The journey towards Creation of one Million Jobs begins in earnest

By Lewis Msasa

Recently, several people mostly the youth were injured in a stampede that ensued after thousands of job-seekers pushed their way into a hall at Katoto Secondary school in Mzuzu where interviews for recruitment of Health assistants were being conducted. Thank God no lives were lost during the stampede!

The incidence in Mzuzu is just a tip of an iceberg. It just sums up the seriousness of unemployment challenges in Malawi especially among the youths.

And according to the International Labour Organisaton (ILO) Malawi has a youthful population where three in every four people are aged below 35 years. The 2018 NSO Malawi Population and Housing report, on the other hand, estimated that out of the labour force of 6,614,065 persons, 5,389,463 (81.5 percent) were employed and 1,224,602 (18.5 percent) were unemployed.

Realising this, the Tonse Alliance led Government decided to tackle this problem of unemployment head on by promising to create one million jobs within 12 months as part of its agenda.

This, however, prompted some doubting Thomas to snare at this as one of those campaign promises. Some even questioned as to where in the world could any government manage to create one million jobs considering that currently the world is going through serious economic turbulence in the wake of COVID 19 which has resulted into most business entities closing shop resulting into job losses.

But Labour Minister Ken Kandodo is optimistic that creation of one million jobs is possible. He says the task looked impossible at the beginning but after consultations he believes it is possible to create one million jobs as long as there are enablers.

"We have indeed noted that COVID 19 has depressed the economy so much that one might think this is not the right time to pursue this task but we are doing this this with a positive mind knowing that the pandemic would one day be over and things will go back to normal," Kandodo says.

Kandodo says government has set up a road up. The first part, he says, has been the consultations with both private and public sector.

"We agreed to consult widely to seek wisdom from both private and public sector. Through these consultations we now know which sectors are capable of creating jobs.

" What is coming out clearly out of the consultations is that the private sector is not demanding money but is simply demanding policy reforms that could enhance job creation, except for the Small and Medium Enterprises (SMEs) who require some support in form of loans," Kandodo told said this during a virtual meeting with large companies from Central region. The minister is, however, quick to say that it is not government per se which is going to employ people but government is rather a regular.

“Jobs are created from various sectors that is from government by filling existing vacancies, companies, banks, manufacturing sector, SMEs and the rest of the players. The role of my ministry is to ensure that one million jobs are created and once this is achieved the economy can continue doing so”, he says.

Acting Chief Executive Officer of ADMARC, Felix Jumbe agrees with Kandodo that it is possible to create a million jobs as long as there is an enabling environment coupled with relevant policy reviews. He says ADMARC as a state produce trader is keen to accelerate job creation and that it intends to take its central role in the country’s economic activities.

“ADMARC is a hub of agricultural economic activities. For instance, when we provide market for all smallholder farmers who are about 4.2 million, we are providing employment and income. As government count on us,” Jumbe told the minister when he visited ADMARC recently as part of consultations.

The consultations have seen the Minister meeting various players in the economy such as government Ministries and departments (MDAs), the banking sector, agriculture sector, manufacturing sector and SMEs.

According to Ministry of Labour, Director of Planning Macleod Muyepa, the ministry has also developed a data collection tool which is being used to collect baseline data to have an indication of available jobs and how many jobs could be created by both private and public sector.

Lusubilo Chakaniza, Chief Executive Officer for Dwangwa based EthCo is upbeat about this initiative.

During the Minister’s visit to Ethco, Chakaniza outlined strategies that her company is implementing and what her company expects from government in order to contribute to the one million jobs creation strategy of the Tonse Alliance Government.

She said her company had made deliberate effort to train employees on the job and that EthCo’s approach to human resources utilization is one that focusses on empowering and multiskilling people.

“There is, therefore, a potential to increase EthCo’s permanent workforce to around 150 employees and a further 500 employee as contractors/Seasonal or casual workers, “ she said.

However, she called upon government to come up with a good, robust and accredited skills training programmes that can be recognised internationally.

But Chakaniza shouldn’t spend sleepless nights over this because government’s regulatory body on skills development Technical Entrepreneurial and Vocational Education training Authority (TEVETA) has been working on developing modalities aimed at upskilling the workforce to ensure that it is competitive both at national and international level. According to Executive Director, Wilson Makulumiza Nkhoma his organization has introduced Productivity Enhancement Programme (PEP) aimed at enhancing productivity in both public and private sector.

“We believe that the more productive companies are the more goods they will produce hence the more people they will employ. We also constantly engaging the industry extensively to identity the appropriate skills needs in line with the technological advancement in the global manufacturing sector.

“We also periodically review our curriculum in consultation with the industry to respond to the same,” says Makulumiza Nkhoma.

So far the Labour Minister who is oftentimes accompanied by his deputy Vera Kamtukule has also met (SME’s) in order to get data base which will guide government in determining the number of jobs that could be created through SME’s. While presenting to the minister about prospects of the SMEs being another force in creation of jobs, the consultations also accorded the SME’s an opportunity to empty their chest with regards to the challenges being faced by the sector.

Among other challenges, the captains in the SME alleged that the sector is chocked by corruption and delay by some government agencies to certify their products for export. James Chiutsi, Executive Secretary for Chamber of Small and Medium Businesses said for SME’s to create more jobs they need financial support from government.

“Our members have numerous challenges, but we are, however, encouraged that issues of finances and skills development for our members are being looked into,” said Chiutsi. .

However, Wickly Mhango Malawi Confederation of Chambers of Commerce and Industries MCCC, Councilor in Mzuzu, is advising government to closely collaborate with private sector in implementing regulation .

“The duty of government is to make regulations, policies and direct the industries whom the regulations are meant for . But it is free for all and no one is implementing those regulations and no one is checking them. As the result, the markets are invaded by foreigners and crooks, which is conducive for corruption,” Mhango claims.

According to the minister, the qualitative and quantitative data will be analysed by a team experts. Thereafter a large group of participants drawn from those consulted will be called to a validation meeting to confirm the findings.

“The other part is that as a ministry we believe that we have to make it easier for job seekers to access vacancies. We have, therefore, planned to introduce job centres in major cities in all major cities of Lilongwe, Blantyre, Zomba and Mzuzu and in five Municipalities of Mangochi, Karonga, Kasungu, Luchenza and Thyolo in the first phase,” says Kandodo.

He says at the job centres there will be a database where people looking for jobs will log into the computer and check jobs that are available and at the same time employers will be able to access data base of job seekers.

The Minister discloses that government plans to launch the Strategy end September or early October this year and that a Monitoring and Evaluation will be designed to monitor implementation of the strategy.

The consultative meetings have been hailed by various stakeholders who feel this as an opportunity for both the public and private sector weigh in the road map and will enable them to be part of job creation strategy. Madaliso Mandiwa Kazembe, Malawi Confederation of Chambers of Commerce and Industry, Director of Business Environment and Policy Dialogue considers the consultative meetings as a confidence building strategy but she asked government to consider providing incentives to the private sector to enhance job creation.

“Creation of a conducive environment will encourage growth of the economy and widen tax base. But we believe that during this COVID-19 pandemic period it might be worthwhile to consider tax refunds so that companies should not be pushed out of business”, she says. The minister promises to take up these issues with line ministers such as Minister of Finance.

However, the journey towards jobs towards creation of one million jobs may not be smooth if Malawi do not control their appetite for foreign goods and services which in most instance has led to job losses locally. This is the reason why Kondwani Namchukwa, Director of FISD urges the current government to operationalize the Buy Malawi Strategy which he believes could accelerate job creation.

The Buy Malawi Strategy is a government of Malawi programme that was launched on 18th March, 2016 was designed to promote consumption of locally produced goods and services. The essence of the programme is to change mindset and negative perceptions towards locally produced products in Malawi.

Unfortunately, to date the strategy seems not to be implemented to the letter if Kandodo’s sentiments are anything to go by. He has since lamented over the tendency of some individuals and companies to prefer foreign goods and services over locally made goods ad service. He says by not buying Malawi products, the country has been indirectly exporting jobs.

He advises: “Let us use import substitution seriously. We are importing goods and services which could be obtained within Malawi. Let us buy locally produced goods and by doing so we will be creating jobs”.

But regardless of whatever bottlenecks might be met on the journey Kandodo still insists that creation if one million within 12 months is possible.

“I am happy with the enthusiasm. Our consultations have shown that both public and private sectors are capable of rising up to the occasion. I believe once we create a conducive environment creation of million jobs or more will become a reality,” says Kandodo.