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MEDIA STATEMENT - IMMEDIATE RELEASE

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'WORSENING LEVELS OF UNEMPLOYMENT IN 2Q 2019 REINFORCE THE NEED FOR HIGHER ECONOMIC GROWTH AND STRUCTURAL REFORMS IN SA', SAYS NWU BUSINESS SCHOOL ECONOMIST PROF RAYMOND PARSONS.

'The latest disappointing unemployment figures for 2Q 2019 are yet another big wake-up call as to why it is necessary to turn the economy around sooner rather than later. Especially worrying is the level of youth unemployment which is now over 54%.

The economy is clearly struggling to create jobs on a sufficient scale and the policy environment remains uncertain. Boosting investor confidence and higher economic growth must therefore continue to be overriding priorities to bolster SA's economic performance.

The SA economy now not only needs to get on to a higher growth path, but also must maximize the number of jobs created at any given growth rate. Job-rich growth is therefore required to improve the outlook. Rising unemployment is otherwise inevitable, if growth rates remain below 1% and if appropriate economic reforms are not implemented.

The worsening unemployment picture is also a strong reminder that an update is required on the 42 recommendations made at the Jobs Summit in October 2018 and to what extent they have been implemented. In light of the latest unemployment trends in SA, more realistic targets for future job creation will now also need to be set.'

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