National Skills Conference 2013
Summary of progress made on NSDS III
Birchwood Hotel and Conference centre, Boksburg, Gauteng
10 - 11 October 2013
FOCUS ON:

1. DHET Mandate

2. Progress on the NSDS III and other Post School landscape areas

3. Challenges in Skills Development

4. Plans to address the skills needs

5. Conclusion
1. DHET Mandate

- Education & training is one of the 5 key priorities of government
- Cabinet has adopted *A Skilled and Capable Workforce to Support an Inclusive Growth Path* as a priority outcome for this government – OUTCOME 5
- A skilled and capable workforce is critical for decent work; an inclusive economy; labour absorption; rural development; the reduction of inequalities and the need for a more diversified and knowledge intensive economy
- Outcome 5 has 5 interlinked outputs which responds largely to the conundrum outlined in the slide giving a table.
5 Interlinked Outputs of Outcome 5, designed to achieve set objectives

Output 1: Skills Planning

Output 2: Raise the base

Output 3: Increase access to intermediate skills

Output 4: Increase access to high level skills

Output 5: Research, Development and Innovation
2. Progress on the NSDS III and other Post School landscape areas
The NSDS III seeks to:

- Integrate higher and further education with skills development into An integrated, fully articulated Post School Education & Training System (PSET)
- Increase access to training by expanding and capacitating public provisioning system
- Increase skills development opportunities available to unemployed people, youth in particular
- Achieve fundamental transformation of the skills system
4.1 Establishing a credible institutional mechanism for skills planning

The skills planning mechanism comprises 3 components:

- Career Advisory Services (CAS)
- The Higher Education and Training Management Information System (HETMIS)
- The Labour Market Information Project (LMIP)

**CAS**
- Career helpline active;
- Career information provided on the web (http://www.ncap.careerhelp.org.za); and
- Weekly radio programmes in all provinces.

**HETMIS**
- The development of 8 new management information systems has commenced.

**LMIP**
- Forecasting model operational;
- Firm survey to be piloted; research reports produced; and
- Two capacity building sessions and several seminars held.
Goal 2 - Increasing access to occupationally-directed programmes

- Increasing access to occupationally-directed programmes.
  - Annually, produce 10,000 artisans in critical areas
  - In Nov. 2010, DHET established NAM to lead implementation of the National Artisan Development Programme
  - Round-tables with business and Labour to facilitate collaboration between social partners in the implementation thereof.
  - In 2012/13 Financial year, the set annual target of 10,000 was surpassed significantly, by a whopping 5200 certified candidates.
  - Through the ATD-TTT processes, development of a sustainable funding and learner administration model and system, identical across SETAs for all artisan trades has met its milestones. Policy approved.
Output 4.2.3.2: Agreements are entered into between SETAs, university faculties and other stakeholders on appropriate interventions to support improved entry to priority programmes, increased work experience, and experiential learning for students, and access to work post graduation.

Graduate Placement / WIL Partnerships

<table>
<thead>
<tr>
<th>Some Employer Organisation</th>
<th>Graduate Placement / WIL Opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Department of Public Works</td>
<td>1,287</td>
</tr>
<tr>
<td>Gauteng Provincial Administration, Local Government and Municipalities</td>
<td>2,150</td>
</tr>
<tr>
<td>Free State Provincial Administration, Local Government and Municipalities</td>
<td>707</td>
</tr>
<tr>
<td>Eastern Cape Provincial Administration, Local Government and Municipalities</td>
<td>1,600</td>
</tr>
<tr>
<td>Kwa-Zulu Natal Province, Local Government, Municipalities and State-owned Entities</td>
<td>1,162</td>
</tr>
<tr>
<td>TOPAZ Sky Trading</td>
<td>500</td>
</tr>
<tr>
<td>New Age</td>
<td>4</td>
</tr>
<tr>
<td>National Youth Development Agency</td>
<td>25</td>
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<tr>
<td></td>
<td>Total Opportunities Created</td>
</tr>
</tbody>
</table>
Higher level professional qualifications

In support of the PME targets above, the NSF in 2011/12 and 2012/13 financial year allocated R1.138 billion to the National Students Financial Aid Scheme (NSFAS) to support 11663 students for undergraduate bursary awards.

The NSF further supports access to higher level professional qualifications through NRF – Post Graduate Study Bursaries:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>2011/12</th>
<th>2012/13</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSF Allocation</td>
<td>R95,3 million</td>
<td>R138,9 million</td>
<td>R231,2 million</td>
</tr>
<tr>
<td>Bursary Type</td>
<td>Bursaries Awarded</td>
<td>Bursaries Awarded</td>
<td>Bursaries Awarded</td>
</tr>
<tr>
<td>Honours</td>
<td>698</td>
<td>412</td>
<td>1,110</td>
</tr>
<tr>
<td>Masters</td>
<td>320</td>
<td>478</td>
<td>798</td>
</tr>
<tr>
<td>Doctoral</td>
<td>117</td>
<td>156</td>
<td>273</td>
</tr>
<tr>
<td>Post-Doctoral</td>
<td>13</td>
<td>25</td>
<td>38</td>
</tr>
<tr>
<td>Total Bursaries Awarded</td>
<td>1,148</td>
<td>1,071</td>
<td>2,219</td>
</tr>
</tbody>
</table>
Goal 3 - Increasing growth of a public FET College system that is responsive to sector, local, regional and national skills needs & priorities

The current national focus on FET Colleges as institutional forms for skills delivery has seen enrolments increase from 300,000 learners in 2011 to 350,000 learners in 2012, 550,000 learners in 2013, and an estimated 1,000,000 learners by 2014. A target has been set of four million students at FET Colleges by 2030 (NDP & DHET Green paper)
Goal 3 - Increasing growth of a public FET College system that is responsive to sector, local, regional and national skills needs & priorities Cont....

- R2.5 billion allocated from the NSF effective from 2012, for three years in the FET system to expand programme offering and mix, viz., NC(V), N1-N3; N4-N6; Skills programmes; Learnerships; Internships; Apprenticeships; College capacity building

- A further R2.5 billion is earmarked FET infrastructure (12 new college compasses to expand access to skills training to youth in the most remote areas of the country).

- Opening of joint SETA offices in FET Colleges, to promote the all important link between education and workplace based training.
Goal 4 - Addressing the low level of youth and adult language and numeracy skills to enable additional training

- A comprehensive capacity building programme, including workplace and industry experience, has been developed and agreed with stakeholders.
- Initial projects under this programme include the Swiss South Africa Cooperative (SSACI) involving fifteen FET Colleges in a workplace project for lectures.
- To support the development of the strategy, a Workplace-Based Experience (WBE) Framework is under development.
- The context of this project, the Taletso FET College has contracted the Swiss South Africa Cooperation Initiative (SSACI) to develop the WBE Framework.
- A National Student Work Readiness Programme is being developed through the Orbit FET College in the North West.
Goal 5 - Encouraging better use of workplace-based skills development

- To ensure that quality programmes are agreed on, SETAs have identified priority skills needs and suitable programmes for employed workers in their sectors
- Learning Programme Regulation was developed to enhance the objectives of this goal
- SETA grant regulations were developed to establish grant systems and processes to incentivize and ensure that funding is directed at the agreed programme
- DHET identified lead SETAs to develop sector project proposals to deliver, along local supply chains, cross sectoral programmes and projects to address skills needs aimed at supporting local economic development
- The NSF is also funding the DTI-BPO&O Training Grant Scheme, which benefits new workers under the incentives scheme for new investments and expansion initiatives:
Goal 5 - Encouraging better use of workplace-based skills development

<table>
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<tr>
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<tbody>
<tr>
<td>Training Grants Scheme</td>
<td>WSDSP and BPO&amp;O Training Grants Programme</td>
<td>DTI-BPO&amp;O Training Grants Scheme (The DTI replaced the Business Processing Services training grant programme in early 2012)</td>
</tr>
<tr>
<td><strong>New workers benefiting from the training grants scheme</strong></td>
<td>7,050</td>
<td>383</td>
</tr>
<tr>
<td><strong>Total number of new workers benefiting from the training grants scheme</strong></td>
<td>19,787 (2005 to 2012)</td>
<td>1763</td>
</tr>
<tr>
<td><strong>Total expenditure in training grants paid to participating companies</strong></td>
<td>R96,4 million (2005 to 2012)</td>
<td>R2,9 million</td>
</tr>
</tbody>
</table>
Goal 6—Encouraging and supporting cooperatives, small enterprises, worker-initiated, NGO and community training initiatives

- **Cooperatives supported in 2011/12 and 2012/13**
  - The decline between targeted and actual support given to the Cooperatives is of interest given that there was an over-achievement of 17% in the previous year. This decline is also mirrored in the year-on-year decrease of 30% in actual cooperatives supported and should be investigated given the importance of cooperatives to rural development.
  - A Ministerial Task Team has been set up to advise on the feasibility and model for a National Cooperative Academy, final report expected in April 2014.

- **Small Businesses Supported by SETAs – 2011/12 and 2012/13 –**
  - The 41% improvement in support for small businesses, a critical element in the economic growth and development of South Africa, a very good indication that “SETAs, through their skills planning research, are identifying the skills needs of small and emerging businesses in their sector, and promoting relevant programmes”.

- **Community-Based Organisations (CBOs) Supported by SETAs – 2011/12 & 2012/13**
  - The anomaly in the 2011/12 CBO’s supported target (59) versus the actual CBO supported (15730) should be analysed as it represents an over-target achievement of 26661%. The cost and benefit of this support, and its consequent impact on skills development programme budgets, should be included in this analysis.

<table>
<thead>
<tr>
<th>SETA Entity Support Programmes 2011/12 – 2012/13</th>
<th>Total</th>
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<tbody>
<tr>
<td>Total Cooperatives Supported: 2011/12 – 2012/13</td>
<td>1270</td>
</tr>
<tr>
<td>Total Small Businesses Supported: 2011/12 – 2012/13</td>
<td>31921</td>
</tr>
<tr>
<td>Total NGOs Supported: 2011/12 – 2012/13</td>
<td>16221</td>
</tr>
<tr>
<td>Total CBOs Supported: 2011/12 – 2012/13</td>
<td>15850</td>
</tr>
<tr>
<td>Total NLPEs Supported: 2011/12 – 2012/13</td>
<td>30475</td>
</tr>
<tr>
<td><strong>Total entities supported through SETA programmes</strong></td>
<td><strong>95737</strong></td>
</tr>
</tbody>
</table>
Goal 7 - Increasing public sector capacity for improved service delivery and supporting the building of a developmental state

- DHET determined that the SETAs must identify Government departments in their sectors, and evaluate and report on the relationship and engagement between the SETA and respective line departments.

- DHET will analyse the current roles, commitments and engagement of governments and their SETAs, and develop a consolidated map of the SETA / government department engagements.

- DHET will also define the roles and responsibilities of SETAs in respect of their line departments, and roles and responsibilities of departments in respect of their line SETAs.

- The Skills Branch, together with the DPSA and the HRD Secretariat, is currently developing a profile of all structures engaged in public sector HRD planning and implementation, and a public service HRD planning paper.

- To ensure that the SETA SSPs meet the capacity needs of relevant departments and entities, the SETAs will conduct research into public service skills development needs in their respective sectors and set out, in their respective SSPs, the identified skills needs and priority programmes to address the needs.
Goal 8 - Building career and vocational guidance

- KHETA Project established in conjunction with SAQA
- SAQA, through the CAS project development of a national web-based career management and information system
- First three modules were completed
  - Learning pathways
  - Learning directory
  - E-portfolio
- Minister approved and published the Cooperation Framework for the Provision of Career Development Services in South Africa, e.g. which aims to:
  - To serve as the basis and starting point for the development and implementation of a National Career Development Policy for the country;
  - To make specific recommendations for various aspects of the provision of career development services for the country
  - Minister’s road shows to provinces promoted Career guidance services during the Mandela day
Some NSF priority intervention

Other work undertaken by the DHET, through the NSF, over and above bursary funding for critical skills include, but not limited to:

- Training of 6,900 NARYSEC recruits from all Rural Wards of the country for effective participation in the rollout of rural infrastructural programme.
- Training of over 30,000 unemployed young people in partnership with Public Works Dept to participate in the countrywide EPWP rollout
- Trained over 3,000 young people in partnership with DTI/Monyetla in the BPO & O sector, with 77% employment absorption.
- Support and funding for the green skills initiatives through the establishment of the South African Renewable Energy Training Centre at CPUT.
- Strategic Infrastructure Projects for the Colleges and Universities to expand access to education and skills training opportunities.
- More funding being directed towards international scholarships to promote comprehensive career development.
3. Challenges in Skills Development
CHALLENGES

- Continuing poor work readiness of many young people leaving formal secondary and tertiary education and entering the labour market for the first time
- Continuing skills shortages in the artisanal, technical and professional fields that are fundamental to the development and growth of our economy – these skills are essential to drive the industrial and beneficiation strategy of the country identified in IPAP, NGP & NDP.
- Insufficient progression towards more appropriate (intermediate and higher) skills required for growth sectors in a knowledge economy
- Many sectors of the economy pay minimal attention to equipping their workforce to adapt to change as the economy becomes more knowledge-based
- Dominant urban bias of our economic development and therefore the urban bias in our skills development initiatives
- Etc.
4. Plans to address the skills needs
PLANS TO ADDRESS SKILLS NEEDS

- Continuous improvement of linkages between education and workplaces
  - Skills Accord
  - SETA/FET Collaborations

- New Grant Regulation, with special focus on PIVOTAL Programmes; New policy on Artisan Development & Strengthening of NAMB

- MoU with DPE – for revitalization of SOC training capacity and strengthening of FET/Industry partnerships

- Launch of Occupational Teams to assist in bedding down a concrete education and training pipeline across all professions

- DHET set up a dedicated unit to coordinate efforts targeting rural skills development needs.

- Continuous improvement on access and throughput in all institutions
5. CONCLUSION

• The thoughts and progress shared above are by no means exhaustive at all.

• Fortunately, NSDS III does not advocate hard targets, meaning that we should be judged by the difference our interventions will make to our respective target beneficiaries and economy, rather than a narrow focus on numbers trained.
CONCLUSION......

• Furthermore, NSDS III presents an opportunity to consolidate our small hard-worn experiences, to pool our collective resources and expertise without the need to mindlessly compete or pressure to upstage one another in pursuit of numbers.

• We trust that this interaction will enrich and present all of us an opportunity to learn, influence and be influenced by fellow stakeholders, in pursuit of a single goal.
• Ndiyabulela
• Thank you