#### 2012 NATIONAL CONFERENCE

# TOWARDS A NEW GROWTH STRATEGY FOR EMPLOYMENT, DECENT WORK AND DEVELOPMENT IN ZAMBIA

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# EMPLOYMENT CREATION IN ZAMBIA – A YOUTH PERSPECTIVE.

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### BACKGROUND

#### **National Youth Policy,**

- > youth empowerment and entrepreneurship are integral components of development.
- > youth empowerment entails equipping youth with appropriate multiple skills that are sustainable and profitable, providing them with resources such as land and micro financing and an enabling environment for development and creation of wealth and jobs.
- > youth entrepreneurship development is aimed at promoting sustainable livelihood among youth in order to reduce poverty and enhance living standards.

# WHY YOUTH UNEMPLOYMENT IN ZAMBIA?

- > EDUCATION SYSTEM
- **POLICIES**
- LACK OF PROGRESSION CHANNELS BEYOND TERTIARY EDUCATION
- ➤ INABILITY TO IDENTIFY ENTREPRENEURSHIP OPPORTUNITIES
- > LACK OF ACCESS TO FINANCE
- > HIGH COST OF BUSINESS
- > LACK OF OPPORTUNITIES TO SUPPLY GOODS AND SERVICES PRODUCED BY YOUNG ENTREPRENEURS

#### **WAY FORWARD**

#### 1) REVISION OF THE EDUCATION SYSTEM

- ✓ Incorporate entrepreneurship training at the earliest levels of the system.
- ✓ Individuals should be taught how to be self starters and not to depend on the government and other stakeholders to provide jobs for them.
- ✓ Provide a progression plan for graduates at various educational levels.

# 2) POLICY FORMULATION AND IMPLEMENTATION PROCESS

- Adequate representation of the youth during policy formulation
- ii. Active involvement by the youth during implementation
- iii. Policies to provide for transition from childhood to youth, and from youth to adulthood.

#### 3) **STOP CASUALIZATION**

Casualization mostly affects the youth and poorly educated people.

Because of how difficult it is to get a decent job, the youth have been forced to take up jobs on contract basis that do not even conform to labour laws. The only benefit the youth derive from such contracts is the experience gained.

These contracts however, do not offer job security, do not pay gratuity, are temporal and non pensionable

In the worst scenario they are easily laid off without any benefits.

- This is the fate of employees who are neither unionised nor in management. This means that despite being part of the labour force, they are not represented by any union or association within the companies they work in. This is a challenge that the ZIHRM and the ZCTU should look into if we are to eliminate the practice.
- Such injustices are happening and it is not clear what and how these organisations are addressing the plight of youth in such.

#### 4) CREATION OF A PLATFORM FOR MSMEs

Getting a decent education was and is still considered a luxury. They are faced with multiple challenges that have forced them out of the classroom and into the street to make a living. The most obvious course of action is to start a small business to support themselves and their families.

In order for such young people to stand a chance of running a growth oriented enterprise, there is a need to support them in areas such as enterprise and business management skills.

For those who are plying a trade skills upgrading, skills upgrading support is necessary in an effort to improve not only the quality of their goods and/or services but also their productivity.

- A micro enterprise shall be any business enterprise registered with the Registrar of Companies;
- i) Whose total investment excluding land and buildings shall be up to Eighty Million Kwacha (K80, 000,000)
- ii) Whose annual turnover shall be up to One hundred and Fifty Million Kwacha (K150, 000,000)
- iii) Employing up to ten (10) persons (MSME Policy: 2006 Chapter 2 section 2.5.1).
- What this definition means is that an individual running a small shop popularly known as a kantemba does not fall under this classification. How many youths in this country are able to own businesses with capital investments, turnover and employees that high? One really wonders who the beneficiaries of these policies are meant to be.

- Give the youth MSMEs preference in the supply and goods and services through government contracts, for example youth run enterprises should be earmarked to supply 40% of goods and services through bids for all tenders advertised by the government. This will also build confidence for the private sector to follow suit.
- Most of the small enterprises have proven to be self sustaining.
  What they need is an opportunity to actively supply goods and
  services with a down payment and not necessarily loans as a
  source of working capital.
- If this is implemented alongside a waiver in registration fees, this can create an enabling environment and lead to a reduction in the cost of doing business for young start ups.
- Such an approach will encourage self employment not only among the youths but non-youths also and thereby fulfil their promise of "more money in your pockets".

### **Gender/ Child Protection**

- Develop a strategy that will address and preserve the interests of not only the youth of today but also the youths of tomorrow. There is a need to mainstream gender and HIV and AIDS related issues in the employment creation agenda.
- Gender has a huge impact on access to finance for many especially young people, women, people with disabilities and lowly educated people.

# DEFRAGMENTATION OF YOUTH ORGANISATIONS

- Over 300 youth led organisations
- Lack of a regulating body
- Clearly define the role of NYDC
- NYDC should lead the way in facilitating the coordination of youth organisations country wide.
- Sadly the current situation is that most youths form organisations to source funding which is used to support their livelihood neglecting the aim of the organisation.

#### Conclusion

- Unemployment has been a going concern for a long time.
- Conferences, meetings, seminars and research have been held and done to ascertain the underlying factors to this problem. Sadly, very little has been done to begin to reverse the current situation.
- All we do is continue to find out what and where the problem has been and we keep getting the same answers.
- Enough resources and time has been spent on the identification of problems and challenges facing the youth,

### Conclusion (cont'd)

- Now it is time to act on the various recommendations received and begin to reverse the situation.
- It would be a great achievement if in subsequent conferences, we convene to assess, evaluate and measure our successes and failures during implementation and see how best we can forge ahead after we have taken the first step.
- Through so doing, employment opportunities can be created for the youth by actively engaging them in the nationwide awareness, implementation and evaluation processes of the benefits of entrepreneurship and the creation of decent work as we achieve development.

# THANK YOU FOR LISTENING