



higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

ADDRESS BY MINISTER OF HIGHER EDUCATION AND TRAINING, DR. B.E
NZIMANDE, AT SAPREF OIL REFINERY LEARNERSHIP AND BURSARY
HANDOVER CEREMONY, DURBAN, 08 FEBRUARY 2014

Programme Director,

Distinguished Guests,

Bursary and Learnership recipients, for whom we are gathered here today,

Ladies and Gentlemen,

Fellow South Africans.

It is indeed a great pleasure and honour to be invited to this important occasion by SAPREF, Shell and BP's oil refinery, to preside over the official hand-over of contracts to matriculants: 70 learnerships and 10 bursaries for engineering at university level for the 2014 academic year.

This initiative by SAPREF is commendable. It is a concrete commitment by one of the major economic players of our country, planting the seeds that will ensure South Africa's economic growth. I am highly encouraged by SAPREF's initiative. The company's initiative is a symbol of what can be done by industry in this area, and a model for how our esteemed business community can take a lead in nurturing our future leaders, ensuring that they acquire high level training and qualifications to support the broad objective of a skilled and capable workforce for inclusive economic growth. Placement of learners in SAPREF for work-based learning is an outstanding

manifestation of your organisation's commitment to the spirit of our shared goals captured in the National Skills Accord.

Shortage of skills, particularly technical and vocational skills, continues to be one of the major constraints to economic growth and to the transformation of the South African economy. Due to such shortages, industry and government are unable to implement viable economic projects adequately, constraining economic growth. Sadly, over 3.4 million of the country's young people between the ages of 15 and 24 are not in employment, education or training. Strategies are required to pull the youth out of the doldrums of poverty and misery.

In July 2011, partners represented in NEDLAC, including government, community representatives, organised labour and business, agreed that education and training is a matter for the whole of society and cannot be left in the hands of the state alone. In this spirit, following the launch of the NSDS III in the same year, we all signed a National Skills Accord, a very progressive commitment focusing the collective effort of business, labour, communities and government on a common purpose, that of educating our society.

On our part, as DHET, we take the issue of skills development very seriously. That is why we so strongly commend the work of SAPREF. We are quite aware that South Africa needs a skilled workforce that can take the country's economy forward to unprecedented heights. We need, for instance, a sizeable number of qualified and competent artisans such as motor mechanics, electricians and plumbers. To show our commitment to artisanship, DHET recognised 2013 as the Year of the Artisan and encouraged the youth nationwide to consider careers in this vital area. Furthermore, DHET has declared 2014 ó 2024 the Decade of the Artisan, launching this project on 3 February at the Ekurhuleni East TVET/FET college in Kwa-Thema. In line with the National Development Plan, we expect to produce 30 000 artisans per annum by 2030. This is why, through devoting a large proportion of our bursaries to FET students, we encourage our youth to attend FET colleges and acquire vocational skills for the country's economic development.

As part of government's contribution to turning every workplace into a training space, we intend to increase learnerships at all levels of the Public Sector, placing FET

graduates in work integrated learning environments. This approach has contributed enormously towards enhancing the image and status of the public FET Colleges.

I and my counterparts in Cabinet have been calling upon state owned companies and provincial and local governments, as significant employers, to play a major role in enhancing skills training. Results are showing: for instance on November 28, 2013, DHET and the Gauteng provincial government launched the Gauteng FET graduate placement programme. During the launch, it was announced that more than 2500 learners had been placed in the province's various governmental departments for workplace training from a total of over 4000 learners. DHET officials are hard at work, engaging other provincial governments, including the one in this province, and encouraging them to draw lessons from the Gauteng student placement programme. And the response is positive.

In addition, SETAs have developed excellent projects aimed at addressing some of the key challenges faced by young people in accessing education and training opportunities. Working together with government, FET Colleges and private sector partners, SETAs continue to make a significant difference in the national and provincial economy by providing funding, career guidance, workplace-based training, apprenticeships, artisanship training, learnerships, and other sector-focused interventions.

SETAs have also resumed the process of opening offices in townships and rural areas, bringing education to citizens. The opening of SETA offices in FET colleges will facilitate students' placement in the workplace and will enable SETAs to offer career guidance to FET students. DHET's ultimate goal is to ensure that every FET college has a SETA office. To date there are thirty-four SETA offices within FET colleges across the country.

I invite SAPREF to extend its community building initiatives by moving closer to our FET Colleges, not just to receive a product, but to influence its content. This is possible in various ways, above all through direct participation as industry representatives in college governance structures and through direct engagement with related faculty heads. To facilitate such direct communication and interaction, my department recently launched "Occupational Teams" whose main aim is to facilitate

in-depth engagements between curriculum specialists in industry (practitioners), those in my department (policy makers) and those in education provisioning, both private and public education providers (educators). I leave this challenge to SAPREF to ponder on. You may also consider engaging CHIETA, the SETA that services SAPREF's particular field, on the matter.

Poverty and social inequities stem from the exclusion of the majority from the labour market. Therefore, higher employment and economic participation would help greatly in reducing poverty and income inequality. But we cannot achieve high employment if we do not address the skills challenges. As a result, government has invested heavily in the post-school sector. For instance the NSFAS budget has increased substantially in an effort to keep pace with the increasing number of students in dire need of funding, almost tripling from R3.1 billion in 2009 to over R9 billion in 2014. In spite of this large increase in a short period of time, the financial demand in 2013 by eligible students led to a shortfall of R2.6 billion. This has led the Department to secure an additional R1 billion for NSFAS funding. This is still not enough, but as we all know there are many pressing demands on the fiscus and even something as important as financing tomorrow's skilled South Africans must compete for funds. It is therefore all the more important that other social partners also contribute, as SAPREF is doing so impressively. For 2014 academic, the total NSFAS budget for loans, bursaries and scholarships from all sources is over R9 billion.

In this province we are planning to build twelve new FET campuses and two new Skills Centres. These will create an additional 20 000 new FET college spaces. In Pietermaritzburg we have invested R300 million in the DUT Indumiso complex to expand infrastructure and programme offerings for engineering and mid-level health professionals. We also need to further upgrade the Plessislaer FET college campus as part of this revitalization of that educational precinct. This is also going to create jobs in Pietermaritzburg whilst expanding post school education and training opportunities. We have similar plans in other areas. For example: for the period 2012/13 to 2014/15, provincial universities have received the following funding for student residences:

- DUT - R115 million
- MUT - R85 million

- Zululand - R120 million
- UKZN - R80 million.

Here in Durban:

- To date, the department has allocated a total of R585.1 million towards infrastructure development at Durban University of Technology (DUT). For the period 2007/08 to 2009/10, R50 million was allocated, for the period 2010/11 to 2011/12, R173.6 million was allocated and for the period 2012/13 to 2014/15, a further R361.5 million is allocated to DUT.
- To date, the department has allocated a total of R335.2 million towards infrastructure development at Mangosuthu University of Technology (MUT). For the period 2008/09 to 2009/10, R30 million was allocated, for the period 2010/11 to 2011/12, R76.2 million was allocated and for the period 2012/13 to 2014/15, a further R229 million is allocated to MUT.
- To date, the department has allocated a total of R586.7 million towards infrastructure development at the University of KwaZulu-Natal (UKZN). For the period 2006/07 to 2009/10, R 124 million was allocated, for the period 2010/11 to 2011/12, R218.7 million was allocated and for the period 2012/13 to 2014/15, a further R244 million is allocated to UKZN. Of course UKZN has a branch in Pietermaritzburg.

The recent launch of the White Paper for Post-school Education and Training on 16 January is another major DHET milestone, demonstrating our serious commitment to higher education and training. This policy will bring about a single, coherent, highly articulated and diverse post-school education and training system, emphasising vocational training and with all sub-sectors and institutions playing their unique role. The aim of this White Paper is to create a framework that defines DHET's focus and priorities and that enables it to shape its strategies and plans for the future. It sets out policies to guide the DHET and the institutions for which it is responsible in order to contribute to building a developmental state with a vibrant democracy and flourishing economy. I urge all of us to read this document and familiarize ourselves with its content in order to understand the nuances of our post-school-sector.

Let me return to the reason that we are gathered here today. Provision of 70 learnership opportunities and 10 bursaries for university studies in engineering is an immense contribution towards improving the lives of the beneficiaries and of the

communities from which they come. It is particularly pleasing that most of the recipients are women. SAPREF's initiative is an important step towards breaking the cycle of poverty for some families and is a very concrete, very constructive contribution to the economic growth of our country and region. Once more, I congratulate you on this initiative, and take off my hat to the commitment displayed by both management and staff of SAPREF. *Nakusasa niphinde nenze njalo.*

The initiative by SAPREF goes a long way towards fixing glaring gaps in our education development path. I am making a further appeal to the company: please look deeply and creatively at other potential opportunities to open up more training spaces for our young people, in the spirit of my Department's slogan, *“Turning every workplace into a training space”* and in that of the recently adopted youth employment incentive scheme.

SAPREF's other investments in empowering a number of our young people at basic education level do not go unnoticed. These include interventions like Saturday classes in mathematics, science and English; establishment of two fully equipped state of the art science laboratories in neighboring high schools in 2013 in addition to the 10 laboratories established in earlier years. This country fully appreciates your commitment.

Thank you also for your induction programme which introduces grade 10 learners to a career in petrochemical refining. This programme enables students to compete for SAPREF bursaries upon reaching matric. As DHET we are aware that the total investment for the induction programme, learnerships and bursaries is no less than R10 million. We sincerely applaud you for making such a huge investment in the lives of needy students especially, as I have said, since most of the recipients are women. We hope that other private sector companies will emulate you.

To learners who are receiving bursaries and learnerships today, we commend and congratulate you for your outstanding achievements. I urge you to work very hard and achieve the highest standards possible. Use the newly acquired skills to plough back the benefit of your skills and experience to your communities. In this country, opportunities are endless for determined young people. The democratic dispensation of 1994 has made it possible for opportunities to be available. Good luck to all the

recipients and thank you all for the opportunity to share this wonderful occasion with you.

Siyabonga nakubazali bezingane ezizozuza imifundazwe namhlanje. Nihambe ibanga elide nezingane zenu kusukela ekuzalweni kwazo kuze kube yinamhlanje. Sonke siyajabula namhlanje ngoba nakhu imizamo yenu yayo yonke leminyaka iphume nezithelo ezinhle.

Ngiyabonga