

# **Address by the Deputy Minister of Labour, Nkosi Advocate Phathekile Holomisa on the occasion of the Green Youth Indaba 2015.**

30 September 2015

Programme Director

Distinguished Guests

Ladies and Gentlemen

I am indeed honoured to stand here before you today on a grand occasion, that is yet another testimony, another milestone in the developmental agenda and the history of our beloved country in which we focus on Green Jobs to meet the needs of the present without compromising the ability of future generations to meet their own needs. The sustainability of us as human beings requires conscious consideration of how we plan and integrate our thinking of economic, social and environmental activity.

Programme Director; The Labour Market of any country is by and large shaped by the state of its economy among other things whilst on the other hand, the labour market mirrors the state of the economy with very few exceptions. Our economy was traditionally rooted in the primary sectors driven by the wealth of mineral resources and favourable agricultural conditions in the country. But since the mid-90s, economic growth has been driven mainly by the tertiary sector - which includes wholesale and retail trade, tourism and communications. Now South Africa is moving towards becoming a knowledge-based economy, with a greater focus on technology, e-commerce, financial and other services.

To power the economy for job creation will require focus on many areas where opportunities for new development and job creation exist, not just on the traditional sectors of the economy, but on new, emerging sectors. Ladies and Gentlemen; Unemployment, Inequality and Poverty, whilst not unique to South Africa, remain the biggest challenges of our time. Findings from the Poverty Trends in South Africa report released by Statistics South Africa (Stats SA) recently, showed a strong link between increased level of education and decreased levels of poverty. In 2011, two-thirds of those who had no education were living in poverty. This decreased to 60% for those who had some primary, and 55% for those who

had completed primary school. The level dropped to 44% for those who had some secondary schooling, and dropped even further to 23, 6% for those who had completed matric.

In South Africa, the unemployment rate of 15-24 year olds with primary education or less is 50%; for those with tertiary level education, the unemployment rate is 37%. The situation is different for those aged 25+; 20% of this group who have primary education are unemployed, while only 7% of those with tertiary level education are unemployed. Having said that; Education alone cannot eradicate poverty; rather, education coupled with greater job opportunities in the economy will be the roadmap out of poverty.

Two key factors stand out from this analysis; Firstly, education enhances the prospects of avoiding the poverty trap and Secondly, skills must target and match growth sectors of the economy that is the demand side versus the supply side. Evidence is abundant of cases where Graduates can't get jobs and those that do; those jobs are often not in line with what they studied. It is not unusual to find a Graduate on social sciences working as a shelf packer in a supermarket these days.

There are many sectors that are shedding jobs at an alarming rate, especially agriculture, mining and manufacturing. The drought in certain parts of the country is contributing to job losses in agriculture. The decline in mining sectors such as coal and iron ore as well as other minerals, is also having a negative effect on employment. The crisis in the steel industry has many dimensions and is posing major challenges in sustaining current jobs in manufacturing. When considering the economy as a whole, we can indeed talk about powering the economy for job creation, but given the reality of some sectors, we should at the same time focus on job security or job retention.

The OECD Economic Survey that was launched in July 2015 recommends a number of actions that speak to the labour market, such as expanding affordable public transport and building the public employment service as a one-stop shop for job seekers to lower the cost of job search.

Programme Director; Today as we focus on green jobs, research has shown that many job seekers struggle to get access to work opportunities, because of factors such as not having funds, having poor networks and lack of social skills to be able to approach those that can assist.

Word of mouth or tips by employees and family members remain a predominant method of how work-seekers get introduced to the world of work. Young people who live in poor neighbourhoods with dysfunctional schools and little support are worse off.

They have little, if any, access, to social networks that could link them to job opportunities with their contemporaries, and their parents are likely to have been unemployed themselves for substantial periods of time. They struggle to access appropriate training opportunities to improve their employability, or set up their own businesses.

It is partly in this regard that the Department of Labour has introduced the Employment Services Act 4 of 2014. The Act establishes Public Employment Services which will be free to both employers and job seekers. The repositioning of the free public employment services will facilitate access to employment opportunities to those job seekers. The Department will establish a single register of all job seekers so that they can be matched to opportunities presented by both employers and government employment schemes.

The Act goes a long way in terms of strengthening the Department's employment services functions and assist job seekers to access employment and training opportunities. As a department we shall collaborate with all legitimate, registered agencies in order to increase access to work opportunities. Establishment of the free public employment service will also help to improve access to those job seekers that cannot afford the fees charged by private agencies. With the promulgation of the Employment Services Act 4 of 2014, it will be illegal for job seekers to be charged for placement services.

The Public Employment Services will provide, inter alia the following services;

- Job placement assistance including registration and matching services for placement in the formal sector.
- Internships for Graduates.
- Job employability enhancement
- Employment counselling.
- Career information and self-help career guidance.

- Referral to training opportunities and public works programmes.
- Target public sector and state owned enterprises for placement opportunities for young people

In addition to these initiatives the Department Ladies and Gentlemen; will pursue various approaches to enhance youth employment opportunities and these include, but not limited to;

- Promoting experimental ways of providing young people with mentoring, training opportunities, linkages to the labour market and useful work experience
- Identifying projects where young people in schools, spend time in places of work, to get a sense of what a working environment is like and get early exposure to possible career opportunities
- Identifying and supporting programmes that take school learners for holiday jobs, helping some to work their way up into the system and find viable career paths.
- Entering into well targeted partnerships with Public and Private sectors to enhance employment and training opportunities for the young people.
- Enhancing employability of young people for employment opportunities within the Department of Labour by enrolling them into the real working environment in the Department.
- Hosting Jobs Fairs cum Job Exhibitions where both public and private sector come and showcase career and employment opportunities in their entities where young people and the unemployed can be encouraged to apply.

Placing an individual in a job does not only fulfil the financial and emotional well-being of that individual, but more importantly it contributes significantly to the edification of the moral fibre, peace and stability in our society at large. The struggle to eradicate poverty and

underdevelopment in our own country is fundamental to the achievement of our own national goal to build a caring and people-centred society.

As we engage the debate of the creation of Green Jobs we should be mindful of the four pillars of the Decent Work Agenda – social dialogue, social protection, rights at work and employment – are indispensable building blocks of sustainable development and must be at the centre of policies for strong, sustainable and inclusive growth and development.

Decent work, poverty eradication and environmental sustainability are three of the defining challenges of the twenty-first century. The South African Economy must be productive to meet the needs of the population. Society must be inclusive, providing opportunities for decent work for all, reducing inequalities and effectively eliminating poverty.

The Green Jobs revolution presents many opportunities to achieve social objectives: it has the potential to be a new engine of growth, and a net generator of decent green jobs that can contribute significantly to poverty eradication and social inclusion. In the Labour market everyone is familiar with blue collar and white collar jobs, we might yet see a change to “green collar jobs”

The green economy demands workers with new skill sets.

- Some green collar jobs are brand new.
- Even more are existing jobs being transformed as industries transition to a clean energy for example mechanics who can fix an electric engine as well as an internal combustion engine. The building and operation of wind turbines.
- We must identify the specific skills the green economy demands.
- Then we need to invest in creating new training programs and retooling existing training programs to meet the demand.

We might have to re-think a number of jobs, below is an example from the Employment Services System (ESSA) of jobs that can be impacted on:

1. Bicycle repair and bike delivery services, car and truck mechanic jobs, production jobs, and petrol-station jobs related to bio-diesel, vegetable oil and other alternative fuels
2. Food production using organic and/or sustainably grown agricultural products, urban agriculture
3. Green building, construction, heavy equipment operators, blasting, drilling
4. Waste Management and composting on a large scale
5. Deconstruction, hauling and reuse of construction and demolition materials and debris
6. Hazardous materials clean up, testing, remediation
7. Plumbing for hydroponics, boilers, solar thermal
8. Manufacturing jobs related to large scale production of a wide range of technologies (i.e. solar panels, bike cargo systems, green waste bins, etc.)
9. Recycling, materials reuse/producing products made from recycled, non-toxic materials
10. Non-toxic household cleaning in residential and commercial buildings
11. Parks and open space maintenance and expansion
12. Printing with non-toxic inks and dyes and recycled papers
13. Public transit jobs
14. Renewable energy installation and maintenance
15. Arborist, landscape design, horticulturalist
16. Retrofit for residential and/or commercial buildings

Government has initiated operation Phakisa to fast track the development of the oceans economy and creating new opportunities in Aquaculture, mining and transport. The greening of economies will enhance our ability to manage natural resources sustainably, increase energy efficiency and reduce waste, while addressing inequalities and enhancing resilience.

Green Jobs can make the following contributions:

- net gains in total employment arising from investments into environmentally sustainable production and consumption and management of natural resources;
- Improvements in job quality and incomes from more productive processes as well as greener products and services in sectors like agriculture, construction, recycling and tourism;
- Social inclusion through improved access to affordable, environmentally sustainable energy

At the same time some challenges need to be dealt with these relate to:-

- Economic restructuring, resulting in the displacement of workers and possible job losses and job creation attributable to the greening of enterprises and workplaces;
- The need for enterprises, workplaces and communities to adapt to climate change to avoid loss of assets and livelihoods and involuntary migration; and
- Adverse effects on the incomes of poor households from higher energy and commodity prices.

Employment services are important for brokering workforce transitions to greener occupations and improving the match between labour demand and supply. It is well known that where employment services are underfunded and lack sufficient staff to carry out interventions or are mostly found in urban areas, the matching of jobseekers and vacancies typically happens informally through family and friends and social networks. My Department through the Employment Services Act, promulgated in 2015 will aim to invest in building effective public employment services, to improve the quantity and quality of services offered, including orientation of the workforce towards green occupations and skills. Public Employment Services will aim to provide information, guidance, matching services and training for new opportunities in a greening labour market for unemployed and inactive workers, and workers displaced by climate change, resource degradation or structural change, including those displaced across borders.

I thank you