

“Youth unemployment and education in South Africa”

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Chairperson: Prof Maureen Robinson (Faculty of Education, Cape Peninsula University of Technology)

Dr AnnMarie Wolpe welcomed teachers and learners from Lentegeur School in Mitchell's Plain to the debate which was on the eve of the president's state of the nation address in parliament.

DR HAROON BHORAT

I want to give you two messages. One is, how do we understand youth unemployment? The other is that the key attribute young people have to sell in the labour market is education and what is happening to that? Is it allowing them to enter the labour market as speedily as we would like?

The current figure being discussed for unemployment is about 40%. In the 15 to 24 age group about 30% of all people in that age group are unemployed. In the 25 to 34 age group, it is 41% who are unemployed. The total for both age groups is 70% unemployed. And when one asks what proportion of the unemployed generally are young people the answer we get is the same: 70%. So the problem of unemployment in South Africa is one of youth unemployment.

We can show this on a graph that indicates that at age 15 one in three 15 year olds has a job, while the ratio is balanced at 1:1 by age 28. While our absolute rates of unemployment are much higher, globally, unemployment has a strong youthful dimension.

What are the key determinants of unemployment in our society? The unemployment rate for Africans in the 15 to 24 age group is 78%, while that for African females is 84% and the figure is the same for African women in rural areas: 84%. In the 25 to 34 age group unemployment rates fall, so age is a strong predictor of the probability of being unemployed. And all young people have to offer is their years of education.

85% of 15 to 24 year olds have never held a job and this is the case a decade after democracy in South Africa. The vast majority of the unemployed (especially young people) are in this category.

Race, gender and location are the key determinants of unemployment. And the most disadvantaged person in the labour market is likely to be an African female living in a rural area.

There is a mismatch between labour demand and supply, which means people are unable to take up the jobs on offer. There has been a massive growth in the services industry but the demand is for skilled labour. The unemployment rate has increased since 1994 and the key reason is not the notion of jobless growth. The number of

entrants into the labour market has increased far faster than the ability to create jobs. Aggregate employment since 1994 has grown by 16% while the labour force has increased by double that amount.

Education

There are some worrying trends when we look at youth unemployment by education. Someone in the 15 to 24 age group with incomplete secondary school education has a 75% chance of being unemployed, dropping to 66% if they have Matric. Those who have a tertiary qualification but not a degree have a 50% chance, while those with a degree have a 17% chance of not having a job. So early school leavers make up the bulk of the jobless.

They should be entering Further Education and Training (FET) and that's a key policy question. What is happening there? Something is amiss in the schooling system if the rate of unemployed learners with Matric has increased.

The highest increase has been among the unemployed with tertiary qualifications. We face the looming problem of graduate unemployment, most of them people with post-Matric diplomas.

We are focusing on the overall Matric pass rate but the pass rates for university entrance are much lower. Inappropriate fields of study mean that a university degree is not a sound condition for employment.

There is also a malfunctioning labour market information system and young people find it hard to access information about jobs and careers. There is very little communication between client and consumer. A broad dialogue is needed between employers and learning institutions. How many students have our colleges placed in employment?

Questions & comments

1. You have spoken of youth and gender but we would like to know how many of the unemployed youth come from poorer backgrounds and how many from affluent backgrounds, also from what economic class they come.
2. I am interested in the 16% increase in employment, but you don't break it down among the previously disadvantaged and the affluent.
3. I have a problem with the statistics you are using. I think the figure for jobless youth is much higher. You say there are jobs for those who are highly skilled but the number of jobs doesn't match the numbers of unemployed. We must look at how business and government invest. Business is now using machinery instead of employing people.

Dr Bhorat: There are many ways of looking at this. Many of the unemployed come from poor homes and this is not surprising. Most of the support they get comes from pensions and child grants, so you could say the state supports unemployed youth. Household poverty and unemployment go hand in hand.

Most of the 16% increase in employment has been in the informal work sector among the self-employed. What does this mean in terms of employment equity? Companies have to transform the workplace, but if workers don't have the skills they need then the vacancy remains open.

That's why there are so many highly mobile, skilled workers. We have to increase the supply of skilled African workers.

Also, would you rather have a job of any kind with lower wages or no job at all? That's a huge debate. Since 1994 two million jobs have been created and there are seven million jobless, but that is not the mismatch. It is about skill shortages. Employers are choosing machinery over labour because the suppliers of labour cannot take up these shortages.

JOY PAPIER

In preparing for this paper, it was really difficult to decide where to pitch it, since I am sure participants have widely varying experiences and understandings of developments in education and training in FET over the last 10 years, depending on their particular location within it. I wanted to pick up on the most recent debates and discourse without going into too much background detail, but I also did not want to lose half my audience by using too much jargon and assuming too much prior understanding. I have therefore opted for a 'middle road' which I hope is not too 'technically' boring, but does raise the issues vexing our progress in relation to the stated policy intentions as they have emerged over time.

My input focuses on the expectations raised in FET policy development to date, regarding youth and adult skills development within the context of local and international debates on the value and limitations of vocational education vis a vis an 'academic' education. While there is a need to educate for a so-called knowledge society, we have serious national imperatives for employability and work-readiness to address skills shortages and unemployment. In addition, we have a National Qualifications Framework which has specific intentions regarding transferability of credits, portability and articulation across sites of learning. Of course the question of whether more training in fact alleviates unemployment is itself open to debate.

In August 1998 Education White Paper 4 : A programme for the transformation of Further Education and Training was published by the Ministry of Education, ushering in a period of tremendous excitement and trepidation for the FET sector. It spoke clearly and rationally of the urgent need for a new FET system, using language to which we would, all too soon, become accustomed. Words like responsiveness, efficiency, effectiveness, accountability, clients, stakeholders, alarmed some because of their 'market-driven' tone. However, the white paper also offered the hope of a 'coordinated, comprehensive, interlocking sector that provides meaningful educational experiences (1998:3) to out-of-school youth, young adults and those returning to learning.

While reform of the new school curriculum was already on the cards, the white paper identified the role which new FET colleges would take up within our education system and the economy, and this was followed soon after by the FET Act and the National three-year strategy for FET. It is certainly fascinating to take a step back and read these base documents again, if only to see how visionary and possibly naïve we once were. I think that the time has come for sober reflection on the expectations which were raised, and some honest re-evaluation of our goals for education, training and the economy.

The last eight years have seen fairly bold statements being made about transformation of FET colleges and their potential to address our HRD strategy and intermediate skills needs. However, a curious ambivalence about the nature and status of FET college qualifications continues to prevail, with the policies I've mentioned making fairly ambitious proclamations (e.g. qualifications giving access to work and higher education, 'institutional blindness' ... etc) while a tangle of issues regarding curriculum, approved college courses or programmes, 'different FETCs',

quality assurance, articulation and equivalence remain unresolved. There is still a deafening silence about the review of the 'architecture' of the NQF and related changes in standard setting and quality assurance. What is to be done and who is to do it??

We could console ourselves of course by recognizing that systems more sophisticated than ours, more well-resourced, more mature etc, have not yet got it right — that debates around general academic, vocational, occupational qualifications, their value and status still rage, but that would be to relinquish responsibility. In preparing for this presentation it was heartening (yet depressing) to find an article which sounded so very close to home in its comment. The paper, dated Jan 2005 and written by Ann-Marie Bathmaker, an academic at the University of Sheffield in the UK, is based on a research study into how the GNVQs (General National Vocational Qualifications) in England, are being used and perceived by lecturers at a college of Further Education. It explores the changing roles and purposes of vocational education for young people in what is termed a 'knowledge society', a term commonly used in our discourse here as well. I will draw on this paper to illustrate the non-uniqueness of what we are grappling with today, and the lessons we would do well to contemplate.

Education policy in England is defined in terms of widening participation and raising achievement, which are seen as key to participation in a society where "investment in education and training is essential to increase human and social capital in order to achieve economic growth and competitiveness, social inclusion and active citizenship." This no doubt has a familiar ring to anyone who has read from our plethora of policy of the last decade. However, the GNVQs form part of a wider education and qualifications system which serves to position vocational education within a hierarchy of what counts as valuable learning. The British 'Social Exclusion Unit' (there really is a unit with this name) in 1999 stated, "For this generation, and for young people in the future, staying at school or in training until 18 is no longer a luxury. It is becoming a necessity."

The learning society sees learning as geared towards the achievement of credentials which are supposed to be relevant to the labour market, and which ensure inclusion in a knowledge-based learning society, and it is herein that lies the rub. New vocational qualifications were intended to meet these twin goals, yet the Working Group on Reform established by the Department for Education and Skills was asked, as recently as 2004, to deal with the complaints from employers and higher education that 'young people leave education without the knowledge, skills and attributes necessary to function in the workplace or education'. Furthermore, vocational programmes were criticized as being "fragmented and confusing, only some having credibility with employers, not being perceived as worthwhile in their own right, and parents and learners being unenthusiastic about the status and quality of the learning on offer."

A statement I found fascinating, as it resonates so well with the emerging discourse around the development of vocational qualifications spearheaded by our national Department of Education, was the following:

"...in the present qualifications framework in England, vocationally related qualifications form a distinct pathway, lying between academic and occupational qualifications...over the past decade there has been considerable academic drift, so that these qualifications now have more in common with their academic counterparts than with occupational qualifications." Indeed, these

vocational qualifications within colleges are increasingly being perceived as 'second chance' learning for purposes of progression into higher education and the higher status associated with that route.

Let us for a moment consider the recently released South African FETC (Vocational) policy which shows a distinct leaning towards this position, in its composition and design. The vocational curriculum is 'subjects' based and the language of the school national curriculum statements for FET (the general FETC) permeates. Currently, our system accommodates three kinds of FETC: the general academic — a so-called 'whole' qualification consisting of exit level outcomes which schools will offer and which will no doubt form the basis for university entrance criteria. Then we have the 'vocational' FETC gazetted in August 2005, which sets out what colleges will offer. In a nutshell, this qualification will be based on unit standards, has one compulsory language and four vocational subjects. The extent of a learner's work readiness on completion only time can tell. At the same time, a number of industry-based FETCs have been registered on the NQF in terms of SAQA's 1998 regulations, and have been running as learnerships with no indication as to their articulation prospects with higher education.

It is no wonder that FET colleges, who have been training for industry and building relationships with SETAs in terms of the skills development legislation, are worried about what their clients in the workplace might make of the new vocational qualifications to be registered by the Department of Education on the National Qualifications Framework. With a history of little or no articulation between FET colleges and Higher Education, and progression routes for vocational qualifications still unclear, it may well be that FET qualifications will again satisfy neither the demands of the workplace, or the requirements of Higher Education. A cursory glance at the public comment received on the vocational FETC, shows the concern and confusion of people in the system. Questions raised include the following:

- How do learners who have achieved some of the exit outcomes in schools, move to FET colleges -- how would credits be determined?
- Does the vocational FETC equip learners to access a workplace immediately on completion?
- How do the subject-based outcomes fit in with unit standard based occupational qualifications?
- Will vocational certificates at Levels 2 and 3 be registered on the NQF — what is their status?
- What will happen to the N4 to N6 qualifications which are part of the Report 191 (college qualifications list) which will be phased out?
- The school leaving qualification is to be called the National Certificate but colleges will get a vocational FETC — will the academic national certificate not continue to enjoy the higher status and priority among parents and learners? How do these two qualifications begin to compare?
- Will the old access blockages not just recur if the vocational FETC at Level 4 and the national certificate at level 4/Grade 12 mean very different things?
- Is there a need for new vocational qualifications, given the numbers of FETCs in similar fields/occupations registered on the NQF already?

Ball (1999) points out that young people (in vocational programmes) "are aware that they have lower status in the hierarchy of 'student worth'", but other researchers have found that despite this there is the optimism that, "...for some of them, at least, vocationally-related education holds out the hope that they can re-open doors by succeeding via this alternative route." (Wolf, 2002).

One of the most depressing conclusions made about vocational education in a 'knowledge society' must be the following:

“Although vocational qualifications are supposed to help respond to such demands (broad knowledge, transferable skills, specific training), and despite a mantra-like reiteration of parity of esteem between academic and vocational qualifications throughout the 1990s, the working group acknowledges that all qualification outcomes are not valued equally, and their report speaks of the ‘uncertain currency of some qualifications’” (Bathmaker 2005:97).

Where does this leave our fragile and evolving system of stratified FET qualifications? Is attainment of the so-called 'general academic' FETC to remain the holy grail of FET learners in spite of the inability of higher education to accommodate all its applicants? What options can we honestly and unequivocally offer our learners, in particular our youth?

I want to turn to some of the senior certificate statistics released at the end of December 2005 by the Department of Education (www.education.gov.za). These are rather scary: about half a million learners wrote the final exams (508 363). Of these, 347 184 or 68,3% passed. Of the successful candidates, 86 531 passed with university entrance or endorsement. That leaves us with 161 179 who do not have a school leaving certificate and 260 653 who do not have university entrance for degree programmes. Add to this the number of youth who have dropped out along the way between Grade 8 and Grade 12 and the prediction that only half of the successful senior certificate candidates will find jobs and it is easy to see why there may shortly be many groups of youth on street corners idling away their time and getting into trouble.

Of course, a substantial number may access higher education through alternative routes and into courses which do not require endorsement; others may return to adult learning centres or those better off to private facilities to try and re-write Grade 12. But what are the options for others who desperately need access to work and learning? Without any state financial aid scheme for FET college learners, FET qualifications and the prospect of some workplace preparation will remain out of reach for impoverished learners. An immediate barrier confronting access to an alternative route is simply finance — in spite of bold statements made in the National Strategy of 1999-2001 regarding programme funding and student financial aid.

Year after year we fail our learners, not only in the classrooms but when they leave schools in the hope of earning a living the system fails them by offering few viable options for work or learning or both. Learning is either too expensive or too irrelevant and formal employment scarce. Vocational qualifications need to become desirable because they offer real learning and real skills, inspire confidence among employers, are affordable by the masses who need training, and because the learning pathway is clearly signposted. This is what the policy has promised, but it seems we are still a long way off from achieving it.

I want to make an earnest appeal for an appraisal of the mismatch between policy and reality. No doubt the euphoria of our democratic transition resulted in an unbridled idealism where everything was possible if we only believed and worked hard to achieve it. I want to suggest that many of us have been believers (at times we've been called zealots), and have worked hard to achieve those ideals, but with increasing frustration has come fatigue and cynicism. So much so that I have been

driven to wonder whether White Paper 4 should not be revisited, given our new-found insights into what is possible in FET and what is not — or do we continue to hold out promises and suggestions which can never be fulfilled because it's just too hard, too exhausting, too contentious? We need to examine the reasons for systems lethargy and take decisive action if we are to retain the many positive and visible signs of change in the FET sector.

I worry that, if we don't address the current problems, the extremely hard work which thousands of people have invested in building a new system will be undermined. Here I want to mention the positives, lest it all seem doom and gloom. There can be no doubt that successive policy initiatives have stimulated debate in education and training like never before. The buy-in and support for the National Qualifications Framework, as evidenced by the recent impact study, is overwhelming.

Industry and labour are making an input into curriculum for training and there is a renewed energy in the FET colleges. National treasury is recapitalizing colleges to the tune of 1.5 billion and a flurry of planning is under way. Outmoded college facilities and infrastructure will be overhauled through this capital injection and college programmes are in the process of being reviewed. Opportunities for entrants to learning and work have gained momentum through learnerships and skills programmes. People have been given new hope where previously there was little. It would be impossible to ignore the enormous goodwill generated, but we must not take this for granted. The deep and abiding questions of curriculum, purpose, systems coherence, funding and so on which I have referred to have to be taken seriously, and soon. We cannot continue to perpetuate old rhetoric while the status quo remains unchanged. If the perceptions of the public regarding the status of vocational and workplace education are to be challenged, we need to communicate clearly and decisively what such qualifications can do and what they cannot, their purpose and their pathways.

SALIM VALLY

It is 10 years to the day that we were asked to report on out-of-school youth in the EPU. It makes fascinating reading because a lot of what is being said is content from 10 years ago if one looks at the abstract from that report.¹ I think the two papers we have heard are fascinating, but the silence is deafening and 10 years later we have to say those same things. There are certain assumptions.

Quoting from the abstract, “marginalised youth of the ‘80s remain on national and provincial education agendas... preschool children, illiterate adults and unemployed and unschooled youth. I believe there must be alternatives. Venezuela and Bolivia are countries within the capitalist system and are recent examples of what can be done. Look at Venezuela’s eradication of illiteracy, something Nicaragua did a long time ago, while Bolivia is going that way.

The abstract of the report I mentioned speaks of the failure of expensive efforts to train people for work that neglect the basics of literacy and numeracy. Studies at grade 3 level say a lot about the quality of education in South Africa. Also, there are the high levels of unemployment among people with education levels below Matric -- exactly what Haroon showed us.

¹ Salim Vally read out the abstract of a study on out-of-school, out-of-work youth.

Many of the NGOs that were operating 10 years ago don't exist anymore. They have been decimated -- and that's another story.

There are recommendations in the abstract about reprioritisation of out-of-school and unemployed youth, a strong proposal for the development of a school-to-work transition policy, the reintegration of education in ways that enhance the value of work and that don't accommodate youth to cheap labour.

Haroon has talked about the welfare grants but it is myopic not to talk about the basic income grant. It just makes so much sense. The United Nations Development Programme annual report for 2004 said almost 27 million South Africans fell below the poverty line compared with 1995. South Africa ranked 120th out of 177 countries and was behind occupied Palestinian territories. Ten years later we can't defend the fact that Gear has been a success. This tragedy of development has been an appalling failure and impacts on all sectors of society. It is claimed that government spending on welfare and services subsidies has boosted the incomes of the poor, but the UNDP report says 65% of households are still deprived of basic social services, electrification and housing. It is silent about how many have defaulted on home loans and been disconnected from power supplies.

It is the same with education, in grades 10 to 12, even with the no fees policy which I hope will be implemented quite soon. (Laughter). It is Grade 0 to 9. A lot of people are pushed out for no reason. The national student aid scheme is grossly inadequate.

The book *The Diploma Disease* by Ronald Dore (1975) speaks about education inflation so that you have bus drivers in northern industrial countries that need degrees to drive buses -- and constantly the bar is lifted. There has been a paltry increase in the numbers of skilled employees, from 9% in 1995 to 11% in 2002. Jobs for unskilled workers as a proportion of all positions dropped from 31% in 95 to 27% in 2002. We should not play to this global marketplace because it is not going to get us where we want to go.

With regard to statistics, at first the latest labour figures seem reason to break out the champagne, with national employment having grown 7% last year, but we are in fact facing catastrophic unemployment. More than half the reported new jobs are for hawkers, which makes the data suspect. Some 55% of the reported 600 000 jobs are for hawkers.

In the '60s and '70s we had enormous economic growth, second only to Japan, but what did it mean for the people? We still have a problem. In capitalism one has booms and busts. Today they are going on as if we have a boom. Can you imagine what will happen if we have a bust in this country?

There were 5 800 citizens' protests in one year in South Africa. These are by organisations on the ground. People are asking questions. They want something to be done and it shouldn't be seen as a threat. I know it gives work to the National Intelligence Agency and helps to justify their budget. (Laughter).

We had a slogan in the '80s: "the youth in the battle are the flowers of the future and the reason for our struggle." Those flowers have been bruised, but they are seeds which are ready to germinate as long as we don't rely on the vagaries of the global market.

QUESTIONS & COMMENTS

1. Everything I heard today reinforces my sense that what is at stake is the economy and not the aspect of it that is being discussed today. What happens as people focus on education as a way of dealing with unemployment is that you get a better class of unemployed people. The growth we have is like jobless growth because it is not enough to employ people, however well we educate them, and it will be the ministry of education and the students who will feel inferior if economists don't take responsibility for this. Since the private sector doesn't produce any jobs we should look to the public sector for jobs. Let's stop looking to the private sector for the creation of jobs.
2. One thing that hasn't been mentioned is that the education policy is largely to blame because we have a focus on getting people through Matric. Does a developing country really need so many second-class Matrics? We need plumbers, mechanics and nurses. In the bad old days some people were considered better with their hands and others with their heads. We have AIDS and we need nurses and RDP houses are falling down, so we need bricklayers. That will solve some of the unemployment.
3. I have never been in a session where government has been made out to be so easy, given how many problems we have as a country. I take offence at some of the statements made. There are NGOs. I am working for a visual access programme and when it comes to financial aid I work with students from the most remote areas, young people with no hope at all. But some of them are graduates and some found jobs through the national financial aid students' scheme. One of the problems is about career education in schools. They don't have aptitude tests and there are gaps in the high school system where people could be taught as early as possible and get to university. The high school dropouts are in career education.

Joy Papier The National Student Financial Aid Scheme doesn't speak about higher education but about further education, which doesn't have an aid scheme. With regard to gaps in the high school, the new curriculum takes in career counselling, but the options for young people in schools are very limited. Also, the options in the FET college sector are disconnected because of fund structural problems.

4. (Mark Solomon from the Children's Resources Centre): Sometimes I am puzzled that people are spoken about as if they suddenly come from anywhere at the age of 15. These young people were little boys and girls. In the '70s and '80s their intention was to change the world and birth socialism. Now it is to find a job.
5. I disagree that what happens must be guided by someone's view of what we need. I have done some teaching and I don't think anything can happen without commitment on the part of the learner. If it is worth his while to learn something there is a prospect of a fruitful learner, but it won't be fruitful if it is driven by some authority or by someone's idea of what we need. I am disturbed by the continuing emphasis on the NQF and SAQA. I know an engineer who is a plumber. Examine very carefully the idea that every aspect of learning is an avenue to higher education. I think it is a millstone.
6. Malaysia had 68 000 unemployed graduates in the '80s who could not get jobs and the government gave tax exemptions to companies who employed them. It also made all schooling free and provided feeding schemes.
7. **Ms Naledi Pandor**, Minister of Education: I am the criminal! The poor soul who is the Minister of Education. (Applause). I found some of the statistics puzzling because the notion of most 15 year olds being out of school is not a reality. A lot of children in the country are going beyond the compulsory phase

of education. We need to do more but it is not answered by the FET colleges. Part of the problem is that we don't have enough of a range of types of institution to train all the people we need. To rely on the current types of institution is a problem.

To comment on the FETC and senior certificate, when I look at the policy I found it peculiar that school and college can offer the same qualification. Portability is important but my view is I want to distinguish schools from colleges who should be doing different things. What we need to do is to look at how institutions ready themselves to recognise prior learning and accept that any person who wishes to add to their qualifications can do so -- and institutions should allow that.

I think the soul element of particular societies should be factored in. Salary issues and union rights in Venezuela and Cuba are not as significant as they are in South Africa. I disagree with some of Haroon's points, because take a look at unemployed graduates, UCT versus Venda for instance. There is a racial and class dimension to a lot of these things and to simply say there is graduate unemployment is not enough. Which university students are having problems? With regard to jobs, there is no way the public sector can be the entire job creator. The private sector must be called to book. To say the public sector must create jobs...really, please!

We don't scrutinise the private sector enough. Some of the UN and World Bank reports in South Africa have shown huge gaps between managers and workers. I also really disagree with our discourse, which talks of employment and not of entrepreneurship. All successful societies have people who create jobs. They exercise this in society. The number of micro business courses in the world is incredible but we keep talking employment. No society can base itself on not having growth and growth doesn't benefit only the state. Let's be progressive, optimistic and build our society.

8. **Joy Papier:** How do we prepare our young people for entrepreneurship in a life skills way that makes sense?
9. **Salim Vally:** I support a lot of what the Minister said and I think it is very unrealistic not to be radical. The whole question of racialised unemployment is important. Young people are disillusioned but not apathetic. We lost a window of opportunity in 1994 when we could have had a mass literacy project. When people spend R700 000 to go to Dubai, of course the youth are going to be cynical. One of the reasons Venezuela has succeeded is political will to meet the needs of the people. The private sector has been getting away things all the time.