



South Africa. Siyasebenza



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PRESS STATEMENT

FOR RELEASE ON THURSDAY, 6 JUNE 2013.

Microsoft, Jobs Fund to create 3 000 tech jobs

Johannesburg, 6 June 2013 - Microsoft South Africa today kicked off a partnership with Government's Jobs Fund that will train more than 3000 unemployed graduates to get permanent jobs in the technology sector in the next three years.

Launching the initiative in Newtown today, Jean-Phillippe Courtois, the president of Microsoft International, said the initiative would dramatically expand Microsoft's existing skills development programmes through funding from the Jobs Fund and the company's own 4Afrika initiative.

"The Government's top priority is to get young South Africans working. As a company, we have long invested in South Africa and understand the need for us all to continue to develop solutions to this challenge. We remain committed to helping address the issue of youth unemployment, as we cannot let an entire generation of young people become long-term unemployed," said Courtois.

Patrick Dlamini, chief executive of the Development Bank of Southern Africa (DBSA), which administers the Jobs Fund, hailed the partnership with Microsoft as a major breakthrough in creating jobs in South Africa's IT sector.

“We’ve been extremely encouraged by the way the private sector has risen to the challenge of helping create jobs in South Africa. Indeed, these types of partnerships between the private and public sector will be significant contributors to the more than 100 524 new permanent jobs which our current portfolio of approved projects aims to create by 2015. These projects will also place another 56 194 unemployed people in vacant positions,” he said.

The R9 billion Fund was announced by President Jacob Zuma in 2011 with the aim of finding innovative solutions to South Africa's employment problem. To date, the Fund has approved grant funding of more than R3.4 billion, of which more than R1.2 billion has been allocated to private sector led initiatives. This R1.2 billion has been matched by a further R1.576 billion in funding raised by the private sector.

Mteto Nyati, Microsoft South Africa’s managing director, said youth unemployment was “one of the biggest threats and challenges facing South Africa today”. It is estimated that 25% of all South Africans are unemployed – and of those, 70% are youth.

Nyati said that while Microsoft’s Student2Business (S2B) initiative, in conjunction with government agencies, had already trained more than 6 500 unemployed graduates and placed more than 75% in permanent positions, efforts to empower the country’s youth needed to be accelerated dramatically.

“South Africa is essentially a nation of young people – and the high level of youth unemployment threatens the very stability of the country. We aim to positively impact the lives of thousands of young people over the next three years, helping to close the opportunity divide by giving them access to technology and skills which will help them get on the pathway to work,” said Nyati.

The new initiative will seek to triple the training outreach programmes undertaken by Microsoft in the past. The students set to sign 12-month internship contracts under the Jobs Fund banner, with a target of having a minimum of 75% of the students employed in full-time jobs by the end of their training. Nyati said the training would focus on areas of need within the IT industry.
Ends.

Issued by the Development Bank of Southern Africa

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Notes for Editors:

"About Development Bank of Southern Africa"

The Development Bank is a leading Development Finance Institution (DFI) in Africa South of the Sahara, playing the roles of Financier, Advisor, Partner, Implementer and Integrator. The Bank maximizes its contribution to sustainable development in the region by mobilising financial, knowledge and human resources to support Government and other development role-players in improving the quality of life of people in the region through funding infrastructure projects; accelerating the sustainable reduction of poverty and inequity; and promoting broad-based economic growth and regional economic integration."

"About the Jobs Fund"

The Jobs Fund was announced by the President during the State of the Nation Address on 10 February, 2011. Following this announcement, the Jobs Fund was successfully launched in June 2011 by Finance Minister Pravin Gordhan and an amount of R9 billion Rand was set aside, to be allocated over a three year period, towards the realisation of the objectives of the Jobs Fund.

The fund is targeted at established companies with a good track record and that plan to expand existing programmes or pilot innovative approaches to employment creation, with a special focus on opportunities for young people.

The fund targets four main areas: enterprise development, local infrastructure development, support for work seekers and institutional capacity building. A total of R9 billion has been allocated to the Jobs Fund.. To date, the Investment Committee has approved 66 projects and R3.4bn has been allocated to these 66 projects. This has been matched with R3.2bn from applicant organisations. Of the 66 projects approved,36 have been contracted with as at the end of March 2013.. These contracted projects have grant funding of R2.079bn and matched funding of R2.079bn. It is projected that the 66 approved portfolio of projects will create 100,524 new permanent jobs in the economy. The fund is managed by the Development Bank of Southern Africa (DBSA).