Youth Unemployment in Zambia: ZGF’s experience

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Contents
1.0 INTRODUCTION ................................................................................................................................. 2
2.0 LEGAL PROVISIONS THAT PROVIDE FOR YOUTH ACCESS TO PRIVATE AND PUBLIC SECTOR JOBS .. 2
3.0 CURRENT PROBLEMS RELATING TO IMPLEMENTATION OF THE 2015 NATIONAL YOUTH POLICY .. 3
4.0 CHALLENGES FACED BY GOVERNMENT IN PROVIDING JOBS TO YOUTH ......................................... 5
6.0 WHAT THE ZAMBIAN GOVERNANCE FOUNDATION IS DOING TO ENHANCE PARTNERSHIPS WITH THE PRIVATE SECTOR IN THE PROVISION OF DECENT JOBS ............................................................ 8
7.0 CONCLUSION AND RECOMMENDATIONS ......................................................................................... 9
REFERENCES .............................................................................................................................................. 0
1.0 INTRODUCTION

The growing challenge of youth unemployment has resulted in government formulating labour market policies that seek the inclusion of young people in the mainstream economy. As a result, public policy on the participation of young people in the economy is well documented in terms of policy statements and frameworks. However, in practice, the implementation of these policies have remained very weak (Bhorant et al, 2015). The most pronounced of all the youth policies currently is the 2015 National Youth Policy, which defines youth as individuals between the ages of 15 and 35. In addition, Zambia also has a strong legal framework for youth participation in the economic, social, and civic life within Zambia. This paper is therefore intended to highlight the performance of the youth policies in delivering youth employment in Zambia. The paper first interrogates the existing legal provisions in support of youth access to employment from the public and private sectors. Thereafter, it examines the current problems relating to the implementation of the 2015 National Youth Policy and its Action Plan as well as the capacity challenges by the Ministry of Youth and Sport related to policy implementation and monitoring. Finally, the paper discusses the challenges faced by government in providing jobs to youth and discusses how the Zambian Governance Foundation supported CSOs are contributing to job creation before suggesting the way forward.

2.0 LEGAL PROVISIONS THAT PROVIDE FOR YOUTH ACCESS TO PRIVATE AND PUBLIC SECTOR JOBS

According to the Zambia Decent Work Country Programme (2013 – 2016), Zambia has ratified 43 ILO Conventions aimed at improving labor standards and workers’ rights, with a total of 39 Conventions currently in force. Among these are the eight Core Conventions namely the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87); Right to Organize and Collective Bargaining Convention, 1949 (98); Minimum Age Convention (138); Worst Forms of Child Labor Convention (182); Forced Labor Convention (C. 29); Abolition of Forced Labor Convention (105); Equal Remuneration Convention (C. 100); and the Discrimination (Employment and Occupation) Convention, 1958 (111).

Furthermore, Zambia has also domesticated most of the above international instruments into local legislation. The key national labor laws include:

- Employment Act (Chapter 268)
- Employment (special provisions) Act (Chapter 270)
- Employment of Young Persons and Children Act (Chapter 274)
- Minimum Wages and Conditions of Employment Act (Chapter 276)
- Industrial and Labour Relations Act (Chapter 269)
- Factories Act (Chapter 441)
- National Pension Scheme Act, Number 40 of 1996
- Zambia National Provident Fund Act (Chapter 273)
- Zambia Institute of Human Resources Management Act No. 11 of 1997
- Workers’ Compensation Act

A process of revising some of the above labour laws in order to ensure compliance with the requirements of ILO Conventions is ongoing and thus majority of them may have been recently reviewed or are under review. Overall, the above laws are essential in protecting the employment status of youth by covering issues relating to holidays with pay; repatriation; minimum contractual age; minimum wage, maternity leave and prohibition of termination of contract on the basis of being unable to work due to advanced pregnancy. However, it is important to note that despite having adequate legislation, there are a number of challenges in safeguarding the interests and rights of workers and realizing decent work for the majority of workers. The main reason being that, the coverage of social security, social dialogue and most workers’ rights is limited to formal sector workers. In addition, the current weaknesses in the existing national legal frameworks coupled with the poor enforcement of laws has contributed to hampering some national efforts aimed at promoting the right youth to accessing decent employment.

3.0 CURRENT PROBLEMS RELATING TO IMPLEMENTATION OF THE 2015 NATIONAL YOUTH POLICY

Currently, the implementation of the 2015 National Youth Policy is operationalised through the Action Plan for Youth Empowerment and Employment. The Action Plan targets the expansion of employment and mainstreaming youth employment in priority sectors including in district economic development. The Plan also focuses on promoting skills development, employability, empowerment, attitude change and social capital development, labour market intermediation and facilitating access to credit, financial services and business development services. Although the Action Plan is an important step towards the effective implementation of the National Youth policy, there are a number of problems relating to the implementation of the 2015 National Youth Policy.
First, the National Youth Policy in its current form is over-ambitious in that it takes a populist approach, which targets to reach all the unemployed youths countrywide. Like is the case with the Seventh National Development Plan, the Action Plan for Youth Empowerment and Employment does not prioritise the application of available resources to the most vulnerable groups. For instance, implementation of the policy targets both the rural and urban youth equally without appreciating their different challenges and circumstances. This approach on its own presents serious implementation challenges, more so that although the Plan is premised on the decentralised institutional framework, the actual process of decentralising youth services to district level remains a painstakingly slow and daunting task for government.

Second, the other challenge in the implementation of the National Youth Policy is the mismatch between the ambitions contained in the Action Plan and the annual budgetary allocations meant for youth employment creation and promotion allocated to the relevant Ministries and public spending agencies. As a result, implementation has been severely constrained by inadequate funding to support the operationalisation of the Action plan. Thus, there is need for the Ministry to expedite the process of developing a resource mobilisation strategy proposed in the Action Plan in order to work towards a broadened resource base beyond the limited resources provided through the national treasury.

Third, youth unemployment in particular is not clearly prioritised in the Seventh National Development Plan (7NDP). Although job creation in generally highly prioritised, some youth specific employment programmes and strategies contained in the Action Plan for Youth Empowerment and Employment are missing in the 7NDP. This in itself is a source of concern considering that the financing of the 7NDP will remain government’s main priority in the next five years. This entails that not much progress will be achieved in the implementation of the Action Plan over the 7NDP period. The need to align the Action Plan to future National Development Plans should thus be a priority by the Ministry.

Fourth, although youth make up a significant proportion of the population, majority of them are disengaged from the implementation of government programmes as most of them feel excluded and marginalized (International Youth Foundation, 2014). Without the active involvement and participation of youth in the implementation of the programmes provided for in the Action Plan, the success and sustainability of the interventions is likely to be compromised. Thus, in order to achieve desirable policy
outcomes, there is need for the Ministry of Youth and Sport to ensure the effective mobilisation, involvement and participation of youth in the implementation of the youth policies.

4.0 CHALLENGES FACED BY GOVERNMENT IN PROVIDING JOBS TO YOUTH

Youth unemployment has remained one of the biggest challenges in Zambia. Official figures from the 7NDP show that the youth unemployment rate is currently at 10.5 percent, which is higher than the national average unemployment rate of 7.4 percent. Similarly, the male youth unemployment rate is currently at 12.2 percent compared to the female youth unemployment rate estimated at 9.1 percent. Majority of the unemployed youth are also in urban areas where the youth unemployment rate is at 15.2 percent compared to 6.4 percent in rural areas. Overall, government has faced difficult challenges in providing jobs to youth over the years mainly due to the challenges discussed below.

Over the past three decades, a combination of rapid population growth and a slow decline in the fertility rate has produced an increasingly youthful population in Zambia. As a result, the Zambian labour market is largely youthful, inexperienced and this situation is set to remain so for some time. The major concern for Zambia, however, is that fertility rates are declining at a slower rate than the sub-Saharan Africa average, suggesting that the high number of youth expected to enter the labour market each year will not subside for some time. A growing number of new youth who enter the labour market each year without appropriate skills and required experience for integration in the work environments is a key part of Zambia’s youth unemployment challenge. Worse still, the capacity of the labour market to even absorb a few youth who enter the labour market with advanced skills also remains low (Bhorant et al, 2015).

Another major challenge that government is facing in the provision of jobs to youths is the inaccessible and poor quality of secondary and tertiary education. Education is widely acknowledged as a powerful tool for equipping youth with the relevant skills and knowledge that render them employable. As a result, the 7NDP identifies education, training, science and technology as prime movers of the job creation agenda. Despite this recognition, there are concerns regarding the quality of the education, given the large class sizes as well as the high dropout rates, low school achievement levels and low pass rates at secondary school level. Given that most youth also lack work experience, having a high level of educational attainment is inevitable. Additionally, access to secondary and tertiary education is limited especially for rural youth, with school places at secondary school level being so limited that “the current number of secondary schools can accommodate only about 30 percent of the current students in Grades 1–5” (World
Bank Group (2015:2). This is so despite research findings showing that most employers often prefer to hire youth with a minimum of secondary school certificate.

Furthermore, motivated by the globalisation transformational approach, Zambia’s education system has for a long time failed to recognise the importance of indigenous knowledge, culture and value systems as key ingredients in local resource utilisation. Until the launch of the Revised Curriculum in 2014, the education system remained highly academic and based on passing examinations mainly through memorisation with no regard for critical thinking, learner participation and technical skills. By ignoring these cognitive skills, the education system weakened the relationship between education and skills development on one hand as well as individual earnings and economic growth on the other hand. This has ultimately resulted in the production of unskilled graduates, a situation that continues to undermine the quality and productivity of the labour force, consequently compromising on the employability of our youth, let alone their chances of entering into self-employment.

Another notable challenge is that primary education receives more priority in funding at the expense of secondary and tertiary education. Although research evidence shows that primary education is effective in reducing infant mortality, maternal mortality and HIV prevalence among others, tertiary education has a significantly higher impact on the growth of GDP in Africa than other levels of education (Gyimah-Brempong 2011). These research results are also in agreement with previous research by Desai and Potter (2008) which shows that a highly skilled labour force is more productive, employable and thus critical in driving both individual incomes and economic growth. Thus, a highly qualified labour force is also capable of creating employment for others.

It is also important to note that there has been keen interest among the youths to resort to entrepreneurship as a source of employment. Despite this interest, Zambia also has one of the lowest rates of established entrepreneurship firms, where ‘established’ refers to enterprises that have been in existence for at least three-and-a-half years. Current estimates suggest that only two percent of all youth business owners are considered established (Chigunta, 2012). This then places Zambia’s rate of business failure at a substantially higher rate than the African average, as well as those for other developing regions. This may be partially be explained by businesses being necessity-driven, as opposed to opportunity-driven, such that when other forms of employment or income generation become available, youth entrepreneurs stop running their businesses.
Alternatively, given the positive perceptions of entrepreneurship among the youth and their strong desire to start their own businesses, the high rate of business failure may be symptomatic of a poor business environment, the lack of institutional state support for small businesses and the lack of basic skills among most youths to operate a business. There are indications that government supported programs do not address the important challenges that young entrepreneurs face in running their businesses (Ibid), while the overwhelming majority of these youth are not even aware of government programs. Thus, despite these challenges, entrepreneurship remains a key employment avenue for youth to pursue, as the formal labour market cannot absorb those currently seeking work.

Another challenge is that agriculture is by far the most important source of employment, for both youth and non-youth. The extent to which agriculture still dominates the Zambian economy, relative to other key sectors such as manufacturing, tourism and mining, implies that the economy has not undergone a meaningful structural transformation (Bhorant etal, 2015). Unfortunately, majority of the youth working in the agricultural sector are still classified as working poor, with low levels of income, limited or no access to social security and other core labour standards as prescribed by the International Labour Organization. In addition, a significant number of them are mainly in subsistence agriculture or small-scale and often fragile businesses.

The limited resource envelope for financing the education and skills training sector, especially the Revised Curriculum as well as the secondary and tertiary subsectors, is yet another challenge that government is currently facing. Although there has been a slight increase in the budgetary allocation to the education sector over the last decade, most of the resources allocated to the sector, averaging over 80% of the annual budget, are spent on management and administration annually. As a result, the Country has not been able to implement the vocational skills career path in all the schools as prescribed in the Revised Curriculum.

The lack of platforms for accessing free information, especially in rural areas, is yet another challenge that makes it difficult for government to link rural youth to existing job opportunities. Even in situations where government has information about job opportunities, such information tends to be piece-meal mainly due to lack of a database. This situation is exacerbated by the lack of internet in most rural areas, while in cases where internet may be available, the cost of accessing internet remains too high for majority of the youth that are out of employment.
Other notable challenges from the supply side include the low manufacturing and industrial base mainly resulting from low levels of investment in economic diversification, increased productivity and value addition of agricultural and other products. Although Zambia has for a long time prioritised manufacturing, tourism and agriculture in its quest to diversify the largely copper driven economy, both the investment and growth of these sectors that are key in providing employment opportunities for youths have remained low.

5.0 CAPACITY OF THE MINISTRY IN THE IMPLEMENTATION AND MONITORING OF POLICIES

Apart from having a limited resource envelope to support the implementation of the Action Plan for Youth Empowerment and Employment, implementation of the National Youth Policy is also severely constrained by the limited number of qualified personnel within the Ministry of Youth and Sport (International Youth Foundation, 2014). Currently, although the Ministry is supposed to have offices in all the districts in Zambia, only a few districts have a full complement of staff. Majority of the districts, including the newly created districts, do not have adequate staff to effectively implement the national programmes contained in the Action Plan.

Similarly, the Ministry also has limited material resources to effectively support the programme monitoring function countrywide. In particular, the Ministry is poorly resourced in terms of equipment such as vehicles for use in the implementation and monitoring of programmes. Anecdotal evidence shows that the last fleet of vehicles for district Officers under the Ministry of Youth and Spot was last bought several years ago and have since served their full cycle.

6.0 WHAT THE ZAMBIAN GOVERNANCE FOUNDATION IS DOING TO ENHANCE PARTNERSHIPS WITH THE PRIVATE SECTOR IN THE PROVISION OF DECENT JOBS

The Zambian Governance Foundation (ZGF) was established to contribute to efforts of civil society organisations to make government more accountable and responsive to the poor and vulnerable groups such as the youth. Within this mandate, ZGF has provided 14 grants and capacity development support to youth organisations to enable them engage in various national youth policy processes. This includes providing support to youth organisations to conduct research, policy consultations with youth, undertake policy analysis, draft evidence based policy position papers and present evidence to policy makers and implementers. Thus, ZGF through its Grant Partners has contributed significantly to the formulation or review of youth policies as well as in monitoring the implementation of youth policies and holding
government accountable to the implementation of existing plans such as the Action Plan for youth Empowerment and Employment.

Similarly, apart from giving support to organisations working in the youth sector, ZGF has also supported 23 grants in the education and skills sector. Notable contributions by the Grant Partners supported under this sector include the successful revision of the education curriculum that resulted into the inclusion of the academic and vocational skills career paths and the replacement of the bursary scheme with the loan scheme. In all these engagements with government, ZGF Grant Partners have placed great emphasis on the importance of building public-private partnerships (PPP) given the limited capacity of government to deliver public services such as youth related employment services.

7.0 CONCLUSION AND RECOMMENDATIONS

In conclusion, it is evident from the foregoing discussion that creating job opportunities that match the growing number of youth entering the labour force annually will remain a daunting task for Zambia. The reason being that the capacity of our economy to create adequate decent jobs for our youth has remained low. While, most of the youth entering the labour market are unemployable due to lack of relevant productive skills. To this effect, ZGF would like to recommend the following.

7.1 Government needs to establish linkages between the curriculum content provided by the various education institutions and the specific job requirements of various employers. This should include the creation of formal communication channels between the education system and private sector employers/entrepreneurs.

7.2 Government needs to increase its investment in the operationalisation of the Revised Curriculum Framework, especially the introduction of the vocational skills career path and providing support relating to the use of familiar languages as media of instructions at lower primary school level.

7.3 There is urgent need for government to provide incentives to companies that provide internship and mentorship programs to youth to increase opportunities for youth to gain experience and prove their ability to excel in the work environment.

7.4 Government must consider options for lowering the cost of internet and establishing an accessible database for job opportunities, which can be disseminated to job seekers through SMS, social media, and radio to create an easier interface between youth and employers.

7.5 Government should also invest in strengthening and broadening the resource base of Ministry of Youth and Sport through the creation of strong public-private partnerships that can provide youth
friendly supplementary funding for skills development and microcredit services to youth entrepreneurs.

7.6 There is need for the Ministry to expedite the process of developing a resource mobilisation strategy proposed in the Action Plan in order to work towards a broadened resource base beyond the limited resources provided through the national treasury.

7.7 Government needs to invest in economic diversification, increased productivity and value addition of agricultural and other products.
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