

Minister Naledi Pandor's speech at the Centres of Specialisation Artisan Programme lunch

Department of Higher Education and Training

Protea Hotel, Midrand

Friday, 9 March 2018

12.00

I'm very pleased to welcome you all to this meeting.

South Africa needs to devise partnerships that will generate solutions to address our many challenges. One of the critical challenges confronting South Africa is the large number of young people who have no education, no skills, or occupations.

According to the most recent employment stats [one in two young people \(aged 15-34\) are unemployed \(4 million\)](#). The Department hopes to secure partnerships with you to implement effective programmes for training artisans and entrepreneurs in a range of sectors.

The Centres of Specialisation programme we are implementing involves employers providing apprenticeships for young people, colleges providing training, and the DHET supporting the initiatives through funding and policy enablers.

The Department of Higher Education and Training (DHET) has been working on a programme to ensure South Africa has the skills required for its national infrastructure plan as well as for the ocean economy and War on Leaks. It's our intention to provide the skills through the partnership we will strengthen today. We have been liaising with the TVET college sector and key industry

players to formulate a well-designed industry-government skills development plan.

The first step we took was to contract with employer associations (or trade union federations) to help us.

After we secured agreement from our industry partners, they helped us to identify public TVET colleges, which can provide the required theoretical and simulated practical training.

I'm happy to report that we have 780 confirmed grant commitments from SETAs already, meaning there is a grant for every contracted apprenticeship in the Programme.

The National Skills Fund has set aside R150 million to support the colleges to ensure they are up-to-date and ready.

The DHET will be presenting the plans to SETAs in the first week of April to secure their support. We'll also meet with potential international partners.

I'd like to ask your representatives on SETA boards to support us so that public TVET colleges can meet your needs.

We want to use fiscal funds to pay for the theory and the simulated practical components of this training at the colleges, while the levy continues to fund the employer grant (although partnerships with the private sector in this practical space will be considered, and if agreed, funded).

Please note here that this will mean your tax rands will be working

harder for you as they will be funding programmes that meet your needs.

Our idea is that only apprentices who have employment contracts will be enrolled at the relevant colleges, in order to overcome the divide that has developed between colleges and companies.

We're happy to discuss these proposals with you once they have sufficient shape.

As I hope you can see, we and our partners have been very busy. This is a highly strategic pilot project and we'll roll it out incrementally to other trades and colleges at system level when our monitoring and evaluation is done.

My short message to you today is that national employer associations have a key role to play in modernising our TVET system for the production of intermediate-level skills.

Are you ready to rise to the challenge? I hope so, we need you!

Thank you.