



MINISTRY OF FINANCE
REPUBLIC OF SOUTH AFRICA

SOUTH AFRICAN YOUTH MINISTERS' PROJECT

WESTERN CAPE - LAUNCH

Address by Minister Trevor A Manuel

10 June 2004

My Dear Friends

In 1845, Benjamin Disraeli, who later became Prime Minister of Britain, famously wrote that the difference between the rich and poor in England then was like 'two nations between whom there is no interaction and no sympathy; who are ignorant of each other's habits, thoughts and feelings, as if they were dwellers in different zones or inhabitants of different planets...'

President Thabo Mbeki speaks of two economies within one country here in South Africa. The two worlds that he is speaking of exist in every province and in every city. A child playing in the muddy streets of Khayelitsha, hungry, with very little clothing and not yet experienced in the joy of reading comes from one of these worlds. In areas closer to mountain, kids are riding mountain bikes, with clothing that protects them from the harsh Cape winter, probably never been to bed hungry and can surf the internet when it rains too much. The life experiences of these two sets of children are so different; they could be from different planets. They share no sympathy for each other; they are ignorant of each other's habits, thoughts and feelings.

As President Mbeki pointed out in his State of the Nation Address in both 2003 and 2004, the most significant challenge we face as a country is to bridge the divide between the two economies, the two worlds. To use his concept, we have to build staircases from the second economy into the first economy. We have to provide avenues for marginalised communities to

enter the first economy, to benefit from a global economy that does have the potential to create wealth and prosperity.

But how do we build these staircases? The first, most critical aspect of this agenda must be to improve the quality of school education in poor communities. In both urban and rural areas, schools in poor communities must be able to produce students who are educated in appropriate fields, who can confidently articulate their views and flexible enough to be able to adapt to an ever-changing world. While much progress has been made in transforming education, we are not there yet. Too many of the schools in our poorer communities are dysfunctional. Teachers are not adequately trained or equipped to do their jobs, principals are not capable of running an effective school programme, female students are subject to sexual harassment and gangs peddle drugs and foster violence upon the weak.

The solutions to these problems are complex, but they must include greater community involvement in education, greater parental oversight in school management and private sector investment into poor schools. Government has a critical role to play in improving school funding, improving teacher training and supporting dedicated teachers and principals. But community involvement at a school level cannot be underestimated. In many cases, community involvement is the difference between a good school and a dysfunctional school.

Two years ago, Government launched the learnership programme. This programme encourages employers, both public and private, to take on young people into their organisations, to give them some experience, training and exposure to working life. How often have you heard young people talking about the fact that they cannot get a job because they lack work experience. They cannot get work experience because they are not in employment. We must destroy this trap. The learnership programme is one attempt to break this often frustrating situation that many young people find themselves in.

While there are tax incentives available to take on learners, much more commitment is required from all employers in both the public and private sectors. The consequences of us not breaking this logjam are too ghastly to contemplate.

The Expanded Public Works Programme is another effort by Government to bring unskilled people into temporary employment, provide them with some basic skills with the view of increasing the chances of them getting more permanent employment either on their own or in the private sector.

The Western Cape had a rich tradition of apprenticeships in areas such as electronics, welding, carpentry, plumbing and construction. This tradition has died. We are not transferring the knowledge and skills of the present working generation to our children. The learnership programme attempts to reintroduce this culture of taking on young people and giving them the tools to either start their own small businesses or obtain work in the formal sector. I repeat,

this programme will only work if employers take the plunge to break the catch-22 that young work seekers find themselves in.

The South African Youth Ministers' Project is an attempt to bring these two worlds together: to expose children from different backgrounds to the world of business, of government and of work in general. More importantly, this project opens the hearts and minds of children to each other's emotions, thoughts and feelings. It provides an opportunity to observe each other's habits and see each other's worlds. This service is absolutely invaluable in our country, given the deep divide that still characterises our society.

For a number of years now, with the support of the South African Youth Ministers' Project, I have invited a number of young people from schools all over the country to join me in Parliament on the day that the budget is tabled. The students selected have all written speeches on what they would do if they were the Minister of Finance. These students then get an opportunity to ask a series of questions, reflecting both their concerns and ambitions. I'm proud to say that I have a succession plan firmly in place. When I'm ousted from this job, there are a number of these school kids who could quite ably take over my position.

After the budget earlier this year, about 150 young people from schools in this province came to Parliament to give me a grilling. They asked some of the most difficult questions I've had to face as a Minister. It was an extremely humbling experience. These young people - bright, confident and opinionated - taught me much about the issues close to the hearts of young people and about the issues I should be taking up. More importantly, it brought them into one of our pillars of democracy, our national assembly, into contact with the procedures of debate in Parliament and into contact with both politicians and officials who serve them.

In a similar manner to the Youth Ministers' Project, this initiative helps strengthen our democracy, foster a spirit of inclusiveness and teaches old politicians like myself a thing or two.

The audience here tonight represent many of the institutions in our first economy. But many of the people gathered here this evening also come from humble beginnings. My appeal to you is to help more young people break out of the cycle of poverty and unemployment that so many of our children find themselves in. It is up to you to expose children to the world of business, to the dealing rooms of our banks, to the factories where real value is added.

In society, there are two types of elites. The plundering elites, who strip the land of its resources, exploit its people, steal the intellectual property of communities and get rich in an unethical way. Unfortunately, many of the elites in our country and in our continent have behaved like this.

But there is also another type of elite: an elite that ploughs back into society, an elite that nurtures the creativity of our young people by giving them opportunities to prosper. The legacy we leave behind must be of a prosperous society where the benefits of economic development reach all, even the poorest. It is only possible to leave such a legacy behind if we plough back into communities, both in financial terms and in terms of our skills and talents and by providing opportunities that so many young people may never have.

Thank you for inviting me to talk at this launch. I am excited by the ideas embodied in the Youth Ministers' Project and I pledge to support this initiative in anyway that I can, and I trust that all in the audience this evening will support this initiative.