

NATIONAL SKILLS AUTHORITY



CLOSE-OUT REPORT OF THE NATIONAL SKILLS AUTHORITY FOR THE PERIOD 2009 – 2014



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



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Foreword



I am pleased to present the National Skills Authority (NSA) Close-Out Report for the third term of office under the Ministry of Higher Education and Training (DHET). The report reflects key achievements made, highlights the challenges experienced and gaps that still exist in the execution of the NSA mandate over five (5) years from 2009-2014.

The NSA approved the following five key critical areas on which the Minister was advised over the five years aligned to the legislative mandate:

- Review the skills development legislative framework to support integration of education and training and national government (inclusive of the NSF framework);
- Mobilisation of business, government, community and labour to take full ownership of the National Skills Development Strategy (NSDS) III and the development of the related framework;
- Support development of a post-school education and training system that encourages society to support and build a developmental state, with specific focus on rural development and state-owned entities;
- Strengthen monitoring and evaluation functions, particularly in respect of the performance and governance of the NSDS III;
- Coordinate and promote research, development and innovations so that business enterprise opportunities are created to benefit communities and the vulnerable in particular.

I am proud to report the key achievements made by the NSA over the five years.

Review the skills development legislative framework to support integration of education and training and national government (inclusive of the NSF framework)

We advised the Minister to extend the implementation of the National Skills Development Strategy (NSDS II) 2005-2010 with one year while transitional arrangements of the transfer of the Skills Development Act (SDA) from the Department of Labour were being finalised. After a number of stakeholder engagements and consultations conducted by the NSA, the Minister was advised to review the Sector Education and Training (SETA) landscape 2011-2016; a process which resulted in the reduction of SETAs from twenty three (23) to twenty one (21). The Minister was also advised to review the SETA grant regulations to ensure that they address government and sector priorities and to approve the trade test regulations.

We also advised the Minister to approve NSF strategic plan and allocation framework for 2010-2013 to guide the work of the NSF and serves as a basis for an assessment of the Fund's performance by stakeholders over the period 2010 to 2013. The NSA conducted a number of investigations in SETAs ranging from poor performance to maladministration and due processes prescribed as per the SDA were followed to deal with cases of poor performance and as such a number of SETAs were placed under administration.

Strengthen monitoring and evaluation functions, particularly in respect of the performance and governance of the NSDS III

We coordinated a cumbersome process of consolidating the NSDS III Progress Report for the period 2011-2013, the report captures the achievements made and challenges experienced by implementing institutions in the implementation of the NSDS III. We strongly recommended that the department should prioritise impact assessment of the NSDS III and consider an integrated monitoring reporting system to ensure the alignment of financial and performance reporting. Between October 2012 and September 2013, the NSA conducted Provincial Consultative Workshop to monitor progress made in the implementation of the NSD III and other priorities of government in skills development. A detail report in this regard forms part of the 2011-2013 NSDS III Progress Report.

Support development of a post-school education and training system that encourages society to support and build a developmental state, with specific focus on rural development and state-owned entities

Prior to the development of the NSDS III we hosted Provincial Consultative Workshops in all Provinces to solicit input and to ensure alignment of provincial strategies to the NSDS. After the promulgation of NSDS III we further engaged with to understand the extent to which the NSDS III and other related government imperatives were being implemented at a provincial level and also to get a sense of implementation challenges in provinces.

Mobilisation of business, government, community and labour to take full ownership of the National Skills Development Strategy (NSDS) III and the development of the related framework;

We hosted two successful National Skills Conferences and had numerous strategic engagements with key stakeholders including government departments, international organisations and professional bodies with the aim of strengthening the implementation of the NSDS.

Conclusion

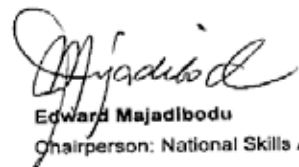
The NSA experienced both administrative and strategic challenges which had a direct impact on its ability to implement its mandate as per the SDA, and achieve its objectives outlined above, namely:

- > The shortage of personnel capacity including non appointment of the NSA Executive Officer;
- > No research studies were conducted due to lack of capacity and systematic delays;
- > The non-conclusion of the NSDS III first year annual report, due to co-ordination and consolidation delays;
- > The discrepancy in the misalignment of the SETA performance information, particularly the score card and the financial reporting;
- > Delays in appointing a fund management agency;
- > Dependence/overreliance on DHET processes; (supply chain management, human resources etc.)

The NSA made great strides and actively engaged on reviewing the skills development legislative framework, on mobilisation of business, government, community and labour, rural development and on strengthening the monitoring and evaluation of the NSDS III.

We however, performed poorly on the promotion and coordination of research; we are convinced that this area will be strengthened in the new refocused NSA.

We would like to thank the Minister Dr, Blade Nzimande for his support, leadership and strategic guidance as well as the Deputy Minister, the Director-General and the entire DHET for the ensuring that the South African mandate of a capable skilled workforce and inclusive economic growth path is realised.

 12/09/2014
Edward Majadibodu
Chairperson: National Skills Authority

1. Background and legislative context

The President Mr. GJ Zuma made a proclamation to establish the Department of Higher Education and Training on 1 July 2009 (Proclamation No 44 of 2009, Government Gazette Number 32367). Subsequent proclamations (No. 48 of 2009, Government Gazette No. 32387 of 7 July 2009 and No. 531 of 2009, Government Gazette Number 32549 of 4 September 2009) assigned responsibility to the Minister for legislation governing Universities, FET Colleges, Skills Development, Adult Basic Education and Training (ABET) and the National Qualifications Framework (NQF).

The legal transfer of the skills development function from the Department of Labour (DoL) to the Department of Higher Education and Training (DHET) took effect on 1 November 2009. The legislation previously administered by the Department of Labour was transferred on 1 November 2009 namely:-

- > All provisions of the Skills Development Act, 1998 (Act No. 97 of 1998) except sections 2(1)(g) and (h), 2(2)(a)(v), (vi) and (xii), 5(4) (only with respect to Productivity South Africa), 22(1), 23, 24, 25, 26K, 26L, 26M, 26N, item 4 of Schedule 2A and Schedule 4; and any other provision which pertains to "employment services", as defined in section 1, or Productivity South Africa, as established by section 26K,
- > Skills Development Levies Act, 1999 (Act No. 9 of 1999);
- > Section (9) of the National Qualifications Framework Act, 2008 (Act No. 67 of 2008).

The National Skills Authority (NSA) established in terms of Chapter 2, section (5) of the Skills Development Act (SDA) 97 of 1998, as amended (Act 37 of 2008), was similarly transferred to advise the Minister of Higher Education and Training, led by Dr BE Nzimande. The NSA is appointed to serve as an Advisory Body to the Minister for a period of five years. It was reconstituted in September 2002, December 2005 and again the Minister extended the term of office of the NSA to the end of June 2009. The NSA's third term period will end on 30 June 2014.

2. The role of NSA

As outlined in the Skills Development Act;

- > To advise the Minister on:
 - > National Skills Development Strategy.
 - > National Skills Development Policy.
 - > Guidelines on the implementation of the NSDS.
 - > the strategic framework and criteria for allocation of funds from the National Skills Fund; and
 - > Any regulations to be made.
- > To liaise with SETAs on :
 - > The National Skills Development Strategy.
 - > The National Skills Development Policy.
 - > The Sector Skills Plans.
- > To submit reports to the Minister on progress made.
- > To conduct investigations.
- > To exercise any powers or perform any duties conferred by the Act.

2.1 NSA Composition

The NSA consists of the following stakeholders:

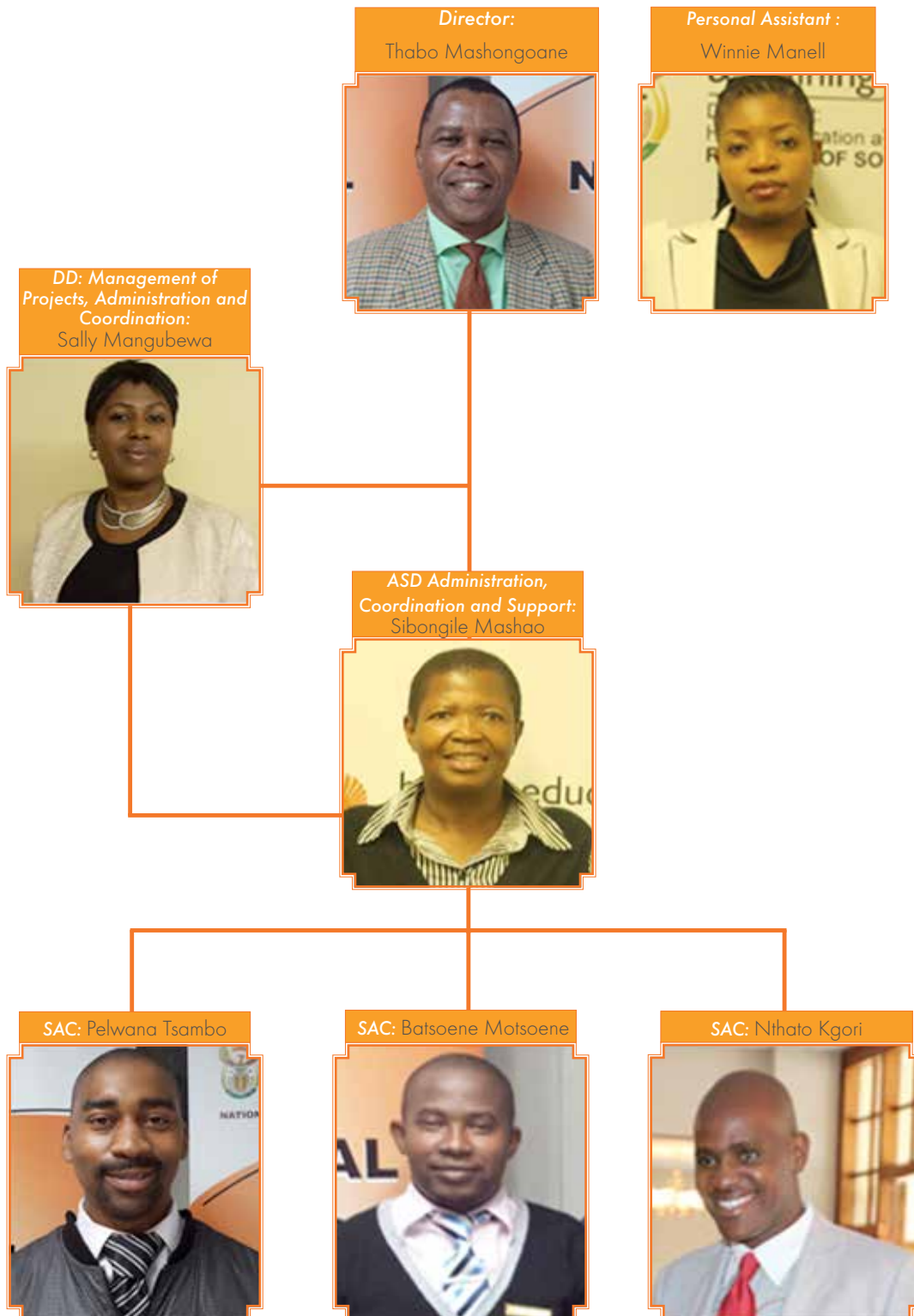
- > Chairperson (appointed by the Minister)
- > 5 members each nominated through NEDLAC from organised Labour (COSATU, FEDUSA and NACTU)
- > 5 Business and
- > 5 Community (Civic organisation (SANCO), Youth (SAYC), Women (WNC) and People with Disabilities)
- > 5 State representatives Department of Trade & Industry (DTI), Department of Higher Education and Training (DHET), Department of Public Service & Administration (DPSA) and Department of Cooperative Governance & Traditional Affairs (COGTA) (appointed from government departments whose mandate is linked to and impact skills development);
- > 4 Education & Skills Development providers (public, private, FET, HESA and ABET)
- > 5 Ministerial discretionary appointments (SAQA, 2 Employment Services & 2 people with expertise and knowledge in skills development)



Chairperson: Eddie Majadibodu

BUSINES	LABOUR	COMMUNITY	PROVIDERS	STATE	EMPLOYMENT SERVICES	SKILLS EXPERT	SAQA & QCTO
Deputy Chairperson: Beverly Jack	Deputy Chairperson: BhabhaliKaMaphikela Nhlapo	Deputy Chairperson: Lulama Nare	Deputy Chairperson: Rooksana Rajab	Deputy Chairperson: Dick Bvuma	Duduzile Letseli	Eubert Mashabane	Joe Samuels
Janet Lopes	Amon Teteme	Conti Matlakala	Dorothy Ralebipi-Simela	Bheki Mahlobo	Vacant	Maliviwe Lumka	Joyce Mashabela
Nhlanhla Goba	Bonny Marekwa	Francis Grantham	David Diale	Siphon Zikode			
Percy Mongalo	Dennis George	Thulani Tshabalala	Vacant	ADDG: Skills Development Branch: ZukileMvalo			
Stella Carthy	Manene Samela	Thulani Tshafuta					

NATIONAL SKILLS AUTHORITY SECRETARIAT



3. Progress and achievements

3.1 Advice to the Minister on National Skills Development Strategy.

In November 2009 the National Skills Authority (NSA) advised the Minister to extend the implementation of the National Skills Development Strategy (NSDS II) 2005-2010 until March 2011. In June 2010, the NSA conducted stakeholder consultations including Provincial Skills Development Forums (PDSFs) and constituency consultations to consolidate inputs and recommendations to advise the Minister on the National Skills Development Strategy (NSDS III) to be implemented from 2011-2016. The public comment process allowed for individual and collective input from the public. The NSDS III was launched in January 2011, and provides a framework of skills priorities on which training institutions and delivery partners should focus in order to improve the skills base of our country.

3.2 Advice to the Minister on National Skills Development Policy

3.2.1 SETA Landscape 2011-2016

Chapter 3 (9) 4 of the SDA 97 of 1998, as amended stipulates that the Minister may, after consulting the NSA and the SETAs in question, change the sector of a SETA and must publish a notice in the gazette reflecting such change. In June 2010 The NSA facilitated and gazetted the call for submissions of presentations on the change of the SETA landscape. The process was aimed at ensuring that the SETAs are aligned to deliver on national skills development and training priorities. In terms of Section 9 of the Skills Development Act, 1998 (Act No. 97 of 1998), the following criteria were applied to arrive at the proposed new landscape:

- > Fit for purpose (the objective of establishing SETAs is to fulfil functions as per the Act)
- > Coverage of all economic sectors
- > Alignment with national government departments
- > Coverage of all employers in that economic sector including
 - » public and private;
 - » large, medium, small & micro sized employers;
 - » employers with similar occupational profiles;
 - » employers delivering similar products or services

- > Financial sustainability
- > Operational viability.

The reasons behind the proposed changes in the scope of coverage for 2011-2016 included:

- > Maximising the focus of the SETA on a "discrete" economic sector to assist with alignment to national economic and social development strategies and the Industrial Policy Framework and Action Plan - reflected as "single focus";
- > Maximising the value-chain across economic activities to enable product and service supply from primary to tertiary economic activities and enhancing beneficiation possibilities - reflected as "supply value chain",
- > Maximising financial sustainability and viability to enhance the administrative and service delivery functions of SETAs - reflected as "financial viability". In this regard, it is important to note that this does not imply cross-subsidisation of sub-sectors within a SETA. The grant system remains as reflected in the Skills Development Act and NSDS III. Rather the intention is to ensure that all SETAs have sufficient administrative income to enhance performance and service delivery;
- > Maximising skills development initiatives around similar occupational needs and education, training and occupational qualification requirements - reflected as "commonality of occupations and skills needs".

The intention was to ensure that there was greater alignment between SETA strategies and those of the relevant government ministry as a basis to leverage government department support in the SETA. The NSA received more than 300 submissions from the stakeholders and the public. A week long stakeholder public hearing process was conducted where the applicants presented their submissions. The Minister was advised to review the SETA landscape which resulted in the reduction of SETAs from twenty three (23) to twenty one (21).

The Minister announced the new SETA Landscape in November 2010. The Minister was advised to reestablish the PSETA and ensure its financial viability and sustainability. A Ministerial directive was issued by the Department of Public Service and Administration (DPSA) in 2013 to regulate the utilisation of the 1% personnel budget for training and development in line with the Skills Development Act, NSDS Goal 4.5 and the Human Resource Development Framework for the Public Service.

<i>SETA Landscape 2005-2010</i>	<i>SETA Landscape 2011-2016</i>
1. AGRISETA	1. AGRISETA
2. BANKSETA	2. BANKSETA
3. CETA	3. CETA
4. CHIETA	4. CHIETA
5. CTFLSETA	
6. ETDPSETA	5. ETDPSETA
7. ESETA	6. EWSETA
8. FASSET	7. FASSET
9. FIETA	8. FP&MSETA
10. FOODBEV SETA	9. FOODBEV SETA
11. HWSETA	10. HWSETA
12. LGSETA	11. LGSETA
13. ISETT SETA	12. MICTSETA
14. INSETA	13. INSETA
15. MAPPP SETA	
16. MERSETA	14. MERSETA
17. MQA	15. MQA
18. PSETA	16. PSETA
19. SASSETA	17. SASSETA
20. SERVICES SETA	18. SERVICES SETA
21. TETA	19. TETA
22. THETA	20. CATHSSETA
23. W&RSETA	21. W&RSETA

3.2.2 Advice on regulations

The NSA engaged with the department on the SETA grant regulations review process and the development of the trade test regulations. The NSA advised the department to ensure extensive consultation with key stakeholders on the grant regulations. The Minister was advised to review the SETA fund grant regulations to ensure that SETA funding addresses government and sector priorities and to approve the trade test regulations

Challenges

Business Unity South Africa’s possible litigation on the implementation of the SETA grant regulations.

Recommendations

A comparative trend analysis should be conducted to determine whether there was growth or reduction in the submission of WSPs since the implementation of the new SETA grant regulations.

The NSA also engaged on the Further Education Training (FET) Bill, Green Paper on Post School Education and Training and the NQF sub frameworks.

Some of the proposals the NSA advocated for on the Green Paper on Post School Education and Training include amongst others the following:

- > The department should develop a lecturer development strategy, outlining a proper career development path, recruitment criteria, remuneration, and retention of lecturers.
- > The department should develop an FET college turnaround strategy.
- > Inclusion of a training component in all government infrastructure programmes funding model for people with disabilities should include infrastructural support.
- > Portability of qualifications between different institutions should be ensured.
- > Strengthening the reporting requirements of the Workplace Skills Plan (WSP) and Annual Training Report (ATR).
- > Recognition and alignment of worker education to mainstream education.

3.3 Advice on the performance of skills development institutions

3.3.1 National Skills Fund (NSF) allocation framework

The NSA is mandated to advise the Minister on the strategic framework and the criteria for allocation of funds from the National Skills Fund. The NSA advised the Minister to approve the NSF strategic plan and allocation framework for 2010-2013. The strategic plan guides the work of the NSF and serves as a basis for an assessment of the Fund's performance by stakeholders over the period 2010 to 2013.

The NSA receives and monitors the performance of the NSF through quarterly reports and advises the Minister accordingly.

The NSF approval processes were, amongst others, some of the challenges that were impacting on the effectiveness of the NSF. Through the advice of the NSA, the department subsequently developed a turnaround strategy aimed at improving the effectiveness of the NSF.

3.3.2 Advice on the Training Layoff Scheme (TLS)

The NSA advised the NSF to communicate with SETAs to identify the blockages/challenges to be addressed, review processes and criteria for the training layoff scheme in order to increase the uptake of the scheme. The NSA continued with further engagements on the training lay off scheme through the national skills conferences to gather stakeholder inputs on how to ensure that the scheme serves the purpose it was intended for. The department was advised to investigate ways to reduce the TLS bureaucratic application processes.

3.3.3 NSA constituency capacity building

The NSF funded the NSA constituency capacity building programme. Constituencies convened workshops with their stakeholders across all provinces. The objectives of the capacity building workshops were to create awareness and advocacy on the NSDS III, the SETA landscape and key policy and legislative changes on skills development and training. The constituencies submitted project close out-reports as per the NSF reporting requirements.

3.3.4 NSA Allocation

The NSA developed a capacity building framework and a training plan in 2009 aimed at developing the capacity of Board members on co-operative governance, research, monitoring and evaluation and financial management and policy development. The NSA identified key skills development and training priority research areas and developed a research plan. The bulk of the allocation was allocated for the research plan and constituency capacity building. Funding allocated for the training plan and research plan could not be utilised due to procurement processes and related technical challenges.

Challenges

The uptake of the training lay off scheme continues to be very low. The slow expenditure of the NSA budget due to departmental procurement processes.

Recommendation

The NSA recommended that a fund management agency be appointed to manage the NSA allocation in order to fast track the implementation of NSA priorities.

3.4 Performance and governance of SETAs

The NSA is mandated to advise the Minister on the performance of SETAs in fulfilling its statutory obligations and implementing the National Skills Development Strategy. The Minister was advised to administer Section 14 of the SDA to poor performing SETAs to issue instructions on the steps a SETA is required to take to improve its performance and the period within which such steps must be taken. As a result, five (5) SETAs namely Construction SETA (CETA), Energy SETA (ESETA), Media, Advertising, Publishing, Printing and Packaging SETA (MAPPP SETA) Service Sector Education and Training Authority (PSETA) and Services SETA were placed under administration in 2011. Some of the SETAs were amalgamated following the advice of the NSA during the SETA landscape process. The NSA also advised the Minister to impose section 15 on Local Government SETA (LGSETA) in 2013 due to poor performance. The NSA also advised the Minister on the model standard constitution for SETAs.

Challenges

The extension of the term of office of SETA administrators and the non-standardized remuneration packages were of key concern. SETAs still continue to experience governance and administration challenges between the Executive Authorities and Accounting Authorities.

Recommendations

Consideration should be given to prioritising strengthening the governance capacity of SETAs.

3.5 SETA Liaison

The NSA received SETA performance monitoring reports on the implementation of the NSDS, governance and financial reporting on a quarterly basis. The reports provided a basis on which the Minister was advised including what legislated prescripts should be followed depending on the nature of the challenges. The NSA convened SETA liaison meetings to address performance, governance, administration and implementation challenges. Over and above this the NSA had one-on-one engagements with SETAs to address specific sector focus issues. These included the engagements with the PSETA on the funding challenges and mechanisms to improve its sustainability and the THETA on the skills interventions aimed at reducing road accidents.

3.6 Sector Skill Plans (SSP)

The NSA discussed its concerns with the department around the quality of the sector skills plans and the involvement of key stakeholders in the signing off of the SSPs.

Recommendations

The NSA advised the Minister to strengthen the capacity of SETAs to develop SSPs.

3.7 NSA investigations

The NSA conducted an investigation into the alleged maladministration of the Chemical Industries Education and Training Authority (CHIETA) which resulted in the suspension and dismissal of the CEO and other senior officials. Furthermore, the NSA conducted an investigation into the MoU signed by the Public Service Sector Education and Training Authority (PSETA) and Services SETA on the training of artisans which resulted in a backlog of non-issuing of certificates to the learners who had completed the training. The department put interim measures in place and INDLELA assisted the Services SETA in fast tracking the certification process. The NSA also conducted investigations into the Culture Arts Tourism Hospitality and Sport SETA (CATHSSETA) and Safety and Security SETA (SASSETA) and advised the Minister accordingly.

Challenges

The processes to conclude the CHIETA investigation took almost three years due to the SETA forensic investigations and labour relations processes. The investigation capacity of the NSA should be strengthened in order to effectively execute the mandate and fast track implementation.

4. Advice on progress made in the implementation of the NSDS

A clear framework and institutional measures to undertake effective monitoring, evaluation and support is critical. The NSA undertook the responsibility to develop an NSDS III annual implementation report since its inception from 2011-2013. Some of the key challenges identified were low level target setting and a strong focus on quantitative reporting whereas the NSDS III advocates the importance of evaluating the impact of the initiatives of the strategy to ensure that the programmes provided met the required quality and relevance criteria. The NSDS implementation reports should respond to the transformational imperatives, goals and the implementation of key government priorities. A midterm review should be conducted on the implementation of the NSDS III. Furthermore, a concept paper should be developed on the monitoring and evaluation capacity to monitor the entire-post school education and training system.

Challenges

The non availability of the NSDS III monitoring and evaluation framework and annual implementation plans; misalignment of the performance reporting information as per the Service Level Agreements (SLAs) to financial performance reporting was of key concern.

Recommendations

The NSA advised the department to consider an integrated reporting system for SETAs, implementing agencies and skills development institutions.

5. Stakeholder management and mobilisation

5.1 Provincial Skills Development Forums

Legislative context

The Provincial Skills Development Forums (PSDF) were established as per the SDA Chapter 1 (x) to be stakeholders' platform to address specific provincial needs. They also served as links between the NSA and the Provinces. PSDFs facilitate the preparations and co-ordination of activities leading to the Provincial Growth Development Strategies Conference.

Why the PSDFs?

The PSDF is an essential link to public expenditure by government and to a new development vision and strategies that have been prioritised in conjunction with communities and other major stakeholders. Therefore the PSDF is a strategic forum rather than a structure focused on generic issues.

The Provincial Skills Development Forums are seen as catalysts and vehicles for bringing and making an impact on the lives of the people. The PSDF should bring on board role players who look beyond the skills development and training championed by the Department of Higher Education and Training. Beyond skills development must be economic planning, employment creation, identification and placing of unemployed work seekers into formal employment, social development projects and/or income generating opportunities.

5.2 Provincial consultative workshops

Also in line with the 2011 National Skills Conference recommendation, the 2012 National Skills Conference was deferred to 2013 to allow for substantive progress to be made on the 2011 recommendations. This deferral provided an opportunity for the National Skills Authority to host Provincial Consultative Workshops with each province with the overall aim being to mobilise business, government, community and labour to take full ownership of the NSDS III.

The Provincial consultative workshops were held as follows:

Province	Conference Date	Venue
Eastern Cape	18-19 October 2012	Port Elizabeth
	10-11 September 2013	East London
KwaZulu- Natal	8-9 November 2012	Durban
Western Cape	21 November 2012	Cape Town
Limpopo	14 February 2013	Polokwane
Free State	28 February 2013	Bloemfontein
Northern Cape	03-04 April 2013	Kimberly
Gauteng	16-17 April 2013	Johannesburg
Mpumalanga	02-03 May 2013	White River
North West	30 August 2013	Mafikeng

The workshops allowed for discussions and feedback regarding province-specific:

- > Skills development needs, plans, programmes and progress;
- > NSDS III implementation challenges and achievements;
- > Skills Conference 2011 recommendations implementation and progress;
- > Related government imperatives on Skills Development implementation and progress; and
- > Implementing agents efficiencies (SETAs, Providers and Quality Councils).

The Provincial Consultative Workshops also provided an opportunity:

- > For the NSA, in partnership with Provincial Skills Development Forums (PSDFs), to formalise a strong foundation for the strategic coordination of skills development initiatives within the provinces;
- > For the NSA to fast track the implementation of the 2011 Skills Conference resolutions and other government imperatives, and to provide feedback on skills development activities and progress;
- > For the NSA to understand the extent to which the NSDS III and other related government imperatives are being implemented at a provincial level and to get a sense of implementation challenges in provinces;

- > For the NSA to determine the extent of the provinces alignment with the policies and strategy, and progress towards creating a skilled and capable workforce that will be able to share and contribute to the benefits and opportunities of economic expansion and inclusive growth patterns;
- > For all role players to respond to the critical call of shaping the anticipated post-school landscape in Higher Education and Training whilst ensuring effective implementation of the NSDS III and the provisioning of quality service to our people;
- > For the PSDFs (and their equivalents) to use the platform to deepen partnerships and establish provincial footprints where required;
- > To discuss the role of PSDFs, i.e. create engagement platforms on skills revolution matters for relevant social partners, and the support and guidance required with a view of turning them into a precursor of the new landscape.

Through these engagements and the advice of the NSA the department established provincial SETA offices in Further Education Training Colleges (FETCs) to improve the accessibility of SETAs in rural areas. A number of SETAs have since established offices in Further Education Training Colleges (FETCs).

Challenges

Prior to the transfer of the SDA mandate, the responsibility to coordinate the PSDFs was allocated to the Premiers' Offices and the Department of Labour provincial office provided administration and secretariat support. The NSF allocated funding to the Labour provincial office to coordinate the PSDF structures and to ensure that PSDF mandates were carried out. Following the transfer of the skills development mandate to the DHET the roles of the (PSDFs) became unclear, and, as a result, most of the PSDFs were ineffective. During the transfer to the DHET and the absence of DHET regional offices, some provinces transferred the coordination of the PSDFs to other departments such as the Department of Basic Education. The provincial consultations further highlighted that the location or coordination responsibility of the PSDF as well as the funding and reporting responsibilities were major challenges. Most Provinces have begun processes to re-establish the PSDFs.

Recommendation

- > The role of the PSDF in the new post-school education and training system should be strengthened.

5.3 National Skills Conference 2011

In 2011, The NSA hosted its first National Skills Conference in the Department of Higher Education and Training. The objectives of the conference were as follows:

- > Deepening the understanding of the post school system and quality councils;
- > Deepening the understanding of the role of the Sector Education and Training Authorities and skills development funding models;
- > Strengthening skills development in a post-school system including work-integrated learning;
- > Fast tracking artisan development and international best practice on skills development;
- > Developing skills for the growth of the economy and creating employment opportunities;

5.3.1 Recommendations of the 2011 National Skills Conference

The NSA advised the Minister on the recommendations of the National Skills Conference and we are delighted that they were taken into consideration. The recommendations also formed part of the proposed changes in both the Green Paper and White Paper on post education and training. Some of the recommendations resulted in the department reviewing the SETA funding regulations, reviewing legislative frameworks, establishing the Work-Integrated Learning Unit etc, the establishment of SETA offices in rural areas/provinces.

The department implemented most of the recommendations outlined below:

- > Improve bureaucratic structures and the turnaround time.
- > Integration of reporting structures: There are currently too many structures and sub-structures that skills development stakeholders have to report to.
- > There need to be clear frameworks and guidelines on what to do, who does it and how. A system needs to be developed with three aspects: implementation planning; delivery planning followed by monitoring and evaluation. There is a also need for standardised forms, systems and processes.
- > The proposed dual system of education and training. Need for a unified, articulated system for provision. There needs to be some serious discussion around the NQF and sub-systems to support this. On the vocational side of this model, there is a need to bring the colleges / universities of technology together with the employers in order to make this system work.

- > There needs to be an equal commitment from all stakeholders - business, labour, universities etc so that skills development can go forward.
- > FET Colleges are to play a pivotal role in skills development. Take into consideration salary structures of lecturers, qualifications and curriculum matters.
- > The Sector Education and Training Authorities (SETAs): SETAs should have de-centralised offices so that their services can be closer to those on the ground.
- > Career Management versus Career Guidance: need for career management and planning.
- > Vulnerable Groups, especially the disabled often do not have access to skills development.
- > Short courses: This should not be the focus of skills development. There should be a balance between the short courses and other courses that lead to qualifications.
- > There needs to be responsible spending and value for money when allocating funding towards skills development initiatives.

5.4 National Skills Conference 2013

The objectives of the conference were as follows:

- > To receive a progress report on the implementation of the NSDS III, National Skills Accord and NSF funded projects as well as other interventions on skills development.
- > To identify the barriers to NSDSIII implementation.
- > To share good practice in skills development.
- > To review the NSDS III with the aim of an improved NSDSIV.
- > To consider skills development work done by provinces and to propose effective delivery mechanisms.

5.4.1 Skills Recognition Awards 2013

The NSA Skills Recognition Awards were launched during the 2013 National Skills Conference. These awards were implemented in line with Goal 4.5 of the National Skills Development Strategy (2011-2016) which seeks to encourage better use of workplace-based skills development. The awards were aimed at recognizing efforts made by implementing partners in the creation of placement opportunities in 2011-2013 responding to the call of turning every workplace into a training space.

The following organisations were recognised for the creation of placement opportunities:

Nominating Organisation	Recognition Award received
Public Service Sector Education Training Authority (PSETA)	NATIONAL DEPARTMENTS National Department of Higher Education & Training National Department of Public Works National Department of Rural Development and Land Reform National Department of Transport
	PROVINCIAL DEPARTMENTS
	Eastern Cape Department of Roads & Public Works Gauteng Department of Agriculture and Rural Development Gauteng Department of Social Development Limpopo Department of Agriculture Mpumalanga Department of Agriculture and Rural Development
	BEST PERFORMING PROVINCE
	Limpopo
Chemical Industries Education and Training Authority (CHIETA)	NECSA Unilever AFROX SASOL PG Group / PFG Building Glass Ehlanzeni Public FET College
Safety and Security Sector Education and Training Authority (SASSETA)	Department of Correctional Services South African Police Service Fidelity Security Services Airports Company of South Africa in Partnership with Nu-Law Training Academy Silver Solutions Security 1713 CC

Nominating Organisation	Recognition Award received
Fibre Processing Manufacturing Sector Education Training Authority (FP&MSETA)	Barrows Design & Manufacturing (Pty) Ltd Bidvest Paperplus (Pty) Ltd Celrose (Pty) Ltd Durban Overall (Pty) Ltd Eddels Shoes (Pty) Ltd Independent Newspapers KZN (Pty) Ltd Prestige Clothing (Pty) Ltd Western Cape Further Education & Training College (Pty) Ltd
Food and Beverages Manufacturing Industry Sector Education and Training Authority (FOODBEV SETA)	Clover SA Ltd Distell Limited Edward Snell & Company Ltd Enterprise Foods (Pty) Ltd Foodcorp (Pty) Ltd Gansbaai Marine Edms Bpk Kees Beyers Chocolates Peninsula Beverage Co (Pty) Ltd Pioneer Foods (Pty) Ltd South African Breweries Ltd Simba (Pty) Ltd Tiger Management Services Tiger Management Services Ltd (King Foods) West Point Processors (Pty) Ltd
Insurance Sector Education and Training Authority (INSETA)	Talksure Trading (Pty) Ltd Discovery Limited Santam Liberty NMG Benefits Camargue Accounting Computer & Taxation Consultant cc Expede
Media Advertising Information and Communication Technologies Sector Education and Training Authority (MICTSETA)	Cell C Supersport Urban Brew Studios
Transport Education and Training Authority (TETA)	Midbank Bus Services (Pty) Ltd Putco Ltd Algoa Bus Company (Pty) Ltd Golden Arrow Bus Services Thembaletu Bus Services (Pty) Ltd Transnet Freight Rail Kintestu World Express

5.4.2 Skills Conference 2013 recommendations

- > A national framework on WIL should be developed in order to embrace national definitions, entrench WIL in institutions, address the funding model for various aspects, address provisioning of incentives to make every workplace a training space (not just pivotal grants)
- > All partners should see training of students as an investment. Implement national strategies for WIL, ensure quality assurance and support the entire WIL cycle
- > Building implementation, improvement and innovation as core cognitive abilities should be incorporated into skills development programmes
- > Framework for WIL to take into account the role of the private sector
- > Funding mechanisms should support WIL
- > Youth to be involved in SETA governance
- > Introduce a work readiness programme before trainees enter the world of work.
- > Establish outreach programmes to rural areas
- > Colleges should establish campuses in rural areas.
- > Rural youth and adults should get relevant training based on their environment and for the project to be sustainable and benefit rural people
- > A systemic study of the NSDSIII needs to be undertaken to inform the NSDSIV and the drafting of the NSDSIV should be informed by the tightening of the goals within the NSDSIII as some are still very relevant
- > The SDA should provide the legal framework for enabling the post-school system which is intended to be an integrated system with the different leaning pathways.
- > Skills development and planning should be the major focus of the SETAs and not become or be quality assurance bodies.
- > Better coordination of the function of the SETAs and the NSF needs to be implemented.
- > The methodology of the SIPS project relating to planning, implementation and maintenance of these projects is very relevant towards the formulation of the Strategy of the NSDSIV and should be considered when drafting the NSDSIV.
- > Every workplace should be turned into an RPL space.
- > SETAs must engage communities, NGOs and SMMEs on Sector Skills Plans.

5.4 Collaboration and liaison

The NSA had a number of key stakeholder engagements aimed at strengthening the implementation of the NSDS. These included international organisations, national departments and private organisations.

5.4.1 Engagements with JICA, SASCE and SAGDA

The Japanese International Cooperation Agency (JICA), the Southern African Society for Co-operative Education and the South African Graduate Development agency (SAGDA) consulted the NSA on the promotion and implementation of work-integrated learning (WIL). As a result of the NSA engagements, the Minister was advised to establish a dedicated unit focusing on Work-Integrated Learning (WIL) and these organisations have since formed partnerships and collaborations on work-integrated learning amongst themselves and the department. The NSA sponsored and participated at the World Conference on Cooperative and Work-Integrated Education (WACE) which provided a platform to share and exchange research, practices and ideas on cooperative and work-integrated education.

5.4.2 Engagements with GIZ and ILO

The NSA concluded a collaboration partnership with the International Labour Organisation (ILO) aimed at strengthening and building its capacity. The GIZ provided technical support to the NSA to ensure alignment of skills development and training to the green economy and on the development of the NSA repositioning proposal which outlined the capacity required by the NSA to effectively execute its mandate. The NSA nominated a representative to participate in the green skills study tour to Germany organized by GIZ and the Eastern Cape PSDF.

The NSA attended the ILO skills and employability training programme and also engaged the Turin management on exploring the possibility of establishing a Turin-like centre in South Africa. The European Union Training Foundation (ETF) was also engaged with a purpose of exploring the networking possibility on vocational education and training and NORRAG on the coordination of the proposed BRICS TVET summit. The NSA Chairperson was part of a Ministerial delegation to the International Congress on TVET in Shanghai, China.

Lessons learnt

- Key issues: The following areas should be closely looked at to make the system work
- South Africa should train people for informal sector skills needs
- Train people for seasonal skills

- Address horizontal and vertical skills mismatch
- Avoid the obsolescence of skills
- Career mismatch – when jobs and skills mismatch
- Integrate skills in national and sector development strategies: Meet today's labour market needs and attract new jobs for tomorrow.
- Respond to global drivers of change: skills to take advantage of opportunities and to mitigate the negative impact of technology, trade, climate change
- Build seamless pathways from basic education to TVET, labour market entry, lifelong learning
- Extend access to education and training to rural communities, people with disabilities, disadvantaged youth.

5.4.3 Engagements with national departments

The NSA invited the department of Land Reform and Rural Development (DLRD) to discuss its initiatives focusing on skills development and training for rural development. The DRLD received a NSF allocation to prioritise skills development and training for rural communities.

5.4.4 Engagements with the Centre for Scientific and Industrial Research (CSIR)

The CSIR engaged the NSA on their programmes aimed at implementing the NSDS III. The CSIR was encouraged to work with the SETAs and post-school education institutions to ensure the alignment of curricula for producing multi disciplinary science graduates.

5.4.5 Engagements with the Engineering Council of South Africa (ECSA)

ECSA was invited to discuss the challenges in the engineering sector with particular emphasis on the number of unemployed engineering graduates. Some of the challenges highlighted included the following:

The number of teachers qualified to teach secondary level science was less than 42% Teachers qualified to teach Maths was less than 50%

The registration of professional engineers was 45%

5.4.6 NSA/QCTO TVET dialogue

Before the transfer of the SDA, the NSA had advised the Minister of Labour to establish a Quality Council for Trades and Occupations (QCTO) charged with the responsibility to set standards and quality assure the trade and occupational qualifications.

The (NSA) and the (QCTO) jointly hosted a Social Dialogue on Tech-

nical and Vocational Education and Training (TVET) in collaboration with the European Union. The dialogue was intended to share international best practice to enrich the discussion on the Green Paper for Post-School Education and Training and to explore the way in which countries with strong technical and vocational education and training systems both operate and structure their governance and quality assurance arrangements.

Six (7) International experts on TVET from Europe, Africa and Latin America including Australia; Brazil; Denmark; Germany; Ghana; Ireland and Switzerland were invited to share their insights and experience.

Lessons learnt and recommendations for an effective TVET system

- Strong linkages and alignment between TVET, the labour market and the economy, which would assist employers and individuals to meet their training and skill needs.
- Employer and industry participation to ensure the relevance and demand driven curriculum development and placement.
- All qualifications articulate and, subject to requirements in relation to vocational domains, enable vertical and/or horizontal progression.
- Learners in the vocational stream may progress to tertiary institutions by completing a suitable advanced diploma or associate degree following completion of their vocational secondary education.
- Adults have full access to the mainstream tertiary education system
- Curriculum design is informed by research on labour market trends,
- Employers influence the way training is conducted, and are fully committed to ensuring that learners obtain work placements for work-integrated learning.
- government plays a bigger role in facilitating the relationship between trainees and employers and between industry and institutions.

5.3.9 NSA/ILO Capacity Building

- > The NSA collaborated with the International Labour Organisation (ILO SA) to provide support for capacity building, governance and management capacity on monitoring and evaluation and labour market analysis.

The NSA/ ILO capacity building workshop was convened in August 2013, with the following objectives:

- > Strengthening the governance and coordination of skills development systems and institutions to ensure an integrated post-school education and training system
- > Promoting micro enterprises and building skills for the green economy
- > Improving board governance and the effectiveness of skills institutions through social dialogue
- > Improving labour market analysis and sector skills planning
- > Improving the quality and outcomes of the apprenticeship system.

Recommendations and lessons learnt

- Prioritization of the coordination of skills development institutions at policy, systemic and research levels underpinned by strong support structures for effective implementation.
- HRD matters and skills development should be strategically located in the strongest centres of power of influence in government leading to buy-in by all stakeholders, specifically by the various government ministries.
- Role clarification of all implementing agencies is central to integration of the post school education and training system. (e.g. Sub-framework Qualifications of Quality Councils under the leadership of SAQA).
- There must be balance on the boards for constituency representation and technical expertise for effective governance and management.
- There should be an accessible repository for coordination and storing of all the research undertaken.

5.3.7 Partnerships on INAP, HRD Summit and Skills Summit

The NSA participated and co-sponsored the following key engagements:

- > The Skills Summit held on 09-10 September 2010 aimed at soliciting commitment from the delivery partners on implementing the mandate of the DHET.
- > International Network on Innovative Apprenticeship (INAP) workshop hosted by the ILO and MERSETA held on 23-24 April 2013 aimed at sharing best practice on the apprenticeship system.
- > The Human Resource Development Council of South Africa (HRDCSA) Summit aimed at providing a platform where social partners together with the international community to discuss the findings of the research results of the HRD Task Teams. Furthermore, the NSA engaged with the HRD Task Teams on the performance review of SETAs and the skills development review.

6. Implementation of NSA priorities

The NSA approved the following five key critical areas on which the Minister was advised over the five years aligned to the legislative mandate:

- Review the skills development legislative framework to support integration of education and training and national government (inclusive of the NSF framework);
- Mobilisation of business, government, community and labour to take full ownership of the NSDS III and the development of the related framework;
- Support development of a post-school education and training system that encourages society to support and build a developmental state, with specific focus on rural development and state-owned entities;
- Strengthen monitoring and evaluation functions, particularly in respect of the performance and governance of the NSDS III;
- Coordinate and promote research, development and innovations so that business enterprise opportunities are created to benefit communities and the vulnerable in particular.

6.1 NSA Subcommittees

The NSA is structured into subcommittees for effective functioning. There are four subcommittees to deal with specific matters and make recommendations to EXCO and Board (Authority). The subcommittees comprise of each constituency representative and a resource person appointed from the Skills Branch to provide sector-specific technical support/expertise to the subcommittee.

Terms of Reference for the subcommittee

Governance and Capacity Building	Education and Training Provision
<ul style="list-style-type: none"> • Review of the NSA Constitution • Code of good conduct for NSA members • Functioning of NSA subcommittees • Implementation of NSA Workplan • Relationship between NSA/DHET and Minister • NSA Performance Review Framework • NSA Advice to the Minister on NSDS Implementation and procedure for processing NSA Advice to the Minister • Identification of Skills Development Research areas • SETA SLAs • Governance of SETAs • NSA interface with SETAs, Review of NSDS 	<ul style="list-style-type: none"> • Learnership Regulations • Employment and Skills Development Lead Employers (ESDLEs) /Employment Skills Development Agencies (ESDAs) regulatory framework • National Standard for People Development regulatory framework • NQF policy framework and new approaches towards Quality Assurance and Standard Setting • Scarce/critical skills identification • Skills Programme framework • Apprenticeship policy framework • Institute of Occupational Excellence framework • Links with Private Providers and other bodies involved in education and training • ABET
NSDS Implementation: SETAs	NSDS Implementation: NSF & Provincial Skills Development Forum (PSDF)
<ul style="list-style-type: none"> • Sector Skills Plans guidelines • Re-engineering of SETAs (clustering) • State role and participation in SETAs • SETA Grant Regulations • SETA SLAs and Monitoring & Evaluation • SETA performance Score Cards • Liaison with SETAs on implementation matters • NSA advice on SETA Quarterly Monitoring Reports 	<ul style="list-style-type: none"> • NSF Governance framework. • NSF Funding allocation • NSA views on NSF Quarterly Monitoring reports (QMRs) • Strengthening of Civil Society • SMME support initiatives • NSA, SETA and Provincial Skills development initiatives

The subcommittees prepared close-out reports which were used to inform the NSA close-out report.

Challenges

As reflected in the progress and achievements, the NSA made great strides and actively engaged on reviewing the skills development legislative framework, on mobilisation and strengthening the monitoring and evaluation of the NSDS III. The provincial consultative workshops made strong recommendations regarding the accessibility of SETAs services to rural communities. No research was undertaken during the reporting period.

The NSA experienced both administrative and strategic challenges which had a direct impact on its ability to implement its mandate as per the SDA, and achieve its objectives outlined above, namely:

- > The shortage of personnel capacity to implement the NSA mandate, and the five key areas of advice, as per the NSA repositioning recommendation;
- > The non-conclusion of the NSDS III first year Annual Report, due to co-ordination and consolidation delays;
- > The discrepancy in the misalignment of the SETA performance information, particularly the score card and the financial reporting;
- > Limited consultation between the NSA and the DHET;
- > The poor attendance and non availability of technical experts or resource persons and delays in the submission of reports;
- > Delays in appointing a fund management agency;
- > Dependence/overreliance on DHET processes; (supply chain management, human resources etc.)
- > Non appointment of the NSA Executive Officer.

The NSA had concluded a repositioning document which was aimed at strengthening its capacity in order to improve its effectiveness to deliver on its mandate. The proposal recommended structures to be put in place including emphasis on the focus of prioritising the appointment of the Executive Officer for the NSA, strengthening research and monitoring and evaluation capacity.

Recommendations

It would be important for the next administration to focus on impact assessment.

7. CONCLUSION

Emerging from the White Paper, work should begin in order to develop a more synergistic approach to skills development with clearly defined, agreed national strategies, policies and plans that are centred on the growth of economic sectors and support for employment creation within the framework of transformation.

The NSA welcomes its role of Monitoring and Evaluation of SETAs and will undertake the necessary processes to ensure it repositions itself to deliver on the new mandate. The NSA undertook to develop a concept framework on its new role which will seek to clarify amongst others:

- > The strategic role of the NSA in providing leadership on governance.
- > The role of NSA in relation to the functioning and governance of the SETAs, the entire post-school system and the involvement of stakeholders
- > The role of NSA in monitoring the contribution of the department in skills development, monitor the quality of programmes and the use of skills resources (SETAs)
- > The role of NSA in monitoring the governance and institutional arrangements of SETAs.
- > The role of NSA in communicating developments around skills development.
- > The role of NSA in ensuring that SETAs address skills needs, support and or contribute to the achievement of key government strategies The role of NSA in monitoring and evaluating SETA SSPs and participation of government departments in skills development.
- > The capacity of the NSA to fulfil its mandate and provide support to skills institutions.
- > The role of NSA in relation to the department including the independence of the NSA, structure and location of the NSA.

The NSA would like to thank the Minister, Dr Blade Nzimande, for the strategic engagements and is looking forward to engaging on the implementation plan of the White Paper on Post- School Education and Training.

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**higher education
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