

- Collaboration with the Department of Communication and other government departments and stakeholders, to facilitate increased bandwidth and reduced costs for educational purposes.
- Engagement with stakeholders to negotiate easier access to and reduced costs for internet enabled devices.
- Appropriate DHET bids for funds to ensure that a comprehensive, enabling ICT infrastructure is put in place for all post-schooling providers and particularly the distance higher education providers.
- Facilitating the shared establishment and management of ICT-enabled, networked learning centres in areas where home-based provision is likely to be difficult in the short- to medium-term.

### 8.3 COLLABORATIVE DEVELOPMENT OF HIGH QUALITY LEARNING RESOURCES

The goal of attaining meaningful post schooling will be supported by the development and sharing of well-designed high quality learning resources that build on the expertise and experience of top quality scholars and educators. This is not only the case in distance education – which is driven by the communication of curriculum between learners and educators through resources that harness different media as necessary – but also in many courses and programmes in face-to-face institutions. Such institutions now incorporate extensive use of instructionally designed resources, as educators have learned the limitations of lecture-based strategies for communicating information to students, especially with the large classes that are common at first-year level in particular.

With this in mind, the DHET will support efforts that invest a larger proportion of total expenditure in the design and development of high quality learning resources, as a strategy for increasing and assuring the quality of provision across the entire post schooling system. These resources should be made freely available as Open Educational Resources (OER) for use with appropriate adaptation. This would be in line with a growing international movement, supported heavily by organizations such as UNESCO and the Commonwealth of Learning (CoL) that advocate the development of OER.

At a country level, the Brazilian government is currently considering draft OER policy, while in and New Zealand cabinet has approved an Open Access Licensing framework which encourages the most open licence for uses and re-use for public sector information. The US Labour Department recently announced substantial grants to develop new materials for community colleges and make these available as OER and in South Africa there is a growing number of examples of the use of high quality OER, developed locally, being used by a number of providers.

Key motivations for OER are the potential improvements in quality and reductions in cost. The DHET will accordingly:

- Determine ways to provide support for the production and sharing of learning materials as OER at institutions in the post schooling sector. In the first instance all material developed by the promised South African Institute for Vocational and Continuing Education and Training will be made available as OER.
- Consider the adoption or adaptation, in accordance with national needs, of an appropriate Open Licensing Framework for use by all education stakeholders, within

an overarching policy framework on intellectual property rights and copyright in higher education.

## **9. BUILDING STATE INSTITUTIONS AND STREAMLINING THE REGULATORY SYSTEM**

### **9.1 OVERVIEW**

The regulation of post-school education in South Africa is governed by an array of legislation and statutory bodies. The levy-grant institutions regulate funding that comes from employers, and that is used for the training needs of the employer's own staff as well as to support national training imperatives. These institutions also plan the skills needs of their respective economic sectors. Quality Councils oversee qualifications, standards, assessment and certification systems across three key sub-sectors of the education and training system. The National Qualifications Framework Act (No. 67 of 2008) provides the overarching context in which all regulation happens. The NQF provides the context for provision, assessment, certification and quality assurance.

Given the extent of problems with our regulatory systems, it is tempting to return to the drawing board to reconfigure our system from scratch. However, while there is duplication, overlap, incoherence, inconsistency and inappropriate functioning in much of our system, one lesson which we have learned is the difficulty of building new institutions. This does not mean that nothing should change, but rather that, wherever possible, it is better to build on existing institutional strengths and work within the existing systems in order to move forward.

The key focus of the DHET will be the strengthening of the state and its associated institutions, to fulfil all the many and complex roles necessary for a co-ordinated post-school system. We intend to address as many short-term problems as possible, while laying the basis for building institutional capacity that will serve South Africans in the coming decades. The DHET must institutionalise as many functions and capacities as possible, removing the need for constant short-term contracts, consultancies and *ad hoc* processes. It must make sure that the regulatory system enables and supports providers, both public and private, to do their work.

### **9.2 STRENGTHENING THE LEVY-GRANT INSTITUTIONS AND SYSTEMS**

#### **9.2.1 Sector Education and Training Authorities**

##### **9.2.1.1 Responsibilities and challenges**

SETAs are structures established in 21 economic/industrial sectors. A "sector" is not necessarily the same as that defined in industrial sector planning (in the Department of Trade and Industry), although there are similarities.

SETAs are stakeholder bodies established in terms of the Skills Development Act (No. 97 of 1997). Representatives of employers, trade unions and government departments are responsible for each sector. Professional bodies and bargaining councils can also be included where agreed within the sector. From 1 April 2011, the Minister has started to appoint chairpersons of SETAs who are independent of the stakeholders in a particular SETA. He has also begun to appoint two other ministerial appointees to each SETA council.

The funding mechanism used by the SETAs is known as the levy-grant system. Employers pay a levy for skills development, which is discussed in more detail in section 11.2.1.3 below. The SETA then distributes the levy funds it receives back to employers to incentivise employer-based training. SETAs are expected to direct and facilitate the delivery of sector-specific skills interventions that help achieve the goals of NSDS III and address employer demand.

SETAs were established to be the authorities on labour market intelligence in their sectors, and to ensure that skills needs were identified and addressed. One of their core responsibilities is the development of sector skills plans. These are intended to outline current and future learning and qualifications needs of workers and employers and to develop interventions that are agreed upon with stakeholders and can improve the match between education and training supply and demand. The SETAs are then expected to manage their component of the skills levy in accordance with the relevant agreements and, with respect to the discretionary grant, in such a way as to direct supply to meet the anticipated demand.

SETAs must also ensure there is strong employer and trade union leadership and ownership of sector skills activities, and be able to articulate the collective skills needs of their stakeholders. SETAs are responsible for monitoring and managing occupational standards to ensure that provision of training, including the qualifications gained, meets sector, cross-sector and occupational needs.

Performance of the SETAs has been patchy and, in many cases, has not met expectations. Despite much positive work that has been done, many serious challenges remain. In addition to an unclear mandate, there is inadequate capacity in the SETAs to do skills planning and meet their critical purpose of identifying and articulating skills needs on a sector basis. The quality assurance functions are very complex, and there is no clear evidence that SETAs have improved the quality of learning that is taking place in the various sectors.

Much needs to be done to improve the efficiency and effectiveness of SETAs. Currently there are major changes taking place with regard to SETAs – including, as indicated, new boards and board chairpersons, a new National Skills Development Strategy, and new constitutions. During the current five-year SETA licensing period, a thorough review is needed based on a serious research-based evaluation of their performance in relation to NSDS III. The evaluation should also examine the extent to which SETAs have affected the provision of skills to enable the economy to grow as well as to ensure that individuals can progress along varied learning pathways.

A ministerial task team has been established to address the various problems facing the SETAs. This task team will also develop recommendations to strengthen the SETAs and to enable them to more effectively address the needs of the post-schooling sector. This Green Paper incorporates some of the ideas which are emerging from this task team, and poses options for consideration. It also suggests the ways in which the final recommendations of the task team can take into account the requirements of this sector in its thinking. This paper therefore sets out some broad principles which are laid out

below. These principles are informed by the imperative that the focus of the next period should be on ensuring that the environment creates stability and certainty among the public, while at the same time addressing challenges that have emerged during the course of implementation.

#### 9.2.1.2 Scope and role of SETA work

A central problem that SETAs face is that they are expected to do too many things. This has led to a tendency to lose focus on areas of critical importance within their sector and their mandate. Various pieces of research have established the problems with this, and it is clear that SETAs, in the main, support the idea of a consolidated mandate. A consolidated mandate would include the following:

- The SETAs should have an understanding of changes within their sector, the implications of these for the demand for labour, and ultimately the way in which this must shape the supply in the short, medium, and long term. This assumes that SETAs should play a critical role in skills planning, though their role in relation to a broader economy-wide process is considered below in more depth. In addition, once the demand has been established they should play a critical role in steering provision towards identified needs. This should include supporting the development of providers where required. In addition, far greater emphasis should be placed on the SETAs' role in the monitoring and evaluation of the impact of skills interventions in their sector than is currently the case.
- The SETAs should focus on addressing the skills needs of established employers, including business and government. This means that they should focus on establishing the skills needs of the employers and should enable the implementation of programmes that address these needs. This must be done in a manner that meets the needs of both existing workers as well as unemployed and pre-employed individuals who will be entering these businesses or government departments.
- The above-mentioned focus implies that SETAs should increasingly be recognised as experts in relation to skills demand in their sectors. They should then be able to co-ordinate the skills needs of employers in their respective sectors, undertake sector-based initiatives, and collaborate on cross-sector skills areas to enable collective impact.
- This does not suggest that the needs of start-up businesses and co-operatives, or the needs of community development more broadly, are not critical. However, other bodies have been established by government to address these sectors. They should be supported by levy funds through the NSF to ensure that, as part of playing their role, they address the skills needs of their sectors. For example, as DTI-affiliated agencies are taking responsibility for small business development, they should be able to apply for funds from the NSF to enable them to bolster the skills development component of their work.
- Within this scenario there continues to be a role for SETAs. This pertains to the relationship that SETAs should have with government departments and agencies that are involved in assisting start-up businesses, co-operative development, community and rural development, ABET and so on. SETAs must ensure that all of these bodies are informed about key trends in the skills development sector, the skills needs that are emerging across established businesses (and how these differ for large, medium and small businesses), and the kinds of opportunities that this may

suggest for start up businesses, co-operatives, and for community and rural development. Critically, SETAs must ensure that they play a role in facilitating access to ABET for workers in their sectors, even if this is to direct them to the relevant institutions.

- There is some debate as to whether a percentage of the discretionary grant could be directed to ABET programmes, even if they are actually implemented by the DBE or as part of other initiatives within the DHET. Ideally, given the constitutional obligation to address ABET, the funding for it should come from the fiscus. Where this needs to be supplemented, it should be through the NSF, and not directly through the SETAs. The imperative for SETAs is to remain focused on those skills that will have an impact on growth and job creation in their sector. Government departments such as the DBE and DHET, on the other hand, should continue to focus on ensuring that all individuals who wish to attain ABET are able to access such a programme and be prepared for access to further learning, be it general, vocational or occupational.
- The SETAs will continue to play a defined role in quality assurance, as discussed in the section on quality assurance below.

An alternative to the above is that SETAs continue to play multiple roles in different sectors of the economy and society.

The focus of the next five years will be on ensuring that SETAs operate as clusters. This will enable them to align with economic strategies and engage in skills supply planning that is consistent with these strategies. A decision as to whether these SETAs should merge will then be considered based on the extent to which these cluster arrangements are considered sufficient to enable improved planning and improved levels of efficiency. This approach of both clustering the SETAs and focusing their scope to established business will ensure that bodies can operate within clear mandates, and consolidate their expertise and understanding of the sector for which they are responsible within the broader skills development landscape.

### 9.2.1.3 Funding from the skills levy

In terms of the Skills Development Levies Act (SDLA) of 1999, employers are required to pay 1% of salary costs to the South African Revenue Service (SARS). SARS then places all moneys collected in the National Revenue Fund. Thereafter, 80% is paid, via the DHET, to the relevant SETA and 20% to the National Skills Fund. Government departments are not expected to pay a levy, but are required to set aside their 1%, from which they contribute 10% to the appropriate SETA to assist with administrative costs. In accordance with the SDLA, SETAs are entitled to use one-tenth of the 80% that they obtain from the levy, plus what they obtain from government departments, on administration. The balance must be used to fund skills development in the various ways provided for in the SDLA.

The rules work for some SETAs but not for others. Ten per cent of a very large levy income is quite adequate to fund a very large institution. For SETAs in smaller sectors with low levels of levy income, however, 10% is a small amount and not adequate. Further, there is a debate about how to support skills development in sectors that are important for national growth but may not raise sufficient income, based on the existing tax base of employers in the sector. The way in which the levy as a whole addresses these imperatives is critical.

In the current system, the levy is managed in different ways. The mandatory grant is paid back to employers who submit a WSP and ATR. The discretionary grant is used to fund other interventions on approval of these by the Board. The discretionary grant is disbursed either as a grant to employer or training provider, or the SETA Project manages the intervention on behalf of employers.

There is one school of thought that sees the SETAs as grant-making institutions. The employer claims a grant, either mandatory or discretionary, to implement workplace skills plans and initiatives in support of the Sector Skills Plan, and the role of the SETA is to provide grants to incentivise such initiatives. There is another school of thought that has the SETAs promoting sector skills initiatives, making them available to employers, and project managing them on behalf of employers. The former model tends to suit larger, better established employers and the latter smaller or less established entities.

Those SETAs that have project-managed skills development interventions have tended to do this through tender processes. They invite training providers to deliver training against agreed unit standards or qualifications. Tenders are submitted and the SETA awards contracts. This project management approach of projects funded by the SETA or NSF is well supported and enables projects to be conceptualised, planned, implemented and monitored. The ability of all SETAs to effectively project-manage can be questioned, but the application of project management principles is positive. Adherence to the Public Finance Management Act and Treasury supply chain management regulations also assists, although there have been cases on non-compliance. However, there are some unintended consequences of bringing SETAs into this intermediary role between training providers and the students (whether employed by companies or unemployed). These are:

- SETAs will generally insist on training being aligned to unit-standard-based programmes provided by accredited training providers. In theory this sounds quite logical. Only such accredited courses can provide a student with credits towards a qualification and provide proof of competence that can be recognised by potential employers and training providers. It is also a means of removing fly-by-night training providers who add no value. However, the consequences can be the opposite of what is intended. The courses can be limited in value in terms of the skills developed, they can be more geared to formal achievement of unit standard outcomes than genuine learning, and they can be just as meaningless to future employers and providers as attendance certificates for unaccredited training.
- Another of the unintended consequences is that public providers (FET colleges and universities) have been largely excluded from the provision of training funded by SETAs and the NSF. If an FET college or university wants to participate in such training they must set up special units to monitor tenders and operate like a private company in the "education and training market". This is not something that they are geared to do, and can detract from their main immediate task which is that of strengthening their capacity to provide quality education to an increasing number of young people. This has meant that the opportunities that used to exist for longer-term developmental partnerships between employers and public education institutions have been replaced by short-term contract opportunities.
- While the establishment of quality assurance bodies should be improving quality of provision, there is serious doubt as to whether this has been achieved. In many cases quality assurance by SETAs has been reduced to meeting bureaucratic compliance requirements that have little to do with the quality of provision.

- The almost complete absence of monitoring and evaluation within the system has made it very difficult to identify and address shortfalls. The perception is of a system that continues to repeat errors on a regular basis.

There is general agreement that Workplace Skills Plans (WSP) and Annual Training Reports (ATR) need to be improved. The current Workplace Skills Plans submitted by business do not reflect real priorities for business. A number of studies have highlighted the extent to which the current system encourages employers to only include the priorities that can be addressed within the financial year so as not to lead to complications when claiming the mandatory grant. This tends to exclude programmes that result in a qualification, as these may take longer than a financial year. In addition the Annual Training Report tends to reflect only the training linked to the amount claimed in the mandatory grant rather than to provide a picture of all training that has taken place in the workplace.

It is clear, therefore, that the purpose of the WSP and ATR needs to be revised. Two options for revision have emerged:

- The WSP should be revised so that it ensures a more reliable base of data about the levels of skills and experience available, and should provide some indication of broad priorities and trends for the workplace. The ATR, which would no longer be assessed against the WSP, would indicate all the training (whether SETA-funded or not) that has taken place in the workplace in the past financial year. In this option the mandatory grant will be given on condition that the plans and reports are comprehensive, but this particular grant will not play the role of a "steering grant". This will enable these reports to become a rich source of data for skills planning and analysis of workplace training. Given this change, there may be a need to review the percentage available for the mandatory grant, and to potentially reduce this amount in favour of an increase in the percentage available to the discretionary grant.
- The other option is to tighten the planning and reporting requirements in the current system so that the weaknesses are addressed. Precise ways in which these challenges will be addressed will need to be considered, to ensure that the funds continue to be disbursed as agreed upon.

Furthermore, there must be tighter guidelines and commitments, fostered through service-level agreements between government and the SETAs, on how the discretionary funds of the SETAs are spent. Critically, the discretionary grant should only be made available for programmes that lead to a full qualification or an award. The discretionary grant will support sector priorities, which require qualifications and awards – that is, they will not be used for short courses or for the provision of a limited number of unit standards that do not lead to an award. This support could include payment for provision (private or public providers) and an incentive for the workplace experience – both the experience that may be required as part of the qualification, and experience that relates more to experience after the qualification is completed, such as an internship. It could also support bursaries for learners. However, where the SETA is supporting bursaries this money should be earmarked and transferred to NSFAS. This would ensure that it is provided to an institution that has the necessary experience and specialist capacity to manage and support such a process.

In addition, a defined minimum percentage of the discretionary grant should be made available to support public providers (mainly colleges or universities of technology) so that they can offer these qualifications and awards. This could include a focus on

lecturer development and placement support. However, it is suggested that these mechanisms should complement existing interventions being supported through the fiscus. They should be linked to a clear performance management system so that there is accountability for improved performance of learners in the college or university through such a disbursement.

However, there are cases where institutions provide programmes supported by SETAs at the expense of learners who are in the main-stream programmes funded through the fiscus. The imperative is to ensure that there is an integrated approach to managing the money so that it leads to overall improvements for learners. This will be closely monitored and there will be clearly outlined consequences where such abuses are found to be taking place.

When reviewing these options it is important to consider that there is a debate about how levy-grant funding for use by the SETAs should be distributed. There has been a suggestion that the grant money that is currently allocated to SETAs, primarily for the mandatory and discretionary grants, should be held in a central fund (possibly the NSF) and then allocated to SETAs on the basis of proposals and in accordance with the importance of the sector to national economic growth, job creation and the skills needs within the sector. Alternatively, the mandatory grant monies could be retained by SETAs while the monies for the discretionary grants could be located centrally. The counter-argument is that the levy-grant was not introduced as a general skills tax but as a mechanism to encourage employers to train more workers. It is argued further that the bureaucracy associated with central disbursement of funding, as well as monitoring the outcomes and impact of this spending, raises questions about the practicality of implementing this approach.

#### 9.2.1.4 Governance arrangements

There are numerous challenges related to SETA governance structures and processes. These include:

- diffused focus and multiple objectives;
- conflation of governance and operational roles and responsibilities;
- uneven strategic sector planning, research capability, operations management, administration and financial management across the SETAs;
- poor monitoring and evaluation and inadequate management information in the SETA system;
- inefficiencies in work planning, service delivery and performance management across the SETAs;
- difficulties in addressing cross-sectoral skills development and training requirements.

Governance arrangements should reflect the agreed priorities for the scope and role of the SETAs. Boards should continue to include organised business and labour as well as the relevant government department. These individuals should continue to be nominated by their constituents. However, in addition to these representatives there are now also two independent individuals appointed by the Minister, who have an understanding of the sector and can provide input. In addition the chairperson is appointed by the Minister in Cabinet, after consultation with the main stakeholders, to ensure that the focus remains on the needs of the sector and does not narrowly reflect the views of a particular constituency. This ensures that there are strong employer and labour voices in the SETA, that these parties can take ownership of sector skills activities, and that they



are able to articulate the collective skills needs of their stakeholders and members. At the same time they have to create a mechanism for ensuring that the needs of the constituencies are continually considered within the context of the needs of the sector and the country.

In line with the constitution that has been developed for all SETAs, explicit roles should be articulated for the board. The focus should be on strategic imperatives rather than on the operational issues that have tended to bog down the SETAs in the past. This should be enabled by the increased role that the DHET will play in setting norms and standards for staff remuneration in SETAs. The DHET will also play a role in guiding the SETAs in terms of posts required to fulfil their functions (though it is recognised that this will differ across SETAs and that space will need to be allowed for SETAs to determine their organogram and specific posts).

Mechanisms are being put in place to ensure that the accountability of the SETA's is increased. The DHET has established guidelines for the development of performance agreements, service level agreements, strategic plans and Sector Skills Plans. These need to be streamlined so that there is one document which articulates the sectors' skills needs (taking into account broader economic and social imperatives) and another document which indicates the strategic plan (with a clear logic model with explicit indicators) that the SETA will implement. The latter will be informed by the Sector Skills Plan and will be the basis against which the SETA is held to account.

#### 9.2.1.5 Supporting capacity development

There is a need to ensure that government departments and state-owned enterprises play a much more significant role in skills development than in the recent past. Many are committing to accommodating large numbers of apprentices and learners in learnerships and driving particular sector relevant projects. It is critical that this is translated into practice. The DHET will work closely with other government departments to ensure that this work is supported and reinforced across government.

Workplace-based training remains very diverse, with excellent training opportunities in some places, but in general very few employers who are prepared to take on apprentices and give students opportunities for work experience. Though there do appear to have been some areas of improvement, it is not yet clear that our policies to encourage workplace-based training have done so adequately. The Minister has met with industry representatives and will continue to meet with them periodically, especially under the auspices of NEDLAC. Commitments have been given by the private sector through the National Skills Accord to mobilise resources to achieve national skills development goals. Clear commitments for artisan development and support have been made by state-owned enterprises and the private sector, and are being worked on together with the National Artisan Moderation Body. It is crucial that the way in which quality assurance is established, as well as the way in which funding incentives are developed, take into account the need to make increased numbers of workplace experiences available to learners and graduates. In addition there is a need to promote partnerships between SETAs, employer associations and relevant FET colleges. Such partnerships will make it easier to encourage employers to expand the availability of structured workplace experience places for FET graduates, including those who have completed their NCV. Coupled with this there is a need to strengthen FET college placement services so as to further enable this partnership.

### 9.2.2 National Skills Fund

Established in terms of the Skills Development Act, the NSF was established as a fund which would allocate a proportion of the skills levy money from organised employers to those who would not normally benefit from employer training. The money was supposed to be targeted at disadvantaged groups, particularly the unemployed, to improve their opportunities. The NSF is allocated 20% of the skills development levies collected from employers, and this is the Fund's main source of income. Other funds are potentially available, such as directly voted funds from the fiscus, unallocated levies, donations and so on. The NSF's income has been approximately R1 billion a year and much of it has tended to be unspent, thus accumulating both interest and public hostility.

The money in the Fund may be used only for the projects identified in the National Skills Development Strategy as national priorities or for "such other projects related to the achievement of the purposes of this Act as the Director-General determines". Essentially this has meant that the NSF develops a set of funding windows and criteria for applications, obtains sign-off from the Director General, and then allocates the funds.

The NSF has suffered from organisational, staffing and procedural constraints. Part of the problem is that the NSF was set up as a way to fund small projects and not as a decision-making body which supports the skills development component of broader programmes. There has also been confusion about how it is supposed to do its job. A proper strategy for the allocation of NSF funds is only now in the process of being fully established, and the result has been that funds were given out piece-meal. Thus the NSF has had very limited impact in terms of its primary purpose. Furthermore, NSF procedures have sometimes made it difficult for worthy recipients to access funds. One problem may have been a restrictive model focused on funding only training aligned to unit standards on the NQF, which has made it difficult for many developmental projects to obtain funding. In addition, staff shortages may have constrained the Fund's ability to utilise the funds it receives. The NSF has essentially the same number of staff today as it had managing much smaller sums at its inception over ten years ago.

There has been little evaluation of the impact of the projects it has funded, but it is likely that the overall impact of the NSF has been minimal. The NSF is currently developing a new strategic framework and criteria for the allocation of funds which will identify funding priorities in line with those set out in NSDS III and other key government strategies.

The National Skills Fund should complement the discretionary grant of the SETAs. The discretionary grant should support established employers, and the NSF should support other priorities, including the following:

- The prioritization of those skills programmes that lead to full occupationally directed qualifications. This is referred to as the PIVOTAL grant and is described in greater depth in NSDS III.
- National imperatives that result from new national strategies or because of the success of a particular industrial intervention. This may mean that certain qualifications and awards that have not been prioritised in Sector Skills Plans may need to be funded initially through the NSF – for example, new skills that relate to the Green Economy.
- Those priorities considered national imperatives but that are not addressed by the SETAs. These include a limited number of priorities such as community development and job creation programmes which have a skills development component (for example, the Community Works Programme and parts of the Extended Public Works Programme (EPWP), such as those in the social sector that

support early childhood development, adult education or home-based care), and programmes that are aimed at emerging small businesses or co-operatives. In addition the need to augment funding from the fiscus for ABET (allocated through both the DBE and the DHET as discussed previously) should be prioritised, particularly in sectors where there are large numbers of individuals that have not attained ABET.

The NSF must concentrate on larger programmes and projects, delegating authority to handle smaller projects to intermediaries responsible for certain funding windows – for example, the Department of Public Works for EPWP training and the Small Enterprise Development Agency (under the auspices of the DTI) for training for small and emerging firms and co-operatives. This will include allocating funding for priorities established by the DHET, such as those set out in NSDS III.

There is a need to simplify criteria and procedures to speed up approvals, as well as to strengthen monitoring and evaluation. The NSF should require rigorous reporting against outcomes, as well as impact assessments of all its funding. Most importantly, it should acquire capacity to consolidate the findings and take action on results to achieve programme improvements.

### **9.2.3 National Skills Authority**

The National Skills Authority was established as a stakeholder body. It was originally set up to advise the Minister of Labour, and has now been transferred to the Minister of Higher Education and Training. In terms of the Skills Development Act, the NSA must advise the Minister on: national skills development policy; national skills development strategy; guidelines on the implementation of the national skills development strategy; the allocation of subsidies from the National Skills Fund; and any regulations needed. It is also supposed to report to the Minister on the progress made in the implementation of the national skills development strategy and to conduct investigations on any matter arising out of the application of the Act. The Authority has powers of entry to SETAs, and to question and inspect them.

The NSA has not been able to fulfil all these roles adequately, partly because it has had little institutional capacity, and partly because of its stakeholder composition. The DHET is now committed to providing the resources necessary to ensure that the NSA can fulfil its functions effectively. Representation on the NSA will be expanded to include representatives from other government departments, including those responsible for economic development, to ensure that it is able to integrate and accommodate national priorities. The board should be limited to four key constituencies (employers, labour, community organisations and government) to raise the stature of each constituency. Other sectors such as civil society, NGOs and training providers would then be constituted into a “skills consultative forum” which supports the work of the NSA.

As the South African Institute for Vocational and Continuing Education and Training is conceived, the status and functions of the NSA may need to be re-examined in order to ensure that the result is not two competing organisations.

## 9.3 THE NATIONAL QUALIFICATIONS FRAMEWORK

### 9.3.1 Overview

The National Qualifications Framework overarches the whole education and training system. It was intended to:

- create an integrated national framework for learning achievements;
- facilitate access to, and mobility and progression within education, training and career paths;
- enhance the quality of education and training;
- accelerate the redress of past unfair discrimination in education, training and employment opportunities.

The NQF is organised as a series of levels of learning achievement, arranged in ascending order from one to ten. All qualifications and part qualifications offered in South Africa are supposed to be registered on the NQF. Some qualifications are registered with subject curricula attached, some consist of unit standards, and others fit into a system of qualification types.

The South African Qualifications Authority is the body with overall responsibility for the implementation of the NQF. It is directly accountable to the Minister of Higher Education and Training. SAQA is a juristic person, with a board of twelve members appointed by the Minister of Higher Education and Training. Its official objectives are to advance the objectives of the NQF, oversee the further development and implementation of the NQF, and co-ordinate the three sub-frameworks that comprise the NQF. It also manages a national database of learning achievements, the National Learners' Records Database (NLRD).

### 9.3.2 Three sub-frameworks

The NQF was initially designed as one comprehensive framework. It was later reviewed and modified through the National Qualifications Framework Act (No. 67 of 2008) to consist of three "sub-frameworks" – for higher education, general and further education and trades and occupations. These sub-frameworks are the responsibility of the three Quality Councils – the Council on Higher Education, Umalusi, and the Quality Council for Trades and Occupations. The sub-frameworks are under development and close to completion. Drafts will soon be released for public comment. These sub-frameworks will, when they have been finalised, determine what the NQF looks like in practice.

The most advanced of the three is the Higher Education sub-framework. It has nine qualification types mapped onto the top six levels of the NQF:

- undergraduate (levels 5 to 7): Higher Certificate, Advanced Certificate, Diploma, Advanced Diploma, Bachelor's Degree.
- postgraduate (levels 8 to 10): Postgraduate Diploma, Bachelor Honours Degree, Masters Degree, and Doctoral Degree.

This sub-framework was promulgated in 2007 by the Minister of Education, and has recently been reviewed by the CHE. After public comment it will be finalised for signature by the Minister. It will bring together qualifications offered by universities and universities of technology and will increase public understanding of and confidence in higher education qualifications. It will enable the establishment of common parameters

and criteria for programme design, and facilitate the comparability of qualifications across the higher education system. The sub-framework is intended to facilitate articulation between further and higher education and within higher education. The minimum requirement for admission to a higher education institution is the National Senior Certificate or the National Certificate Vocational at level 4. However, the possession of a qualification does not guarantee a student's progression and admission to a programme of study. In terms of the Higher Education Act (No. 101 of 1997), the decision to admit a student is the right and responsibility of the institution concerned and each institution develops its own admission and selection criteria.

The implementation date for the Higher Education Qualifications Framework was originally set for 1 January 2009, and it was implemented for all new programmes at that time. However, it is recognised that higher education institutions will need some time to phase out their existing qualifications. There will thus be a transition period before full compliance is achieved. The Minister of Higher Education and Training will determine the compliance date by notice in the *Government Gazette*. Some issues are still in the process of being resolved. For example, the Framework has been criticised by the universities of technology whose concerns – particularly about the abolition of the B.Tech. degree which they see as hindering progression by students with diplomas to higher levels of study – will have to be considered before the HEQF is finally adopted. Important, in this regard, is to ensure that progression for students with a Diploma or Higher Diploma is not compromised and that routes for further study which recognise their prior learning are not cut off. Another criticism of the HEQF has been the absence of a two-year Diploma, strongly advocated by the Health Professions Council of South Africa (HPCSA) and its boards.

Another concern is how to increase flexibility, to allow for extended undergraduate programmes which are recognised and funded by the government. A diversified and more flexible framework could enable different institutions to respond to the actual levels of preparedness of their particular incoming students rather than being forced, as they are now, to try to achieve the same outcomes for very different types of students in the timeframe. These issues have been the subject of the review by the CHE mentioned above.

A General and Further Education and Training Qualifications Framework (GFETQF) has been developed by Umalusi, but remains a draft document until approved by the Minister of Higher Education and Training. The purpose of the draft GFETQF is to improve coherence within the sub-framework and to strengthen articulation with qualifications residing on the two other sub-frameworks which comprise the NQF. The Framework describes common parameters and criteria for the development of qualifications and allows for the comparability of qualifications within the sub-framework. Like the HEQF, the GFETQF is constituted as a register of qualification types, some with designated variants. Each qualification consists of different combinations of subjects, a prescribed curriculum and external assessment.

To date the following qualifications in the sub-framework are in use:

- National Senior Certificate (replaces the Senior Certificate; first examined in 2008; NQF level 4);
- Senior Certificate (to be phased out by 2014);
- National Senior Certificate (Colleges) (to be phased out by 2011);
- National Certificate Vocational (examined for the first time in 2009);
- National Certificate Vocational (NQF level 3);
- National Certificate Vocational (NQF level 2);

- General Education and Training Certificate: Adult Basic Education and Training (NQF level 1);
- N 3 Certificate;
- Subject and Learning Area statements.

Other qualifications which have been developed, but not yet offered, are:

- the General Education Certificate (NQF level 1);
- the Intermediate Certificate (NQF level 3);
- the National Independent Certificate and the National Senior Certificate for Adults (NQF level 4);
- the Further Independent Certificate (level 5), and the National Certificate (Vocational) 5 (NQF level 5).

Qualifications at NQF level 5 are currently outside of Umalusi's legal remit. However, if they are seen as post-school but not higher education qualifications, there may be reason for them to be located here.

The third sub-framework, for Trade and Occupational qualifications, has been developed, and awaits public comments. It is a framework of qualification types, as well as an approach to the development of qualifications and awards, based on an Organising Framework for Occupations (OFO). A five-level classification system organises occupations into clusters and identifies common features at successively higher levels of generalisation.

It is intended that qualification design and development processes will be based on agreement on the Occupational Profile by representative and credible occupational practitioners across economic sectors. This will be followed by development of the curriculum and assessment specifications. The focus on occupational profiles is seen as a distinguishing characteristic of the Occupational Qualifications Framework (OQF), and is intended to ensure that qualifications reflect occupational competence.

Currently the following occupational qualifications are recognised for purposes of registration on the NQF:

- national occupational awards, which are occupational qualifications representing an occupation on the Organising Framework for Occupations classified at skills level 2 or above on the OFO; and
- national skills certificates, which are occupational qualifications representing: an occupation or group of occupations classified at skills level 1 on the OFO; occupational specialisations or other specialisations linked to an occupation or group of occupations; distinct sub-components of national occupational awards; or occupational skill sets that require licensing, registration or certification.

At the same time, there are myriad qualifications which are ostensibly occupational and which have been registered on the NQF, some of which are quality assured and certified through the SETAs.

The development of trade and occupational qualifications which are externally assessed and have currency in the labour market is a crucial priority. These should build on the existing trade test and apprenticeship system, as well as qualifications quality assured and certified by SETAs, which have gained credibility and respect. A process is under way to resolve the challenges of the NQF with regard to learnerships and apprenticeships (such as where learnerships in trades do not necessarily enable a

learner to understand the trade test). In the short term, the focus of the Quality Council on Trades and Occupations should be on consolidating qualifications offered by SETAs which have gained credibility, eliminating qualifications which have proved ineffective, consolidating one-year qualifications into more rational packages of qualification types, and developing new qualifications where necessary, especially for artisans, as, despite a decade of work, no core occupational qualifications yet exist for the twelve basic artisan trades.

### 9.3.3 Simplifying the national framework

Aligning the HEQF with the GFETQF and the OQF and integrating them into a single National Qualifications Framework is likely to take some time. Between 2001 and 2007, the government undertook a lengthy review of the NQF, which, in the interests of space, is not discussed here. It is not the intention of the DHET to signal another major review. However, problems clearly remain, despite the new NQF Act and the establishment of the three sectoral Quality Councils. Now, with all the major role-players largely configured under a single Ministry, the DHET will ensure an ongoing process of critical engagement and targeted review or reconsideration of aspects within the system, including tackling problems with the NQF that have not yet been resolved. We want learners and providers to see that progress does not have to mean moving up the NQF "ladder", but that it can mean acquiring new knowledge and skills. We need to simplify the NQF where possible.

**Option one** is to make no more substantial changes, and to support the implementation of changes which have recently been made. In this model, the three sub-frameworks in their emerging forms would continue, with SAQA providing guidance on articulation between them, based on recommendations from each of the Quality Councils.

**Option two** is to introduce simplification by removing the levels on the NQF, and instead indicating relationships between the key qualification types in the three sub-frameworks. The creation of such a simplified, unified NQF could be done without substantial changes to the sub-frameworks as they are currently conceptualised. It would simply be necessary to map the agreed qualification types against each other. This would entail the removal of NQF levels and level descriptors, while maintaining a hierarchy of qualifications, and the possibility for locating qualifications on regional or international frameworks. In this model, SAQA's role would shift to a greater focus on research about where there are problems with articulation. This could include researching instances of unfair restrictions on articulation of programmes and qualifications, through mapping the curricula of qualifications and programmes against each other, and facilitating discussions with institutions based on research findings.

Many countries now have NQFs, and there are many different models and approaches. Continuing to look critically at experiences in other countries may assist as we progressively improve our system.

Whichever option is chosen, the development of thousands of unit standards (there are currently 11 615 unit standards on the SAQA database), large numbers of which are never used, is a waste of time and resources. The NQF Act provides for the recognition of part qualifications, which is important for credit transfer and accumulation. There are well-recognised programmes based on unit standards – substantial skills programmes that have legal weight, and allow individuals to do specific work, such as work underground in mines, or do certain work in tourism and banking. These programmes have meaning and value in the workplace, and a lot of time has been devoted to them.

They must be recognised, perhaps as occupational awards, and our system of occupational awards must have space for this type of programme. However, the proliferation of unit standards must stop. No providers should feel compelled to develop programmes against unit standards, nor should any quality assurer require their use.

The South African Qualifications Authority will continue to provide guidance and leadership on the development of the NQF. It will also continue to play a major role in the development and implementation of its newly developed national career guidance service, which is key to learner mobility.

## 9.4 QUALITY ASSURANCE, ASSESSMENT AND CURRICULUM ORGANISATIONS AND SYSTEMS

### 9.4.1 Quality assurance structures

#### 9.4.1.1 Quality councils and professional bodies

The primary bodies with a direct role in governing quality assurance and certification (and, through their responsibility for standards setting, curriculum and assessment) are the Quality Councils. The three Quality Councils – the CHE, Umalusi, and the QCTO – are responsible for: defining the three sub-frameworks of the NQF (as discussed above); quality assuring the provision, assessment, and, in the case of Umalusi and the QCTO, certification of qualifications on their respective frameworks; and maintaining a database of learner achievements.

In addition, professional bodies (such as the South African Institute of Chartered Accountants, or the South African Nursing Council) have oversight of qualifications in specified areas, subject to the NQF Act. Many professional bodies exist through legislation which falls under various Ministers, while others do not owe their existence to legislation. The NQF Act requires SAQA to develop criteria for the recognition of professional bodies and the registration of their professional designations. This process is at an advanced stage. In some instances professional bodies may engage in exclusionary, gate-keeping practices in order to limit the numbers of people entering the profession. The DHET intends to establish the extent of this problem. The DHET recognises the role of professional bodies in maintaining professional standards, but it intends engaging directly with professional bodies, in collaboration with other relevant Ministries where necessary, in order to curb such exclusionary practices where they exist, and to support the production of more professionals, especially black and women professionals.

#### 9.4.1.2 The scope of quality councils

One of the questions facing us as we move forward is whether the current configuration of Quality Councils, as well as the demarcation of responsibility among them, is the most rational for our system. A sensible organisation of quality assurance organisations should reflect a sensible organisation of qualifications. The current demarcation is problematic. Although Umalusi and the CHE were initially intended to oversee the quality assurance of qualifications in respective “bands” on the NQF, Umalusi, by arrangement with the CHE, has quality assured certain qualifications which are above NQF level 4. The QCTO is now responsible for occupational qualifications, as defined in



the Skills Development Act, at all levels – although in practice many higher education and training qualifications are occupational or professional in focus.

The qualifications for which these various bodies are responsible can be placed on a continuum from the very general (academic) to the very specific (occupational). It is not easy to clearly demarcate “occupational” qualifications on the one hand and vocational and professional qualifications on the other. Nonetheless, it is likely to be counterproductive to lose the distinction between general vocational qualifications and focused occupational qualifications. The risk is of narrowing general vocational qualifications, such as the NCV, currently the responsibility of Umalusi. This would be contrary to the DHET’s intention of creating a more diverse array of options for learners.

One change which could bring some increased clarity into the system without creating any major institutional changes would be facilitated by the removal of levels on the NQF. Once the notion of level 5 as part of higher education is removed, there should be no problem with Umalusi continuing to quality assure qualifications that are part of the post-school system, but are not part of the higher education system. Even if levels on the NQF remain, the demarcation of quality assurance bodies does not need to narrowly correspond to these levels. For example, it is sensible for Umalusi to quality assure qualifications which are part of a defined package of qualification types, such as the NCV 5, which would relate directly to the NCV 4.

Four possible options present themselves for the configuration of the Quality Councils:

**Option one:** Amalgamate all quality assurance into a single overarching Quality Assurance Authority with three chambers corresponding to the current Quality Councils.

**Option two:** Continue to build the three bodies in their current forms, with their current jurisdictions of qualifications remaining.

**Option three:** Continue to build the three bodies in their current forms, and shift all occupational and professional qualifications to the QCTO.

**Option four:** Incorporate the newly emerging occupational awards into Umalusi and dissolve the QCTO. Umalusi and the CHE would delegate to the SETAs the quality assurance of workplace-based learning, and Umalusi would work with the National Artisan Moderating Body (NAMB) to quality assure the trade tests. (See section 9.4.2.3 for more on the NAMB.)

There are merits and demerits inherent in each of these options, and they must be carefully assessed. Option one may require substantial organisational rebuilding in the long term, but could be implemented, at least initially, on the foundation of the current organisational structures of the existing Quality Councils. Option two does not resolve the contestation around how to demarcate qualifications, but involves the least institutional change. Furthermore, while it is difficult to draw a clear line between vocational and occupational qualifications, the differences are nonetheless important. It may be useful, therefore, to have separate Quality Councils working together where there is overlap through, for example, the recently formed NQF Forum. Option three presents difficulties, as professional qualifications are in many cases very firmly part of the higher education system, and many vocational qualifications have considerable components of general education, which will not fit well in the QCTO. There is a great danger that the important academic content of such qualifications will be diluted. Furthermore, the QCTO is new and does not yet have institutional capacity, and it would make no sense from an operational perspective to transfer qualifications away from where capacity already exists, to where it is still being built. Option four overcomes the

problem of demarcating between occupational and vocational qualifications, but would involve institutional change.

These options need to be interrogated further by the DHET, SAQA, and the Quality Councils before any decision is made. Other stakeholders and the general public are also urged to contribute by making submissions to this debate. Meanwhile, the focus of the DHET will be on building capacity of the existing institutions, utilising whatever strengths there are in the system, and ensuring that current systems continue to function as well as possible. Building and strengthening relationships with professional bodies is a key part of this work. In the course of the next few years, some reorganisation of the work of the Quality Councils is probably inevitable, but it should be done with the least disruption possible.

## **9.4.2 Simplifying and strengthening quality assurance**

### **9.4.2.1 Improving quality assurance**

Quality assurance is an important part of our regulatory system. A key challenge is how to ensure that quality assurance is more focused on where it can make a real impact. We need to be far more targeted and strategic, and we need to ensure that our systems do not stifle initiative, responsiveness and the ability of providers to provide education.

It is increasingly clear that quality assurance and qualifications systems can tend towards bureaucratic implementation which eliminates professional judgement, while professional judgement, learning and continuous improvement are essential. We need to strengthen the professional capacity of all organisations involved in these areas, building on existing strengths, and not underestimating the time it takes to build up capacity. Staff who work in quality assurance need extensive experience in and knowledge of the specialised areas which they quality assure.

The DHET envisages a combination of a tight and focused quality assurance system for key national qualifications and institutions, and will consider a loosening up of quality assurance for some other types of provision. Finding the appropriate systems for the development of curricula, and the development and management of assessment and certification, will be an important part of simplifying and improving our quality assurance system.

### **9.4.2.2 Curriculum**

In higher education, curricula are the responsibility of individual institutions. This is appropriate and should remain.

For the rest of the post-school system, some degree of curriculum centralisation is necessary. One problem is that we have, in many instances, placed far too much responsibility on individual providers for curriculum development. Outside of the higher education system most national qualifications would be improved by having a nationally specified curriculum. However, there is presently insufficient capacity nationally, in government and elsewhere, for curriculum development. In many instances curricula are developed through *ad hoc* processes and groups. Our ability to develop curricula nationally would be increased by institutionalising capacity for curriculum, under the auspices of the Quality Councils. It is vital to ensure that there are state or national bodies which can play this role and support the development of such bodies. The

proposed Institute for Vocational and Continuing Education could, once it is established, develop curriculum under the authority of the relevant Quality Council.

#### 9.4.2.3 Assessment and certification

Assessment for higher education is institution-based, and moderated through peer-reviewed external assessment systems. Certification takes place at an institutional level. Quality assurance looks at the capacity of institutions to run and manage assessment and certification, among other functions. This system should continue.

For the rest of the post-school system, strengthening external assessment systems for national qualifications is a priority. The state must continue to assess the NCV and N courses (and the courses which will replace the latter). The state must also take responsibility for the assessment of the NASCA. This will enable a substantial reduction in the need for detailed accreditation processes of providers – which in practical terms are never rigorous when large numbers of providers must be dealt with. It will also reduce the need for the complex system of individually registered assessors, moderators and verifiers. When learners in educational institutions write examinations or participate in external assessment, this provides significant information to quality assurance bodies. While it does not provide information on many aspects of a quality learning experience, it does provide far more information than that obtained through most institutional accreditation processes, which do not, given the numbers of institutions involved, comprise lengthy evaluative visits to institutions. Quality Councils can use external assessment as an indicator of poor performance. They could investigate institutions where learners consistently perform poorly in such assessments in order to institute remedial or capacity-building measures. Problematic institutions could even be closed down where necessary.

In terms of the Skills Development Act, the DHET has recently established the National Artisan Moderating Body (NAMB) whose main statutory functions include the following:

- setting standards for quality artisan training;
- monitoring the performance of and moderating accredited artisan trade test centres;
- developing, maintaining and applying a national databank of instruments for assessment and moderation of artisan trade tests;
- developing and maintaining a national database of registered artisan trade assessors and moderators;
- recommending certification of artisans to the QCTO.

This is not a new trade test system, although currently a great deal of emphasis is on developing assessment instruments. In the absence of strong centralised assessment, the NAMB should move towards a greater assessment role, as opposed to a moderation role. Working with the QCTO and through NAMB, the DHET will update and improve the trade testing system. The different contractual and learning modalities which are represented by apprenticeships and learnerships respectively may both have value and need in our system, and may both be required in the future, but both should lead to national trade and occupational qualifications.

Quality Councils must ensure that wherever appropriate, institutions and assessment bodies allow candidates to sit for assessment without having first been registered on specific learning programmes. This will ensure that workers who have gained experience in the workplace will be able to attain trades and professional certificates.

### **9.4.3 Recognition of Prior Learning**

Many institutions have policies and systems to assist with the placement of learners who do not meet the formal requirements for entrance, but who can demonstrate that they have appropriate knowledge and skills. These systems should be simplified, supported and strengthened, so that institutions make alternate routes for access possible.

Over the past seventeen years substantial work has been done by many institutions and organisations in the development of policies and systems to recognise prior learning, as well as in researching the efficacy of such policies. This work will be built on by a task team to be established by the Minister on the advice of SAQA. The priority is to continue to improve ways in which individuals can receive credits for prior learning towards a qualification. Where appropriate, learners should be able to enrol for assessment without having completed a formal educational programme. There will also be a strengthening of existing processes to recognise equivalent learning from other institutions, so that a learner may be exempted from undertaking a certain component of the programme.

### **9.4.4 Learning which does not lead to a qualification**

There is much learning which does not need to lead to a national qualification. Such education and training need not be rigorously quality assured, as long as it is meeting the needs of learners, the relevant government department, private employer or community. We need to provide strong signals to other government departments and donors that non-formal educational provision targeted at specific community needs, as well as on-going professional development, need not always lead to qualifications or be provided through accredited providers.

### **9.4.5 Monitoring and evaluation**

A comprehensive monitoring and evaluation framework will be developed which considers the impact that the overall system, including all implementation and regulatory bodies, are having on individuals, society and the economy. This will focus on whether the different bodies are achieving their goals, and whether they are having the anticipated impact on the overall goal of this system. For example, it could attempt to understand how the skills being developed are supporting economic growth and job creation.

Monitoring and evaluation should make it possible to understand the levels of efficacy that are being achieved, and identify where any blockages in the system may be emerging. This could form part of a loop-back into the Human Resources Development Strategy, and specifically the post-schooling strategy for the country. It should enable a more detailed and informed understanding of the skills deficits and the areas for focused growth linked to the country's needs.

This implies the need for a regular monitoring process in which the data is analysed in a meaningful way, and an evaluative process which focuses on specific issues as they arise, as well as providing an understanding of impact. It assumes, therefore, that data will be available, and that varied sources of data will be integrated into the framework. This will need to take place against defined indicators which, for the next three years at least, will draw on the NSDS III and on the indicators in the Minister's delivery

agreement with the President. It is critical that approaches to evaluation are incorporated early in policy development and implementation, so that the data that will be required is collected in an on-going manner.

## 10. ARTICULATION, COLLABORATION AND CO-ORDINATION

### 10.1 WORKING TOGETHER

The DHET will initiate and support policies and systems directed at building and strengthening co-operation between sub-sectors of the post-school system, and across the range of providing, regulatory and other institutions. The proposed post-school education system aims to achieve congruency within an integrated provision system. This system must be comprised of a set of clearly defined and differentiated types of providers. Institutional nomenclature for both the public and private sectors (such as *universities, colleges, institutes, academies*, and so on) should indicate defined sets of offerings. This could help to improve the transparency of the system for learners and the general public. Defining and applying this nomenclature should be the object of further investigation and discussion.

The DHET will work with other government departments to improve co-ordination and reduce duplication. For example, all student funding from the state should be coordinated through the National Student Financial Aid Scheme, and small business support should all be co-ordinated through the Department of Trade and Industry. This is key to building efficient institutional capacity in the state – there should be a single locus for all major aspects of the system.

A truly integrated education system implies that institutional growth paths are aligned to South Africa's overall development agenda with direct links to various development strategies such as the New Growth Path, the Industrial Policy Action Plan 2, the Human Resource Development Strategy for South Africa 2010-2030, and South Africa's ten-year Innovation Plan. These identify priority growth areas and job drivers for South Africa's economy including, among others, infrastructure and housing development, mining and minerals beneficiation, smallholder agriculture, metal fabrication, capital and transport equipment manufacture, "green" and energy-saving industries, the automotive industry, plastics, pharmaceuticals chemicals, bio-fuels, forestry and related industries, cultural industries, tourism, and the social economy, including co-operatives, NGOs and stokvels engaged in a range of activities. These areas of economic activity as well as the Department of Labour's scarce skills list provide guidance to SETAs and educational institutions on some of the most important skills required by the country.

The National Skills Development Strategy 3 (NSDS III) provides strategic guidelines for skills development and encompasses sector-specific direction for skills planning and implementation by the SETAs. Furthermore, NSDS III calls for greater synergy between post-school education providers, and better alignment between the education system and the labour market.

Our educational institutions must work together. Universities should support colleges and community education and training centres. We need institutions to develop realistic bridging programmes that can support individuals who do not have all the knowledge

and experience required for the education programmes of their choice. Such programmes will be funded by the DHET. We need to integrate adult learning into the skills development process.

Skills-levy institutions must fund and support public provision. They must also play a crucial role in building relationships between education and the labour market. Articulation between colleges and universities and within the university system (for example, between universities of technology and traditional universities) is essential to ensure that doors are not closed to learners. We envisage a key future focus for SAQA in leading the creation of a systematically articulated system by conducting focused research into areas that have been flagged as having unfair entrance requirements or where the qualification system or institutional practices are seen as unfairly restricting access to higher study opportunities. What is envisaged here is not a legislative change, but a process of strengthening a research-based understanding of problem areas, and of facilitating meaningful and substantial dialogue and discussion with involved institutions.

The DHET will work to strengthen collaboration between the private and public sectors, and between the three spheres of government. It must improve co-ordination between itself and departments that are responsible for specific sectors such as tourism and transport. Also crucial is improving co-ordination between relevant ministries that are critical to delivering improved post-school education, such as Basic Education, the Treasury, Labour, Science and Technology, Trade and Industry, and Economic Development. We need improved planning at sectoral and national levels to ensure that information exists to inform future investment in skills and human resources.

## 10.2 IMPROVING SKILLS PLANNING

The foundation of any planning process is the existence of comprehensive, accurate, integrated and effectively analysed data. The DHET faces a number of challenges in this respect. The data on educational institutions maintained by the former Department of Education was not always accurate, was not comprehensive and was not organised as part of an integrated system. University, college and adult education data are stored in separate systems. This made for an unsatisfactory management information system. The data was particularly weak in the college and adult education systems. In the levy-grant institutions, the data has been scattered among the SETAs and the NSF. Additional important data on the education system and the labour market is collected by SAQA, the Quality Councils, and the National Student Financial Aid Scheme.

The lack of congruence between different datasets seriously constrains the system's ability to compare, assess and evaluate the post-school system. It also negatively affects development of the planning and steering mechanisms that may be most useful for the system. The first step, therefore, is to establish an integrated system of data management among all institutions in the post-school system, something that the DHET has now embarked on. In addition, systems for analysing and using this data on an ongoing basis must be developed and put into effect.

In order to establish a credible national institutional mechanism for skills planning, the integrated DHET data system needs to be further integrated with data from other government departments, such as the Departments of Labour, Home Affairs, Trade and Industry, Science and Technology, Basic Education, Public Service and Administration, Rural Development and Economic Development, as well as Stats SA, through a specialist information system.

This is a major undertaking. A model for comprehensive skills planning on a national basis is currently being developed by the DHET and a consortium of research institutions. This consortium is being led by the Human Sciences Research Council and includes university-based research centres.

The primary objective of enhanced data collection and analysis is a better understanding of the education and training system and the needs of the labour market. The information thus generated will: guide policy and strategy formulation, implementation, monitoring and evaluation; support the planning of capacity building in institutions and national or provincial systems; enhance policy and strategy co-ordination across previously divided sub-systems; and assist in career guidance and career development by helping learners and their mentors to make more informed career and study choices.

Ultimately, we should remember, though, that no matter how good our skills planning is, the extent to which supply can meet demand is ultimately dependent on the extent to which the capacity of providers is developed. This must take into account the strengths of both public and private education providers as well as workplace provision.

## 11. CONCLUSION

Education and training at the post-school level have been brought together as a natural complement to each other in the Department of Higher Education and Training. This allows us to create a single, coherent system in which the different types of institutions each play an important role and co-operate for the mutual benefit of all. Universities, colleges, other post-school educational institutions and the SETAs all have something to offer one another, and all can benefit from the others. A major challenge lies in finding ways in which the co-operation can be optimised so that the system as a whole can be strengthened.

This Green Paper recognises that the range of education and training opportunities and pathways on offer are too limited to meet either the needs of society and the economy or the expectations of young people and their parents. It is argued that these opportunities need to be expanded very significantly. Such expansion must take place in all institutional types: universities, colleges and community education and training centres. The greatest growth must take place at the college level in order to produce middle-level skills to meet the economy's demand for these skills. Enrolments in the college system will need to expand at least ten times in the next twenty years. This poses a difficult challenge – ensuring that quality is improved simultaneously across the system.

An important characteristic of the post-school system must be articulation for students between different institutions, so that there are no dead-ends and students who wish to study further will not be obstructed by red tape. They should be able to transfer to more advanced programmes, if necessary in other institutional types. Equally important is building articulation between educational institutions and the labour market so that students can get practical experience in real workplaces, and find jobs when they complete their studies. The SETAs have a central role to play in building bridges between educational institutions and employers.

The Green Paper recognises that the education and training system on its own cannot create jobs. However, it is an indispensable prerequisite if the economy is to change from one in which a relatively highly paid skilled labour force can drive the economy in a

direction that relies more on the value-adding skills of its people than on easily replaceable and cheap unskilled labour.

The education and training institutions should be supported by effective policy, management, administrative and regulatory institutions at the national level. These include the DHET itself, quality assurance organisations, the levy-grant institutions and other support institutions such as the proposed South African Institute for Vocational and Continuing Education and Training and the Council on Higher Education. Of great importance is the proper collection, analysis and co-ordination of data, as well as the maintenance and effective use of an integrated data management system for the entire education and training system.

The funding of the different sub-systems of the post-school sector has always operated individually. Evidence over the last sixteen years confirms that there has been much wastage and inefficiency. The Green Paper envisages a more effective utilisation of funding in all post-school institutions – whether they be educational institutions, levy-grant institutions or other regulatory bodies. It argues for more porous boundaries between and among the different funding envelopes, and for more public accountability for the use of public funds.

It is important to emphasise that equity of access and success are the key principles that inform the policy direction of the post-school sector. Over the coming years, everything will be done to ensure that funding is not a barrier to access to education and training opportunities. Entry to post-school education and training must progressively become a right for all, and access to particular programmes must not be determined by family finances but rather by ability and proven capacity to study hard. Career guidance must become available to all young people as they choose their career paths.

Finally the Green Paper argues for a simpler NQF. It is also recognised that not all training has to necessarily adhere to specified outcomes that are registered on the NQF. The governance arrangements that pertain to quality assurance and standard setting are not yet optimal for the envisaged post-school system and must be re-examined.

Through this Green Paper, the Department of Higher Education and Training has provided a vision for drawing together various policy development processes, filling in gaps and signalling policy priorities, to provide a coherent policy framework for a diverse but integrated and coherent system. It has provided a vision for the future development of this system to guide the work of the Department as a whole in the coming years. Clearly, once a vision has been agreed upon, the capacity required by the Department to implement it must be urgently addressed.

While this Green Paper reflects emerging policy thinking in the DHET, it should not be considered as definitive government policy. In parts it reflects debates and policy options without necessarily attempting to state preferences. The Green Paper is being made public with an invitation to stakeholders and all other interested persons to make submissions with comments and recommendations. These submissions will be scrutinised by the Minister and his Department, and the process will be followed by the drafting of a White Paper on the post-school sector for submission to Cabinet and adoption as official government policy.