

Historic agreement signed, sealed, delivered

Wrapping up the two-day Jobs Summit, President Cyril Ramaphosa has called on all stakeholders to roll-up their sleeves and create the much needed jobs in the country.



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“This summit has achieved what it set out to do. The nation eagerly awaits our speedy and sustained implementation of this historic agreement which brings new hope to our country and to our partners in the global community,” said President Ramaphosa on Friday.

The President lauded the summit for achieving its target which is to carve a roadmap on how to drive job creation, job retention and boost the country’s economy.

“We have risen to the challenge of unemployment by working together as social partners representing all sectors of society and developing solutions in which we share ownership and pride,” said the President.

Through these interventions, the summit aims to create 275,000 direct jobs per year and tackle the triple challenge of unemployment, poverty and inequality.

The framework agreement signed on the first day of the summit was highlighted by the President as providing a clear and direct plan to address the staggering unemployment which sits at 27.2%.

National Economic Development and Labour Council (NEDLAC) constituencies signed the historic framework agreement, which includes practical actions such as:

- Investment of R100bn (over five years) in black enterprises and firms in the industrial sector;
- Bizniz in a Box Youth Empowerment Programme to equip young people with entrepreneurial skills and actual business opportunities;
- Commitments at the sectoral and company level to support local procurement of goods and services to boost employment and job retention;
- Find youth employment and SMME funding to provide training for unemployed youth;
- R1.5 billion for a new Smallholder Support Fund and R1.5 billion for the Township Enterprise Fund;
- Various interventions to create career pathways for the youth through programmes at TVET Colleges, the Installation Repair and Maintenance Initiative, and in the fields of health and, travel and tourism;
- Expansion of a Hub Model and incubators for SMME development;
- Harambee, working with all social partners, will strengthen its pathway management system to ensure that 1.5-million young people are part of an active network of work seekers and, that 500,000 young work-seekers are able to enter first jobs or on pathways to generating an income to sustain themselves;
- Up-scaling the implementation of the 30% set aside of government spend for SMMEs and co-operatives;
- Strong focus on Early Childhood Development (ECD), including the KYB Enterprise Incubator, to support women-owned ECD centres;
- Building of 48 catalytic human settlement projects which will provide 6,350,000 housing opportunities by 2019;
- Workplace equity and representation on company boards;
- The Framework Agreement sets up a mechanism to address regulatory constraints to investment;
- Reporting by business on executive pay ratios in annual reports;
- Measures to address customs fraud and illegal imports;
- Extension of the Employment Tax Incentive for a further 10 years;
- Establishment of nine Agri-parks to promote agriculture and agro-processing and value chain;
- Acceleration of productive land reform;
- Community-based and owned approaches to fast track rural water access;
- Increasing recycling tonnage to 2.7-million tonnes over five years;
- Establishing a Presidential Climate Change Co-ordinating Commission; and
- Commitment to support the anti-corruption strategy and implementing a zero-tolerance approach to corruption.

Support for small business

With small businesses noted as the key to unlocking jobs at the summit, President Ramaphosa said government is at work to create fertile ground for small business to prosper.

“Small business are meant to be the real engines of job creation and the real engines that are supposed to fuel economic growth. We are at this summit have decided that we are going to support small businesses to move ahead,” he said.

Buy local circle

Localisation was highlighted as the “real win” emerging from the summit. The framework agreement, called for business and the country at large to enter the “Buy local circle” where they procure and buy local products.

Proposals emerging from the summit

Providing feedback on the break-away sessions held ahead of the closing, community convener Nhlanhla Ndlovu proposed the implementation of a 24-hour service delivery model and the empowerment of informal traders.

Panels also proposed the establishment of more early childhood development centres in townships as they have potential to provide skills and employment in the townships.

President Ramaphosa proposed that the Jobs Summit be held bi-annually to allow constant monitoring of implementation.

Investment conference

In closing, President Ramaphosa said the summit gave an indication to potential investors on the country's plan to deal with unemployment and a sluggish economy.

President Ramaphosa said the Investment Conference is seen as the next measure to creating jobs.

With just under three weeks to go until the Investment Conference which takes place on 26 October 2018, the President called on local and international investors to come forward and lend a hand.

"We have committed to raising R1.3 trillion in five years and we want to get a clear demonstration that there is a commitment by the investment community that they are ready to invest," said the President.

Presidential Jobs Committee to ensure implementation

Key to ensuring that jobs are created, President Ramaphosa said the Presidential Jobs Committee, as a monitoring mechanism, will play a key role in ensuring that targets are met.

Constituencies will now implement the agreed actions in their respective sectors and report back to the President on an on-going basis.

All actions will be tracked through a monitoring framework and quarterly reports on progress will be provided to the President to ensure that they have real impact.

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