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REPUBLIC OF SOUTH AFRICA



National Skills Development Strategy

Implementation Report
1 April 2003 – 31 March 2004





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List of Acronyms

ABET	Adult Basic Education and Training
DOL	Department of Labour
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
NSF	National Skills Fund
RPL	Recognition of Prior Learning
SDF	Skills Development Facilitator
SETA	Sector Education and Training Authority
SQMR	SETA Quarterly Monitoring Report
WSIR	Workplace Skills Implementation Report
WSP	Workplace Skills Plan

List of SETAs

Financial and Accounting Services	FASSET
Banking Sector Education and Training Authority	BANKSETA
Chemical Industries Education and Training Authority	CHIETA
Clothing, Textile, Footwear and Leather Sector Education and Training Authority	CTFL
Construction Education and Training Authority	CETA
Diplomacy, Intelligence, Defence and Trade & Industry Sector Education and Training Authority	DIDTETA
Education, Training and Development Practices Sector Education and Training Authority	ETDPSSETA
Energy Sector Education and Training Authority	ESETA
Food And Beverages Manufacturing Industry Sector Education and Training Authority	FOODBEV
Forest Industries Sector Education and Training Authority	FIETA
Health And Welfare Sector Education and Training Authority	HWSETA
Information Systems, Electronics and Telecommunication Technologies	ISETT
Insurance Sector Education and Training Authority	INSETA
Local Government, Water and Related Services Sector Education and Training Authority	LGWSETA
Media, Advertising, Publishing, Printing and Packaging	MAPPP
Mining Qualifications Authority	MQA
Manufacturing, Engineering and Related Services Education And Training Authority	MERSETA
Police, Private Security, Legal and Correctional Services Sector Education and Training Authority	POSLECSETA
Primary Agriculture Education and Training Authority	PAETA
Public Services Sector Education and Training Authority	PSETA
Secondary Agriculture Sector Education and Training Authority	SETASA
Services Sector Education and Training Authority	SERVICES
Tourism And Hospitality Education and Training Authority	THETA
Transport Education and Training Authority	TETA
Wholesale And Retail Sector Education and Training Authority	W&RSETA

Foreword



*Dr VM Mkosana
Director-General of Labour*

I am pleased to present the National Skills Development Strategy Implementation Report for the period 1 April 2003 to 31 March 2004. I promised during the launch of the National Skills Development Strategy in February 2001 to report annually on the progress in achieving the objectives of the strategy, and for the third time I'm honouring that commitment.

There have been quite a number of positive developments since the National Skills Conference in October 2003. Most Sector Education and Training Authorities have an increased number of registered and active learnerships. The monitoring reports indicate that the number of registered learnerships has more than tripled in 2003/04. There is also a dramatic increase in the number of learners who have entered learnership programmes. The government views the implementation of the learnerships and the increased uptake of unemployed learners into learnerships to be essential and in keeping with the targets set in the Growth and Development Summit agreements as there was also a specific emphasis on skills development generally and learnerships in particular. During the summit a vision for growth and development was adopted by government, organised labour, organised business and the community constituency.

The number of government departments submitting their Workplace Skills Plans and the expenditure reports on skills development activities has also shown a positive increase in the year 2003/04. There is also an encouraging increase in the number of small enterprises being supported by their relevant Sector Education and Training Authorities and the National Skills Fund. The figures for enterprises employing more than 150 workers claiming grants reflect what can be referred to as a crisis of success. Whilst the *percentage* of those claiming has fallen, this is because there has been a welcome rise in the total number of large firms *paying* their levies, and an increase, albeit slightly smaller than the increase in levy payers claiming their grants – as I said a crisis of success. In supporting the implementation of viable and sustainable social development projects, funds from the National Skills Fund have been allocated, distributed and utilised in all the provinces in the country and have benefited the previously disadvantaged members of the communities.

The challenges that we are still faced with are with tracking of the placement of learners who have successfully completed the learnership programmes. Another challenge is one of meeting the equity targets of the National Strategy especially on the gender and disability statistics.

The National Skills Development Strategy is now something that all training providers, employers, organised labour and other stakeholders are familiar with and are all committed to ensure its success not only to the benefit of their own people or organisations, but with the common purpose of ensuring economic activity, decreasing unemployment and

improving the lives of all our people.

As the current strategy comes to an end in March 2005, its success and challenges will guide the design of an even more encompassing and focused strategy that will be implemented from 1 April 2005 to 31 March 2010.

I acknowledge the hard work of all those who contributed to the success recorded herein, and look forward to your continued support.

Dr VM Mkosana
Director-General of Labour

Chapter 1

Introduction

1.1 Background to the NSDS

The National Skills Development Strategy (NSDS) is intended to radically transform education and training in South Africa by improving both the quality and quantity of training to support increased competitiveness of industry and improved quality of life for all South Africans.

The strategy was launched by the Minister of Labour on the advice of the National Skills Authority (NSA) in February 2001, with targets to be achieved by March 2005. It is required by the Skills Development Act of 1998 and its implementation guides on the spending of levy income required under the Skills Development Levies Act of 1999. This legislation provides the basis for the establishment of a cost effective and high quality skills development system, which supports economic growth, employment creation, and social development and is responsive to national and individual needs. The NSA has been established in terms of the Skills Development Act and comprises five key constituencies, namely; Organised Labour, Organised Business, Government, Community, and Education and Training Providers.

This strategy outlines specific and measurable national targets to achieve the broader objectives of the legislation. In recommending these targets, the NSA sought to achieve the vision of "Skills for Productive Citizenship for All". Productive citizenship refers to the right of people, not only to vote and participate in our political democracy, but also to contribute to, make decisions about and benefit fairly from their own work life.

The NSDS is aimed at addressing the structural problems of the labour market inherited from the past, and at transforming the South African labour market from one with a low skills base to one characterised by rising skills and a commitment to lifelong learning. The NSDS also seeks to ensure that through responsive education and training the labour market is better able to cope with the social development challenges in our country such as poverty, inequality, disease and unemployment. The NSDS is an inclusive strategy that addresses national, sectoral, workplace and individual needs.

1.2 NSDS objectives and success indicators

The NSDS takes forward the broad objectives of the Skills Development Act by providing clear and focused objectives and success indicators for achievement by 31 March 2005. The NSDS has five objectives, 12 success indicators and three equity targets. It is believed that the achievement of these objectives and targets will move the country forward significantly towards the overall objectives of the skills development legislation. These objectives and success indicators are listed below.

Objective	Success Indicator
1. Developing a culture of high quality lifelong learning.	1.1 By March 2005, 70 % of workers will have at least a level one qualification on the National Qualification Framework. 1.2 By March 2005, a minimum of 15 % of workers to have embarked on a structured learning programme, of whom at least 50 % have completed their programme satisfactorily. 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development.
2. Fostering skills development in the formal economy for productivity and employment growth.	2.1 By March 2005, at least 75 % of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured. 2.2 By March 2005, at least 40 % of enterprises employing between 50 and 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured. 2.3 By March 2005, learnerships are available to workers in every sector. (Precise targets will be agreed with each Sector Education and Training Authority.). 2.4 By March 2005, all government departments assess and report on budgeted expenditure for skills development relevant to Public Service, sector and departmental priorities.
3. Stimulating and supporting skills development in small businesses.	3.1 By March 2005, at least 20 % of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured.
4. Promoting skills development for employability and sustainable livelihoods through social development initiatives.	4.1. By March 2003, 100% of the National Skills Fund apportionment to social development is spent on viable development projects. 4.2. By March 2005, the impact of the National Skills Fund is measured by project type and duration, including details of placement rates, which shall be at least 70%.
5. Assisting new entrants into employment.	5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships. 5.2. By March 2005, a minimum of 50% of those who have completed learnerships, within six months of completion are employed (e.g. have a job or are self-employed), in full-time study or further training, or are in a social development programme.

The equity targets span across all five objectives and state that the beneficiaries of the strategy should be 85% black, 54% female and 4% people with disabilities.

1.3 NSDS implementing agents

The implementation of the NSDS is the responsibility of the National Skills Fund (NSF), and the Sector Education and Training Authorities (SETAs):

- 1. National Skills Fund** - The NSF is managed by the Department of Labour and guided by advice from the National Skills Authority. It is funded through receiving a portion of the levies paid by employers. All employers are required by the Skills Development Levies Act to pay 1% of their payroll to the South African Revenue Service. From this levy, 80% is transferred directly to the SETA with which each employer is registered. The remaining 20% is transferred to the NSF. The NSF was created to provide funding to address issues of national importance including job creation, small business development and special assistance to women, youth and rural people and people with disabilities. The Department of Labour's provincial offices, labour centres, SETAs as well as other disbursing agencies are allocated funding from the NSF for specific projects that meet the objectives of the NSF. The NSF funding windows are outlined in **Appendix 2**.



- 2. Sector Education and Training Authorities** – 25 SETAs were established by the Minister of Labour under the Skills Development Act in March 2000. They are responsible for developing sector skills plans, approving, registering and promoting learnerships, quality assuring training and administering levies and grants. They are funded through the 1% levy paid by employers, of which they receive 80% (10% of which is spent on administration)¹. SETAs disburse mandatory grants on the receipt of workplace skills plans and implementation reports from employers. In addition they disburse “discretionary grants” for projects that address specific sectoral needs identified in their sector skills plans. SETAs are also currently the implementing agents for NSF

¹ The Public Services SETA is funded differently as they receive a budget allocation through the Department of Public Service and Administration (DPSA).

funded strategic projects.

1.4 Monitoring and evaluation of the Skills Development Strategy

The Department of Labour is engaged in ongoing monitoring of the National Skills Development Strategy. The NSDS Implementation Report draws on a number of monitoring processes to create a comprehensive view of progress towards the targets of the strategy.

An essential source of information is the quarterly monitoring reports that all SETAs are required to submit to the Department of Labour. This is one of the requirements of the memoranda of understanding between the Department and the SETAs, which commit each SETA to certain targets as well as to regular reporting.

Similarly the National Skills Fund is also monitored through implementing agents submitting quarterly monitoring reports, which are synthesised and consolidated for the purposes of the implementation report. Included amongst these implementing agencies are the Department's provincial offices that are also required to collect information on the progress and outcomes of their social development programmes against the National Skills Development Strategy targets.

The Department produces a synthesis report, which aggregates the quarterly monitoring reports. In addition the Department commissions research studies with particular focus on the impact targets. The evaluation of the strategy is undertaken to assess whether indeed the beneficiaries are enjoying the intended benefits from the various training interventions. These studies also then help to inform the design of the next five-year National Skills Development Strategy. These two sources of information are consolidated to inform the NSDS implementation report.

The Department has commissioned a number of targeted studies focusing on:



- Best practice ABET implementation – case studies
- Training practices in the public sector – a qualitative assessment
- Worker perceptions of the NSDS implementation in the workplace – a qualitative assessment.

The findings of these studies have been integrated into this implementation report, to substantiate the quantitative report on the relevant success indicator.

In addition, the Department has commissioned a National Skills Survey, which was a national survey of enterprises across all sectors and all size categories. The Survey sought to assess, among other issues, the training practices of enterprises, the profile of beneficiaries, as well as the factors that motivate enterprises to train, or inhibit training in the workplace. The findings of that survey were used by the National Skills Authority to formulate their recommendations on the new strategy, which the Minister will be launching for implementation from 1 April 2005.

Work on the placement rate of unemployed learners after undertaking learnerships has also been commissioned and will be reported next year. However, a pilot study has been completed, as well as sectoral work in the Tourism Sector which gives some pointers and is included in this report.

Monitoring and evaluating the impact of the NSDS is an ongoing process, and the Department will continue to work with the National Skills Authority and its implementing partners on identifying lessons emerging from implementation, and using them to improve on service delivery in the years to come.

1.5 Structure of the report

This is the third and penultimate report outlining progress on the achievement of the objectives and success indicators of the current NSDS, which ends in March 2005. As in previous reports, there is a brief review of the socio-economic context for skills development, the labour market and policy context, progress is then reported against each objective and success indicator. The contributions of the SETAs and the NSF projects are all included.

Each section of the report begins with a broad summary of the achievements in relation to each success indicator and the remaining gaps to be filled in order to ensure that the NSDS 2001-2005 is achieved. After the summary, the report provides a brief background to the objective, summarises the findings of the last report, details the progress made in 2003/04 and highlights achievements and challenges for each of the objectives.

This report also includes two appendices. The first is a comprehensive set of performance reports for each of the 25 SETAs and the second is a review and assessment of the National Skills Fund. These reports are included as a backdrop to the preparation of the next term of the NSDS.

Chapter 2

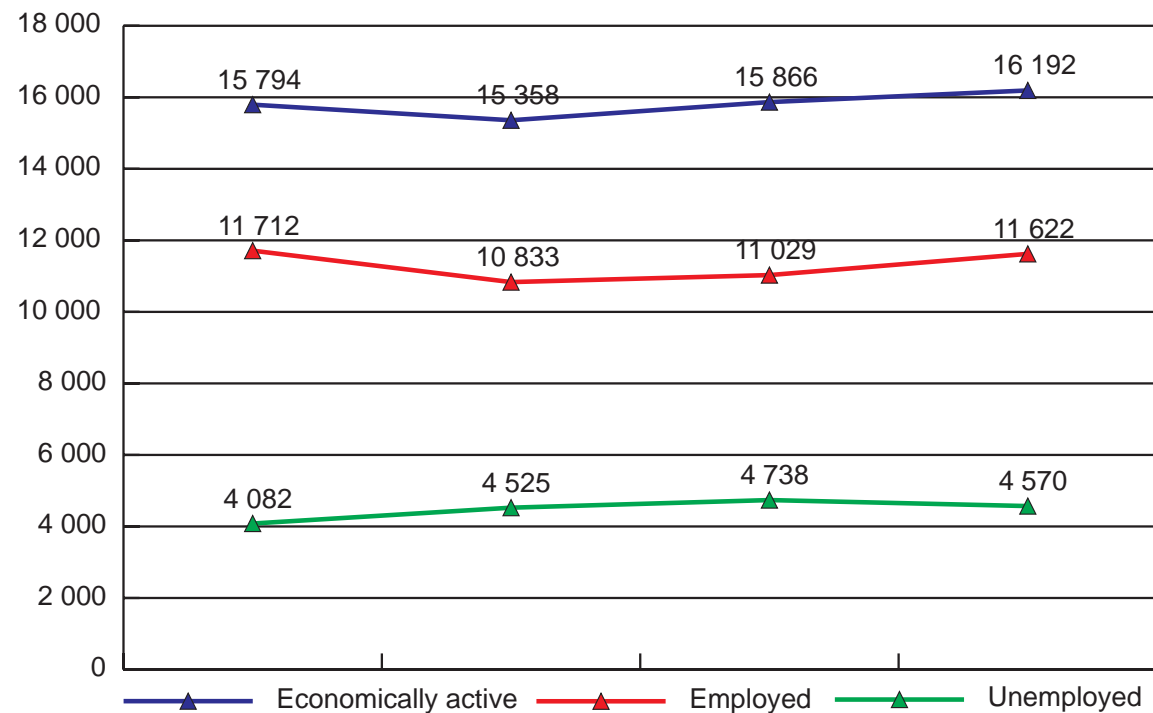
Labour market and policy context for skills development

2.1 Labour market and skills development

2.1.1 Employment and unemployment trends

During 2003/04, the economically active population increased from 15.9 million to 16.2 million. During the same period the number of employed people increased from 11.4 million to 11.5 million and the unemployed decreased from 4.8 million (30% of economically active population) to 4.6 million (28% of economically active population).

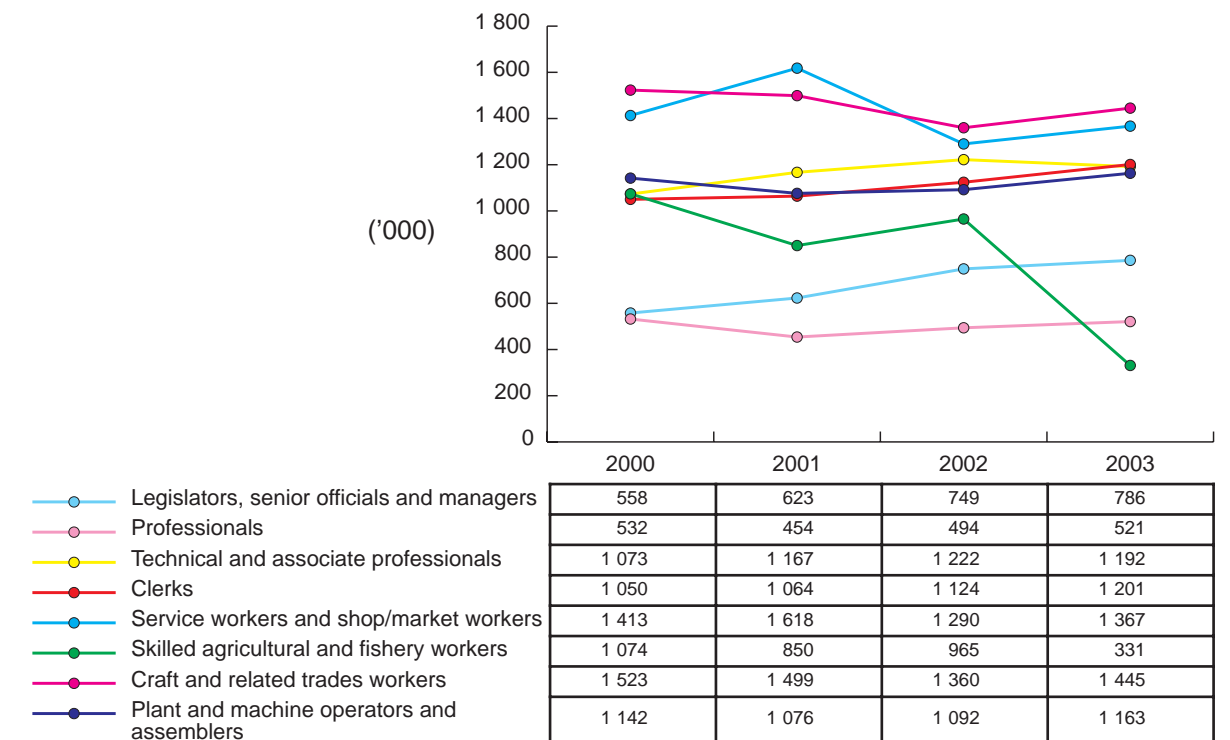
Figure 2.1: Economically active, employed and unemployed in South Africa 2000 - 2003 ('000)



Source: Labour Force Survey, Statistics SA

2.1.2 Employment and occupations

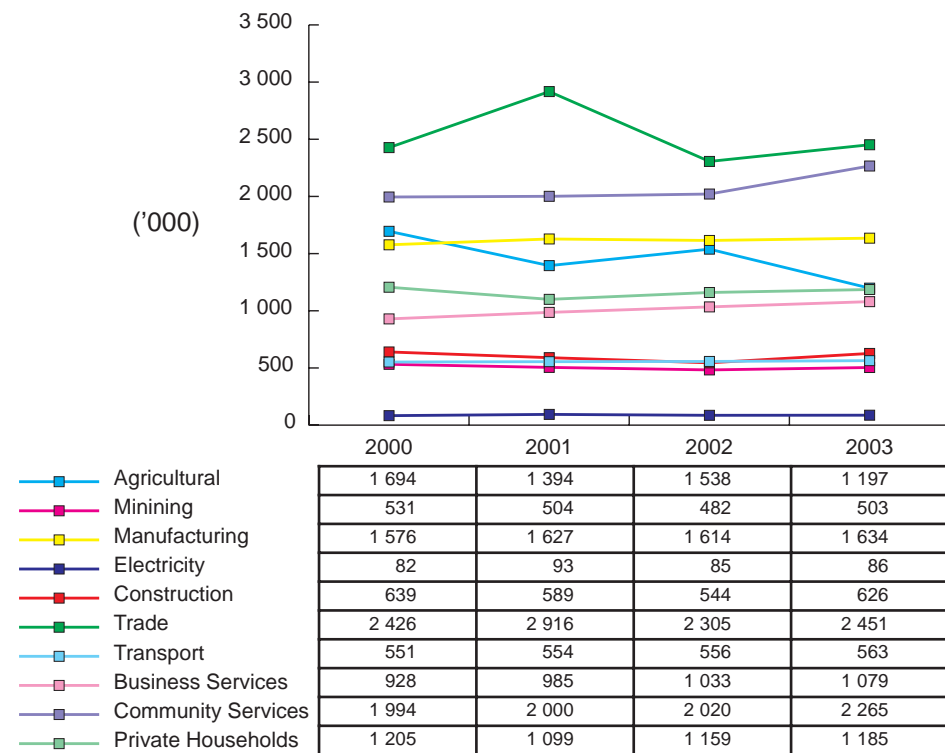
Figure 2.2: Employment by occupation 2002-2003



Source: Labour Force Survey, Statistics SA, various

Figure 2.2 and 2.3 provide information on shifts in occupational structures. Shifts in occupational structures strongly influence the demand for particular skill sets. Overall, in South Africa there has been a significant shift in occupational patterns, especially with regard to the expansion of middle level occupations, such as plant operators, and craft and related trades workers. Many of the trends identified in the previous implementation report are reversing; for example, employment of professionals, which was decreasing between 2000 and 2001, increased between 2002 to 2003. By contrast, the growth in the employment of agricultural and fisheries workers has reversed significantly in 2003.

Figure 2.3: Distribution of employed in economic sectors 2000 - 2003



Source: Labour Force Survey, Statistics SA

Figure 2.3 provides an overview of the distribution of the employed by economic sector, with a continuing fall in employment in agriculture and a rise in manufacturing being notable, together with the sustained growth in the business services sector. Government (Community Services) continues to be a growing employer, and Trades are showing a slight recovery following a period of decline in 2002.

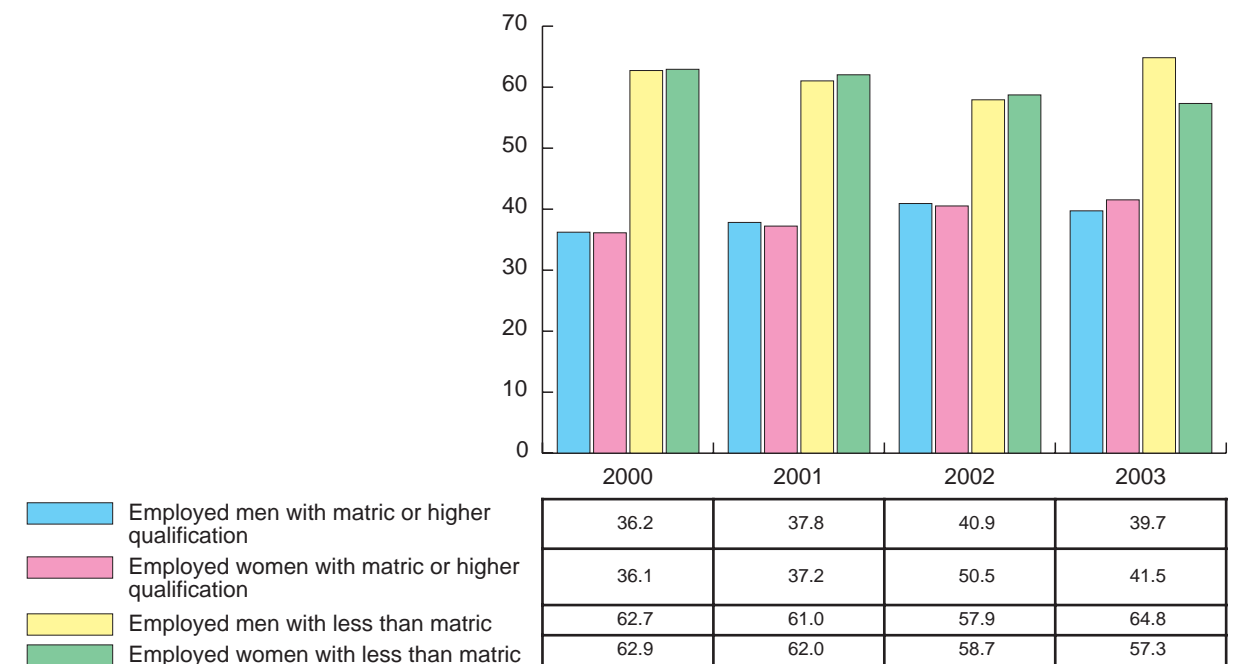
2.1.3 Qualification levels of the employed

Figure 2.4 shows the percentage of employed by qualification and gender.

The following trends are emerging:

- The percentage of employed men with qualifications less than matric has risen in 2003 after a period of decline between 2000 and 2002
- The trend for women in the same category shows a marked decline by 2003
- There has been a steady increase in the percentages of employed men and women with qualifications higher than Matric since 2000, although the percentage of men levelled off in 2003.

Figure 2.4: Percentage of employed by educational qualification and gender



Source: Labour Force Survey, Statistics SA



2.2 Policy context

Since 1994, the South African Government together with its social partners at the Growth and Development Summit have responded to the challenges of globalisation with a multi-pronged set of strategies, which seek to promote and mobilise investment and create increased work opportunities. They also aim to eradicate poverty on the one hand and support industrial policies, which support export growth and labour intensive sectors, on the

other.

The NSDS is firmly located within this broader context of political, economic, and social transformation in South Africa. In his State of the Nation Address in February 2004, President Thabo Mbeki stated that the struggle against poverty and underdevelopment rests on three pillars namely:

- Encouraging the growth and development of the First Economy, thus increasing its possibility to create jobs
- Implementing our programme to address the challenges of the Second Economy
- Building a social security net to meet the objective of poverty alleviation.
- Each of these pillars incorporates elements of skills development. In terms of the first pillar, the government views the implementation of the learnerships and the increased uptake of unemployed learners into learnerships to be essential and in keeping with the targets set in the Growth and Development Summit agreements. During the summit a vision for growth and development was adopted by government, organised labour, organised business and the community constituency. There was also a specific emphasis on skills development generally and learnerships in particular as well as enhancing the role and capacity of SETA boards and governance structures. It also sees the successful functioning of SETAs and the skills development strategy more broadly as fundamentally important. The second pillar is supported through the focus on developing and supporting small and informal businesses and the final pillar through supporting the implementation of viable and sustainable social development projects.

The government therefore views its economic and social policies as integrated and interdependent; all with a clear focus on increasing economic activity, decreasing unemployment and improving the lives of all its people.

This report will now outline the specific achievements that have been made in supporting education and training to address both the economic and social challenges of our country through the NSDS.

Chapter 3

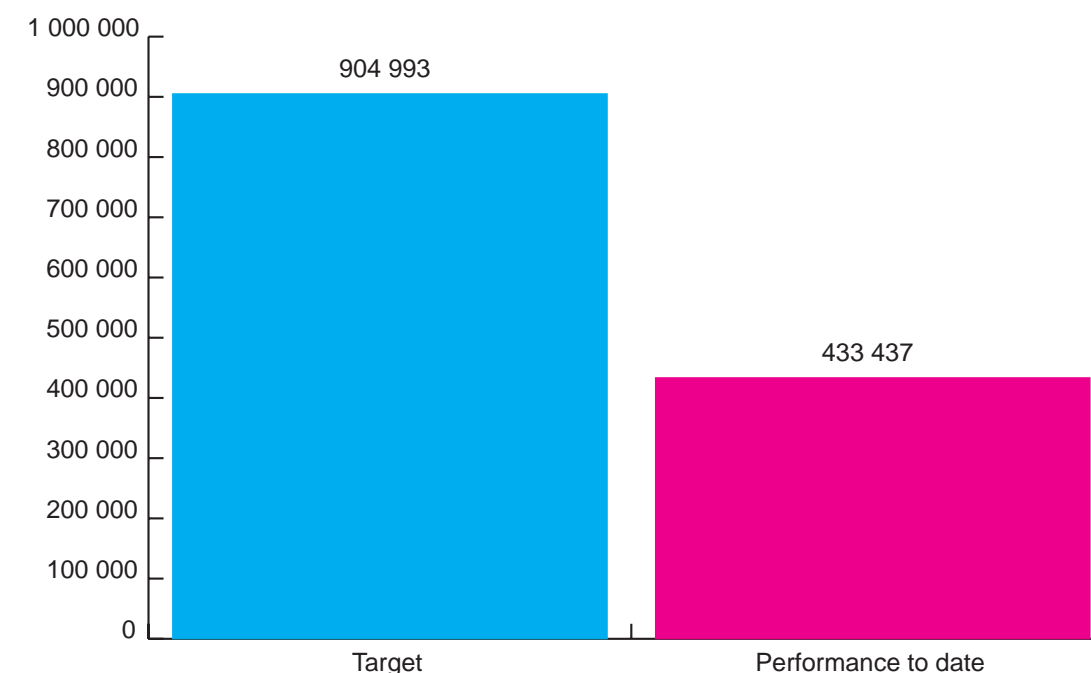
Strategic Objective One: Developing a culture of high quality lifelong learning

3.1 Overall Progress on Objective One

Success Indicator 1.1

By March 2005, 70% of all workers have at least a level one qualification on the National Qualifications Framework.

Figure 3.1: Number of workers achieving level one qualification on the NQF



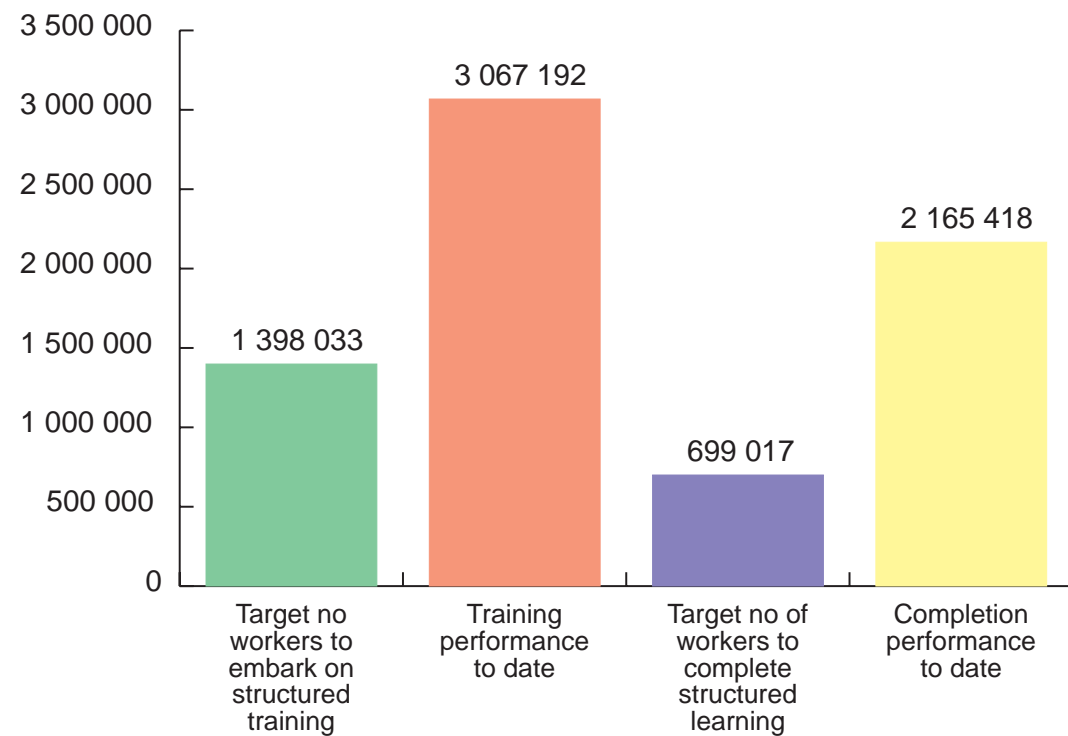
In order to reach the target of 70% of the workforce achieving an NQF level one qualification, 904 993 workers need to have gained this qualification during the period 1 April 2001 – 31 March 2005. By 31 March 2004, 433 437 workers had an NQF level one qualification. This represents 48% of the target and means that another 471 496 workers need to achieve the target during the period 1 April 2003 – 31 March 2004.

Success Indicator 1.2

By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom, at least 50% have completed their programmes

satisfactorily

Figure 3.2: Number of workers to embark on structured training and to complete structured learning



In order for 15% of all workers to be provided with structured learning and 50% to have completed, it is calculated that 1 398 033 workers need to embark on training and 699 017 to complete this training. By 31 March 2004, a total of 3 067 192 workers had embarked on structured learning and of these 2 165 418 had completed their programmes. This means that these targets have been exceeded by more than 100% and two thirds of those who have studied have finished their programmes successfully, significantly surpassing the 50% completion rate target.

Success Indicator 1.3

By March 2005, an average of 20 enterprises per sector (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development.

By March 2004, a total of 304 organisations and business units of organisations had committed themselves to achieving the international Investors in People standard, which benchmarks good practice in skills development. Of the 304 organisations, 67 have gained recognition against the standard – that is they have met or exceeded all the criteria set.

3.2 Setting the scene

The objective of “Developing a Culture of High Quality Lifelong Learning”, is aimed at ensuring that individuals have access to and take advantage of learning opportunities throughout their lives. The implementation of the National Skills Development Strategy is expected to improve both the quality and quantity of the education and training available to

and undertaken by employers and workers. Therefore, the success indicators for this objective cover achievement of level one qualifications on the National Qualifications Framework (NQF), as this provides the first step for many workers to accessing ongoing education and skills. Measures are also in place to ensure that workers embark on and achieve structured learning. Lastly, measures are in place to ensure that employers are going beyond compliance to law and are working towards an internationally recognised standard of people development practices.

The National Skills Development Strategy sets out to measure success in relation to this objective through three success indicators. They are:

- Success Indicator 1.1:** By March 2005, 70% of all workers have at least a level one qualification on the National Qualifications Framework.
- Success Indicator 1.2:** By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom, at least 50% have completed their programmes satisfactorily.
- Success Indicator 1.3:** By March 2005, an average of 20 enterprises per sector (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development.



3.3 Success Indicator 1.1

By March 2005, 70% of all workers have at least a level 1 qualification on the National Qualifications Framework

3.3.1 Review of previous findings

By the end of March 2002, 5 079 workers had achieved an NQF level 1 qualification.

By March 2003, this figure had jumped to 111 367 learners. This represented 12.8% of the target of 904 993 people required to meet the 70% target for a level 1 qualification.

3.3.2 Progress made during 2003/04

Once again there has been a significant increase in the number of learners achieving a level 1 qualification by March 2004 as outlined in **Table 3.1**:

Table 3.1: Numbers of workers receiving NQF level one training

Baseline information		NSDS target	Estimated workers to be trained to achieve the NSDS target	Cumulative total of completion of learning programmes
SETA affiliated employment	Labour Force Survey February 2001 estimates of workers with NQF level one			
9 320 220 workers estimated	5 619 161= 60,3% of estimated workers had an NQF level one qualification in February 2001	70% of estimated workers = 6 524 154	904 993 (ie 6524154 – 5619161)	2001/02 5 079 completed 2002/03 111 367 completed 2003/04 433 437 completed NSF contribution: 4 139 Total including NSF: 437 576

Source: SQMR, 2004

As reflected in the previous NSDS implementation report, the Department of Labour is working off a baseline employment figure of 9,3 million workers who are covered by the 25 SETAs. A total of 70% of this figure is 6 524 154 workers who, according to the target, should have achieved a level one qualification by March 2005. The Labour Force Survey of February 2001 indicated that 5 619 161 (or 60%) workers already have the equivalent of an NQF level 1 qualification. This left a target of 904 993 (6 524 154 minus 5 619 161) workers requiring an NQF level 1 qualification in order to achieve the success indicator of 70%. During 2003/04, the number of workers acquiring an NQF level 1 qualification jumped from 111 367 to 433 437.

As reported in previous implementation reports, the NSF is currently implementing 17 strategic projects approved by the Minister of Labour in May 2002. These projects are all due for completion by March 2005. Through these projects another 12 537 learners have received ABET or NQF level one structured training, of whom 4 139 learners have completed their learning programmes.

Table 3.2: Beneficiaries of NSF projects on ABET or NQF level one training

SETA	Nature of intervention	No. of beneficiaries
FASSET	Maths and Accounting Clinics at school level	3 971 completed training
MQA	ABET training for learners in the mining sector	445 learners in training
CHIETA	ABET training for the chemical industries	4 000 unemployed and 357 employed learners currently receiving training
THETA	ABET learners in the tourism industry	463 engaged in ABET programmes
PAETA	ABET training for workers in the primary agricultural sector	300 learners are in ABET programmes
FOODBEV	ABET training for employed workers	1 203 currently in training
SETASA	ABET training	168 learners completed training 1 630 learners in training
Total		12 537 learners

Source: National Skills Fund

Therefore a total of 437 576 learners have now achieved an NQF level one qualification which represents 48.35% of the target for this success indicator. In order to reach this target another 467 417 learners will need to achieve this qualification by the end of March 2005.

3.3.3 Recommendations from the Study on Best Practice in ABET Implementation

As indicated in the previous implementation report the Department commissioned case study based research to explore what is happening in terms of ABET delivery in and outside the workplace, as well as the factors that seem to constitute “good practice.” The recommendations of that study can be summarised as follows:

3.3.3.1. ABET must be recognised as the shared domain of the Departments of Labour and Education, and should be shared by both

ABET needs to become a shared concern for both the Department of Labour and the Department of Education, because *both* government departments have key roles to play in terms of reaching the most vulnerable populations in our country.

3.3.3.2. What makes for good ABET must be defined

ABET, as a concept, is still generally very poorly understood – and if a good and enriched common understanding of *what* ABET is were forged by the best heads from both departments – their complementary and integrated roles in providing ABET could be delineated.

3.3.3.3. The transformation of existing programmes into ABET proper needs to take place

In workplaces in particular, numeracy and literacy programmes ought to be transformed into proper ABET programmes. The transformation of ABET from school catch-up to workplace programmes (skills programmes, learnerships) that support literacy and numeracy learning in the process of acquiring work-related knowledge and skills has not happened.

3.3.3.4. The Department of Labour has a responsibility to educate itself and the SETAs about what constitutes good ABET practice

Even in ABET programmes that are deemed “good”, curriculum seems to have been reduced to making sure that individual unit standard outcomes have been covered, with little sense that, together, the unit standards describe the desired outcomes of a learning programme. SETAs in particular, need to be well-informed about good ABET practice so that they can help the enterprises in their sector achieve these education and training outcomes in a much more sophisticated manner than is now sometimes the case.

3.3.3.5. The need to develop, educate and train people to work as community development facilitators must be recognised as a labour market need

Once this need is formally recognised, there is an enormous amount of work needed in order to be able to educate and train people to do this work (bringing in colleges and universities, perhaps even schools); to find ways of supporting this work in communities – through national or local government and through the support of agencies out there already grappling with the odds.

3.3.3.6. Research needs to be done on how the laws related to skills development, workplace equity, conditions of employment and so on impact upon one another in the workplace

It is important for the Department to research how the laws that have been put into place do indeed fulfil the intentions underlying those laws, and also to look critically at some of the unintended consequences that have occurred as business finds ways of dealing with the new requirements. For example, the changes in how the forestry industry is managed may have had positive consequences for Black Economic Empowerment, but it seems to exonerated the big forestry organisations from the responsibilities of worker development, and seems to have set back the implementation of ABET by years. Research would help us to understand how the new labour laws and the skills development laws could be working together better.

3.4 Success Indicator 1.2

By March 2005, a minimum of 15 % of workers to have embarked on a structured learning programme, of whom, at least 50 % have completed their programmes satisfactorily

3.4.1 Review of previous findings

In the previous implementation report it was reported that 1 398 461 learners were participating in structured learning programmes, which had already exceeded the target of 1 398 033. However, only 23.6% had completed their programmes at the time.

3.4.2 Progress made during 2003/04

Table 3.3: Workers enrolled on and completing structured learning programmes

Baseline information		NSDS completion rate target for those on learning programmes	Progress to date:	Progress to date:
SETA affiliated employment	NSDS target to embark on learning programmes		total no. of workers participating in structured learning programmes annually	total no. of learners who completed structured learning programmes annually
9 320 220 workers estimated	15% = 1 398 033 workers estimated	50% (1 398 033) 699 017 workers estimated	2001/02 760 916	2001/02 570 615
			2002/03 1 398 461	2002/03 330 192
			2003/04 3 041 753	2003/04 2 147 040
			NSF contribution 25 439	NSF contribution: 18 378
			Total including NSF 3 067 192	Total including NSF: 2 165 418

Source: SQMR, 2004

There was, once again, enormous growth in the number of workers reported to be on structured learning programmes in 2003/04, more than double the number of learners reported in 2002/03. With 3 041 753 learners, the target for this success indicator has been exceeded by over 200% excluding NSF contributions. This means that one third of all workers (the 9 320 220 workers in the economy as a whole) covered by all 25 SETAs have been engaged in some kind of structured training programme.

Skills programme in the Red Meat Abattoir Industry

The Red Meat Abattoir Association, has in conjunction with Biochemtek of the CSIR, developed the Hygiene Awareness and Good Manufacturing Practices courses for general workers and supervising personnel in the abattoir industry. Learners are being trained at abattoirs in all the provinces across the country and are acquiring the skills and practices to improve hygiene and safety management standards in the red meat abattoir industry.

These training courses are being supervised by the red meat subsector unit of SETASA. Abattoir workers and supervisors attending these courses receive certification upon examination to confirm an acceptable knowledge of course material.

This training is providing abattoir workers with essential knowledge in accordance with the unit standards for the abattoir industry. Training will improve hygiene standards of abattoir workers to a level that is in accordance with basic hygiene principals in the Meat Safety Act (Act No 40 of 2000) and its Regulations.

Source: SETASA

Table 3.4 provides a breakdown of the beneficiaries provided with structured learning through the NSF strategic projects.

Table 3.4: Beneficiaries of NSF projects who have embarked/completed structured learning programmes

SETA	Nature of intervention	No of beneficiaries
SERVICES	Mentor training Skills programmes in the domestic services sector	298 mentors completed training 5 068 completed skills training in cooking, cleaning and laundry
CTFL	Improved skills in the clothing sector HIV/AIDS awareness training	455 assessors currently in training 1 820 shop stewards trained 220 master trainers completed training
FASSET	Improved financial management skills for educators and school managers	1746 educators and school managers completed training
ETDP	ECD and ABET practitioner development	2 902 currently in training
MQA	Social Plan for retrenched ex-miners	302 learners engaged in jewellery programme
CETA	Provider training Facilitator training	80 providers completed training 100 learners completed SDF training
CHIETA	HIV/AIDS facilitation	19 learners completed training
FIETA	Assessor training	30 assessors completed training
W&RSETA	Provider capacity building Skills programme for unemployed learners	40 providers trained 1089 learners completed training
ISSET	ICT NQF6 and above. (Skills programme)	679 learners in training
THETA	Skills programmes in the hospitality sector	1 761 completed training
TETA	Skills programmes in the taxi industry	1 856 beneficiaries completed training
MAPPP	Skills programmes for unemployed learners 518 completed training	407 undergoing training
BANKSETA	Individual borrower training Assessor training	1 365 completed training 52 assessors trained
Total		16 062 completed training 25 439 learners in training

Source: National Skills Fund

In all 25 439 are in training and another 16 062 learners completed structured learning through the NSF Strategic Projects during 2003/04 as indicated in **Table 3.4**.

In addition, structured training has been conducted through the NSF's Skills Support Programme incentive grants. This is a partnership with the Department of Trade and Industry's (DTI) Investment Incentive Programmes launched during mid 2000, focusing on local and foreign small medium enterprises (SMEs), which invest in South Africa, thereby contributing to economic growth and job creation (see Appendix 2). The Skills Support Programme was implemented during early 2002 and the first applications were received by mid 2002. Up to 31 March 2004, 2 316 workers embarked on structured learning programmes and completed the training programmes satisfactorily through this programme.

This brings the total of learners in structured training to 3 067 192 which is double the overall target. Most importantly, of the total numbers of workers entering structured learning programmes, 2 165 418 (71%) completed the courses satisfactorily. Therefore, the target of a 50% completion rate has also been exceeded. This is a vast improvement on last year's achievements where only 23% of learners had satisfactorily completed their learning programmes.

During 2004, the Department of Labour undertook a qualitative assessment of worker perceptions of the NSDS, particularly focusing on access and value of the structured learning opportunities offered in the workplace. A synopsis of the findings shows that:

- The NSDS has definitely been an enabling legislation for workers to embark on a journey of learning. Workers have been able to motivate for training opportunities within their companies
- Interviewees do believe that the Skills Development Act (SDA) has increased their opportunities for advancement, but not all of the respondents are clear about how the National Qualifications Framework (NQF) works and are therefore not able to take strategic advantage of the opportunities that are created to further their careers
- Workers' motivation for training differs; some are motivated by their own developmental needs, while others are on courses because it has become a requirement of their jobs
- Respondents indicate that not all workers in their workplaces are positive about training, and it tends to be the younger workers with higher education levels that are keener to take up training opportunities:
 - Some workers, who are not so positive, do not see their future in the industry so they have no interest in industry specific training
 - Some are afraid of failing
 - Some are not ambitious
 - Some believe they are too old
- The South African Qualifications Authority (SAQA) seal on certificates means a great deal to respondents. Workers believe this enhances their career mobility
- The NSDS and the SDA are being used to achieve employment equity in the workplace. This is having an impact on the skills development and mobility of the African and Coloured workforce and is improving the morale of these workers. The workers interviewed definitely perceive skills development legislation and policies as providing opportunities for the advancement of Black people
- The extent of time and space given to students to do their studies varies between companies. Many of the companies encourage the workers to see the workplace as a site of learning where they were able to do research and to practice. However, at other workplaces workers are not allowed to use company equipment or time for their studies and assignments
- Generally people are satisfied with the content, and on the whole it was appropriate, relevant and covered all the necessary subject matter. They mentioned the following

positives:

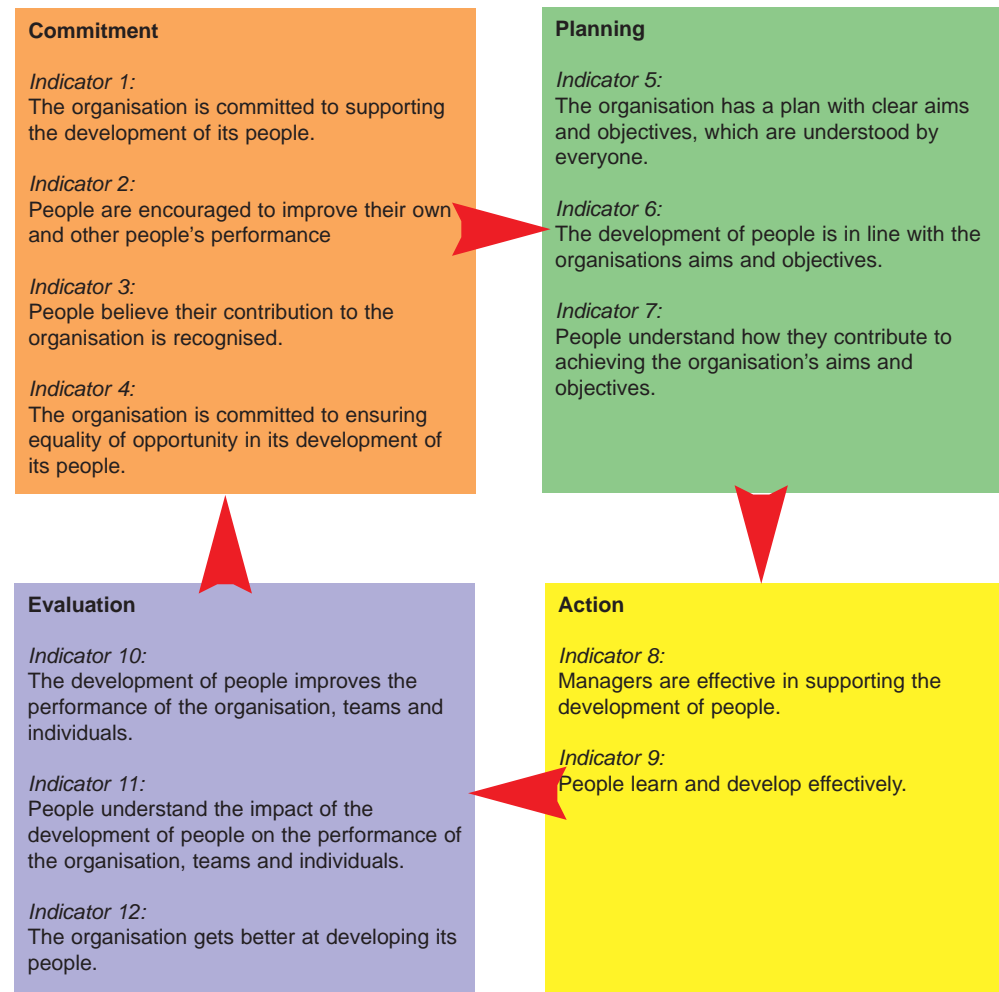
- Better understanding of their jobs, and of best operating practices
- The content provided them with an overview of the entire production process
- They understood the entire industry better
- Most workers appreciated the practical and relevant nature of the unit standards, and that they were not too academic in nature
- Unions have generally played a limited role in training from the perspective of most of the interviewees. However, when they do get involved, their interventions are seen as crucial.

3.5 Success Indicator 1.3

By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development.

The Investors in People Standard is an international standard to benchmark good practice in skills development. The standard is comprised of 12 indicators dealing with excellent people development practices. These are divided into four phases or principles: commitment, planning, action and evaluation. Each has a number of indicators aligned to it, as illustrated in the diagram below:

Investors in People Standard

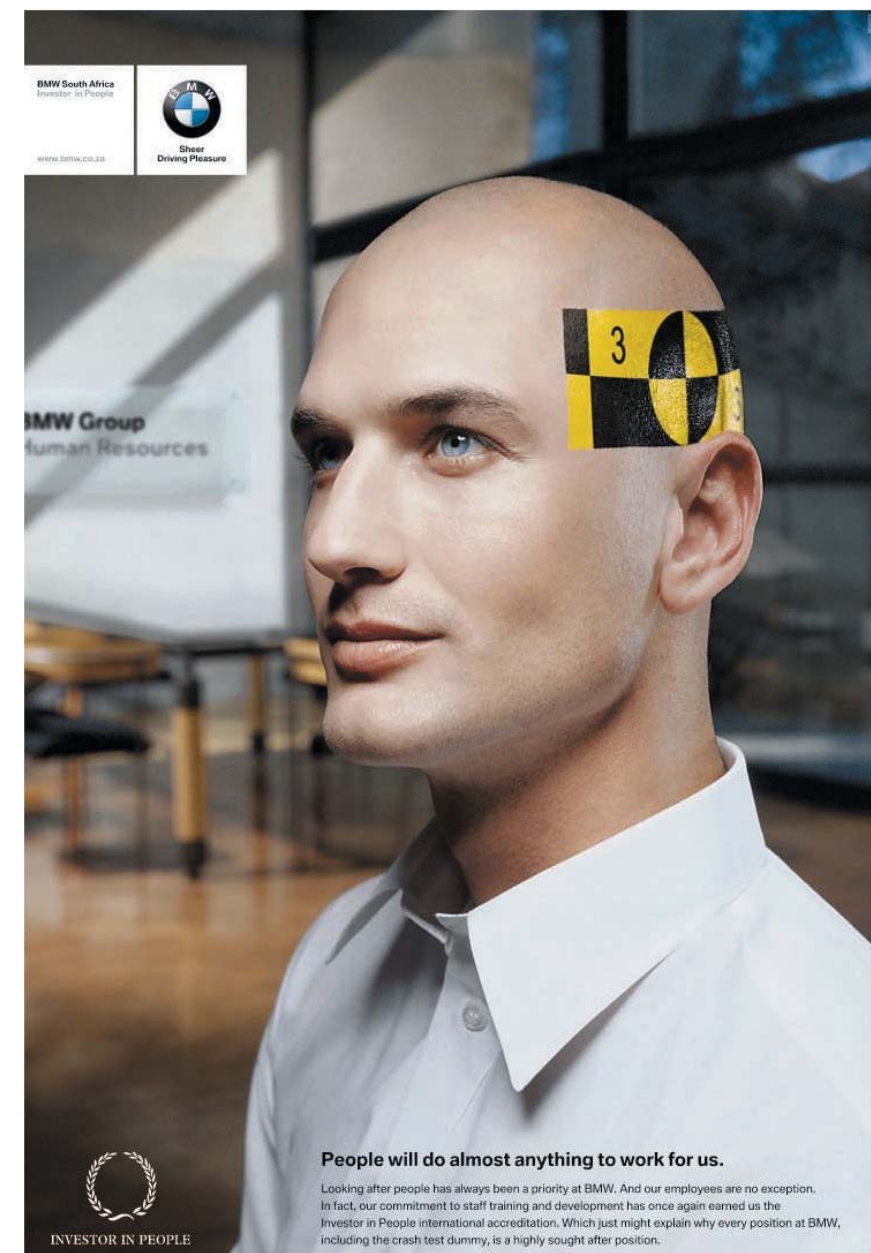


3.5.1 Review of previous findings

During 2001/02, the Department of Labour embarked on a four-year European Union funded project, using the Investors in People Standard, to develop and establish a national standard for people development.

By March 2002, the Investors in People Steering Committee, including NSA members had selected 40 organisations covering 86 375 workers to participate in the piloting of the standard. A total of 35 South African Trainee Practitioners and 14 UK Investors in People registered practitioners were selected to assess these organisations against the Investors in People Standard. By March 2003, 93 organisations were participating in the Investors in People project. Of the 93, eight achieved the standard by March 2003. One of these first eight organisations to achieve the Investors in People standard was BMW. **Figure 3.5.1.** BMW's pride in this achievement is shown in an advertisement that they placed in the Sunday papers after their Investors in People Post Recognition Review.

Figure 3.5.1: BMW's commitment to Investors in People



3.5.2 Progress made during 2003/04

By the end of March 2004, a total of 304 organisations and business units of organisations had committed themselves to achieving the standard, of which 57 gained recognition against the standard. Furthermore, in December 2003 the Minister of Labour approved Investors in People for national implementation. Within Government, the Departments of Labour, Public Service and Administration, Provincial and Local Government, Trade and Industry, Defence, Foreign Affairs, Gauteng Department of Education, Office of the Auditor-General, Justice and Constitutional Development, SAPS (Training Division), Correctional Services Bloemfontein, Office of the Premier of KwaZulu-Natal, National Ports Authority (Portnet Academy) have committed themselves to achieving the standard.



achieving competence through the training that is being offered.

Success Indicator 1.3 is also very likely to be achieved by March 2005. There are currently 304 organisations participating in the international standard. The target requires that a total of 20 enterprises per sector and five government departments participate. This is a total of 505 organisations – which leaves another 201 organisations to still come on board. Given the growth in credibility of this standard of skills development and the obvious benefits to those who participate – this target is also likely to be achieved.

3.6 Achievements and challenges

Participation in and the contribution to structured learning by workers and employers at level one and other levels of the NQF continued to show very positive growth during 2003/04.

There is still some way to go to reach the target of NQF level one qualification for 70% of the workforce (Success Indicator 1.1). In order to meet the final March 2005 target, another 467 417 workers still need to achieve a qualification. This is slightly more than has been achieved in the last year. The growth trend over the past three years is cause for some optimism. Only 5 079 learners acquired a qualification in 2001/02, in 2002/03 this figure jumped (by over 20 times) to 111 367 and in 2003/04 it more than tripled to 433 437. If this growth trend can be sustained with the continued focus and commitment of all implementing partners, this target may, contrary to expectations in 2002/03, be met.

Targets related to the participation in and completion of structured learning (Success Indicator 1.2) have been exceeded many times over and this is a positive indicator of both the quantity and quality of training being delivered. Of particular note is that the completion rate of structured learning has exceeded the 50% target – thus indicating that learners are

Chapter 4

Strategic Objective Two: Fostering skills development in the formal economy for productivity and employment growth

4.1 Overall Progress on Objective Two

Success Indicator 2.1

By March 2005, 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured.

Figure 4.1: Number of employers employing more than 150 workers paying and claiming the levy

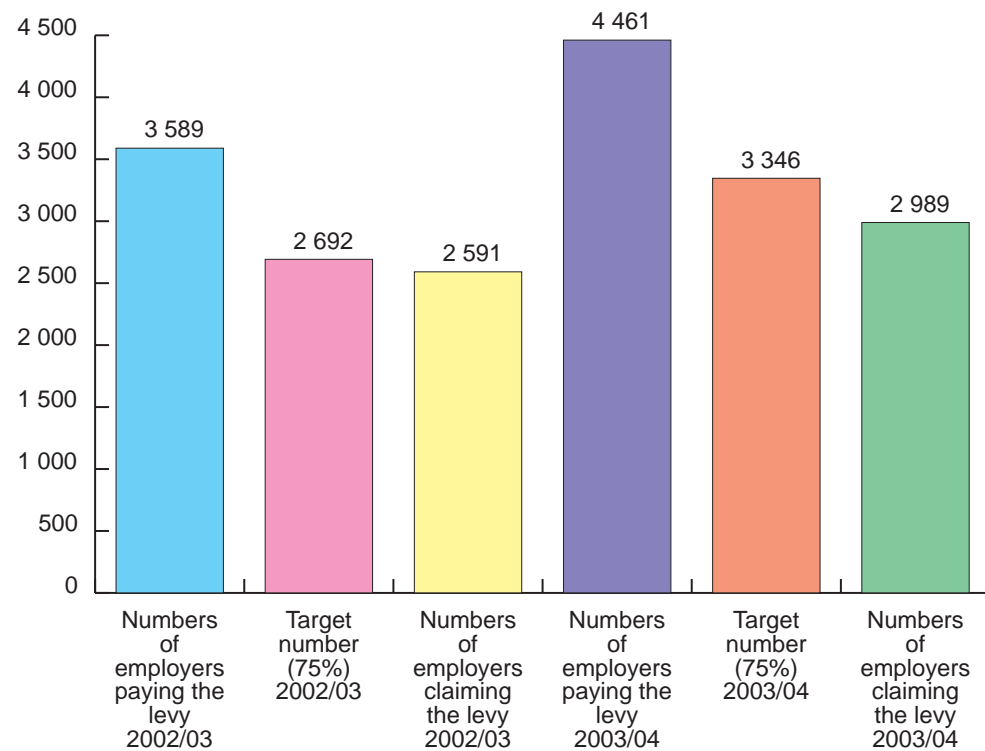


Figure 4.1 shows that the number of employers with more than 150 workers who are paying the skills development levy has increased from 3 589 in 2002/03 to 4 461 in 2003/04, an increase of 872 firms. The number of companies claiming workplace skills plan grants has increased from 2 591 in 2002/03 to 2 989 in 2003/04, an increase of 386 firms.

Success Indicator 2.2

By March 2005, at least 40% of enterprises employing between 50 and 150 employees are receiving skills development grants and the contributions towards productivity

and employer and employee benefits are measured.

Figure 4.2: Number of employers employing between 50 and 150 workers paying and claiming the levy

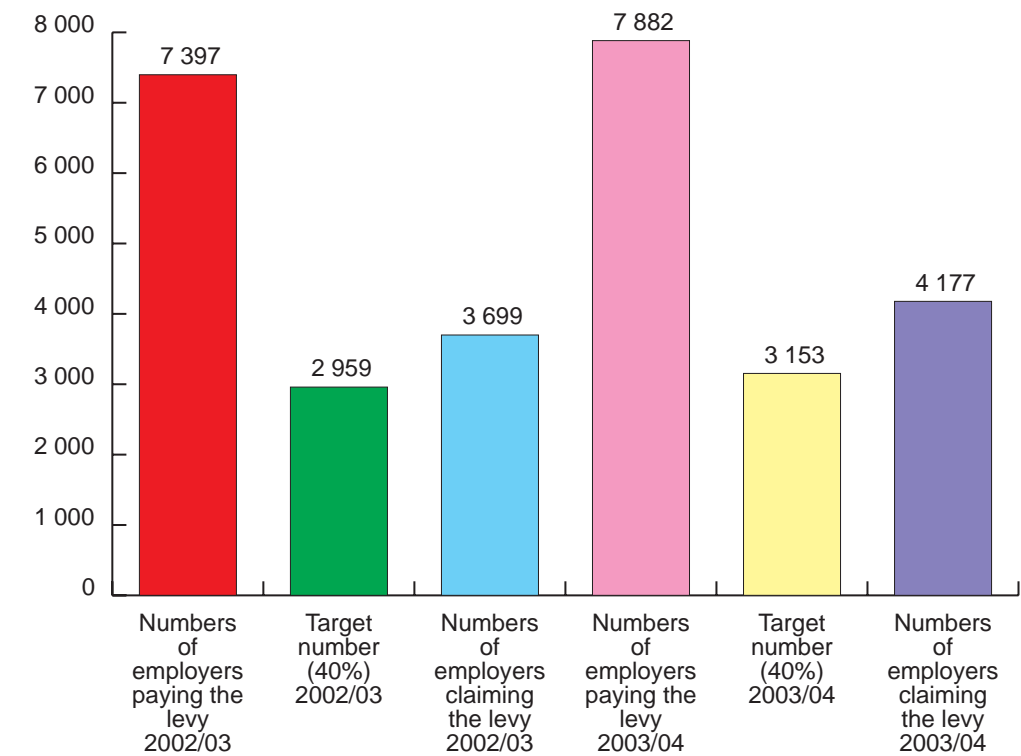


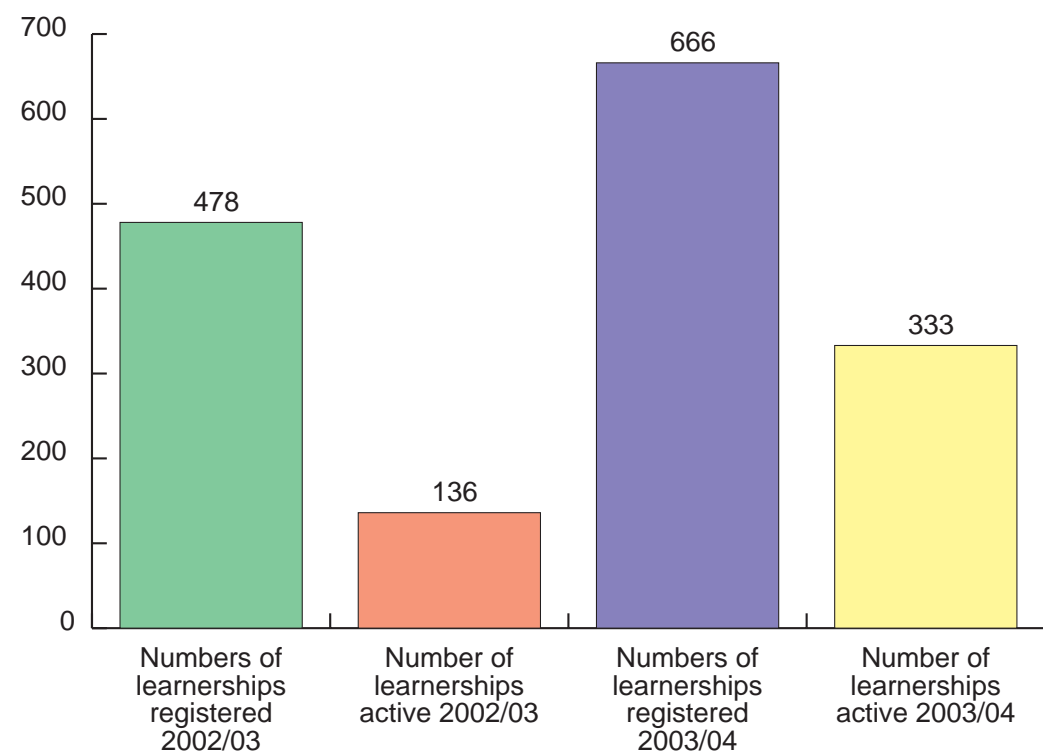
Figure 4.2 shows that the number of employers employing between 50 and 150 workers and paying the skills development levy has increased from 7 397 in 2002/03 to 7 882 in 2003/04. The percentage of companies claiming workplace skills plans grants has increased from 50% in 2002/03 to 53% in 2003/04. This reflects an increase of 1 993 in the number of medium sized firms claiming grants.



Success Indicator 2.3

By March 2005, learnerships are available in all sectors

Figure 4.3: Number of registered and active learnerships



Learnerships have been available in all sectors of the economy since 2002/03. However, there has also been growth in the number of learnerships registered with the Department of Labour since 2002/03 from 478 to 666. The percentage of learnerships actually being implemented has also jumped in the same period from 28.45% to 50% in 2003/04.

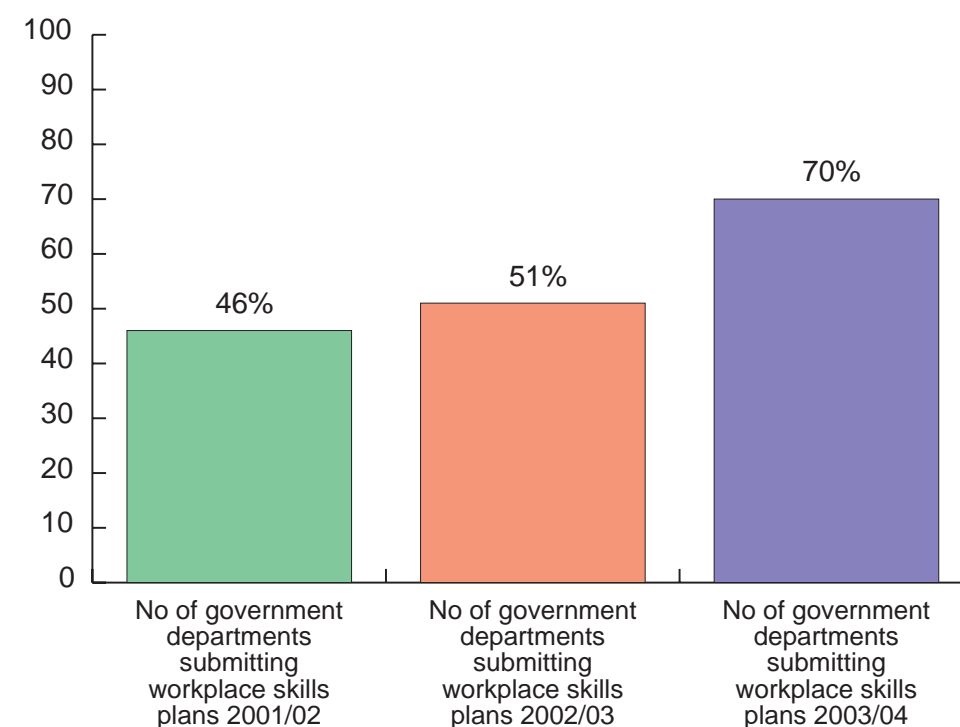
The total number of learnerships registered on level 5 and below is 619 and those registered on level 6 to level 8 is 47. The total number of active registered learnerships on level 5 and below is 315 and those on level 6 to level 8 is 20. However, the biggest number of learners engaged in learnerships are those on level 4 with 19 414 learners followed by those on level 7 with 13 826 learners.

Success Indicator 2.4

By March 2005, all government departments assess and report on budgeted skills expenditure for skills development relevant to Public Service, sector and departmental priorities.

There has been significant growth in the number of government departments who have submitted workplace skills plans over the last three years. The number has increased from 68 in 2001/02 to 75 in 2002/03 to 103 in 2003/04. There has also been growth in the training expenditure of government departments. During 2002/03, R709 million was spent on training across all national departments as compared to R708 664 million in 2003/2004. In 2002/2003 all national and provincial government departments spent R2 752 480 billion, while in 2003/2004 the amount of R3 879 billion was spent.

Figure 4.4: Number of government departments submitting workplace skills plans



4.2 Setting the scene

Fostering skills development in the formal economy for productivity and employment growth addresses the need for improved education and training in the first economy. Consequently targets have been set to ensure that large and medium sized employers are engaged in increasing levels of training. The targets for government departments link the skills of service providers to service delivery and social development objectives. The targets also include, very importantly, that the benefits of these training interventions be measured to ensure their contribution to improving the effectiveness of public and private sector employers, as well as enhancing the lives of workers. The quality of training provided is also important. In this objective, quality is measured by the availability and use of quality-assured-learnership programmes across all sectors of the economy.

Success in relation to this objective is measured through four success indicators, namely:

- Success Indicator 2.1:** By March 2005, 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured
- Success Indicator 2.2:** By March 2005, at least 40% of enterprises employing between 50 and 150 employees are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured
- Success Indicator 2.3:** By March 2005, learnerships are available in all sectors
- Success Indicator 2.4:** By March 2005, all government departments assess and report on budgeted skills expenditure for skills development relevant to Public Service sector and departmental priorities.

4.3 Success Indicator 2.1

By March 2005, 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured.

4.3.1 Review of previous findings

As discussed in the previous implementation report, the skills development grant is used as an incentive for employers to increase education and training in the workplace. They can claim grants from their SETA by submitting a workplace skills plan, which outlines their training plans for the year, and also on submission of an implementation report where they report on the implementation of their workplace skills plan.

Fostering strategic partnerships with higher education in clothing and textiles

The Clothing Textiles Footwear and Leather SETA is supporting the formation of Centres of Excellence for clothing and textile technology at the Peninsula Technikon (soon to be the Cape Peninsula University of Technology) in the Western Cape and the Durban Institute of Technology (DIT) in KwaZulu-Natal. A Centre of Excellence can be described as a "one stop shop" located at technikons to deliver high-level technical skills to industry. It will contain, over time, a central hub of expertise and resources to ensure the seamless transferability of scarce technical skills to industry. The Centre of Excellence is expected to contribute towards improving the competitiveness of the clothing and textiles industry through training and development interventions. Its purpose is to develop an increasing number of technologists for industry and provide high quality training programmes with a strong technical focus.

The broad mandate of the Centres of Excellence are to offer a range of services to companies in the industry in terms of:

- short, industry-relevant programmes
- formal diploma and degree programmes in clothing and textiles technology
- research and development
- consultancy
- quality testing
- incubator of new companies
- information dissemination
- project management of activities
- learning materials development
- technical support.

Source: CTFL SETA

During 2002/03 the number of enterprises (with more than 150 workers) paying their levies was 3 589, those claiming grants was 2 591 (72% of the active employers).

4.3.2 Progress made during 2003/04

By March 2004, the number of businesses employing over 150 people and paying the levy had increased to 4 461, an increase of 872 firms as compared to the 3 589 of 2002/03. The number of companies claiming workplace skills plan grants has increased from 2 591 in 2002/03 to 2 977 in 2003/04, an increase of 386 firms.

Table 4.1 shows the increase in the number of employers paying.

Table 4.1: Employers (employing more than 150 workers) paying levies and claiming grants

SETA	As at the end of March 2003			As at the end of March 2004		
	Active employers paying levy	Employers claiming grants	% of active employers claiming grants	Active employers paying levy	Employers claiming grants	% of active employers claiming grants
All SETAs	3 589	2 591	72%	4 461	2 977	67%

Source: SQMR

4.4 Success Indicator 2.2

By March 2005, at least 40% of enterprises employing between 50 and 150 employees are receiving skill development grants and the contributions towards productivity and employer and worker benefits are measured.

4.4.1 Review of previous findings

In March 2003, 50% of employers (3 724) employing between 50 and 150 employees were claiming skills development grants and contributions. The total number of employers paying this levy was 7 379 – up from 6 571 in 2001/02.

4.4.2 Progress made during 2003/04

Table 4.2: Employers (employing between 50 and 150 workers) paying levies and claiming grants

SETA	As at the end of March 2003			As at the end of March 2004		
	Active employers paying levy	Employers claiming grants	% of active employers claiming grants	Active employers paying levy	Employers claiming grants	% of active employers claiming grants
All SETAs	7 379	3 724	50%	7 882	5 717	53%

Source: SQMR

By March 2004, the number of medium sized companies paying the skills development levy had increased from 7379 to 7 882. The percentage of employers claiming their grants had increased from 50% to 53%. The 50% represents 3 724 employers claiming grants while the 53% represents 5 717 employers claiming grants. This indicates the increase of 1 993 more employers claiming grants.

Finding from the National Skills Survey

The following finding were made from the study commissioned to investigate the impact of the NSDS on skills training in South Africa (Peterson A, McGrath S, Badroodien A. **National Skills Survey**, 2003):

- There is a general satisfaction about the number of firms that are claiming their grants

- A larger percentage of firms with low training rates did not claim grants. The implication being that firms which claimed grants were more likely to have higher training rates
- The pattern of grants claims among SETAs was extremely variable, ranging from 78% in the financial services sector and 72% in the banking sector, to 27% in the health and welfare, 23% in the chemicals and 20% in the education sectors. These differences could be ascribed, *inter alia*, to a number of factors such as the size of the sector, the number of small firms in the sector, the level of organisation of the sector and the past history of training in the sector. For example, the large proportion of enterprises that claimed grants in the financial services could in part be ascribed to a high proportion of small consulting and professional service firms in that sector that needed to pursue continuing professional development in various professional fields.
- This large variance may also be ascribed to differences in the capacity of the SETAs themselves to administer and support the levy-grant system
- Statistical analysis showed that a significant larger proportion of firms that had WSPs also claimed grants
- Firms that claimed to have developed WSPs exceeded the number of firms that reported claims grants. The proportion of firms that claimed to have a WSP was 10% higher than the proportion of firms that actually claimed grants
- 63% of firms reported being registered with a SETA. 95% of the large firms, 56% for small firms. 9% of firms are not sure about their registration status.

4.5 Success Indicator 2.3

By March 2005, learnerships are available in all sectors

4.5.1 Review of 2002/03 findings

In March 2002, the number of learnerships registered with the Department of Labour had risen from 207 to 478 and the number of learnerships that were actively being implemented had increased from 8% to 28%. The indicator had been achieved as learnerships were registered across all sectors of the economy.

4.5.2 Progress made during 2003/04

The number of learnerships registered with the Department of Labour has increased by 188 since March 2003 and there are almost three times as many active learnerships, as indicated in **Table 4.3**.

Table 4.3: Learnerships registered and active

SETA	As at the end of March 2003			As at the end of March 2004		
	Number of learnerships registered	Number of learnerships that are active	% of registered learnerships that are active against those not	Number of learnerships registered	Number of learnerships that are active	% of registered learnerships that are active against those not
All SETAs	478	136	28.45%	666	335	50%

Source: SQMR, 2004

This indicator has therefore again been achieved, as the registration and implementation of

learnerships has occurred across all sectors. More information is provided on learnership implementation in Objective 5.

Table 4.4: Summary of registered and active learnerships and number of learners

	Total	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8
No of learnerships registered	666	31	143	160	203	113	23	20	4
No of active learnerships	335	22	94	77	100	48	13	8	1
No of learners	62 115	3 765	12 125	5 702	19 414	4 700	2 548	13 826	0

Source: Report on Learnership Registration: 2004

As indicated in **Table 4.4**, the total number of learnerships registered on level 5 and below is 619 and those registered on level 6 to level 8 is 47. The total number of active registered learnerships on level 5 and below is 315 and those on level 6 to level 8 is 20. However, the biggest number of learners engaged in learnerships are those on level 4 with 19 414 learners followed by those on level 7 with 13 826 learners.

ISETT ISSA Project

The overall purpose of the ISETT-ISSA Skills Development Project is to produce strategic human resource capabilities for the South African ICT Sector. This is being achieved through transforming existing programmes at the Institute for Satellite and Software Applications (ISSA) into learnerships, thereby introducing the workplace component into the educational process.

During 2003, it was found that several of the ISSA graduates struggled to find employment in private industry. These graduates were invited to ISETT for discussions to establish the difficulties being experienced. It was established that private business was informing these graduates that they needed people with some work experience. Further efforts were made by ISETT to secure employment for these graduates, but this proved unsuccessful. It was therefore decided to introduce a new component to this project, namely High-Level ICT Skills Internships, the purpose being to provide graduates, not only at ISSA, but also on a national basis, with eight months of work experience. This opportunity is being presented primarily to B.Sc. and M.Sc. Engineering and Software Development graduates, but also to other ICT-related degree graduates, such as B.Com IT

Source: ISETT

4.6 Success Indicator 2.4

By March 2005, all government departments assess and report on budgeted skills expenditure for skills development relevant to Public Service, sector and departmental priorities

4.6.1 Review of previous findings

Government departments are expected to budget for 1% of their personnel budget for training and may contribute funds to a SETA that they are affiliated to (section 30 of the Skills Development Act, no. 97 of 1998). The March 2003 Implementation Report stated that national government departments alone spent R604 698 million on training, which was up from R572 031 million in 2001/02. The national and provincial departments both spent R2 752 480 million in 2002/03.

4.6.2 Progress made during 2003/04

Table 4.5 shows that 103 government departments had submitted workplace skills plan

implementation reports to the PSETA in 2003/04. This represents 70% of all eligible government departments. There has been a steady growth in the submission of workplace skills plans since 2001/02.

Table 4.5: WSPs submitted by government departments

National departments and provinces	Reports submitted (2001/02)	Reports rate (2001/02)	Reports submitted (2002/03)	Reports rate (2002/03)	Reports submitted (2003/04)	Reports rate (2003/04)	Expected reports
Eastern Cape	3	21	6	43	10	71	14
Free State	3	25	6	50	8	67	12
Gauteng	4	33	6	50	10	83	12
KwaZulu-Natal	4	31	5	39	9	69	13
Limpopo	4	36	5	45	8	73	11
Mpumalanga	10	83	12	100	11	92	12
Northern Cape	6	46	4	31	6	46	13
North West	4	33	6	50	10	83	12
Western Cape	4	31	9	69	8	62	13
Total provincial	55	49%	59	53%	80	71%	112
National departments	13	36%	16	44%	23	64%	36
Total all departments	68	46%	75	51%	103	70%	148

Source: PSETA, 2003

Table 4.6 Summary of training expenditure: national and provincial government

	Expenditure outcome (R'000)			
	Audited 2000/01	Audited 2001/02	Preliminary outcome 2002/03	Revised estimate 2003/04
National departments	453 870	572 031	604 698	708 664
Eastern Cape	30 067	55 821	109 569	182 129
Free State	776	15 270	9 262	42 099
Gauteng	62 462	1 150 146	1 416 904	2 191 596
KwaZulu-Natal	210 404	265 516	334 895	416 365
Limpopo	86 919	92 517	154 006	174 827
Mpumalanga	124	1 708	2 439	2 910
Northern Cape	1 237	1 873	2 485	1 894
North West	-	16 116	22 055	28 850
Western Cape	73 988	80 281	96 167	130 239
Total	919 847	2 251 279	2 752 480	3 879 573

Source: National Treasury, 2004

Table 4.6 shows training expenditure for both national and provincial government departments. With the inclusion of provincial expenditure figures, public sector training expenditure in 2003/04 is estimated to be close to R3,9 billion.

As indicated in the previous implementation report, a study was commissioned this year to investigate skills development in the Public Sector. This report is currently in draft stage. Some early findings indicate positive trends in the following areas:

- Growth in training expenditure
- Relatively high training rates – 16.5% of personnel in national departments, 24.3% in provincial departments and between 12%-28% at local government level
- Training opportunities are delivered to an estimated 40% of lower level public servants
- High levels of information technology training is being offered to an estimated 30% of middle managers and administrative officers – this is a positive indicator in the context of a shift to more IT intensive work in the Public Service
- Bursaries are being awarded to mainly skilled and lower skilled workers
- The majority of Skills Development Facilitators have received training and workplace skills development committees have been established in the majority of government departments (80%)
- A number of departments are exploring ways to support a culture of skills development in the Public Service.



Some challenges associated with training in the Public Service include:

- Critical skills needs are not being adequately addressed in the areas of financial management, computer skills, project management, human resources management, customer care, communication skills and ABET
- Low exposure of management to key skills such as financial management and computer skills
- Slow progress on the implementation of learnerships
- Insufficient expertise in the collection of skills development information and reporting on

training

- Low attention paid to quality assurance of training
- Low proportion of training staff to government workers.

4.7 Achievements and challenges

Two out of the four success indicators for this objective have been met or exceeded in the current year. Progress has been made in the other two areas:

- The target for medium sized firms has been exceeded for two years in a row
- The number of learnerships being registered and implemented is growing steadily. These programmes are being utilised across all sectors of the economy. This is highly significant because learnerships offer learners theoretical training as well as workplace experience leading to a qualification registered on the NQF. They are therefore believed to provide more support for career development and employability than shorter adhoc training or purely theoretical courses. The growth in learnership implementation is also attributable to the emphasis given to them in the Growth and Development Summit agreements
- The major growth in the number of large levy paying organisations receiving workplace skills grants is of particular significance as it signals improved compliance by employers to the legislation. This provides a solid basis for moving into the final year of implementation of the current National Skills Development Strategy and beyond. The submission of workplace skills plans is however only one of the steps in integrating good human resources and skills development practices in organisations. Ongoing focus is required to ensure that workers as well as employers feel the impact of quality training by integrating the strategic focus and skills development practices within organisations
- There is a very positive trend in the implementation of the skills development legislation in the Public Service. The growth in submission of workplace skills plans in spite of government departments not being required to pay the Skills Development Levy, indicates that education and training is being taken seriously by this key employer. Success indicator 2.4 may not be met in full by next year and the slow rate of learnership implementation in the Public Service is of concern and needs to receive much more focus in the next year.

Chapter 5

Strategic Objective Three: Stimulating and supporting skills development in small businesses

5.1 Overall Progress on Objective Three

Success Indicator 3.1

By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of the support to be measured

Figure 5.1: Number of businesses supported in skills development initiatives

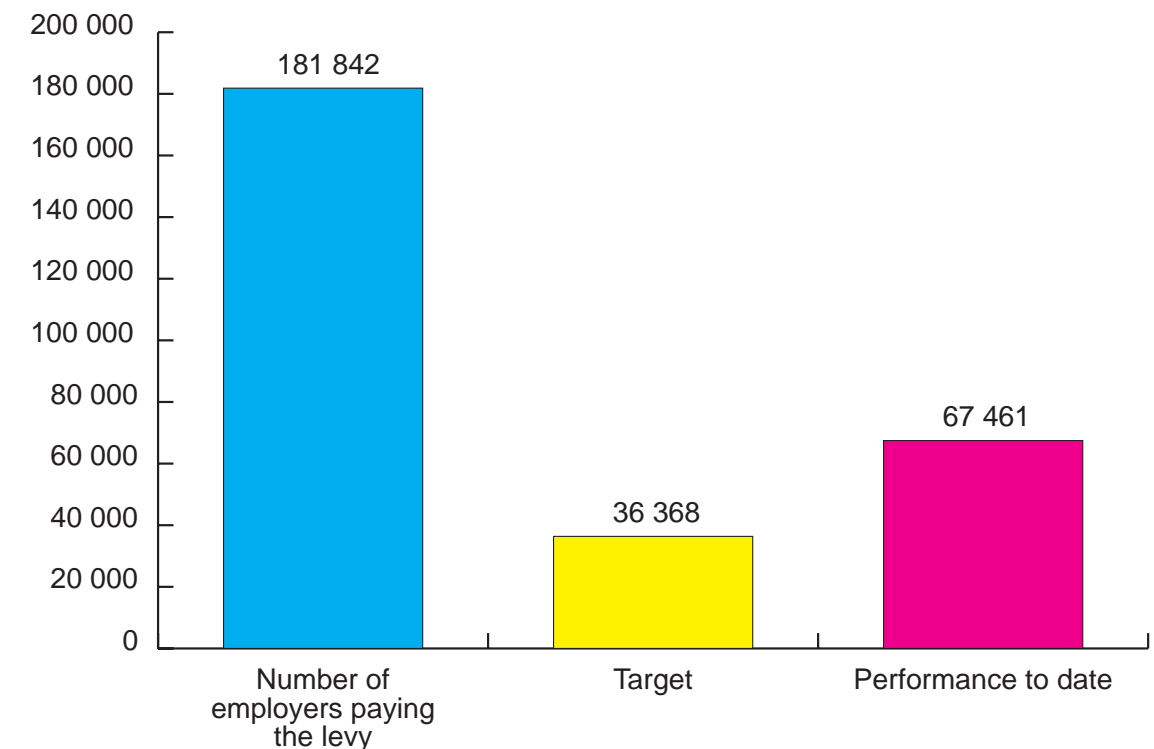


Figure 5.1 above shows the number of small registered businesses that have been supported by skills development initiatives. Currently 37% of small employers including those registered and not registered are supported in skills development initiatives. The target which is 20%, has been exceeded in this indicator.

5.2 Setting the scene

Small businesses are a focus for development in the National Skills Development Strategy

because they are seen as key drivers of economic growth and employment. Given the large number of small businesses that characterise the South African economy, stimulating skills development in these companies is critical to support productivity and higher levels of employment. The targets for this objective relate to supporting small businesses to implement the skills development strategy. There are three ways in which this support is given under the NSDS in this traditionally hard to reach segment:

- By encouraging small businesses to submit workplace skills plans and implementation reports to their SETAs
- Through SETAs providing discretionary grants or implementing sector projects
- Through targeted NSF strategic projects.

This objective has one success indicator.

5.3 Success Indicator 3.1

By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured

5.3.1 Review of previous findings

Nine percent of levy paying SMMEs were claiming grants from their SETAs in March 2003 (up from 5% in March 2002).

5.3.2 Progress achieved in 2003/04

Ten percent of levy paying SMMEs are now claiming grants from their SETAs (Table 5.1). By adding the totals of the employers claiming levy by March 2004 in Table 5.1 (17 511) and the number of small businesses (registered and not registered) engaged in skills development initiatives in Table 5.2 (49 950) the total is 67 461 (Table 5.3) This indicates that 37% of small businesses are supported in skills development initiatives.

Table 5.1: Number of small businesses paying and receiving levies

SETA	As at the end of March 2003			As at the end of March 2004		
	Employers paying levy	Employers claiming the levy	% of employers claiming the grant	Employers paying levy	Employers claiming the levy	% of employers claiming the grant
All SETAs	135 328	13 162	9%	181 842	17 511	10%

Source: SQMR, 2004

Table 5.2: Number of small businesses supported through SETA and NSF projects

Numbers of small businesses supported through SETA discretionary funding	39 758
Numbers of small businesses supported through NSF projects	10 192
Overall total number of small businesses (some registered and some not) engaged in skills development initiatives	49 950

Source: SQMR, 2004

Table 5.3: Total number of small businesses supported through skills development initiatives 2003/04

Total number of small businesses claiming grants	17 511
Total number of small businesses (some registered and some not) engaged in skills development initiatives	49 950
Total number of small firms supported by skills development initiatives	67 461
Total number of employers paying the levy	181 842
Percentage of small businesses supported through skills development initiatives	37%

BANKSETA Training Voucher Scheme

The Training Voucher Project targets small businesses in the banking and micro-finance sector. The objective is to enable business growth through skills development.

The BANKSETA SMME Training Voucher Pilot was officially launched on 1 March 2004. To date 148 training vouchers have been issued and over R300 000 has been spent.

The project targets small companies that employ less than 50 workers. These companies qualify for R6000 worth of training vouchers (conditions apply).

The SMME Training Vouchers can be redeemed for a wide range of courses at accredited training institutions.

Source: BANKSETA

The number of small businesses paying levies has increased from 135 328 to 181 842. The number of employers claiming the grants has also increased from 13 162 (9% of levy paying organisations) to 17 511, which represents 10% of levy paying organisations. The total number of small businesses (including those not registered) supported in skills development initiatives is 67 467 (37%).

However, as stated above, there are other ways in which small businesses are participating in the Skills Development Strategy through discretionary funded projects and NSF projects. Some of these businesses may be unregistered businesses and do not necessarily fall

within the target category. However if added (since they benefit and contribute to the goals of the NSDS) they reflect a total number of businesses supported through skills development initiatives. The specific SETA projects aimed at SMMEs are listed in **Table 5.4**.

Table 5.4: SETA initiatives aimed at SMMEs

SETA	Initiative to support SMMEs	Number of employers supported by the initiatives					
		0-4	5-9	10-49	Unspecified	Total	
FASSET	Networking event - the nuts and bolts of learnerships	34	29	49	8	120	
	Andrw Levy - Transformation	7	4	14	25	50	
	FASSET Skills Advisors 2003	22	27	17	66	132	
	Implementing learnerships within an organisation	3	1	6	10	20	
	Nuts and bolts of learnership implementation	6	16	21	43	86	
	Understanding NQF and the Skills Development Act	4	2	6	12	24	
	Assessor training	0	1	4		5	
	Bridging programme guarantee trust	3	4	4		11	
	FAIS	99	52	72		223	
	Legislation update	28	27	39		168	
	Return on investment in education and training	28	27	39		94	
	Conflict management	96	59	104		259	
	BANKSETA	SDF breakfast - E-learning	1	4	7	0	12
		SDF breakfast	0	4	6		10
SDF support - workshops		5	4	9		18	
SDF support - breakfast and workshop		2	12	14		28	

SETA	Initiative to support SMMEs	Number of employers supported by the initiatives				
		0-4	5-9	10-49	Unspecified	Total
CHIETA	SMME support strategy	1	1	1	1	4
	CHIETA SMME support strategy base chemicals	1	4	19		24
	CHIETA SMME support strategy FMCG	0	1	2		3
	CHIETA SMME support strategy glass	0	0	4		4
	CHIETA SMME support strategy petroleum	3	1	0		4
	CHIETA SMME support strategy pharmaceuticals	0	1	0		1
	CHIETA SMME support strategy chemicals	1	4	11		16
	CHIETA SMME support strategy surface coating	0	2	4		6
	CHIETA SMME strategy	27	56	105		188
	NSF programme for SMME support programme	0	1	4		5
	CHIETA SMME strategy	71	131	156		358
	NSF SMME support project	0	1	4		5
	CTFL SETA	Durban SMME cluster pilot project	0	0	8	0
SMME cluster project: KwaZulu-Natal, North Coast and Cape South Coast		0	0	22		22
SMME cluster project: KZN North Coast, Western Cape and Cape South Coast		0	0	34		34
SMME cluster project Gauteng		0	0	12		12
CETA	Prepared grant application guidelines and framework	0	0	0	69	69
	CETA - NSF	98	75	68		241

SETA	Initiative to support SMMEs	Number of employers supported by the initiatives				
		0-4	5-9	10-49	Unspecified	Total
ESETA	Hiring of independent skills development facilitators for SMMEs	8	9	8	0	25
	Hiring of independent SDFs to help SMMEs	8	9	8	0	25
FIETA	Develop SMME support system to ensure viability	0	0	0	20	20
	SMME charcoal project	0	0	0	8	8
	SMME training in Soweto, Tembisa, Cape Town and Bloemfontein for furniture	0	0	0	120	120
	Upgrading of skills of employees of SMME contractors	0	0	0	90	90
FOODBEV	Consultant SDFs providing support to SMMEs	0	0	0	500	500
	Contracting of providers to implement learnerships in 100 small bakeries	0	0	100	0	100
	Incubator centre project (skills programme training)	30	0	0	0	30
	Training of employees of existing SMMEs on a new venture creation skills programme	0	15	15	0	30
	Appointments of external SDFs to support SMMEs with mandatory grant	0	0	0		500
	Training of unemployed youths on baking, dairy and meat processing skills programme	0	0	0		30
	Training of employees from SMMEs on new vention creation skills programme	0	0	27		27
	External SDFs support SMMEs with WSPIRs	0	0	420		420
	Learners on learnerships in SMMEs	0	0	272		272

SETA	Initiative to support SMMEs	Number of employers supported by the initiatives				
		0-4	5-9	10-49	Unspecified	Total
HWSETA	SMME training provider development	28	0	2	0	30
	Curriculum development of social auxiliary learnership	0	0	0	1	1
	Moderator/verifier training	3	5	10	0	18
	Provisional accreditation of training providers	2	0	2	0	4
	Moderator/verifier training people with disabilities (DEAFSA)	3	5	10		18
	Provisional accreditation of training providers	0	2	4		6
	SDF contractors	130	0	0		130
	SMME WSPs submitted by contracted SDFs	60	56	44		160
	Discretionary funding	0	1	4		5
	IPD training on QMS, final module for training providers	0	0	30		30
	ABET project	2 000	0	0		2 000
	Investors in people workshops	0	4	12		16
	SMME WSPs submitted by HWSETA contracted SDFs	111	79	68		258
INSETA	SMMEs support visits including matters relating to learnerships, ETQA and reporting	16	28	25	0	69
	Discretionary grant projects (Year 3)	0	5	0		5
	SMME contact and support Gauteng	10	10	10		30
	SMME contact and support KZN	30	10	10		50
	SMME contact and support WC	6	6	3		15
	SMME contact sessions	132	62	72		266
ISETT	Business survival solution	282	10	50		342

SETA	Initiative to support SMMEs	Number of employers supported by the initiatives				
		0-4	5-9	10-49	Unspecified	Total
MERSETA	SMME ABET delivery project	0	0	72	0	72
	SMME and ABET	0	0	72		72
SERVICES	CPD programme	48	63	0	0	111
	External SDF (new small business) training	2	15	0		17
	Assessor	93	17	16		126
	Continuing professional development programme	1 250	227	219		1 696
	EAP	900	150	163		1 213
	SDF	940	170	172		1 282
	SERVICES SETA annual conferences in 3 provinces	781	143	143		1 067
	Supported training in submitting WSPs	679	115	122		916
	Employee assistant programme	923	84	77		1 084
	SDF	325	33	26		384
	EAP	250	85	80		415
	Employee trainers and disability	120	45	25		190
	SDF	30	6	11		47
	SDF incentive scheme	309	545	630		1 484
	SETASA	Appointment of three SDFs for three provinces	0	0	0	1 000
World wide scan to look at trends in secondary agriculture		0	0	0	2 000	2 000
Participation of SMMEs in skills development process		4	20	185		209
SMME skills training		76	5	8		89
Greater participation in skills training by SMMEs		405	5	9		419
THETA	Bed and breakfast project	80	0	0		89
	SMME intact project	0	99	0		99

SETA	Initiative to support SMMEs	Number of employers supported by the initiatives					
		0-4	5-9	10-49	Unspecified	Total	
TETA	SMME voucher system	15	16	47	0	78	
	TETA 3 tier SMME support strategy	0	92	1 025		1 117	
	SMME support strategy	0	0	791		791	
	Small transport operator plan	0	53	470		523	
	Targeting non-participating SAAF and ASABOSA members	0	1	0		1	
	TETA 3 tier SMME support strategy	0	92	1 025		1 117	
	SMME support strategy	0	0	791		791	
	Small transport operator plan	0	53	470		523	
	Targeting non-participating SAAF and ASABOSA members	0	1	0		1	
	SMME marketing targeting non-participating SAAF and ASABOSA members	0	1	0		1	
	Taxi - customer care	90	0	0		90	
	Taxi - generic business skills	180	0	0		180	
	Taxi - professional driver training	180	0	0		180	
	TETA 3 tier SMME support strategy	0	2	370		372	
	W&RSETA	Contract SDF programme	0	2 546	0		2 546
		Skills programmes for 1 500 SMME companies	0	1 500	0		1 500
Contract SDF programme		0	2 546	0		2 546	
Contract SDF programme		0	0	4 177		4 177	
Skills programmes for SMME companies		0	0	1 712		1 712	
Totals		11 639	7 636	14 559	5 317	39 758	

Table 5.4 indicates that 39 758 SMME employers benefited from projects funded by the SETAs through their discretionary funds. Enterprises employing 10-49 workers represented 44% of all beneficiaries supported with SETA discretionary funds.

Many of the NSF projects being implemented are also specifically targeting small businesses. These are listed in **Table 5.5**.

Table 5.5: SETA nature of intervention and beneficiaries

SETA	Nature of intervention	Beneficiaries targeted or reached	
BANKSETA	Training of SMME micro-finance institutions (MFI) as well as SMME borrowers	677 500	SMME MFI learners trained SMME borrower enterprises completed training
CETA	Learnership for construction contractors	241	contractors in training
PAETA	Export readiness for emerging farmers	992 507	learners completed in training
SETASA	Export readiness training SMME support	960 140	learners completed training learners in training
THETA	Provider capacity building	91	SMME completed capacity building programme
TETA	SMME development in the small fishing boat industry	1 000	beneficiaries completed training
FIETA	Business development support for SMME skills programmes and support for learners in SMME sector	34 500	SMME receiving development support SMME learners currently receiving support
W&RSETA	Skills support to SMME	2 000	SMME receiving support
MAPPP	Skills programmes for SMME workplace providers	40	SMME workplace providers in training
FOODBEV	Skills programmes to support new and existing SMME support network for SMME	727 226 47	learners in skills programmes learners on learnerships for SMME students receive bursaries while supporting SMMEs
MQA	Skills development for small miners	1 500	small miners in training
CHIETA	SMME development in chemical industry	10	SMME in training
Total number of beneficiaries targeted or reached		10 192	

Source: NSF

In addition, 42 SMMEs applied for the training incentive grants through the NSF's Skills Support Programme of which 28 have been approved. A claim for training conducted has been received from 18 of these SMMEs and a total amount of R15 847 984 was paid out benefiting more than 2 316 workers as reported under Indicator 1.2.



National Skills Survey findings for small firms

As indicated in the 2002/03 NSDS Implementation Report, the Department of Labour has commissioned a National Skills Survey in 2002, which included a focus on SMMEs. This report is currently in draft form but the following broad trends have emerged from this research:

- Training rates amongst small, medium and large South African firms are similar – i.e. between 23-24%
- However, for small companies in joint ventures with foreign companies this rate increased to 49%
- Those small companies registered with FASSET, ISETT, MAPPP, MQA and TETA appear to have the highest training rates
- In small businesses, the average training expenditure per worker is almost half that of large firms
- Workers in small businesses tend to participate in in-house training by the owner/manager or skills programmes more than other longer term training courses
- Lower numbers of small businesses intend implementing learnerships than large businesses; however, with the establishment of ESDLEs (Employment and Skills Development Lead Employer), this may change
- Training is less likely to be conducted against national or international standards in small businesses than in large businesses.

5.4 Achievements and challenges

When considering all the different mechanisms that small businesses have at their disposal through discretionary grant funded projects, NSF funded projects and levy grants, it is very likely that this objective will again be exceeded in the final year. There has been considerable growth in the participation of small businesses in skills development activities in the last year.

Chapter 6

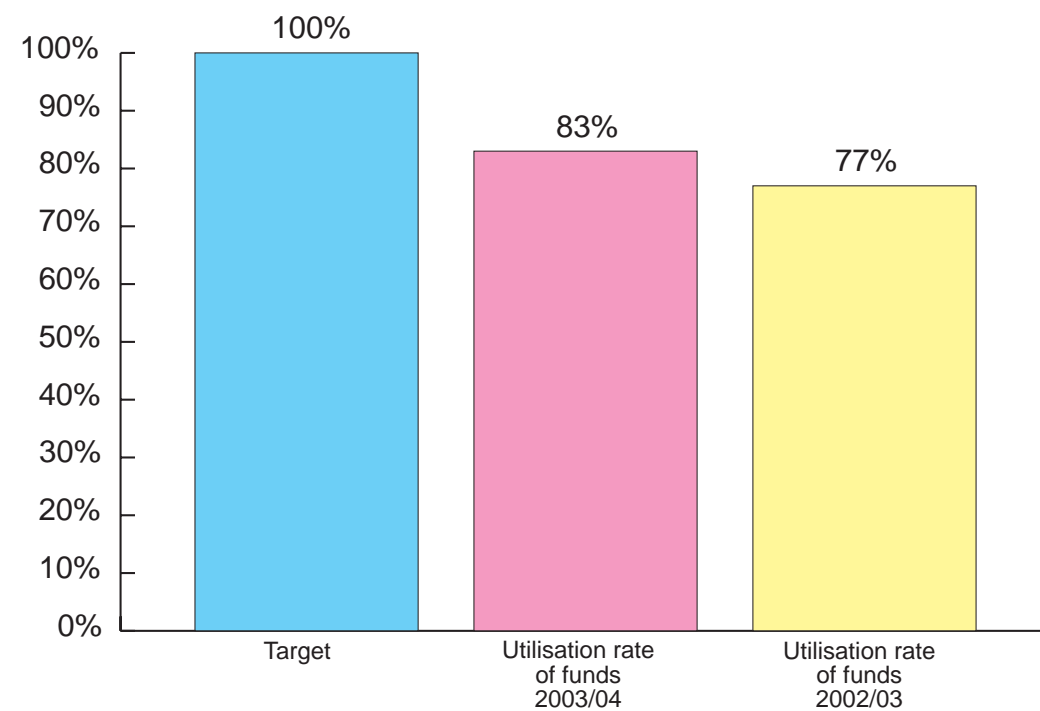
Strategic Objective Four: Promoting skills development for employability and sustainable livelihoods through social development initiatives

6.1 Overall Progress on Objective Four

Success Indicator 4.1

By March 2003, 100% of National Skills Fund apportionment to social development is spent on viable development projects

Figure 6.1: Utilisation rate of the National Skills Fund on social development

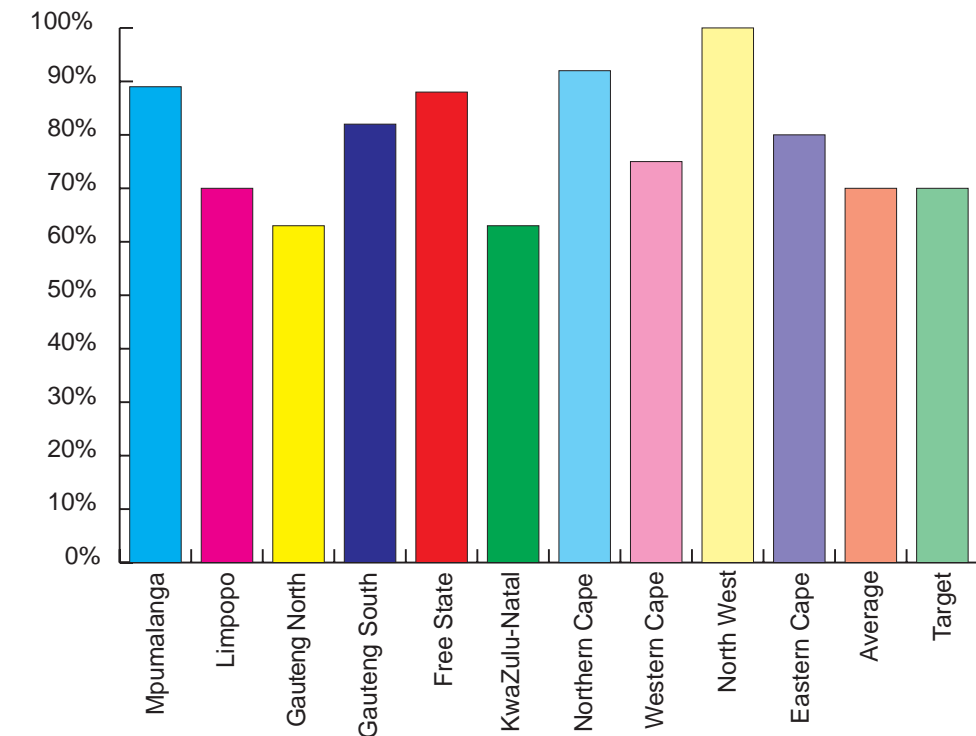


The utilisation rate by provinces of the NSF funding has increased in the past year from 77% to 83%.

Success Indicator 4.2

By March 2005, the impact of National Skills Fund is measured by project and duration, including details of placement rates, which shall be at least 70%

Figure 6.2: Placement Rate



When considering the average placement rate across all provinces, the target for this success indicator has been achieved. However Gauteng North and KwaZulu-Natal have not quite reached the target although North West, Northern Cape and Free State have all achieved placement rates above 80%.

6.2 Setting the scene

The NSDS seeks to assist unemployed people to improve their livelihoods through skills development through participation in social development initiatives. Social development projects which are government or community driven for the delivery of basic services and infrastructure also qualify under this category. Through this objective, the strategy also aims to promote sustainable livelihoods for the poor. This goes beyond simply earning an income as it also includes opportunities for self-employment and non-market services such as community-based care and housing schemes. It can also include more intangible benefits such as the acquisition of life skills. This objective requires cooperation between national, provincial and local governments together with the community. The major vehicle for this objective is the National Skills Fund, which sets aside about one third of its income for funding social development projects via the provincial offices of the Department of Labour. Targets have been set to ensure NSF funding is spent on viable development programmes and that the impact of spending is measured for this objective by measuring whether or not people are placed in projects after training.

Specific success indicators for this objective are:

Success Indicator 4.1: By March 2003, 100% of National Skills Fund apportionment to social development is spent on viable development projects.

Success Indicator 4.2: By March 2005, the impact of the National Skills Fund is measured by project and duration, including details of placement rates, which shall be at least 70%.

6.3 Success Indicator 4.1

By March 2003, 100% of National Skills Fund apportionment to social development is spent on viable development projects

6.2.1 Review of previous findings

A total of 94% of the NSF funding had been allocated and 77% of this funding had been spent by March 2003 on social development programmes. At the time there was a total budget of R238 782 513 of which R223 644 375 had been allocated. A total of 94 173 people had been trained in social development projects in 2002/03.

Lebogang Pilusa generates a sustainable livelihood

Lebogang Pilusa is participating in the Timbali Flower Incubator Project being initiated through the PAETA SETA. Lebo participates fully in this learnership (National Certificate in Agriculture: NQF 2), which is estimated to be concluded by December 2005.

At the same time Lebo runs her unit that consists of 3 300 potted plants. During the practical part of the learnership and under the guidance of the mentor, she takes full responsibility for her unit and production – eg. Growth medium preparation, potting of young plants, cultivation, scouting and controlling pest, determining her irrigation plan, harvesting and packing. She is also trained to keep records, analyse statistics, bookkeeping and determining profitability. She is now able to generate an income of over R25 000 per month for herself and her family. Today Lebo is a fully-fledged Gerbera farmer and provides employment to two additional people. With the income earned she is now in a position to sustain herself, her family and is saving for a deposit to enable her to expand her business.

Source: PAETA

6.2.2 Progress achieved in 2003/04

In 2003 the Minister of Labour extended the implementation period for this indicator to March 2005, in line with the other indicators.

Table 6.1 shows that as at the end of March 2004, 88% of the NSF funds allocated to the provinces were spent on 2003/04 levy year contracts. The Eastern Cape and Northern Cape were allotted the highest and lowest amount respectively. Western Cape spent the highest proportion of the allocated funds (97,85%). Northern Cape on the other hand spent the lowest proportion of the allocated funds (71,28%) and had the lowest utilisation rate, spending (62,20%) of its allotted budget for the period.

Table 6.1: NSF provincial allocations and utilisation rate for social development projects

Provinces	Allotted (R)	% of total allotted	Allocated (R)	% Allocated	Spent (R)	% Spent of allocated	Utilisation rate (%)
Western Cape	15 084 435	5.78	13 002 553	86.20	12 723 080	97.85	84.35
Eastern Cape	93 762 595	35.93	88169 244	94.03	86 041 624	97.59	91.77
Northern Cape	6 465 796	2.48	6 005 174	92.88	4 280 515	71.28	66.20
Free State	15 325 887	5.87	14 628 138	95.45	12 361 078	84.50	80.65
KwaZulu-Natal	24 927 056	9.55	24 854 520	99.71	18 390 297	73.99	73.78
North West	23 953 560	9.18	22 929 598	95.73	20 196 792	88.08	84.32
Gauteng South	22 123 371	8.48	21 617 854	97.72	18 444 857	85.32	83.37
Gauteng North	14 397 699	5.52	13 429 491	93.28	11 993 260	89.31	83.30
Mpumalanga	27 031 573	10.36	25 933 356	95.94	18 531 998	71.46	68.56
Limpopo	17 904 356	6.86	16 766 961	93.65	14 246 244	84.97	79.57
Total	260 976 328	100.00	247 336 889	94.77	217 209 745	88.00	83.23

Source: NSFDIS 2003/04 Budgets (1/4/2003 – 31/3/2004)

A current utilisation rate of 83 % at the end of March 2004 is below the target set (100%) for March 2005, and brings into question whether indeed this was a realistic target. There has been an 11% increase over last year which is a significant improvement.

The following case studies provide some examples of successful provincial projects being implemented through the NSF:

Table 6.2: Gauteng South: ABSA/GEDA Project

Name of project:	ABSA/GEDA Contact Centre Training Project
Location:	ABSA Contact Centre Auckland Park, Gauteng South
Beneficiaries:	Unemployed adults from the Diepsloot informal settlement
Funding partners:	Gauteng Economic Development Agency (GEDA), Gauteng Provincial Government's Department of Finance and Economic Affairs, ABSA Bank
Training:	Learnership Contact Centre Agents
Number trained to date:	75
Number placed to date:	66

This project was initiated to train unemployed youths from Diepsloot informal settlement as Contact Centre Agents. Stakeholders involved in the project are: Gauteng Economic



Development Agency (GEDA), Gauteng Provincial Government's Department of Finance and Economic Affairs, ABSA Bank. The project is funded through the NSF.

An agreement was signed by ABSA Direct to employ between 100 and 150 unemployed individuals from the previously disadvantaged communities through an alternative staff resourcing channel. This channel sourced, assessed, and trained candidates to the level required by ABSA.

Table 6.3: North West Province: Hydroponics Project

Name of project:	Hydroponics Project, Bophirima District
Location:	Vryburg, Taung, Ganyesa, Tosca, Migdol, Schweizer Reneke, Bloemhof and Christiana
Beneficiaries:	Unemployed adults from the different towns and villages
Funding partners:	Municipalities of the Bophirima District
Training:	Agricultural courses in seedling production, transplanting of seedlings, cultivation of tomatoes, fertilisation and irrigation, weed foliage and pest control, harvesting and marketing, bottled products and canning of vegetables and management and administration courses.
Number trained to date:	98
Number placed to date:	98

This Hydroponics Project was established by the different municipalities of the Bophirima District to create an intensive and integrated vegetable production cluster spread over several towns and villages. The project runs in eight towns and villages (Vryburg, Taung, Ganyesa, Tosca, Migdol, Schweizer Reneke, Bloemhof and Christiana). Each site is managed as a separate business unit.

Beneficiaries on all the units receive training conducted by "Skills for All". Agricultural courses are offered in Seedling Production, Transplanting of Seedlings, Cultivation of Tomatoes, Fertilisation and Irrigation, Weed Foliage and Pest control, Harvesting and Marketing, Bottled Products and Canning of Vegetables.

To complement the agricultural training, 'Leps Consultancy for Administrative Courses' in computer skills offers management and administration training, office administration, stock control, store management and supervision.

There are 14 beneficiaries in each unit with the exception of the Moeding unit in Vryburg, which has eight beneficiaries. The project provides jobs for 106 people of whom 98 underwent training - this number does not include the community members who are contracted to assist with packaging and planting.

Table 6.4: Limpopo Province: Gondu Lashu Project

Name of project:	Gondulashu (Our Victory)
Location:	Sekhukune and Mopani rural villages
Beneficiaries:	Unemployed youths and adults in the rural villages of Mopani and Sekhukune
Funding partners:	Road Agency Department of Public Works, United Kingdom Department for International Development (DFID), International Labour Organisation (ILO) and Department of Rural Roads, Lesotho
Training:	Scaffolding, quarry work, gravelling, cement mixing and levelling the surface of the road, management and administration courses
Number trained to date:	1 360
Number placed to date:	1 360

Gondulashu is a road-works project and a model of the Expanded Public Works Programme of the President's Office. The negotiations to start the project commenced in 1998. Contractors were first trained, and in 2002 the first group of beneficiaries started with their Department of Labour funded training.

The first part of the project was developed in Sekhukune and later expanded to also include the rural villages in Mopani. The project concentrates on building a network of roads between and within these villages. These roads are new as there were previously no proper roads in these areas. The beneficiary employment strategy is to recruit workers from the villages closest to the road works. If the road extends more than 50% of the distance away from one village, people from the next village are recruited and trained. These recruits are then trained in scaffolding, quarry work, gravelling, and cement mixing and leveling the surface of the road. The project manager indicated that management and administration courses are also provided so that beneficiaries will be able to take care of the maintenance of the roads. The rest of the training is on the job as the roads are constructed. Villagers are employed for a period of six to 12 months, depending on the distance of the road that is being built. Afterwards, beneficiaries are employed to maintain roads in and near their village. Beneficiaries are also trained to be environmentally sensitive and preserve growth on the sides of the road when areas are cleared.

The Public Works Road-Building Programme is one of the most successful projects in South Africa because of the number of beneficiaries that are trained and the improvement



of quality of life in the communities as a result of the remuneration that beneficiaries receive.

6.4 Success Indicator 4.2

By March 2005, the impact of the National Skills Fund is measured by project and duration, including details of placement rates, which shall be at least 70%

6.4.1 Review of previous findings

The average placement rates for Social Development Projects in 2003, were 75%. This was a considerable improvement on the previous year, when the placement rate was only 35%.

6.4.2 Progress achieved in 2003/04

Table 6.5: Placement statistics of unemployed as trained under the SDFW of the NSF 2003/2004

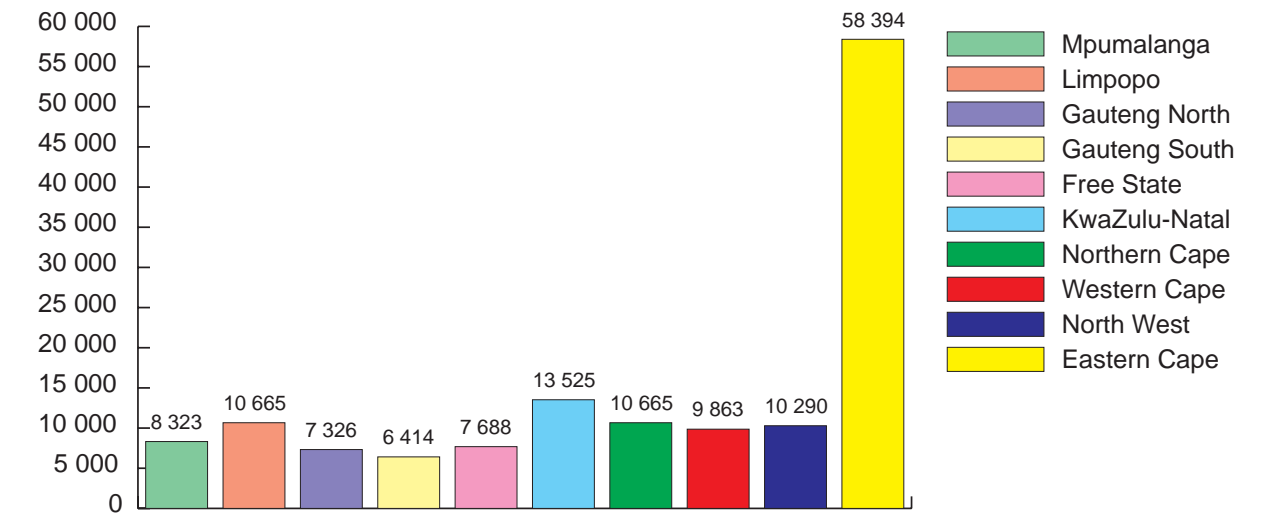
Province	Total trained	% Placed	Number of people placed			
			Formal sector	Social development	Self employment, informal sector	Further education and training
Total	144 056	70%	4 985	77 937	3 876	4 777

Table 6.5 shows that the average placement rate across all the provinces for 2003/04 was 70%, slightly down from last year but on target. The Northern Cape, Gauteng South, Free State and Northern Cape have all achieved placement rates above 80%. However, Gauteng North and KwaZulu-Natal are both below the 70% target.

The number of people trained through social development projects has also increased. In March 2003, 94 173 people had been trained. By March 2004, 131 781 had been trained, almost 50 000 more than last year. Figure 6.3 shows the breakdown of beneficiaries per province.

Once more the Eastern Cape has trained by far the highest number of learners, on the basis of their high allotment of funds. (58 394 learners were trained in the Eastern Cape in 2003/04).

Figure 6.3: Breakdown of beneficiaries per province



6.5 Achievements and challenges

Once more the target for placements has been met. The four provinces that have achieved placement rates over 80% are doing particularly well. Gauteng North and KwaZulu-Natal's placement rates will be monitored in the next year to ensure overall achievement of the target in these provinces too. There has also been strong growth in the number of beneficiaries trained in social development projects.

Spending is still falling short of the 100% target although it is widely accepted to have been an extremely optimistic target. There has been a steady improvement in provincial expenditure since 2001 and pressure will be maintained to ensure that the target is met by March 2005.

Chapter 7

Strategic Objective Five: Assisting new entrants into employment

7.1 Overall progress on Objective Five

Success Indicator 5.1

By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships

Figure 7.1: Number of learnership agreements registered

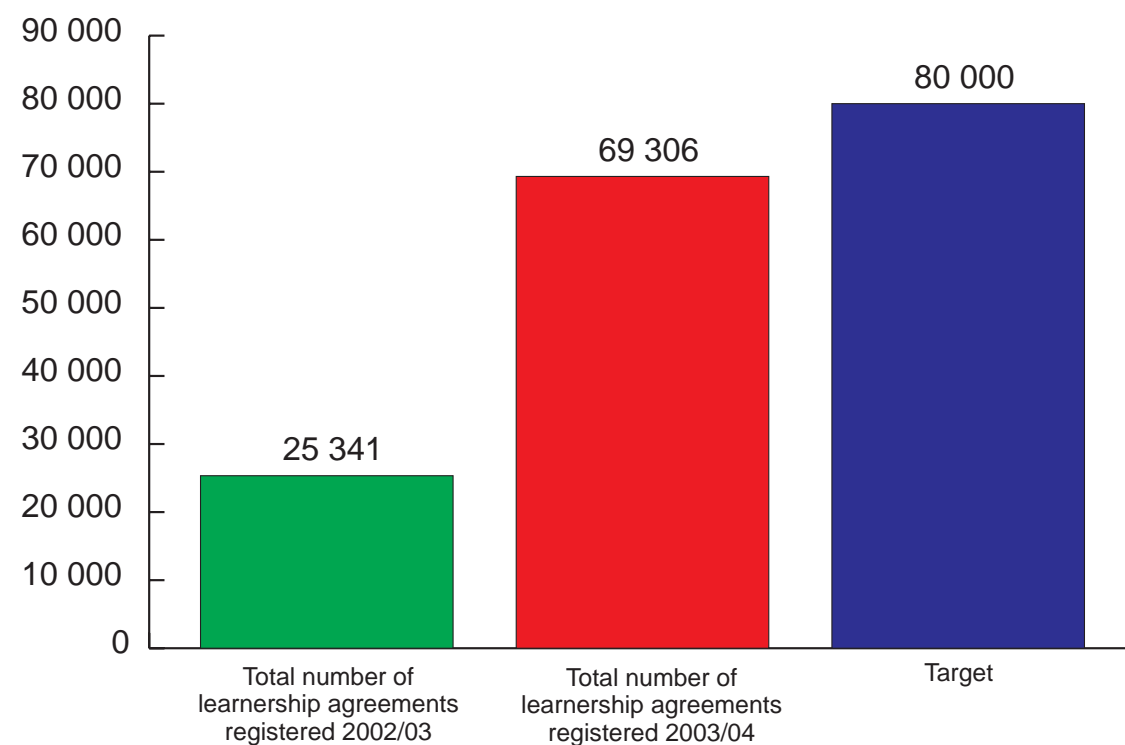


Figure 7.1 shows that the number of registered learnership and apprenticeship agreements has more than tripled in the last year. SETAs will still need to support the registration and implementation of another 10 694 learnership agreements to meet the March 2005 target.

7.2 Setting the scene

The youth are a vulnerable group in South Africa and are thus a special target of the National Skills Development Strategy. The intention is to target unemployed youth and provide them with skills to improve their choices of finding or creating work.

The targets set for this objective include the following:

Success Indicator 5.1: By March 2005, a minimum of 80 000 people under the age of 30 have entered into learnerships.

Success Indicator 5.2: By March 2005, a minimum of 50% of those who have completed learnerships are, within six months of completion, employed in full time study or further training or are in a social development programme.

7.3 Success Indicator 5.1

By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships

7.3.1 Review of previous findings

By March 2003, a total of 25 341 learnership agreements were registered. A total of 33% of these were with unemployed learners and 67% percent with employed learners. At the time, 1 470 unemployed and 2 538 employed learners completed learnerships. This resulted in a total of 4 008. In March 2003, there were also 17 735 registered apprentices in South Africa resulting in a total of 43 000 learners in formal agreements to undertake structured training with workplace and theoretical components. At the time it was estimated that 32.5% of the target had been achieved.

7.3.2 Progress achieved in 2003/04

At the end of March 2004 SETAs reported a total of 69 306 learnership agreements (this includes 19 951 apprenticeship agreements) to have been registered for 18.2 learners (previously unemployed) under the age of 35.

Tourism Learnership Project (TLP)

The TLP as part of its tourism support strategy, supported by the Business Trust was a four-year initiative that sought to ensure the following achievements:

- 12 000 employed learners to have hospitality unit standards
- 6 000 employed learners to have completed skills programmes
- 3000 employed learners to have completed learnerships
- 5 000 unemployed learners to be registered on learnerships.

By March 2004, the project had exceeded its first and last target. Over 13 000 employed learners had achieved 689 000 hospitality unit standards; similarly 6 124 unemployed learners had registered on learnerships, and 2 422 had already obtained their qualifications. Half way through the final year of the project, the other targets were also near achievement.

An evaluation of the project found that, at least 46% of the unemployed learners had found employment on completion of their learnerships. The greatest successes were realised on those learnerships with very good lead employer agencies.

Source: THETA Annual Report, 2004

Table 7.1 shows the performance of individual SETAs against the Growth and Development Summit targets set in 2003. The SERVICES SETA have exceeded their learnership targets by the greatest amount. The following SETAs have all delivered over 4000 learners:

- ETDP SETA
- HWSETA
- MQA
- MERSETA
- SERVICES SETA
- THETA

- TETA
- W&RSETA

The following SETAs have not yet met their targets, CETA, DIDTETA, ETDPSSETA, MQA, POSLEC, PAETA, PSETA and SETASA.

Table 7.1: SETA performance against the Growth and Development Summit learner commitments (learners below the age of 35)

SETA	GDS commitments 18(2) learners only	Total to date	Variance	18(1) learners
FASSET	1 200	2 931	1 731	8 463
BANKSETA	1 050	1 115	65	173
CHIETA	1 466	1 945	479	559
CTFL	1 080	1 914	834	1 869
CETA	2 174	1 042	-1 132	470
DIDTETA	8 600	1 423	-7 177	1 029
ETDPSSETA	5 000	4 145	-855	621
ESETA	782	849	67	381
FOODBEV	1 200	2 199	999	761
FIETA	825	871	46	574
HWSETA	2 000	4 131	2 131	1 725
ISETT	1 500	2 935	1 435	225
INSETA	350	350	0	93
LGWSETA	670	3 110	2 440	
MAPPP	653	1 182	529	205
MQA	7 340	4 089	-3 251	56
MERSETA	8 831	9 671	840	2 620
POSLEC	300	100	-200	27
PAETA	1 000	722	-278	328
PSETA	10 000	220	-9 780	
SETASA	489	158	-331	87
SERVICES	4 148	8 212	4 064	2 148
THETA	8 000	7 011	-989	3 293
TETA	2 250	4 425	2 175	1 432
W&RSETA	2 000	4 556	2 556	1 390
Total	72 908	69 306	-3 602	28 529

The NSF budgeted an amount of R300 million to support SETAs to achieve these targets. The approved applications were however only finalised during the latter part of March 2004 and therefore the NSF incurred no expenditure under this funding window during 2003/04. An amount of R700 million is being budgeted for the 2004/05 financial year for this purpose. Included in this budget is an amount of R90 million set aside to fund 12 provincial

Employment and Skills Development Lead Employer (ESDLE) pilot projects which are intended to help small firms to take on learners.

Applications for the funding of unemployed learners, which will be administered by the under mentioned SETAs, have been approved during March 2004, namely:

Table 7.2: Approved funding of unemployed learners for SETAs

SETA	Unemployed learners	Amount allocated (R)
Bank SETA	800	20 000 000
Clothing, Textiles, Footwear and Leather SETA (CTFL)	1 200	30 000 000
Insurance SETA (INSETA)	1 500	37 500 000
Information Systems, Electronics and Telecommunication Technologies SETA (ISETT)	850	21 250 000
Manufacturing, Engineering and Related Services SETA (MERSETA)	3 831	77 465 440
Primary Agriculture SETA (PAETA)	1 667	42 482 812
Public Service SETA (PSETA)	4 197	106 777 551
Transport SETA (TETA)	2 253	58 871 000
Wholesale and Retail SETA (W&RSETA)	2 000	50 514 000
Total	18 298	444 860 803

7.4 Success Indicator 5.2

By March 2005, a minimum of 50% of those who have completed learnerships are, within 6 months of completion, employed, in full time study or further training, or are in a social development programme.



Timbali Flower Incubator

The Timbali Flower Incubator Project is an initiative to create new opportunities for young people, mainly unemployed in the Nelspruit area to earn a realistic and sustainable income. In essence, Timbali secured land and with the support of the Department of Science and Technology and the Department of Trade and Industry, erected 10 tunnels as covered structures with the purpose to cultivate export quality Gerbera flowers.

Ten young people, 6 females and 4 males of whom 9 are Black were identified and contracted as Gerbera growers. By 1 November 2003, these new farmers moved into their respective tunnel structures to commence with the growing of the plants.

In parallel to the initiative to develop the farm and construct the structures required for cultivation, Timbali approached the PAETA-NSF fund to financially support the process to ensure that the necessary skills are in place to produce export quality Gerberas. During May 2003, the Technical Advisory Committee, guiding the PAETA NSF project, approved R900 000 with the purpose to:

- Enroll all 10 participants on a learnership in horticulture
- Expose all 10 participants to some technical skills programmes – specialist areas not sufficiently covered by the learnership
- Fund the cost of a mentor for a period of one year to guide and support the participants in the production process.

Source: PAETA

7.4.1 Review of previous findings

In March 2003, it was reported that a study evaluating learnerships was currently underway and would be completed in 2004.

7.4.2 Progress achieved in 2003/04

A draft of the above mentioned report has been prepared. Early findings to emerge from this research include the following:

- Learners and employers are overwhelmingly positive about their involvement in learnerships
- Both learners and employers indicate high satisfaction with the theoretical component of the learnerships although some learners indicated that the theoretical training should be extended
- 90% of learners reported that the level of supervision they received was satisfactory or good.

Much more conclusive and in-depth findings will be reported in the final NSDS implementation report to be published after March 2005.

7.5 Bursaries

For the 2003 academic year R21 137 000 was allocated through the National Research Foundation (NRF), funding 871 post-graduate bursaries in areas of scarce skills, covering from Honours to Post-Doctoral studies. For the undergraduate bursaries, the National Student Financial Aid Scheme (NSFAS) disbursed an amount of R102 398 266 to cover 15 064 bursaries in the first three quarters of the 2003 academic year.

The scarce skills categories broadly covers the following fields of study: accounting, actuarial science, auditing, bio-informatics, bio-technology, chemistry, computer science, demography, earth science, engineering, financial management, information systems, management studies, mathematical sciences, microbiology, physics, tourism and transportation studies.

The NSF has also taken a further step to consolidate its bursary scheme in that bursaries for people with disabilities will as from the 2004 academic year also be managed through the NSFAS and NRF. A total amount of R18 272 600 has been made available to the two institutions for awarding bursaries to people with disabilities for the 2004 academic year.



7.6 Achievements and challenges

The commitment by stakeholders to the Growth and Development Summit agreements in May 2004, has provided strong impetus for the implementation of learnerships – especially those directed at previously unemployed learners under the age of 35. Those SETAs that have exceeded their targets and who have enrolled large numbers of learners are to be congratulated. The NSA and the Department will be monitoring the SETAs who have not yet met their targets closely in the next year. With the continued commitment of all implementation partners and close monitoring the target of 80 000 learners in learnerships should be achieved.

Information on the placement of learners is still being collected and will be reported in the final implementation report for 2004/05 and as part of the overall assessment of the first National Skills Development Strategy for 2001-2005.

Chapter 8

Progress on equity targets across all NSDS objectives

8.1 Background

The attainment of greater equity in education and training is seen as critical to the overall transformation in South Africa. For this reason the equity targets underpin every learner-focused objective of the NSDS. It is stated that the beneficiaries of the strategy should be 85% Black, 54% female and 4% people with disabilities.

This chapter will provide an overview of progress on equity targets for the NSDS objectives 1,4 and 5, which deal with learner beneficiary numbers.

8.2 Objective One

8.2.1 Success Indicator 1.1

By March 2005, 70% of all workers have at least a level one qualification on the National Qualifications Framework

Table 8.1 illustrates the breakdown of workers who have achieved NQF level 1 qualifications by racial and gender groups. As is perhaps to be expected, the target of 85% Black people receiving training was almost reached during 2001/02 and 2002/03. In real numbers the number of Black people being trained since March 2001 has increased as have the number of females being trained. But as a percentage of total, the number of females and people with disabilities achieving NQF level one is still significantly under target. In total, 87% of those who participated in NQF level one learning programmes during this period were Black, 33% were female and 0.1% were people with disabilities. Participation of Black learners in NQF level one learning programmes is currently above the set equity target while females and people with disabilities are still below the set targets of 54% and 4% respectively.

Table 8.1: Race, gender and disability breakdown of workers achieving NQF level one qualifications

Period	Population group					Total	People with disabilities		
	Black		White		Not specified		Male	Female	Not specified
	Male	Female	Male	Female					
2001/02	85 232	46 975	5 527	6 213	0	143 947	58	70	0
2002/03	227 416	58 554	36 237	12 319	25 572	360 098	17	2	5
2003/04	221 067	134 058	20 574	34 234	8 093	418 035	292	5	323
Grand total	533 715	239 587	62 338	52 766	33 665	922 080	367	77	328
Equity targets	Black 85%		Female 54%			People with disabilities 4%			
Progress	87%		33%			0.1%			

Source: SQMR

8.2.2 Success Indicator 1.2

By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50 % have completed their programmes satisfactorily

Table 8.2 illustrates the race and gender breakdown of workers who completed structured learning programmes in the last three years. Overall, 84% of those who have completed structured learning programmes including NQF level one were Black. Progress with regard to females and people with disabilities completing training against targets is 35% and 0.4% respectively.

Table 8.2: Race and gender breakdown of workers who completed structured training (including NQF level 1)

Period	Population group					Total	People with disabilities		
	Black		White		Not specified		Male	Female	Not specified
	Male	Female	Male	Female					
2001/02	2 575	1 425	841	238	0	5 079	0	0	0
2002/03	71 275	16 672	17 529	5 836	55	111 367	110	9	3
2003/04	152 938	107 369	27 326	15 582	1 239	304 454	593	10	821
Grand total	226 788	125 466	45 696	21 656	1 294	420 900	649	19	824
Equity targets	Black 85%		Female 54%			People with disabilities 4%			
Progress	84%		35%			0.4%			

Source: SQMR, 2004

8.3 Objective Four

8.3.1 Success Indicator 4.1

By March 2003, 100% of National Skills Fund apportionment to social development is spent on viable development projects

Table 8.3 indicates that a total of 144 056 unemployed people participated in social development projects by the end of March 2004. Of this total, 99.5% were Black people, 58% were females and 1.3% were people with disabilities.

Table 8.3: Number of trained unemployed people who received training by age, population group and gender, 2003/04

	Total	Age groups		Population groups		Gender		People with disabilities
		<35	>35	Black	White	Male	Female	
Total	131 781	73 798	57 983	131 122	659	55 348	76 433	1 739
		56%		99.5%			58%	1.32%

Source: NSFDIS/ TUP system

8.4 Objective Five

8.4.1 Success Indicator 5.1

By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships

Table 8.4 indicates a substantial growth in the number of Blacks, females and people with disabilities entering learnership programmes. **Table 8.4** indicates the growth from 2002 of Blacks being just 6% to 59% in 2004, the female category growing from 4% in 2002 to 29% in 2004 and people with disabilities from 1% in 2002 to 2% in 2004.

The equity target has not yet been achieved.

Table 8.4: Equity targets for Indicator 5.1

	Target	2002	2003	2004	Balance to 2005
Black	85%	6%	41%	59%	26%
Female	54%	4%	22%	29%	25%
People with disabilities	4%	0.1%	0.4%	2%	2%



8.5 Achievements and challenges

Comments and concerns were raised in the previous implementation report regarding the slow progress towards meeting the equity targets. There has been some clear improvements in this regard during 2003/04.

In particular:

- Race equity targets are now being met for Success Indicators 1.1 and 4.1
- Gender targets are now being met for Success Indicators 1.2 and 4.1.

However the following equity targets are still not being achieved:

- Gender targets for Success Indicators 1.1 and 5.1
- Race and gender targets for 1.2
- Disability targets for all indicators.

While there have been improvements, the area of equity remains a concern in relation to the implementation of the NSDS targets by March 2005. The very low performance in relation to the disability targets is of particular concern and will be the subject of rigorous monitoring over the next year.

Chapter 9

Way Forward

The findings in this report point to a year of consolidation and real progress in implementing the 2001-2005 NSDS. We are now firmly on track to meeting most of the objectives and success indicators of this strategy. However, there continue to be challenging areas.

We reported last year that the following targets had already been achieved or exceeded:

- 15% of learners in structured learning – this Success Indicator has now been exceeded by over 300% (indicator 1.2)
- 40% of medium sized firms receiving skills grants – this has been exceeded by over 100% due to businesses claiming for previous years (indicator 2.2)
- Learnerships continue to be available in all sectors and the number of learnerships being registered and implemented has grown (indicator 2.3)
- Just over 70% of learners in social development projects have found placements – slightly less than last year but still on target (indicator 4.2)
- Government departments continue to report on their training expenditure and increasing numbers are submitting workplace skills plans (indicator 2.4).

In addition we are now meeting or exceeding the following targets:

- 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactory - this target has been exceeded by over 100% (indicator 1.2)
- 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contributions towards productivity and employer and worker benefits are measured (indicator 2.2). Currently 53% of these enterprises receiving skills development grants
- 20% of small businesses are supported in skills development initiatives - this is currently at 37% (indicator 3.1).

Substantial progress has been made in meeting the following targets and they are likely to be met in the next financial year with continued focus and momentum:

- 70% of workers achieving a level 1 qualification (indicator 1.1)
- A minimum of 80 000 people under the age of 30 in learnerships - we have now achieved 69 306 (indicator 5.1).

Progress has also been made in relation to the impact targets (such as 2.1, 2.2, 3.1 and 5.2) - research has been commissioned and draft findings have been made available. Final results and comments will be made available next year (2005), when the full strategy is reviewed.

However, while there have been some improvements in the equity targets, we are still short of meeting some of them. We have moved closer to achieving gender equity targets but are still far off the disability targets. These indicators require more attention in the next strategy.

Hence the work will continue and the lessons of the first four years of implementation will be integrated into the ongoing transformation of skills development in South Africa.

Appendix 1

SETA Scorecards

FASSET									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
105 859	0	0%	144 704	137%	7 400	7%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 79 395	0	0%	82 570	104%	172 570	217%	Target exceeded		
Completed 39 697	23 970	60%	32 921	83%	30 348	76%	Target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	3	15%	14	70%	3	15%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
85%	32	76%	33	79%	35	83%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
85%	599	36%	68	41%	66	40%	Target met		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10	9	90%	5	50%	18	180%	Target exceed		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
6 000	82	1%	1 361	23%	1 513	25%	3 044	51%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 000	0	0%	1 300	43%	2 544	85%	456	15%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
88 438		103 716		(15 278)					

BANKSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 712	677	18%	705	19%	3 241	87%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 60 000	113 513	189%	97 615	163%	278 484	464%	Participation target exceeded		
Completed 60 000	0	0%	0	0%	74 201	124%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	91	455%	Target exceeded		
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
45	50	111%	89	198%	104	231%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
41	31	76%	32	78%	86	210%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
5	3	60%	8	160%	0	0%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
125	103	82%	188	150%	62	50%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 000	59	2%	153	5%	1 055	35%	1 267	42%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
182 640		173 309		9 331					

INSETA							
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF							
Target	2001/02		2002/03		2003/04		Balance to 2005
700	0	0%	1 000	143%	1 557	222%	Target exceeded
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily							
Target	2001/02		2002/03		2003/04		Balance to 2005
Embarked 84 000	0	0%	25 200	30%	197 509	235%	Target exceeded
Completed 42 000	0	0%	0	0%	71 217	170%	-12 783
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development							
Target	2001/02		2002/03		2003/04		Balance to 2005
20	0	0%	0	0%	0	0%	20
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
74	0	0%	47	75%	164	222%	Target exceeded
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
2 251	0	0%	1 733	77%	105	5%	1 838 82%
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector							
Target	2001/02		2002/03		2003/04		Balance to 2005
20	0	0%	14	70%	28	140%	Target exceeded
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
4 455	104	2.9%	200	5%	11 946	268%	Target exceeded
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships							
Target	2001/02		2002/03		2003/04		Balance to 2005
2 000	0	0%	154	8%	51	3%	1 795 90%
Financial information 2003/04 R million							
Total income R	Total expenditure R	Surplus (Deficit) R					
115 409	110 348	9 331					

SERVICES							
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF							
Target	2001/02		2002/03		2003/04		Balance to 2005
2 000	1 480	74%	1 500	75%	1 540	77%	Target exceeded
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily							
Target	2001/02		2002/03		2003/04		Balance to 2005
Embarked 4 650	100 582	2 163%	130 439	2 805%	142 379	3 062%	Target exceeded
Completed 4 650	34 494	742%	63 312	1 362%	123 930	2 665%	Target exceeded
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development							
Target	2001/02		2002/03		2003/04		Balance to 2005
20	0	0%	0	0%	22	110%	Target exceeded
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
243	155	64%	153	63%	182	75%	Target exceeded
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
85	149	31%	183	38%	198	41%	Target exceeded
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector							
Target	2001/02		2002/03		2003/04		Balance to 2005
11	10	91%	18	164%	13	118%	Target exceeded
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
13 136	1 149	9%	2 913	22%	9 510	72%	Target exceeded
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships							
Target	2001/02		2002/03		2003/04		Balance to 2005
10 000	50	1%	784	8%	4 300	43%	5 134 51%
Financial information 2003/04 R million							
Total income R	Total expenditure R	Surplus (Deficit) R					
328 798	359 468	(30 670)					

THETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
9 250	0	0%	9 250	100%	463	5%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 2 310	0	0%	5 625	244%	2 168	94%	Participation target exceeded		
Completed 2 310	0	0%	0	0%	16 907	732%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
65	0	0%	22	34%	43	66%	Target met		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
95	0	0%	72	76%	49	52%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
	0	1%	23		0	0%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 384	0	0%	0	0%	91	7%	1 293	93%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
2 000	1 000	50%	5 130	257%	11 067	554%	Target exceeded		
2 000	0	0%	0	0%	2 567	1 858%	Target exceeded		
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
153 166		88 186		64 980					

TETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10 500	6 667	63%	2 627	25%	1 557	15%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 50 000	10 355	21%	240 114	480%	17 101	34%	Participation target exceeded		
Completed 25 000	0	0%	114 526	458%	20 236	81%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	10	50%	0	0%	10	50%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
47	48	78%	43	70%	275	585%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
40%	13	78%	26	70%	179		Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
15	20	133%	2	13%	5	33%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
29 095	1 300	4%	1 960	7%	2 643	9%	5 903		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
29 095	1 062	4%	1 412	5%	3 395	12%	23 229	80%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
190 553		147 220		43 333					

CTFLSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
30 308	4 600	15%	15 732	52%	7 117	23%	2 859	9%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 116 250	1 216	1%	56 822	49%	109 527	94%	Participation target exceeded		
Completed 58 125	0	0%	49 325	85%	45 762	79%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
222	202	91%	228	103%	281	127%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
236	94	40%	245	104%	190	81%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
62	12	19%	30	48%	7	11%	13	21%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
314	154	49%	156	50%	242	77%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 080	0	0%	1 602	148%	914	85%	Target exceeded		
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
80 107		56 228		23 879					

CETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
266 000	178	0%	221 160	83%	2 000	1%	42 662	16%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 57 000	0	0%	41 500	73%	70 081	123%	Participation target exceeded		
Completed 28 500	6 256	22%	36 793	130%	55 909	196%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	12	60%	8	40%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
140	121	86%	140	100%	125	89%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
118	145	123%	160	136%	164	139%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10	1	10%	16	160%	39	390%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 180	211	18%	50	4%	621	53%	298	25%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
2 174	178	8%	50	2%	1 240	57%	706	32%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
156 109		82 572		73 538					

CHIETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
98 400	96 000	98%	0	0%	0	0%	2 400	2%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 18 000	55 000	306%	44 512	247%	75 975	422%	Participation target exceeded		
Completed 9 000	117 403	1 304%	47 574	529%	42 401	471%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
28	1	4%	0	0%	23	82%	4	14%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
110	86	78%	135	123%	145	132%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
140	176	126%	117	84%	132	94%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
60	0	0%	28	47%	12	20%	20	33%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 013	347	34%	403	40%	500	49%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 466	0	0%	730	50%	1 215	83%	Target exceeded		
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
150 674		139 576		11 099					

FIETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
32 032	323	1%	3 073	10%	10 174	32%	18 462	58%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 9 953	7 281	73%	12 702	128%	26 059	262%	Participation target exceeded		
Completed 4 976	0	0%	0	0%	19 983	402%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
212	76	36%	53	25%	60	28%	23	11%	
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
118	33	28%	48	41%	50	42%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
11	0	0%	25	227%	25	227%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20%	33	24%	43	31%	310	226%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 300	0	0%	182	6%	1 168	35%	1 950	59%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
61 963		48 361		13 602					

MAPPP									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
2 868	91	3%	412	14%	217	8%	2 148	75%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 14 200	2 094	141%	5 143	171%	5 419	174%	Participation target exceeded		
Completed 7 100	9 096	128%	23 149	326%	24 641	347%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
85	0	0%	143	91%	58	37%	Target met		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
40	0	0%	480	63%	94	50%	Target met		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
70	0	0%	31	44%	59	84%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
800	0	0%	115	14%	1 121	140%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
250	147	59%	286	114%	1 301	480%	Target exceeded		
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
163 591		103 584		60 007					

SETASA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10 000	0	0%	4 216	42%	3 932	39%	1 852	19%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 43 366	0	0%	12 400	29%	30 966	71%	Participation target exceeded		
Completed 34 460	0	0%	9 993	29%	24 267	71%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	2	10%	18	90%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
135	127	94%	133	99%	120	89%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
90	80	89%	84	93%	84	93%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10	0	0%	6	60%	10	100%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
500	67	13%	148	30%	188	38%	97	19%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 500	0	0%	216	14%	130	9%	1 154	77%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
77 213		52 898		24 315					

ISETT							
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF							
Target	2001/02		2002/03		2003/04		Balance to 2005
201 400	0	0%	130 000	65%	209 550	104%	Target exceeded
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily							
Target	2001/02		2002/03		2003/04		Balance to 2005
Embarked 63 600	0	0%	14 000	60%	106 178	167%	Participation target exceeded
Completed 38 160	0	0%	4 200	11%	106 509	279%	Completion target exceeded
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development							
Target	2001/02		2002/03		2003/04		Balance to 2005
20	0	0%	0	0%	1	5%	19 95%
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
74	0	0%	87	75%	97	131%	184 249%
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
95	0	0%	120	126%	135	142%	Target exceeded
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector							
Target	2001/02		2002/03		2003/04		Balance to 2005
18	0	0%	14	77%	3	17%	17 94%
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
1 389	0	0%	330	24%	854	61%	205 15%
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships							
Target	2001/02		2002/03		2003/04		Balance to 2005
3 500	0	0%	0	0%	3 181	91%	319 9%
Financial information 2003/04 R million							
Total income R	Total expenditure R		Surplus (Deficit) R				
198 168	198 902		(734)				

PAETA							
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF							
Target	2001/02		2002/03		2003/04		Balance to 2005
3 000	0	0%	510	17%	1 203	40%	1 713 57%
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily							
Target	2001/02		2002/03		2003/04		Balance to 2005
Embarked 7 500	0	0%	28 000	373%	53 757	717%	Participation target exceeded
Completed 3 750	3 750	0%	0	0%	54 057	1 442%	Completion target exceeded
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development							
Target	2001/02		2002/03		2003/04		Balance to 2005
20	1	5%	0	0%	0	0%	19 95%
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
200	147	74%	249	125%	177	89%	Target exceeded
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
223	429	192%	567	254%	287	129%	Target exceeded
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector							
Target	2001/02		2002/03		2003/04		Balance to 2005
6	0	0%	8	133%	8	133%	Target exceeded
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured							
Target	2001/02		2002/03		2003/04		Balance to 2005
1 200	3 559	297%	4 001	333%	3 697	308%	Target exceeded
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships							
Target	2001/02		2002/03		2003/04		Balance to 2005
600	0	0%	151	25%	550	92%	Target exceeded
Financial information 2003/04 R million							
Total income R	Total expenditure R		Surplus (Deficit) R				
59 634	28 435		31 199				

W&R SETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
8 000	0	0%	0	0%	4 498	56%	3 502	44%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 120 900	182 871	151%	184 000	152%	175 165	145%	Participation target exceeded		
Completed 60 450	0	0%	0	0%	130 341	216%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	0	0%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
159	144	91%	223	140%	190	119	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
448	274	61%	122	27%	417	93%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
7	0	0%	5	71%	5	71%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
5 664	0	0%	206	4%	4 809	85%	5 015	89%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 000	500	17%	682	23%	5 071	169%	Target exceeded		
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
277 237		174 093		103 144					

MQA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
189 583	0	0%	0	0%	734	0.4%	188 849	99.6%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 56 875	16 310	29%	20 778	37%	42 273	74%	Target exceeded		
Completed 28 438	455	2%	15 636	55%	34 869	123%	Target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
57	34	60%	121	212%	0	0%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
43	14	33%	24	56%	0	0%	5	12%	
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10	0	0%	35	350%	19	190%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 163	1 009	87%	1 261	108%	0	0%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
7 340	1 671	23%	1 384	19%	1 754	24%	2 531	34%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
297 097		215 450		81 647					

ESETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 063	400	38%	508	48%	1 661	156%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 7 969	0	0%	7 500	94%	3 000	38%	Participation target exceeded		
Completed 3 985	0	0%	35 480	890%	2 950	74%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	1	5%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
12	0	0%	13	108%	1	8%	12	100%	
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
14	0	0%	13	93%	1	7%	14	100%	
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	9	45%	9	45%	2	10%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
600	20	3%	136	23%	126	21%	282	47%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
782	536	69%	93	12%	444	57%	1 073	107%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
62 170		51 369		10 801					

MERSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
140 000	0	0%	1 715	1%	4 715	3%	133 570	95%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 75 000	0	0%	62 299	83%	213 658	285%	Participation target exceeded		
Completed 37 500	81 131	216%	100 391	268%	75 561	201%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	0	0%	20	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
581	315	54%	272	47%	343	59%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 062	841	79%	957	90%	210	20%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
63	10	16%	66	105%	11	17%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
5 650	1 581	28%	1 928	34%	1 161	21%	980	17%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
8 831	500	6%	2 000	23%	719	8%	5 612	64%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
430 688		306 059		124 629					

DIDTETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 520	0	0%	1 933	55%	1 636	46%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 52 400	0	0%	13 911	27%	27 651	53%	10 838	21%	
Completed 26 200	0	0%	3 569	14%	1 173	5%	21 458	82%	
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
N/A	0	0	0	0	0	0	0		
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
N/A	0	0	0	0	0	0	0		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
N/A	0	0	0	0	0	0	0		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
60	0	0%	6	10%	0	0%	54	90%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
N/A	0	0	0	0	0	0	0		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
8 600	0	0%	688	8%	88	1%	7 824	91%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
6 954		9 071		(2 117)					

ETDPSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10 000	3 492	35%	0	0%	1 631	16%	4 877	49%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 96 000	177 491	185%	294 413	307%	129 393	135%	Participation target exceeded		
Completed 59 988	12 000	12,5%	18 935	19,72%	129 053	134,34%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	9	45%	11	55%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
91	88	97%	35	38%	54	59%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
160	59	37%	53	33%	83	52%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
12	9	75%	2	17%	3	25%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
624	200	32%	0	0%	619	99%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10 000	545	5%	0	0%	3 285	33%	6 170	62%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
178 517		221 408		42 891					

HWSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20 000	0	0%	4 424	22%	85 278	426%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 15 000	0	0%	32 446	216%	204 203	1 361%	Participation target exceeded		
Completed 7 500	0	0%	37 154	495%	28 215	376%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	0	0%	15	75%	5	25%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
87	0	0%	53	61%	17	20%	17	20%	
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
74	0	0%	53	72%	17	23%	4	5%	
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	8	40%	2	10%	10	50%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
32	0	0%	0	0%	41	128%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 100	0	0%	598	19%	2 250	73%	252	8%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
114 914		92 462		22 452					

POSLECSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
308 000	92	0%	3 188	1%	1 735	1%	302 985	98%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 66 000	87 033	132%	221 913	336%	115 108	174%	Participation target exceeded		
Completed 33 000	55	0.2%	201 050	609%	434 031	1 315%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	3	15%	0	0%	17	85%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
75	62	83%	56	75%	110	147%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
44	32	73%	40	91%	144	327%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
5	1	20%	6	120%	3	60%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
670	0	0%	165	25%	738	110%	Target exceeded		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3 200	0	0%	25	1%	56	2%	3 119	97%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
79 042		39 252		39 790					

LGWSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
46 000	150	0%	1 500	3%	38 604	84%	5 746	12%	
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 23 000	700	3%	1 156	5%	25 919	113%	Participation target exceeded		
Completed 11 500	40 523	352%	1 156	10%	25 919	225%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
3	0	0%	0	0%	0	0%	3	100%	
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
267	128	48%	140	52%	166	62%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
101	19	19%	20	20%	25	25%	37	37%	
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
25	3	12%	0	0%	14	56%	8	32%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
30	0	0%	2	7%	3	10%	25	83%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
2 715	0	0%	96	4%	864	32%	1 755	65%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
147 147		262 089		114 942					

PSETA									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
14 042	0	0%	29 681	211%	3 372	24%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
Embarked 21 735	0	0%	12 926	59%	8 915	41%	Participation target exceeded		
Completed 10 867	35 055	323%	30 901	284%	59 139	544%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
0	0	0	0	0	0	0	0		
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
0	0	0	0	0	0	0	0		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
0	0	0	0	0	0	0	0		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
15	0	0%	3	20%	10	67%	2	13%	
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
0	0	0	0	0	0	0	0		
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
10 000	0	0%	0	0%	21	0%	9 979	100%	
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
153 166		88 186		64 980					

FOODBEV									
Success Indicator 1.1 By March 2005, 70% of workers have at least a level one qualification on the NQF									
Target	2001/02		2002/03		2003/04		Balance to 2005		
5 600	574	10%	2 666	48%	3 111	56%	Target exceeded		
Success Indicator 1.2 By March 2005, a minimum of 15% of workers to have embarked on a structured learning programme, of whom at least 50% have completed their programme satisfactorily									
Target	2001/02		2002/03		2003/04		Balance to 2005		
embarked 65 000	13 813	21%	79 188	122%	75 180	116%	Participation target exceeded		
completed 32 500	79 110	243%	111 450	343%	90 278	278%	Completion target exceeded		
Success Indicator 1.3 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development									
Target	2001/02		2002/03		2003/04		Balance to 2005		
20	0	0%	1	5%	27	135%	Target exceeded		
Success Indicator 2.1 By March 2005, at least 75% of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
96	125	75%	167	100%	150	156%	Target exceeded		
Success Indicator 2.2 By March 2005, at least 40% of enterprises employing between 50 and 150 workers are receiving skills development grants and the contribution towards productivity and employer and employee benefits are measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
150	32	30%	92	85%	99	66%	Target exceeded		
Success Indicator 2.3 By March 2005, learnerships are available to workers in every sector									
Target	2001/02		2002/03		2003/04		Balance to 2005		
35	27	77%	32	91%	39	111%	Target exceeded		
Success Indicator 3.1 By March 2005, at least 20% of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured									
Target	2001/02		2002/03		2003/04		Balance to 2005		
560	0	0%	64	11%	112	20%	384	69%	
Success Indicator 5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships									
Target	2001/02		2002/03		2003/04		Balance to 2005		
1 200	0	0%	358	30%	1 718	143%	Target exceeded		
Financial information 2003/04 R million									
Total income R		Total expenditure R		Surplus (Deficit) R					
104 126		97 729		6 397					

Appendix 2

National Skills Fund 1 April 2003 to 31 March 2004

1. Overview of the National Skills Fund

The National Skills Fund (NSF) was established in 1999 in terms of the Skills Development Act, 1998. Its primary source of funding comes from 20% of the skills development levies as contemplated in the Skills Development Levies Act. The Minister of Labour decides on allocation of subsidies from the NSF on basis of priorities set in the National Skills Development Strategy.

At the first National Skills Conference in February 2001, the Minister announced the new Funding Windows for the NSF, which saw an alignment between the objectives of the National Skills Development Strategy (NSDS) and the National Skills Fund's funding windows. **Table 1** illustrates this alignment.

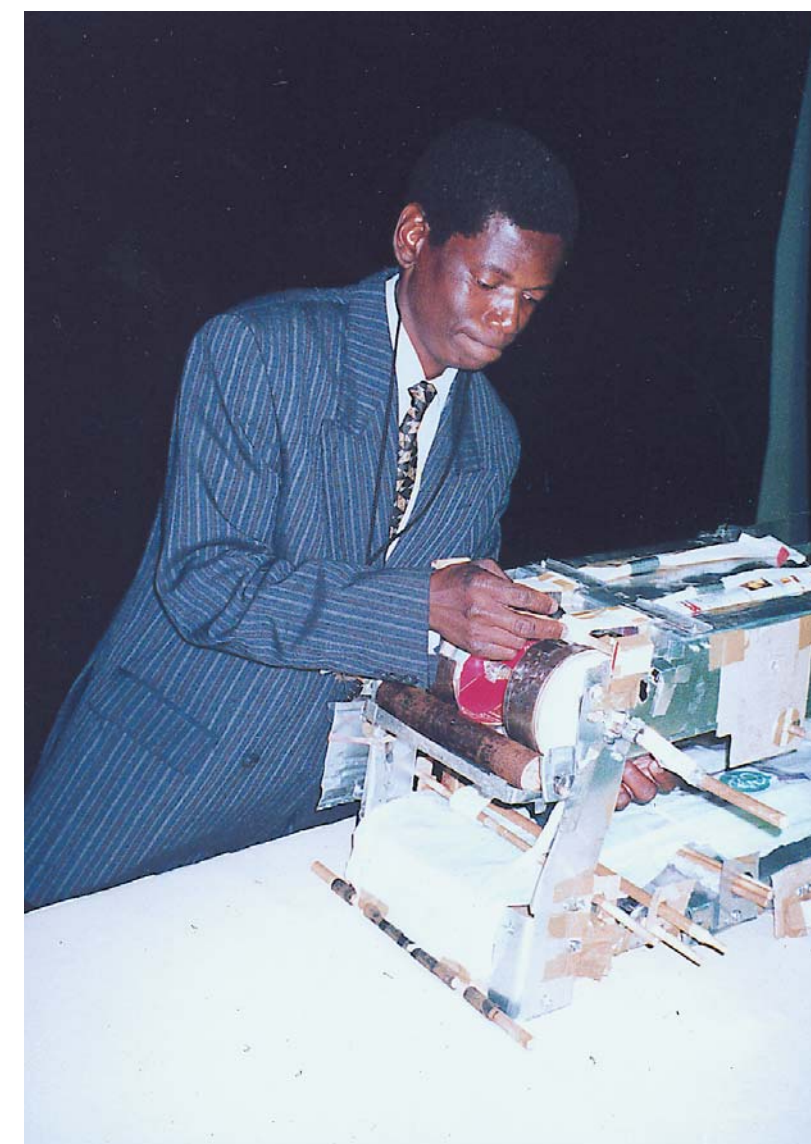


Table 1: Alignment of NSDS objectives with NSF funding windows

NSDS Objective	Success Indicator	NSF Funding Window	NSF Approach
1. Developing a culture of high quality lifelong learning	1.5 By March 2005, 70% of workers have at least a level one qualification on the National Qualifications Framework.	Strategic projects	Strategic projects
	1.6 By March 2005, a minimum of 15 % of workers to have embarked on a structured learning programme, of whom at least 50 % have completed their programme satisfactorily	Strategic projects	
	1.7 By March 2005, an average of 20 enterprises per sector, (to include large, medium and small enterprises), and at least five national government departments, to be committed to, or have achieved, an agreed national standard for enterprise-based people development	Not applicable to NSF	
2. Fostering skills development in the formal economy for productivity and employment growth	2.5 By March 2005, at least 75 % of enterprises with more than 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured.	Not applicable to NSF SETA focus area in terms of mandatory grants	Social development
	2.6 By March 2005, at least 40 % of enterprises employing between 50 and 150 workers are receiving skills development grants and the contributions towards productivity and employer and employee benefits are measured	Not applicable to NSF SETA focus area in terms of mandatory grants	
	2.7 By March 2005, learnerships are available to workers in every sector. (Precise targets will be agreed with each Sector Education and Training Authority.)	Not applicable to NSF SETA focus area in terms of mandatory grants	
	2.8 By March 2005, all government departments assess and report on budgeted expenditure for skills development relevant to Public Service, sector and departmental priorities	Not applicable to NSF SETA focus area in terms of mandatory grants	
3. Stimulating and supporting skills development in small businesses	3.2 By March 2005, at least 20 % of new and existing registered small businesses to be supported in skills development initiatives and the impact of such support to be measured	Strategic projects Skills Support Programme	

NSDS Objective	Success Indicator	NSF Funding Window	NSF Approach
4. Promoting skills development for employability and sustainable livelihoods through social development initiatives	4.1. By March 2003, 100% of the National Skills Fund apportionment to social development is spent on viable development projects	Social development	Social development
	4.2. By March 2005, the impact of the National Skills Fund is measured by project type and duration, including details of placement rates, which shall be at least 70%	Social development	
5. Assisting new entrants into employment	5.1 By March 2005, a minimum of 80 000 people under the age of 30 have entered learnerships.	Strategic projects Learnerships	
	5.2. By March 2005, a minimum of 50% of those who have completed earnerships, within six months of completion are employed (e.g. have a job or are self-employed), in full-time study or further training, or are in a social development programme.	Strategic projects Learnerships	

2. Overview of the NSF Funding Windows

The National Skills Fund consists of eight funding windows, which assist in the disbursing of funds in a more organised and controlled manner. **Table 4** provides a summary of allocations to each window for the 2003/04 period as well as the total expenditure in the same year.

Table 4: Funding Windows of the NSF

Funding Window	2003/04 budget R million	Expenditure by March 2004 R million
1. Social Development Initiatives	272.0	239.7
2. Strategic Projects ¹	615.5	285.0
3. Learnership Funding ²	300.0	0.0
4. Skills Support Programme	45.0	15.8
5. Bursaries	65.6	65.6
6. Innovation and Research ³	17.0	2.0
7. Capacity Building	10.0	0.6
8. Promotion of the NSDS	39.0	11.3

¹ The total budget for Strategic Projects as allocated in 2002 amounted to R1, 25 billion for a three-and-a-half year period. The 3/4 budget includes rollovers from previous years. In total R406 million of the R1,2 billion has already been disbursed

² The learnership funding window was approved in 2003 and due to a delay in finalising projects no expenditure was incurred

³ The low expenditure rate is the result of slow takeoff in some projects.

A brief description of each funding window follows:

2.1 Social Development

This window of the NSF aims to fund training of unemployed or under-employed people so that they are equipped with working skills to facilitate their entry into self-employment or the labour market.

The funds from this window are disbursed through the Department of Labour's provincial offices. They have an established delivery model based on evaluating social development project-linked training applications against set criteria. The said criteria include considerations around whether the proposed project is part of the Provincial Skills Plan, Integrated Rural Development Strategy, Urban Renewal Strategy, Local Economic Development Strategy and whether the beneficiaries will be placed in such projects once training is complete.

2.2 Strategic projects

The main purpose of the Strategic Projects Funding Window is to fund projects whose implementation supports the achievement of government's priority growth and development strategies. SETAs are at present the disbursing agents in the case of the Strategic Projects window. Allocations from the NSF to SETAs has been based on strategic SECTOR choices where training is in support of sectoral growth strategies which reference the following funding areas:

- Development and Piloting of Skills Programmes and Learnerships
- ETD Practitioner Development
- Small Business Development
- Strategic Occupations
- Education Skills (including Adult Basic Education and Training).

2.3 Learnerships

The objective of this window of the NSF is to fund the implementation of learnerships for unemployed learners thereby contributing towards achieving the targets of the Growth and Development Summit of June 2003. Learnerships are established by the Skills Development Act and are programmes that combine institutionalised and workplace learning leading to nationally recognised qualifications.

2.4 Skills Support Programme

The Skills Support Programme (SSP) is linked to the Department of Trade and Industry's Small-and Medium Enterprise Development Programme (SMEDP) and Strategic Industrial Programme (SIP), which are designed to encourage new investments and major expansions. The SSP incentive grant comprises of the following components:

- **Training grant:** This covers training costs for both in-house and outsourced training of new workers
- **Learning programme development grant:** This covers the full costs of developing a learning programme or customising existing programmes to meet the needs of the project
- **Capital grant:** This assists new and expanding firms with the installation of new off-the-line physical training capacity.

2.5 Bursaries (scarce skills)

One of the priority areas identified in Government's Human Resource Development (HRD) Strategy is addressing scarce skills. This window of the NSF aims to contribute towards the achievement of the targets set in the HRD Strategy through the allocation of bursaries (undergraduate and post-graduate) in identified areas of scarce skills. The Department has entered into agreements with the National Student Financial Aid Scheme (NSFAS) and the National Research Foundation (NRF) to administer the undergraduate and post-graduate bursaries respectively.

2.6 Innovation and research

The objective of this window of the NSF is to fund projects that will:

- Generate new or improved knowledge about skills development through research
- Enhance innovation in relation to:
 - Implementation of the National Skills Development Strategy, Skills Development Act and Skills Development Levies Act
 - The generation and distribution of career/labour market information to learners, providers and other users
 - Skills development policy and implementation strategies.

2.7 Capacity building of stakeholders

The objective of this Funding Window is to fund capacity building initiatives for various stakeholders in the area of skills development for the successful implementation of the National Skills Development Strategy. The beneficiaries are intended to be:

- SETA Boards
- SETA staff
- Organised Labour
- Organised Business
- Education and Training Providers
- Designated community groups:
 - Disabled People South Africa (DPSA)
 - South African National Civic Organisation (SANCO)
 - South African Youth Council (SAYCO)
 - Women's National Coalition (WNC).

2.8 Promotion of the NSDS

The objective of this window of the NSF is to fund "projects" that deal with, inter alia, the communication; marketing and advocacy of the objectives of the NSDS, printing of NSDS related promotional material/publications, marketing of projects funded by the NSF and the hosting of the annual skills conference.

It should be noted that once the Minister of Labour launches the new targets and objectives of the NSDS for 2005 – 2010, the NSF funding windows would be reviewed to align to these.

3. Achievements/highlights during 2003/04

3.1 Social development initiatives

The Directorate Employment Services of the Service Delivery Branch of the Department of

Labour manages the implementation of projects funded under the Social Development funding window: This directorate has an established network of 10 provincial offices as well as 125 labour centres.

For the period under review the NSF allocated an amount of R 272 million for Social Development Initiatives. The actual amount spent on the training programmes conducted under the Social Development Funding window during the reporting period amounted to R 239,794,000.

The total number of unemployed people benefiting from the social development projects by province, age group, population group and gender during the reporting period are indicated in **Table 5**.

Table 5: Number of people benefiting from social development initiatives for 2003/04 Provincial

Provincial Office	Total	Age groups		Population groups		Gender		People with disabilities
		<35	>35	Black	White	Male	Female	
Western Cape	10 164	7 260	2 904	10 036	128	5 523	4 641	253
Eastern Cape	53 726	23 253	30 473	53 662	64	20 453	33 273	357
Northern Cape	3 245	1 971	1 274	3 231	14	1 540	1 705	84
Free State	7 206	4 198	3 008	7 183	23	2 943	4 263	155
KwaZulu-Natal	13 744	8 242	5 502	13 740	4	6 058	7 686	0
North West	10 885	7 803	3 082	10 848	37	4 871	5 914	96
Gauteng South	7 626	4 989	2 637	7 578	48	3 611	4 015	186
Gauteng North	6 688	4 009	2 679	6 499	189	3 201	3 487	166
Mpumalanga	8 332	5 597	2 735	8 277	55	4 200	4 132	72
Limpopo	10 165	6 398	3 767	10 160	5	3 588	6 577	310
Total	131 781	73 720	58 061	131 214	567	56 088	75 693	1 679
Percentages		55.94%		99.57%			57.44%	1.27%

Tables 6 and 7 provides cumulative information on the Social Development Funding Window broken down by expenditure per province as well as numbers of people trained over a four-year period.

Table 6: Funds spent on training of unemployed people per programme per province

Province	Total funding (R)	Funding per programme							
		Provincial Social Development projects	SDI and IDZ projects	Social Plan: Retrenchees	People with disabilities	Training of prisoners	Disaster relief projects	Working for water	Other minor programmes
Western Cape	406 03 000	33 413 000	0	0	205 000	4 847 000	0	2 072 000	66 000
Eastern Cape	203 037 000	179 201 000	5 602 000	0	881 000	2 816 000	13 630 000	850 000	57 000
Northern Cape	16 373 000	13 219 000	0	0	570 000	2 184 000	0	400 000	0
Free State	43 090 000	38 465 000	0	1 783 000	360 000	1 889 000	0	222 000	371 000
KwaZulu-Natal	77 242 000	67 002 000	34 000	0	2 813 000	2 742 000	434 000	4 203 000	14 000
North West	81 905 000	69 832 000	0	963 000	1 768 000	7 803 000	0	612 000	927 000
Gauteng South	58695 000	49 738 000	0	388 000	4 366 000	2 523 000	0	489 000	1 191 000
Gauteng North	39 686 000	30 703 000	0	0	3 785 000	4 533 000	0	645 000	20 000
Mpumalanga	69 152 000	62 955 000	0	0	1 752 000	2 245 000	0	1 181 000	1 019 000
Limpopo	59 831 000	51 905 000	2931	0	1 217 000	2 484 000	0	1 262 000	29 000
Total	689 614 000	59 6436 000	8 567 000	3 134 000	17 717 000		14 064 000	11 936 000	3 694 000

Table 7: Numbers of unemployed people trained per programme per province

Province	Total trained	Numbers trained per programme							
		Provincial Social Development projects	SDI and IDZ projects	Social Plan: Retrenchees	People with disabilities	Training of prisoners	Disaster relief projects	Working for water	Other minor programmes
Western Cape	27 612	16 762	0	0	327	5 359	0	5 142	22
Eastern Cape	139 965	123 041	4 339	0	643	2 546	2 051	7 324	21
Northern Cape	10 467	8 160	0	0	442	1 181	137	547	0
Free State	24 882	21 251	0	241	432	2 227	0	531	200
KwaZulu-Natal	37 454	27 764	0	0	234	1 577	69	7 810	0
North West	48 293	39 164	0	369	971	4 182	0	2 787	820
Gauteng South	23 811	20 042	0	123	1 012	1 372	0	1 260	2
Gauteng North	21 609	16 678	0	0	873	2 731	0	1 327	0
Mpumalanga	26 554	18 369	0	0	719	2 038	0	4 709	719
Limpopo	35 165	26 721	3 114	0	972	1 305	0	3 053	0
Total	395 812	317 952	7 453	733	6 625	24 518	2 257	34 490	1 784

3.2 NSF Strategic projects

In May 2002, the Minister of Labour launched the strategic projects. These projects address the broad goals of the National Skills Development Strategy. Allocations from the NSF to SETAs were based on strategic sector choices where training is in support of sectoral growth strategies, which reference the following funding areas:

- Development and piloting of skills programmes
- Learnerships and ETD practitioner development
- Small business development
- Strategic Occupations
- Education Skills (including Adult Basic Education and Training).

As reported in the main body of this report strategic projects make a measurable contribution to the National Skills Development Strategy. **Table 8** summarises the list and allocations to strategic projects in 2002

Table 8: List of strategic projects

SETA	Approved budget (R)	Expenditure to 31 March 2004 (R)	Number of beneficiaries (as at 31 March 2004)
FASSET	35 483 987	27 868 123 (79%)	4 330
BANKSETA	78 470 081	32 717 796 (42%)	2 712
CHIETA	38 615 386	15 143 827 (39%)	5 114
CTFL	18 100 000	8 070 700 (37%)	3 477
CETA	53 533 692	17 306 987 (29%)	1 488
DIDTETA ⁴	39 125 000	142 500 (0.4%)	0
ETDP	108 909 519	15 089 650 (19%)	2 979
FOODBEV	33 524 977	11 687 154 (35%)	1 992
FIETA	103 321 206	27 635 773 (27%)	689
ISETT	103 840 229	38 635 283 (55%)	345
MAPPP	117 420 446	58 120 950 (49%)	1 879
MQA	74 551 140	19 420 010 (26%)	470
PAETA	33 267 097	11 204 454 (34%)	2 793
SETASA	33 186 000	23 148 267 (65%)	2 916
SERVICES	120 888 500	40 632 054 (34%)	5 003
THETA	109 715 000	32 972 127 (30%)	1 761
TETA	72 591 606	11 875 974 (16%)	1 856
W&RSETA	68 606 000	14 839 127 (22%)	2 089
Total	1 271 680 879	406 510 756 (34%)	41 893

Since their inception/launch strategic projects have achieved the following:

- A total of 18 projects have been funded. These projects are spread across the entire country and provide a mix of intervention programmes consisting of skills programmes, bursaries, internships and learnerships

⁴ The DIDTETA project has not been implemented at the time of this report.



- An amount of R406.5 million has been disbursed from a total of R1, 2 billion committed over three and a half years
- Direct employment through project implementation for up to 30 additional project staff
- Indirect employment for up to 50 people through subcontracts. Most of these were people from historically disadvantaged SMMEs
- By the end of this reporting period the SETAs implementing strategic projects accounted for more than 41 000 people who benefited from a range of skills development programmes including learnerships, internships and skills programmes. **Figures 1 and 2** provide information on the profile and spread of the beneficiaries.

Figure 1: Beneficiary spread by province

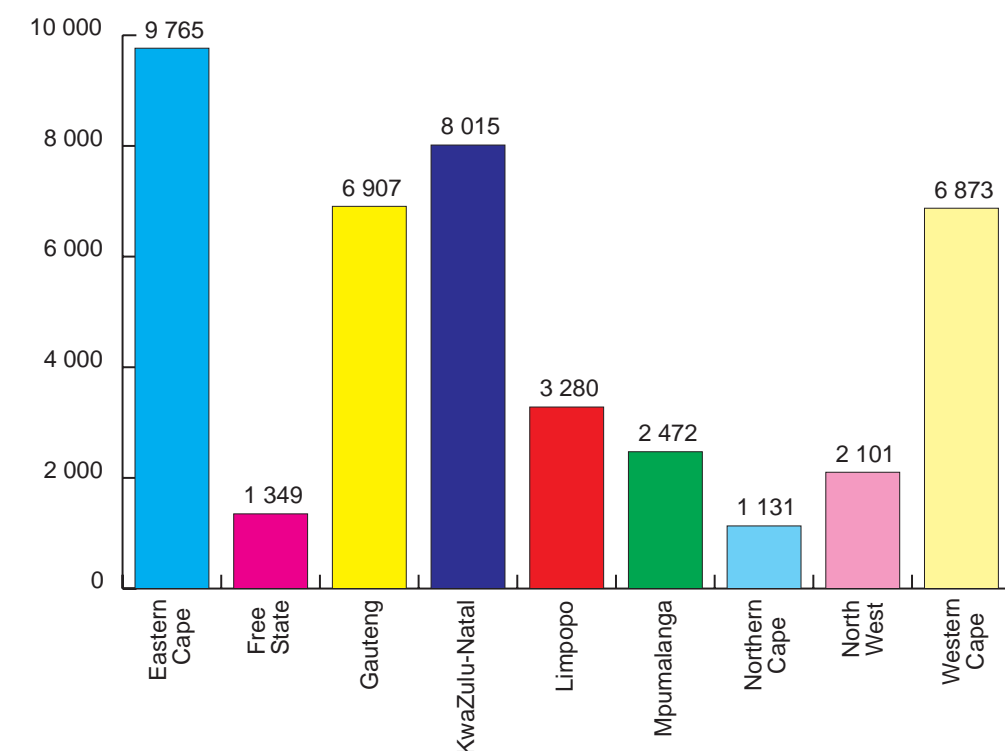
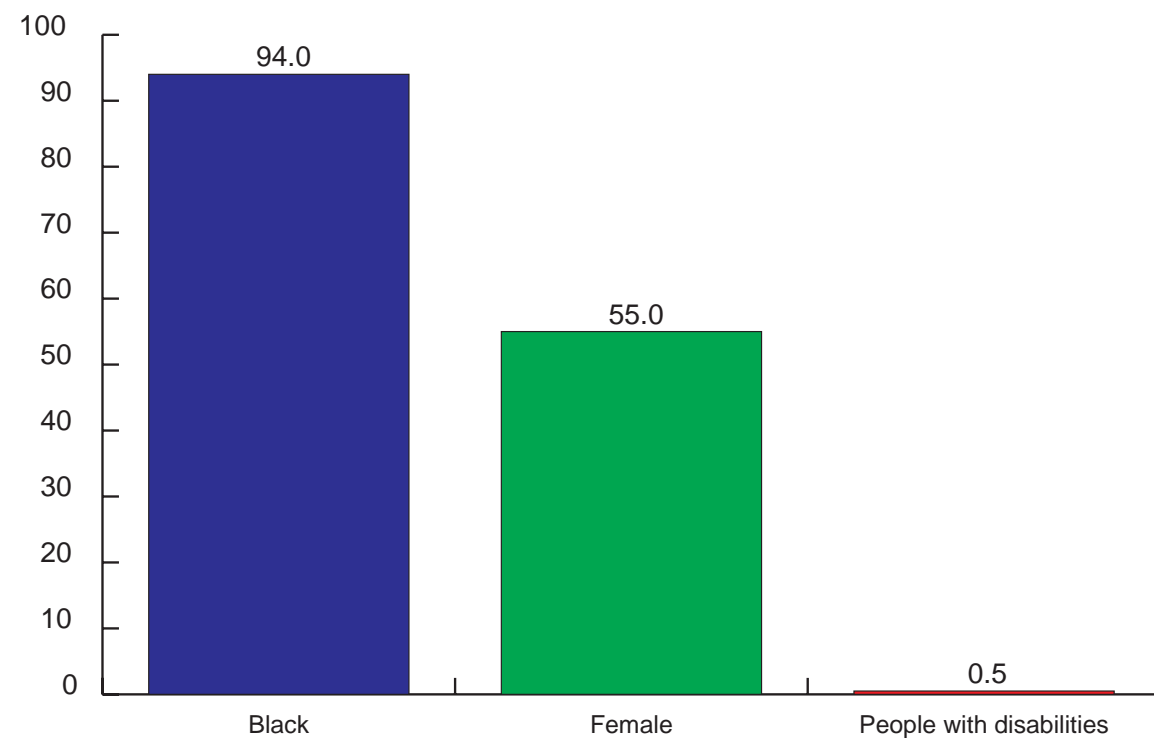


Figure 2: Equity profile



Some of the most noticeable strategic projects achievements are exemplified by the following sample of projects:

Strategic Project 1: Education Upliftment Project, Eastern Cape (FASSET)

The Education Upliftment Project, Eastern Cape is a pilot project of the Financial and Accounting Services SETA (FASSET) to address the critical shortage of accounting skills in the country. This project aims to address the following objectives:

- Ensure that scholars who enter any tertiary education institution have the requisite numerical and accounting skills
- Equip teachers and principals with the necessary skills in the accounting field
- Ensure that the standard of the B Com Accounting degree offered at the University of Fort Hare compare favourably to degrees obtained from accredited universities.

Summary of statistics

Total amount committed:	R35, 183,987
Amount committed for 2003/04:	R10, 811,424
Amount disbursed in 2003/04:	R10, 811,424
Targeted:	12 800 learners and educators 720 school managers
Achieved:	11 914 learners in Maths and Accounting 1 746 educators in financial management

Project highlights

FASSET has successfully implemented a programme called Thuthuka in the Eastern Cape. Performance statistics for learners participating in the Thuthuka programme show 77% and 65% pass rates for Accounting and Mathematics respectively were achieved while non-Thuthuka learners achieved only a 65% and 37% respectively for Accounting and Mathematics.

Strategic Project 2: Project Rave (Retrenched and Victory for Entrepreneurs) – (W&RSETA)

Project RAVE has as its purpose the training and development of the retrenched/unemployed as well as providing capacity to existing SMMEs. The project aims to achieve the following objectives:

- Owners of existing SMMEs, through participative outcomes-based skills programmes and mentorship increase the profitability of the enterprises
- Unemployed and/or retrenched workers who participate in the entrepreneurial skills programmes set up their own business.

Summary of statistics:

Amount committed:	R68, 411,634
Amount committed for 2003/04:	R16, 507,231
Amount disbursed in 2003/04	R13, 747,860
Targets planned:	5 000 SMMEs 5 000 retrenched/unemployed people
Achieved:	2 089 learners completed skills programmes 2 000 learners are currently in learning programmes 40 providers received capacity training

Project highlights

A total of 2 089 learners have completed skills training programmes while a further 7 911 are in progress. Learners who have undergone the programme (especially established SMMEs) are already piloting some of the skills gained from the programme. These relate to skills such as pricing and budgeting; cost reduction; merchandise improvements and customer care. Anecdotal evidence suggests that these entrepreneurs are already reaping benefits in terms of improved business efficiencies. A full impact study is planned to establish the veracity or otherwise of this evidence.

4. Learnership funding

The 2002-2003 Implementation Report showed that there was slow progress with the achievement of the learnership target of the NSDS. So the learnerships funding window was created and R300 million was allocated to it. Applications to this window were only finalised during the latter part of March 2004 and the NSF therefore incurred no expenditure under this funding window during 2003/04. An amount of R700 million is being budgeted for the 2004/05-financial year for this purpose.

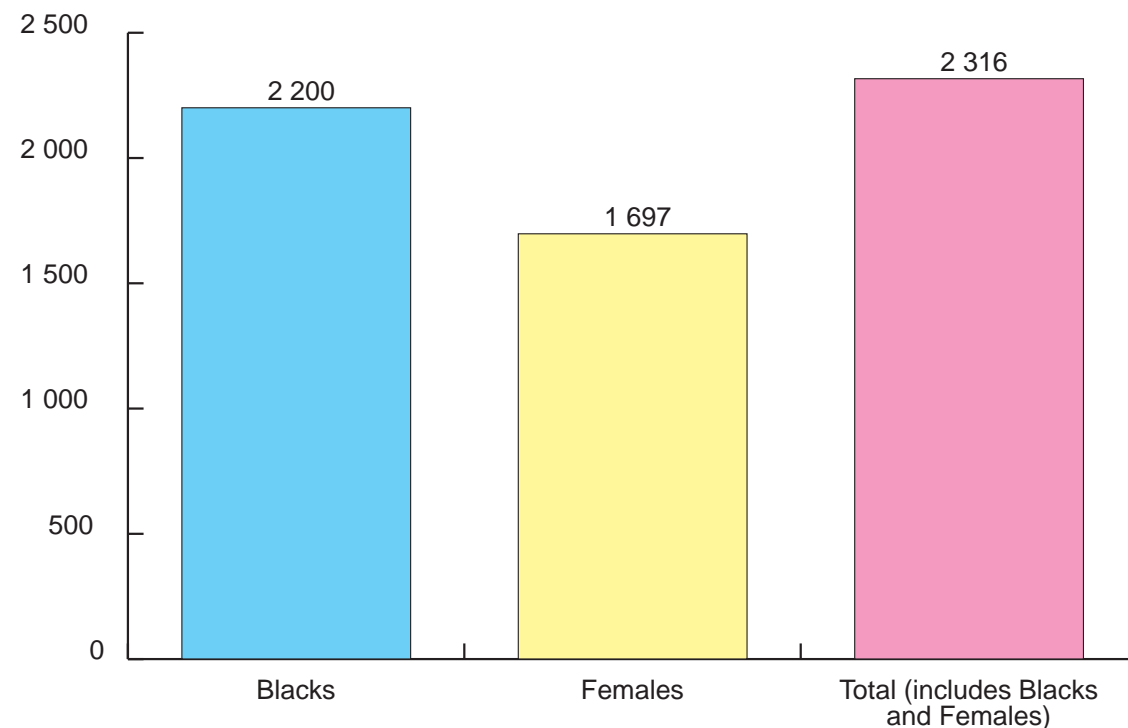
It is expected that the Learnerships Funding window will contribute up to 25 000

learnerships at the end of the NSDS in March 2005.

5. Skills support programme

The training grant incentives under this funding window are mainly approved for a period of up to three years. For the reporting period the NSF has committed an amount of R60,5 million. Expenditure for the period is R15, 8 million while the remaining balance is committed over the financial years 2005 and 2006.

Figure 3: Number of beneficiaries



SSP success stories:

5.1. HERDMANS, Atlantis (Western Cape)

Herdmans SA (Pty) Ltd has its roots in the Irish firm Herdmans, which has a very long history of spinning dating back to 1835. The Irish firm was attracted by the Foreign and other Investment Incentive grants offered through the Department of Trade and Industry. Herdmans South Africa focuses mainly on the production of spinning flax into yarn. All the yarn produced is exported to Herdmans Ireland, Sion Mills.

The SSP-application of Herdmans was approved on 25 September 2003 with a total training grant amount of R 7,994,025 for the period 1 May 2002 to 30 April 2006. To date training claims to the amount of R 1,999,990 for the training conducted in Production of Linen Yarn, Machine maintenance and Setting and other related courses have been paid out by the National Skills Fund. Some of the workers received their training in Ireland.

To date 318 workers have been trained, which are mainly Coloured Males and Females. The CTFL-SETA is also involved as far as the quality assurance of the training are concerned.

5.2. Low Cost Window Frames CC (Gauteng - Brakpan area)

The above mentioned small business was established after the owner Mr. One Jackson Mathonsi resigned from Alpha Cement where he had worked as a welder for many years. Mr. Mathonsi had been manufacturing and selling steel gates and window frames from his home to the community of Brakpan, even while still employed by Alpha Cement. After resigning, he focused on developing his business. Low Cost Window Frames was registered in 2000 as a closed corporation.

In December 2001 the owner decided to move his factory to bigger premises. He then employed Oscar Mthembu as the marketing manager. At present the business has 22 full time workers. The clients of the firm are Local and Provincial RDP and Social Housing Projects, Gauteng Dept. of Education – industrial windows for schools, Brakpan Town Council (Dept. of Housing), local hardware retailers, etc.

The SSP-application of Low Cost Window Frames was approved on 25 September 2003 with a total training grant of R 362,329 for the period 1 March 2003 to 28 February 2006. To date training claims to the amount of R 64,205 for the training of the workers conducted in welding and related courses has been paid out by the National Skills Fund.

The MERSETA has granted the firm provisional accreditation status on 13 November 2003 for training in the two qualifications, i.e. National Certificate in Engineering Fabrication NQF Level 2 and National Certificate in Engineering Fabrication (Light or Heavy) NQF Level 3-4.

6. Bursaries (scarce skills)

The National Skills Fund (NSF) has through the Department of Labour entered into agreements with the National Student Financial Aid Scheme (NSFAS) and the National Research Foundation (NRF) to administer the funding of undergraduate and post-graduate bursaries respectively. **Table 9** indicates the achievements for the reporting period.

Table 9: Funds allocated for bursaries in scarce skills

Agency	Amount allocated	Total bursaries	Study level (scarce skills categories)
NRF	R 21 137 000.00	871	Post-graduate – covering from Honours to Post-doctoral studies
NSFAS	R 102 398 266.00	15 064	Undergraduate studies

Details of some of the students that have finished their studies through bursaries awarded and are now employed:

- Mr NF Mphephu, recipient of Department of Labour's Doctoral scholarship in 2002 and 2003. Completed his PhD in 2003 and now works at De Beers in Kimberley as a trainee environmentalist. He studied at Wits and did research in acid mine drainage in the Mining Geology discipline
- Mr MF Geyser was a recipient only in 2003 and completed his PhD in Mechanical Engineering at Pukke. He now works as a MProject Engineer in Pretoria
- Ms AD Kotze was a recipient in 2003 and completed her PhD in Food Microbiology at

University of the Free State. She is now self-employed and does freelance work and contributes to medical research

- Ms ME Kola was a recipient of the M scholarship in 2002 and 2003. She studied and completed her M-degree in the field of Plant Pathology and now works as a Technician at the Department of Agriculture in Pretoria
- Mr V Mofokeng was a recipient of the M scholarship in 2002 and 2003. He studied Computational Physics and completed his M-degree at Wits University. He is currently a trainee in the Finance Sector and will be placed in 2005.



7. Innovation and research

The Director-General of Labour approved nine projects during the reporting period. Only eight signed the funding agreement with the NSF.

The NSF has committed R11,7 million to these projects. Expenditure for the period is R 2,056,036. At the time of the report the projects had not concluded any of the contracted work.

Examples of projects:

6.1. Naledi 3D Factory

Project objective/s:

- Training and education- secondary, tertiary and ABET
- Interactive content to enhance E-marketing opportunities
- Specialised industrial, environment, land-use planning, architectural simulations
- Large-scale entertainment and edutainment
- Data visualisation.

6.2. Southern Hemisphere

Project objective/s:

- To generate new or improved knowledge about skills development through research
- To enhance innovation in relation to the implementation of the National Skills Development Strategy; Skills Development Act and the Skills Development Levies Act
- To enhance innovation in relation to the generation and distribution of career/labour market information to learners, providers and other users.

6.3. Manstrat Development Strategies

Project objective/s:

- To undertake research that will generate new and improved knowledge of the specific needs and requirements for skills development in the formal sector
- To develop and pilot innovative learning and skills development approaches specifically designed to the needs and requirements of the informal sector
- Based on the successes obtained in the pilot project(s), make recommendations and proposals that will enhance policy and implementation strategies aimed at informal sector training.

8. Capacity building of stakeholders

The capacity building programme was focused on the representative stakeholder groupings on all the 25 SETA Boards. Capacity building initiatives for the reporting period included workshops attended by representatives from COSATU and the South African Youth Commission (SAYC).

Budget allocation	- R 10 million
Total expenditure	- R 600,941

9. Promotion of the National Skills Development Strategy (NSDS)

The promotion of the NSDS was planned, coordinated and implemented by the Chief Directorate of Communication of the Department.

Budget allocation	- R 20 million
Total expenditures	- R 11,312,661

The bulk of the funding was spent towards costs of the National Skills Conference.

10. Other NSF expenditure:

10.1 NSDS consultation process with the NSA stakeholders

The **consultation process with the NSA stakeholders** with regard to the targets and objectives for the 2005 to 2010 National Skills Development Strategy commenced during this reporting period.

Budget allocation	- R 6 million
Total expenditures	- R 2,436,000.

10.2 Department of Education Literacy Programme.

The NSF also contributed R20 million towards the Literacy Programme of the Department of

Education (DoE).

The original target of the DoE for 2003/04 was 100,000 adult learners. However, during 2003/04 more than 231,000 learners enrolled. The DoE to a large extent managed to secure funds for the additional learners, but had a shortfall of R20 million. The Director-General of Labour approved the allocation of R20 million towards the DoE Literacy Programme. In the process the DoE Literacy Programme provided literacy training to 230,836 adult learners and used more than 10,000 volunteer educators.

10.3 SARS Skills Development Levy Collection costs

The Skills Development Levies Act determine that the cost of collection incurred by the South African Revenue Service (SARS) for the collection of the skills development levies, interest and penalties must be refunded from the National Skills Fund to SARS.

In 2003/04 the NSF paid to an amount of R53, 9 million to SARS.

10.4 Social Plan's Technical Support Facility (NPI)

Budget allocation	- R 8 million
Total expenditure	- R 2,456,000.

The Department of Labour tabled a proposal for a Social Plan to the trade and industry and labour market chambers of the National Economic and Labour Council (NEDLAC) in October 1995. A task team comprising of delegates from these chambers was established. The major task of this team was to develop a framework for a social plan that would prevent job losses where possible or ameliorate the effects of retrenchment on individuals and local economies in the event of large-scale retrenchments.

The Declaration of the Presidential Jobs Summit in October 1998 was the direct result of an agreement reached by the delegates. It outlines a social plan that aims to prevent job losses or a decline in employment where possible, and seek to manage retrenchment and reduce its effects on individuals and local economies.

The Social Plan's Technical Support Facility was established under the auspices of the Social Plan and Productivity Advisory Council (SPPAC) of the National Productivity Institute (NPI). The Social Plan's Technical Support Facility provides assistance and support to organisations and industry sectors to prevent future job losses and employment decline.

