



Skills Development for Economic Growth

INPUT ON THE SKILLS DEVELOPMENT AMENDMENT BILL BY W&RSETA

8 NOVEMBER 2011, PARLIAMENT OF SOUTH
AFRICA, CAPE TOWN



Statement of Support

The Board of the W&RSETA generally accepts the amendments on the Skills Development Act.

The following submission is made in terms of the proposed amendments, particularly on the standard Constitution.



Section 28 Schedule 5

Constitution

Section 5 (a)

(ii) The Chairperson has no voting rights, but in the case of an equality of votes the Chairperson has a casting vote.

The Department of Higher Education and Training (DHET) should clarify the rationale around the Chairperson not having voting rights to assist the SETA in making a decision on whether Chairpersons should or not have voting rights.



Section 16 (1)

Appointments by Accounting Authorities

(1) Appointments by Accounting Authority

(a) The Accounting Authority must—

(i) within six months of taking office, after following a transparent process, recommend to the Minister the names of three suitably qualified candidates for appointment to the position of Chief Executive Officer

Current provision on appointment does not take into account current CEOs with indefinite employment contract.

There should be a transitional provision for SETA CEOs with permanent contracts.



Section 12 (2) (c)

Functions of Remuneration Committee

(c) *The Remuneration Committee must present the Audit Committee with quarterly and annual financial statements.*

The requirement for the Remuneration Committee to present the Audit Committee with quarterly and annual financial statements is misplaced as it is the responsibility of the Finance Committee.

This requirement is already captured under the Finance Committee and should be removed from the Remuneration Committee.



Section 15 (2)

(2) Meetings of Executive Committee

(a) *The Executive Committee must meet at least once a month, and may meet more when necessary.*

The Board is concerned with the frequency of the meetings of the EXCO and proposes that the meetings should be limited to six meetings annually. The Board is of the view that the Committee may become too operational and assume the duties of Management. It would also not be practical for Board members to be available for monthly meetings.

The role of the EXCO should be clarified as its functions and responsibilities overlap with other Committees and will result in practical challenges for the Board and Management.



14. CHAIRPERSON OF ACCOUNTING AUTHORITY

(5) Vacating of office of Chairperson

(a) *The Chairperson must vacate office if he or she—*

(ii) is unable to attend meetings or business of the Accounting Authority and Executive Committee for a consecutive period of six months;

The period of 6 months for which the Chairperson was allowed to be absent from SETA activities was too long and should be reviewed.



ANNEXURE 2

3. CONFLICT OF INTERESTS

(1) A person may not be appointed on the Accounting Authority, unless the necessary disclosure has been made that—

(a) *such person, directly or indirectly, whether personally or through his or her spouse, partner or associate, has a direct or indirect financial interest in the SETA;*

Direct or indirect conflict of interest should be clarified and reviewed



Other input

Nomination of Ministerial Appointees

The National Skills Authority should be consulted on the appointment of Ministerial Appointees to ensure that the Authority can confirm the independence of the nominees.

NSA comprises of various organisations including business and labour and is best place to confirm possible membership of nominees.

Deputy Chairperson

The position of Deputy Chairperson should be reconsidered;



Thank you!

