

## **Youth entrepreneurship can help solve SA's job problem**

*Youth should be open-minded about entrepreneurship as a career option*

**23 June 2016:** As South Africa narrowly avoids a credit rating downgrade, one factor that can contribute positively to the revival of the economy is entrepreneurship, particularly youth entrepreneurship.

Yudhvir Seetharam, Head of Analytics for FNB Business says with first quarter GDP figures not showing signs of improvement, the likelihood of creating jobs continues to shrink, leaving young graduates with fewer options in the workplace, unless they consider new business ventures.

Employment figures released by Stats SA in April show that unemployment in the first quarter increased to 26.7%, which is 2.2% higher than the fourth quarter of 2015. This coupled with the volume of job losses is a clear indication that it is going to get even harder for young graduates to secure sustainable jobs.

“The reality is that there are not enough jobs available in the market to cater for all the graduates in the country, despite the tax rebate given to businesses to employ a more youth-centric workforce. As a result, youth enrolling in tertiary institutions should also consider starting their own businesses perhaps during or even after completing their studies,” adds Seetharam.

We have far too many youth that enroll in universities with the anticipation of graduating and becoming employees immediately. However, this approach is no longer viable in some sectors as companies are now hiring fewer graduates to save costs, due to tough economic conditions.

That being said, youth should not get discouraged about studying as the education obtained from tertiary institutions is a valuable tool that can be used in running businesses.

Apart from the education debate, potential youth entrepreneurs need to have passion and be driven to succeed – whether in the workplace or their own businesses. We do have positive case studies of youth in South

Africa that have started their own businesses and are creating employment opportunities and actively contribute to economic growth.

For example:

- Neftaly Malatjie, Founder of Southern Africa Youth Projects. Malatjie was named one of SA's top young entrepreneurs to watch by The South African. He has already proven that he is on a mission to improve the lives and prospects of the youth in SA. For more than 10 years, Malatjie has dedicated his time and energy to empowering the youth by equipping them with the skills needed to excel in the workplace.
- At just 31 years of age, Tebogo Ditshego is CEO of the Ditshego Investment Group and Ditshego Media, as well as Chairman of the South African Reading Foundation. In 2014, Forbes named Ditshego one of Africa's top 30 Entrepreneurs under the age of 30.
- Zayd Philander, founder of I Scream & Red in Cape Town. He founded his planet-friendly bag company when he had the epiphany of using discarded seatbelts, fabric samples and upholstery material to make stylish bags. His company, I Scream & Red, has already garnered much attention from the design community.

Seetharam says South Africa can actively address some of its unemployment problems if the youth become open-minded about entrepreneurship as a career option. This will give them an opportunity to consider starting their own businesses, should employment opportunities not be available.

"Moreover, unemployment challenges can be sustainably dealt with in the long-term if entrepreneurship is taught at school level. This will help us to create a generation of youth that are both eager and optimistic about starting their own businesses," adds Seetharam.

As we celebrate youth month, we urge young people to consider embracing the vast opportunities for entrepreneurship in South

Africa. Often; by seeing the invisible you can accomplish the impossible.