy that hinder greater job creation and inclusive growth, including the structural features inherited from our past
8. They thus commit to this Youth Employment Accord as an important step to address the challenges of youth employment and total

employment as part of the decent work agenda. This Accord is the first of a series of youth interventions that the parties will work with each other. This is intended to build trust between the parties, demonstrate the value of focused programmes to support young people, experiment with new programmes and address problems which may arise and use these lessons to redesign and expand the programmes to make a major impact that is required.

9. This Accord sets a number of numerical targets, for specific sectors or programmes. These targets are our common aspirations and we will work closely with each other to progressively realise them over a period of time. The timeframes within which they can be realised will be determined by experience and the successes we can reach in the first few years. We will therefore measure our impact regularly and adjust programmes in the light of experience to ensure a constant progress to higher levels of youth absorption in the economy.
10. The parties recognise that a number of social accords were concluded during 2011 and 2012 which are intended to develop joint actions on employment, namely:
 - The Basic Education Accord which sets out the framework for a partnership to strengthen the performance of the nation's schools. This is particularly important in the context of youth employment since a well-functioning basic education system equips young people with the foundational learning for successful subsequent training and labour market absorption

- The National Skills Accord which develop targets and joint actions to enskill school-leavers, provide them with apprenticeship and work placement opportunities and commit parties to increase spending on skills development
 - The Local Procurement Accord which aims to support efforts to reindustrialise South Africa. The Accord is relevant to efforts to increase employment opportunities but it can also create a stronger, larger manufacturing sector and thus provide jobs in manufacturing to young people (as entrepreneurs, as employees or as co-operators)
 - The Green Economy Accord which establishes a joint vision of a greener economy, with new 'green' jobs that can be an entry point for young entrepreneurs and first-time employees into the mainstream economy
 - The October 2012 Accord which addresses measures to stabilise the industrial relations environment whilst addressing the challenges of unemployment, inequality and poverty. The measures set out in the Accord need to be implemented in a manner that supports youth employment goals
11. Each of these Accords, as well as sector charters, provide partnership opportunities to increase employment and economic empowerment of youth. The parties therefore commit to integrate their efforts in these various Accords and charters with those actions set out herein to achieve the goals of this Youth Employment Accord. The involvement

of local government is important in order to ensure that the goals of promoting youth employment are addressed across the country, in urban and rural areas. This Accord will be followed by further discussions which are intended to conclude in additional commitments, and which may include updating the contents of this Accord.

Framework

The parties to this Accord agree to implement a coordinated youth employment strategy (YES) from 2013, aimed at bringing significantly larger numbers of young people into employment, using a combination of measures. This includes:

- Building on the discussion and consensus reached by the constituents in the August and October 2012 discussions held together with Nedlac and giving it practical effect through the terms set out herein
- incorporating appropriate support measures and incentives to ensure increased youth absorption into the economy and in training
- acceptance that youth programmes should target net new job creation and avoid displacing older workers from jobs
- Rapid rollout across the country of the youth employment strategy, which covers among others
 - Training, internships and apprenticeships
 - Private sector commitments and programmes

- Youth brigades to give youth a chance to serve their communities, provide some work experience and training, integrate youth into a social movement, build social cohesion and earn a stipend
- Mechanisms for coordination within government, based on identifying a central coordinating department to bring together the various government youth programmes.

The elements of the Youth Employment Strategy are set out in the following six areas:

1. Education and training

Improve education and training opportunities for the gap grouping between school-leaving and first employment.

This requires, amongst others:

- Second-chance matric programmes for those who have not passed or have poor results
- Expanding the intake of FET colleges as part of building a stronger vocational and technical skills base among young people to complement the current focus on academic training
- Developing stronger roles for SETAs and other institutions to help address the challenges faced by young people in sector and workplace training programmes
- Expanding the targets in the National Skills Accord, including for State-owned Companies

2. Work exposure

Connect young people with employment opportunities, through amongst others support for job placement schemes and work-readiness promotion programmes for young school leavers and provide young people with work experience.

The parties agree to build on the labour centres of the Department of Labour and the career fairs that government has introduced. This forms part of the development of public employment services in South Africa.

Private sector initiatives with employment commitments will be encouraged.

All state departments should introduce a focused internship programme, aiming at employing interns over a period of time equal to 5% of the total employment of the departments.

State-owned enterprises will develop placement opportunities for FET and University students who need work experience as part of completing their studies.

Private sector companies will be encouraged to provide a range of work-exposure programmes, which include vacation programmes,

summer internships, job shadowing as well as employment of young people in permanent jobs. Large local companies will be engaged to make firm and clear commitments.

There have been successful examples elsewhere in the world of work-sharing arrangements.

This can ensure that part-time opportunities are made available to work-seekers to increase the number of persons with an income and work experience, given that the very exposure to regular work supports and builds further employability.

3. Public sector measures

Increase the number of young people employed in the public sector, through coordinating and scaling up existing programmes under a ‘youth brigade’ programme coordinated with the National Youth Service Programme.

The following programmes should all set clear youth intake targets:

- The Expanded Public Works Programme as well as the Community Works Programme, which should aim to absorb at least 80% of new entrants from the ranks of young people
- Rural development, using among others the NARYSEC programme to help rebuild rural communities, assist with rural basic infrastructure such as fencing programmes and road maintenance as well as addressing food security programmes
- Green brigade, focused on the Working for Water, Working for Energy, Working on Fire and other environmental programmes and increasing the intake of participants in other environment protection and promotion activities
- Health brigades, to expand home-based care as well as health and wellness education to communities as part of the NHI, auxiliary services in health care facilities
- Literacy brigades to utilise young people to expand literacy training of adults

- Other suitable areas of focus as identified from time to time, such as a Maintenance Brigade to undertake small, regular maintenance of assets and premises that are not currently done adequately or at all.

4. Youth target set-asides

Youth target set-asides need to be considered in particular industries, particularly new industries where young people can be drawn in large numbers and should be progressively realised.

These include the following:

- The solar water heater installation programme, which should be made a youth-focussed sector, employing only young people in the core new installation activities, and supporting youth cooperatives and youth-owned enterprises as providers of installation services and maintenance for the solar water heating programme
- The rest of the green economy, where at least 60% of the labour intake should be drawn from young people, and based on realising this target, the parties should endeavour to improve this further to 70%
- The infrastructure programme, where a target of at least 60% youth employment should be set for new projects and activities, together with training opportunities for young people
- The Business Process Services sector, which includes call centres, where a target of 80% of new employment should be explored and aimed for

5. Youth entrepreneurship and youth cooperatives

Youth cooperatives and youth entrepreneurship should be promoted.

Public agencies such as sefa, Seda and the Jobs Fund will be encouraged to develop and strengthen dedicated programmes of support for youth enterprises and youth co-ops. Consideration will be given to the use of the BBBEE Codes to strengthen private and public sector commitment to improve youth employment. The state can assist in a number of ways, including:

- Simplified registration of cooperatives and youth enterprises
- Technical support in enterprise development
- Support with demand for products, e.g. in school nutrition programmes and in procurement programmes
- Funding support that can complement private sector finance

6. Private sector measures

Work with the private sector to expand the intake of young people, with targeted youth support and incentives approved by all constituencies.

It is important to improve private-sector youth absorption given that most sustainable new jobs are expected to be created in the private sector.

Business organisations have endorsed the youth employment strategy as a practical and concrete way in which partnerships can be developed. They will undertake discussions within their structures to identify specific actions that can be taken to improve youth employment.

It is agreed that such specific measures will be developed and announced by National Youth Month, June 2013 to give effect to this, with concrete commitments by participating companies.

Follow-up mechanisms and Action Plan

The targets set out in this framework need to be phased in over an appropriate period, reflecting both the urgency of youth employment and the capacity of public and private institutions, which should be enhanced.

Following this endorsement of the partnership framework by all parties, it is agreed that a Committee of Principals will be set up to develop and announce the Action Plan which will contain specific targets and timeframes to enable rollout of youth-focussed employment programmes, consistent with the above.

The first meeting of the Committee will be held during May 2013.

An Action Plan for the first phase will be developed and announced by National Youth Month, June 2013.

A detailed report will be tabled within 18 months on the progress that has been achieved.

A follow-up set of commitments will also be developed, based on the lessons of the first phase.

We, representatives of our organisations, now hereby pledge to work together to achieve the goals set out in this Youth Accord.

Signed on behalf of Government

[Handwritten signatures]
Zimbabwe
Keri
Joblas-Ponolo
Ebon Peter
Mabasa
Beyu

Signed on behalf of organised labour

[Handwritten signatures]
COSATU
NACTU

Signed on behalf of organised business

[Handwritten signatures]

Signed on behalf of community and youth formations

[Handwritten signatures and text]
Mwandile Masira - ANC/CY
Dum SAMI MTHALANE - DA Youth
- Hah G...
MIPA
Buth Mememela
Young Communist League
South African College Student Ass.