Thursday, 20 August 2026]

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OF THE

REPUBLIC OF SOUTH AFRICA

ANNOUNCEMENTS, TABLINGS AND COMMITTEE REPORTS

THURSDAY, 20 AUGUST 2026

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ANNOUNCEMENTS

National Assembly

The Speaker

1. Appointment of whip

(1) The following member has been appointed as a whip of the Patriotic Alliance in the National Assembly with effect from 18 August 2026:

(a) Mathopa, ML

National Council of Provinces

The Chairperson

1. Referral to Committees of papers tabled

(1) The following paper is referred to the **Select Committee on Public Infrastructure and Minister in the Presidency** for consideration and report:

(a) Draft Regulations on the proposed increase of the validity period of a driving licence card from 5 to 10 years, made in terms of section 75 of the National Road Traffic Act, 1996 (Act No. 93 of 1996).

TABLINGS

National Assembly and National Council of Provinces

1. The Minister of Justice and Constitutional Development

(a) Proclamation Notice No. R.331, published in *Government Gazette* No. 55151, dated 7 August 2026: Referral of matters to existing Special Investigating Unit and Special Tribunal: In respect of the affairs of the Northern Cape Department of Education, in terms of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996).

(b) Proclamation Notice No. R.332, published in *Government Gazette* No. 55151, dated 7 August 2026: Further Amendment of Proclamation No. R. 3618 of 2023, as amended by Proclamation No. 216 of 2024: Chris Hani District Municipality, in terms of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996).

(c) Proclamation Notice No. R.333, published in *Government Gazette* No. 55151, dated 7 August 2026: Referral of matters to existing Special Investigating Unit and Special Tribunal: In respect of the affairs of the Northern Cape Department of Roads and Public Works, in terms of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996).

(d) Proclamation Notice No. R.334, published in *Government Gazette* No. 55151, dated 7 August 2026: Referral of matters to existing Special Investigating Unit and Special Tribunal: In respect of the affairs of the Knysna Local Municipality, in terms of the Special Investigating Units and Special Tribunals Act, 1996 (Act No. 74 of 1996).

COMMITTEE REPORTS

National Assembly

1. REPORT OF THE PORTFOLIO COMMITTEE ON HIGHER EDUCATION ON ITS ASSESSMENT OF THE 2025/26 FOURTH QUARTER FINANCIAL AND NON-FINANCIAL PERFORMANCE REPORT OF THE DEPARTMENT OF HIGHER EDUCATION AND TRAINING, DATED 19 AUGUST 2026

The Portfolio Committee on Higher Education ("the Committee"), having assessed the 2025/26 Fourth Quarter financial and non-financial performance reports of the Department of Higher Education and Training ("the Department"), reports as follows:

1. INTRODUCTION

Section 5 (1) (c) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009) determines that the National Assembly (NA), through its Committees, must annually assess the performance of each national department in relation to the expenditure report of the said department published by the National Treasury in terms of section 32 of the Public Finance Management Act (PFMA), 1999, as amended.

In giving effect to section 5 of the Money Bills Amendment Procedure and Related Matters Act, the Committee conducts in-year monitoring and assessment of the Department's financial and service delivery performance towards achieving the outcome indicators and targets set out in the Annual Performance Plan. The quarterly assessments of the Department's financial and non-financial performance also assist the Committee in its preparation for the annual submission of the Budgetary Review and Recommendation Report (BRRR) as determined by section 5 (2) of the Money Bills Amendment Procedures and Related Matters Act, 2009 (Act No. 9 of 2009). The Committee convened a meeting on 24 June 2026 to assess the Department's 2025/26 Fourth Quarter financial and non-financial performance reports.

2. OVERVIEW AND ASSESSMENT OF THE DEPARTMENT'S FINANCIAL AND NON-FINANCIAL PERFORMANCE REPORT

2.1 2025/26 FOURTH QUARTER FINANCIAL PERFORMANCE

Table 1: Overview of expenditure per programme for the 2025/26 Fourth Quarter

Programme	Final appropriation R'000	Actual expenditure (quarter 4) R'00	Balance available R'000	% spent
1: Administration	656 193	646 186	10 007	98.47%
2: Planning, policy & Strategy	2 298 298	2 277 419	20 870	99.09%
3: University Education	95 003 322	95 991 120	12 202	99.99%
4: Technical and Vocational Education and Training	13 938 656	13 911 583	27 073	99.81%
5: Skills Development	381 127	370 927	10 200	97.32%
6: Community Education and Training	3 164 120	3 146 493	17 627	99.44%
Subtotal	**116 441 707**	**116 343 728**	**97 979**	**99.92%**
Skills levy	25 575 718	25 575 718	-	100.00%
Total	**142 017 425**	**141 919 446**	**97 979**	**99.93%**

Source: DHET, 2026

As at 31 March 2026, the Department's total expenditure amounted to R141.9 billion of the available budget of R142.2 billion, representing an overall expenditure rate of 99.9 per cent. Of this amount, R116.3 billion was expenditure on voted funds and R25.6 billion on Skills Development Levy. The variance on voted funds amounted to R97.9 million (0.1%) as follows: compensation of employees: R31.3 million, goods and services: R33.3 million, transfers and subsidies: R6.7 million, payments for capital assets: R26.5 million and payments for financial assets: R184 000.

The underspending on payments for capital assets was due to the slow implementation of infrastructure projects at Community Education and Training colleges.

2.2 OVERVIEW OF THE 2025/26 FOURTH QUARTER NON-FINANCIAL PERFORMANCE

The Department had 45 planned direct performance targets during the fourth quarter, of which 37 were achieved, representing an overall achievement rate of 82.2 per cent. While the

Department did not achieve 100 per cent of its planned targets, it maintained the same achievement rate as recorded in the third quarter. All six programmes had planned targets for the quarter. Programmes 4: Technical and Vocational Education and Training and 6: Community Education and Training achieved 100 per cent of their targets, while Programme 3: University Education achieved 90 per cent. Programme 2: Planning, Policy and Strategy achieved 77 per cent, Programme 1 achieved 75 per cent, and Programme 5 recorded the lowest performance, achieving only 50 per cent of its planned targets.

During the quarter under review, the Department had 13 system targets planned, of which seven (7), representing 54 per cent, were successfully achieved.

2.2.1. Programme 1: Administration

The purpose of the programme is to provide overall management and administration of the Department. The programme had eight direct planned performance targets during the quarter under review, of which six were achieved, representing a performance achievement rate of 75 per cent. The programme does not have system targets.

The following targets were not achieved:

Target	Actual achievement	Reason for deviation
80% of disciplinary cases resolved within 90 days.	60%	Delays due to the unavailability of parties involved and lack of adequate human resources, e.g., there are no officials appointed as full-time presiding officers. In some instances, there are also changes to officials' trade union memberships, including the resignation of implicated officials.
40% of the public procurement set aside for Women-owned businesses	35.9%	The trade-off phenomenon negatively impacted the target. Focus was mainly given to the other procurement targets.

The programme spent R646.2 million of its available budget of R656.2 million, resulting in an underspending of R10.0 million or 1.5 per cent. The underspending was primarily attributed to the compensation of employees.

2.2.2. Programme 2: Planning, Policy and Strategy

The purpose of the programme is to provide strategic direction in the development, implementation, and monitoring of departmental policies and the human resource development strategy for South Africa. The programme had 13 planned performance targets during the quarter under review, of which 10 were achieved, reflecting an achievement rate of 77 per cent. The programme had 1 planned system target for the quarter under review, which was not achieved.

The following direct targets were not achieved:

Target	Actual achievement	Reason for deviation
The first draft of the National Student Financial Aid Scheme Amendment Bill was shared with internal and external stakeholders by 31 March 2026 for preliminary comment	The first draft of the National Student Financial Aid Scheme Amendment Bill was not developed	Human capacity constraints, as the internal legal team was limited in its ability to fully dedicate time to the project. There were also delays in the appointment of a service provider to develop the first draft NSFAS Amendment Bill
Contractor to commence with the construction of Bhambanana and Greytown TVET campuses, appointed by 31 March 2026	Contractors to commence with the construction of Bhambanana and Greytown TVET campuses were not appointed as planned	Delayed payments to the implementing agency (COEGA Development Corporation), which resulted in project delays
Contractor to commence with construction of the Northern Cape and Gauteng Community Education and Training colleges appointed by 31 March 2026	Procurement of contractors to commence with the construction of the Northern Cape and Gauteng Community Education and Training colleges was delayed	Delayed approvals of the Power of Attorney to apply for the necessary construction authorisations and nomination of officials to serve on Bid Specification and Evaluation Committees for projects

System target not achieved

Target	Actual achievement	Reason for deviation
10 000 Students and staff in PSET institutions trained through the Civic Education and Health Skills Programme per academic year.	7,770 (11,357 was not verified)	Mainly due to limited awareness of the programme and inconsistent institutional support

The programme underspent R20.9 million, or 0.9 per cent of its available budget of R2.3 billion. The underspending was mainly under payments of capital assets due to the slow

implementation of infrastructure projects at the Community Education and Training (CET) Colleges.

2.2.3. Programme 3: University Education

The purpose of the programme is to develop and coordinate policy and regulatory frameworks for an effective and efficient university education system. To provide financial support to universities, the National Student Financial Aid Scheme, and the National Institutes for Higher Education. During the fourth quarter, the programme had 10 planned targets, of which nine were achieved, representing a 90 per cent achievement rate. For the quarter under review, the programme had three system targets, of which two or 67 per cent, were achieved.

The following direct target was not achieved:

Target	Actual achievement	Reason for deviation
A report on students funded by NSFAS, approved by the Minister by 31 March 2026	A report on students funded by NSFAS was not approved by the Minister as planned	The report was developed for the Minister's approval. However, it was returned with a ministerial memorandum with comments highlighting a procedural issue, requesting additional information

System target not achieved

Target	Actual achievement	Reason for deviation
86% of universities that meet the standards of good governance	83%	There were late submissions of annual institutional reports, indicating a procedural issue related to inadequate planning, coordination and adherence to established reporting timelines.

The programme spent R95.9 billion of its available budget of R96.0 billion, resulting in an underspend of R12.2 million. The underspending was under compensation of employees, as vacant positions were not filled as projected.

2.2.4. Programme 4: Technical and Vocational Education and Training

The purpose of the programme is to plan, develop, implement, monitor, maintain, and evaluate national policy, programme assessment practices, and systems for TVET. The programme had

four planned performance targets during the quarter under review, and they were achieved, representing a 100 per cent achievement rate. For the quarter under review, the programme had two system targets, which were not achieved.

System target not achieved

Target	Actual achievement	Reason for deviation
21 000 TVET college graduates placed in workplaces per annum.	19,818	SETA's failure to submit the mandatory 2024/25 report despite repeated formal communication from the Skills Branch, as well as inadequate controls resulting in duplicate or multiple placements of students.
95% of TVET colleges that meet the standard of good governance.	92.2%	The delays in finalising council vacancies are attributed to inadequate procedural controls with prolonged administrative processes.

The programme underspent by R27.1 million of its available budget of R13.9 billion, or 0.2 per cent. The underspending was mainly due to compensation of employees, as vacant posts were not filled as projected and under goods and services, as invoices and subsistence were not received before year-end.

2.2.5. Programme 5: Skills Development

The purpose of the programme is to promote and monitor the national skills development strategy and develop skills development policies and regulatory frameworks for an effective skills development system. The programme had four planned performance targets during the quarter under review, of which two were achieved, representing a 50 per cent achievement rate. For the fourth quarter, the programme achieved two of the four system targets, constituting a 50 per cent achievement rate.

The following direct targets were not achieved:

Target	Actual achievement	Reason for deviation
Advocacy strategy to improve and increase work-based learning opportunities across the Skills Development system	The Advocacy Strategy has been drafted	The concept document for the Advocacy Strategy required stakeholder consultation with critical stakeholders (NSA and SETAs), which could not take

approved by the Director-General by 31 March 2026		place in the 2025/26 financial year
Guidelines for the appointment of the SETA Accounting Authority members approved by the Minister by 31 March 2026	The Guidelines for the appointment of the SETA Accounting Authority members have been drafted	The concept document on the Guidelines for the appointment of the SETA Accounting Authority members required consultation with the National Skills Authority (NSA), which could not take place in the 2025/26 financial year. These were due to procedural constraints, including delays in scheduling consultations

System targets not achieved

Target	Actual achievement	Reason for deviation
20,000 artisans produced	1,510	Limited workplace training opportunities and insufficient incentives to encourage employers to absorb apprentices into workplace learning.
95% SETAs that meet the standard of good governance	76%	This was due to poor compliance with policies and inadequate internal controls. Limited accountability and consequence management further contribute to governance challenges. The respective SETA coordination functionaries shall work to improve these internal controls.

The programme spent R370.9 million of its available budget of R381.1 million, resulting in an underspending of R10.2 million or 2.7 per cent. The underspending was due to vacant positions not being filled as projected.

2.2.6. Community Education and Training

The purpose of the programme is to plan, develop, implement, monitor, maintain, and evaluate national policy, programme assessment practices and systems for community education and training. The programme had six planned performance targets during the quarter under review, and all were achieved, representing a 100 per cent achievement rate. The programme had three system targets planned for the quarter, which were achieved.

The programme underspent by R17.6 million of the available budget of R3.2 billion, mainly due to vacant positions that were not filled as projected.

3. OBSERVATIONS

The Portfolio Committee, having considered the 2025/26 Fourth Quarter financial and non-financial performance report of the Department of Higher Education and Training, makes the following observations:

3.1. Programme 1: Administration

3.1.1. Persistent delays in filling funded vacant positions, particularly at the senior management level, compromise the Department's ability to implement its programmes effectively and achieve its strategic objectives.

3.1.2. Three Deputy Director-General positions, Administration, University Education and Skills Development Branches, including the Chief Financial Officer position, which was filled on an acting basis for over two years, are deeply concerning. The recruitment process for the CFO has not yielded an appointable candidate; consequently, the Department will initiate a headhunting process.

3.1.3. Serious concern was expressed regarding delays in appointing the National Skills Fund Executive Officer. The process, which had reached the concurrence stage with the Department of Public Service and Administration, was aborted due to missing information required to finalise the concurrence. It was further noted that the entity has not had a permanent Executive Officer for two consecutive administration terms.

3.1.4. The placement of officials in PSET institutions without adherence to prescribed recruitment and selection processes remains a matter of concern.

3.1.4. The Department's ineffective internal control systems continue to undermine its oversight functions, adversely affect organisational performance, and impede the achievement of its planned objectives.

3.2. Programme 2: Planning, Policy and Strategy

3.2.1. Underspending on infrastructure development programmes due to the slow implementation of infrastructure projects at CET colleges remains a serious concern. The Committee is particularly concerned about delays and under-expenditure in the construction of the nine CET colleges across the country, as these projects are critical

to expanding access to education and training opportunities and improving infrastructure within the sector.

3.2.2. Capacity constraints within the Planning Branch undermine its ability to effectively manage, coordinate, and oversee the implementation of infrastructure development projects across the PSET sector.

3.2.3. Delays in reviewing legislation governing the PSET system remain a serious concern, particularly in light of the persistent challenges facing the sector. The Committee is further concerned by the planned introduction of the amendment Bills in the medium term, as this may delay their consideration and implementation.

3.2.4. The Department's reasons for not achieving some planned targets during the fourth quarter of the 2025/26 financial year are concerning.

3.2.5. The recurring underperformance in certain planned targets is concerning, as it may indicate that the mitigation strategies developed are not effective.

3.3. Programme 5: Skills Development

3.3.1. The Committee is deeply concerned that the Department did not engage with the National Skills Authority (NSA) to finalise the guidelines for the appointment of SETA Accounting Authority members during the period under review, resulting in delays to an important governance process.

3.3.2. The poor performance of the National Skills Fund (NSF) undermines the Department's efforts to address critical skills shortages and support unemployed youth through skills development initiatives.

4. SUMMARY

During the period under review, the Department successfully achieved 37 of its 45 direct performance targets, resulting in an overall performance achievement rate of 82 per cent. While the Department maintained its third quarter achievement rate, the Committee expressed concern about the underperformance in several strategic areas central to the Department's mandate. Some reasons provided by the Department for the deviations from planned targets were unjustifiable, as they reflected recurring issues that demand urgent attention to prevent repetition of similar performance shortcomings. Performance on system-related targets was particularly unsatisfactory. For the quarter under review, the Department achieved 54 per cent

of its system targets, underscoring the need for strengthened oversight and more effective implementation strategies.

The Committee expressed a deep concern about the recurring underperformance in areas where the Department had previously committed to implementing improvements. Equally concerning was the persistent underspending on infrastructure expansion, which not only delays the delivery of critical facilities but also restricts access to post-school education and training opportunities. This underspending undermines efforts to enhance the employability of unemployed youth and adults. The Committee noted with serious concern the return of unspent funds to the National Treasury, despite the growing demand for education and training opportunities among unemployed youth. The Committee urged the Department to improve its performance and service delivery, ensuring that its programmes achieve meaningful and measurable impact on the lives of young people who are not in education, employment, or training (NEET) and adults.

5. RECOMMENDATIONS

The Portfolio Committee, having assessed the 2025/26 Fourth Quarter financial and non-financial performance reports of the Department of Higher Education and Training, recommends as follows:

5.1. Programme 1: Administration

5.1.2. The Department should develop and implement clear guidelines and prescribed timeframes for filling funded vacant positions across all PSET institutions to ensure timely recruitment, minimise prolonged vacancies, and strengthen institutional capacity.

5.1.3. The placement of officials across PSET institutions should be undertaken in accordance with approved recruitment processes, policies, and guidelines to ensure transparency, fairness, and merit-based appointments.

5.1.4. The Department should take the necessary measures to strengthen the capacity of the Administration Branch, particularly the Corporate Services, by ensuring that it is adequately staffed, resourced, and equipped to execute its functions effectively.

5.1.5. The Department should expedite the recruitment and appointment of senior management positions, particularly the Deputy Directors-General (DDGs)

(Administration, University Education Branches) and the Chief Financial Officer (CFO), to strengthen leadership and improve organisational performance.

5.1.6. The Department should implement consequence management against officials responsible for poor performance and take appropriate measures to prevent recurring underperformance.

5.2. Programme 2: Planning, Policy and Strategy

5.2.1. The Department should expedite the review of legislation governing the PSET sector to ensure that the legislative framework remains responsive to the sector's development and changing needs.

5.2.2. The Department should strengthen its monitoring and oversight of PSET institutions to ensure compliance with applicable legislation and regulatory requirements.

5.2.3. The Planning Branch should be capacitated with the requisite skills and resources to effectively oversee and coordinate the implementation of infrastructure development projects across the PSET system.

5.2.4. The Department should expedite the construction of the nine Community Education and Training (CET) colleges across the country to improve access to post-school education and training opportunities.

5.2.5. Improved coordination and collaboration between the Planning Branch and other branches of the Department are critical to enhancing infrastructure planning, expenditure, and project delivery.

5.3. Programme 3: University Education

5.3.1. The University Education Branch should strengthen its monitoring and oversight of universities to improve accountability and ensure compliance with applicable legislation and regulatory requirements.

5.3.2. The Department should establish a formal reporting framework requiring ministerial appointees serving on university councils to provide regular reports on university governance and affairs. This measure would strengthen oversight, promote sound governance practices, and enhance institutional accountability.

5.4. Programme 5: Skills Development

5.4.1. The Department should support the National Skills Fund (NSF) in expanding its skills development interventions to equip unemployed youth with relevant training, thereby enhancing their potential to access economic opportunities.

Report to be considered.

2. REPORT OF THE PORTFOLIO COMMITTEE ON EMPLOYMENT AND LABOUR ON THE ASSESSMENT OF PROGRESS IN THE IMPLEMENTATION OF THE P20 YOUTH PARLIAMENT RECOMMENDATIONS, DATED 19 AUGUST 2026

Executive summary

This report assesses the implementation of the 2025 P20 Youth Parliament recommendations on youth economic participation, employment and opportunities. It finds that while several programmes and policy initiatives respond to the recommendations, implementation remains fragmented, outcome measurement is uneven, and accountability for youth labour-market absorption requires stronger coordination, verified evidence, disaggregated reporting and sustained parliamentary oversight focused on sustainable employment outcomes rather than programme activity alone.

1. Introduction

The Portfolio Committee on Employment and Labour ("the Committee") convened a virtual engagement on Wednesday, 12 August 2026, to assess progress in implementing recommendations arising from the P20 Youth Parliament held on 13 June 2025. The engagement was conducted on the Zoom virtual platform and formed part of the Committee's oversight responsibility regarding youth employment, inclusive economic participation, industrialisation and meaningful youth engagement. The programme included presentations by the National Youth Development Agency (NYDA), the National Planning Commission (NPC), the Financial and Fiscal Commission (FFC), and the Department of Employment and Labour (DEL), followed by questions and answers, and a concluding session on the way forward.

The 2025 P20 Youth Parliament was convened under the theme "Youth Economic Participation, Employment and Opportunities – Developing a Medium-Term Youth Development Agenda for South Africa's Youth". It brought together young people from political party youth formations, civil society, persons with disabilities, student formations and young entrepreneurs to engage Parliament on the structural barriers affecting youth

economic participation and to propose solutions. Given

this, the Committee regarded the 12 August 2026 engagement as an important follow-up mechanism to determine whether the commitments and recommendations arising from the Youth Parliament had progressed beyond consultation towards implementation, measurable outcomes, institutional accountability and budgetary alignment.

2. Background

The P20 Youth Parliament identified youth unemployment and economic exclusion as major structural challenges facing South Africa. The report identified a mismatch between education and labour-market requirements, inadequate access to workplace experience, weaknesses in SETA performance, limited access to digital infrastructure and finance, rural and township marginalisation, weak interdepartmental coordination and insufficient youth participation in decision-making. The Youth Parliament further identified barriers affecting young entrepreneurs, including regulatory obstacles, inadequate access to finance, delayed disbursement of funding, limited township economic revitalisation and insufficient disaggregated and impact-oriented data. It also stressed that youth participation should not be confined to symbolic consultation but should become a continuous process of engagement, accountability and participation in policy and oversight.

The parliamentary resolutions emerging from the 2025 Youth Parliament provided a framework for follow-up. These included intensified oversight of youth employment programmes, quarterly reviews of disaggregated data, stronger oversight of SETAs and TVET colleges, evaluation of youth employment tax incentives, alignment of fiscal policy with youth development priorities, simplification of compliance requirements for youth-owned enterprises, faster youth enterprise funding, stronger municipal youth structures, reindustrialisation, youth access to land and rural economic development. The resolutions also called for all government departments and relevant partners to align their budgets and Annual Performance Plans with measurable youth development and employment targets and to report progress quarterly.

3. Objectives of the Committee's Engagement

- Assess progress in implementing the P20 Youth Parliament recommendations;

- Determine which recommendations had been incorporated into government programmes and policies;
- Assess the contribution of the Department of Employment and Labour to youth employment;
- Assess the effectiveness of Public Employment Services and other employment interventions;
- Consider the contribution of youth employment initiatives to sustainable employment;
- Assess the alignment between skills development and labour-market demand;
- Consider the role of the private sector in absorbing young people into employment;
- Consider the fiscal and budgetary implications of youth employment programmes;
- Assess the extent to which rural youth, township youth and youth with disabilities were benefiting from interventions; and
- Identify areas requiring further parliamentary oversight.

4. Current Labour-Market Context

The Committee considered the engagement against the latest labour-market evidence available at the time of the meeting. Statistics South Africa's Quarterly Labour Force Survey for the second quarter of 2026 reported that employment decreased by 16 000 between the first and second quarters of 2026 to approximately 16.7 million, while unemployment increased by 345 000 to approximately 8.5 million. Consequently, the official unemployment rate increased by 0.9 percentage points to 33.6%. The labour-force participation rate increased to 59.6%, while the absorption rate declined to 39.6%. The youth labour-market challenge remains particularly serious. The QLFS reported that 36.4% of young people aged 15–24 were not in employment, education or training (NEET) in Q2 2026, an increase of 1.2 percentage points compared with Q2 2025. For the broader 15–34 youth category, the Q2 2026 NEET rate was 45.4%, compared with 43.9% a year earlier. The female youth NEET rate was 48.9%, compared with 41.9% for males. The Committee noted that these indicators demonstrate the continuing urgency of the P20 Youth Parliament recommendations.

The challenge is not simply to increase the number of young people participating in programmes, but to improve the capacity of the economy to absorb young people into sustainable employment,

enterprise and productive economic activity. The Committee therefore emphasised that future reporting should distinguish clearly between registrations, referrals, counselling, training, temporary opportunities, placements, retention and transitions into permanent or unsubsidised employment. The QLFS also showed important sectoral developments. Year-on-year employment gains were recorded in construction, trade, agriculture and mining, while employment losses occurred in community and social services, manufacturing, utilities and finance. Construction recorded a year-on-year increase of 94 000 jobs, trade increased by 74 000 and agriculture by 39 000. The Committee considered these trends relevant to the design of youth employment interventions because they reinforce the need for government to connect skills development and employment services with sectors demonstrating actual or potential labour demand.

5. Deliberations by the Committee

5.1 National Youth Development Agency

The Committee received a briefing from the National Youth Development Agency on its assessment of the P20 Youth Parliament recommendations and its existing youth employment and entrepreneurship interventions. The Committee noted the broader NYDA position that the P20 recommendations address youth unemployment as a structural problem linked to economic growth, skills, finance, spatial inequality and access to economic participation. The engagement reinforced the principle that the success of youth programmes should increasingly be measured through outcomes such as sustainable employment, enterprise survival, market access, participation in value chains and productive asset creation rather than solely through the number of young people trained or supported.

The Committee welcomed the emphasis on moving from programme participation to sustainable economic outcomes. It considered this important because the persistence of high youth unemployment indicates that participation in programmes does not automatically translate into durable labour-market absorption. The Committee further noted the need to strengthen coordination among the NYDA, DEL, SETAs, TVET colleges, employers and other institutions involved in youth employment and entrepreneurship.

This is consistent with the P20 resolutions, which call for stronger institutional coordination and more effective oversight of youth employment and skills-development programmes. The Committee emphasised that youth entrepreneurship should not be viewed merely as an alternative to formal employment, but as an integral component of a broader economic participation strategy. Such a strategy should address the systemic barriers faced by young entrepreneurs, including access to finance, business development support, public and private procurement opportunities, markets, technology, infrastructure and participation in value chains. In this regard, the NYDA indicated its willingness to provide the Committee with its relevant reports and supporting information to inform the Committee's consideration and oversight of the implementation of the P20 recommendations.

5.2 National Planning Commission Presentation

The NPC presented its proposals for advancing youth economic participation, employment and opportunities. Its approach placed youth development within the broader framework of the National Development Plan and other national policy instruments. The NPC emphasised that youth development should be embedded across the socio-economic dimensions of national development rather than treated as a stand-alone policy issue. The NPC's presentation identified an "Economic Pathway for Youth", expanding youth employment opportunities, youth economic participation and SMME development, job-rich future-facing sectors, youth-centred economic policy, an inclusive rural economy, and a results-based monitoring framework as key areas of intervention.

The NPC proposed a coordinated and targeted youth employment strategy involving both government and the private sector. It recommended stronger integration of existing interventions such as the Jobs Fund, Youth Employment Service, Presidential Youth Employment Intervention and Public Employment Stimulus. It also proposed stronger partnerships with private-sector bodies to promote investment, exports and job creation in sectors such as ICT, global business services, renewable energy, tourism, mining, construction and agriculture. The Committee agreed that the proliferation of youth programmes requires greater coordination and that Parliament should focus on whether existing programmes are delivering measurable employment outcomes rather than creating additional initiatives without addressing implementation weaknesses.

- **Expanding youth employment opportunities**

The NPC proposed a broader conception of youth labour-market participation, including flexible forms of work and multiple income streams. It proposed a National Youth Employment Accelerator, an expansion of the Youth Service Corps and Youth Employment Zones. The Committee recognised the potential relevance of these proposals but noted that any expansion of non-standard or task-based work must be consistent with labour rights, social protection, decent work principles and existing labour legislation.

- **Youth entrepreneurship and SMME development**

The NPC proposed that youth economic participation should be quantified through sector master plans and annual targets for public and private procurement from youth-owned businesses. It further proposed a youth start-up policy and funding framework, improved commercialisation of youth innovation, digital economy integration, regulatory simplification and stronger incubation networks. The Committee considered these proposals relevant to the challenge of labour demand. Sustainable employment cannot be generated exclusively through public employment programmes; youth-owned enterprises must also be enabled to grow and employ additional workers.

- **Future-facing sectors**

The NPC identified the green economy, creative and cultural economy, social economy, digital and knowledge economy and public procurement as potential areas for youth economic participation. It also proposed interventions such as youth employment in renewable energy, recycling, biodiversity conservation, creative industries, social services and innovation. The Committee noted that such sectors provide an opportunity to align youth employment policy with South Africa's industrialisation, energy transition, digitalisation and innovation objectives.

- **Rural economic participation**

The NPC proposed an inclusive rural economy based on agriculture and food-system reform, agricultural technical training, youth agribusiness parks, land access, agro-processing incentives and commercial market integration. The Committee considered rural youth employment particularly important given the structural barriers identified by the 2025 Youth Parliament, including limited access to land, markets, agricultural support and infrastructure.

- **Youth-centred economic policy**

The NPC proposed Youth Economic Advisory Panels and Youth Impact Assessments for national policies and Bills to assess implications for youth employment, access to services and future skills development. The Committee noted that this proposal could strengthen Parliament's ability to assess whether legislation and public policy adequately consider intergenerational and youth impacts.

- **Monitoring and accountability**

The NPC proposed a Youth Development Results Framework aligned with the G20 and NDP, an annual Youth Development Impact Report to Parliament, a youth participation platform and a public dashboard containing indicators such as the youth employment rate, youth SMME support uptake, youth business investment and youth business growth. The Committee strongly supported the principle of an integrated results framework because the absence of standardised and disaggregated information makes it difficult for Parliament to assess the effectiveness of youth interventions.

5.3 Financial and Fiscal Commission Presentation

The FFC presented an assessment of the P20 Youth Parliament recommendations, with particular emphasis on inclusive economic growth, the intergovernmental fiscal relations system, Sector Education and Training Authorities (SETAs), youth unemployment, labour-market interventions and areas requiring strengthened parliamentary oversight. The FFC acknowledged progress in the implementation of government's youth employment initiatives. It reported that more than 5.64 million young people had registered on the National Pathway Management Network, while approximately 1.91 million earning opportunities had been facilitated, exceeding the reported target of 1.5 million. The FFC also highlighted the revitalised National Youth Service, which had involved approximately 84 000 young people since its revitalisation. However, it cautioned that these achievements should not be interpreted as sufficient evidence that the structural challenge of youth unemployment has been resolved. The FFC emphasised that sustainable reductions in youth unemployment require structural reforms that expand labour demand, strengthen private-sector participation, improve the alignment of skills development with labour-market needs, and enhance coordination across government. The FFC further indicated its willingness to work directly with the

Portfolio Committee on matters within its mandate relating to Employment and Labour, thereby providing an opportunity for closer collaboration on fiscal, labour-market and youth employment issues and strengthening the Committee's oversight of the implementation of the P20 recommendations.

- **Skills development and SETAs**

The FFC highlighted concerns regarding the relationship between increased public spending on skills development and actual labour-market outcomes. SETA expenditure increased at an average rate of 6.74% between 2013/14 and 2023/24, but this increase had not translated into significant reductions in youth unemployment. The Committee considered this an important oversight concern. Increased expenditure should be accompanied by evidence of improved workplace learning, graduate placement, skills utilisation and employment outcomes.

- **Demand-side interventions**

The FFC recommended shifting policy attention from classroom learning alone towards practical, on-the-job training. It further recommended redirecting fiscal policy to strengthen labour demand and creating incentives for businesses to employ young people in entry-level positions, irrespective of educational attainment. The FFC also proposed subsidies to incentivise SMEs to provide internships and vacation work opportunities. The Committee agreed that this approach addresses a central weakness in current policy: the tendency to focus on preparing young people for employment without sufficiently increasing the number of employment opportunities available.

- **Private-sector participation**

The FFC argued that government should support rather than replace the private sector in addressing unemployment and that partnerships with businesses, particularly SMEs, are essential for youth labour-market absorption. It further recommended that government entities be reconsidered and reprioritised to strengthen youth labour demand and job placement without duplicating functions. The Committee agreed that the private sector should be treated as a key implementation partner and that government programmes should create stronger incentives for employers to absorb young people.

- **Parliamentary oversight of SETAs and youth employment**

The FFC proposed that Parliament strengthen oversight of SETAs by monitoring audit outcomes, governance failures, the use of funds and the extent to which resources flow towards core skills-development functions rather than administration. It further recommended that youth employment programmes move beyond educational attainment towards permanent labour-market absorption through practical training. The Committee considered this consistent with the P20 resolutions calling for stronger oversight of SETAs, TVET colleges and artisan training centres.

5.4 Department of Employment and Labour Presentation

The Department presented its interventions in response to the P20 Youth Parliament recommendations and outlined its contribution to the Medium-Term Development Plan. The Department reported a commitment to create two million work opportunities, comprising one million opportunities through Public Employment Services and funded agencies and another one million through the UIF Labour Activation Programme. For 2025/26, Public Employment Services had an annual target of 70 000 opportunities and reported 116 040 opportunities by the end of Quarter 4. The Department also reported that its National Pathway Management Network target was 130 000 opportunities, against progress of 60 536 for the relevant indicator.

- **Public Employment Services**

The Department demonstrated the scale of its employment-service operations. The presentation reported cumulative work-seeker registrations of approximately 7.4 million, more than two million counselling interventions and more than 370 000 placements since the 2019/20 financial year. The Committee acknowledged the scale of this administrative and employment-service infrastructure. However, it emphasised that registration and counselling should ultimately result in improved employment outcomes.

- **Graduate psychologists programme**

The Department reported that its Public Employment Services programme had provided graduate psychologists with workplace learning and earning opportunities while strengthening service delivery at labour centres. A total of 188 graduates completed the programme on 31 July 2026

could not be retained due to budget constraints. The Committee regarded this as a significant example of the gap between work experience and sustainable employment. It raised an important policy question regarding the extent to which government programmes create employment pathways that end when funding expires. Therefore, the Committee encourages that future reports of the Department distinguish clearly between training opportunities; internships; temporary employment; subsidised employment; permanent employment; and transitions into unsubsidised private-sector employment.

- **Employment opportunities for persons with disabilities**

The Department reported that Public Employment Services creates more than 1 000 employment opportunities for persons with disabilities through 21 partnerships. The Committee welcomed this intervention but stressed that disability inclusion should be mainstreamed across youth employment programmes rather than treated as a separate intervention.

- **Labour-market policy reforms**

The Department informed the Committee that the National Labour Migration Policy had been approved by Cabinet on 28 May 2025 and that the Employment Services Amendment Bill had also been approved for submission to Parliament. The Department indicated that the National Employment Policy had been developed with technical assistance from the International Labour Organisation and was proceeding towards public consultation. The proposed National Employment Policy contains nine pillars, including demand-led macroeconomic policy, employment-centred trade and industrial policy, relevant skills development, accessible active labour-market policies, enterprise development, social protection, labour migration, stakeholder coordination and labour-market information systems. The Committee noted that these policy reforms have significant implications for implementing the P20 recommendations, particularly those concerning labour demand, industrialisation, employment services, skills development and coordination.

- **Employment services and strategic partnerships**

The Department outlined partnerships involving the Government Technical Advisory Centre, Industrial Development Corporation, International Labour Organisation, World Bank, Department.

of Higher Education and Training, European Union Education for Employment programme, private employment agencies and the Jobs Fund. The Committee welcomed the partnerships but emphasised the need for a consolidated framework demonstrating how these initiatives complement one another and how duplication is avoided.

6. Alignment with National Policy

The Committee noted that the P20 recommendations are cross-cutting and extend beyond the mandate of the Department of Employment and Labour. The FFC presentation identified the National Development Plan 2030, National Youth Policy 2020–2030, Medium-Term Development Plan 2024–2029, Integrated Youth Development Strategy 2026–2029 and Economic Reconstruction and Recovery Plan as relevant policy frameworks. It concluded that the P20 recommendations fully or partially align with these instruments. The Committee therefore concluded that implementation should not be confined to DEL. Effective implementation requires coordination with, among others:

- Department of Higher Education and Training;
- Department of Small Business Development;
- Department of Trade, Industry and Competition;
- Department of Women, Youth and Persons with Disabilities;
- National Treasury;
- Department of Agriculture;
- provincial governments;
- municipalities;
- SETAs;
- TVET colleges;
- NYDA;
- UIF;
- Productivity SA;
- CCMA;
- private-sector employers; and
- youth organisations.

7. Committee Observations and Recommendations

No.	Committee Observation	Recommendations to the Department of Employment and Labour
1	Youth unemployment remains a structural challenge and existing interventions have not yet generated sufficient labour-market absorption.	The Department should submit to the Committee, within a defined reporting cycle, a consolidated youth employment implementation plan identifying responsible branches, programme owners, quarterly milestones, budgets, baseline data, targets and measurable outcomes for reducing youth unemployment. The Department should also enhance targeted skills development and entrepreneurship programmes for youth, aligned with market needs, to improve employment readiness and create new job opportunities.
2	The Department has a large database of unemployed work-seekers, but the number of registered work-seekers is substantially higher than the number placed in employment.	The Department should strengthen the conversion of work-seeker registrations into actual employment placements and report to the Committee on the barriers preventing successful placement, together with corrective measures.
3	Public Employment Services exceeded its annual target of 70 000 opportunities by achieving 116 040 opportunities in 2025/26.	The Department should provide the Committee with a detailed breakdown of the 116 040 opportunities created, including the type, duration, sector, province, age and employment status of beneficiaries.
4	Programme outputs such as registration, counselling and placement do not necessarily result in sustainable employment.	The Department should introduce employment-retention indicators into its quarterly reporting, including the proportion of beneficiaries remaining employed after six, 12 and 24 months, supported by verifiable administrative records or employer-confirmed evidence.

5	The Department reported a commitment to contribute to the creation of two million work opportunities, including one million through Public Employment Services and funded agencies and one million through the UIF Labour Activation Programme.	The Department should provide the Committee with a detailed implementation plan for its contribution to the two-million work-opportunity target, including annual and quarterly targets, budgets, beneficiaries and expected employment outcomes.
6	The Department reported that 188 graduate psychologists completed the programme on 31 July 2026 but could not be retained due to budget constraints.	The Department should develop mechanisms to facilitate the transition of graduates from DEL-supported workplace-learning programmes into sustainable employment, including partnerships with employers and other public institutions.
7	There is a risk that young people participating in government-supported programmes return to unemployment when programme funding ends.	The Department should ensure that youth employment programmes incorporate a clear transition pathway from training and temporary employment to sustainable employment, and report on the proportion of beneficiaries successfully transitioning.
8	The Department has established partnerships with various government institutions, international organisations and private-sector organisations.	The Department should develop a consolidated partnership framework for youth employment, identifying each partner, its contribution, beneficiaries reached, resources committed and employment outcomes achieved.
9	There is potential duplication between youth employment initiatives implemented by different government departments and entities.	The Department should strengthen coordination with the NYDA, DHET, SETAs, UIF and other relevant institutions and departments to minimise duplication and ensure complementary youth employment interventions.
10	The Department identified construction, agriculture, hospitality and tourism, wholesale and retail, domestic work and logistics as sectors with potential to absorb young jobseekers.	The Department should develop sector-specific employment strategies for young people in identified labour-absorbing sectors, supported by labour-market information and employer partnerships.

11	The Committee noted that skills development does not always translate into employment.	The Department should strengthen coordination with DHET and SETAs to ensure that employment services are directly linked to skills-development programmes and identified vacancies.
12	Young people require practical workplace experience to improve their prospects of securing employment.	The Department should expand partnerships with employers, particularly SMEs, to increase internships, apprenticeships, workplace learning and entry-level employment opportunities for young people.
13	The Department's employment-service infrastructure includes labour centres, satellite offices and mobile services.	The Department should expand and strengthen employment services in rural, township and historically underserved communities, including through satellite offices and mobile Public Employment Services.
14	Rural and township youth experience barriers to accessing employment opportunities and labour-market services.	The Department should report annually on the geographical reach of its youth employment services, including beneficiaries from rural areas, townships and underserved communities.
15	The Department reported that more than 1 000 opportunities for persons with disabilities had been created through 21 partner organisations.	The Department should mainstream disability inclusion across all youth employment programmes and provide disaggregated data on young persons with disabilities registered, counselled, trained, placed and retained in employment.
16	Youth entrepreneurship requires access to employment services, markets and business opportunities in addition to financial support.	The Department should strengthen referrals between Public Employment Services and youth entrepreneurship-support institutions, including the NYDA and relevant enterprise-development entities.
17	Labour-market information is essential for matching young people with available employment opportunities.	The Department should strengthen the use of labour-market information to guide work-seeker counselling, skills referrals and job matching,

		particularly in occupations and sectors experiencing labour demand.
18	The National Employment Policy contains pillars relating to demand-led macroeconomic policy, employment-centred industrial policy, skills development, active labour-market policies, enterprise development, social protection, labour migration, stakeholder coordination and labour-market information.	The Department should provide the Committee with a clear implementation roadmap for the National Employment Policy, including timelines, responsible branches, measurable indicators and progress reporting.
19	The National Employment Policy was developed with technical support from the ILO and is expected to proceed through public consultation.	The Department should keep the Committee informed of the consultation process and subsequent implementation of the National Employment Policy, particularly those aspects directly affecting youth employment.
20	The Employment Services Amendment Bill is relevant to the strengthening of employment services and labour-market interventions.	The Department should ensure that the implementation of the Employment Services Amendment Bill, once enacted, strengthens employment services and improves access to employment opportunities for young South Africans.
21	The Department has reported significant employment-service outputs, but outcome information remains less developed.	The Department should strengthen its Annual Performance Plan indicators by incorporating outcome indicators that measure sustainable employment rather than relying predominantly on registration, counselling and placement outputs.
22	Youth employment interventions require stronger private-sector participation.	The Department should develop measurable targets for private-sector participation in its youth employment programmes, including the number of participating employers, opportunities created and beneficiaries retained after programme completion.

23	The Department's partnerships provide an opportunity to expand employment opportunities beyond the traditional labour-centre model.	The Department should report to the Committee on the effectiveness of each major employment partnership, including the number of opportunities generated and the cost per employment outcome.
24	The Committee noted the importance of monitoring the UIF Labour Activation Programme as a major component of the youth employment strategy.	The Department should provide regular reports on the UIF Labour Activation Programme, including beneficiaries trained, opportunities created, placements achieved, employment retention and expenditure per successful outcome.
25	The P20 recommendations require continued monitoring beyond the Youth Parliament.	The Department should report quarterly to the Committee on progress in implementing the P20 Youth Parliament recommendations that fall within its mandate, using a standard reporting template agreed with the Committee.
26	Fragmented youth employment data makes it difficult to assess the overall impact of interventions.	The Department should develop a consolidated youth employment dashboard for its programmes, disaggregated by age, gender, province, municipality, disability, education level, programme, intervention type and employment outcome, and use the dashboard as the standard evidence base for quarterly reports to the Committee.
27	The Committee noted the importance of measuring whether young people remain in employment after participating in government programmes.	The Department should introduce post-placement tracking mechanisms to determine whether beneficiaries remain employed, move into permanent employment, establish enterprises or return to unemployment.
28	The Department's employment services should respond to actual labour demand rather than merely register unemployed people.	The Department should strengthen employer engagement and vacancy identification, ensuring that counselling and job-matching services are increasingly demand-led.

29	The P20 Youth Parliament called for stronger accountability and regular reporting on youth employment.	The Department should submit quarterly progress reports to the Committee on its implementation of the P20 recommendations, clearly indicating achievements, underperformance, corrective measures, expenditure, responsible officials or branches and the evidence used to verify reported outcomes.
30	There are barriers to accessing entry-level jobs where prior experience is not necessarily required.	The Department should partner with the Department of Public Service and Administration to remove unnecessary experience requirements for entry-level jobs and expand internships and apprenticeships for youth.
31	Youth mental health challenges and psychosocial barriers significantly affect employability and retention in labour-market opportunities, yet mental health support is largely absent from current youth employment programmes.	The Department should integrate mental health and psychosocial support services into youth employment and entrepreneurship programmes by partnering with the Department of Health and civil society organisations specialising in youth mental wellness. This should include training for counsellors, access to mental health resources and referral pathways to ensure holistic support for young jobseekers and entrepreneurs.
32	Digital literacy and access to digital tools remain inadequate among rural, township and marginalised youth, limiting their ability to access contemporary job markets and entrepreneurial opportunities, particularly in future-facing sectors.	The Department should work with relevant state agencies to develop a targeted Digital Skills and Access Initiative aimed at expanding digital literacy training and providing subsidised or free access to internet-enabled devices and data packages for youth in underserved areas. Partnerships with private-sector technology firms and education institutions should be leveraged to roll out this initiative and link it to existing employment and entrepreneurship programmes.

33	The impact of gender-specific barriers on youth employment and entrepreneurship, including gender-based violence, social norms and unequal access to resources, is insufficiently addressed in current interventions.	The Department should mainstream a gender-responsive approach within all youth employment and entrepreneurship interventions, including gender-sensitive data collection, targeted support for young women and non-binary youth, safe-work-environment policies and collaboration with organisations specialising in gender issues. This should be accompanied by gender-disaggregated reporting on all youth employment outcomes.
34	Climate change and environmental risks disproportionately affect youth in rural and vulnerable communities, threatening their economic participation, yet green jobs and climate resilience are not fully incorporated into youth employment strategies.	The Department should incorporate climate adaptation and green-economy skills development into youth employment frameworks, prioritising training for renewable energy, sustainable agriculture, conservation, waste management and related sectors. Incentives should be developed for enterprises employing youth in climate-resilient jobs and those contributing to environmental sustainability.
35	There is an absence of frameworks for recognising and accrediting informal and non-traditional skills and experiences acquired by youth through community, freelance and gig-economy work, which limits their access to formal employment and enterprise-development support.	The Department should collaborate with the Department of Higher Education and Training and SETAs to develop and implement a national Recognition of Prior Learning (RPL) framework that formally acknowledges informal skills and experiences of youth. This framework should facilitate access to further training, certification, credit accumulation and labour-market opportunities for youth engaged in non-traditional economic activities.

Report to be considered