



# ECON NEWS

Quarter 1

2021/22



**dedat**

Department:  
Economic Development & Tourism  
**NORTHERN CAPE PROVINCE**

## FEATURED ARTICLES

*1.Boipelo Aꝯuah will represent South Africa at the Tokyo Olympic, Blended funding programme, DThe Directorate: Human Resource Management and Development, Youth still find it difficult to secure jobs, Youth Empowerment Session, Covid-19 regulations under alert level 4 lockdown, Farewell / welcome*

**MORE INSIDE**



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## EDITORS NOTE | MS THANDI MODIBELA

**S**outh Africa has moved from to disaster management adjusted level 4. "The measures that we are putting in place now are designed to allow as much economic activity to continue as possible, while containing the spread of the virus," said the President.

In the first quarter of 2021 (January–March), the South African economy increased by 1%, resulting in an annualised growth rate of 4.6%. This follows a revised 1.4% increase in real gross domestic product (GDP) in the fourth quarter of 2020 (annualized: 5.8%). On the production (supply) side of the economy, the finance, mining, and trade industries were the key drivers of output, while household spending and inventory adjustments aided development on the expenditure (demand) side. Despite the fact that the South African economy has grown for the third quarter in a row, it is still 2.7% smaller than it was in the first quarter of 2020.



It is during this quarter that we will be celebrating youth month on June 16 under the theme “The Year of Charlotte Mannya Maxeke: Growing youth employment for an inclusive and transformed society”, even though the economic environment is not really in favour of our youth at this time. The department in collaboration with NYDA has hosted youth empowerment sessions in order to assist in lessening the economic burden in this regard. We also wish 15 year old Kimberley Boipelo Awuah who will be presenting the country at the Tokyo Olympics in Japan all of the best. She secured a berth via the World Skateboarding Championships that was held in Rome.

We send our heartfelt condolences to all those we have lost during this pandemic, we wish well all those who have been affected and infected by this monstrous disease, as we continue to wear our masks, sanitize our hands, keep our social distance and adhere to the rules and regulations governing us during pandemic, fighting stronger in solidarity.

Thandi Modibela



## KIMBERLEY BORN STAR BOIPELO AWUAH WILL REPRESENT SOUTH AFRICA AT THE TOKYO OLYMPICS

Boipelo Awuah, a 15-year-old skateboarding superstar from the Northern Cape, will represent South Africa at the Tokyo Olympics in Japan in July.

Boipelo Awuah and her fellow Kimberlite Natalie Bramley were accompanied by Wendy Gila, the president of Roller Sport South Africa, to the Rome Olympic qualification final. Awuah, a Grade 10 student at Northern Cape High School, qualified for the Olympics by competing in the World Skateboarding Championships in Rome, Italy. She qualified for the Olympic via the World Skateboarding Championships. Awuah won both national championships to earn a qualifying place in Rome, Italy.



“I’m overjoyed, but also surprised, because it’s not easy to represent your country at an Olympic Games when you’re only 15 years old. I feel like I’m paving the way for female skaters in South Africa, lifting the bar and demonstrating to the rest of the world that we can compete at that level.” She said.

Despite the fact that skateboarding is a physically demanding sport, Awuah, who began skating at the age of five, Boipelo love for skateboarding started at a young age her skills were nurtured and she gained competition experience through participation at the Kimberley Diamond Cup, KDC Grandslams and skateboarding for Hope thanks to Northern Cape Provincial Government.

The Department of Economic Development and Tourism would like to congratulate Boipelo on this outstanding achievement.





Northern  
Cape  
SMME  
Blended  
Fund

## BLENDING FUNDING PROGRAMME BETWEEN THE DEPARTMENT AND NEF

This morning, the Department of Economic Development and Tourism kick started stakeholder engagements explaining the purpose of the inception of a partnership between the Department and the National Empowerment Fund (NEF) and other Empowerment initiatives which are available for small businesses in Steinkof, Namakwa.

This stakeholder engagement was addressed by the District Mayor Councilor Mervin Cloete, Ms Bernadine Losper from the Business Development Unit of Vedanta Zinc Inc, Mr Hiram Raymond from SEDA, Mr Harris Bowers from SEDA and Mr Gift Bosman from DEDAT office in Namakwa.

The Department of Economic Development and Tourism (Dedat) in the Northern Cape in conjunction with the National Empowerment Fund (NEF) have launched a multi-million-rand enterprise development programme.

As part of the initiative, Dedat and the NEF have jointly set aside R 75 million to establish the Northern Cape Blended SMME Fund which will provide concessional funding to local entrepreneurs across all sectors of the Provincial Economy.

The Department of Economic Development and Tourism has contributed R 30 million to the partnership which will be used for non-refundable grants of up to R4 million per transaction, with 60% comprising a refundable loan portion from the NEF's contribution of R45 million to the Blended Fund. A business must only pay back 60% of the loan.

"As businesses in South Africa and beyond continue to battle against the constraints imposed by the COVID-19 pandemic, this relief will come handy for Black-owned and managed SMMEs in the Northern Cape, following the establishment of the Blended SMMEs Fund between the Dedat and the NEF", says NEF CEO Ms Philippine Mthethwa.

"Access to business is one of the challenges faced by small business in the country, more than 70% of small businesses fail in their first two years due to among others, lack of access to finance and markets", says Northern Cape MEC for Finance, Economic Development and Tourism, MPL Hon Abraham Vosloo

"Innovative interventions aimed at addressing these challenges are required, one such is blended finance which combines debt or loan funding with government driven grant funding", explains MEC Vosloo

To qualify for this funding, businesses must meet the following criteria:

- Majority ownership by black entrepreneurs
- Black women participation
- Job creation
- an entity of any size or turnover, which is 51% or more Black-owned or Black-women with a BBBEE status of between 1 and 3
- Commercial sustainability

For further inquiries, contact 0861 633 627/ 082843 9835 or email: [northerncape@nefcorp.co.za](mailto:northerncape@nefcorp.co.za)

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## **THE DIRECTORATE: HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT**

The Department has undergone many changes recently. We understand that change is inevitable, it is a part of life and it signifies growth. Communicating change is probably more important than the change itself. It educates and empowers; it eliminates incidences of conflict and confusion and it cultivates a team spirit within the department.

Talking about change, DEDaT's Corporate services sub- programme has undergone changes of its own and we would like to make use of this opportunity to explain these changes. First of all, we would like to welcome Mr Tebogo Ngamole into our DEDaT family. Mr Ngamole, a former Senior Manager at Provincial Treasury, has been appointed as the Senior Manager for Human Resource Management and Development and joined the department in November 2020, we wish him a happy, successful and fruitful stay in the department.

The Directorate: Human Resource Management and Development has within it, five sub- directorates/ units which falls within the responsibility of the Senior Manager.

These include:

- Employee Relations and People Management (Labour Relations): Currently managed by Mr Arthur Mohale.
- Employee Health and wellness: Currently managed by Ms Ntsoaki Mereotlhe.
- Human Resource Organisational Strategy and Planning. (Organizational Development & Design)
- Human Resource Utilisation and Capacity Development (Human Resource Development)

Through the reorganization and movement of officials, the last two sub- directorates / units have been combined into one which shall be referred to as Human Resource Development and Organisation Design (HRD & OD). The HRD & OD unit is managed by Ms Barlow.



## Youth still find it difficult to secure jobs

This year celebrates the 45th anniversary of the student revolt in Soweto on June 16, 1976. The new democratic administration designated June 16 as National Youth Day and June as Youth Month in 1994. With the focus on the youth under the theme: “The Year of Charlotte Mannyha Maxeke: Growing youth employment for an inclusive and transformed society”, the vital question is “What strides have we made in ensuring our youth have better opportunities for employment in South Africa?”



Young people are still struggling in the South African labor market, according to the Quarterly Labour Force Survey (QLFS) for the first quarter of 2021. Officially, the unemployment rate was 32.6%. In the first quarter of 2021, this rate was 46.3% among young individuals aged 15 to 34, suggesting that nearly one out of every two young persons in the labor force was unemployed. About a quarter of the young (24.4%) have jobs, and 45.3% of them participate in the labor market. With an unemployment rate of over 63 percent, an absorption rate of roughly 7.6 percent, and a labor force participation rate of 20.6 percent, those aged 15–24 years are particularly vulnerable in the labor market.

Unemployment is also concentrated among the youth, who make up 59.5% of the overall number of unemployed people. Regardless of academic level, the youth unemployment rate is significant. Graduate unemployment rates were 40.3 percent for those aged 15–24 and 15.5 percent for those aged 25–34, with a rate of 5.4 percent for adults (aged 35–64).

Some of these young people have gotten deterred from entering the labor market, and they are not enhancing their skill sets through education and training – they are not employed, enrolled in school, or enrolled in training (NEET).

In the first quarter of 2021, 32.4 percent (about 3.3 million) of the 10.2 million people aged 15–24 years were not in employment, education, or training, suggesting that nearly one in every three young South Africans between the ages of 15 and 24 were unemployed. When combined with unemployment rates of over 60%, the NEET rate implies that young people in South Africa are having a tough time finding work.



## YOUTH EMPOWERMENT SESSION



South Africa is faced with a crisis of high youth unemployment most intractable challenge, made worse by COVID-19. Data published by Statistics South Africa at the start of June shows that the official unemployment rate among youth (15-34 years) was 46.3% in Q1 2021. The rate was 9,3% among university graduates. Government sees the youth as the future leaders of this country; hence government has established a range of support programmes and strategies to empower the youth.

The Department of Economic Development and Tourism, Empowerment unit in collaboration with NYDA and Department of Social Development held a Youth empowerment session in Galeshewe and Roodepan on the 24-25 July 2021. The purpose of this empowerment session was to teach the youth steps to establish a sustainable business and the funding opportunities available for the youth.

Mr Christians executive manager in the department taught the youth steps of developing a business plan he further emphasized that “Most businesses start with a simple idea but before you start you need to determine whether or not your idea is feasible and before you can develop a business plan is important to do research and to understand the nuts and bolts that go into it”.

The officials from NYDA graced us with their presence and presented the opportunities that NYDA have for the youth. According to Mr Olyn “NYDA has different programmes that are there to assist the youth. The grant programme is designed to provide young entrepreneurs with an opportunity to access both financial and non-financial support in order to enable them to establish or grow their businesses.” He further explained about the business Consultancy service which is aimed at giving young entrepreneurs one-on-one business development support through NYDA approved business consultancy programme.

“Youth empowerment it’s very important in the lives of young people, and it encourage them to take charge in their lives. And it helps them to know how they can create something that will benefits both them and society, furthermore as the Department our doors will always be open for the youth, if you need any assistance on how to write a business plan or information about funding opportunities, please feel free to contact us, please remember that we are here to empower you” Ms Moalekwa said.



## ADJUSTED LEVEL 4 LOCKDOWN

South Africa moves to level 4 from 28 June 2021.  
Prohibitions are in place until 11 July 2021,  
after which the provisions will be reviewed.



**Curfew: 21h00 to 04h00**

Establishments must close at 20h00.

All persons who are able to work from home must do so.

Schools will close for winter break from **30 June 2021**.

Tertiary education contact classes will be on hold from **30 June 2021**.



Early childhood development centres will remain open.

Masks remain **mandatory**.



Sale of liquor is **prohibited**.

**Places and premises closed to public:**

- Gyms;
- Night clubs, taverns;
- Casinos;
- Flea markets, bazaars;
- Theatres and cinemas;
- Museums, libraries, galleries;
- Conferencing, exhibitions; and
- Old age homes for visits



**All gatherings** are prohibited except for:

- Funerals;
- Work; and
- Buying or obtaining goods and service.



**No social, faith-based or political gatherings are allowed.**



**Attendance at funerals and cremations** are limited to 50 people.

Night vigils and after-funeral gatherings remain prohibited.

Maximum duration of a funeral service is **two hours**.

**Public transport:**

- Bus and taxi services may carry **100% capacity** for short-distance travel (under 200km).
- Bus and taxi services may only carry **70% capacity** for long-distance travel.



**Interprovincial travel for leisure to and from Gauteng is prohibited.**

Restaurants can only be open for sales for **takeaways** and **deliveries of food and non-alcoholic beverages**.



## FAREWELL

We bid farewell to Mr T Mengo during this quarter. We wish all the best in his future endeavours.

It was a sad period this quarter where we bid farewell to our colleagues Mr Odirile Legae and Ms Colleen Rose who lost their lives due to Covid related complications.

## WELCOME

We welcome all the experiential learners that joined the department. We wish them a fruitful stay.

We also announce that Ms Thandiwe Modibela is the Acting CEO of the Liquor Board.

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