



**MINISTRY
HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA**

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**KEYNOTE ADDRESS BY HONOURABLE BUTI MANAMELA MP, MINISTER OF
HIGHER EDUCATION AND TRAINING TO A MEETING OF CHAIRPERSONS AND
CHIEF EXECUTIVE OFFICERS OF SETAS, CPUT 12 FEBRUARY 2026**

Towards a Skills Revolution That Delivers Work, Dignity and Growth

Deputy Ministers Mimmy Gondwe and Nomusa Dube-Ncube.

Director General, Nkosinathi Sishi

Deputy Directors General of the Department

Chairpersons, Chief Executive Officers,

colleagues,

Let me begin by formally congratulating each of you on your appointment. You assume these responsibilities at a critical moment for our country, for the skills system, and for the institutions you now lead. Your appointment reflects confidence in your judgement, your experience, and your capacity to serve the public interest. I want to acknowledge that leadership in this space is demanding, often contested, and carries significant public scrutiny. I thank you for accepting that responsibility.

At the same time, I want to be clear from the outset: these appointments are not ceremonial. They are not symbolic. They are a call to leadership at a moment when the skills development system must change in both substance and culture. Through your appointment, the state has entrusted you — as Accounting Authorities, as Boards, as Chief Executives, and through you, your entire organisations — with stewardship over public and levy resources that exist for one purpose: to expand skills, open workplaces, and create pathways into decent work.

That is a profound responsibility.

As Accounting Authorities, Chairpersons and Boards carry the ultimate fiduciary duty for the integrity, direction, and performance of SETAs. This includes ensuring clean governance, ethical leadership, and financial probity. It includes setting strategic direction, appointing and holding management accountable, and ensuring that the institution serves its statutory mandate rather than internal interests. Boards must lead with independence, discipline, and a clear understanding that public confidence in the skills system rests significantly on your conduct.

Chief Executive Officers, as Accounting Officers, carry a different but equally demanding responsibility. You are responsible for execution. For building capable administrations, enforcing internal controls, implementing strategy, and ensuring that decisions of the Board translate into measurable outcomes on the ground. You are accountable for operational integrity, value for money, and delivery. Where Boards set the direction, management must deliver — lawfully, efficiently, and transparently.

Let me emphasise this early, because it is foundational to everything that follows: there must be a clear, respected, and functional line between governance and management. Boards govern; management executes. Boards provide oversight; management accounts. Where this line is blurred, institutions fail. Where it is respected, institutions perform. As Minister, and as government, we will insist on this distinction — not as a matter of form, but as a condition for institutional stability and credibility.

We are therefore entering this reform period with a firm commitment to clean governance, strong financial controls, and clear accountability. This is non-negotiable. It is not aimed at any individual or institution, but at restoring confidence in the system as a whole. The era of weak oversight, blurred accountability, and tolerance of underperformance must come to an end if the skills revolution is to succeed.

I want to be equally clear: this reform agenda is not punitive. It is corrective and developmental. Strong governance is not an obstacle to delivery; it is its precondition. Institutions that are well-governed, ethically led, and professionally managed are better placed to mobilise employers, partner with public institutions, and deliver real outcomes for young people and workers.

This is the leadership context in which we meet today. Not as adversaries, not as distant overseers, but as partners in a national project that demands seriousness, discipline, and a shared sense of purpose.

We are meeting at a moment of impatience in society. A moment where young people, workers, employers, and communities are asking a very simple question: what is the return on our investment in skills? They are not asking for reports. They are not asking for frameworks. They are asking for work, for dignity, for pathways into livelihoods, and for evidence that the system is working for them.

That impatience is justified.

South Africa has invested billions of rands over decades into skills development through the levy system, through public institutions, through policy reforms. And yet unemployment remains stubbornly high, particularly among young people. Employers complain that they cannot find the skills they need, while graduates complain that they cannot find work. Communities see training happening around them but no visible economic change. Trust has frayed — between business and government, between institutions and society.

We cannot respond to this moment with defensiveness. We must respond with clarity, courage, and reform.

Today I want to speak to you about the skills revolution we are building, what it means for the country, and crucially, what it means for SETAs — not as isolated institutions, but as central instruments in a reconfigured national system.

Let me be clear from the outset: SETAs are not being marginalised in this reform agenda. On the contrary, they are being repositioned. But repositioning requires honesty about what has worked, what has not, and what must change.

The central idea of the skills revolution is simple, even if its execution is complex. We are building a system where skills development leads directly to work, productivity, and inclusive growth. A system where education and training are integrated with real workplace experience. A system that supports national growth priorities while addressing unemployment, inequality, and social exclusion.

This is not an abstract vision. It is directly aligned to government's Growth and Inclusion strategy, to the National Development Plan, and to the President's commitments in the State of the Nation Address. The President has been clear: we must overhaul the skills development system, strengthen a dual training model that integrates education with workplace learning, reform SETAs to improve governance and industry participation, and ensure that public and levy resources deliver real outcomes.

SETAs sit at the heart of that agenda.

But to play that role effectively, we must be clear about what SETAs are for.

SETAs are not parallel education systems. They are not mini-departments. They are not compliance factories. They are statutory instruments designed to perform a very specific function in the economy: to connect skills development to labour-market demand and to mobilise workplaces for training and employment.

In the skills revolution, that function becomes even more critical.

The first responsibility of SETAs is to act as the eyes and ears of the skills system in the labour market. Sector skills planning must become a serious economic exercise, not an annual administrative ritual. Your sector skills plans must tell us, with credibility and evidence, what skills are needed now, what will be needed in five and ten years, which occupations are declining, and which new ones are emerging.

This intelligence must be good enough to shape funding decisions, enrolment planning in TVET colleges and universities, and government's broader industrial and infrastructure strategies. It must align with national priorities, not sit in isolation. And it must feed into a single national skills data spine so that we finally have a clear line of sight on who is being trained, for what purpose, and with what outcome.

The second, and most important responsibility of SETAs, is mobilising workplaces.

Let me say this plainly: without workplaces, the skills system fails. No amount of classroom training, certification, or curriculum reform can substitute for real exposure to work. And this is where SETAs have a role that no other institution can play at scale.

SETAs exist because workers and employers sit at the centre of the levy system. That levy is not a tax for its own sake. It is a social compact: employers contribute financially based on their payroll and workforce, and in return, they open their workplaces for training, mentoring, and employment.

For too long, that compact has weakened. Employers have complied on paper but disengaged in practice. Training has happened without placement. Grants have been paid without sufficient verification of outcomes. We have all felt the consequences.

That must change.

In the skills revolution, SETAs become workplace mobilisation agencies. Your success will be measured not primarily by how much money you disburse, but by how many real training and workplace opportunities you unlock, how many young people you place into structured learning, and how many transition into employment.

This is why we are reforming the grant system. Increasing the portion of the mandatory grant returned to employers is not a concession; it is a lever. It is designed to bring employers back into the system in a meaningful way — but it will be conditional. No training, no grant. No workplace exposure, no reward. Public money must buy public value.

At the same time, we are simplifying processes, reducing red tape, and making it easier for employers, especially small and medium firms, to participate. But the direction is clear: SETA funding must be tied to verified outcomes — training, workplace learning, and where possible, absorption into work.

The third responsibility of SETAs is to fund and strengthen public PSET institutions, not bypass them.

TVET colleges are the backbone of occupational and artisan training in this country. CET colleges are our mass entry point for young people and adults who have been excluded from formal pathways. Universities and Universities of Technology play critical roles in high-level skills, professional formation, and applied research.

SETAs must work with these institutions, fund them, support their capacity, and help align their programmes to labour-market needs. What SETAs must not do is build parallel systems, proliferate small private providers with weak outcomes, or chase numbers without impact.

This is a strategic shift. It means concentrating resources where they deliver the greatest return: in strong public institutions, linked to workplaces, aligned to sector demand.

The fourth responsibility of SETAs is risk-sharing.

In a country with high unemployment, the first job is the hardest to get. Employers are understandably cautious. Young people lack experience. SETAs exist, in part, to absorb that risk on behalf of society. Learnerships, internships, apprenticeships, and cadetships are not just training instruments; they are social bridges into the labour market.

Every SETA must ask itself: how many unemployed young people are we bringing into the system each year, and how many are leaving with real prospects? Equity is not an add-on. It is central to your mandate.

Now, colleagues, let me also be clear about what must stop.

SETAs cannot continue as siloed bureaucracies detached from national priorities. They cannot tolerate weak governance, ethical lapses, or bloated administration. They cannot fund low-impact training that looks good on paper but changes nothing on the ground. And they cannot treat DHET oversight as interference rather than accountability.

The skills revolution demands a different culture: one of performance, transparency, and consequence management. Boards and CEOs will be held accountable for outcomes, not intentions.

At the same time, this is not about scapegoating SETAs. The challenges we face are systemic. Reforming SETAs without fixing workplace learning, without aligning NSF and NSFAS, without strengthening TVET and CET, will fail. But without SETA reform, the entire skills revolution will stall.

This is why we are approaching this as systemic reform, not piecemeal intervention.

SETAs will work alongside an outcomes-driven National Skills Fund that finances scale and transformation. They will align with NSFAS as it evolves from a payment mechanism into a strategic funding instrument. They will be part of a single PSET system, led and coordinated by DHET, accountable to Cabinet and society.

And let me emphasise this point: this reform agenda is not anti-business. It is pro-growth, pro-productivity, and pro-employment. But it is also clear-eyed. Business cannot sit outside the skills revolution while criticising its outcomes. The doors must open. Workplaces must be shared. Training must lead somewhere.

In closing, Chairpersons and CEOs, this is a moment of responsibility.

The skills revolution will not be delivered by speeches, documents, or structures alone. It will be delivered by daily decisions: which programmes you fund, which employers you prioritise, how you enforce conditionality, how you respond to failure, and how seriously you take your mandate.

History will not judge us by how well we managed the levy. It will judge us by whether we changed the lives of young people, strengthened the economy, and restored trust in the public institutions responsible for skills development.

SETAs can be part of that legacy. But only if we are prepared to change.

I look forward to working with you — firmly, transparently, and in partnership — to build a skills system that finally delivers on its promise.

Thank you.