GREEN PAPER

ON FURTHER EDUCATION AND TRAINING

PREPARING FOR THE TWENTY-FIRST CENTURY THROUGH EDUCATION, TRAINING AND WORK

15 APRIL 1998

ISSUED BY THE DEPARTMENT OF EDUCATION, PRETORIA

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FOREWORD

I am pleased to release this Green Paper on Further Education and Training (FET). The release of this Green Paper follows substantive consultations conducted by the National Committee on Further Education (NCFE). The NCFE, a Ministerial committee, was appointed on 18 September 1996. Its brief was to investigate the FET sector and advise on all aspects of post-compulsory education and training prior to entry into higher education or work. The committee was requested to make recommendations regarding a plan and time frames for implementation, evaluation and further development regarding the sector. The report was handed to me on 14 August 1997.

The present Green Paper is the first step in the formulation of policy for FET and follows consultations within the Department as well as the Steering Committee, made up of my Department and the Department of Labour.

A well developed FET sector in South Africa will no doubt make a considerable contribution to the envisioned economic growth of the country. The reason for this is that this sector is situated at the intersection of a wide range of government policies, which are critical to the new information-based economy. These include macro-economic, industrial, labour market and human resource development policies. Government co-ordination across these domains is key to their success and to the establishment of a policy framework which will promote the development of the human capacities, knowledge and skills of our people.

The achievement of our national goals will require nothing less than a collective effort from all our partners, both in the public and private sectors. The policies developed in this Green Paper are complementary to the *Skills Development Strategy* of the Department of Labour in that both are intended to set in motion lifelong learning, employability and increased productivity in our country.

The publication of this Green Paper marks the beginning of further discussions on the nature, direction and organisation of the FET sector, which until now has been characterised by inefficiency, fragmentation and variable levels of quality. The Department of Education and I are looking forward to the discussions, written comments and responses that will assist us in developing a government White Paper and associated legislation for FET.

I take this opportunity to thank everyone who participated and contributed in various forms in this Green Paper process, and also those from whom comments are awaited.

PROFESSOR S.M.E. BENGU
MINISTER OF EDUCATION

APRIL 1998

CHAPTER ONE

Background

This chapter makes the point that Further Education and Training (FET) is crucial to South Africa's development. It sketches the process that has led up to the publication of this Green Paper and sets the scene for the policy proposals that follow.

1. Introduction

1. 1 *The Constitution of the Republic of South Africa* (Act 108 of 1996) (Section 29 (1)) states clearly that everyone has the right:

- to a basic education, including adult basic education, and
- to further education, which the state, through reasonable measures, must make progressively available and accessible.

1. 2 It is in pursuit of this right, and in fulfilment of government's obligations under the *Constitution* to make further education progressively available, that this Green Paper puts forward a new framework for Further Education and Training (FET).

1.2.1 The measures outlined here are aimed at the development of a vibrant, innovative and responsive FET system, through which the people of South Africa can develop their full human potential and contribute to the building of a just, democratic and prosperous society.

1.2.2 The importance of FET is widely recognised internationally. When broadly conceptualised, FET contributes to social cohesion, to the social and cultural life of society and to economic growth and prosperity.

1.2.3 In the South African context, FET has a key role to play in developing the skills through which the basic needs of our people can be met and the foundations laid for growth and democracy.

1.2.4 Moreover, as we approach the 21st century, FET is fast becoming an important strategic force, in a context where a country's ability to compete effectively in the global economy increasingly depends on the knowledge and skills of its people. The pace of scientific and technological advancement, and the challenges and opportunities of the information age, mean that high quality education and training, and lifelong learning, are essential if South Africa is to keep abreast of changes in the nature of knowledge and in methods of production.

1.2.5 If FET is to fulfil its key role in promoting lifelong learning, personal development, economic growth, nation-building and the creation of a just and equitable society, it must be transformed. This Green Paper is an important step forward in that transformation process.

2. The Green Paper process

2.1 The Green Paper builds upon an extensive process of research and consultation, which culminated in August 1997 in the Report of the National Committee on Further Education (NCFE). The NCFE Report raised important issues and made a number of significant recommendations and proposals. These recommendations have informed the Ministry's views as put forward in this Green Paper.

2.2 A major challenge which has faced the writers and contributors to this Green Paper is the fact that the FET system has only recently been defined as a specific band, located between general education and training (GET) and higher education (HE), and inclusive of all education and training programmes between

levels 2 and 4 on the new National Qualifications Framework (NQF). The FET band brings into one conceptual framework widely diverse groups of learners and stakeholders, including pre-employed, unemployed and employed youth and adults. A variety of institutions, agencies, government departments and stakeholders, including millions of current and potential learners, have direct but often divergent interests in the provision of FET or in accessing FET. It is this very diversity and fragmentation, and the need to adopt a coherent approach to the development of this critical middle band of the education and training system, which lay behind the establishment of the NCFE, and which have informed the development of this Green Paper.

3. A definition of FET

3.1 FET consists of all learning and training programmes from NQF Levels 2 to 4, or the equivalent of Grades 10 to 12 in the school system. It is the band within the NQF which follows directly on GET and precedes HE. Learners enter FET after the completion of the compulsory phase of education at Grade 9 or Level 1 of the NQF.

3.2 FET is not compulsory education. By definition, it has no age limit. Its goal is to promote lifelong learning and education on-the-job.

4. The provision of FET

4.1 FET is provided directly or through distance education by:

    a.   public schools
    b.   public colleges
    c.   independent schools
    d.   independent colleges
    e.   on-the-job trainers.

4.2 In keeping with the Report of the NCFE, the Ministry's vision of a future FET system is as follows:

FET will be an open learning system, responsive to the needs of individuals and communities, and contributing to the development of the country's human resources. It will make flexible, relevant, accessible, high quality FET programmes progressively available to all eligible citizens who are capable of benefiting from them. In so doing, it will promote the development of human talents and abilities, the redress of past inequalities, and the building of a just, democratic and prosperous society.

4.3 The mission of FET is to foster intermediate to high level skills, lay the foundation for HE, facilitate the transition from school to work, develop well-educated, autonomous citizens and provide opportunities for lifelong learning through the articulation of learning programmes.

4.4 The NCFE Report notes that, after GET, FET is the largest phase of learning, costing the country over R10 billion annually and encompassing some 3 million learners and 8000 providers, excluding companies.

4.5 FET is also the most complex and diverse phase of education and training, comprising 13 types of providers, categorised into four main sectors: secondary schools, publicly funded colleges, private off-the-job providers and work-based education and training. Responsibility for FET largely falls to the national and provincial departments of education, but the Department of Labour (DoL), other government departments and private providers including companies, are also important role players.

5. The commitment of the Ministry to the transformation of FET

5.1 The FET band is situated at the intersection of a wide range of government policies which are critical to the new information-based economy. These include macro-economic, industrial, labour market and human resource development policies. Government co-ordination across these domains is key to their success and to the development of a policy framework which will promote the development of the human capacities, knowledge and skills of our people.

5.2 Transforming FET to meet the challenges of the present and the future will not be an easy task. It will entail changing public perceptions and attitudes regarding the FET band. It will require rethinking and reinterpreting the dominant positions which both GET and HE currently occupy in the political economy of educational reconstruction. Some of the country's best minds, resources and funds will need to be redirected to the FET sector.

5.3 We need transformation on a major scale. Such an intervention cannot come from the state alone but must involve all stakeholders and interest groups. Transformation will require more effective state co-ordination, greater private sector investment and involvement, and greater community and individual initiative. The transformation of FET is a project which must succeed, and to which we must all be committed.

6. A developmental approach

6.1 The Green Paper adopts a strongly developmental approach to the transformation of FET. Development is used here in two senses: first, to signal the critical role of FET in social and economic development, and second, to make the point that implementation of the Ministry's vision and strategy will require serious and systematic efforts to overcome the resource and capacity constraints which hold back the pace of change.

6.2 Our national system of FET must be increasingly responsive to the country's needs, and it will at the same time build capacity and introduce essential changes in a planned and responsible manner.

What this chapter means in practice

Believing that FET is central to South Africa's social and economic development, and to the future of our young democracy, the Ministry of Education is deeply committed to its transformation.

Transformation must involve the private sector and the community, working in partnership with government.

FET must become more relevant and responsive to the needs of its three major client-groups - the pre-employed, the employed and the unemployed. Transformation of the system to meet these needs will impact upon all providers of education and training, including schools, colleges and private providers.

CHAPTER TWO

Why change is essential

This chapter explains why change to FET is essential. FET must respond to rising social demands and to new local and international economic realities.

1. Introduction

1.1 The pressures for the transformation of South Africa's FET sector are compelling and substantial. They emerge out of a wide array of social and economic conditions.

1.2 Some of the most pressing demands for change arise from the legacy of apartheid and the social inequalities it generated. Others stem from the sense of system failure within the FET band itself, in particular the deep-rooted problems that confront the public school system, the low morale of many staff, the poor quality of provision in certain institutions, the relative inability to place trained learners in jobs, and the lack of articulation between key FET institutions and the labour market.

1.3 Still other pressures are relatively new, particularly those generated from outside the FET system. The most important of these is the phenomenon of globalisation, which poses unavoidable challenges for the future of FET in South Africa.

2. Inefficiencies of South Africa's FET system

2.1 FET systems world-wide may be judged on the one hand by the effectiveness of their articulation with work and on the other by the extent to which they grant meaningful access to higher and lifelong learning. In South Africa, at present, the FET system as a whole fails on both counts. This failure occurs despite pockets of undoubted excellence and innovation.

2.2 The following are some of the problems that characterise the current system:

2.2.1 *A lack of coherence and co-ordination:* FET as presently constituted is fragmented and unplanned. While the Ministry supports the principles of diversity and responsiveness, the current system is dysfunctional to the extent that no overall vision and strategy guides its development or determines priorities.

2.2.2 *A lack of funding coherence:* The funding of programmes is uneven across different sites of provision and creates distorted incentives and disincentives.

2.2.3 *Poorly articulated programmes:* Different FET programmes and qualifications are poorly articulated, inhibiting student mobility and leading to high levels of inefficiency. Programmes differ widely with respect to quality, standards of provision, outcomes and curriculum.

2.2.4 *Separate education and training tracks:* FET provision reflects rigid and outmoded distinctions between `academic' education and `vocational' training. Consequently, technical and vocational education lacks parity of esteem with traditional schooling. Yet, the quality of the general `academic' education provided to the majority of South Africans is poor and there are few second-chance opportunities for those who have been failed by the system. New entrants into the labour market generally lack appropriate knowledge and skills. Opportunities for the employed are limited, while the needs of those who do not have formal jobs, and whose main hope of making a living lies in the informal sector and in small and medium enterprises, are largely neglected.

2.2.5 *Weak linkages with industry:* Employers argue that many programmes offered by technical colleges and regional training centres are irrelevant and outdated. Equipment is antiquated and tuition is of poor overall quality.

2.2.6 *The legacy of apartheid:* Among the most devastating consequences of apartheid were its effects on the education system. Black secondary schools bore the brunt of the apartheid assault upon our young people. The discriminatory character of apartheid education was all too visible in the limited range, lack of relevance and poor quality of learning programmes and qualifications. Black technical colleges lacked meaningful linkages with industry and were largely disconnected from the local economy.

2.2.7 *Organisational ethos and the culture of learning, teaching and service:* Adverse working conditions and a breakdown in the culture of learning, teaching and service are reflected in poor morale, a poor work ethic and low professional self-esteem amongst many educators. An authoritarian management culture still pervades many institutions, which accentuates race and gender inequality within the sector.

2.2.8 *A distorted labour market:* A distorted labour market is perhaps the most visible legacy of apartheid. While the key social institutions and practices of the past (job reservation, pass laws, influx control, segregated townships and low-wage labour) have been legally abolished, their effects live on. This is particularly evident in the poor articulation between education, training and work, in the phenomena of jobless growth and mass unemployment, in continuing racial obstacles to occupational mobility, in the paradox of continuing skills shortages at a time of declining investments in training, and, most devastatingly, in the collapse of the youth labour market. These problems are exacerbated by low enrolments in science, engineering and technology - fields essential to the achievement of higher levels of technological innovation and productivity.

The paradox of skill shortages in the face of declining investments in training

One of the most contradictory features of the South African labour market has been the claim by employers and labour market experts of acute skill shortages in certain fields at precisely the same time as employers cut back on skills training. These claims have been made ever since the boom years of the late 1960s. They have had some validity in certain specific occupations requiring high-skills and high-tech inputs, for example, in new technological fields such as informatics and biotechnology, and in the demend for high-tech artisans. They also arise as a consequence of the general drift to more intermediate and high-skills jobs. However, the generalised claim regarding skill shortages is probably more a reflection of the dissatisfaction among employers regarding the poor outputs of apartheid schooling and the massive illiteracy levels of semi-skilled workers.

However, these claims appear contradictory when the training track record of employers is scrutinised over the past two decades. In figures provided by the DoL, total industrial training undertaken by the private sector and public training centres declined from a peak of 736 581 in 1986 to a dismal 205 260 in 1994 - a mere 2.9% of the economically active population who received some form of training. Registered apprenticeship contracts declined from 33 752 in 1985 to 22 015 in 1994, and the annual indenturing of apprentices declined from 11 573 to 5 002 in the same period. Enterprise-based training declined from a peak of 457 255 in 1984 to a dismal 85 736 in 1994.

In a report commissioned by NEDLAC in 1996, it was shown that although only 12% of firms do not train, if dissaggregated, the figures show that only 25% of small firms train, 42% of firms spend less than 1% of payroll on training, and 65% of firms spend less than 2% of payroll. In another study, while 87% of firms claimed to train, about 70% provided only initial induction-type training to entry-level workers. Of those firms who claimed to do retraining, 74% acknowledged that it was only informal on-the-job training.

In short, these figures reflect the crisis gripping industrial training and vocational education in South Africa. They reflect a serious malfunctioning of the labour market which is manifested, historically, in a set of education and training, employer and governmental departments which have worked at odds with each other, giving out contradictory signals about the skills needs and shortages, with employers doing very little actual training. These labour market institutions have failed to provide a basis for a coherent and consistent labour market policy and human resource development strategy for the medium- to long-term. The need to correct this failure and malfunctioning is more urgent now than ever before.

The collapse of the youth labour market

The most socially devastating impact of instutional malfunction has been the collapse of the youth labour market. As more and more young adults survive the school system and matriculate, fewer and fewer jobs are available to them. It has been estimated that by the year 2005 there will be at least 250 000 students with matriculation exemption and a further 500 000 with a FET Certificate. If efficiency and pass rates improve in the intervening years, the numbers could expand to over 800 000 school leavers with a FET certificate. Half the estimated 4 million

2.3 All of these indicators suggest a crisis of major proportions. A national effort is required to correct the distortions of the past, meet the needs of our people, and lay the foundations for a successful society and economy in the globally competitive conditions of the 21st century. This transformation will require a strong political consensus concerning the need for change, strategic interventions by government and the private sector, the development of new partnerships, and radical shifts in behaviour on the part of government, industry and individual learners.

3. Changing social demands

Fundamental social change is under way in post-apartheid South Africa. These changes place new demands upon the FET system, centred on the themes of redress, lifelong learning, nation-building and the creation of a new relationship between the state and its citizens. Each of these demands is briefly discussed below.

3.1 *Redress:* Redress of the wrongs inflicted under apartheid is a fundamental demand of our new society, and a central principle of this Green Paper. The issues of staff representivity, student access, equitable funding arrangements, staff development programmes, capacity building and the rebuilding of disadvantaged institutions must challenge all providers.

3.2 *Lifelong learning and the expansion of FET:* South Africa is at the threshold of an increasing shift towards lifelong learning and growing demands for the expansion of FET to accommodate new as well as traditional learners. These trends are in keeping with experience in other parts of the world, where demographic, social, cultural and economic pressures have led to a shift from `closed' to `open' education and training systems. The development of a unemployed are young people under the age of 30 with at least nine years schooling.

Solutions to the collapse of the youth labour market lie primarily in the establishment of high levels of job-creating economic growth. However, the apparent irrelevance to employment of 9-12 years of formal schooling is a major indictment of the current matriculation system. Such irrelevance sends obvious signals that a greater convergence is necessary between formal schooling and the needs of work. more responsive, open FET system, geared to the demands for personal and community as well as economic development are confronting government, the private sector, communities and individual learners with new challenges.

3.3 *Nation-building:* Apartheid denied full citizenship to the majority of our people and created a society divided along lines of race, class, language, culture, and religion. Building a new national identity, which embraces diversity, is a key task of reconstructing our society, and one to which FET must contribute.

3.4 *A new relationship between the state, civil society and the individual:* Along with many other countries South Africa is witnessing a shift in the role of the state, away from `social welfare' or `entitlement' models, to a new state-citizen relationship based on greater state efficiency, effectiveness and accountability in the provision of public services and on greater responsibility, participation and cost-sharing by individuals, communities and the private sector. These developments, which are squarely located within government's quest for an African Renaissance, have critical consequences and pose important challenges for FET.

4. New economic realities

4.1 FET is indispensable to the economic future of the country, both in its immediate relationship to work and in its role in preparing learners for HE. These roles are profoundly affected, first, by the moral and social imperative to meet the basic needs of our people, and second, by changes in the local and global economies. These issues are closely inter-related.

4.2 Perhaps the most significant of the new challenges is the economic and social phenomenon known as *globalisation* and the requirement this imposes on our national economy to respond - in terms of trade, technology, knowledge and skills - to a rapidly changing world economy.

4.3 Globalisation refers to important changes presently taking place largely in the social and economic sectors of the advanced economies. New information technologies, the internationalisation of finance capital and the rise of innovative forms of work organisation have created a new production paradigm. This paradigm is characterised by flexible specialisation and the manufacture of high-quality exports aimed at specific niche markets. Innovation and the ability to add value to existing designs are at the heart of the new system. This new competitive environment has brought with it new education and training demands. Enterprises require entire labour forces that are sufficiently skilled to adapt to highly unpredictable and volatile global product markets and rapid technological change. They require broad problem-solving skills to anticipate flaws in production. Workers need to understand how the new technologies can be optimally applied, how the entire production process unfolds, and how to respond effectively when unexpected factors arise.

4.4 The need for high level skills and knowledge also arises as a result of the rise of teamwork and multi-skilling at enterprise level. Workers today increasingly work in teams responsible for complex manufacturing tasks. This represents a significant shift from past traditions where workers were allocated narrowly defined tasks, leaving them ill-equipped to understand and thereby improve the overall production environment.

4.5 The phenomenon of globalisation should not, however, be viewed simplistically, or overstated. South Africa's adaptation to this new world economic order has been slow and partial. This is so for a number of reasons:

4.5.1 *Import-substituting industrialisation:* Local manufacturing is ill-prepared to adapt successfully to `flexible specialisation'. The roots of this problem can be traced back to South Africa's long history of import-substituting industrialisation. Strategies such as the application of import tariffs and state support for the production of locally made goods were essentially inward-looking, feeding off a small local market of white consumers. Tariff protection has shielded local manufacturers from international competition, leaving them under-prepared to enter the global market on a competitive footing.

4.5.2 *The continuance of mass-production:* The partial impact of globalisation has also to do with the smallness of South Africa's high-skill, high-tech manufacturing sector, and the persistence of other, more traditional economic sectors, such as mass production manufacturing, with its heavy reliance on semi-skilled and skilled artisan labour. South Africa has not yet made the great leap to high-skill `flexible specialisation'.

4.5.3 *The decline of manufacturing and the rise of the services sector:* Globalisation as a phenomenon impacts primarily on manufacturing. But the manufacturing sector in South Africa, as in other parts of the world, has been contracting since the late 1970s. This decline stands in sharp contrast to the growth in jobs in the financial and services sectors. Employment and education and training strategies need to adapt to these important shifts.

4.5.4 *An imbalance between the rise in high-skill jobs and the decline of low-skill labour:* Automation and other technological innovations ushered in by globalisation have displaced many unskilled and semi-skilled jobs, replacing them with new, intermediate to high-skill jobs. In many countries, however, the rise of new high-skill jobs has taken place at a slower rate than the rate at which low-skill jobs have been lost, leading to a rise in unemployment.

4.5.5 *The significance of the rural and informal economies:* Perhaps only 30% of South Africans are the beneficiaries of formal employment. The majority of citizens find themselves systematically excluded from full employment and urban life. Many are engaged in the informal economy, especially in cities and towns. Many others are unemployed. In these local economies, world-class manufacturing is likely to have little role

to play, beyond the limited possibility of some outsourcing and the growth of small informal sector businesses.

4.6 In short, globalisation has a double-edged impact on developing economies such as ours. On the one hand it has the potential to raise the general skills and education and training levels required by workers in the formal economy. On the other hand, globalisation may have negative consequences for vulnerable and marginalised groups and communities.

4.7 The challenge that globalisation poses for FET is to respond both to the demands of global economic competition and to the local challenge of meeting basic needs.

5. The need for a multi-pronged FET strategy

5.1 These divergent social and economic conditions suggest that, if FET is to meet the varied needs of individuals and communities and contribute effectively to social and economic development, a flexible and responsive, multi-pronged strategy is required.

5.2 While FET policy and planning must take cognisance of the inescapable realities of globalisation, it must ensure at the same time that local needs and priorities shape our interaction with the global economy, through the implementation of equitable, relevant and effective human resource development policies.

5.3 The FET system can contribute in important ways to the development of an export-led and globally competitive manufacturing sector through the education and training of a highly skilled and innovative workforce. However, the highly differentiated character of the South African economy imposes a range of additional responsibilities. These responsibilities have first and foremost to do with meeting the needs of vulnerable and marginalised communities. Through the programmes it offers, the people it trains, and the community development initiatives it supports, the FET system can be a crucial resource and catalyst for change.

6. Responsiveness to diversity

6.1 Variety of providers

6.1.1 Different FET providers have complementary roles to play in responding to the diversity of social, economic and personal needs that confront the FET system. These roles are not based on arbitrary or rigid distinctions between types of institutions, but flow naturally from the various constituencies and purposes which institutions serve.

6.1.2 To meet these varied needs, the Ministry will promote the development of a coherent, co-ordinated FET system which recognises diversity. This system will include the following types of FET provider - public schools, public colleges, independent schools, independent colleges and on-the-job trainers. The Ministry believes that the boundaries between these types of providers should be permeable and that co-operation within and between the different FET sectors should be encouraged wherever possible. These sectors are briefly discussed below.

6.2 Senior secondary schools

6.2.1 The Green Paper proposes a number of important changes to the senior secondary phase of formal schooling. The development of the NQF as spelt out in the *South African Qualifications Authority Act* of 1996, the implementation of an outcomes-based approach to education and training, and the shift in learning and teaching frameworks from content-driven to programme-oriented models as outlined in *Curriculum 2005* now need to be extended to the senior secondary phase.

6.2.2 A new qualifications structure is proposed. It will be based on a more flexible combination of fundamental, core and elective learning credits, with the aim of linking education and training, theory and practice, and head, hand and heart more closely together. The new structure will offer greater breadth, in terms of mathematical and communicative literacy, and depth, in terms of core and elective learning which links learners more closely to the needs of higher and lifelong learning, and to work and career development.

6.2.3 Closer integration of education and training in the FET band will also be promoted by encouraging institutional co-operation and joint curriculum development between senior secondary schools, FET colleges and private and enterprise-based providers of education and training. Such initiatives will expose young learners to a range of learning options which cut across the traditional divisions between academic and vocational learning, and between classroom or college-based and workplace experience. In short, what the Ministry envisages is a new, broad-based curriculum which encourages linkages between schools, colleges, higher learning institutions and work.

6.2.4 The Ministry has already established a Curriculum and Qualifications Task Team, which will be responsible for re-conceptualising and rewriting the subjects, learning programmes and instructional frameworks for senior secondary schools and technical colleges. This initiative will provide the basis for a new, integrated curriculum which will broaden the range of career options for young learners, and which will be more relevant and responsive to the real employment prospects and HE opportunities that exist beyond FET.

6.3 FET colleges

6.3.1 An expanded and revitalised FET college sector will have a fundamental role to play in meeting the diverse social and economic needs outlined above. The Ministry intends outlining a pathway towards increased autonomy for colleges, within the framework of a new *Further Education and Training Act*. Colleges will be encouraged to forge partnerships with employers and with other FET institutions, such as schools and training centres, in order to expand the range of learning opportunities that they provide and career paths to which they grant access. Diversity and responsiveness will be promoted through the operation of the new funding, governance and curriculum frameworks proposed in this Green Paper.

6.3.2 As part of its new mandate, the FET college sector will be charged with progressively bringing about sufficient access to further education and training for all who qualify and are likely to benefit from it. This mandate will place FET colleges at the forefront of efforts to develop innovative and responsive open learning systems and to meet new social and economic demands.

6.3.3 Within this broad mandate some colleges may choose to focus their energies on self-employment, small business, entrepreneurial, community development and self-improvement programmes relevant to their local communities. Other colleges, more closely integrated into the formal economy, may concentrate on the provision of intermediate to high-level skills required by an increasingly export-competitive manufacturing economy. The different institutional missions and relationships to the economy will evolve in local and regional contexts, driven by local and regional needs. Access to HE will continue to be an important strand of FET college provision.

6.4 Private providers and enterprise-based training

6.4.1 The success of enterprise-based industrial training policies rests on a balance between market-led, enterprise-based initiatives in training, and effective state co-ordination of the larger institutional and governance environments.

6.4.2 The DoL's Green Paper, <u>A Skills Development Strategy for Economic and Employment Growth in South Africa</u>, adopts this balanced approach. It emphasises:

- a proactive approach to creating new skill demands
- long-term planning of skill priorities in strategic industries
- state leverage through the levy-grant funding scheme, and
- social protection for vulnerable groups.

6.4.3 The *Skills Development Strategy* makes the point that while responsiveness to demand must characterise a new human resource development strategy, skills development cannot be driven solely by short-term, market-led imperatives. Medium-term planning is required to meet the higher-level skill demands of the future.

6.4.4 All these factors suggest that while training systems are becoming more responsive to industry's immediate skills needs, it is important to maintain and develop supply-side capacity which addresses medium- to long-term skill needs. The role of the state is critical here.

6.4.5 In short, an effective enterprise-based industrial training system is likely to emerge as a result of the responsiveness of FET to market demand, on the one hand, and state co-ordination of supply-side provision, on the other.

What this chapter means in practice

FET will be a major force in helping to democratise South Africa.

Strong links will be established between education, training and work. FET will be designed to assist South Africa to compete successfully in the global economy.

All education and training sectors will be affected.

FET provision will be diverse. It will be responsive to local economic and social needs. It will also help lay the foundation for lifelong learning and access to HE and high skill jobs.

CHAPTER THREE

A new framework for FET

This chapter introduces the key features of a new FET policy framework geared for the 21ST century. The Green Paper proposes a future FET system based on:

- *co-operation and partnerships*
- *co-ordination and strategic planning*
- *flexibility and responsiveness*
- *articulation*
- *institutional diversity, and*
- *quality of provision.*

The chapter concludes by summarising the key implications of this new framework for curriculum and qualifications, governance, legislation, institutional and staff development, and funding and implementation. These implications will be further elaborated in the chapters which follow.

1. The central pillars of a new policy framework for FET

1.1 Co-operation and partnerships

The concepts `co-operation' and `partnership' signify at least three important elements of the new FET system. These are, first, the introduction of a new FET system based on co-operative governance within government, and partnership between government and other key stakeholders. Second, they entail the development of a system which seeks to balance the roles of the market and of governmental initiative, co-ordination and stimulus. And third, they involve an acceptance of the importance of inter-departmental co-operation, based on complementarity between the *Skills Development Strategy* of the DoL and the new FET framework proposed by the Ministry of Education in this Green Paper.

1.1.1 Co-operative governance

South Africa's democratic *Constitution* (Act 108 of 1996) defines `co-operative government' as a necessary relationship primarily between national, provincial and local spheres of government and between different government departments and agencies. The *Constitution* calls on these spheres of government to:

- provide effective, transparent and accountable administration
- support, inform and consult with each other, and
- co-ordinate their actions and legislation with one another and provide for appropriate mechanisms and procedures to attain these objectives.

Education White Paper 3: A Programme for the Transformation of Higher Education added a further dimension to the concept of co-operative governance. In this White Paper, the Ministry outlined a model of governance for HE which was based on the principle of autonomous HE institutions working co-operatively with a proactive government and within a framework of partnerships. Within the HE framework, co-operative governance:

...assumes a proactive, guiding and constructive role for government. It also assumes the active participation by civil society constituencies which acknowledge their different interests, maintain separate identities, and recognise their mutual interdependence and responsibilities for attaining a common goal.

The Ministry intends to extend this governance framework to the FET system. Co-operative governance is a critical aspect of the new framework for FET, in particular because of the importance of co-operation between the Department of Education (DoE) and the DoL, between government and the social partners, and between the providers of FET and their clients and stakeholders.

1.1.2 Balancing market and state

Distortions and inequalities in FET provision, and the need to implement a national strategy to develop a FET system which is responsive to socio-economic demands and geared to the development of a globally competitive skills base, require both the efforts of the state and the operations of the market, to steer the system. The state must play a leading role in the provision of a high quality public school and college system which is relevant and responsive to current social and economic needs. The state must also transform the education and training system to take into account the country's medium- to long-term socio-economic needs.

Individuals, communities and companies, through their role in the market, have a critical role to play in encouraging greater flexibility and responsiveness of provision, in driving quality upwards, and in promoting efficiency and effectiveness.

International experience suggests that the state can best support and promote system change by setting clear goals and objectives and by providing an effective enabling environment for the functioning of the system. Government policy can be given effect through effective monitoring, the dissemination of information, and the employment of effective `steering' mechanisms.

1.1.3 The complementarity of inter-departmental strategies

The DoL's 1997 Green Paper, *A Skills Development Strategy,* together with the *Skills Development Bill* which is to be presented to Parliament, share many of the central propositions of this Green Paper on FET. Complementarity between the two strategies rests on:

- a common allegiance to the government's policy of an integrated approach to education and training and its commitment to lifelong learning
- overlapping interests in the role and effectiveness of enterprise-based training and technical college provision. Both departments share an interest in the development of `learnerships' as a replacement for the near-obsolete system of apprenticeships
- a shared view of the role of the state and market in the provision of education and training in the FET band. The DoE is located primarily on the supply-side, ensuring the production of suitably skilled persons for the national economy in the medium- to long-term. The DoL is concerned with issues primarily on the demand-side, the most important of which is identifying and meeting the skill demands of the market in the short-term, and more strategically, in the medium- to long-term.

1.1.4 Partnerships between FET institutions and with employers

Co-operative relationships are critical at the institutional level, between FET providers, and between FET institutions and civil society and employer organisations. Partnerships between the providers of FET and `clients' of the system - in particular, communities and employers - are key to the provision of relevant, responsive FET programmes. Partnerships will need to inform the mission and strategic plan of FET institutions, help shape the programme mix, and influence the design and delivery of FET programmes. In addition, partnerships will be key to mobilising the human, physical and financial resources needed for the revitalisation of the FET system.

1.2 Co-ordination and strategic planning

1.2.1 Currently FET does not constitute a `system'. It does not effectively meet national needs. A new co-ordinated system needs to draw its strength from a national vision, committed national leadership, an established enabling environment which rewards innovation and change, and the understanding, commitment and support of its clients and constituents.

1.2.2 The diversity of learners and providers within FET demands a flexible, institution-driven approach to co-ordination. Regional and local social and economic differences, the needs of particular communities, limited management capacity in the FET system, and a lack of management information systems and labour market information, caution against attempting `hands on' control from the centre.

1.2.3 The *Constitution* moreover provides for a division of responsibility between the national and provincial authorities, with respect to the control of education other than HE. The allocation of functions between Ministries - in particular, the responsibilities of the Ministers of Education and Labour for education and training respectively - likewise impacts on co-ordination arrangements.

1.2.4 At the same time, the transformation of the system calls for the implementation of an over-arching national FET strategy. Such a strategy must direct the development of the FET system towards broad national goals and objectives, ensure the best use of scarce resources, promote efficiency and effectiveness, and drive up quality.

1.2.5 The key to co-ordination is the adoption of a model of strategic planning across the FET band. Co-ordination does not mean centralised control, but the creation of an enabling policy and planning environment, and the use of steering and regulatory mechanisms to encourage greater coherence, responsiveness and accountability in the provision of FET. Co-ordination is underpinned by target setting and the determination of system goals at the national and provincial levels, and by institutional strategic planning. Five important aspects of strategic planning can be identified:

- the setting of national, provincial and institutional goals and objectives for FET
- the establishment of a system of financial and other incentives to steer the system
- the establishment of a regulatory framework
- the use of performance indicators, management information systems and labour market information, and
- institutional-level strategic planning.

1.3 Flexibility and responsiveness

1.3.1 FET is located at the crossroads between GET and work and HE. It includes a substantial part of the national training effort, and plays a critical role in skills formation and in improving the skills base of the country.

1.3.2 Flexibility and responsiveness of provision, in accordance with the varying needs and demands of learners, communities and employers, are of critical importance, especially for those learners who have exited formal schooling and are either in employment or unemployed.

1.3.3 The levels and range of education and training programmes funded through the FET system, together with programme content and modes of delivery, need to be far more closely linked to the requirements of the people who are currently employed and who seek retraining, up-skilling or further education. Additionally, FET programmes need to be more responsive to the large numbers of unemployed for whom entrepreneurial and other skills, retraining opportunities and further education constitute critically important avenues away from the cycles of poverty and deprivation.

1.3.4 This heightened demand for flexibility and responsiveness carries the following implications for FET:

- a shift from rigid bureaucratic planning and management to an approach which more effectively balances efficient state co-ordination with market responsiveness
- state steering, rather than state control, which encourages and rewards innovation and quality
- the structuring of effective linkages and partnerships between FET providers, employers and communities
- local and regional responsiveness to labour market conditions, within the framework of national policy, goals and objectives
- the provision of a more diverse and high-quality range of learning programmes to meet the needs of a wider range of clients than is currently the case, and

- programme-based funding, which is demand sensitive, and which supports the development of new priority programmes in accordance with the medium to long-term needs of the economy and society.

1.4 Enhanced articulation

1.4.1 At present, most learners enter FET from GET on their way to HE or work. In future, increasing numbers will retrace their steps, turning from employment or unemployment to the FET system to provide retraining, `second-chance' opportunities, personal development, community and leisure courses and so on. Likewise, it will become increasingly common for HE students and graduates to turn to FET as a means of changing career direction or acquiring career-orientation training and to meet a range of community and personal needs.

1.4.2 The concept of a FET system at the crossroads between GET, HE, work, and community and personal life will become increasingly central to the achievement of lifelong learning and the development of a learning society.

1.4.3 This means that the effective articulation of the needs and concerns of workers, employers, the unemployed, communities and individuals, is a basic requirement of an effective FET band. It means, also, that the boundaries between FET and HE, and to a lesser extent with GET, will become increasingly permeable, and the relationships between all three sub-systems increasingly inter-dependent.

1.4.4 Enhanced articulation and the provision of lifelong learning opportunities across these traditionally rigid boundaries have become a pressing priority in the FET band. The relaxation of previously rigid boundaries is now being made possible through the NQF and its key principles of learner progression, portability and recognition of prior learning. These principles must become integral to the FET band, to reflect its critical location at the intersection of schooling, HE and work, and to ensure that FET serves the purposes of lifelong learning and not of institutional gate keeping.

1.5 Institutional diversity

1.5.1 The varied demands on the FET system call for diversity in provision. The question of diversity has been posed most sharply in respect of the future of publicly-funded colleges, the majority of which are presently established as technical colleges. Diversity in the college sector may imply a movement towards both specialised institutions, focused towards a single industry or technology, or comprehensive institutions, such as community colleges, which address diverse needs through the range of programmes they are able to offer. Neither approach excludes the other and a future FET system is likely to include both specialist and comprehensive institutions.

1.5.2 This Green Paper supports the development of a college system which recognises diversity, concentrates scarce resources for maximum cost-effectiveness and impact, ensures within an appropriate institutional framework efficient and effective provision for specialist as well as GET, and responds meaningfully to the varied needs of individuals and communities.

1.5.3 Determining the appropriate institutional arrangements for ensuring diversity of provision is best effected at the local level. This means, in the first instance, that the governing body of each FET college must decide on the institutional model and form which is best suited to the fulfilment of the institution's mission and the achievement of its strategic plans.

1.5.4 In determining the institutional mission and in addressing the issues of institutional form and of strategic planning, the Ministry believes that governing bodies will respond constructively to the challenges of transformation.

1.5.5 This Green Paper proposes the recognition of only two types of FET college - publicly-funded FET colleges and privately-funded FET colleges.

1.5.6 The role of provincial and national authorities will be to steer the development of the system towards the achievement of national goals and to ensure, at the systems level, sufficient and adequate access to a

high quality, efficient and effective provision of FET. This includes ensuring the transformation of the FET system in accordance with the values and the education and training priorities of our new society, and encouraging inter-institutional co-operation and ensuring institutional restructuring where appropriate.

1.5.7 Diversity of provisioning does not mean that under-utilised and inefficient public institutions can be tolerated. In the initial phases of transformation, in particular, government will need to intervene proactively to bring about the necessary restructuring of college provision.

1.5.8 Provincial and national authorities will exercise their roles through their powers of review, the use of funding and other steering mechanisms, and the development of the regulatory framework. In addition, after due consultation with the institutions concerned, and with the advice of the National and Provincial Boards for FET *(see point 2.3.2)*, the Member of the Executive Council (MEC) for Education in the provinces will be enabled to close, merge or establish public FET colleges where this is in the interests of the institutions concerned or in the public interest.

1.5.9 The implications of `diversity' for the new framework, therefore, are the following:

- local initiative in determining appropriate forms of provision, including institutional forms
- the encouragement of partnerships and consortia, `clustering' arrangements and, where appropriate, institutional restructuring or merger
- powers of oversight and review, at the provincial and national levels, to ensure the relevance, efficiency and effectiveness of provision, and
- powers of government to intervene where necessary to restructure and rationalise provision.

1.6 Quality of provision

1.6.1 Quality management and quality assurance are important dimensions of the new FET framework.

1.6.2 Quality management is concerned with the attainment of appropriate resource mixes, curricula and assessment practices, governance mechanisms, and management, educator and learner performance. Quality management is the responsibility of all role players, from the national and provincial levels, through regional, sub-regional, local and institutional management and governance structures, to educators and learners. It is their collective responsibility to ensure learner mobility, promote national goals and objectives and provide good quality outcomes.

1.6.3 Quality assurance, on the other hand, is concerned with reporting on the performance of learners and the system, and includes for this purpose a dynamic, competent and high quality evaluation corps, and appropriate evaluation methods such as assessment instruments, quality indicators, the systemic evaluation of learning at key transition points, in selected subjects or instructional offerings, and policy impact evaluations.

1.6.4 Measures to promote continuous quality improvement and to assure quality will be integral to the development of an effective and enabling regulatory framework for FET.

2. The key implications of this new framework

The new framework for FET, as outlined above, has profound implications for the system, particularly as regards curriculum, funding, governance, institutional and staff development, and implementation. Each of these areas will be briefly addressed. More detailed discussion and specific recommendations will be presented in the ensuing chapters.

2.1 A new curriculum and qualifications framework:
responsive linkages between FET, HE and work

2.1.1 A new curriculum and qualifications framework is proposed. This will require a profound shift away from the traditional divides between academic and applied learning, theory and practice, knowledge and

skills, and head and hand. It will be based on an integrated approach to education and training and will be programmes-driven. This will provide a framework that is responsive to new social and economic demands, that enhances a common citizenship and that provides opportunities for further learning and learner progression. The new learning programmes will be underpinned by the twelve critical and developmental outcomes defined by the South African Qualifications Authority (SAQA) in 1996. These aim to encourage problem-solving skills, critical and creative thinking, working in teams, communicating effectively, making use of science and technology and responsible citizenship.

2.1.2 The new qualification structure will be based on a flexible combination of fundamental, core and elective learning components. The aim is to develop qualifications that have sufficient breadth (through the development of high levels of mathematical and communicative literacy) and depth (via the offering of a much wider range of core and elective credits) to equip learners to function more effectively in the work context, in HE, and as lifelong learners.

2.1.3 In the short-term, the Ministry will encourage partnerships between FET institutions, private sector organisations and other government departments and agencies which seek to experiment with and pilot innovative approaches to the new qualifications structure for FET. Senior secondary schools and colleges, for example, can begin to expand the elective choices available to Grade 10-12 learners by opening up college facilities and expertise to learners at school, and vice-versa.

2.1.4 In the short- to medium-term, the DoE will undertake the larger task of redesigning and integrating existing instructional offerings in senior secondary schools and technical colleges. At present, these subjects and instructional offerings are offered separately, so perpetuating the divide between general formative education and career preparation. Many of these subjects and instructional offerings have not kept up with developments in knowledge and are inappropriate to the challenges of the 21ST century.

2.2 Programme-based funding

2.2.1 The deficiencies in existing funding arrangements and the scale and complexity of the challenges facing FET require the development of a completely new funding framework. Key principles of the proposed funding framework, which for the time being will be limited to FET colleges but in the longer-term will be considered for schools, include the following:

- enabling education departments to fulfil their constitutional obligation to make further education progressively available and accessible
- making use of management information systems as a basis for arriving at strategic decisions regarding funding of particular programmes and institutions
- providing for individual and institutional redress
- maximising all available resources through cost-sharing, and income generation by providers
- basing funding on learning programmes
- ensuring funding coherence, so that the same level of funding applies to the same programme wherever it is offered
- incorporating a performance-linked element in funding
- emphasising the demand-side rather than the supply-side in funding, in order to re-orient providers to the market and the needs of the learners, and
- providing for stability of public funding.

2.2.2 The new funding approach will have three main components. It will include: formula funding for recurrent costs, based on full-time equivalent students in approved programmes leading to qualifications or parts thereof; earmarked funding for specific national policy objectives; and user fees related to the ability to pay.

2.2.3 Additional elements will include an `output-incentive' based on student achievement of credits or qualifications, and support for learners with special learning needs.

2.2.4 Funding contracts based on agreed targets will be developed for FET providers which are in receipt of state funds.

2.2.5 Implementation of the new funding framework will involve: consultation with stakeholders; capacity building in public FET providers; phased introduction of the new system on an institution-by-institution basis; and the delegation of budgets in accordance with proven institutional capacity. In order for the new funding system to work, management capacity and adequate information systems must be developed at all levels. In addition, all existing and new programmes to be funded by government will need to be clearly defined, in line with the requirements of the NQF.

2.3 A new governance structure, legislation and institutional and staff development

2.3.1 The Ministry acknowledges the difficulty of constructing a new governance model and legal framework for FET, given the constitutional provisions regarding national and provincial competencies with respect to FET and the division of responsibility for education and training between the Ministers of Education and Labour. The present situation does not provide an ideal environment for forging a coherent, integrated FET system. At the same time, greater coherence and strategic direction of the system are essential to meeting the social and economic challenges we confront. The Green Paper accordingly seeks to define a realistic strategy for transformation, within existing constitutional and political constraints. In the Green Paper, the Ministry argues for a complementarity of strategies between the DoE and the DoL and between the national and provincial education authorities. Within such an arrangement, each government agency will have a distinctive role to play.

2.3.2 The new governance framework will be developed in accordance with the provisions of the *National Education Policy Act* (Act 27 of 1996), and through the passage of a new *Further Education and Training Act*. These actions will introduce three important changes:

- the establishment of a National Board for FET (NBFET) *(see ch.6, point 3.1.4)*
- the establishment of Provincial Boards for FET. These could come into being simultaneously with the NBFET, or at a later date *(see ch.6, point 3.2.3),* and
- the recognition of two types of FET colleges, viz., public and private. The *National FET Act* will also specify the terms and conditions under which publicly-funded colleges can move progressively towards the assumption of greater governance and management responsibilities. It will provide for the registration of and a quality assurance framework for privately-funded colleges, including those providing distance education. It will therefore repeal and incorporate, as appropriate, aspects of the *Correspondence Colleges Act* (Act 59 of 1965). Full consultation will be undertaken in the course of developing the new law.

2.3.3 These legal and governance reforms will provide for greater co-ordination at a national and provincial level. In addition, by progressively transferring greater governance and management responsibilities to all publicly-funded colleges, the *National FET Act* will enable all colleges to define their own distinctive mission and relationship to the local and provincial economy and society. In so doing, responsiveness and effectiveness will be greatly enhanced.

2.3.4 As institutions acquire greater autonomy, they will be incorporated within the new strategic planning and governance frameworks. Institutions will need to develop clear institutional goals, expressed in mission statements, and elaborated in institutional plans. Curricula will need to be expressed as programmes which address specific societal and economic needs and are aligned to the NQF. In the short-term, funding for FET colleges will be programmes-driven. In the longer-term, programme-based funding may be extended to the senior secondary schools. In sum, the new governance model will require of the FET system as a whole a greater degree of strategic planning, coherence and sense of purpose than has been the case previously.

2.3.5 The implementation of these changes will require significant leadership capacity, management information systems, and strategic planning. The DoE will aid the development of these capabilities through the establishment of Task Teams on Management Capacity Development and Management Information Systems.

2.4 Institutional and staff development

2.4.1 The introduction of a new FET system, with new strategic planning and programme-based funding processes, requires responsive, well-managed, high quality institutions. Without this, the new system will

fail. For this reason, the Green Paper accepts that institutional and staff development are integral to the establishment of a co-ordinated system.

2.4.2 Many FET institutions are constrained by a poor work ethic and a poor public image. Change in organisational practices and cultures, to encourage responsiveness and accountability, teamwork and the promotion of an appropriate learning environment and ethos, will be essential.

2.4.3 Apartheid distorted the historical allocation of resources in the FET band. The Ministry is confronted however with the reality that limited resources are available to remedy past injustices and the consequences of apartheid planning. Resource-sharing, building inter-institutional linkages through the establishment of partnerships and consortia, and the reorganisation of the institutional landscape through clustering arrangements, mergers and other means are in this context essential to the goals of equity and redress and to the achievement of the FET system that the country needs.

2.5 A strategy for implementation

2.5.1 Transformation of FET will not take place overnight. The challenges are substantial and resources limited.

2.5.2 As indicated above, the key to the strategic development of a vibrant, responsive FET system is the adoption of strategic planning and co-ordination. To implement such a strategy, it is important, first, to match the capacity of government and the FET system to the roles assigned to them; and, second, to begin to build capacity at the system and institutional levels.

2.5.3 The Ministry recognises that the introduction of a new planning, regulatory and funding framework must occur in a responsible manner, bearing in mind the limited institutional and systemic capacities and the resource constraints that characterise the present state of development. This implies that implementation of a co-ordinated approach to the transformation of FET will need to take place in phases, as the necessary mechanisms and processes are put in place, and as the necessary capacity is developed.

2.5.4 The Ministry will show flexibility in the way in which it introduces a co-ordinated national system. The Ministry envisages that the introduction of the new system will take place over a period of time. The concluding chapter will spell out the details of this approach.

What this chapter means in practice

There will be major changes in the FET system to respond to the challenges of meeting basic needs and increasing global competitiveness. The new system will be based on the principles of co-operation and partnerships, co-ordination and planning, flexibility and responsiveness, diversity and quality. These changes will involve new curricula combinations, new learning pathways, greater institutional autonomy, the establishment of a National Board for FET, staff development, quality improvement and quality assurance, a programmes-driven funding framework and a phased implementation plan.

CHAPTER FOUR

Qualifications, learning programmes, curriculum and quality assurance

This chapter addresses the diverse needs of learners and the different contexts of learning. The work of SAQA in developing the NQF forms the basis upon which the curriculum, programmes and qualifications for FET will be built. The framework accords with the recommendation of the NCFE that learning programmes should span a continuum from GET, through vocational education, to community and personal development programmes. The new framework is designed to meet the needs of those who have already passed through the current system or will do so in the next five to six years, as well as those who will enter FET after Curriculum 2005 is fully implemented.

1. Introduction - the agenda

1.1 The key to the successful integration of education and training lies within the FET band. The developmental task for FET is to design, implement, monitor and continuously improve an integrated approach to learning, in school and out of school, in FET colleges, in the workplace, in other institutions of learning, and in private study.

1.2 Global changes in the industrial and service sectors of the economy place a premium on knowledge and skills, and give rise to the concept of the `knowledge society'. The rise of the knowledge society leads to the requirement that all learning programmes and qualifications incorporate underpinning knowledge, skills and values that are transferable to different work and learning contexts.

1.3 This approach will require a shift away from the traditional divides between academic and applied learning, theory and practice, knowledge and skills, and head and hand. It will require a move away from programmes which are narrowly defined in terms of `education' and `training', towards a new and balanced curriculum which will provide flexible access to further and lifelong learning, to HE, and to productive employment in a range of occupational contexts.

1.4 The requirements of redress, and the goals of lifelong learning, nation-building, and the nurturing of a responsible citizenship grounded in democratic values, will place their own demands upon the curriculum and qualifications structure of a new FET system. A new emphasis will be placed on access, flexibility, the provision of counselling and advisory services, the recognition of prior learning and experience, remediation, quality learning resources and materials, job readiness, articulation, and common standards and transferability of credits.

1.5 The Report of the Ministerial Committee for Development Work on the NQF, *Lifelong Learning through a National Qualifications Framework* (February 1996)*,* coupled with wide-ranging consultations undertaken by the DoE, has led to the identification and adoption of seven critical outcomes and five lifelong learning developmental outcomes as the basis for the development of learning programmes, curricula and qualifications.

1.6 As defined by SAQA, learning outcomes are the contextually demonstrated end-products of the learning process. Outcomes include knowledge, skills and values that are recognised to be critical to the future success of learners and of our society in the 21ST Century. The Ministry believes that these learning outcomes are relevant throughout life, not simply in employment and further learning. Accordingly, the Ministry believes that it is these learning outcomes which should form the basis for the development of the curriculum, learning programmes and qualifications frameworks for FET.

1.7 The critical and developmental outcomes are depicted in the following diagram:

CRITICAL OUTCOMES	DEVELOPMENTAL OUTCOMES
PROBLEM-SOLVING SKILLS (1) Identifying and solving problems in which responses display that responsible decisions using critical and creative thinking have been made **TEAMSHIP** (2) Working effectively with others as a of strategies to learn more effectively member of a team, group, organisation, community **SELF-RESPONSIBILITY SKILLS** (3) Organising and managing oneself and one's activities responsibly and effectively **RESEARCH SKILLS** (4) Collecting, analysing, organising and critically evaluating information **COMMUNICATION SKILLS** (5) Communicating effectively using visual, mathematical and/or language skills in the modes of oral and/or written persuasion **TECHNOLOGICAL AND ENVIRONMENTAL LITERACY** (6) Using science and technology effectively and critically, showingresponsibility towards the environment and health of others **DEVELOPING MACROVISION** (7) Demonstrating an understanding of the world as a set of related systems by recognising that problem-solving contexts do not exist in isolation	**LEARNING SKILLS** Reflecting on and exploring a variety **CITIZENSHIP** Participating as responsible citizens in the life of local, national and global communities **CULTURAL AND AESTHETIC UNDERSTANDING** Being culturally and aesthetically sensitive across a range of social contexts **EMPLOYMENT SEEKING SKILLS** Exploring education and career opportunities **ENTREPRENEURSHIP** Developing entrepreneurial opportunities

1.8 SAQA has identified 12 organising fields within the NQF. These organising fields are based on the integration of fundamental disciplines and areas of study, and on the identification of key occupational clusters. The Ministry recognises these 12 organising fields as the basis for the development of curricula, learning programmes, unit standards and qualifications for FET. The 12 fields are set out below.

1. Agriculture and Nature Conservation
2. Culture and Arts
3. Business, Commerce and Management Studies
4. Communication Studies and Language
5. Education, Training and Development
6. Manufacturing, Engineering and Technology
7. Human and Social Studies
8. Law, Military Science and Security
9. Health Sciences and Social Services
10. Physical, Mathematical, Computer and Life Sciences
11. Services
12. Physical Planning and Construction

1.9 Through the introduction of the new curriculum framework, the Ministry seeks to set the agenda for the medium-term transformation of the existing system. However, the Ministry is also acutely aware of, and deeply concerned about the large numbers of young learners who will exit FET before this transformation is complete. Most will have only general qualifications, such as a Senior Certificate, and will join hundreds of thousands of others in the labour market with similar or no qualifications, and with little hope of productive employment, self-employment or further and higher learning. To meet the needs of these learners, the Ministry will undertake a number of `rehabilitation' initiatives, focusing on academic remediation and the development of job-entry and entrepreneurial skills. The Ministry will link the National Youth Colleges Programme to the learnerships proposed by the Ministry of Labour, so that young adult learners can undergo meaningful learning programmes and obtain useful qualifications. Other "crash" programmes and services will be initiated in conjunction with the Ministry of Labour. These will be addressed further in Section 5 of this chapter.

1.10 The DoE has already begun a review of existing learning programmes, curricula and qualifications. The changes that will be implemented following this review will be aimed at ensuring that, prior to the full-scale implementation of Curriculum 2005, learners who exit the FET system at Level 4 on the NQF, with a Senior Certificate or a National Senior Certificate, will be better equipped to access higher learning and to enter productive employment or self- employment.

1.11 The agenda outlined here has important implications for qualifications, learning programmes and curricula, and points to the following imperatives:

- to mobilise all human talent and potential, through lifelong learning, as a means of fostering individual growth and development and of contributing to the social, economic, cultural and intellectual life of a rapidly changing society
- to train and provide the human resources to build and strengthen our country's enterprises, service sectors, the public sector, communities, families and infrastructure. This requires the development of responsible, committed citizens, with globally competitive skills, to contribute to national development and social transformation
- to facilitate continuous improvement, innovation and maintenance of our technologies in order to strengthen national growth and competitiveness, and
- to pursue the vision of accessible, flexible, responsive, equitable and self-actualising learning, as a means of building a democratic, just, and progressive society and of providing opportunities and improved life chances for the disadvantaged and vulnerable.

It is these imperatives which must foreground the development of qualifications, learning programmes and curricula.

2. The breadth and depth of learning programmes and qualifications

2.1 The present system of FET qualifications and programmes offered by schools, colleges, industry and private providers does not prepare learners adequately for success in further learning and for productive employment. FET programmes provided by schools are too constrained by narrow educational concerns and too general, offering little or no specialisation. On the other hand, programmes offered by the present technical colleges are too narrow and specialised, and do not equip learners adequately for the social, economic and cultural changes they will face in the course of their lives.

2.2 The Ministry supports the view of SAQA that a qualification shall:

- represent a planned combination of learning outcomes which has a defined purpose or purposes, and which is intended to provide qualifying learners with applied competence and a basis for further learning
- add significant value to the qualifying learner in terms of the enrichment of the person, the provision of status, recognition, credentials and licensing, the enhancement of marketability and employability, and the opening-up of access routes to additional education and training

- provide benefits to society through enhancing citizenship, increasing social and economic productivity, providing specifically skilled/professional people, and transforming and redressing legacies of inequity
- comply with the objectives of the NQF including the enhancement of learner access, mobility and progression, and the provision of quality education and training
- have both specific and critical cross-field outcomes which promote lifelong learning, and
- be internationally comparable, where appropriate.

2.3 FET must offer a diversity of learning programmes and qualifications. Learners who choose to specialise early may do so with the understanding that specialisation is neither too narrow, nor deficient with respect to underpinning knowledge and values. Learners who choose to specialise later may take longer to attain a qualification that holds currency. The key external test to be applied to all qualifications is whether they articulate with further and higher learning, and with work.

2.4 These concerns lead the Ministry to believe that the current provision of learning programmes and qualifications, and the rigid identification of certain types of programmes and qualifications with particular institutions, is inappropriate and must change. Learners must be given access to a wide range of learning programmes through the development of institutional partnerships and linkages. Distance education and resource-based learning have a crucial role to play here.

3. SAQA requirements on breadth and depth of qualifications

SAQA has defined a qualification as comprising three components, viz., fundamental, core and elective learning. These can be illustrated as follows:

3.1 Fundamental learning

3.1.1 SAQA has determined that, by the year 2002, all qualifications offered at Levels 2 to 4 on the NQF must include a minimum of 16 credits in Mathematical Literacy, as part of the fundamental learning component.

3.1.2 The Ministry supports this position, as a reflection of the importance of mathematical literacy, and of science and technology, in all modern societies.

3.1.3 However, learning programmes and qualifications that are currently provided within the FET band, do not include a compulsory Mathematical Literacy requirement. Mathematical Literacy deals with qualitative and quantitative relationships of space and time. The Ministry will therefore review and upgrade the mathematical literacy components of existing learning programmes and subjects offered in schools and technical colleges, in order to fulfil the SAQA requirement. Learning programmes and subjects to be reviewed will include Economics, Business Economics, Home Economics, Accountancy, Physical Sciences, Biology, Geography, Technical Drawing, and Engineering and Business Studies. The training and supply of appropriately qualified teachers will also be addressed.

3.1.4 The SAQA requirement of a minimum of 20 credits (out of a maximum of 72 credits) in Communication Studies and Language, as part of fundamental learning, is welcomed by the Ministry. Language, literacy and communication are intrinsic to human development and central to lifelong learning. Language and communication empower human beings to make and negotiate meaning, access knowledge and information, express their thoughts and emotions logically, critically and creatively, respond to others, and participate in the social, political, economic, cultural and spiritual life of society. In addition, multi-lingualism affords learners the opportunity both to develop their own language and culture and to share in the language and culture of others. This is increasingly important in a multi-cultural and multi-lingual society such as ours, and in an increasingly inter-dependent, multi-cultural world.

3.2 Core learning

3.2.1 Core learning involves learning experiences in situations contextually relevant to the particular qualification. For example, in the field of Business, Commerce and Management Studies, the principles of business planning and practice, and organisational and human resource development would be included as part of core learning. Practical applications might include researching and developing a business plan for a small business or designing a training plan or a benefits package for a simulated or real group of employees.

3.3 Elective learning

3.3.1 Elective learning entails a selection of specialised, additional credits to ensure that the purposes of the qualification are achieved. Elective learning includes learning programmes that provide for a range of possible career and occupational directions. For example, a specialisation in marketing might be added to the core program of a student pursuing business administration.

3.3.2 Relatedly, elective learning may include learning programmes outside of the core that provide an understanding of alternative career and occupational opportunities. Thus, a Business Studies student might take a credit in economic history, or in contemporary political issues or an introductory learning programme in industry-related environmental concerns. Such elective learning programmes provide the learner with an expanded scope of possibilities and deeper understanding with respect to a field of interest.

3.3.3 The offering of work-related experience, as required in modern learnerships, should be accommodated within the elective learning component of learning programmes and qualifications. Work-based credits will help to smooth the transition from school or college to work. Both the structured learning and work components of learnerships will need to be registered on the NQF.

Proposals for FET qualifications

FUNDAMENTAL	CORE	ELECTIVE
COMMUNICATION MATHEMATICAL LITERACY	12 FIELDS OF LEARNING	Subjects/instructional offerings which broaden the core or fall outside the core
SELECT 2-3 SUBJECTS \INSTRUCTIONAL OFFERINGS	SELECT 2-3 SUBJECTS \INSTRUCTIONAL OFFERINGS	SELECT 2-3 SUBJECTS \INSTRUCTIONAL OFFERINGS
COMPLY WITH HIGHER EDUCATION ADMISSION REQUIREMENTS		

This diagram has been adapted from that of SAQA

4. Career guidance and support services

4.1 Assisting learners to make informed career choices, and informed choices with respect to their elective learning, is a critical aspect of service in the FET band. Career guidance and support services must provide information on learning programmes, providers, qualifications and jobs. A comprehensive and up-to-date database of relevant information must be developed.

4.2 Labour market information, indicating skills shortages, career opportunities, and trends in the job market, is essential. Access to such information could be facilitated through a range of career guidance services offered within or outside of the school or college.

4.3 Other support services, including guidance, counselling, health and welfare services, as well as access to learning resource centres and psychological services, should in principle be available to all learners. Special

provision should be made for learners with special education needs. These services and facilities need to be made progressively available.

5. The structure of learning programmes and qualifications

5.1 It will be in the combinations of fundamental, core and elective learning, and therefore in the structure of qualifications and learning programmes, that the question of the breadth and depth of learning programmes will be resolved.

5.2 A more flexible and less restrictive approach is needed to the constitution of learning programmes and qualifications. Learner choice should only be limited by the need for coherence, adequate depth of learning, and the requirements of further and higher learning, and work. To achieve this balance, the fundamental learning component of a qualification will need to be closely regulated, with greater flexibility allowed with respect to core and elective learning.

5.3 This flexible approach, with the proviso noted above, will require the establishment of partnerships between and among schools, FET colleges, industry-based training programmes, providers of social and developmental training programmes and providers of training programmes for small, medium and micro enterprises.

5.4 An initiative directed at enhancing the relevance of FET programmes to work and self-employment would be an important contribution to economic, social, urban and rural renewal and development. Such an initiative could benefit by being located within the rural and urban development projects of ESKOM, TELKOM, the DoL, the Departments of Public Works, Water Affairs and Forestry, Transport, Public Service and Administration, the local government programmes of the Departments of Constitutional Development and Trade and Industry and the Ntsika Enterprises Promotion Agency, industry training boards and their successor bodies, and social developmental projects of religious organisations, local communities and non-governmental organisations (NGOs).

6. HE learning programmes and qualifications offered by FET colleges

6.1 The White Paper on Higher Education specifies that programmes and qualifications which fall within the HE band should be offered within the framework of programme accreditation, institutional auditing and quality promotion laid down by the Council on Higher Education (CHE), through its Higher Education Quality Committee (HEQC). Accordingly, HE programmes and qualifications offered by FET colleges will need to comply with the requirements and regulations of the CHE. The Ministry will where necessary ensure the amendment of legislation relating to technical colleges, to bring the provision of HE programmes by FET institutions in line with the requirements of the White Paper on Higher Education and the *Higher Education Act,* (Act 101 of 1997).

6.2 The Ministry believes that the core business of FET colleges should be the offering of intermediate to high level skills programmes within the FET band. FET colleges that offer programmes and qualifications which fall within the HE band may continue to do so, on an interim basis, until the CHE, in consultation with the NBFET, has put in place an appropriate policy framework, and developed procedures, for regulating this matter. The Ministry will request the CHE to undertake a review of the HE learning programmes and qualifications offered by FET institutions, with a view to making a decision whether to terminate, re-orient to the FET band or bring them fully within the framework and development trajectory of HE.

6.3 HE programmes and qualifications offered by FET colleges will have greater currency and be more appropriate when they are based upon institutional partnerships such as franchise agreements, joint delivery of learning programmes and qualifications, and articulation and transfer agreements.

6.4 It is the view of the Ministry that the need to open up career paths and to afford access to HE and training, while holding capital and other costs in check, far outweighs the traditional territorial interests of

institutions. The pressing need to expand HE opportunities for graduates of FET offsets the charge of "mission drift" that is sometimes made against FET colleges. In short, current preconceptions regarding institutional roles must be critically re-examined, and new relationships must be created between FET and HE providers which will meet the needs our people. The Ministry, accordingly, will initiate a review of existing FET institutions, programmes and capacity, with a view to ensuring the optimal utilisation of, in the first instance, the country's FET colleges.

6.5 HE institutions have the experience and skills that could assist FET institutions to meet the challenge of providing adequate and appropriate FET programmes and opportunities.

6.6 The CHE will advise the Minister on the development and planning of HE. That advice should include due consideration of the role of FET colleges.

7. Distance education and resource-based learning

7.1 Flexible, open learning programmes, through distance education and resource-based learning, should be fully utilised and expanded, as a significant means of broadening access to FET.

7.2 Improving the quality of distance education and resource-based learning will make it easier for learners to access FET and to succeed. Open learning approaches allow for multiple entry and exit points and the use of different sites of learning. They allow the learner to determine the pace and place of learning using a variety of media and of learning and teaching approaches.

7.3 Over time, it is desirable that schools be encouraged to enable learners to access learning programmes through self-study or within other learning institutions and provide the necessary learner support. Schools will be encouraged to enter into formal partnerships with FET colleges, industry training boards and their successor bodies and private providers of contact and distance education.

7.4 Distance education and resource-based learning are particularly appropriate for employed learners. Many of these learners will possess prior learning and experience, and distance education and resource-based providers are ideally placed to pioneer the recognition of prior learning and experience in order to increase access to FET.

7.5 Distance education should not be seen as a second-best option. Instead, quality and effectiveness should be improved and assured through the application of the frameworks outlined in *A Distance Education Quality Standards Framework for South Africa* (DoE, December 1996), the *Technology Enhanced Learning Investigation in South Africa: A Discussion Document* (DoE, July 1996) and the *Technology Enhanced Learning Initiative in South Africa: A Strategic Plan* (DoE, April-May, 1997).

7.6 Within these frameworks the DoE, in collaboration with provincial Departments of Education, will undertake a review of existing distance institutions such as Technisa.

7.7 The DoE will, together with the Department of Communications and the South African Broadcasting Corporation, conduct a review of existing educational broadcast programmes, and develop a proposal for an educational channel. Meanwhile there is a need to expand existing educational broadcasting services and plan for the establishment of an Open School.

8. Developing qualifications, learning programmes and curricula

8.1 The development of FET qualifications, learning programmes and curricula involves two processes: the development and registration of qualifications and unit standards, and the development of curriculum frameworks, learning programmes and learning materials.

8.2 The development and registration of qualifications and unit standards involves the participation of SAQA-accredited National Standards Bodies (NSBs) and Standards Generating Bodies (SGBs). The latter will develop qualifications and their component unit standards. In line with the integrated approach to education and training, SGBs will comprise stakeholders representing the state, organised business and labour, and social sectoral organisations, all of whom will have a national constituency and interest. Once the adoption of a *White Paper on Further Education and Training* and the DoL's *Skills Development Strategy* has taken place, and the supporting legislation passed, the development of unit standards and qualifications will proceed with urgency. The DoE and DoL have an important role in this process.

8.3 The development of curriculum frameworks, learning programmes and materials will follow from this process. Curriculum development committees will undertake this work for the DoE and provincial Education Departments.

8.4 Currently, separate policies on qualifications, curriculum frameworks and learning programmes are in place for public schools and colleges. As described in Section 1, this situation is under review. The Ministry has two objectives in mind: to give effect to the integrated approach to education and training outlined here; and, to develop relevant qualifications, unit standards, learning programmes and curricula consistent with the outcomes-based approach. A Ministerial Task Team on Qualifications, Unit Standards, Learning Programmes and Curriculum has been established to advise on how to achieve these two objectives. *(see ch.7, point 3.)*

9. A quality assurance system for FET

9.1 Quality assurance is of fundamental importance for the development of a relevant, cost-effective and responsive FET system.

9.2 The primary responsibility for quality assurance rests with FET institutions. International and local experience shows that quality is driven from within organisations and institutions.

9.3 The management of quality is multi-faceted, involving the setting and management of standards with respect to qualifications, learning, teaching and training, assessment, management and leadership, and educational resourcing. An important aspect of the management of quality is continuous improvement - a process that is internalised by the staff and institutionalised through strategic planning and local policy setting.

9.4 Globalisation and the internationalisation of vocations and professions place additional requirements on quality, especially in the areas of qualifications and assessment. South African qualifications should measure up to global standards through the application of benchmarking processes.

9.5 Accordingly, there is an important role for a national FET umbrella authority with responsibility for quality promotion and quality assurance, the accreditation of providers, certification of learners, monitoring of provision, facilitation of moderation and the auditing of providers' quality management systems. Such a body should collaborate with the Sector Education and Training Authorities (SETAs) anticipated in the *Skills Development Bill*, in carrying out quality assurance and quality promotion across the FET system.

9.6 The Ministry believes that a Further Education and Training Quality Assurance Body (FETQA) should be located within the national DoE. Its governing body could be constituted as a committee of the NBFET. The DoE could perform some or all of the functions of the quality assurance body in collaboration with appropriate non-governmental service providers.

9.7 The HEQC will be responsible for the quality assurance function for qualifications and unit standards which fall within the HE band. It has been argued that the FETQA body should undertake the quality assurance function for all learning programmes offered by FET providers, including FET college programmes which fall within the HE band. The Ministry believes however, that the goal of developing a single, co-ordinated HE system, and the interests of learners in the FET band, would best be served by limiting the role

of the FET quality assurance body to qualifications and unit standards which fall below and within the FET band - that is, Levels 1-4 on the NQF.

9.8 This approach will facilitate the development of a coherent quality assurance agenda for FET. Further, it will avert the danger of overlapping functions and potentially conflicting approaches by the FETQA and the HEQC.

10. Assessment

10.1 Assessment has a direct and at times distorting influence on learning and teaching. The current assessment paradigm, which is based primarily on cognitive learning and which compares one learner with another (referred to by educators as "norm referenced evaluation") is unsuited to the challenges presented by new policies which are aimed at the transformation and integration of education and training. Inconsistencies in assessment lead to concerns about fairness and to perceptions of varying standards and quality across different parts of the FET system. In the new approach, learners will be assessed in relation to the learning outcomes of the unit standards they are to achieve (referred to as "criterion or outcomes referenced evaluation").

10.2 Assessment has two distinct, but related objectives. First, at the macro-level, assessment must provide reliable and valid information regarding learner achievement and competency, to ensure the legitimacy and currency of qualifications with employers and with HE institutions. Traditionally, assessment at the FET level has been distorted by the role of FET qualifications in selection to higher, particularly university education. Second, at the micro-level, assessment must be developmental and formative, to provide guidance to learners through appropriate evaluation and feedback.

10.3 In the current school system, continuous assessment takes place in Grades 10 and 11. This includes mid-year examinations, and examinations at the end of each year. Examination papers are set and scripts marked internally by teachers. Continuous assessment relies largely on the competence and professionalism of the teachers. Assessment in Grade 12 is conducted through external provincial examinations. In these public examinations all learners in a province write the same externally moderated examination paper in each subject. Examination scripts are marked and moderated by a staff comprising a chief examiner, examiners and an external moderator.

10.4 In the case of the technical colleges, all examinations, from N1 through to N6, are set by the national DoE, which administers the examinations on behalf of the provincial departments of education. In some cases, however, the national examinations are marked internally by college staff, using a national marking scheme. The Ministry believes, in the interests of consistency, that the latter approach should apply to all technical college instructional offerings at N2, N4 and N5 levels, until such time as existing technical college programmes are replaced by new curricula, learning programmes, qualifications and assessment policies.

10.5 Under the new outcomes-based approach a student's FET learning programme will consist of a particular set of unit standards. Each unit standard will clearly state the specific outcomes to be assessed and the assessment criteria. Students will know what they are expected to show or demonstrate and how their knowledge and skill will be assessed. Their learning activities will be designed so that they can master the required outcomes to the required assessment standard. The public examination will sample the competencies acquired at the assessment levels indicated in the unit standards. This will be recorded as a performance measure that indicates to both the student and society that the standards have been met and the degree to which they have been met. The negative and stereotypical concept of `failure' will be replaced with the positive notion of progress towards the achievement of standardised outcomes, where the student will be regarded as `in progress' or `partially complete'. Nonetheless, learners will be given credit for those outcomes that they have attained. Common standards and fairness will be ensured through the marking of scripts by the learner's lecturer or teacher, according to a provincial or national marking scheme.

10.6 In the case of schools, assessment measures would have to be improved to provide reliable and valid information and to ensure the appropriate progression of learners. This could include a form of external assessment in support of school-based continuous assessment. This could be done either through an

external examination which is marked by teachers according to a common marking scheme, and which is externally moderated, or through an annual national or provincial examination in all or some learning areas.

11. Efficiency, repetition and admission policy

11.1 The Ministry is considering the adoption of a national policy and regulations regarding the number of times learners may repeat grades, subjects, learning programmes and whole qualifications at public cost. This arises in the context of the inefficiency of the FET system as reflected in low retention and high repetition rates in schools and colleges.

11.2 International research has so far failed to demonstrate convincingly the benefits for learners of repeating grades, learning programmes, subjects or whole qualifications. Moreover, the cost of such repeats, especially within the school sector, is extremely high, and the burden that repeaters place on schools contributes to a steady decline in the quality of learning.

11.3 Additionally, the Ministry believes that schools are not the appropriate environment for the successful pursuit of learning by young adults in their early twenties. Colleges can provide more relevant and flexible opportunities, and more appropriate learning environments, for such learners.

What this chapter means in practice

The development of new learning programmes, curricula and qualifications for FET, within the NQF, will be given priority. The emphasis will be on high quality programmes and internationally recognised qualifications which integrate education and training, preparing learners both for work and higher learning. Lifelong learning, with appropriate support services, will be an important goal. The new framework will be based on articulation between programmes, a sound assessment system, and the recognition of prior learning. It will be predicated on the notion that learning outcomes are more important than where learning takes place. To achieve these objectives, the development of new partnerships, together with a programme of institutional and staff development, will be essential.

Funding

The way funding is organised and allocated will be a powerful force for achieving the FET system the country needs.
Given the significance of funding as a lever for change, the Ministry of Education has given considerable thought to the design of a new framework for the funding of FET. However, its full realisation will depend upon the contribution of other government departments - notably the DoL - the other social partners (business and labour) and individual households.

1. Introduction

A funding framework involves the determination of national priorities, objectives, targets and plans. It requires the definition of quality and can promote equity, efficiency gains and value for money, as well as the responsiveness and accountability of providers. It may embody a set of incentives that encourage certain types of responses and discourage others. A well-designed public funding framework can mobilise and optimise complementary private resources.

2. The present funding system

2.1 The Ministry notes with concern the finding of the NCFE that funding for FET is sub-optimal and, despite some positive features, displays many negative characteristics:

2.1.1 *Lack of funding coherence:* Different, unconnected funding mechanisms operate in the FET band, at national and provincial levels and across different departments of state. Without an over-arching funding strategy for FET, linked to a clear national policy, the funds available are not used to best effect.

2.1.2 *Poor information:* Data deficiencies even in the public sectors of schools and colleges are considerable, and there is no universal, reliable, comparable, up-to-date information about private providers. As a result, both financial planning and accountability are weak and the dearth of published information means that learners are unable to make informed choices concerning programmes or providers.

2.1.3 *Inadequate and skewed funding:* Funding of public sector FET providers has been extremely unequal, with most historically black institutions receiving poor levels of funding. As a result many FET institutions have been unable to function effectively.

Skewed funding is another problem. Funding of the 2.2 million learners in senior secondary schools absorbs 72 per cent of all FET expenditure. There is very little training of the unemployed and highly variable training of and expenditure on the employed.

2.1.4 *Low rates of return:* Low returns on the considerable investment of public and private resources in FET are cause for serious concern. Pass rates of 50 per cent in school-leaving examinations and the irrelevance of most of the curriculum to work have become the norm. Few training schemes have proved effective in securing jobs or self-employment for the unemployed, while training for the employed has generally failed to impart the generic competences that allow for transferable skills and lifelong learning.

2.1.5 *High inefficiency:* In many institutions, neither staff nor students put in a full school day. Resources are not used optimally. High repetition rates especially in senior secondary schools result in huge additional

throughput inefficiencies. It has been calculated that the system invests 36 learner years of effort to produce one Grade 12 pass.

2.1.6 *Weak and perverse incentives:* There is only one tax incentive relevant to FET: section 18A of the *Tax Act* of 1962 provides tax relief for donations to certain educational institutions and funds including schools and colleges. Other forms of incentive, such as state technical assistance for companies who wish to train, are noticeably absent. There is no financial incentive for providers to address the learning needs of students from disadvantaged backgrounds, or those with other special needs.

Funding mechanisms also present no incentive for institutions to increase their efforts to enable students to pass. It is estimated that the cost of the repeats in Grades 10-12 is as much as R1,7bn - 17 per cent of all the funds expended on FET. Conversely, perverse incentives encourage institutions to expand provision in areas which are out of keeping with the country's needs.

2.1.7 *Sectoral funding:* Most public funding of FET is sectoral, allocated by the provincial education departments to the college/school (CS) sector. This type of full funding of activities provides no incentive to institutions to respond to the demands of the market.

2.1.8 *Predominance of supply-side funding:* In supply-side funding the money follows the providers rather than the learners. Full funding is the purest form of supply-side funding. Thus most FET providers have not been encouraged to be responsive to student demand and needs. Only in the case of state-aided colleges and schools, where budgets have been partially paid by the state, has there been a need to do this.

2.1.9 *Minimal protection for the poor:* There is no state bursary or loan scheme for disadvantaged or vulnerable FET learners.

2.2 Notwithstanding the weaknesses of present funding arrangements outlined above, it should be noted that there are some significant positive features:

2.2.1 *Considerable public expenditure:* The state is the most significant funder of FET, contributing 75 per cent of total expenditure.

2.2.2 *Significant private sector contributions:* Companies and individual households contribute about 25 per cent of expenditure, demonstrating a willingness to pay which is important for the future funding of FET.

2.2.3 *Income generation:* There is evidence of a growing willingness on the part of secondary schools and technical colleges to pursue income-generating activities. Income generation is a significant aspect of private provision.

3. Future challenges

The most immediate challenge for a new funding framework is to redress the bitter legacy of apartheid. However, not only are there backlogs and inequities to address. The developmental approach to education also requires that the education system address a range of socio-economic needs. Furthermore, as discussed in detail in the NCFE Report, and as noted earlier in this Green Paper, new powerful global and national forces will also exert huge pressures on FET. These pressures have important financial implications.

3.1 A new funding framework for FET will have to cater for the expansion of FET to under-represented target groups, new modes of further learning, information technology, learner support, curriculum development, and the higher costs associated with practical work and technical and vocational training.

3.2 Increasing enrolments and net flow rates in senior secondary schools will place additional demands on FET funding.

3.3 The challenge of global competitiveness requires that the skills profile of the labour force be addressed as a matter of urgency. FET has a vital role to play in increasing the pool of intermediate / high level skills, by opening up new pathways for the development of skilled and highly skilled workers.

3.4 Similarly, new and expanded FET opportunities will have to be offered to unemployed youth and adults if unemployment levels are to drop. Expanding provision will demand that existing resources are better used and that additional resources are found.

3.5 In addition to these economic challenges, FET must also cater for a range of national development needs, from the consolidation of democracy, to the delivery of large-scale social programmes. FET must contribute to reducing poverty, supporting community development and promoting a more equitable distribution of wealth.

3.6 FET must also address the learning needs of individuals and offer opportunities for personal fulfilment and holistic development.

The diversity of needs above translates into growing demands on the resources for FET. Although government expenditure on education and training is likely to grow somewhat as the Medium-Term Expenditure Framework (MTEF) indicates *(see point 5.1)*, other sources of FET funding will continue to be essential. Moreover, efficiency gains will be critical to funding quality-enhancement initiatives. Consequently, the central issues for the financing of FET are how to promote efficiency and optimise the contributions of government, employers and households. Government alone cannot meet the demands on FET and requires the assistance of other sectors of society if South Africa is to fulfil its democratic and economic promise and improve the quality of life of all its citizens.

4. The division of financial responsibilities

4.1 Education departments and the DoL have different responsibilities for FET. No department has overall responsibility for FET funding.

4.2 The education departments and the DoL have two different but overlapping spheres of responsibility. The diagram below illustrates the dominant financial responsibility of each in terms of the three FET target groups.

Spheres of financial responsibility

4.3 The Ministry of Education has a responsibility to determine national policy and norms and standards for funding FET for 2.2 million pre-employed youth in public FET institutions. Another 2 million out-of-school and out-of-college youth aged 16-27 have never had a job and are more accurately classified as pre-employed. The education departments share responsibility with the DoL for this group.

4.4 The education departments face three specific access challenges, namely:

- keeping pace with senior secondary school enrolments
- expanding public colleges, and
- providing FET for out-of-school youth.

4.5 In terms of the *Constitution*, the provincial Departments of Education have responsibility for running and disbursing funds for colleges and schools to the end of Grade 12. In the case of FET this means some 6 400 senior secondary schools and some 170 public colleges. Moreover, the Ministry and the provincial education departments are bound by the constitutional provision that `the state, through reasonable measures, must make (FET) progressively available and accessible' (Section 29 (1)).

4.6 As the diagram on the previous page indicates, the DoL has directed its attention largely, though not exclusively, to skills development for the employed. It is also concerned with training the unemployed and has recently proposed a new form of modern apprenticeship or `learnership', which includes the pre-employed. Although the DoL historically has contributed only 1 per cent of total FET expenditure, its *Skills Development Bill* proposes the establishment of a new National Skills Fund (NSF) for skills development at all levels.

4.7 While the bulk of state funding for public FET providers is from the DoE, there is no reason why institutions should not obtain funding from other government departments or employers. This is already the practice in many colleges and will be encouraged.

5. A new funding framework

The deficiencies in existing funding arrangements and the scale and complexity of the challenges facing FET require the development of a completely new funding framework.

5.1 Funding policy

In 1997 the government developed the MTEF as a three-year rolling plan for advancing policy objectives through the national budget. The MTEF and the accompanying Medium Term Policy Statement provide the wider funding policy context for an FET funding framework.

Certain points in the MTEF Policy Statement are especially relevant to FET funding:

5.1.1 South Africa is undergoing a demographic transition, in which the present group of 10 to 14 year-olds represents a demographic peak. This means that primary school enrolments will slow down, but secondary school enrolments will continue to grow until the demographic peak has passed through the secondary phase. Consequently, FET provision will have to keep pace with increasing enrolments for at least the next 5-10 years.

5.1.2 Employment creation is a government priority. *Inter alia*, this involves improving the skills base of labour and identifying key employment-generating opportunities.

In this regard, mention is made in the MTEF of the DoL's Skills Development Strategy and the creation of learnerships to bridge the gap between formal education and work experience, especially in the case of young work-seekers.

5.1.3 The evolution of training and vocational education is seen as crucial. A significant expansion in public spending on training and vocational education, for both the employed and unemployed is thus a macro-economic priority.

5.1.4 Increased private spending on education and training is also envisaged because of the benefits conferred on individuals and employers. Specifically, the financing of FET and HE should continue to draw strongly on private sources.

5.1.5 Because South Africa has near-universal schooling, the main challenge is to improve the quality of schooling by addressing glaring inequalities, increasing efficiency and improving effectiveness.

5.1.6 Accordingly, education and training are high priority commitments, reflecting the promotion of equal access to learning opportunities, the extension of FET and HE, and skills development throughout the economy.

5.1.7 However, growth of education spending on personnel must be curtailed because this absorbs too high a share of available funds. Additional resources must be assigned to key quality-enhancing initiatives and improved management to increase efficiency. There is also scope for rationalising FET and HE institutions.

5.1.8 Equity will be enhanced through government spending targeted on poor communities, and reduced subsidies to higher-income communities who are made responsible for meeting costs above their equitable entitlement, through fees and other own revenue. Loans and bursaries in FET and HE should be strengthened to ensure that poor students are not denied access.

5.1.9 The MTEF and the Minister of Finance's Budget Policy Statement are significant indicators of the government's recognition of the importance of the FET sector. They point to:

- the prioritising of training and vocational education because of their link to job creation
- the need for cost-sharing by government, employers and households
- the importance of quality
- the need for efficiency gains, and
- the targeting of state spending on poor communities.

5.2 Funding principles

The following principles provide a basis for developing a new FET funding framework. However, the senior secondary schools will, for the foreseeable future, be subject to the national norms and standards for school funding in terms of the *SA Schools Act,* 1996:

- Education departments must be enabled to fulfil their constitutional obligation to make FET progressively available and accessible.
- Funding must be related to national human resource development priorities and should increase the responsiveness of FET providers to the market.
- Funding should be linked to a flow of information from providers to the funding authority in order to ensure proper planning and accountability, and to learners to promote informed learner choices.
- Funding must provide for both individual and institutional redress.
- The funding framework must aim at maximising all available resources, through cost-sharing arrangements and income generation by providers.
- Funding should include a performance-linked element, as a lever for improved efficiency and outcomes.
- Funding mechanisms must encourage efficiency gains, in order to free resources for the qualitative and quantitative improvement of FET programmes.
- The basis of funding should in principle be programme-based, in line with the NQF and as a means of promoting flexibility and responsiveness among diverse providers.
- Funding should be coherent and consistent, such that the same level of funding applies to the same programme, in order to prevent irrationalities and the unintended consequences that follow from variable funding levels.
- Financial responsibility should be devolved to the institutional level as soon as is practicable.
- Funding should give greater emphasis to demand than to supply, in order to re-orientate providers to the market and the needs of learners.
- Funding should incorporate user fees, linked to a learner's ability to contribute to the cost of the FET programme.
- Adequate funding must be set aside for capacity building, both to enable providers to satisfy the financial management requirements of the new funding framework and to provide relevant and high quality FET programmes.
- FET funding mechanisms must provide for stability of public funding to enable providers to plan effectively.
- The development of the new funding mechanisms should be participatory and all stakeholders, especially FET providers, should be consulted. Consultation will promote buy-in and understanding of the new funding methods on the part of practitioners, while the funding authorities will benefit from testing the feasibility of new mechanisms and the costing of programmes.
- The new framework must be phased in so that new demands are matched by appropriate capacity.

The following table illustrates the transformation from the current funding system to the new funding framework, and its envisaged advantages.

Funding FET

FROM	TO
Lack of coherence	Coherent national framework
Poor information base	Flow of information for planning, accountability and learner choice
Inadequate and skewed funding	Constitutional obligation Individual and institutional redress
Low rates of return	Responsive to national priorities and market Performance-linked elements
High inefficiency	Efficiency gains
Weak and perverse incentives	Same level of funding for same programmes
Sectoral basis for funding	Institutional financial responsibility Programme basis
More supply-side	More demand-side
Minimal protection for the poor	Learners' ability to pay
Considerable public expenditure Significant private sector expenditure Income-generation potential	Cost-sharing and income-generation to maximise all resources

6. Implementing the new funding framework

6.1 Strategy

6.1.1 In accordance with the principles outlined above, a coherent funding framework, which can be applied to all FET providers, is the ideal. However, after careful consideration, the Ministry believes that, for the foreseeable future, the new programme-based funding framework should not apply to senior secondary schools.

6.1.2 Responses to the *Draft National Norms and Standards for School Funding*, which the Ministry released in 1997, indicate that there is a real lack of capacity in most schools, particularly with regard to financial management. The draft document is currently under revision. During this transitional period schools, and in particular secondary schools, will have to develop adequate financial management capacity to cope with delegated budgets as outlined in the Funding Norms. Because delegated budgets are a necessary base for introducing programme-based funding, the Ministry will monitor the progress made with a view to the eventual introduction of programme-based funding in senior secondary schools.

6.1.3 The advantage of programme-based funding is that it encourages responsiveness of institutions, can be linked to outputs and can be used to bring about efficiency gains. In accordance with MTEF policy, national and provincial Departments of Education will seek efficiency gains and enhanced outcomes in schools through other measures.

6.1.4 The new funding framework will presently apply to public FET colleges only. However, because capacity is also limited in many colleges, the new funding system will have to be phased in. Colleges will have to be prepared to undertake responsibility for their budgets. When a college displays the required capacity, the new funding framework will be applied.

6.2 Organisation, management, and administration

To ensure adequate control over public funds and the smooth operation of the new funding system, appropriate organisational and management structures must first be in place. Responsibilities must be clearly defined at all levels, along the following lines:

The Ministry of Education: The Minister will have responsibilities for determining the national funding norms and standards to be applied by the provinces in respect of FET and for announcing in good time those aspects of national policy which are to be taken into account by the funding system. The DoE will monitor and evaluate the application by the provinces of the national funding norms and standards.

The National Board for Further Education and Training: The NBFET will be established as a consultative body (as discussed in chapter 6) which will assist the Minister to determine the reasonable measures by which FET can be made progressively available and accessible. Amongst other things, the NBFET will advise the Minister on specific funding methods, norms and standards which promote the national policy. These will need to be manageable, and sufficiently transparent to enable providers to respond to intended incentives and disincentives. In framing its funding recommendations, the NBFET will consult widely with stakeholders and providers. It will advise the Minister on the development of a standard national information system, including a system of student records, and financial returns, sufficient to support the funding system, allow performance against targets to be monitored and performance indicators to be generated.

Provincial Departments of Education: The provinces will be responsible for implementing the funding methods, norms and standards determined by the Minister. They will establish provincial targets for FET, reach agreement with individual providers regarding their annual targets and budgets, and hold providers accountable for the achievement of their targets and for their control and use of public funds. Provinces will determine the point at which institutions have developed sufficient management capacity - including reliable data-collection systems and adequate financial and internal control systems - to be given a delegated budget and sufficient autonomy to manage it effectively. Provinces will implement the standard national information system in institutions, aggregate returns at the provincial level, and provide reports to the national DoE.

Public Colleges: Once the new funding framework is fully developed, institutions will be responsible for the management of their affairs and the delivery of their programmes. They will appoint their own staff, paid in accordance with national salary scales, be responsible for maintaining and developing their buildings, and assume full responsibility for their finances. They will have to develop the full array of internal controls necessary to ensure that public funds are adequately safeguarded and used only for the purposes for which they are provided.

They will need additional management capacity to:

- prepare strategic and operating plans for the institution
- prepare and control budgets derived from the funds made available to them by their provincial department, from user fees, and other sources
- implement and operate the national information system and compile the student, financial and other returns required by their province, and
- develop income-generating activities to supplement their state funds and user fees.

These capacities will have to be developed from scratch by most institutions. Capacity building will require additional funding and will take time. However, it is important to bear in mind that the state-aided colleges presently have site-based management and full or partially delegated budgets. This group may be able to move rapidly through the implementation stages and pilot the new funding methods.

7. Funding methods

The three components of the future FET funding framework will be formula funding, earmarked funding and student finance. These are described in detail to indicate how the new framework might operate when all public FET colleges have the capacity to implement it. As previously stated in point 6.1.4, colleges will need to be prepared to undertake full budget responsibility. The Funding Task Team described in chapter 7 will have the responsibility for taking this matter forward on the basis of government policy.

7.1 Formula funding

Formula funding will apply to recurrent costs in the following way:

7.1.1 **Focus**: The bulk of FET funding will be based on approved programmes leading to qualifications or credits. Thus FET funding will not be based on institutional factors but on the mix of programmes offered by a provider. As there are no FET providers which offer only FET programmes, institutional funding would be problematic.

7.1.2 **Funding unit**: The main basis for determining the funding unit will be learner enrolments expressed as FTEs. However, in order to include an outcomes-based element which will encourage throughput efficiency and reward performance, 5 per cent of the fund will be paid only when a learner has satisfactorily completed his or her programme. (A higher percentage is not advisable because it would tend to make providers exclude disadvantaged learners or lower the standard of their programmes to obtain high pass rates.)

Thus growth and output incentives will be built into the formula funding.

The potential problems of poor quality and discrimination against disadvantaged learners can and will be counteracted. Adequate quality assurance mechanisms will deal with the first problem, while the second will be addressed by making provision for additional funding which can be accessed by institutions to provide the necessary support to students with additional learning needs because of educational disadvantage or physical disability.

The precise working out of such a mechanism will be assigned to the Funding Task Team.

7.1.3 **Modes of delivery**: The funding formula should in principle be mode-neutral, allowing providers to determine what mix of modes to use in delivering a particular programme.

7.1.4 **Allocation mechanism**: To improve quality and outcomes, a performance-linked funding contract is proposed. Two forms of performance-linked funding will be used. As discussed above, the allocation to a provider will be determined by means of a formula based on FTEs in approved programmes, and on assigned prices. However, 5 per cent of the allocation will be based on student achievement of credits or qualifications. In addition, providers will be assessed against the targets agreed in their funding contract.

Government will formalise its relationship with providers in a contract which will set out the levels of funding available, the programmes to be delivered, target outputs, and the information to be provided. The contract will provide a basis for monitoring performance and will reinforce strategic planning processes. The funding contract should be broadly consistent with providers' strategic plans, which in turn should reflect national FET strategy. Successful performance may attract additional funding in the subsequent year.

7.1.5 **Rates**: A tariff of prices per FTE student will be determined for every FET programme. These prices will be based on the relative costs of providing the different programmes to the average student. They could include elements such as staff salaries, learning materials, building maintenance and student support services. The tariff prices will be the amounts per FTE student per year - or alternatively per programme - that the state is prepared to pay providers for the various programmes. The intention is that cost-based prices will be incentive-neutral. However, should government decide to weight certain prices to provide incentives for the attainment of particular policy goals, this will be made possible by the tariff system.

7.1.6 **Planning**: Manpower planning techniques have led to major distortions of education and training provision, and are generally discredited. The labour market operates in more complex and flexible ways than a manpower model suggests. In as complex a field as FET, the main determinant of provision should be the market, but this should be `steered' through the identification of critical needs and priorities and the development of strategic plans, using a range of information and labour market signals.

7.1.7 **Stability**: In order to ensure year-on-year funding stability, a simple `core and margin' approach is proposed, rather than the more complicated three-year rolling plan for HE institutions. FET providers should be guaranteed a core of, say, 90 per cent of their previous year's state funding in the subsequent year.

The main elements of the formula funding approach are summarised in the following table:

Formula Funding Approach

Focus Funding unit Modes Allocation mechanism Rates Planning Stability Additional elements	Programmes FTE students Mode neutral Performance-linked contract Cost-based prices National policy objectives and market Core and margin Student completion, support for additional learning needs

7.2 Earmarked funding

7.2.1 At present there is no earmarked funding for FET. Earmarked funding consists of ring-fenced monies, which can only be spent according to certain terms and conditions. Earmarked funds are used to provide incentives to institutions to achieve specific national policy objectives, which might change over time.

7.2.2 Such national policy objectives could include:

- redress, through a range of capacity building programmes, such as management training and in-service education for teachers and trainers. Specialist support agencies which provide these services and other assistance required for capacity building will be able to compete for earmarked funds set aside for these purposes. Competition between agencies will help to promote quality and efficiency
- strategic priorities, such as the implementation of information systems, the development of quality assurance mechanisms, the upgrading of specialised plant and the promotion of intermediate-level technical training
- outreach to marginalised target groups
- piloting innovative programmes, and
- collaborative ventures among providers.

7.2.3 It will be easier to implement a national strategy for the transformation of FET if it is possible to target funding for specific national policy objectives. This could be achieved in two ways, consonant with the provisions of the *Constitution*:

Determining national norms and standards: The Minister, on the advice of the NBFET, would set allocative norms and standards. These could indicate how the provinces should spend their money for FET, although they could not specify how much the provinces should spend.

Given provincial budgetary discretion, allocative norms and standards would not be adequate to prevent a province in financial straits from cutting back on its FET budget and hence on its FET targets. The *National Education Policy Act* provides a clear process for national monitoring of national standards for provision, delivery and preformance. This provision can be used to assess the progress made by provinces in meeting their constitutional obligation to make FET progressively available.

Conditional grants: Over and above the provinces equitable share, the *Constitution* does provide for other conditional and unconditional grants, which could be given to the provinces from the national share as the MTEF indicates. If a conditional grant were earmarked for FET by national government, the Minister, on the advice of the NBFET, could determine the purpose and conditions for its allocation to the provinces. These could include the achievement of specific national priorities, which would be monitored.

The leverage of conditional grants could be increased if provinces were required to put up matching amounts from their own resources. Clearly, the introduction of earmarked funds for FET will require careful consideration and investigation, especially as the National Skills Fund (NSF) proposed by the DoL is also a form of earmarked funding, part of which will apply to skills development at the FET level. The implications for the FET colleges, and possibly some senior secondary schools, are very significant and will be discussed in detail with the DoL.

7.2.4 It will be necessary to resolve the terms of earmarked funding for FET, including its purpose, mode of funding, administration and magnitude.

7.3 Student finance

7.3.1 The expansion and improvement of FET provision will depend on an increase in state funding, a significant level of payment for services rendered by FET institutions in terms of the new funding mechanism propsoed in the new *Skills Development Bill* and private sources, especially user fees. It is too early to say what proportion of the overall costs of a programme would need to come from user fees.

7.3.2 User fees must be related to the ability to pay. For this purpose a sliding scale for fees could be established. This will involve means-testing of individual students or households, or the identification of some proxy measure for socio-economic disadvantage. Where learners are assessed as able to pay, there must be a clear policy on the consequences of non-payment.

7.3.3 Alternatives for assisting learners who are unable to pay fees include scholarships and bursaries, and student loans. Because the present state loan scheme for HE students is under-capitalised, its extension to FET learners would not be viable. Institutional loan schemes already in existence should be investigated for possible replication. Employers should also be encouraged to provide loans to learners, particularly in areas of skills shortage. A variant of this might be the introduction of learner bonds. A learner could be issued with a financial bond by an industry training board (ITB) or a SETA, and the bond used as collateral for a loan from the financial sector. When the bond matures on completion of training, the SETA would pay this off and the learner would pay back the loan to the financial institution. Since the number of bonds would be controlled by a SETA, it would be able to regulate the numbers pursuing any single programme, so that learners would not be unemployable through over-supply.

8. Some specific funding issues

8.1 Access and HE programmes

It will be consistent with national policy for approved HE programmes provided by FET institutions to be funded from the HE allocation. The issue of access programmes, however, requires further analysis and advice from the CHE. Where FET and HE institutions have formal linkages, the responsibilities and obligations of each should be set out in a contract. Such agreements, and the role of FET providers within HE, should be developed within an agreed policy framework, determined by the Minister on the advice of the NBFET and the CHE.

8.2 Tax incentives

The extension of Section 18A of the *Tax Act* of 1962 to all education, training and development organisations, including NGOs, is still being considered by a sub-committee of the Katz Commission on Taxation Policy.

Tax rebates for FET tuition fees are not recommended because as long as the SITE system is in place, the poor would receive no benefit.

8.3 State funding for private providers

In principle, registered private providers should be able to compete for earmarked funding which will be used for national priority programmes. However, in practice, it may be necessary to give public providers preference for a few years until they have the capacity to engage in competitive bidding.

If in time private providers are enabled to bid for public funds, they must comply with the same rigorous accountability measures as public providers.

8.4 Public colleges

8.4.1 The public colleges sector was identified by the NCFE as a critical area for intervention because it could offer increased access to vocationally-oriented education for all three target groups and because visible short-term gains would be possible. Moreover, relatively modest sums of money could provide considerable leverage for change, given that the entire FET college sector cost the state less than R400 million in 1996.

8.4.2 The Ministry therefore proposes the following strategy with regard to the funding of the public colleges:

- All publicly-funded colleges should be funded on a common basis. This will involve abolishing the distinction between state and state-aided institutions, and the phased introduction of programme-based funding
- The introduction of programme-based funding will support a diversity of public colleges with different foci and missions, because the mix of programmes rather than institutional types will determine the level of state funding.

The funding of public colleges must be driven by three strategic imperatives, namely:

- the need to provide increased access to vocational and vocationally oriented education and training
- the need to achieve efficiency gains in the college sector through economies of scale, and
- the need to improve the quality and effectiveness of programmes so that they are relevant to the world of work and to job creation.

Decisions about rationalising, expanding, merging or clustering of public colleges will need to be made in terms of these three imperatives, as will decisions about the upgrading of infrastructure and equipment.

8.4.3 The funding of learnerships in public colleges deserves priority attention. These are mentioned in the MTEF as vocational programmes that will connect formal education to work experience. Further discussions with the DoL and the Department of Finance will be undertaken to clarify the implications of the new *Skills Development Bill*.

9. Implementation plan

9.1 Implementing the new FET funding system will involve five main strands of activity, namely:

- developing management capacity at all levels
- devising adequate information systems at all levels
- developing the qualification system, as a basis for programme-based funding. FET programmes and qualifications will have to be clearly defined so that standard prices can be assigned
- progressively delegating budgets to institutions as they demonstrate the competence to manage their own affairs. This stage is to be preceded by a period of `shadow budgets' and a pre-audit of internal controls before each institution assumes full operational responsibility, and
- devising funding methods to be applied to all providers of FET programmes and managing the transition from existing funding arrangements in the various sectors.

9.2 Given the urgent national need for an improved system of FET, work should proceed in all five areas without delay, although it is essential that some implementation stages precede others. Most importantly,

additional responsibilities will not be assigned at any level of the system until the management capacity to discharge the responsibility has been shown to be present and has proved under test to be competent.

9.3 The early establishment of a Steering Group and four Task Teams for management, information systems, funding and qualifications *(see chapter 7, point 3)* will be crucial for the successful implementation of the new funding framework. The composition and functions of these groups are outlined in the final chapter of the Green Paper.

9.4 In view of their critical importance in the implementation of the new funding system, budget delegation and the devising of the new funding methods are briefly discussed below.

9.4.1 Delegating budgets

The most significant step in the development of management capacity in institutions is the delegation of budgetary authority and control. It is a vital step in developing the ability of institutions to respond to students' and employers' needs and to enable resources to be managed with the greatest effectiveness and efficiency. But it is also a danger point where, if the necessary skills and controls are not present, there could be a serious loss of financial control, resulting in real financial losses and, as important, a loss of public confidence in the FET system.

Consequently, it is vital that management capacity building is stringently overseen by the Management Task Team and the provinces, and that each institution is required to pass an independent professional audit of its readiness to receive and handle public funds, before any public budget is delegated to it.

While institutions are developing their management capacity, there will be benefit in sharing with them a `shadow' or `paper' budget in which all elements of the budget are made clear without any authority over the budget being transferred. This will help institutions to understand the structure of their finances, to test their budgetary control systems, and to familiarise themselves with the funding system, before they assume full operational responsibility.

It will not be necessary for all institutions to assume responsibility for their budgets on the same date. At the point where an institution is assessed as ready to assume delegated budgetary authority, the relationship between it and the province should be defined and governed by a `financial memorandum'. This will set out the general terms and conditions under which funds are allocated to the institution and define the financial framework within which the institution will operate. Institutions would enter into a separate contract each year.

9.4.2 Devising the new funding methods

Devising the new funding arrangements in detail will be the job of the Funding Task Team.

9.5 Timetable

The size and complexity of the task is such that full implementation of the new funding system will take four to five years from the publication of the White Paper. The phasing of the implementation process is outlined in the last chapter.

What this chapter means in practice

An entirely new FET funding framework will be developed. This will involve delegated budgets for FET providers, responsiveness to national policy objectives and the market, programme-based funding and a flow of information from providers to funding authorities and learners.

The main funding responsibility of the education departments will be the provision of FET for the pre-employed: 2,2 million learners in some 6400 public schools and 170 public colleges, and 2 million learners,

aged 16 to 27, who are outside schools and colleges. This translates into three access challenges: keeping pace with secondary school enrolments, expanding public colleges, and providing new programmes for the out-of-school/college youth.

The new funding approach has three main components:

- formula funding for recurrent costs, based on FTE students in approved programmes leading to qualifications or parts thereof
- earmarked funding for specific national policy objectives, and
- user fees related to the ability to pay.

Additional elements include:

- an output incentive based on student achievement of credit/qualifications, and
- support for learners with additional learning needs.

The new funding framework will for the foreseeable future only apply to public FET colleges, not to senior secondary schools.

Financial responsibility will be increased in accordance with proven institutional capacity.

Funding contracts based on strategic planning and targets will be developed for colleges.

CHAPTER SIX

Governance, institutional development and legislation

This chapter outlines a new framework for FET governance, institutional development and legislation. The framework is based on the concepts and principles outlined in chapter 3, in particular the principles of co-operative governance, co-ordination, state steering, and institutional autonomy.

1. The present position

1.1 The FET band in the NQF brings under one umbrella all learning programmes that follow GET and precede HE. It is a simple, integrative concept. However, as the Green Paper has shown, the organisation and governance of FET are anything but simple and coherent.

1.2 The most significant changes in FET governance since 1994 have stemmed from our democratic *Constitution*, under which the separate racial and ethnic departments of state, institutions and governance structures were outlawed. While this fragmentation no longer pertains, the organisation and governance of FET continue, nonetheless, to be marked by both vertical and horizontal divisions.

1.3 The division of responsibility for education and training between the labour and education portfolios, in particular, is a significant complicating factor with respect to the achievement of a fully integrated education and training system. The *Skills Development Bill* proposed by the DoL will establish separate structures for the governance of training across the different bands of the NQF, and separate mechanisms for the funding of training, including the new learnerships which education and training providers will provide in terms of prescribed learnership agreements.

1.4 The principle of an `integrated approach' to education and training underlies the *South African Qualifications Authority Act* (Act 58 of 1995), and the assumption behind the NQF is that a single national learning system can and will be brought about. While co-operation between the education and labour portfolios, and across the education and training divides, is possible and does take place, the reality is that the DoE and the DoL presently have substantially different responsibilities and modes of operation with respect to FET.

1.5 A different allocation of responsibilities and functions exists within the education sphere, between the national and provincial authorities. The provincial education authorities are responsible for funding and running FET in schools and colleges, while the national Ministry has overall policy responsibility and responsibility for norms and standards. The Minister has concurrent legislative responsibility with provincial MECs.

1.6 To complicate matters further, many of the institutions in the FET band offer programmes which extend downwards into GET or upwards into HE. Almost no provider offers only FET. Providers in the FET band, then, do not fall neatly, for the purposes of governance, into a single FET category. Moreover, as will be seen in the concluding section of this chapter, systemic and institutional weaknesses among FET providers are such that changes in governance, and the development of a coherent policy framework for FET, will be little more than paper exercises, unless accompanied by significant system change and institutional development.

1.7 In short, the integration of education and training, policy coherence, governance of the band, and co-ordination of provision, cannot be realised within the framework of existing arrangements or of existing systemic and institutional capacities. At the same time, constitutional constraints, and the separation of portfolio responsibilities, place difficulties in the path of integration and co-ordination.

1.8 The governance measures outlined below, while they fall short of the goal of a fully integrated approach to education and training, seek within the given constraints to bring about greater coherence and co-ordination, through the development of new advisory and governance mechanisms, new strategic planning

processes, and a principled and pragmatic approach to system change and institutional development. The Ministry believes that the measures outlined here constitute a significant, and vitally necessary, step in the right direction. Indeed, nothing less is required, if the challenges outlined in the first five chapters of the Green Paper are to be met.

2. Principles

2.1 The philosophical and practical bases upon which the governance proposals rest are outlined in the first five chapters of the Green Paper. These chapters, broadly speaking, provide the context and motivation for the proposals which follow. However, it is important to restate here the core principles and beliefs which directly inform these proposals.

2.2 These may be summarised as follows:

- The national government is responsible for determining FET policy in the interests of the country as a whole.
- Government will most effectively carry out its role, especially in as complex and diverse a field as FET, through a strategy of `steering'. In general terms, this means that government will not seek to direct the system, for example through centralised planning, but that it will guide its development through a range of co-ordinating and consultative mechanisms, incentives, and monitoring and reporting requirements. At the national level, state steering will involve the determination of broad policy, the setting of national priorities and targets, the use of earmarked funding, and the monitoring of performance. At the provincial level, the education authorities will guide the development of the FET system through the determination of provincial policies and goals, consultation with providers and stakeholders, the review and approval of institutional and sectoral plans, the allocation of funds, and the monitoring of performance.
- The inclusion of the social partners in advisory structures, together with other measures, is intended to promote flexibility and responsiveness and to foster a robust partnership for change. Government needs to act in partnership with stakeholders, in a system of participatory governance, in order to develop balanced and effective policies, to mobilise skills and resources, and to involve stakeholders in the process of transformation.
- A balance must be found between the roles of the state and the market in shaping the development of the system. Government has responsibility for policy, and provides much of the funding for public FET institutions. However, the private sector is a major stakeholder and contributes significantly to FET provision. Apart from the direct interests of the private sector in FET, the market has a role to play in promoting flexibility and responsiveness and in driving up quality.
- Governance must provide a mechanism for ensuring policy coherence and system co-ordination in accordance with national needs and priorities. It must at the same time be flexible and responsive to varied and changing contexts and demands, including different provincial, regional and local situations, and it must be based upon the division of powers provided for in the *Constitution*.

3. A new governance framework

3.1 National governance

3.1.1 The Ministry and Department of Education

The national government has responsibility for ensuring the social and economic development of our young democracy, and for promoting the welfare and advancement of all our people. Education and training in general, and FET, in particular, have a critical role to play in under-pinning the country's macro-economic policies and development strategy, and in laying the foundations for a more just and equitable society. The national government, accordingly, has a vital interest in and responsibility for the development and implementation of effective national FET policy.

The Minister of Education is responsible for the determination of national policy for education and training in schools and colleges in the FET band. The Minister is also responsible for determining norms and standards, including funding norms, curriculum requirements and quality assurance mechanisms. The Minister, accordingly, will:

- determine the broad goals and objectives for the transformation of publicly funded schools and colleges in the FET band
- guide the development of the FET school and college sectors through the establishment and operation of an effective governance, financial and regulatory framework for FET
- consult with the Minister of Labour with a view to co-ordinating national policy for education and training in the FET band
- exercise his/her powers and responsibilities with a view to meeting the constitutional requirement that the state, through reasonable measures, make FET progressively available and accessible, and
- report annually to Parliament on the state of FET in the country.

In exercising these responsibilities, the Minister will, as provided by the *National Education Policy Act*, 1996, consult with the Council of Education Ministers (CEM). The Minister will also be advised by the proposed NBFET, as set out below and will appoint the members of the Board, including the Chairperson, following a process of public nominations.

The DoE will:

- provide professional support to the Minister with regard to the development of national FET policy, taking into account the advice of the NBFET
- maintain professional relations with the DoL and other departments of state, and participate in the proposed Inter-Departmental Committee
- provide secretarial services to the NBFET
- maintain an effective and up-to-date FET education management information system
- co-ordinate a management development strategy for FET
- monitor and advise on revisions to the FET funding norms and funding formula
- administer national examinations for FET colleges and co-ordinate quality assurance functions, and
- in consultation with the NBFET, develop guidelines for the review by provincial advisory bodies of FET college plans and provincial aggregated plans for the FET school sector.

3.1.2 The National Board for Further Education and Training

The establishment of the NBFET is a central element of the Ministry's proposals for a transformed and reinvigorated FET system.

FET, it has been noted, sits at the crossroads between GET, work, and HE.

While a fully integrated education and training system is not immediately achievable, given current realities, the NBFET will foster relationships and build consensus between government and its social partners, strengthen the linkages between FET programmes and providers and work, and promote innovation, quality, flexibility and responsiveness.

The Ministry expects the Board to play a leading strategic role in conceptualising and promoting the development of a new, responsive national FET system. The Minister will consult the Board on the development of the national policy framework for a transformational FET system, the determination of national goals and objectives, the establishment of a regulatory framework and steering mechanisms, and the development of effective strategies for transformation.

The functions of the NBFET will be to:

- advise the Minister on national FET policy, goals and priorities
- advise the Minister on norms and standards, including funding norms and the terms, purposes and conditions of earmarked grants
- receive reports on FET from provincial advisory bodies

- monitor and report annually to the Minister on the goals and performance of the national FET system, and
- analyse and disseminate information about FET.

The Board will be headed by a Chairperson, appointed by the Minister of Education after consultation with the Minister of Labour. The Chair will be supported by an Executive Committee, which will be responsible for guiding the work of the Board and overseeing its management and administration.

The Board will be supported by a secretariat, headed by a Director located in the DoE.

Members of the Board will be appointed by the Minister following a process of public nominations. Members will be appointed on the basis of their expertise with respect to FET, their understanding of the critical role of FET in national reconstruction and development, and their commitment to the development of a transformed, responsive, high quality FET system. In making appointments to the Board, the Minister will give due consideration to the issues of race and gender representivity.

While some members of the Board will have been nominated by stakeholder bodies, they will be appointed by the Minister in their personal capacities. All members of the Board will be expected to attend to the interests of the FET system as a whole, as well as to their own field of experience.

In order to promote the integration of education and training, encourage the co-ordination of government policy, and enhance the contribution of FET to social and economic development, membership of the Board will include the following representatives of government departments, nominated by the Minister or political head of the department concerned:

- the Co-ordination and Implementation Unit in the Presidency
- the Department of Labour
- the Department of Trade and Industry
- the Department of Arts, Culture, Science and Technology
- provincial Departments of Education, nominated through the Heads of Education Department Committee (HEDCOM) (2 or 3 representatives)
- The national Department of Education.

The following statutory bodies will be represented on the Board:

- the Council on Higher Education
- the National Skills Authority
- the South African Qualifications Authority
- the National Youth Commission.

The number of members representing state departments and statutory bodies will comprise not more than half the membership of the Board, excluding the Chairperson.

3.1.3 Inter-governmental co-ordination and co-ordination within government

The co-ordination of education and training policy in the FET band is, as noted earlier, complicated by the horizontal and vertical division of responsibility, between the DoE and the DoL, on the one hand, and on the other, the national and provincial education authorities. The Ministry, therefore, has given considerable thought to the question of inter-governmental co-ordination, and to the implementation of a coherent but flexible governance framework for FET.

Horizontal Co-ordination:

The establishment of SAQA, through legislation jointly sponsored by the Ministers of Education and Labour, demonstrates that horizontal co-ordination, between the education and labour portfolios, is achievable in some circumstances. SAQA has responsibility for promoting quality assurance and quality management throughout the education and training system, including FET.

However, it is not yet clear how the education portfolio is to be represented on the National Skills Authority (NSA) proposed in the *Skills Development Bill* of the DoL, or on the SETAs. The Minister of Labour may choose to exercise his discretion in this regard, but no provision is currently made for statutory representation of the Education Ministry. These issues will need to be resolved.

Clearly, if co-ordination between the DoE and the DoL cannot be fully achieved, there is a need for complementarity between the education and training strategies adopted by the two Ministries. Further, there is a need to include other, key government departments in the shaping of a national human resources development (HRD) strategy. To this end, the Ministry proposes to invite nominations from other departments of state to the NBFET. In addition, the Ministry supports government's decision to establish an Inter-Departmental Committee on Human Resources Development, as approved by the Cabinet following its consideration of the *Skills Development Bill*.

The Inter-Departmental Committee, to be jointly convened by the Ministers of Education and Labour, will include:

- the Minister for Public Service and Administration
- the Minister for Health
- the Minister of Environmental Affairs and Tourism
- the Minister of Trade and Industry
- the Minister of Minerals and Energy
- the Minister for Provincial Affairs and Constitutional Development.

Vertical Co-ordination*:*

Co-ordination between the national and provincial education authorities is shaped by the provisions of the *Constitution* with respect to the control of education and training, other than HE, and by the provisions of the *National Education Policy Act,* 1995.

The Minister consults with the CEM on national policy and norms and standards for education and training conducted at the provincial level, including FET. MECs should be assisted by provincial FET consultation bodies which will advise the MEC on provincial strategies and priorities for FET, and on the approval of institutional and sectoral plans for public colleges and schools respectively.

Cross representation between the NBFET and the CHE will assist in dealing with issues which are of common interest to FET and HE, such as:

- issues of articulation and transfer between the bands
- entry requirements and admissions policies for HE
- accreditation and inter-institutional collaboration
- quality assurance, and
- the policies affecting those institutions - such as the present technical colleges - which straddle the FET and HE bands.

3.2 Provincial governance

The roles and responsibilities of provincial education authorities under the *Constitution* have been alluded to earlier. Consultation between the national and provincial authorities occurs via the mechanisms of the CEM and HEDCOM.

In the following sections, proposals for the governance of FET in the provinces, and the relationships and linkages between the national and provincial levels, are set out. These proposals take as points of departure the provisions of the *National Education Policy Act* (Act 27 of 1996) and the *South African Schools Act* (Act 84 of 1996). In addition, they provide for the establishment of provincial advisory bodies for FET, the determination of provincial goals and objectives within the framework of national FET policy, and the review and approval of FET plans.

3.2.1 Provincial MECs and Departments of Education

The MEC for Education has constitutional responsibility for education and training in FET schools and colleges in the province. Accordingly, the MEC:

- determines provincial FET policy, within the parameters of national policy
- ensures that the state, through reasonable measures, makes FET progressively available and accessible
- guides the development of the FET school and college sectors, by approving an aggregated plan for the school sector, and the institutional mission and plans of FET colleges
- determines financial allocations to FET, in accordance with national and provincial policies and in accordance with national norms and standards, and
- reports annually to the provincial legislature on the state of FET in the province.
- The role of the provincial Departments of Education is to:
- provide professional support to the MEC with respect to the development of provincial FET policy. In providing this support, a department will take into account the advice of provincial advisory bodies for FET (see below)
- allocate funding for FET schools and colleges
- administer FET schools, in accordance with the provisions of the *South African Schools Act* of 1996 and other provincial laws
- develop an aggregated plan for FET schooling in the province
- approve FET college plans, on the advice of the provincial advisory body, and (when the new funding framework is fully applied) enter into a specific funding contract with each college on the basis of its plans
- maintain an effective and up-to-date education management information system, and
- register private schools and colleges.

The provincial Departments of Education will need to ensure that organisational structures and capacity are in place to direct, plan and monitor provincial FET strategy.

The NBFET and the national DoE will be available to assist and advise the provincial Departments of Education in order to establish the systems and build the capacity necessary for the co-ordination and monitoring of FET at the provincial level.

3.2.2 Provincial advisory bodies

Provinces are responsible for funding and running FET in schools and colleges. It is the decisions and policies of the provincial education authorities that will shape the development of the FET system in the province, and determine the extent to which this accords with provincial social and economic requirements and objectives.

To be meaningful, the involvement of stakeholders is necessary not only at the national level, where national policy and norms and standards are determined, but at the level where direct executive and financial responsibility for provision is exercised.

The active involvement and participation of both government and civil society must be consistently followed through in all nine provinces. This means that provincial MECs must establish, within a reasonable period of time, and where they have not already done so, advisory bodies which will advise the MEC on FET.

Provincial advisory bodies for FET will:

- advise the MEC on the implications for provincial FET of national policies, targets and priorities
- advise the MEC on provincial FET policy, goals and priorities
- consider the Annual Report on FET from the NBFET
- prepare an Annual Provincial Report on FET
- monitor the performance of the provincial FET system
- advise the provincial DoE on the approval of college plans
- review an aggregated plan for FET schools in the province and submit comments to the MEC, and
- publish and disseminate information about FET.

4. Institutional governance

4.1 Schools in the FET band

4.1.1 The *South African Schools Act*, 1996, is the basis for the governance of all public schools, including schools in the FET band.

4.1.2 The Ministry encourages schools in the FET band to consider as criteria for the appointment of members of school governing bodies the need to strengthen the ties between schools, communities and employers as well as between schools and HE.

4.2 Publicly-funded colleges

4.2.1 In order to promote the development of a vigorous, enterprising, innovative FET college sector, the Ministry has as a goal the progressive devolution to colleges of substantially increased autonomy, under the terms of a new *Further Education and Training Act*. The Act will recognise only two types of FET college: public and private. It will provide for the composition, powers and functions of College Governing Councils, Academic Boards, Student Representative Councils and management of all public FET colleges.

4.2.2 In terms of the Act, the present, rigid distinctions between college types, including the distinction between state and state-aided colleges, will fall away. All FET colleges will in principle be enabled to offer FET programmes across the full spectrum of provision, in accordance with their mission, the needs of their clients and stakeholders, and their resources and capacity. The Ministry expects that while some colleges may become open access, comprehensive institutions along the lines of the community college model, others may focus more specifically on meeting the needs of particular industries, economic sectors or communities. Colleges will be free to reflect the mission and role of the institution in the institutional name.

4.2.3 While the Ministry is committed to the development of an expanded and vibrant college sector, as a key component of a transformed FET system, it is also acutely aware of both systemic and institutional weaknesses in the sector, as it is presently constituted.

4.2.4 In order to address these concerns, and to ensure a sound foundation for a future college system, there must be a systematic reorganisation of the college sector, a programme of capacity building and institutional transformation and a progressive devolution of powers to institutions, in a phased programme of implementation, and on the basis of their demonstrated capacity to exercise such powers effectively and responsibly.

4.2.5 The governance of FET colleges will have three main elements:

- the establishment of representative College Councils, with powers to approve the college's mission, plans and budgets, appoint and dismiss college staff and management, and enter into legal agreements
- the establishment of Academic Boards, representative of the teaching staff and academic leadership of the college, with responsibility for determining the instructional programmes of the college and for establishing internal monitoring and quality assurance procedures, and
- the establishment of Student Representative Councils, to give expression to the interests and concerns of students, and to represent the student body on the Academic Board and College Council.

4.2.6 College Councils will be appointed by the MEC for Education in the province, after a process of public nomination. External stakeholders will form a majority of at least 60% of the membership of Council. In appointing external members of Council, the following principles will be observed:

- The Chairperson of Council and other office bearers may not be members of the staff or management of the institution concerned.

- Organised business, labour and community constituencies must be assured effective representation on Council.
- Provision must be made, in the appointment of the Council at each institution, for the representation of specific constituencies and interest groups in accordance with the particular mission and role of the college concerned.
- Teaching and non-teaching staff must be represented on Council.
- The student body must be represented on Council.
- External members of Council will be appointed in the first instance on the basis of their ability, as evidenced by their experience, expertise and stature in their field or community, to guide the processes of institutional transformation, promote a responsive and entrepreneurial institutional ethos, assist college management in the development of the institutional mission and plans, and oversee the management of the college and its financial and other affairs.
- Specific attention will be given in the appointment of College Councils to the promotion of race and gender representivity.

4.2.7 In some cases, a single Colleges Council could be made responsible for the governance of two or more colleges. This may occur either at the request of the Councils of the colleges concerned, or where the MEC for Education considers this to be in the best interests of the institutions or in the public interest. In the latter case, the MEC will be obliged to consider representations from all relevant parties before reaching a decision.

4.3 Private providers

Private providers will be required to register with the provincial Departments of Education, and will be subject to quality assurance mechanisms determined by the Minister.

4.4 Work-based training

Enterprise-based training is governed in terms of the relevant labour legislation. The proposed *Skills Development Bill* of the DoL will establish a NSA, and SETAs, with responsibility for regulating and funding training, including learnership agreements.

5. Institutional development

5.1 The developmental challenge

5.1.1 The governance of FET, policy coherence, and strategic planning to meet national, provincial and local needs and priorities, ideally should rest on a foundation of effective and efficient institutional providers of FET, in public schools and colleges. In the new South Africa, however, no such foundation can be assumed. The transformation of education and training is under way, but far from complete, and the irrationalities, waste and injustices of apartheid remain everywhere visible. The effects of past policies endure in the authoritarian management cultures, poor institutional ethos, lack of commitment to teaching and learning, and negative individual values and attitudes that are in evidence in many of our FET schools and colleges and in parts of our training system.

5.1.2 For these reasons, the Ministry believes that the transformation and development of FET institutions, together with staff and management development, is integral to the establishment of a new governance, policy and planning framework. Without change within FET institutions and in the people who live and work there, and without restructuring of the institutional arrangements and institutional landscape that characterise the sector, the new co-ordinated system cannot come into being.

Accordingly, the Green Paper sets out below a framework for transformation which addresses systemic and institutional change as well as HRD.

5.2 The present FET system

5.2.1 Well-managed and effective FET institutions do presently exist. However, the challenge that faces FET is not simply to preserve so-called centres of excellence but to harness the full creative potential of all FET institutions and staff. A strongly developmental approach will be needed to address the many problems and difficulties which the legacy of the past poses for the present and the future of FET.

5.2.2 In the Ministry's view, four major challenges must be met, if South Africa is to develop a coherent, co-ordinated and responsive FET system:

- Institutional capacity must be developed.
- Organisational cultures must be transformed.
- Systemic change must be promoted, through new institutional linkages and the reorganisation of the institutional landscape.
- Staff and management development must be strongly promoted.

5.3 Developing institutional capacity

5.3.1 The vision of a new FET system confronts FET schools and colleges with new challenges and opportunities. Meeting these will require a systematic and sustained programme of institutional capacity building. While government will play an important role, the clients and stakeholders in FET - employers, parents, communities, and the education and training providers themselves - will bear a considerable part of the responsibility for change.

5.3.2 Some of the areas in which institutional capacity building will be needed include:

- management capacity development
- management and information systems
- strategic planning
- marketing and recruitment
- student information services and counseling
- student admissions, placement and tracking
- provision of technology and equipment for applied learning
- distance education co-ordination
- co-ordination of learnerships
- industry-responsive fee-for-service training and other services, and
- applied research and development.

5.4 Changing organisational cultures

5.4.1 While some FET providers have developed organisational cultures which are based on the principles of democracy and transparency, which promote participation, and which facilitate flexibility, responsiveness and innovation, many more have not. Authoritarian management, hierarchical work organisation, and rule-bound and unimaginative work practices which are insulated from the experience of learners and the needs and demands of work, are all too prevalent in our FET system. Changing organisational cultures is therefore a central task in the construction of a new FET system.

5.4.2 Changing the culture and ethos of organisations requires more than capacity building; it requires changing the values, meanings and practices of organisational life. This is a major task for the Ministry, the NBFET, the provincial education authorities, institutional leadership and external stakeholders, for which resources must be made available in the new funding framework.

5.5 New institutional arrangements

5.5.1 New institutional arrangements, and a reorganisation of the institutional landscape, particularly with respect to the FET college sector, are prerequisites for the development of a more efficient and effective FET system. This view is based upon the following:

- Limited human and other resources, and the need to achieve economies of scale, call for greater co-operation and resource-sharing between institutions.

- In some cases, where institutions may not be viable in their present form, the state may need to intervene to bring about the necessary institutional reorganisation through, for example, the combining of institutions into multi-campus providers, institutional mergers, or even, in certain cases, closure.
- New institutional linkages, in the form of partnership and consortium arrangements, and new institutional groupings, in the form of clustering or mergers, may in certain cases serve to promote redress, strengthen institutional capacity, encourage necessary changes in the institutional culture, and enable institutions to extend their programme mix to meet new demands or opportunities.

5.5.2 The Ministry believes that significant opportunities exist for sharing and co-operation, not only with respect to infrastructure or resources, but as regards goods and services. Institutions could, for example, form purchasing consortia, share the administrative or support services provided by one institution, or jointly out-source particular functions. Similarly, institutions might join together to offer particular programmes, to develop a community outreach initiative, or to establish an open learning model.

5.5.3 A number of possibilities have been considered for the reorganisation of schools in the FET band. The underlying concern of the Ministry is to broaden the range of learning opportunities available to young people, and to strengthen the linkages between schooling and work, whilst ensuring that a foundation is laid for lifelong learning and for progression into HE.

5.5.4 Linkages between schools in the FET band, between colleges and schools, as well as between FET colleges, could broaden considerably the learning opportunities available to youth of school-going age as well as to young adults, the employed and the unemployed.

5.5.5 In the longer term, the provision of post-compulsory schooling by public schools and colleges may result in growing convergence between the two institutional forms, and at least in some cases, the transformation of secondary schools into colleges.

5.5.6 With respect to the FET college sector, the Ministry is of the view that government must take responsibility for reorganising the institutional and systemic landscape, as a necessary first step towards the creation of an expanded, responsive, high quality college system. Such reorganisation will need to be based upon sound information, provided through a detailed situational analysis of college provision at the provincial level, and be undertaken in consultation with the institutions and stakeholders concerned.

5.5.7 Depending on the circumstances, a range of options could be considered, to promote efficiency and effectiveness, ensure responsiveness, address equity and redress considerations, and to enable the FET college system to meet the challenges of expansion and diversification. Clustering arrangements, partnerships and consortia, the establishment of multi-campus institutions and institutional mergers and closures are all possibilities.

5.5.8 To facilitate the reorganisation of the FET college sector, the Ministry will, in addition to undertaking a situational analysis of the colleges in collaboration with provincial education authorities:

- propose the submission of three- to five-year development plans by all FET colleges. These plans should be considered by the provincial education authorities and the provincial FET advisory bodies, as an important preliminary step towards the reorganisation of the college sector in the provinces
- establish a national quality framework and system of performance indicators, and
- introduce a national grading mechanism to identify and categorise levels of institutional capacity, as a basis for the phased devolution of delegated powers.

5.6 Staff development

5.6.1 Staff are a key strategic resource for FET, and account for the major share of the education budget. The challenge with respect to staff development is to create a new institutional and work ethos, characterised by co-operation, multi-skilling, teamwork, flexibility, quality and service orientation. In addition good management is of fundamental importance to the quality and vitality of all education and training systems and the new management paradigm has been spelled out in the Ministerial Task Team Report: *Changing Management to Manage Change in Education* (1996).

5.6.2 Staff and management development initiatives will need, among other things, to:

- encourage continuing professional development of teachers and trainers
- empower managers to move away from narrow, rules-driven modes of operation, and to develop initiative, decision-making and strategic planning skills, as well as inter-personal and leadership skills
- build policy, strategy and system management capacity at the national, provincial and institutional levels
- empower institutional governing bodies to carry out their roles and functions in an effective and proactive manner
- provide management training for institutional heads and senior administrative staff in leadership, human and labour relations, financial management, resource generation, quality assurance and other areas
- promote equal opportunity and equity, with a view to ensuring that staff and management come to reflect the wider demographic composition of society
- provide training in curriculum planning, design, and development, learning materials development and evaluation, and innovative teaching methodologies and assessment strategies
- build capacity in community liaison and needs assessment, and
- promote linkages with the private sector, through internships, mentoring arrangements and other strategies.

5.6.3 The funding framework must set aside resources for staff development and management capacity building. Benchmarks for institutional performance in this respect should be developed, and linked to institutions' three- to five-year development plans. Institutional management and staff will need to ensure that a new culture, of autonomous, continuous professional development is established. Progress in this regard will need to become part of institutional quality assurance and quality promotion strategies and of staff and management performance appraisal systems.

6. Legislation

6.1 To give effect to the new FET system outlined in the Green Paper, and to the governance proposals outlined in this chapter, the Ministry will introduce a *Further Education and Training Bill*.

6.2 The *FET Bill* is to be read together with the *South African Schools Act*, 1996, which provides the governance and funding framework for schools, and with the *National Education Policy Act*, 1996, which provides for the national and intergovernmental consultation framework.

6.3 Regulations to be drafted in terms of Section 11(1)(b) of the *National Education Policy Act* (Act 27 of 1996) will provide for the establishment of the NBFET.

6.4 The new *FET Bill* will provide for:

- the conceptual framework for FET and its mission
- the planning and funding framework for FET
- the recognition of two categories of FET colleges: public and private
- the establishment of College Councils, Academic Boards and Student Representative Councils at public colleges
- the powers, functions and accountability of College governing bodies and college management, including the power to determine the college's mission and its strategic plans, and
- clarification of the role of FET colleges with respect to the provision of HE programmes.

7. Implementation

7.1 The new FET governance system will be introduced in phases. The NBFET will be established at an early stage, to provide stakeholder input and national leadership, in conjunction with the national DoE, and under the overall direction of the Minister, for the transformation of FET to meet new national needs and priorities.

7.2 The NBFET and the national DoE will assist as appropriate with the establishment of provincial advisory bodies. Provincial advisory bodies for FET will be introduced in all provinces by a date to be determined by the Minister. During the transitional period, provinces will proceed at their own pace in introducing provincial advisory bodies.

7.3 Notwithstanding this latter provision, aggregated school sector plans, and FET college plans, will be submitted to the national or provincial advisory councils, as applicable, in accordance with the timetable determined by the Minister for the implementation of the new framework.

7.4 The Ministry will consult with the NBFET, and work closely with provincial education authorities and advisory bodies, to develop and encourage new institutional linkages and relationships, and where necessary to reorganise and restructure existing institutions. Earmarked funding will be set aside for staff and management development and capacity building at the national, provincial and institutional levels. Through these and other means, the Ministry will over time ensure that strong and vibrant institutions are enabled to take their place, and play an effective role, in an expanded, responsive, high quality FET system.

What this chapter means in practice

The national education authorities, under the leadership and direction of the Minister, and the provincial authorities, under the guidance of the MEC for Education, will oversee the transformation of FET, through the development and co-ordination of national and provincial policies and through the processes of strategic planning.

The social partners, and stakeholders in FET, will have an important role to play in advising on national and provincial policies and plans and in monitoring and reporting on the state of the FET system. New advisory bodies will be established.

The Ministry will take active steps to build institutional, staff and management capacity, in order that all FET providers are enabled to play their full part in a transformed FET system.

The FET college system will be reorganised into two categories: public and private. Powers of self-management will be devolved to public colleges as their capacity is developed. Public colleges will develop strong institutional missions, either as specialised institutions or as broad-based community service institutions.

The new governance and legislative framework for FET will be established, especially through the FET Bill and the NBFET and FET consultative bodies at provincial level.

CHAPTER SEVEN

Implementing the Green Paper

The Ministry is well aware that the proposals presented in the Green Paper are ambitious. At the same time, the Constitutional imperative, to ensure the progressive extension of further education to all, and the case for restructuring outlined in previous chapters, make change inescapable and immediate action necessary. This chapter briefly describes the structures and activities that the Department of Education will establish and initiate. Of primary importance is the establishment of a Transformation Steering Committee and four Task Teams focusing on the development of management capacity, information systems, funding, and programmes and qualifications.

1. A strategy for implementation

Transformation of FET will not take place overnight. The challenges are substantial and resources limited. Yet the country faces immediate and pressing needs, for instance in addressing the situation of the marginalised and unemployed. Developing our human resources to meet the demands and opportunities of the future cannot be postponed. The key question accordingly is not whether to begin the process of transformation, but how to begin in the right place.

In beginning to implement such a strategy, it is important, first, to match the capacity of government and the FET system to the roles assigned to them, and second, to begin to build capacity at the system and institutional levels. This implies that implementation of a co-ordinated approach to the transformation of FET will need to take place in phases, as the necessary mechanisms and processes are put in place, and as the necessary capacity is developed.

1.1 Capacity building

Transformation of FET and the implementation of a co-ordinated approach to provision will require the development of capacity at the national, provincial and institutional levels. Key capacity building initiatives will need to be focused on:

- leadership and management development.
- the establishment of management information systems, and
- building the physical infrastructure.

1.1.1 Developing management capacity

Co-ordination and planning, as well as the need to promote flexibility and responsiveness, will place new demands upon FET leadership and management at the national, provincial and institutional levels. Targeted initiatives will be needed to:

- provide high-level, effective leadership and management capacity within the DoE
- build policy development, information analysis and managerial capacity in the provincial Departments of Education
- develop leadership, financial management and strategic planning skills at the level of institutional leadership, especially in the FET college sector which has a new and challenging role to play in the transformed FET system, and
- build the capacity of school governing bodies and college councils to provide direction, oversee institutional management, and apply relevant skills and insights to the shaping of institutional missions and implementation plans.

The private sector, aid agencies, NGOs and other organisations will have an important role to play in supporting these efforts to adapt to new challenges and opportunities.

1.1.2 Developing information systems

The new FET system proposed in this Green Paper will require the development of management, planning and information systems at the national, provincial and institutional levels. It will be an important task of the NBFET to advise on the design of these systems, and a key task of the DoE to guide their development.

1.1.3 Developing the infrastructure

In addition to building leadership and management capacity, and developing effective information and administrative systems, attention will need to be given to enhancing the physical infrastructure, in particular, as regards the availability of up-to-date, networked information technologies. Links will need to be established between the DoE and the DoL information systems and with the management information systems of FET colleges. Attention will also need to be given to sharing, upgrading and modernising equipment and physical plant.

1.1.4 Phased implementation

The Ministry believes that the establishment of a national policy framework for the transformation and development of FET is a pressing national concern. At the same time, it recognises that the introduction of a new planning, regulatory, funding and curriculum framework needs to occur in a responsible manner, bearing in mind the limited institutional and systemic capacities and resource constraints that characterise the present state of development. Accordingly, the Ministry will show flexibility in the way in which it introduces a co-ordinated national system. The Ministry envisages that the full introduction of the new system will take place over a five- to ten-year period.

2. Time frames for change

2.1 Restructuring of the FET system will entail two time frames. First, processes that will lead to the White Paper and new *Further Education and Training Act*. Second, a number of activities, which can begin now and may continue after the promulgation of the *FET Act*, will be initiated in parallel with the legislative process.

2.2 Specific actions which the Ministry will undertake without delay include:

- the establishment of four Task Teams on management capacity development, information systems, funding, and programmes and qualifications
- the establishment of a Transformation Steering Committee for FET
- the encouragement of stakeholder initiatives, and
- the piloting of new planning and funding approaches.

3. Task Teams

The Ministry proposes to establish four Task Teams to begin to lay the groundwork for transformation. The Task Teams will include representatives of the national and provincial Departments of Education, the social partners and stakeholders, and individuals from outside the Departments of Education who have relevant expertise and experience.

A capacity audit, which will be conducted by the DoE and which is currently in the planning stages, will provide valuable baseline data and information for the transformation process.

3.1 Task Team on management capacity development

Implementation of the new governance, planning and funding frameworks requires strengthened management capacity at the national, provincial and institutional levels. The range of developmental tasks,

which could be undertaken in collaboration with the new Education Management Development Institute, includes:

- investigating in detail the existing management capacity at the different governing levels and drawing up plans for developing the capacities that are needed to plan, fund and administer the system
- developing and publishing guidelines on financial, human resource development and physical plant management, as well as developing robust management information systems
- organising forums and workshops to enable management at all levels to understand what will be required of it in the new system
- advising the DoE and the provincial Departments of Education on training and staffing needs at all levels of the system
- organising and overseeing professional development activities at the national and provincial levels, and
- devising the necessary processes and criteria for determining the readiness of institutions to assume delegated management and financial authority.

3.2 Task Team on information systems

Tasks to be undertaken in collaboration with the Information Systems and Policy Support Directorates of the DoE will include:

- determining the information to be collected by institutions to enable them to run their operations effectively and to report accurately and timeously to the Departments of Education and the NBFET
- advising on information systems technologies to enable data sharing and comparative analysis across the FET system, and
- liaising with the DoL in the development of a labour market information and analysis system which will inform strategic planning at the various levels of the FET system.

3.3 Task Team on funding

Tasks to be undertaken in collaboration with the DoE and the HEDCOM sub-committee on Finance will include:

- developing detailed funding methodologies and systems
- outlining the transitional arrangements that will lead up to the introduction of the new funding arrangements
- developing a national funding formula which the NBFET will use to advise the Minister
- developing the methods for determining FET programme tariffs
- modelling institutional allocations under the new funding system
- advising on a responsible implementation programme, and
- advising on reporting and accountability requirements.

3.4 Task Team on programmes and qualifications

Tasks to be undertaken will include:

- developing a consistent curriculum and qualification framework for senior secondary school education and FET college education, in line with the principles of the NQF and *Curriculum 2005*
- identifying the FET programmes which will be eligible for funding
- identifying qualifications and part-qualifications
- specifying curriculum content and incorporating the funding requirements into the programme tariffs
- clarifying the role of FET qualifications in providing access to HE
- liaising with the DoL regarding the implementation of `learnerships' and labour market programmes for the unemployed and employed
- assessing the responsiveness of programmes to the needs of learners, and
- assessing the value of qualifications in the labour market.

4. Transformation Steering Committee

In many areas the Task Teams will need to work closely together to ensure that their separate proposals are coherent and compatible and that they form a comprehensive and practicable package. A Transformation Steering Committee will be established to co-ordinate the efforts of these four Task Teams.

5. Piloting planning and funding

5.1 Introduction of the new planning and funding system will require developmental work, field testing and dry-runs of procedures and funding formulae, and the demonstration of institutional capacity before financial and other powers can be delegated. This will be undertaken over a period of years.

5.2 The Ministry is determined that the new funding system, in particular, will be introduced in a planned and responsible way. New programme-based funding norms need to be developed and tested, and the capacity of institutions to manage their finances must be rigorously assessed. The Ministry foresees that `dry runs' of the funding cycle will precede the implementation of the new system. These will provide opportunities to assess the robustness of the funding formulae, and will enable institutions to develop the necessary internal systems and controls, and managerial capacities, without their having to assume full responsibility for their actual budgets.

5.3 The planning system will be introduced in tandem with the new funding system. Guidelines for institutional strategic planning will be developed by the management Task Team. The DoE, in consultation with the NBFET, will develop initial national objectives and targets, and the provincial Departments of Education will translate these into provincial strategies. Thereafter, one or more planning dry runs will take place, accompanied by `shadow' budgets.

5.4 The delegation of financial and planning authority will be rigorously overseen and monitored by the DoE, in consultation with the NBFET, provincial advisory bodies and the provincial Departments of Education. Each institution will be required to pass an independent professional audit of its management systems and controls and its readiness to receive and manage public funds before it is allowed to assume full operational responsibility.

6. Next steps

6.1 In the second phase of implementation, budgetary authority and strategic planning responsibilities will be progressively delegated as institutions demonstrate the required capacity.

6.2 Not all institutions will be brought into the new system on the same date. At the point when an institution has an approved plan and has passed a financial audit, the provincial Department of Education will formalise via a written agreement the terms and conditions under which the institution may determine its mission and strategic plans and utilise public funds.

7. Implementation of FET transformation

The following diagram depicts the implementation process in graphic form.

Department of Education initial implementation plan for FET transformation

FET WHITE PAPER and LEGISLATION
FET BILL and REGULATIONS IN TERMS OF THE NATIONAL EDUCATION POLICY ACT

- CREATE **NBFET**
- DELEGATE AUTONOMY; CREATE PLANNING AND FUNDING FRAMEWORK

TRANSFORMATION STEERING COMMITTEE

- PURPOSE TO DIRECT AND CO-ORDINATE TASK TEAMS
- MEMBERSHIP - NATIONAL, PROVINCIAL, PROVIDER REPS & EXPERTS

CAPACITY AUDIT

TASK TEAMS - MEMBERSHIP: NATIONAL, PROVINCIAL, PROVIDER REPS & EXPERTS

MANAGEMENT CAPACITY DEVELOPMENT	FUNDING	LEARNING PROGRAMMES and QUALIFICATIONS	INFORMATION SYSTEMS
Develop guidelines for: - strategic planning and funding - human resources and MIS - plant management Organise forums and workshops on new FET Advise on staffing and training needs to national & provincial education departments Organise and oversee professional development activities for national and provincial levels Develop institution accreditation criteria and preparation plans for autonomy	Develop detailed methodologies and systems for programme-based funding Outline the transitional arrangements - parallel systems Develop funding formula Develop FET programme tariff regulations and process Model institutional allocations Advise on the implementation of the new funding system Advise on financial reporting and accountability procedures	Develop a single curriculum and qualification framework for senior secondary school education and FET college education at the FET band. Develop for medium-term curriculum and qualifications framework consistent with goals and phase-in of Curriculum 2005. Identify programmes eligible for funding Identify qualifications and part qualifications Identify curriculum contents and funding implications for programme tariff Clarify FET qualifications to access higher education Liaise with DoL regarding learnerships and labour market programmes Assess relevance of programmes to learner needs Assess value of programmes to labour market & employers	Determine data elements & reports for: - institution - education depts - NBFET Advise on IT systems to process, share & compare data & information Liaise with DoL on labour market data

INSTITUTIONAL and STAFF DEVELOPMENT:

- Partnerships FET Institutions with Industry/Employer/Community ¯Staff Training & Development
- Management Development

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PHASED DEVOLUTION OF GOVERNANCE AND MANAGEMENT RESPONSIBILITY
STRATEGIC PLANNING FINANCIAL PLANNING HUMAN RESOURCE PLANNING

- "Dry Runs" of planning and funding cycles
- **ACCREDITATION & CAPABILITY AUDIT plus APPROVED PLAN leading to WRITTEN AGREEMENT of CONDITIONS of PHASED DEVOLUTION OF GOVERNANCE AND MANAGEMENT RESPONSIBILITY**

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What this chapter means in practice

A White Paper together with draft legislation will be produced, following public responses to this Green Paper. It is anticipated that the White Paper and Bill will be released during the current calendar year.

The NBFET will be established by regulations under the *National Education Policy Act*, 1996.

A Transformation Steering Committee will be established to direct and co-ordinate the activities of four Task Teams. The Task Teams will focus on management capacity development, information systems, funding, programmes and qualifications.

A capacity audit will be undertaken to provide baseline data for the Task Teams.

Stakeholder initiatives involving partnerships and the training of staff will be encouraged.

The groundwork for the phased devolution of governance and management responsibility will be undertaken through pilot initiatives and the implementation of dry runs of the funding cycle and the strategic planning process.

Appendices

Acronyms and abbreviations

ABET	Adult Basic Education and Training
CEM	Council of Education Ministers
CHE	Council on Higher Education
DoE	Department of Education
DoL	Department of Labour
ETD	Education, training and development
ETQA	Education and Training Quality Assurance Body
FET	Further Education and Training
FETC	Further Education and Training Certificate
FETQA	Further Education and Training Quality Assurance Body

FTE	Full Time Equivalent
GET	General Education and Training
HE	Higher Education
HEDCOM	Heads of Education Department Committee
HEQC	Higher Education Quality Committee
HRD	Human Resource Development
IDC	Inter-departmental Committee
ITB	Industrial Training Board
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework
NBFET	National Board for Further Education and Training
NCFE	National Committee on Further Education and Training
NCHE	National Commission on Higher Education
NETC	National Education and Training Council
NGO	Non-Governmental Organisation
NQF	National Qualifications Framework
NSA	National Skills Authority
NSB	National Standards Body
NSF	National Skills Fund
SAQA	South African Qualifications Authority
SETA	Sectoral Education and Training Authority
SGB	Standards Generating Body

Definition of concepts

The following definitions attempt to clarify concepts which are referred to in this document:

Access	the provision of entry points at appropriate levels of education and training for all prospective learners in a way which facilitates progression
Accreditation	a procedure by which an authoritative body gives formal recognition that an institute, body or person is competent in terms of a specific purpose
Accrediting body	the authority that is acknowledged as having the right to grant accreditation to an institution of higher learning and/or vocational training, programme of study or service
Assessment	the process of collecting and interpreting evidence of learner achievement
Assessment	the criteria included in a unit standard designed to determine the achievement of

criteria	specific and essential outcomes
Competence	the capacity for continuing performance within specified ranges and contexts resulting from the integration of a number of specific outcomes. The recognition of competence in this sense could be the award of a credit towards a qualification or the award of a qualification
Constitution	*the Constitution of the Republic of South Africa* (Act 108 of 1996)
Core	the compulsory learning required for a particular qualification
Credit	the recognition by an accredited body that a learner has satisifed the outcomes of a unit of learning expressed as a credit value at a specified level. Credits may be accumulated until conditions have been met for the award of a qualification
Critical cross-field outcomes	broad cross-curricular outcomes that focus on the capacity to apply knowledge, skills and attitudes in an integrated way
Curriculum framework	the philosophical and organisational framework for a specific curriculum
Elective	a selection of additional credits at a specified level to ensure that the purpose of the qualification is achieved
Evaluation	the process whereby the information obtained through assessment is interpreted to make judgements about a learner's competence
Field of learning	an area of learning used as an organising mechanism for the National Qualifications Framework (NQF)
Flexibility	the facility of the qualifications system to meet the needs of learners, providers, industry and service sectors
Fundamental	learning which forms the grounding or basis needed to undertake the education, training or further learning required in the obtaining of a qualification
Globalisation	the increasing intensification of world-wide social and economic relations which link the distant places and communities in a network of interdependence and interactions such that local happenings are shaped by remote events, and world affairs are conversely affected by things that occur in local, national or regional contexts
Instructional offering	the basic component from which a subject is developed, containing specific content which has been selected and structured for a specific level
Integrated assessment	a form of assessment which permits the learner to demonstrate applied competence and which uses a range of formative and summative assessment methods
Learning programmes	relevant unit standards as well as possible learning materials and methodology by means of which learners can achieve agreed learning outcomes
Levels	the positions on the NQF where national unit standards are registered and/or qualifications awarded. These levels are arranged to signal increasing complexity in learning and to facilitate meaningful progression routes along career and learning pathways
Moderation	the process of sampling and comparing assessment to ensure that Education, Training and Development (ETD) practitioners are assessing work according to agreed standards, and that there is consistency from year to year, and within districts, provinces and nationally. At higher levels international consistency is also sought
National Qualifications Framework (NQF)	the Framework approved by the Minister of Education for the registration of national standards and qualifications
National Standards Body (NSB)	a body responsible for establishing education and training standards or qualifications, to which specific functions relating to the registration of national standards and qualifications have been assigned

Outcomes	segments of unit standards which are statements of the required learner capabilities that must be demonstrated. Outcomes are specified by stated performances and assessment and range criteria
Performance criteria	criteria against which the achievement of specific outcomes by the learner may be assessed
Phases	stages distinguished within general, compulsory education in order to accommodate the various learning needs of children at different stages of development
Portability	the condition of transferability and recognition of credits between providers and employers
Qualification	a planned combination of learning outcomes which has a defined purpose and which is intended to provide qualifying learners with applied competence and a basis for further learning
Quality Assurance Body	a body accredited by SAQA for the purpose of monitoring and auditing achievements in terms of national standards and qualifications, and to which specific functions relating to the monitoring and auditing of national standards and qualifications have been assigned
Recognition of Prior Learning	the granting of credit for a unit of learning on the basis of an assessment of formal and non-formal learning and/or experience to establish whether the learner possesses the capabilities specified in the outcome statement
Specialisation	the specialised theoretical knowledge which underpins application in the area of specialisation
Specific outcomes	contextually demonstrated knowledge, skills and attitudes, reflecting essential outcomes
Standard Generating Bodies (SGB)	a body responsible for establishing education and training standards or qualifications, and to which specific functions relating to the establishing of national standards and qualifications have been assigned
Standard setting	the process of identifying the pertinent task, knowledge and/or skills within an occupation, profession, trade and sub-speciality, and establishing the required achievement levels in performance of those tasks
Unit standards	nationally agreed and internationally comparable statements of outcomes and their associated performance/assessment criteria together with administrative and other necessary information. Unit standards are registered on the NQF at a defined level