

MEDIA RELEASE

To: All media
Date: 14 November 2017
Subject: **A response to Ramaphosa's one million new jobs plan: It is not bold. It is a small vision that does not respond to our economic crisis.**

Yesterday, 13th November 2017, Deputy President Cyril Ramaphosa at the ANC Johannesburg Regional Economic Colloquium in Soweto announced his vision for a “... *New Deal for South Africa. A New Deal for Jobs, Growth and Transformation that will turn the economy around and build a more equal society.*”

“...*We need to do something new,*” he said, “*something bold, to strike a ‘new deal’ among all stakeholders that are committed to accelerating radical economic transformation.*”

“*This New Deal will bring together government, business, labour and civil society in a meaningful and effective social compact to construct a prosperous, just society founded on opportunities for all.*”

He commits to “*to lead a national initiative to create at least one million jobs in 5 years.*”

With 8.4 million Black South Africans already unemployed and with an untenable expanded unemployment rate of 41%: a target of one million jobs over five years is an inadequate response in terms of the depth of the economic crisis we are in.

1 million jobs over 5 years translates to the creation of 200 000 jobs per year over the next five years.

The latest jobs statistics out of Statistics South Africa for the third quarter shows that (see attached QLFS):

- 723 000 Black South Africans joined the labour force over the past year.
- 366 000 Black South Africans became unemployed over the past year.

Statistics South Africa's latest statistics also show that:

- 8.4 million Black South Africans are unemployed in the third quarter of 2017.
- The expanded unemployment rate for Black South African workers is 41% in the third quarter of 2017.
- Only 4 out of 10 Black South Africans of working age have a job in the third quarter of 2017.
- Poverty levels have undergone a marked reversal upward since 2015. In 2015, nearly two thirds (64.2%) of Black South Africans lived in poverty.¹
- Nearly a third of boy children under the age of five years are stunted (30%) and a quarter of girl children are stunted (25%).²

Why do South African politicians have such a small vision for the future? One million jobs in five years does not even maintain the current level of crisis. It deepens it. Deputy President Ramaphosa's vision is not bold or new. It does not signal a change from the economic framework which has got us into this crisis. Neither does it respond to the economic crisis we are in. Instead, it will deepen and accelerate inequality, poverty, unemployment and injustice. South Africa requires a proper political vision for society and a proper response to the economic crisis we face. This has to include a complete re-imagining of our economic framework to meet the crisis we are in.

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¹ Statistics South Africa (2017). **Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2015.** Report No. 03-10-06. Statistics South Africa, Pretoria, South Africa. P8 & 14 & 58. See link: <http://www.statssa.gov.za/publications/Report-03-10-06/Report-03-10-062015.pdf>

² Statistics South Africa (2017). **South Africa Demographic and Health Survey 2016: Key Indicator Report.** Statistics South Africa. Pretoria. P27-28. See link: <http://www.statssa.gov.za/publications/Report%2003-00-09/Report%2003-00-092016.pdf>