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# PORTFOLIO COMMITTEE ON LABOUR

OVERVIEW OF THE 2008/-09 FINANCIAL YEAR

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# OVERVIEW .....

## GENERAL OVERVIEW:

- $\pm$  35 000 commercial enterprises
- $\pm$  450 000 under resourced enterprises
- 4 100 levy payers
- Total income: R142,6 million
- Discretionary fund: R65 million

## UNIQUENESS:

- Land reform
- Poorest of the poor – survivalist, highly rural
- Illiterate  $\pm$ 30%, poorly educated  $\pm$ 50%
- External influences – climate, exchange rate
- Sector contributes 25% to change rate in GDP

## **HIGHLIGHTS .....**

- Impact of mentorships
- The success of Internships and Workplace experience for those youth who have completed their studies
- The impact of learnerships in the workplace
- In excess of 300 learners in apprenticeships
- Excellent working relationship with DAFF
- Unqualified audit report since inception (2005)

## **CHALLENGES .....**

- To successfully impact on agricultural Land Reform
- Making ABET successful
- Obtain a higher participation rate in mandatory grant system
- Access to the NSF

# MAJOR CONSTRAINTS.....

- “too little received from too few to serve the needs of too many”
- “levy-grant system is not ideal for economies or sectors dominated by small enterprises and informal sector operators”
- “need treasury/NSF top-up to effectively address the needs of the under resourced”

# NSDS PERFORMANCE.....

Overall rating: 3,64 – “meet requirements”

The employed worker (SI 2.8):

Target (enrolled):	1 660	Actual:	3 338
Target (completed):	815	Actual:	2 415

The under resourced/unemployed (SI 4.1)

Target: (enrolled):	650	Actual:	3 381
Target: (completed):	314	Actual:	2 662

ABET (SI 2.7)

Target:	4 700	Actual:	2 810
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ISOEs (SI 5.1)

Target:	2	Actual:	2
		(Total:	5)



# TRAINING LAYOFF SCHEME.....

- Agriculture not yet affected
- Training Layoff Summit for Agriculture held on 20/10/09
- Interact regularly with CCMA
- Budget allocation: R10 million
- Dedicated area on our web-site for the TLC
- Expect strength of currency to impact on export orientated sectors
  - Expect first applications after harvest season (early 2010)

# STAFF PROFILE.....

POST	#	% BLACK	% WOMEN
CEO	1	100%	0%
Senior	3	33%	33%
Other staff	22	64%	87%
Contracted	3	100%	100%

## CONSULTANTS

- Outsource financial and data service – contract until March 2010
- Other consultants – very limited use
  - Development of new OFO aligned qualifications
  - Learning material
  - Monitoring visits
- All short term with specific exit strategies

# FINANCIAL HIGHLIGHTS

received an unqualified audit report from the AG

0% levy income increased by 8% from R131m for 07/08 to R142m  
08/09

million was spent on discretionary projects during 2008/09 (R39m  
)

mandatory grant pay-out percentage was 73%

SETA has approved and allocated 96% of surplus funds available  
for future discretionary projects at 31 March 2009



# FINANCIAL HIGHLIGHTS

	2008/09 Audited	2007/08 Audited
Annual Financial Statements	R'000	R'000
SDL Levy Income – 80%	142 607	131 536
Investment income	17 336	11 741
<b>Total revenue (incl. 80% levy income, NSF income, investment income etc.)</b>	<b>162 081</b>	<b>145 105</b>
Total expenses (incl. admin expenses, NSF expenses, grant and project expenses etc.)	138 704	116 595
<b>Net surplus</b>	<b>23 377</b>	<b>28 510</b>
Cash and cash equivalents	169 321	144 779

**THANK YOU**

