

SDG 8 is even more important in the light of the Covid-19 pandemic

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The rapid growth in technological innovations that demand structural transformation, economic development and social change (against a backdrop of profound demographic imbalances and how these interlinked processes are expected to shape the future of work), leaves one wondering where jobs will come from and what they will look like?

In South Africa and in other countries with developing economies, there is a continuous surge in inequality and insufficient job creation to sustain the economy. Putting job creation at the heart of economic policy-making and development plans is the beacon of hope the country needs to ensure that decent work opportunities and more inclusive economic growth is generated. With this in place, reduced poverty will be the outcome.

What is SDG 8?

SDG 8 is the Sustainable Development Goal that seeks to achieve Decent Work and Economic Growth for all by ensuring: productive employment within an economy, economic emancipation (for young people and women in particular), the eradication of forced labour and modern slavery, safe and secure working conditions for all people are promoted and sustainable tourism practices are created.

For the least developed countries, the SGD 8 target is to attain at least 7% economic growth in GDP¹. The target for 2020 is to reduce youth unemployment. Informal labour remains of critical concern for the Decent Work Agenda, particularly in countries where labour laws do not sufficiently protect employees.

Why is it important?

As of 2018, 700 million workers lived in extreme or moderate poverty, equating to less than \$3.20 per day². Due to their lack of decent work, people around the world are unable to maintain a decent standard of living for themselves and their families. A continued lack of decent work opportunities, insufficient investments and under-consumption leads to an erosion of the basic social contract underlying democratic societies.

This SDG, together with other SDGs, is designed to be a “blueprint to achieve a better and more sustainable future for all”. For example, decent work helps to eradicate poverty and hunger through the household’s ability to earn an income (SDG 1 and 2), provides wider access to health care and education ([SDG 3](#) and 4) and contributes towards reducing economic inequality ([SDG 10](#)). Through the above, SDG 8 focuses on creating a demand for employees in a country where there is seemingly an over-supply.

Challenges

Informal labour remains of critical concern to the Decent Work Agenda. "Most people enter the informal economy, which is characterised by low productivity and low pay, not by choice but impelled by the lack of opportunities in the formal economy and an absence of other means of livelihood. Informal employment constitutes more than one half of non-agricultural employment in most regions of the developing world." (ILO, 2016)

In South Africa, the biggest challenges are macro-economic. With economic growth at an all-time low, 20.4 million young people³ unemployed, businesses struggling to retain employees and the fourth industrial revolution on our doorstep, the challenge of preserving and creating a demand for the labour force remains fierce. Adding in the effects of a global pandemic to the above creates a recipe for a national state of disaster.

South Africa faces a misalignment between the skills and experience that is necessary in the workplace and the skills that are being developed/exposure granted. This results in many employment programs being largely ineffective. Arguing a case for more apprenticeships and working opportunities in large corporate institutions becomes an uphill battle.

Further challenges identified include: Small-medium enterprises' limited access to financial products in order to expand (thus creating a demand for employees) and their lack of knowledge in areas of business management, marketing and strategy to sustainably grow and produce decent work. The lack of support for SMEs by all their stakeholders results in their demise, which reduces the demand for insufficiently skilled labour. In a country where much of the economy is carried by SMEs (just like in any other developing country), their stifled growth stifles the availability of decent, long-lasting work.

Solutions to overcoming these challenges

Statistics show that 600 million new jobs need to be created by 2030 to keep pace with the growth of the working age population. In South Africa, the FinBiz 2030 Taskforce has partnered with various organisations in the Global Business Service (GBS) sector to create a demand for young people in the working world while also boosting economic growth. The primary objective of the GBS is to create employment in South Africa by in-housing tasks that were normally outsourced to other countries such as China and India and to promote South Africa as a global destination for other countries to outsource their business needs to.

The secondary objectives of the programme are to create employment opportunities for the youth (age 18-34 years); and contribute to the country's export revenue from offshoring services.

Some solutions to addressing the challenges faced in achieving SDG 8 include:

- Supporting SMEs through appropriately tailored support networks that will guide them through operational hiccups and advise them on strategic, legal and financial decisions. Further support for SMEs includes Private-public partnerships that drive SME growth.
- Connecting skilled workers with businesses requiring those skills (for example, as done by the Youth Employment Services (YES) Program).
- Carrying out research and providing statistics to companies on how contributions to SDG 8 can benefit them (thus encouraging them to take part and align themselves with this SDG). Key indicators may include monetary impact, productivity and output of workers.

Conclusion

Many stakeholders including government, businesses and workers need to be involved to advance decent work and economic growth. For vulnerable groups of people in South Africa (mainly the youth, women and all South Africans struggling with chronic poverty), job-creation, entrepreneurship and sustainable small and medium-sized entities must be the focal point of this SDG.

¹ *Total monetary value of all the finished goods and services produced within a country's borders in a specific time period.*

² https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_670542.pdf

³ <http://www.statssa.gov.za/?p=13379>

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