

"President Ramaphosa's YES initiative now gazetted and aims to bring positive change to South Africa's youth and private sector"

Have you ever wondered what it would be like to give a chance to 5.9 million young South Africans?

Eighteen months ago, South Africa's new face of hope, President Cyril Ramaphosa, gave a thumbs up to the new Youth Employment Service (YES). The initiative, which is set to change lives for many young South Africans, aims to create over 300 000 jobs and hopefully, 'ramp it up to 500 000' as stated by the President.

The future of South Africa's youth depends heavily on the job opportunities and the readiness of companies to absorb individuals for work. The YES campaign was initially devised as a CEO initiative, which was a commitment on part of the private sector to highlight South Africa's socio-economic challenges.

This campaign is a partnership between the government and private sector and it aims at using the YES initiative to empower over a million young South Africans and black owned SMME's (Small, Medium and Micro sized Enterprises). The campaign assists individuals with entrepreneurial opportunities and allows them up to 3 years of work experience, through the help of a number of large South African enterprises. 'What we are seeking to do, through this and other initiatives, is provide pathways for young people into the world of work,' said President Ramaphosa at the opening of the YES initiative.

The Private Sector and the YES initiative

Businesses that wish to participate in the YES initiative, can consider employing young people to increase its headcount.

This process will enhance the B-BBEE scorecard potential if the new employees are aged between 18 and 35 and the company will also benefit from ETI (Employment Tax Incentives).

Should a company choose not to employ a young individual as above, it has the option of working with SMME's (who may be funded by bigger corporations).

What South African entities should know about qualifying for "YES"

Companies with a turnover of R50 million and above ("Large enterprises") are required to achieve a minimum of 40% score under each of the priority element. Ideally, the three priority elements (Ownership, Skills Development and Enterprise and Supplier Development) should achieve a 50% minimum score. Qualifying Small Enterprises (QSEs), who have turnovers ranging from R10 to R50 million, must achieve a 40% score for two of the three priority elements, one being "Ownership: (which is compulsory) Exempt Micro Enterprises (EMEs). Whose turnover does not reach R10 million per annum, have no qualifying requirements. "YES" target for YES candidates, applicable to Large enterprises is the higher of the following options:

Either, 1,5% of the total company head count in the preceding year; or 1,5% of the company's average Net Profit After Tax (NPAT) for the preceding three years. This amount will be divided by R55 000 to ascertain the headcount; or Or, a target determined in table 1 – Annexure Gazette 41866

A YES Youth Target Table has been published for QSE's and EME's and all companies are required to compare their performance to the table. Companies can take advantage of the YES programme to improve their B-BEEE ratings. For example; Companies who achieve their YES targets and reach a 2,5% absorption rate are able to move up one B-BEE level on the scorecard; Companies who achieve 1.5 times their YES targets and can reach a 5% absorption rate can gain 3 bonus points and move up one B-BEEE level on the scorecard Companies who achieve double their YES targets and an absorption rate of 5% are able to move up two levels on their B-BEE scorecard

In order to qualify for all of the above benefits, companies must ensure that, at all times, they adhere to the Basic Conditions of Employment and that the YES candidates complete a full 12 months of work experience.

During this time of change and prosperity, Johannesburg Technical and Vocational College (Pty) Ltd Pty (Ltd) is ready to play its part in an evolving socio-economic environment. Johannesburg Technical and Vocational College (Pty) Ltd will assist companies irrespective of size with a tailor-made 'YES' inclusive training and development programme. Free B-BBEE consulting is enjoyed by all Johannesburg Technical and Vocational College (Pty) Ltd clients.