



STRATEGIC PLAN

2020/21 – 2024/25

TURNING A NEW PAGE FOR THE W&RSETA



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA





STRATEGIC PLAN

2020/21 – 2024/25

2020

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ACCOUNTING AUTHORITY STATEMENT

YVONNE MBANE

The Strategic Plan 2020/21-2024/25 outlines the strategic priorities of the Wholesale and Retail SETA (W&RSETA) in accordance with national imperatives, including the Medium-Term Expenditure Framework (MTEF). The Strategic Plan demonstrates the integration of the W&RSETA's primary responsibilities as sustained by sound management of levy funds, human resources and operational systems; the specific strategic outcomes based on the Sector Skills Plan (SSP); and the National Skills Development Plan (NSDP) outcomes, as well as managing the performance thereof.

The W&RSETA has considered the following strategic areas in the process of developing the Strategic Plan 2020/21-2024/25:

- Organisation's strategic challenges
- Performance environment
- Provision of strategic orientation
- Building demand-side capacity

- Building supply-side capacity
- Bridging supply-demand mismatch
- Delivering the skills required
- Organisational environment
- External environment, which is inclusive of the economic environment
- The Sector Skills Plan of the W&RSETA

The following key government initiatives and legislation informed and influenced the development of the W&RSETA Strategic Plan: Industrial Policy Action Plan (IPAP IV), National Skills Accord (NSA), National Development Plan (NDP), Human Resource Development South Africa (HRDSA) Policy, National Skills Development Plan (NSDP), National Growth Path (NGP), and the White Paper on Post-School Education and Training (WP-PSET). The WP-PSET 2013 profoundly impacts on the SETA landscape as it aims to provide a clear strategic direction in terms of what post-school education

and training aims to achieve. Collectively, the aforementioned documents, the Wholesale and Retail Sector Skills Plan, the Service Level Agreement (SLA) signed with the Department of Higher Education and Training (DHET), and the SETA Grant Regulations (2012) directed and shaped the W&RSETA Strategic Plan.

Extensive consultations and engagements have been conducted with key stakeholders in the wholesale and retail sector to ensure that the implementation of skills development initiatives is responsive to the sector's current and future skills needs for greater impact in the economy.

The Strategic Plan fully complies with the Department of Monitoring and Evaluation Framework for Strategic Plans and Annual Performance Plans, which ensures the alignment and articulation of our goals into strategic outcomes, performance indicators, operational plans and employee annual performance agreements. The Strategic Plan is therefore a presentation of the Accounting Authority's decisive and evidence-based organisational re-engineering and repositioning in order to ensure that the strategy fully addresses skills supply and demand as determined by the wholesale and retail industry.

On a strategic level, re-engineering and repositioning include:

1. Reaffirmation of the W&RSETA's vision, mission and values
2. Restructuring our strategic outcomes to ensure that challenges identified through the research activities and the SSP are addressed.
3. Environmental scanning exercise is undertaken to identify risks and plan for the mitigation thereof.
4. Planning has been done to ensure commensurate capacity and capability of the SETA to support skills development initiatives in the sector.
5. Mechanisms be put in place for a seamless transition in the implementation of the approved Delivery Model
6. Strategic partnerships be entered into for greater efficiency and effectiveness in the delivery of skills development initiatives

7. Strengthening of Monitoring and Evaluation capacity for Impact Assessment
8. A new culture of doing business encapsulate responsiveness and agility both at administrative and governance level



YVONNE MBANE
CHAIRPERSON OF THE W&RSETA ACCOUNTING AUTHORITY

30/01/2020

DATE



CHIEF EXECUTIVE OFFICER STATEMENT

TOM MKHWANAZI

The past five years have undoubtedly been the most challenging for the W&RSETA as a result of operational shortcomings which resulted in a decline in the SETA's performance. Whilst the SETA had been faced with a myriad of challenges, its commitment to skills development in the Wholesale and Retail Sector has remained resolute. Whilst we have not been able to achieve some of our targets fully, we have made tremendous progress in addressing huge backlogs relating to longstanding projects. As a result, we have issued more than 17000 certificates to learners from various learnership programmes. We have also noted an increase in the number of companies that are participating in skills development. This has translated in an increase of employees who have benefited from training interventions from 1 637 000 in the 2017/18 financial year to over 1 845 000 in 2018/19

Our priorities in the last five years have been the following:

- SMME and cooperative development;

- Contribution to programmes that will alleviate youth unemployment;
- Addressing Hard-to-Fill Vacancies and critical skills;
- Stakeholder engagement;
- Training and employment of people with disabilities;
- Capacity building of trade unions; and
- Supporting the national strategies and plans

As the SETAs prepare for the new National Skills Development Plan (NSDP) 2030 which comes into effect from 1 April 2020, the W&RSETA recommit to fulfilling its mandate to ensure a skilled, capable, competent and professional Wholesale and Retail Sector for the benefit of employees and new entrants.

The W&RSETA welcomes the launch of the NSDP as it will facilitate long-term planning that will ensure greater impact on the economy of South Africa through the various

sectors that the SETAs operate in. The NSDP presents opportunities for collaboration between the industry and institutions of learning and with other institutions in order to bridge the skills gaps, create jobs and alleviate poverty. The following are the strategic objectives for the Sector Skills Plan (SSP) in support of Wholesale and Retail sector skills needs and NSDP:

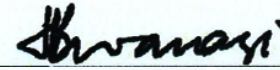
- To advance skills planning for sector responsiveness and readiness to future jobs.
- To strengthen collaboration with industry and employer participation for better planning of skills demand and supply.
- To increase knowledge for evidence -based planning and implementation of interventions which respond to sector and National imperatives.

In addition to our strategic areas that we have focused on in the past five years, the 2020/2021 Strategic Plan has been aligned to the W&RSETA Sector Skills Plan (SSP) which in turn is aligned to the NSDP 2030 and will prioritise the following:

- Provision of much-needed skills, particularly for unemployed youth through community education and training colleges;
- Infrastructure support for TVET colleges;
- Implementation of candidacy programmes in line with professional bodies; and
- Facilitate entrepreneurship development and support
- Information Communication Technology (ICT) Interventions for 4.0 sector readiness

With the advent of the Fourth Industrial Revolution (4IR), the W&RSETA has prioritised the capacitation of companies to respond to the technological advancements through skills development. The SETA has commissioned two research studies focusing 4IR, the first topic is on the impact of 4IR on employment and growth in the sector and the second topic evaluate skills development interventions to respond to sector new skills and training needs. The findings and recommendation of the two research studies will inform W&RSETA strategic priorities, to better respond to sector leading, emerging and established 4IR trends within Skills Development.

We look forward with enthusiasm to the next 10 years of continuing to bridge the skills gaps in the Wholesale and Retail Sector.



TOM MKHWANAZI

CHIEF EXECUTIVE OFFICER

OFFICIAL SIGN-OFF

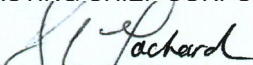
It is hereby certified that this Strategic Plan:

- Was developed by the management of the W&RSETA under the guidance of the W&RSETA Accounting Authority.
- Takes into account all the relevant policies, legislation and other mandates for which the W&RSETA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the W&RSETA will endeavour to achieve over the period 2020/21-2024/25



BEN KHONYANE

ACTING CHIEF CORPORATE SERVICES (PROGRAMME 1) (ADMINISTRATION)



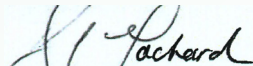
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CHAIRPERSON OF THE W&RSETA ACCOUNTING AUTHORITY

Approved by

EXECUTIVE AUTHORITY

SIGNATURE

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LIST OF ACRONYMS

ACRONYM	DESCRIPTION	ACRONYM	DESCRIPTION
4IR	4 th Industrial Revolution	NQF	National Qualifications Framework
AET	Adult Education and Training	NSDP	National Skills Development Plan
ALC	Adult Learning Centre	NPO	Non-Profit Organisation
AI	Artificial Intelligence	OECD	Organisation of Economic Cooperation and Development
APP	Annual Performance Plan	OFO	Organising Framework for Occupations
ATR	Annual Training Report	PWD	Public Works Department
BUSA	Business Unit South Africa	QCTO	Quality Council for Trades and Occupations
B-BBEE	Broad Based Black Economic Empowerment	RA	Retailers Association
CET	Community Education and Training	RPL	Recognition of Prior Learning
CBO	Community Based Organisation	SAQA	South African Qualifications Authority
CPI	Consumer Price Index	SARB	South African Reserve Bank
DBE	Department of Basic Education	SETA	Sector Education and Training Authority
DHET	Department of Higher Education and Training	SLA	Service Level Agreement
GDP	Gross Domestic Product	SIC	Standard Industrial Classification
HDI	Historically Disadvantaged Individual	SMME	Small, Medium and Micro Enterprises
IPAP	Industrial Policy Action Plan	SP	Strategic Plan
MTEF	Medium Term Expenditure Framework	SSP	Sector Skills Plan
NEC	National Executive Format	STATSSA	Statistics South Africa
NDP	National Development Plan	TVET	Technical and Vocational Education and Training
NGP	New Growth Path	W&RSETA	Wholesale and Retail Sector Education and Training Authority
		WP-PSET	White Paper for Post-School Education

PART A: OUR MANDATE

1. Constitutional mandate

Section 29 of the Constitution provides all South Africans with the right - (a) to a basic education, including adult basic education; and (b) to further education, which the state, through reasonable measures, must make progressively available and accessible. To contribute towards the achievement of S29, the SETA will accordingly provide access to education for all South Africans through programmes such as Artisans, Learnerships and Adult Education & Training (AET).

Chapter 2 of the Constitution (Bill of Rights) affirm the right to equality, education, human dignity, life, freedom and security, privacy and various freedoms. The SETA, in its interactions with all stakeholders, will respect all rights as enshrined in the Bill of Rights of the SA constitution.

In addition, Chapter 10 of the constitution (Public Administration) mandate all public institutions to be run on the principles of accountability, high ethical standards, economic efficiency, impartiality in the provision of services and transparency in operations. Through reporting systems, the W&RSETA will continue to ensure that efficient skills development services are provided to all South Africans with no favour; in a transparent manner.

Finally Chapter 13 (Public Finance) specifies the need for fairness and transparency in the procurement (Section 217(1)) of goods and services by government institutions and the remuneration (Section 219(1)) of public service employees. In conformity, W&RSETA transparently procures goods and services through its open tender process, while all employees are paid fairly on the basis of their work and qualifications with a zero tolerance to discrimination.

2. Legislative and policy mandates

The Wholesale and Retail SETA (W&RSETA) is a schedule 3A public entity and derives its mandate from the Skills Development Act No. 97 of 1998 (as amended). The SETA is responsible for supporting skills development in the wholesale and retail sector in South Africa, through the disbursement of grants to facilitate the implementation of learning programmes and monitoring of education and training (as outlined in the Act, in accompanying regulations and the National Skills Development Plan.

2.1. Legislative mandate

Table1 below summarises the legislative framework under which the W&RSETA operates.

Table 1: Legislative mandate

LEGISLATION OR REGULATION	SUMMARY OF PURPOSE
Skills Development Act, No 97 of 1998 (as amended)	<p>The purpose of the Skills Development Act is to:</p> <ul style="list-style-type: none"> • Ensure credible labour market analysis to provide a supply and demand analysis that inform sector skills priorities. • Develop the skills of the South African workforce. • Increase the levels of investment in education and training in the labour market. • Encourage employers to use the workplace as an active learning environment. • Encourage workers to participate in learning programmes. • Improve the employment prospects of persons who were previously disadvantaged • Ensure the quality of learning in and for the workplace

LEGISLATION OR REGULATION	SUMMARY OF PURPOSE
Skills Development Levies Act, No. 9 of 1999	<p>Imposes the payment of skills levies by employer organisations in order to motivate investment in skills development.</p> <ul style="list-style-type: none"> • Employers pay 1% of the total payroll, which is utilised as follows • 20% to the National Skills Fund • 10% for operating costs • 80% to the SETAs • 0.5% to the QCTO • 20% for mandatory grants • 49.5% for discretionary grants
National Qualifications Framework Act, No. 67 of 2008	<ul style="list-style-type: none"> • Creates a single integrated national framework for learning • Enhances the quality of education and training • Facilitates access to education, training and career path • Accelerates the redress of past unfair discrimination • Allows for SAQA and the quality councils to oversee the NQF
Workplace Based Learning Programmes Regulations	<ul style="list-style-type: none"> • Provide guidelines for the management of workplace based learning programme agreements
SETA Grant Regulations, 3 December 2012, Vol. 570, 35940	<ul style="list-style-type: none"> • Assist the SETAs to develop internal policies and procedures in response to the Grant Regulations • Requires 80% of discretionary funds to be spent on the delivery of PIVOTAL programmes
Public Finance Management Act, No. 29 of 1999	<ul style="list-style-type: none"> • Regulates financial management in the national government and provincial governments to ensure that all their revenue, expenditure, assets and liabilities are managed efficiently and effectively; • Provides for the responsibilities of persons entrusted with financial management of those governments
B-BBEE Act, No. 53 of 2003.	<ul style="list-style-type: none"> • Proposed amendments to the Act now include higher education. The Skills Development target, which is still at 6%, is now to be allocated as 3.5% spend on black people and 2.5% on black students in higher education. In the past the Skills Development Element was focused on Learnerships, internships and apprenticeships. The Skills Development spend on black students includes bursaries at higher education institutions as a new indicator

2.2. Policy mandate

Table 1 below summarises the W&RSETA policy mandates and the strategies that form the basis of the W&RSETA operations. The Table also outlines the alignment of the W&RSETA strategic plan to government national policies and strategies.

Table 2: National strategies or policies and implications for W&RSETA

NATIONAL STRATEGIES OR POLICIES	IMPLICATIONS FOR W&RSETA
<p>National Skills Accord</p> <p>8 commitments to be followed:</p> <ul style="list-style-type: none"> • Expand training using existing facilities • Set ratios for trainees and artisans, as well as across the technical vocations, to improve training • Improve training funding and incentives for companies to train • Create internship and placement opportunities • Set annual targets for training in state-owned enterprises • Improve SETA governance, fiscal management, and stakeholder involvement • Align training to the New Growth Path and improve SSPs • Improve the role and performance of TVET colleges 	<p>The implications are</p> <ul style="list-style-type: none"> • Increase learnership, apprenticeship, internship and bursaries • Increase the number of accredited training providers • Expand partnerships with the college sector • Strengthen relations with other strategic partners and role players. • Alignment in response to the 4th IR.
<p>Industrial Policy Action Plan (IPAP) 2018/19-2020/21</p> <p>IPAP has identified a collaborative approach between government, the private sector and labour; an approach itself characterised by ongoing processes of mutual discovery.)</p>	<ul style="list-style-type: none"> • Addressing the skills/education profile of the unemployed • Deeper involvement of the public and private sectors in providing resources for training • A more strategic and sustainable approach to meeting scarce skills needs in identified high priority areas of the economy • Respond to the needs of the sector with regards to artificial intelligence and disruptive economy.
<p>New Growth Path (NGP). The New Growth Path identifies 5 job drivers:</p> <ul style="list-style-type: none"> • Infrastructure for employment and development. • Seizing the potential of new economies. • Improving job creation in employment. • Investing in social capital. • Spatial development. 	<ul style="list-style-type: none"> • Create projects to increase college-to-work transitions. • Increase learnerships, apprenticeships, internships and bursaries in clothing, textiles, footwear and leather goods and automotive. • Develop projects for promoting green industries. • Capacity building of SMMEs and informal traders
<p>National Development Plan 2030 (NDP).</p> <p>The National Development Plan 2030 has identified the following 9 key areas to achieve a developmental approach that is sustainable and inclusive:</p> <ul style="list-style-type: none"> • Creating jobs and livelihoods. • Expanding infrastructure 	<ul style="list-style-type: none"> • Support initiatives addressing unemployment, poverty and inequality. • Subscribe to the ethos of clean administration and good corporate governance • Increase capacity in the sector in order to respond to the economic dynamics. • Support initiatives addressing unemployment, poverty and inequality • Respond to the needs of the sector with regards to artificial intelligence • Capacity building of SMMEs and informal traders

NATIONAL STRATEGIES OR POLICIES	IMPLICATIONS FOR W&RSETA
<ul style="list-style-type: none"> Improving education and training Transforming urban and rural spaces. Transitioning to low-carbon economy Fighting corruption and enhancing accountability. Facilitate rural and urban development projects that foster social cohesion 	
National Skills Development Plan	<ul style="list-style-type: none"> NSDP seeks to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development The NSDP outcomes, sub-outcomes and indicators set the basis for the W&RSETA strategic plan
White Paper for Post-School Education and Training (WPPSET)	<ul style="list-style-type: none"> Review of curriculum to respond to sector needs Increase the number of accredited training providers. Expand partnerships with college sector. SMME development and support Redressing through skills development initiatives Support skills development centres in rural and urban setting through infrastructure development projects

3. Institutional Policies and Strategies over the five-year planning period

3.1. Policies

The following institutional policies will guide the implementation of the W&RSETA strategy between 2020 and 2025:

POLICY/STRATEGY	LINKAGE TO NATIONAL PRIORITIES
1. Infrastructure Funding and Development Policy	<ul style="list-style-type: none"> Outcome 5: Support the growth of the public college system
2. W&RSETA Rural Development Strategy	<ul style="list-style-type: none"> Sub-Outcome 5.1: Support the TVET Colleges Sub-Outcome 5.2: Support the CET Colleges Outcome 8: Support career development services
3. Strategy for implementation of Disability programmes	<ul style="list-style-type: none"> NSDP Principle 5.2: Advancing an equitable and integrated system
4. Strategy for implementation of youth unemployment programmes	<ul style="list-style-type: none"> NSDP Principle 5.2: Advancing an equitable and integrated system
5. Strategy for implementation of SMME and Co-Operatives development programmes	<ul style="list-style-type: none"> Outcome 6: Skills development support for entrepreneurship and cooperative development
6. Skills development grants policy	<ul style="list-style-type: none"> NSDP Principle 5.2: Advancing an equitable and integrated system Outcome 6: Skills development support for entrepreneurship and cooperative development

3.1.1. Policy for Funding of Infrastructure Development

The following are the facets/aspects that are considered for funding in terms of the infrastructure development policy:

- Mounted Equipment
- Industrial Machinery
- Branded Vehicles for Service Delivery
- Security Features
- Robotics and Tools
- ICT Tools to Support 4th Industrial Revolution
- Mobile Classrooms
- Creation of Technical and Skill Development Centres for the Retail Industry within an existing institution
- Social infrastructure to house equipment and machinery
- Ancillary Support for SMME and Informal Traders

3.2. Strategies

3.2.1. W&RSETA Turnaround Strategy

Background

The W&RSETA has been through a very challenging period over the past few years which has cost the SETA valuable relationships with relevant stakeholders who are crucial for the execution of the W&RSETA mandate, which had to be restored as a matter of urgency. Some strategies have been adopted to assist the SETA to restore its credibility in the Sector. The Board approved a Short-Term Turnaround Strategy to address the identified challenges and to lay a proper foundation for the future. The Turnaround Strategy focuses on People, Policy, Procedures and Systems issues, as well as on eradicating the backlog of stalled projects and finding a mechanism to deal with expired contracts.

Review of the SETA's Delivery model – Decentralisation

The Centralised Model of doing business was identified as an impediment to service

delivery and as creating unnecessary bottlenecks.

The Decentralised Delivery Model would ensure the devolution of powers and the empowerment of Regional Offices to take certain decisions in order to expedite delivery of Services.

The new operating model has been developed to meet the evolving needs of the Wholesale and Retail Sector. The planned decentralisation inherent in the new model will ensure that the W&RSETA is efficient, capacitated and positioned to manage projects at regional level.

The strategy focused on the following Pillars:

- People Issues:
 - Structural realignment
 - Skills Audit
 - Remuneration issues
- Policies, Procedures and Systems
- Reviewing of the Delivery Model
- Eradication of the Backlog

Implications for the SETA

- Need for structural alignment of policies with the sector and the economy
- Cultural renewal to better live the SETA values; i.e. responsiveness and agility
- Delivery model enhancement
- Capacitation of regions with more power to make decisions
- Development of the service delivery charter to communicate the turnaround times with stakeholders

4. Relevant Court Rulings

There are currently no court rulings relevant to the W&RSETA 2020/21-2024/25 Strategic Plan

PART B: OUR STRATEGIC FOCUS

5. Vision

To be the leader in skills development in the country

6. Mission

To develop a skilled, capable, competent and professional workforce to transform the wholesale and retail sector

7. Values

7.1. Accountability

- Responsible for decisions, actions, and results at organisation and employee level
- Ownership
- Client centric work ethic

7.2. Agility

- Responsive to the ever-changing needs and trends of industry
- Demand driven
- Innovative work ethic within the confines of the regulatory environment
- Foresight
- Pro-activeness through leadership

7.3. Integrity and trustworthiness

- Keeping your word
- Behaving in an ethical manner
- Consistent
- Compliant

7.4. Mutual respect

- Appreciation of others
- Active listening
- “kicking the ball not the man”
- Acknowledgement
- Acceptance
- Embracing diversity

7.5. Quality services

- Professionalism
- Oriented to service fulfilment
- Exceeding expectations
- Meticulousness
- Adhering to standards
- Consistency
- Living the Batho Pele principles

8. Situational Analysis

An extensive situational analysis for the W&RSETA was conducted using SWOT analysis, PESTEL analysis and the SSP research. This informed the 2020/21 – 2024/25 strategy which is articulated through the impact statements, the resultant outcomes and outcome indicators. During the upcoming MTSF period, the SETA will aim to concentrate service in priority areas as outlined by the NSDP 2030 (such as the increase in artisanship and occupationally directed programmes) while simultaneously addressing

skills needs identified through internal and external environmental analysis. This section summarises the performance environment, internal environment analysis and external environment analysis.

8.1. External Environment Analysis

The SETA continues to recognise the influence that the external environment has on the SETA's overall performance as well as total levies received per financial year. The performance of the South African economy and the W&R sector also significantly affect overall performance of the SETA, hence influencing priority areas in the allocation of levy resources.

8.1.1. Wholesale and Retail Sector environment

The W&R sector is divided into two main subsectors; the wholesale and retail. Wholesale trade deals with the bulk buying of goods from various manufacturers and the breaking down of these bulk purchases into smaller quantities, which are then sold to retailers. Retail trade deals with the buying of goods from the wholesaler and the selling thereof to the consumer. The actual activities that fall within the scope of the wholesale and retail sector are demarcated according to Standard Industrial Classification (SIC) code, as shown in the table below.

Table 3: Standard Industrial Classification (SIC) code for the W&R Sector

SIC CODE	TRADE CATEGORY
WHOLESALE	
61000	Wholesale and commission trade, except for motor vehicles and motorcycles
61100	Wholesale trade on a fee or contract basis
61220	Wholesale trade in food, beverages and tobacco
61310	Wholesale trade in textiles, clothing and footwear
61391	Wholesale trade in household furniture requisites and appliances
61392	Wholesale trade in books and stationery
61393	Wholesale trade in precious stones, jewellery and silverware
61394	Wholesale trade in pharmaceuticals, toiletries and medical equipment
61420	Wholesale trade in metal and metal ores
61430	Wholesale trade in construction materials, hardware, plumbing and heating equipment
61501	Office machinery and equipment, including computers
61509	Other machinery

SIC CODE	TRADE CATEGORY
61901	General wholesale trade
61909	Other wholesale trade not elsewhere classified (nec)
RETAIL	
62000	Retail trade, except for motor vehicles and motorcycles; repair of personal and household goods
62110	Retail trade in non-specialised stores with food, beverages and tobacco dominating
62190	Other retail trade non-specialised stores
62201	Retail trade in fresh fruit and vegetables
62202	Retail trade in meat and meat products
62203	Retail trade in bakery products
62204	Retail trade in beverages (bottle stores)
62209	Other retail trade in food, beverages and tobacco (nec)
62311	Retail of non-prescribed medicine and pharmaceutical products other than by pharmacists
62321	Retail trade in men's and boy's clothing
62322	Retail trade in ladies' and girls' clothing
62323	Retail trade by general outfitters and by dealers in piece goods, textiles, leather and travel accessories
62324	Retail trade in shoes
62330	Retail trade in household furniture appliances, articles and equipment
62340	Retail trade in hardware, paints and glass
62391	Retail trade in reading matter and stationery
62392	Retail trade in jewellery, watches and clocks
62393	Retail trade in sports goods and entertainment requisites
62399	Retail trade by other specified stores
62400	Retail trade in second-hand goods in stores

SIC CODE	TRADE CATEGORY
63122	Retail sale of used motor vehicles
63311	Sale of tyres
63500	Retail sale of automotive fuel

8.1.2. Key stakeholders

The key stakeholders which contribute to the SETA's achievement of its outcomes in the sector are grouped into groups of organised employers, the W&RSETA board, training providers, organised labour, government, community and others as shown on Table 4.

Table 4: W&RSETA Stakeholders

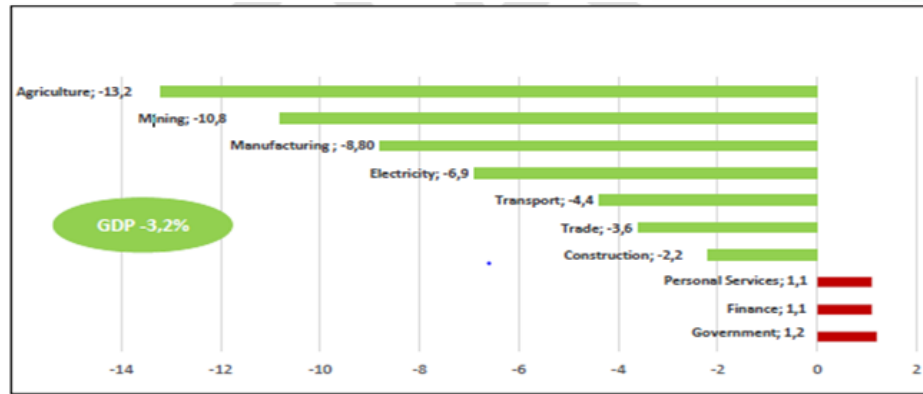
ORGANISED EMPLOYERS	ROLES AND RESPONSIBILITIES
Retailers Association (RA) Consumer Goods Council of South Africa (CGCSA) National Clothing Retail Federation (NCRF) Black Business Council (BBC) Enterprise Mentorship of South Africa (EMOSA) Business Unity South Africa (BUSA) Fuel Retailers Association (FRA) South African Petroleum Retailers Association Retail Motor Industry Organisation Wholesale and retail enterprises (small, medium and large)	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA BOARD • Represent and articulate employer (small, medium and large) interests. • Contribute to education and training, negotiations, marketing, finance, human resources and legal.
W&RSETA BOARD	ROLES AND RESPONSIBILITIES
W&RSETA Board	<ul style="list-style-type: none"> • Ensure good corporate governance principles are adhered to • Provide strategic direction and leadership • Identify strategic risks and ensure mitigation thereof • Ensure regulatory compliance • Ensure policy and strategy development • Oversight and monitoring of implementation
TRAINING PROVIDERS	ROLES AND RESPONSIBILITIES
Higher Education and Training Committee Association of Private Providers of Education Training and Development Southern African Society for Cooperative Education; Universities; TVET Colleges; Private training providers; Community colleges	<ul style="list-style-type: none"> • Represent interests of training providers, both public and private. • Contribute to education and training, quality assurance, curriculum development.

ORGANISED LABOUR	ROLES AND RESPONSIBILITIES
Congress of South African Trade Unions COSATU Federal Council of Retail Allied Workers - FEDCRAW Development Institute for Training, Support and Education for Labour South Africa Commercial Catering and Allied Workers Union SACCAWU Entertainment Catering Commercial and Allied Workers Union – ECCAWUSA National Union of Metal Workers of South Africa – NUMSA Southern African clothing and Textile Workers Union - SACTWU	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA. • Represent and articulate worker interests • Contribute to education and training, negotiations, public management and dispute resolution.
COMMUNITY	ROLES AND RESPONSIBILITIES
South African Community at large.	<ul style="list-style-type: none"> • Represent interests of communities and co-operatives. • Contribute to education and training, small enterprise and co-operative development, advancement of women.
OTHER	ROLES AND RESPONSIBILITIES
Public Skills Development Forums Learners (employed and unemployed) WRSETA Staff	<ul style="list-style-type: none"> • Represent interests of consumers and the public. • Contribute to education and training, consumer rights and legal.
GOVERNMENT	ROLES AND RESPONSIBILITIES
Department of Higher Education and Training Department of Trade and Industry Provincial Economic Departments	<ul style="list-style-type: none"> • As shareholders, represent interests of the state • Hold the SETA to account • Support and direct the SETA • Communicate government priorities and direction

8.1.3. Wholesale and Retail sector performance and state of the economy

This section assesses the economic performance of the W&R sector based on recent statistics.

Figure 1: SA Economic performance by sector • (Source: Statistics South Africa (2019))



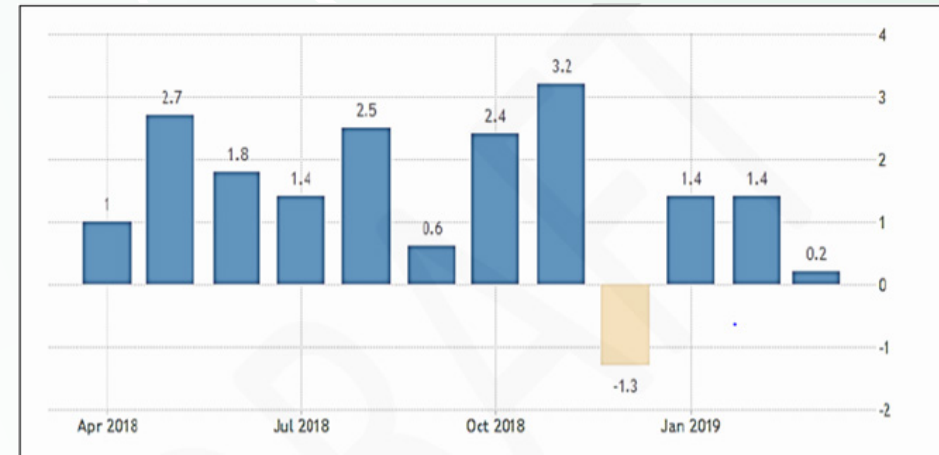
South Africa's gross domestic product (GDP) growth rate declined by 3.2% in the first quarter of 2019. The three largest negative contributors to growth in GDP in the first quarter was the manufacturing, mining and trade, catering and accommodation industries. The manufacturing industry decreased by 8.8% and contributed -1.1% percentage points to GDP growth.

The manufacturing industry decreased by 8.8% in the first quarter. Negative growth was reported by seven out of the ten manufacturing divisions. The three largest contributions to the decrease were petroleum, chemical products, rubber and plastic products; motor vehicles parts and accessories and other transport equipment; and wood and wood products, paper, publishing and printing.

8.1.4. Economic Performance of W&R Sector

This section assesses the economic performance of the W&R sector for the 2017-2019 period.

Figure 2: Year on year retail sales growth, 2016-2019 • (Source: Trading Economics (2019))

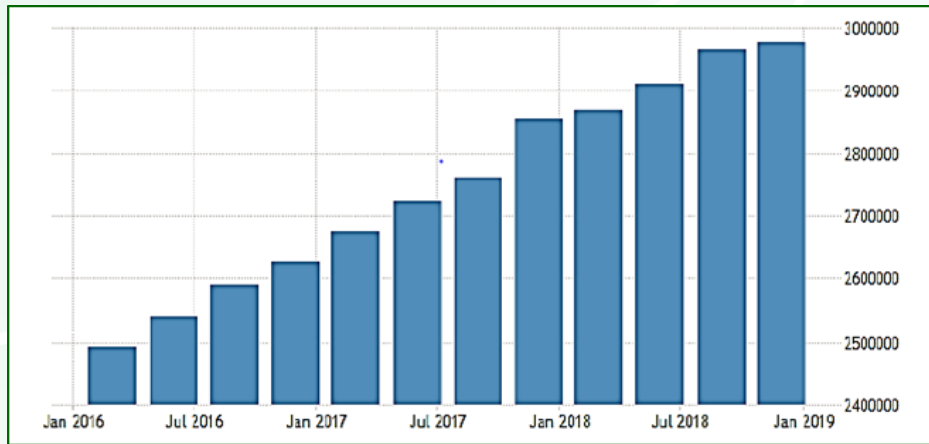


South Africa's retail sales rose 0.2% percent year-on-year in March of 2019, following an upwardly revised 1.4% increase in February and missing market expectations of a 0.6% percent rise. Sales increased less for household furniture, appliances & equipment (1.9% vs 4.8% in February) and they fell for food, beverages & tobacco (-3.6% vs -1.3%); pharmaceuticals and medical goods, cosmetics & toiletries (-4%, after being unchanged in February); textiles, clothing, footwear & leather goods (-1.8% vs 5.7%) and hardware, paint and glass (-0.9% vs -1%).

In contrast, sales grew faster for general dealers (1.8% vs 1.2%) and rebounded for all other retailers (1.5% vs -0.7%).

On a seasonally adjusted monthly basis, retail trade fell 0.7% compared to an upwardly revised 0.6% gain in the prior month. Retail Sales year-on-year in South Africa averaged 4.4% from 2003 until 2019, reaching an all-time high of 15.5% in September of 2006 and a record low of -6.3% in April of 2009.

Figure 3: Disposable personal income of South Africans, 2014-2019 • (Source: Trading Economics (2019))



Disposable Personal Income in South Africa increased to R2 978 037 in the fourth quarter of 2018 from R2 965 713 in the third quarter of 2018. Disposable Personal Income in South Africa averaged R583 157.73 from 1960 until 2018, reaching an all-time high of R2 978 037 in the fourth quarter of 2018 (Trading Economics, 2019). It also increased the revenue of the W&RSETA and enabled an expansion of skills development projects with an increasing number of grants for apprenticeships, learnerships, bursaries and internships. Since the economy is now in a recession, growth is expected to slow.

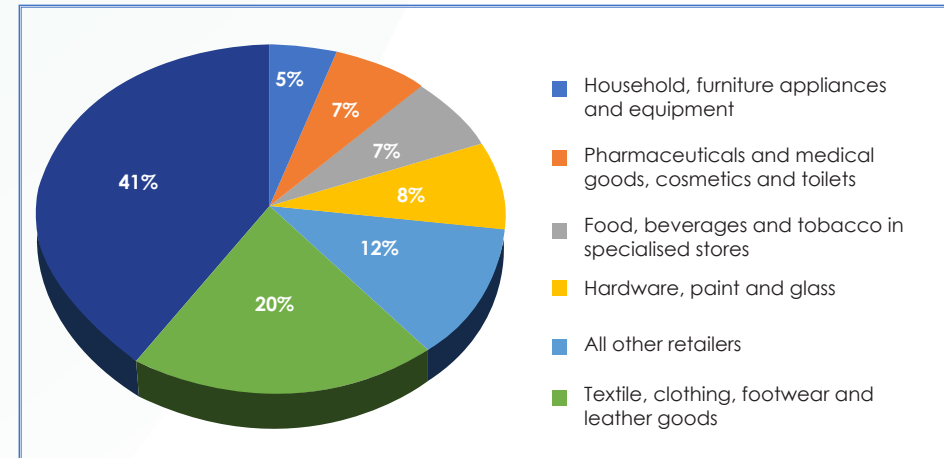
The positive trend in disposable personal income is a healthy trend since households with higher disposable personal income are likely to spend more on goods and services, thus providing revenue to companies who in turn pay levies to the SETA. However, the increase in disposable personal income may soon slow down or decline due to the increase in the unemployment rate and general economic growth slowdown.

8.1.5 The biggest role players in the South African retail sector

The South African retail sector is constituted by subsectors such as household furniture, pharmaceuticals, food, beverages and tobacco as well as textile, clothing and footwear

who all share portions of the sector as highlighted on Figure 4.

Figure 4: Biggest role players in the SA retail sector • (Sources: Statistics South Africa (2018))



As indicated by the Figure 4, household furniture, appliances and equipment retailers make up the majority of the sub-sector with 41% representation. The second sub-sector includes textiles, clothing, footwear and leather goods retailers which constitute 20%. This is despite the fact that retail sales decreasing by 1.4% year-on-year in December 2018. Five of the seven types of retailer reported negative growth rates over this period. Textiles, clothing and footwear and leather goods at -2.7% and general dealers at -1,0%. Retail sales increased by 2.1% in 2018. The main contributors were all 'other' retailers at 7.6% and retailers in household furniture, appliances and equipment at 10.6%. December is generally the most important month of the year for retail trade.

In ensuring that the SETA collects maximum possible levy amounts, relations will be enhanced with key industry role players through partnerships that seek to enhance retail organisations' capacity to provide products and services. Meanwhile, the SETA will also pursue capacitation for small and informal enterprises as an intervention to spearhead job creation in the sector, formalisation of informal enterprises and the increases in levies earned.

8.1.6. W&R sector employer profile

This section provides an employer profile of the W&R Sector for the period 2018-2019.

The highest number of levy paying companies was in Gauteng (3990), followed by Western Cape (2131) and Kwa-Zulu Natal (1430). This is due to the higher concentration of companies in these regions.

Figure 5: Number of levy paying companies per province, 2018/19 • (W&RSETA Annual Report 2018/19)

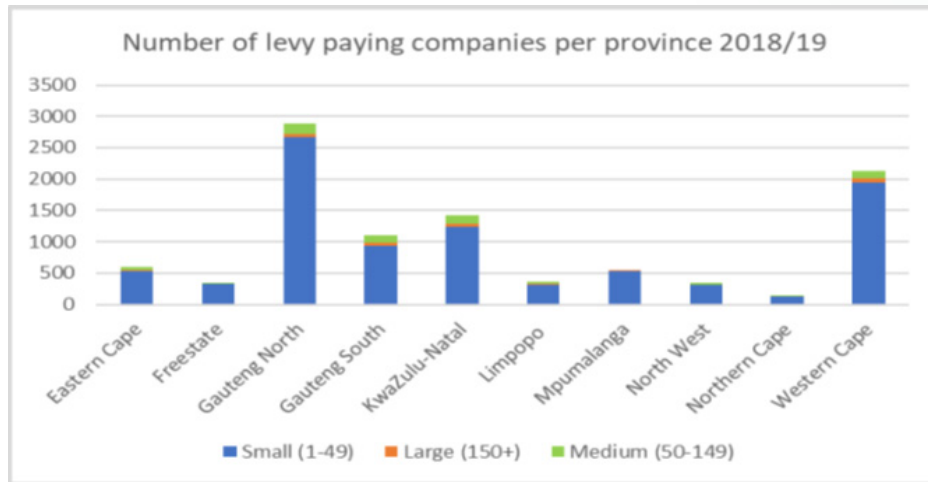
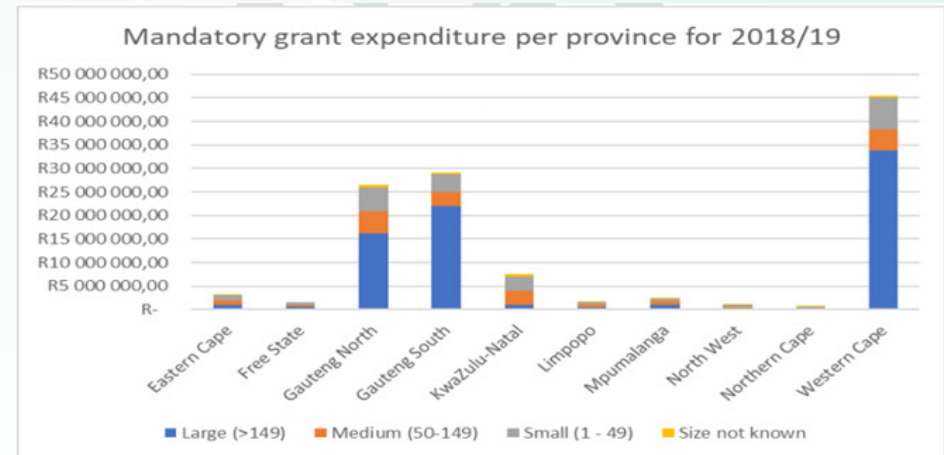


Figure 6: Mandatory grant expenditure per province, 2018/19 • W&RSETA Annual Report 2018/19



Western Cape Province had the highest mandatory grant expenditure followed by Gauteng.

8.1.7. Employee demographic information of the W&R sector

The NDP and NSDP 2030 strategy documents both underline the importance of investment in equality in all sectors and elimination of discrimination. This section assesses the demographic data of people employed in the W&R sector in terms of gender, age and disability among other factors.

Figure 7: Employees in the W&R trade, 2014-2019 • (Source: W&RSETA SSP 2020-2025)

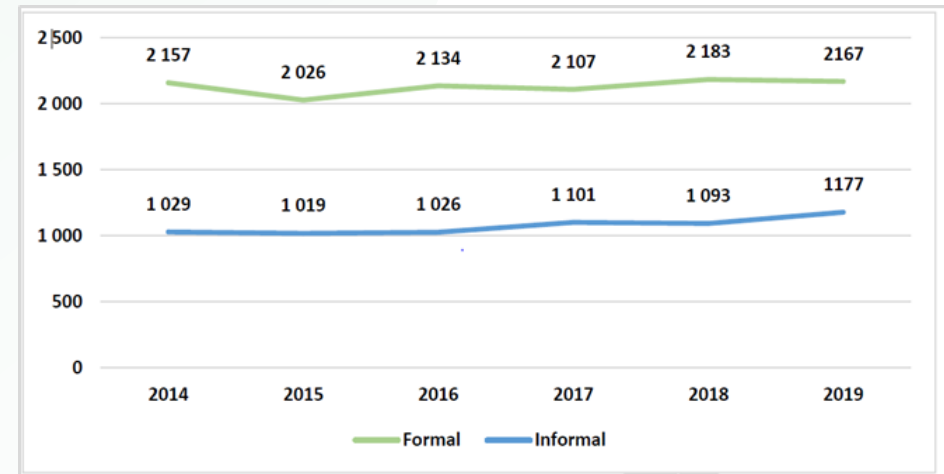


Figures 8 and 9 reveal the following:

- The wholesale and retail sector employed about 3.3 million people in 2019, which is 21% of the total active labour force.
- In 2014, there were 3.186 million employees compared to 3.345 million employees in 2019. This represents an increase of 159 000 (5%) of employees in this period (Statistics South Africa, 2019).
- Employment declined between Q1: 2014 and Q1: 2015 and has shown steady growth between 2016 and 2019. Correspondingly, between Q1: 2018 and Q1: 2019, employment levels increased by 69 000.
- The W&R sector is a major absorber of unskilled and semi-skilled workers. Hence, it is necessary to ensure healthy economic growth to provide employment for this unskilled and semi-skilled segment of the labour market, which consists of most of the labour force.

The SETA will continue to provide skills development interventions to the employed in the W&R sector to enhance their skills and ensure greater job stability. This will be achieved through investment in relevant skills required by the sector. Figure 9 shows the distribution of W&R sector employees between the formal and informal institutions.

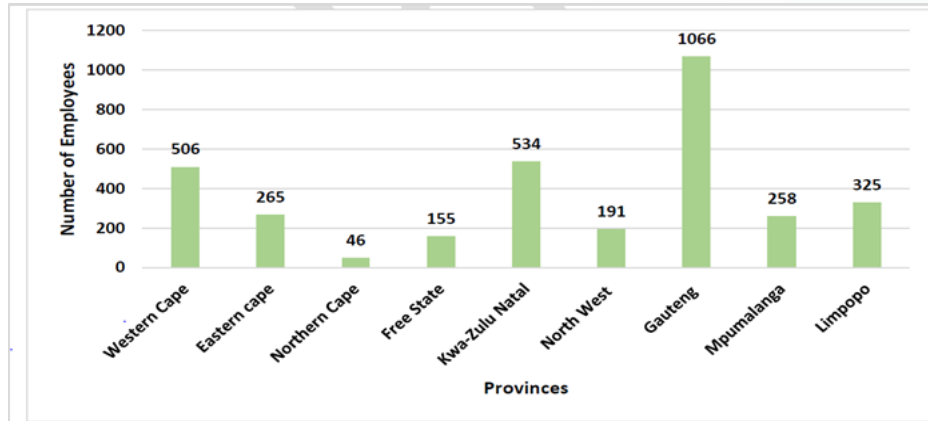
Figure 8: Employees by formal and informal sector • (Source: W&RSETA SSP 2020-2025)



There were 2.167 million (65%) in formal employment and 1.177 million (35%) in informal employment in the sector. Formal sector employment experienced a steady decline over the period.

As shown on Figure 8, the W&R sector appears to be steadily shedding formal jobs whilst increasing the informal sector jobs. This is a challenge to the SETA's priorities of formalising the informal sector organisations. Accordingly, the SETA will seek to strengthen interventions aimed towards formalising the informal sector, thus enhancing their participation in the mainstream economy. SSP priority action 1 calls for the capacitation of SMMEs and cooperatives with skills development initiatives and alternative training models meant to meet their needs. Through research therefore, the SETA will explore needs of SMMEs and cooperatives in order to tailor skills development programmes to their needs.

Figure 9: Employees by province (000s) for 2019 • (Source: W&RSETA SSP 2020-2025)



Gauteng province has the highest number of employees with 1066, followed by KZN with 534 and Western Cape, 506. Whilst SETA interventions for the employed will be maximised in areas with the highest concentration of the employed, special attention will be given to the spatial distribution of skills development programmes to include rural areas and other remote areas in the country.

Figure 10 shows the demographics of employees according to the Commission for Employment Equity (CEE) Annual Report 2017-2018.

Figure 10: Distribution of employees by occupational level • (Source: CEE (2017))

OCCUPATIONAL LEVEL	MALE (%)				FEMALE (%)				FOREIGN NATIONAL		TOTAL (%)
	A	C	I	W	A	C	I	W	M	F	
Top Management	4,6	2,4	10,7	57,3	2,6	1,5	3,3	14,3	2,7	0,5	100
Senior Management	8,8	4,3	10,9	39,6	5,3	3,3	4,9	20,3	2,1	0,7	100
Professional	15,0	5,3	7,2	28,1	10,1	4,6	5,1	22,5	1,7	0,5	100
Technician	27,2	6	4,8	14,1	19,2	7,1	4,4	14,7	1,8	0,7	100
Semi-Skilled Workers	42,1	5,4	2	3,2	31,6	6,5	2,5	4,8	1,4	0,4	100
Unskilled Workers	46,4	5,3	0,9	1	38	4,9	0,6	0,5	1,7	0,7	100

The figures in Figure 10 show that:

- In top management, 7.2% (4.6+2.6) of Africans compared to 71.6% (57.3 +14.4) of Whites are represented.
- Female representation across the board for top management is 22.2% with 2.6% Africans, 1.5% Coloureds and 3.3% Indians and 0.5% foreigners. The corresponding figure for White females is 14.3%.
- A similar picture emerges for senior management and professionals.
- In the unskilled category, African males make up 4.4%, White males 1%, Coloured males 5.3% and Indian males 0.9%. The corresponding figures for females are 38%, 0.5%, 4.9% and 0.6% respectively.

Lack of equitable representation at the Top Management level creates challenges for the future sustainable economic growth of the country due to the lack of inclusive and representation of the demographic population distribution in the workplace in terms of population groups, gender and disability. In order to reach equity at the Top Management level, the CEE believes that multi-pronged strategies should either be strengthened or developed (CEE, 2017). To address the imbalances in terms of gender and race as shown in Figure 11, the SETA will enhance investment in spatial distribution of skills development interventions to promote participation of women, black and black people in general. Employers will accordingly be encouraged to send their black employees; in particular black female employees, to leadership development programmes offered by the SETA such as the RMDP and ILDP programmes.

Figure 11: Number of employees by age group ('000) • (Source: CEE (2017))

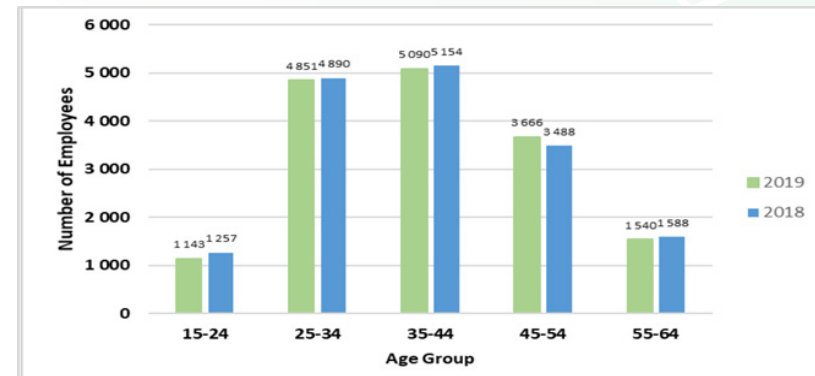


Figure 11 shows that the number of employees below the age of 24 years has decreased in 2019 when compared to the same period of time in 2018.

The 45 to 54-year age group is the only age group that has increased the number of employed people. The trend shows the number of employed people has dropped across most age groups. The SETA remains committed to curbing unemployment in the country especially among the youth; and with programmes such as workplace based learning, the focus is will be on enhancing employability of the youth. On the other hand, the RMDP programme will grow leadership skills among youths and increase the number of youth employed in top positions in the sector. Youth employment addresses priority action 2 of the SSP which discusses the need for career development among youths to create permanent job positions.

Figure 12 shows the percentage of the workforce made up by people with disabilities in the W&R sector over the three years from 2015 to 2017.

Figure 12: Percentage of Workforce with Disabilities from 2015 to 2017

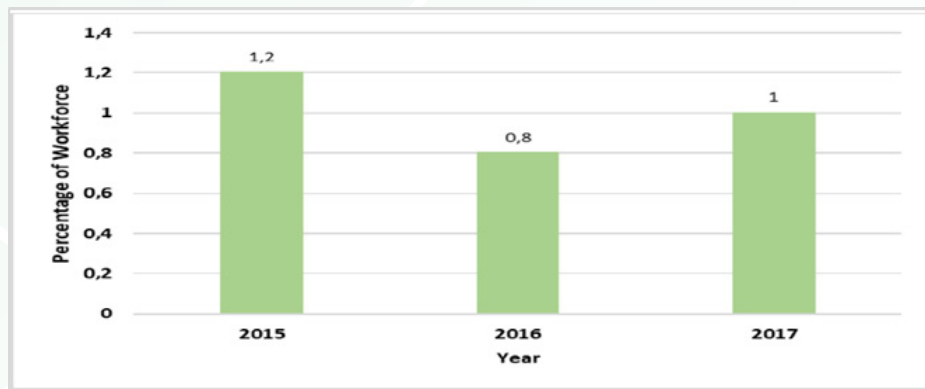


Figure 12 shows that the number of employed people with disabilities has remained relatively flat over the three years, decreasing slightly from 2015 onwards.

According to a report by Commission for Employment Equity (2016), people with disabilities were least represented in the South African labour market and access remains

a challenge. South African people with disabilities are featured more prominently in the public sector as compared to the private sector. The national disability prevalence rate is 7.5% in South Africa. More than half of persons aged 65 years and older reported having a disability. Furthermore, people who report having a disability are highest among the elderly (those aged 85+).

It is widely acknowledged that persons with disabilities tend to have lower educational levels in the countries of the Organization for Economic Co-operation and Development (OECD) and many other societies. Historically, most persons with disabilities have always occupied the lower socioeconomic status rungs of the ladder due to marginalisation and exclusion from various aspects of life such as education and employment. Research has shown that generally, women report higher incidents of disability than men including OECD20 countries. Also noted is that women

with disabilities tend to be doubly disadvantaged, experiencing exclusion on account of their gender and their disability (Statistics South Africa, 2016) white population group had the highest proportion of persons with disabilities (9.2%) followed by Indian/ Asian population group (8.4%). Results showed that coloured persons recorded the lowest disability prevalence (7.5%) in 2016 (Statistics South Africa, 2016). To respond to some of the challenges facing people with disability in the sector W&RSETA has identified disability as a sector priority and interventions will be implemented to ensure representation. In the realisation of SSP priority 5, the SETA will ensure that people with disabilities are included in skills development programmes especially those which unlock their potential to grow at their respective workplaces.

8.1.8 PESTEL Analysis

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
POLITICAL FACTORS	<ol style="list-style-type: none"> 1. Macro-reorganisation of the state e.g. the merging of departments 2. Instability in the Informal Sector 3. SOE governance Framework 	<ul style="list-style-type: none"> • Support rural and township economy through skills development initiatives • Drive social cohesion in the Informal Sector
ECONOMIC FACTORS	<ol style="list-style-type: none"> 1. State of economy: 2. Lower economic growth levels 3. Retrenchments by various Sectors 4. Rising unemployment especially among youth 5. High poverty and rising inequality 	<ul style="list-style-type: none"> • Accelerate implementation of strategies that support employment and placement • Entrepreneurship support initiatives
SOCIAL FACTORS	<ol style="list-style-type: none"> 1. Unemployment especially among youths 2. Instability in the townships 	<ul style="list-style-type: none"> • Grow participation in bursary, learnerships and artisans • Come up with skills development initiatives for small businesses
TECHNOLOGICAL FACTORS	The fourth industrial revolution which is driven by artificial intelligence (AI) and cyber-physical systems (CPS)	<ul style="list-style-type: none"> • Invest in the use of artificial intelligence particularly in curriculum development • Support initiatives to build infrastructure that supports 4IR technology • Support dialogue and research to understand and benchmark for the 4IR • Invest in research on 4IR • Ensure regional, national and international partnerships • Investing in future skills responding to the 4IR as identified in the SSP. These include: <ul style="list-style-type: none"> * Data analyst; * System analyst; * IT specialist; * Product manager; * E-learning Designer. • Investing in new and emerging top-up skills as identified in the SSP. These include: <ul style="list-style-type: none"> * Digital marketing skills; * Digital customer communication skills; * Problem solving skills; * Financial literacy skills; * Data analytics skills; * Ethics & discipline; * Information Communication Technology (ICT) skills.
ENVIRONMENTAL FACTORS	<ul style="list-style-type: none"> • Consumer awareness of, example the green economy • Movement towards organic foods • Plastic pollution awareness, recycling and alternatives to plastic 	<ul style="list-style-type: none"> • Facilitate skills development programmes that support the green economy • Support community-based initiatives that address environmental challenges and unemployment • Cooperatives formation

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
LEGAL FACTORS	Legislation affecting the sector in business including: <ul style="list-style-type: none"> • SETA Grant Regulations (December 2012) • National Qualifications Framework Act, No. 67 of 2008 • Workplace Based Learning programme Agreement Regulations, 2018 	<ul style="list-style-type: none"> • Ensuring Regulatory Compliance • Capacity to adhere to relevant pieces of legislation

8.1.9. Opportunities and Threats

The following opportunities and threats might affect the W&RSETA strategy:

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • National legislation which mandates all corporate organisations to participate and pay levies • The new SETA landscape which has renewed SETA operations up to 2030 provides growth opportunities • High youth unemployment is an opportunity to expand training programmes. Accordingly, the SETA will pursue priorities for youth skills development for employment creation as well as career advancement, in line with NSDP 2030 principles and SSP priority action 1. • Opportunity to capitalise on the 4th Industrial Revolution (4IR). This gives a chance to change the way things are done e.g. class delivery. To make impact in the sector, the SETA will pursue the development and revision of a curriculum which is relevant to the sector. Research interventions into industry trends will inform the development and revision of the curriculum; which will seek to respond to sector dynamics. • Opportunities for partnerships with international organisations, higher education institutions and other SETAs. In line with NSDP 2030 outcome 5, the SETA will pursue partnerships aimed at the capacitation of TVET and CET colleges through infrastructure development, equipment and lecturer capacitation. Meanwhile, partnerships with other SETAs and international institutions will be made in the fields of research, exchange learning and curriculum development. 	<ul style="list-style-type: none"> • Movement of W&RSETA stakeholders to other SETAs – This is a recurring occurrence; and is likely to reduce the amount of levies collected by the W&RSETA by a significant percentage if the trend persists. The SETA will focus on improving stakeholder relations during the strategic plan implementation period to enhance retaining of levy paying firms. • The general perception of rife corruption in the SETA system – This generally leads to lack of trust in the SETA to deliver on its promises, and might also lead to the reluctance of W&R firms to pay their levies. The W&RSETA will accordingly aim to interact with all stakeholders with dignity by delivering on all obligations. Building, maintaining and enhancing trust with stakeholders will be among the key overall priorities for the W&RSETA's approach to the 2020/21-2024/25 SP implementation processes. • Overall poor performance of the economy which decreases levies obtained by the W&RSETA – As at the third quarter 2019; unemployment in SA is at its highest, whilst growth rates has also declined. A continuation of the trend will result in the decline in levies received; thereby affecting the SETA's ability to meet targets set in the APPs. Accordingly, the SETA will focus on improving efficiency in the utilisation of limited resources; through investment in extensive research into W&R sector dynamics.

8.2. Internal Environment Analysis

8.2.1. SETA's capacity to deliver: Human resources

The total current staff complement of the W&RSETA is 258. Of these, 221 are permanent positions and 37 are contract appointments. There are 12 vacant positions (a vacancy rate of 4%). The W&RSETA has a total of ten regional offices, with one regional office in each of the nine provinces of the Republic of South Africa, except for Gauteng Province, which has two regional offices.

These offices facilitate access to W&RSETA services and projects; and are adequately resourced with skilled and competent SETA officials whose duties include management and monitoring of skills interventions through learner verifications, monitoring, evaluation and reporting. Regional offices are also responsible for ensuring quality standards in the implementation

of learning programmes through assessments, moderation and learner certification.

In addition, the SETA has 20 TVET regional co-ordinators, some placed at TVET colleges situated in various rural and township communities. Once the vacancies are filled, the human resource capacity can be deemed to be adequate to deliver on the SETA mandate.

Organisational Design (OD)

In the journey to deliver on the Turnaround Strategy, the W&RSETA has embarked on various initiatives. One of these initiatives is the Organisational Design (OD) process which involves the realignment of the SETA organisational structure with the mandate to respond adequately to changing demands and needs of the sector.

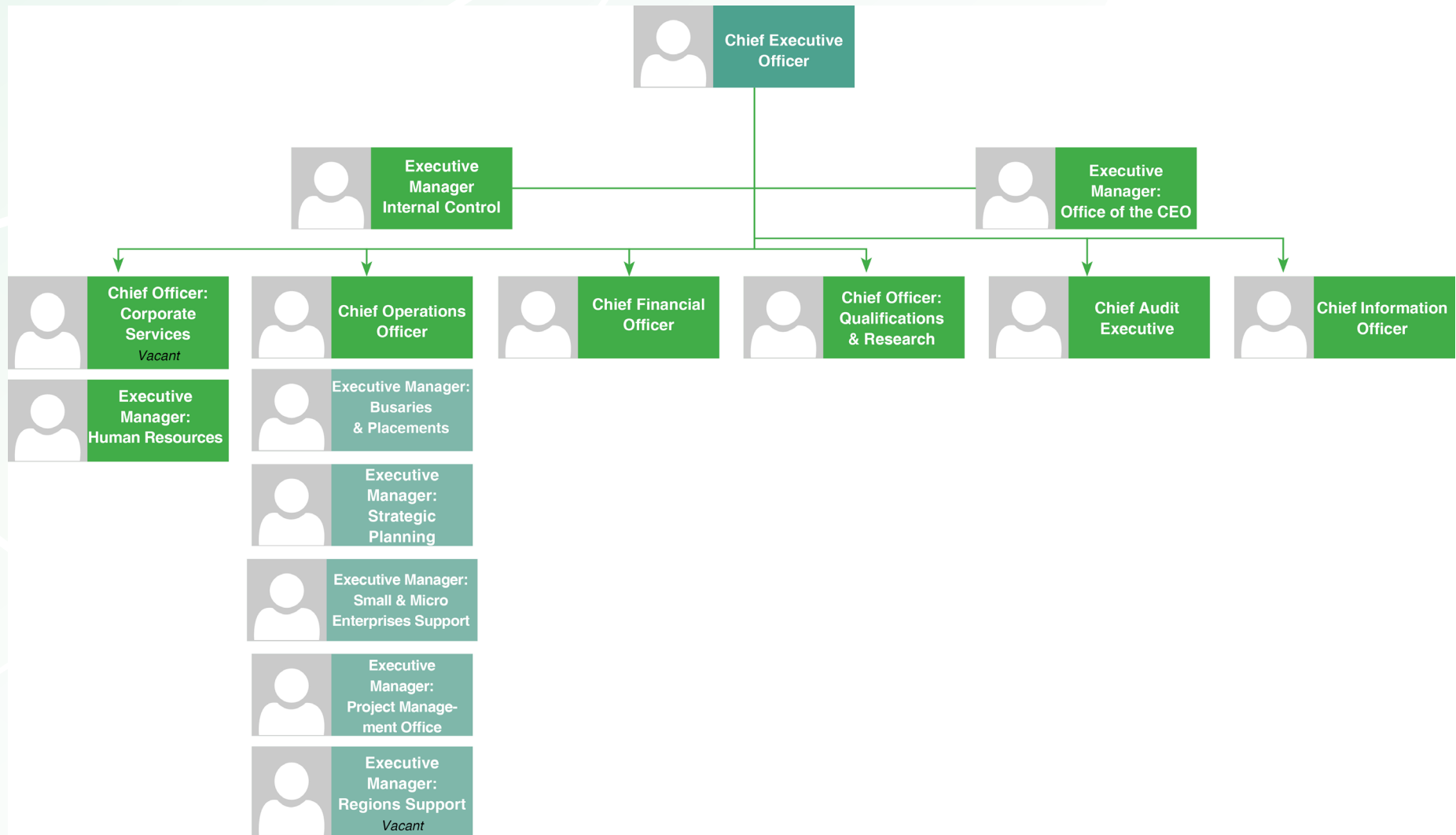
The intent of the OD process is meant to yield the following results/outputs:

- Greater effectiveness and efficiency
- Meeting of the desired results/outputs
- Use of resources economically
- Ensuring a mechanism for clean administration is in place
- Ensuring the SETA becomes an employer of choice
- Bringing services closer to the major role players
- Supporting, developing and growing the informal sector

Implications of the new structure:

- Clustering of regions for greater efficiencies
- Revisions of the naming conventions
- Clear job profiles and descriptions
- Migration to the new structure and remuneration framework
- Devolution of powers/ responsibilities
- Decentralisation of identified services
- Sharing of enablers/ support services

CURRENT MACRO STRUCTURE



APPROVED MACRO STRUCTURE

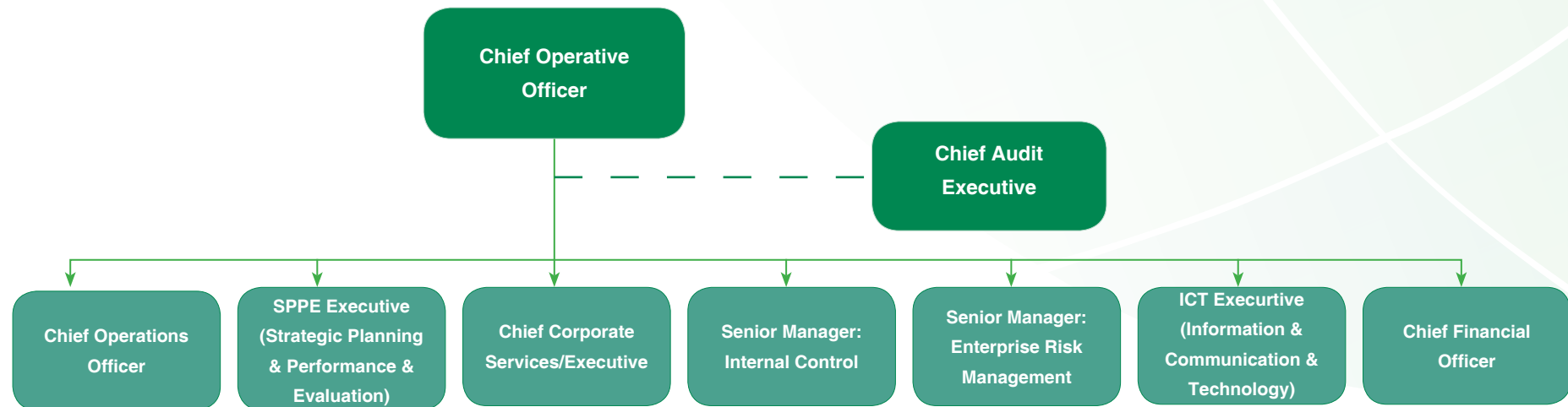
The approved macro structure is the culmination of the second phase of organisational design (OD) process for the SETA. The macro structure includes the following;

- Executive management structure; and
- Functional structure

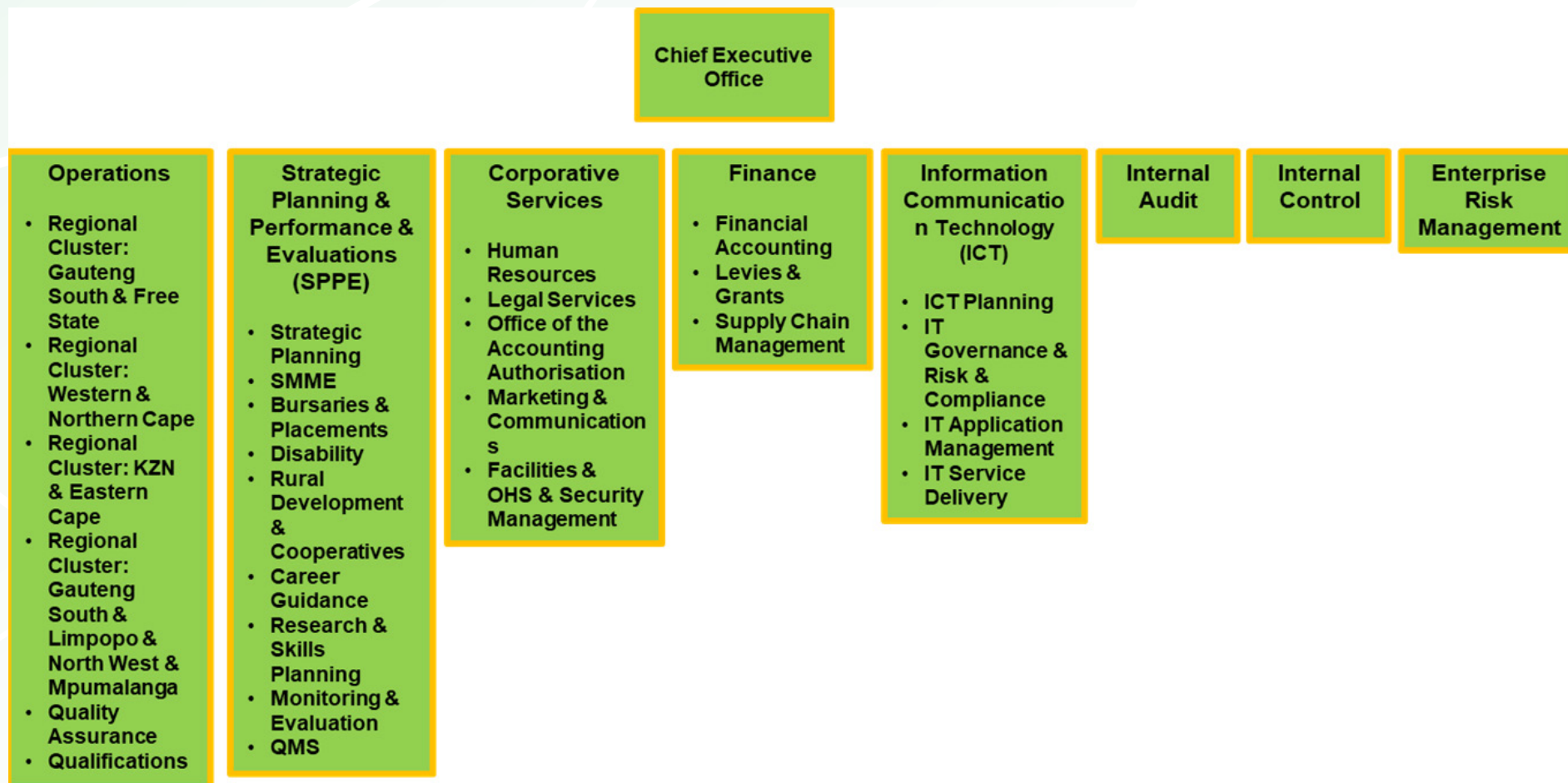
It is the output of work led by the CEO and his Management team and represents the design intent of the Board approved turnaround strategy. The design was guided by the Board approved decentralized service delivery model and the design principles developed aligned with the service delivery model and turnaround strategy. It is structured around three key focus areas:

- Value creators
- Value enablers
- Value defenders

Approved W&RSETA Structure: Executive Management



APPROVED W&R SETA: FUNCTIONAL STRUCTURE



8.2.2. SETA's capacity to deliver: Financial resources

The W&RSETA receives 80% of the 1% of payroll paid by levy paying companies. Revenue streams projected for 2019/20-2021/22 are based on actual levies received during 2018/19 and the forthcoming years, taking into account the state of the economy and the CPI percentiles (part of the MTEF guidelines) issued by the National Treasury.

Revenue streams in past budgets have always been conservatively projected at an average increase of 5–6% per year. The revenue streams are also based on salary negotiations within the sector that forms the basis for the calculation of the 1% skills levy.

Goods and services

Goods and services is expected to increase by 28% in the 2020/21 financial year and this is mainly due to the following:

- Advertising and marketing is expected to increase by 64% in 2020/21 due to the planned relocation of the W&RSETA Head Office and Provincial Offices in 2020/21.
- Board expenditure is expected to increase by 21% due to induction costs of newly appointed board members as well as the filling of three vacancies in the current board composition. It is expected that these vacancies will be filled in 2020/21 with the appointment of the new Board.
- Professional fees are budgeted to increase by 61% due to the cost of Information Technology (IT) services. The W&R SETA took a decision in the 2019/20 financial year to develop and own critical IT systems and platforms and this was a significant departure from prior years whereby these systems were outsourced and the SETA was paying a monthly service fee and had no ownership rights. Included in the 61% increase are annual license costs, system maintenance costs, connectivity costs and relocation costs of IT equipment to new leased premises. The benefit of this investment to IT will result in greater efficiencies through the automation of various business processes and functions.
- All the 11 office leases of the W&RSETA are due to expire on 31 March 2020. A 24% increase to operating lease expenditure has been budgeted for to ensure that we provision for initial lease costs and relocation costs. The budget also takes into account increases to the size of leased space in order to deal with historic challenges of space shortages.

- Other expenses have been adjusted for inflation over the MTEF.

Employee Costs

Employee costs are expected to increase by 10.7% and this is mainly due to:

- Changes to the leave policy that were approved and effective during the 2019/20 financial year. The annual impact of these changes will be accounted for the full year in 2020/21
- Performance remuneration is expected to increase from 4% of total cost of employment in 19/20 to 6% in 2020/21. This increase is directly linked to the plan to significantly improve organisational performance and service delivery to the sector.
- The annual cost of living adjustment for all qualifying employees.

It is important to note that the total salary cost of the W&RSETA is distributed as follows:

Table 7: Total salary costs for the SETA

R thousand	Medium Term Estimates		
	2020/21	2021/22	2022/23
Programme 1: Administration	70,566	58,066	62,596
Programme 2: Skills Planning	3,576	3,862	4,163
Programme 3: Learning Programmes and Projects	67,022	90,529	97,591
Programme 4: Quality Assurance	13,837	14,944	16,109
Total employee costs	155,001	167,401	180,459
Funding areas for employee costs			
- 10% administrative costs	70,566	76,212	82,156
- 7.5% project administrative costs	84,435	91,190	98,302

Revenue

Levy revenue is expected to increase by 7%, 6.8% and 6.8% over the MTEF. This is arrived at after taking into account:

- Historic trend analysis of revenue
- Economic data on overall performance (including forecasts) of the sector and the South African economy. This includes inflation estimates over the medium term.
- Unemployment in the country continues to be high and the 4th Industrial Revolution is likely to negatively impact W&R salary costs over the medium term.

Transfers and subsidies

Transfers and subsidies expenditure represents the total value of both mandatory and discretionary grant expenditure for the SETA. This expenditure is expected to increase by at 7%, 6.8% and 6.8% over the MTEF in line with the revenue estimate.

8.2.3. SETA's compliance with the B-BBEE Act and disability requirements

Context: In South Africa, Broad-Based Black Economic Empowerment (BBBEE, or BEE as it is more commonly known) is a complex system of rules and guidelines designed to effect socio-economic transformation by levelling the playing field for people of all races. Broad-Based Black Economic Empowerment: While the major legislation involved is the Broad-Based Black Economic Empowerment Act, No.53 of 2003 as supplemented by the Codes of Good Practice, it is supported by and intertwined with other laws and one key example is the Employment Equity Act, No. 55 of 1998. The Employment Equity (EE) Act and BEE Act have many overlapping aims and functions – and here we explore what these are.

Under the old BEE legislation, EE was one of the seven pillars of the BEE scorecard. To ensure a good score, businesses had to show compliance with the requirements of the EE Act in their workplace. Employment Equity Act: Section 15 of the Employment Equity Act no 55 of 1998 stipulates that a Designated Employer must implement affirmative action measures intended to ensure that suitably qualified employees from Designated Groups have equal opportunity and are equitably represented in all occupational categories and levels of the workforce. In line with the provisions of the Act and the said Section 15, the W&RSETA workforce as at end of October 2019 was as follows:

Table 8: HR Statistical picture

Item	Numbers	Comment
Total Staff (including fixed term)	277	61 or 22% of staff members are fixed term.
Women (including fixed term)	184	66 % in the SETA are women
People with disability	2	0.72% is the number representing the people with disability.

The above table indicates that W&RSETA employs 66% women while people with disability is 0.72 %. According to the Employment Equity Commission Report of 2018/2019, 45.3% of economically active population (EAP) is women and this suggests that the SETA has far outpaced the national picture. The same report mentions that the statistics for people with disability were not available during the compilation from Stats SA since these come from various sources. It is also worth noting that the SETA (annually) prepares and submits an online EE Report as required by law.

This HR Report is based on the law and/or compliance with specific reference to: status of employment equity, women and people with disability. The approached interrogated the current the provisions of the law and 2018/19 EE Report as a benchmark. The conclusion is that W&RSETA is far ahead of the national picture on EAP while the comparison with people with disability could not be determined. The Stats SA Census 2011, on People with Disability shows that 7.5 of the population were people with disability. The challenge is that the age group ranges from 05 to 85 and it's difficult to draw conclusion as to how many are adults (example 18 to 65). Inference can however be drawn that the SETA number at 0.72% is low and could be improved.

8.2.4. Challenges in the SETA environment and interventions for addressing challenges

The SETA's performance in terms of meeting its priorities set in the 2015-20 strategic plan was affected by a number of challenges which emanated from the internal and external environments.

Table 9: Challenges experienced by the W&RSETA in the performance environment

Challenges experienced by the SETA	Mitigations over the 2020/21 – 2024/25 period
1. Failure to meet targets due to the mismatches between employers and learning institutions' financial years	<ul style="list-style-type: none"> Activities and reporting will be streamlined to ensure maximum registrations are conducted and reported on during the SETA's financial period. Registrations for skills development programmes will proceed throughout all periods when employers and educational institutions are open
2. Failure of some companies to submit compliant Annexure II documents, thus leading to rejection of applications	<ul style="list-style-type: none"> Companies will be educated and informed on the process of submitting compliant documents, to reduce the number which fails to submit compliant documents
3. Misalignment between the SETA's outcomes, the external environment, internal environment and national priorities	<ul style="list-style-type: none"> Service Level Agreements between departments will define relationships and guide interaction to ensure smooth service provision to stakeholders
4. Misalignment between the SETA's outcomes, the external environment, internal environment and national priorities	<ul style="list-style-type: none"> The SETA's impact statements for the 2020/21 – 2024/25 MTSF period were formulated based on the situational analysis, and aligned to NSDP outcomes Targets will be revised over the period based on dynamics in the operating environment as reflected in the SSP documents

8.2.5. Strengths and Weaknesses

Table 10: Strengths and Weaknesses

STRENGTHS	WEAKNESSES
<ol style="list-style-type: none"> 1. Availability of financial resources due to numerous levy-paying firms 2. Existing national footprint with regional offices in all nine provinces 3. Availability of W&RSETA offices at nearly all of the TVET branches in South Africa. 4. Staff complement with substantive understanding of clients and the wholesale and retail sector 5. Since W&RSETA is statutory created, government support is available 6. Organisational stability 7. Leadership commitment 	<ol style="list-style-type: none"> 1. An organisational culture which does not support business – Staff and management are so far working with a SILO mentality which stifles team work. To mitigate this, contracts of employees could be based on overall performance rather than narrowly defined roles and responsibilities 2. Inadequate investment in change management – A rigid approach to organisational activities can cripple the SETA's ability to swiftly respond to the dynamics of the W&R environment such as the recent 4th IR introduction. Target owners should hence be more flexible towards embracing change; and communicating it to their subordinates 3. Poor communication internally and externally – Poor internal communication results in lack of coordination in doing business, especially due to existing interdependencies between functional units and support units.

PART C: MEASURING OUR PERFORMANCE

9. Institutional Performance Information

9.1. Measuring the impact

The W&RSETA impact statements are informed by:

- Sector priorities as informed by the SSP,
- Legislative and policy imperatives,
- PESTEL and SWOT analysis,
- Overall external and environmental analysis, and
- The SETA's organisational structure.

The following impact statements are presented per W&RSETA programme:

Table 11: Impact statements by programme

PROGRAMME	IMPACT STATEMENT
Programme 1	An efficiently run organisation that effectively responds to skills demand and supply of the wholesale and retail sector
Programme 2	Skills development interventions informed by comprehensive research
Programme 3	Wholesale and retail workforce equipped with relevant skills required by the sector
Programme 4	A curriculum that is relevant to the sector is developed and updated

9.2. Measuring outcomes: Impact statement 1

The realisation of Impact Statement 1 falls under the mandate of Programme 1 (Administration)

IMPACT STATEMENT	An effectively and efficiently run organisation that responds to skills supply and demand of the W&R sector
Programme 1	Administration
Purpose	The purpose of this Programme is to provide effective and efficient support functions within the organisation. The Programme is responsible for creating an enabling environment for the W&RSETA to deliver on its Outputs and goals. The success of this Programme over the next five years will be measured in terms of its ability to establish organisational capacity and capability that will enable a culture of high-performance productivity which will enable delivery of the SETA's mandate. This will be attained through the deployment of robust business processes and systems; embedding effective corporate governance, strengthening oversight and compliance, as well as monitoring and evaluation capabilities for measuring impact of skills interventions in the sector.
Sub-Programmes	<ul style="list-style-type: none"> • Corporate Services (Contracts, Human Resources and Marketing & Communications) • Finance and SCM • Governance (Audit and Risk) • Information and Technology

OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Outcome 1: Improved operational efficiency	An unqualified audit opinion is consistently obtained over the four year ultimately ending in a clean audit opinion	Qualified	A clean audit opinion obtained in year 2024/25
	% reduction of manual processes as a result of seamless and optimised business processes	70% manual processes	90% reduction of manual processes

9.3. Measuring outcomes: Impact statement 2

The SETA's realisation of impact statement 2 falls under the mandate of Programme 2, Skills Planning and Research

IMPACT STATEMENT	Skills development interventions informed by comprehensive research
Programme 2	Skills Planning and Research
Purpose	Functions falling within the ambit of this Programme include; skills planning, monitoring, evaluation, reporting and research Programmes. These Programmes provide key inputs in advancing skills development in the sector. Programme 2 implements its mandate through robust planning, improving the quality and quantity of research outputs, as well as strengthening the integrity of monitoring, evaluation and reporting on performance information.

OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Outcome 4: Sector responsive research conducted	Number of research studies conducted in response to the sector needs	4 research reports	20 research reports completed

9.4. Measuring outcomes: Impact statement 3

The realisation of impact statement 3 falls under the mandate of Programme 3 Learning programmes and projects.

IMPACT STATEMENT	Wholesale and retail workforce equipped with relevant skills required by the sector
Programme 3	Learning Programmes and Projects
Purpose	The purpose of this Programme is to contribute to addressing the HTFVs identified in the SSP; and reducing HTFVs in the wholesale and retail sector through the provisioning of quality learning programmes. Sub programmes under this Programme include career guidance and the implementation of learnerships, apprenticeships, skills Programmes, internships, workplace based learning programmes (learnerships) and bursaries for students at TVET Colleges and Higher Education institutions.
Sub-Programmes	<ul style="list-style-type: none"> • Regions • Rural Skills Development Unit • Disability Unit • Bursaries & Placements • Small & Medium Enterprises Unit • Career Guidance Unit

OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Outcome 5: Increased access to Wholesale and Retail occupationally directed programmes	Number of learners participating in occupationally directed programmes	6 536	7 000 (4% person with disability 12.5% persons from rural areas)
Outcome 2: An integrated career guidance strategy	A comprehensive career guidance and career development strategy is developed	New target	A career guidance and career development strategy which guide W&RSETA career guidance interventions over the period 2020/21 – 2024/25
Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy	Number of informal businesses who have participated in W&RSETA skills development initiatives registered with relevant business or enterprise registration bodies	New target	1 000 Informal Businesses registered with relevant registration bodies

OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
	Number of learners from SMEs participate in W&RSETA skills development initiatives	3 500 per year	17 500
	Number of learners from Cooperatives participate in W&RSETA skills development initiatives	220 per year	1 100
Outcome 7: Capacitated Trade Unions within the W&R sector	Number of interventions conducted to capacitate Trade Union members	N/A	15 Interventions
Outcome 8: Reduction of skills shortages in the W&R sector	Number workers registered in programmes addressing Hard to Fill Vacancies as identified in the SSP	New target	10 000

9.5. Measuring Outcomes: Impact statement 4

The realisation of the SETA's Impact statement 4 falls under the mandate of Programme 4, Quality Assurance

IMPACT STATEMENT	Quality Assurance
Programme 4	Quality Assurance
Purpose	The purpose of this Programme is to execute the QCTO delegated quality assurance functions with regards to the accreditation of training providers, registration of assessors, facilitators and moderators, evaluating of assessments and facilitation of moderation including certification of learners as proof of successful completion of the 'historical' unit standard based qualification, until 2024.
Sub-Programmes	<ul style="list-style-type: none"> • QQA • SCM • PMO

OUTCOME	OUTCOME INDICATOR	BASELINE	FIVE-YEAR TARGET
Outcome 3: Growth focused partnerships with the College system.	% increase in the number of HET, TVET and CET partnerships aimed at enabling their growth	New target	10% increase in the number of partnerships

9.6. Explanation of planned performance over the five year planning period

The estimation of planned performance by the SETA shows how each of the four programmes will contribute to specific sections of the national imperatives such as the NDP and NSDP 2030, as well as sector priorities identified through the SSP and research.

9.6.1. Impact statement 1

“An effectively and efficiently run organisation that responds to high, intermediary and elementary skills requirements by the W&R sector”

Programme 1 activities are centred on providing sufficient support services to the functional departments; which are programme 2 (Skills Planning and Research) and programme 3 (Learning and Projects). Accordingly, the allocation of financial resources to the rest of the organisation during the period 2020/21 – 2024/25 will be based on the broad strategies from the NDP and NSDP 2030 as well as sector priorities identified in the SSP each financial year.

National Development Plan

The SETA's Administration programme subscribes to the principles of corporate governance as identified in the NDP's “enhancing governance systems and capacity”. The oversight role of the programme will also be enhanced in line with the NDP's desire for “Strengthening the capacity of the government to implement its economic policy”. The following targets. Principles, approaches and strategies will guide the programme's activities over the MTSF period, targeted at improving overall support to the SETA's functional departments:

- Recruiting the right personnel into the right posts
- Re-orienting the distribution of financial resources to support previously disadvantaged individuals, targets towards SMMEs, rural areas, disability and entrepreneurship
- Investing in newly adopted technologies and supporting skills development in technologies relevant to the 4th IR.
- Spreading awareness of SETA services to all corners of South Africa; and ensuring access to career education in rural areas

National Skills Development Plan

The purpose of the National Skills Development Plan (NSDP) is to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development . The SETA, through Programme 1, will seek to ensure all functional departments successfully contribute towards attainment of the eight outcomes of the NSDP. In addition, the focus will be on ensuring conformance of SETA operations to the NSDP principles that include:

- Contributing to the country's socio-economic development objectives
- Advancing an equitable and integrated system
- Greater inclusivity and collaboration will be promoted
- Focusing on support system for learners and employers
- Strong emphasis on accountability
- Understanding skills demand
- Steering Supply: Qualifications and Provision
- Steering Supply: Funding Mechanisms

2020-25 SSP Priority actions

Programme 1 will provide support functions which also enable the SETA to address the 7 key skills priorities for the W&R sector as identified through the SSP.

- SMME and Co-Operatives development
- Youth unemployment
- Hard-To-Fill Vacancies and skills gaps
- Stakeholder engagement
- Training and employment of people with disabilities (PWD)
- Trade union capacity-building
- Alignment with national strategies and plans

The outcome indicators selected for target by programme 1 demonstrate our desire to invest in more equitable distribution of levies received to different skill levels, desire to

improve stakeholder relations and improve compliance, reflected in unqualified audit findings.

9.6.2. Impact statement 2

“Skills development interventions informed by comprehensive research”

The Skills Planning and Research programme focuses on providing a comprehensive research framework for the activities of the SETA. In addition, the programme focuses on ensuring the SP and APPs released sufficiently address key skills priorities obtained from the SSP; and other skills priorities as identified from research and occupationally directed tracer and evaluation studies.

National Development Plan

Through extensive research into the W&R sector, the SETA is better positioned to implement relevant interventions in skills development and career development in South Africa. This conforms to the NDP’s emphasis on research, development and infrastructure investment.

Furthermore, the SETA will utilise research as an ingredient for unlocking successes of the middle and upper income economies through innovations in the methods of doing business. Finally, through addressing the NDP’s call for public-private partnerships, the SETA will seek mutually beneficial partnerships with relevant local and international strategic stakeholders which include training providers, career development practitioners, employers and academic institutions.

National Skills Development Plan 2030

One of the key targets of the NSDP as derived from the NDP is to “Expand science, technology and innovation outputs by increasing research and development spending by government and through encouraging industry to do so”. Accordingly, programme 2 expands research into the W&R sector to establish the dynamic skills needs of the sector. Meanwhile, the NSDP requires that SETAs move towards “evidence based understanding of skills demand and supply”, which will be achieved through partnerships with national

and international research institutions. To ensure better understanding of the W&R sector through research, the SETA will:

- Partner with national and international research institutions
- Conduct tracer and evaluation studies to establish impacts of existing programmes and suggesting innovative changes
- Intensify stakeholder consultations in the development of the SSP, to better understand the sector needs

2020-25 SSP Priorities

The SSP identifies 7 key skills priorities for the W&R sector:

- SMME and Co-Operatives development
- Youth unemployment
- Hard-To-Fill Vacancies and skills gaps
- Stakeholder engagement
- Training and employment of people with disabilities (PWD)
- Trade union capacity-building
- Alignment with national strategies and plans

9.6.3. Impact statement 3

“Wholesale and retail labour force equipped with relevant skills required by the sector”

In crafting the Strategic and Annual Performance Plans, the W&RSETA has considered and integrated the objectives of the NDP, NDP Five-Year Implementation Plan and the NSDP to inform its Outputs. The strategic focus areas of the framing documents (NDP and NSDP) have been relied upon to inform the strategic focus of the W&RSETA with a view to ensure clear contribution to the priorities of the NDP. The discussion below outlines the key delivery imperatives as outlined in both the NDP and the NSDP and explains how expected impacts from the W&RSETA Outputs link to these priorities.

National Development Plan

Eliminating poverty and reducing inequality by 2030 are central to the National Development Plan. Of critical importance in realising the objectives of the plan, the NDP focuses on the need to grow an inclusive economy through enhancing the capacity of the state, promoting leadership and partnerships throughout society. The following are the priorities of the NDP:

- An economy that will create more jobs;
- Improving infrastructure;
- Transition to a low -carbon economy;
- An inclusive and integrated rural economy;
- Reversing the spatial effects of apartheid;
- Improving the quality of education, training and innovation;
- Quality health care for all;
- Social protection;
- Building safer communities;
- Reforming the public sector;
- Fighting corruption;
- Transforming society and uniting the country.

In line with the NDP priorities of promoting an economy that creates employment and improving the quality of education, training and innovation, W&RSETA's contribution to the achievement of the NDP's goals includes the following:

- Partnerships with TVET and other HET institutions with the objective of improving accessibility to education;
- Learning Programmes targeted at unemployed youth aiming at increasing employability of the youth in the economy;
- Mainstreaming women, youth and people with disabilities in all projects implemented;
- Partnerships with employers and labour in order to improve training delivery and employability across the sector.

National Development Plan Five-Year Implementation Plan

The NDP Five-Year Implementation plans seeks to reinforce a coherent vision and plan to achieve the long-term priorities expressed in the NDP. Its specific objectives include to:

- Enable the achievement of the NDP through five-year building blocks;
- Outline results to which government, the private sector and civil society must contribute;
- Coordinate the harmonization of the different levels of the sector plans to achieve alignment and consistency;
- Foster spatial and economic reforms for developmental planning; and,
- Provide a basis for a monitoring framework to measure progress towards achievement of the NDP Five-Year Implementation Plan.

In developing the Strategic Plan and APP, W&RSETA has considered the objectives of the NDP Five-Year Implementation Plan. This alignment has also been achieved through linking the NSDP Outcomes and the W&RSETA Outputs as discussed below.

National Skills Development Plan

The purpose of the National Skills Development Plan (NSDP) is to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development . In line with these objectives, the following outcomes have been set for NSDP:

- Identify and increase production of occupations in high demand;
- Linking education and workplace;
- Improving the levels of skills in the workforce;
- Increase access to occupationally directed Programmes;
- Support the growth of public colleges;
- Skills development support for entrepreneurship and cooperative development;
- Encourage and support worker-initiated training; and,
- Support career development services.

2020-25 SSP Priority actions

The SSP identifies 7 key skills priorities for the W&R sector:

1. SMME and Co-Operatives development
2. Youth unemployment
3. Hard-To-Fill Vacancies and skills gaps
4. Stakeholder engagement
5. Training and employment of people with disabilities (PWD)
6. Trade union capacity-building
7. Alignment with national strategies and plans

Continued SSP research will help the SETA in staying up-to-date with changes in HTFVs and the need for specialised occupationally directed programmes. Hence, while investing in skills development programmes that satisfy the NDP and NSDP 2030, the SETA will continuously orient its skills programmes to demand, as signalled by the W&R sector.

9.6.4. Impact statement 4

“A curriculum that is relevant to the sector is developed and updated”

Both the NDP and NSDP 2030 make significant emphases on the need for partnerships with institutions that culminate in the increased support for TVET colleges and CET colleges. In response, the SETA has put forward outcomes and outcome indicators which address different capacitation needs of TVET and CET colleges. As the NSDP 2030 further calls for “improving partnerships, developing effective and well understood vocational learning and occupational pathways, and improving the quality of the learning and work experiences along those pathways”, the SETA seeks to capacitate TVETs and CETs to improve their occupationally directed programmes based on a number of interventions as follows:

- Conducting ‘needs analysis’ into the CET colleges to establish key needs for improvement of delivery of occupationally directed programmes
- Establishing working groups for the purpose of reviewing the existing TVET curriculum
- Capacitating TVET colleges through workshops and equipment

- Capacitating CET colleges with learning materials and infrastructure
- Establishing TVET and CET assessment centres and centres of specialisation
- Capacitating TVET lecturers, CET lectures as well as CET college managers

Through these interventions, the SETA seeks to establish CET colleges as hubs of knowledge and skills needs for the large numbers of adults and youth requiring education and training opportunities, unemployed people, and those employed but in low or semi-skilled occupations, thus satisfying the requirements of the NSDP 2030. As discussed in the internal and external environment scan; enablers which include the SETA’s own strengths (committed staff, high levy amounts received) and opportunities identified (new SETA landscape and partnership availability), the SETA seeks to achieve targets of improving partnerships with TVET and CET colleges.

10. Key Risks

Table 12: Key Risks by Outcome

OUTCOME	KEY RISK	RISK MITIGATION
Outcome 1: Improved operational efficiency	Rigid internal operational systems that do not support business, resulting in poor overall performance	<ul style="list-style-type: none"> Contracts of employees could be based on overall performance rather than narrowly defined roles and responsibilities Target owners should be more flexible towards embracing change; and communicating it to their subordinates Ensuring that SLAs between departments are adhered to within each financial year
Outcome 2: An integrated career guidance Programme	Inadequate and/incomplete engagement with schools	A well-distributed career development Programme that's integrated to the school system's calendar
Outcome 3: Growth focused partnerships with the College system	Inadequate engagement process with the public College system	W&RSETA to timeously commence engagement processes at TVET and CET colleges to ensure: <ul style="list-style-type: none"> Local W&RSETA offices at colleges are fully supported Timeous submissions of bursary applications are made Centres of specialisation are fully supported HDI learners are prioritised
Outcome 4: Sector responsive research conducted	Inadequate stakeholder engagement exercise	Extensive stakeholder engagement to be conducted to ensure the most accurate information on the performance environment is obtained. These stakeholders will involve: <ul style="list-style-type: none"> Employees, management & other internal stakeholders Experts in the W&R sector Labour Unions Employer unions Other external stakeholders
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Resource and capacity challenges	Management to appropriately allocate available resources to ensure critical functions are fully resourced
Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy	Team capacity and capability constraints Funding for new initiatives	<ul style="list-style-type: none"> The W&RSETA should ensure that the right people are appointed at the right posts; doing the right things Work should be appropriately allocated throughout the organisation The SILO working system should be replaced by a project-based working system Enter into partnerships with potential funders.

OUTCOME	KEY RISK	RISK MITIGATION
Outcome 7: Capacitated trade unions within the W&R sector		<ul style="list-style-type: none"> • W&RSETA to maintain open engagements with Labour Unions • Teams working in supporting worker-initiated Programmes should be well capacitated
Outcome 8: Reduction of skills shortages in the W&R sector	Possible mismatches between skills demand in the sector and Programmes provided	<ul style="list-style-type: none"> • W&RSETA to maintain open engagements with Labour Unions • Teams working in supporting worker-initiated Programmes should be well capacitated

11. Public Entities

Not applicable

PART D: TECHNICAL INDICATOR DESCRIPTORS (TID)

The following tables provide descriptions linked to the specific Outputs laid out in this document. The TIDs identify key narratives of the indicator.

Impact 1. *An efficiently run organisation that effectively responds to skills demand and supply in the wholesale and retail sector*

Outcome 1: Improved operational efficiency

Indicator Title	An unqualified audit opinion is consistently obtained annually over the period 2020/21 – 2024/25
Definition	Status of Auditor General South Africa (AGSA) audit outcomes for all assurance levels, risk areas identified and status of drivers of internal controls for both financial and performance information.
Source of data	Auditor General South Africa Audit reports
Method of Calculation/Assessment	Audit opinion given to the W&RSETA financial and performance information at year five of the implementation of the strategic plan
Assumptions	W&RSETA has all the necessary systems and controls in place for improving planning, performance monitoring, reporting and financial management
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A
Reporting Cycle	Annually on the previous year's audit
Desired performance	Improved audit opinion
Indicator Responsibility	Chief Financial Officer

Outcome 1: Improved operational efficiency

Indicator Title	% reduction of manual processes as a result of seamless and optimised business processes
Definition	This target measures the reduction of manual processes achieved due to the implementation of seamless and optimised business processes through ICT
Source of data	User Acceptance Tests (UAT)
Method of Calculation/Assessment	Calculate the percentage of automated processes as against the total number of manual processes
Assumptions	Implementation of seamless and optimised ICT business processes will reduce manual processes and increase the number of automated processes
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A
Reporting Cycle	Annually
Desired performance	90% reduction of manual processes
Indicator Responsibility	Chief Financial Officer

Impact statement 2: Skills development interventions informed by comprehensive research

Outcome 4: Sector responsive research conducted

Indicator Title	Number of research studies conducted in response to the sector needs
Definition	The responsiveness of the SETA to sector research needs
Source of data	<ul style="list-style-type: none"> • Research Reports • Research Agend
Method of Calculation/Assessment	Count the number of research studies conducted in response to sector needs between 2020/21- 2024/25
Assumptions	Approved research agenda
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A
Reporting Cycle	Annually
Desired performance	20 research reports are completed
Indicator Responsibility	Chief Officer Qualifications and Research

Impact 3: Wholesale and retail workforce equipped with relevant skills required by the sector

Outcome 5: Increased access to Wholesale and Retail occupationally directed programmes

Indicator Title	Number of learners participating in wholesale and retail occupationally directed programmes
Definition	This indicator measures the number of learners registered on workplace based learning programmes.
Source of data	Audited Annual Performance Reports
Method of Calculation/Assessment	Count the number of learners registered in occupationally directed programmes during the period 01 April 2020 to 31 March 2025
Assumptions	Favourable uptake of allocations by employers and participation by learners
Disaggregation of Beneficiaries (where applicable)	4% person with disability 12.5% persons from rural areas
Spatial Transformation(where applicable)	All 9 provinces of SA Rural and urban beneficiaries supported
Reporting Cycle	Annually
Desired performance	Increased access to wholesale and retail occupationally directed programmes
Indicator Responsibility	Chief Operations Officer

Outcome 2: An integrated career guidance programme

Indicator Title	A comprehensive career guidance and career development strategy is developed
Definition	This indicator ensures that a comprehensive career guidance and career development strategy is developed to guide the implementation of career guidance and career development activities of the W&R sector
Source of data	Signed off career guidance and career development strategy document
Method of Calculation/Assessment	Assess the availability of the career guidance and career development strategy document
Assumptions	Situational analysis will determine career needs and inform the development of the W&RSETA career guidance and career development strategy
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A
Reporting Cycle	Annual

Desired performance	A career guidance strategy document which guide W&RSETA career guidance interventions over the period 2020/21 – 2024/25
Indicator Responsibility	Chief of Qualifications and Research

Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy

Indicator Title	Number of informal businesses who have participated in W&RSETA skills development initiatives registered with relevant business or enterprise registration bodies
Definition	This indicator measures the total number of informal businesses who become registered with relevant business or enterprise registration upon their attendance to W&RSETA capacitation events
Source of data	Registration certificates
Method of Calculation/Assessment	count the number of informal businesses issued with registration certificates by relevant bodies after their attendance to W&RSETA capacitation events
Assumptions	The identified informal will participate in the W&RSETA skills development initiatives, then proceed to seek registration with relevant bodies
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A
Reporting Cycle	Annual
Desired performance	1000 informal businesses registered with relevant registration bodies
Indicator Responsibility	Chief Operations Officer

Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy

Indicator Title	Number of learners from SMEs participate in W&RSETA skills development initiatives
Definition	This indicator measures the number of individual learners from SMEs who participate in W&RSETA skills development activities to enhance their skills and improve their SMEs' capacity to participate in the mainstream economy
Source of data	Attendance registers
Method of Calculation/Assessment	Count the number of learners from SMEs who participated in W&RSETA skills development initiatives as evidenced by the attendance registers
Assumptions	SMEs in the wholesale and retail sector are in need of capacitation; and will attend W&RSETA skills development initiatives
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A

Reporting Cycle	Annual
Desired performance	17 500 Learners from SMEs participate in W&RSETA skills development initiatives
Indicator Responsibility	Chief Operations Officer

Outcome 7: Capacitated Trade Unions within the W&R sector

Indicator Title	Number of interventions conducted to capacitate Trade Union members
Definition	This indicator measures the number of distinct interventions developed and conducted by the SETA to capacitate trade union members in the W&R sector
Source of data	Contracts/ MoUs with trade unions
Method of Calculation/Assessment	Simple count of the number of interventions conducted to capacitate trade union members
Assumptions	Trade unions initiate the request for interventions
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation(where applicable)	N/A
Reporting Cycle	Annual
Desired performance	15 interventions targeted at capacitating trade unions are conducted
Indicator Responsibility	Chief Operations Officer

Outcome 8: Reduction of skills shortages in the W&R sector

Indicator Title	Number of learners registered in programmes addressing Hard to Fill Vacancies as identified in the SSP
Definition	This indicator refers to the number of learners registered in SETA programmes that address HTFVs as identified in the SSP, programmes which will result in the reduction of skills shortages in the W&R sector annually.
Source of data	Signed learner agreements
Method of Calculation/Assessment	Count each learner registered in W&RSETA programmes addressing Hard to Fill Vacancies as identified in the SSP
Assumptions	Acceptance of allocations by participating employers
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Rural – 12.5% • Women – 50% • People with disabilities – 4%

Spatial Transformation(where applicable)	Rural Urban
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	10 000 learners registered
Indicator Responsibility	Chief Operations Officer

Impact statement 4: *A curriculum that is relevant to the sector is developed and updated*

Outcome 3: Growth focused partnerships with the College system.

Indicator Title	% increase in the number of HET, TVET and CET partnerships aimed at enabling their growth
Definition	Total number of public TVET Colleges, Community Education and Training Colleges and Higher Education institution delivering W&SETA industry recognised learning interventions/programmes.
Source of data	National Skills Development Management System
Method of Calculation/Assessment	Total number of public TVET Colleges, CETs and HEIs delivering W&RSETA industry recognised interventions / programmes divided by the total number of registered public TVET Colleges, CETs and HEIs in South Africa multiplied by 100. The final figure is reflected as a percentage.
Assumptions	The identified public TVET Colleges, CETs and HEIs will participate in W&RSETA programmes.
Disaggregation of Beneficiaries (where applicable)	Unemployed and Employed
Spatial Transformation(where applicable)	Rural Urban
Reporting Cycle	Annually
Desired performance	10% increase in the number of partnerships
Indicator Responsibility	Chief Operations Officer



ANNUAL PERFORMANCE PLAN

2020/21 – 2022/23



ACCOUNTING AUTHORITY STATEMENT

YVONNE MBANE

The Strategic Plan 2020/21-2024/25 outlines the strategic priorities of the Wholesale and Retail SETA (W&RSETA) in accordance with national imperatives, including the Medium-Term Expenditure Framework (MTEF). The Strategic Plan demonstrates the integration of the W&RSETA's primary responsibilities as sustained by sound management of levy funds, human resources and operational systems; the specific strategic outcomes based on the Sector Skills Plan (SSP); and the National Skills Development Plan (NSDP) outcomes, as well as managing the performance thereof.

The W&RSETA has considered the following strategic areas in the process of developing the Strategic Plan 2020/21-2024/25:

- Organisation's strategic challenges
- Performance environment
- Provision of strategic orientation
- Building demand-side capacity

- Building supply-side capacity
- Bridging supply-demand mismatch
- Delivering the skills required
- Organisational environment
- External environment, which is inclusive of the economic environment
- The Sector Skills Plan of the W&RSETA

The following key government initiatives and legislation informed and influenced the development of the W&RSETA Strategic Plan: Industrial Policy Action Plan (IPAP IV), National Skills Accord (NSA), National Development Plan (NDP), Human Resource Development South Africa (HRDSA) Policy, National Skills Development Plan (NSDP), National Growth Path (NGP), and the White Paper on Post-School Education and Training (WP-PSET). The WP-PSET 2013 profoundly impacts on the SETA landscape as it aims to provide a clear strategic direction in terms of what post-school education

and training aims to achieve. Collectively, the aforementioned documents, the Wholesale and Retail Sector Skills Plan, the Service Level Agreement (SLA) signed with the Department of Higher Education and Training (DHET), and the SETA Grant Regulations (2012) directed and shaped the W&RSETA Strategic Plan.

Extensive consultations and engagements have been conducted with key stakeholders in the wholesale and retail sector to ensure that the implementation of skills development initiatives is responsive to the sector's current and future skills needs for greater impact in the economy.

The Strategic Plan fully complies with the Department of Monitoring and Evaluation Framework for Strategic Plans and Annual Performance Plans, which ensures the alignment and articulation of our goals into strategic outcomes, performance indicators, operational plans and employee annual performance agreements. The Strategic Plan is therefore a presentation of the Accounting Authority's decisive and evidence-based organisational re-engineering and repositioning in order to ensure that the strategy fully addresses skills supply and demand as determined by the wholesale and retail industry.

On a strategic level, re-engineering and repositioning include:

1. Reaffirmation of the W&RSETA's vision, mission and values
2. Restructuring our strategic outcomes to ensure that challenges identified through the research activities and the SSP are addressed.
3. Environmental scanning exercise is undertaken to identify risks and plan for the mitigation thereof.
4. Planning has been done to ensure commensurate capacity and capability of the SETA to support skills development initiatives in the sector.
5. Mechanisms be put in place for a seamless transition in the implementation of the approved Delivery Model
6. Strategic partnerships be entered into for greater efficiency and effectiveness in the delivery of skills development initiatives

7. Strengthening of Monitoring and Evaluation capacity for Impact Assessment
8. A new culture of doing business encapsulate responsiveness and agility both at administrative and governance level



YVONNE MBANE
CHAIRPERSON OF THE W&RSETA ACCOUNTING AUTHORITY

30/01/2020

DATE



CHIEF EXECUTIVE OFFICER STATEMENT

TOM MKHWANAZI

The past five years have undoubtedly been the most challenging for the W&RSETA as a result of operational shortcomings which resulted in a decline in the SETA's performance. Whilst the SETA had been faced with a myriad of challenges, its commitment to skills development in the Wholesale and Retail Sector has remained resolute. Whilst we have not been able to achieve some of our targets fully, we have made tremendous progress in addressing huge backlogs relating to longstanding projects. As a result, we have issued more than 17000 certificates to learners from various learnership programmes. We have also noted an increase in the number of companies that are participating in skills development. This has translated in an increase of employees who have benefited from training interventions from 1 637 000 in the 2017/18 financial year to over 1 845 000 in 2018/19

Our priorities in the last five years have been the following:

- SMME and cooperative development;

- Contribution to programmes that will alleviate youth unemployment;
- Addressing Hard-to-Fill Vacancies and critical skills;
- Stakeholder engagement;
- Training and employment of people with disabilities;
- Capacity building of trade unions; and
- Supporting the national strategies and plans

As the SETAs prepare for the new National Skills Development Plan (NSDP) 2030 which comes into effect from 1 April 2020, the W&RSETA recommit to fulfilling its mandate to ensure a skilled, capable, competent and professional Wholesale and Retail Sector for the benefit of employees and new entrants.

The W&RSETA welcomes the launch of the NSDP as it will facilitate long-term planning that will ensure greater impact on the economy of South Africa through the various

sectors that the SETAs operate in. The NSDP presents opportunities for collaboration between the industry and institutions of learning and with other institutions in order to bridge the skills gaps, create jobs and alleviate poverty. The following are the strategic objectives for the Sector Skills Plan (SSP) in support of Wholesale and Retail sector skills needs and NSDP:

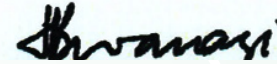
- To advance skills planning for sector responsiveness and readiness to future jobs.
- To strengthen collaboration with industry and employer participation for better planning of skills demand and supply.
- To increase knowledge for evidence-based planning and implementation of interventions which respond to sector and National imperatives.

In addition to our strategic areas that we have focused on in the past five years, the 2021/2022 Strategic Plan has been aligned to the W&RSETA Sector Skills Plan (SSP) which in turn is aligned to the NSDP 2030 and will prioritise the following:

- Provision of much-needed skills, particularly for unemployed youth through community education and training colleges;
- Infrastructure support for TVET colleges;
- Implementation of candidacy programmes in line with professional bodies; and
- Facilitate entrepreneurship development and support
- Information Communication Technology (ICT) Interventions for 4.0 sector readiness

With the advent of the Fourth Industrial Revolution (4IR), the W&RSETA has prioritised the capacitation of companies to respond to the technological advancements through skills development. The SETA has commissioned two research studies focusing 4IR, the first topic is on the impact of 4IR on employment and growth in the sector and the second topic evaluate skills development interventions to respond to sector new skills and training needs. The findings and recommendation of the two research studies will inform W&RSETA strategic priorities, to better respond to sector leading, emerging and established 4IR trends within Skills Development.

We look forward with enthusiasm to the next 10 years of continuing to bridge the skills gaps in the Wholesale and Retail Sector.



TOM MKHWANAZI

OFFICIAL SIGN-OFF

CHIEF EXECUTIVE OFFICER

It is hereby certified that this Strategic Plan:

- Was developed by the management of the W&RSETA under the guidance of the W&RSETA Accounting Authority.
- Takes into account all the relevant policies, legislation and other mandates for which the W&RSETA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the W&RSETA will endeavour to achieve over the period 2020/21-2024/25



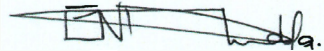
BEN KHONYANE

ACTING CHIEF CORPORATE SERVICES (PROGRAMME 1) (ADMINISTRATION)



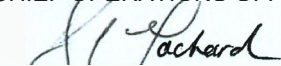
DEBBIE MACHARD

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CHIEF OPERATIONS OFFICER (PROGRAMME 3)



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CHIEF OFFICER QUALIFICATIONS AND RESEARCH (PROGRAMME 4)



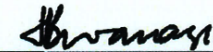
LWAZI KUSE

CHIEF FINANCIAL OFFICER




BRIDGETTE ZWANE

MANAGER (STRATEGIC PLANNING UNIT)



TOM MKHWANAZI

CHIEF EXECUTIVE OFFICER



YVONNE MBANE

CHAIRPERSON OF THE W&RSETA ACCOUNTING AUTHORITY

Approved by

EXECUTIVE AUTHORITY

SIGNATURE

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LIST OF ACRONYMS

ACRONYM	DESCRIPTION	ACRONYM	DESCRIPTION
4IR	4 th Industrial Revolution	NQF	National Qualifications Framework
AET	Adult Education and Training	NSDP	National Skills Development Plan
ALC	Adult Learning Centre	NPO	Non-Profit Organisation
AI	Artificial Intelligence	OECD	Organisation of Economic Cooperation and Development
APP	Annual Performance Plan	OFO	Organising Framework for Occupations
ATR	Annual Training Report	PWD	Public Works Department
BUSA	Business Unit South Africa	QCTO	Quality Council for Trades and Occupations
B-BBEE	Broad Based Black Economic Empowerment	RA	Retailers Association
CET	Community Education and Training	RPL	Recognition of Prior Learning
CBO	Community Based Organisation	SAQA	South African Qualifications Authority
CPI	Consumer Price Index	SARB	South African Reserve Bank
DBE	Department of Basic Education	SETA	Sector Education and Training Authority
DHET	Department of Higher Education and Training	SLA	Service Level Agreement
GDP	Gross Domestic Product	SIC	Standard Industrial Classification
HDI	Historically Disadvantaged Individual	SMME	Small, Medium and Micro Enterprises
IPAP	Industrial Policy Action Plan	SP	Strategic Plan
MTEF	Medium Term Expenditure Framework	SSP	Sector Skills Plan
NEC	National Executive Format	STATSSA	Statistics South Africa
NDP	National Development Plan	TVET	Technical and Vocational Education and Training
NGP	New Growth Path	W&RSETA	Wholesale and Retail Sector Education and Training Authority
		WP-PSET	White Paper for Post-School Education

PART A: OUR MANDATE

1. Updates to the relevant legislative and policy mandates

1.1. Constitutional mandate

Section 29 of the Constitution provides all South Africans with the right - (a) to a basic education, including adult basic education; and (b) to further education, which the state, through reasonable measures, must make progressively available and accessible. To contribute towards the achievement of S29, the SETA will accordingly provide access to education for all South Africans through programmes such as Artisans, Learnerships and Adult Education & Training (AET).

Chapter 2 of the Constitution (Bill of Rights) affirm the right to equality, human dignity, life, freedom and security, privacy and various freedoms. The SETA, in its interactions with all stakeholders, will respect all rights as enshrined in the Bill of Rights of the SA constitution.

In addition, Chapter 10 of the constitution (Public Administration) mandate all public institutions to be run on the principles of accountability, high ethical standards, economic efficiency, impartiality in the provision of services and transparency in operations. Through reporting systems, the W&RSETA will continue to ensure that efficient skills development services are provided to all South Africans with no favour; in a transparent manner.

Finally Chapter 13 (Public Finance) specifies the need for fairness and transparency in the procurement (Section 217(1)) of goods and services by government institutions and the remuneration (Section 219(1)) of public service employees. In conformity, W&RSETA transparently procures goods and services through its open tender process, while all employees are paid fairly on the basis of their work and qualifications with a zero tolerance to discrimination.

1.2. Legislative and policy mandates

The Wholesale and Retail SETA (W&RSETA) is a schedule 3A public entity and derives its mandate from the Skills Development Act No. 97 of 1998 (as amended). The SETA is responsible for supporting skills development in the wholesale and retail sector in South Africa, through the disbursement of grants to facilitate the implementation of learning Programmes and monitoring of education and training (as outlined in the Act, in accompanying regulations and the National Skills Development Plan.

1.2.1. Legislative mandate

Table 1 below summarises the legislative framework under which the W&RSETA operates.

Table 1: Legislative mandate

LEGISLATION OR REGULATION	SUMMARY OF PURPOSE
	<p>The purpose of the Skills Development Act is to:</p> <ul style="list-style-type: none"> • Ensure credible labour market analysis to provide a supply and demand analysis that inform sector skills priorities. • Develop the skills of the South African workforce. • Increase the levels of investment in education and training in the labour market. • Encourage employers to use the workplace as an active learning environment. • Encourage workers to participate in learning programmes. • Improve the employment prospects of persons who were previously disadvantaged • Ensure the quality of learning in and for the workplace

LEGISLATION OR REGULATION	SUMMARY OF PURPOSE
Skills Development Levies Act, No. 9 of 1999	<p>Imposes the payment of skills levies by employer organisations in order to motivate investment in skills development.</p> <ul style="list-style-type: none"> • Employers pay 1% of the total payroll, which is utilised as follows • 20% to the National Skills Fund • 10% for operating costs • 80% to the SETAs • 0.5% to the QCTO • 20% for mandatory grants • 49.5% for discretionary grants
National Qualifications Framework Act, No. 67 of 2008	<ul style="list-style-type: none"> • Creates a single integrated national framework for learning • Enhances the quality of education and training • Facilitates access to education, training and career path • Accelerates the redress of past unfair discrimination • Allows for SAQA and the quality councils to oversee the NQF
Workplace Based Learning Programmes Regulations	<ul style="list-style-type: none"> • Provide guidelines for the management of workplace based learning programme agreements
SETA Grant Regulations, 3 December 2012, Vol. 570, 35940	<ul style="list-style-type: none"> • Assist the SETAs to develop internal policies and procedures in response to the Grant Regulations • Requires 80% of discretionary funds to be spent on the delivery of PIVOTAL programmes
Public Finance Management Act, No. 29 of 1999	<ul style="list-style-type: none"> • Regulates financial management in the national government and provincial governments to ensure that all their revenue, expenditure, assets and liabilities are managed efficiently and effectively; • Provides for the responsibilities of persons entrusted with financial management of those governments
B-BBEE Act, No. 53 of 2003.	<ul style="list-style-type: none"> • Proposed amendments to the Act now include higher education. The Skills Development target, which is still at 6%, is now to be allocated as 3.5% spend on black people and 2.5% on black students in higher education. In the past the Skills Development Element was focused on Learnerships, internships and apprenticeships. The Skills Development spend on black students includes bursaries at higher education institutions as a new indicator

1.2.2. Policy mandate

Table 2 summarises the W&RSETA policy mandates and the strategies that form the basis of the W&RSETA operations. The Table also outlines the alignment of the W&RSETA strategic plan to government national policies and strategies

Table 2: National strategies or policies and implications for W&RSETA

NATIONAL STRATEGIES OR POLICIES	IMPLICATIONS FOR W&RSETA
<p>National Skills Accord</p> <p>8 commitments to be followed:</p> <ul style="list-style-type: none"> • Expand training using existing facilities • Set ratios for trainees and artisans, as well as across the technical vocations, to improve training • Improve training funding and incentives for companies to train • Create internship and placement opportunities • Set annual targets for training in state-owned enterprises • Improve SETA governance, fiscal management, and stakeholder involvement • Align training to the New Growth Path and improve SSPs • Improve the role and performance of TVET colleges 	<p>The implications are</p> <ul style="list-style-type: none"> • Increase learnership, apprenticeship, internship and bursaries • Increase the number of accredited training providers • Expand partnerships with the college sector • Strengthen relations with other strategic partners and role players. • Alignment in response to the 4th IR.
<p>Industrial Policy Action Plan (IPAP) 2018/19-2020/21</p> <p>IPAP has identified a collaborative approach between government, the private sector and labour; an approach itself characterised by ongoing processes of mutual discovery.)</p>	<ul style="list-style-type: none"> • Addressing the skills/education profile of the unemployed • Deeper involvement of the public and private sectors in providing resources for training • A more strategic and sustainable approach to meeting scarce skills needs in identified high priority areas of the economy • Respond to the needs of the sector with regards to artificial intelligence and disruptive economy.
<p>New Growth Path (NGP). The New Growth Path identifies 5 job drivers:</p> <ul style="list-style-type: none"> • Infrastructure for employment and development. • Seizing the potential of new economies. • Improving job creation in employment. • Investing in social capital. • Spatial development. 	<ul style="list-style-type: none"> • Create projects to increase college-to-work transitions. • Increase learnerships, apprenticeships, internships and bursaries in clothing, textiles, footwear and leather goods and automotive. • Develop projects for promoting green industries. • Capacity building of SMMEs and informal traders
<p>National Development Plan 2030 (NDP).</p> <p>The National Development Plan 2030 has identified the following 9 key areas to achieve a developmental approach that is sustainable and inclusive:</p> <ul style="list-style-type: none"> • Creating jobs and livelihoods. • Expanding infrastructure 	<ul style="list-style-type: none"> • Support initiatives addressing unemployment, poverty and inequality. • Subscribe to the ethos of clean administration and good corporate governance • Increase capacity in the sector in order to respond to the economic dynamics. • Support initiatives addressing unemployment, poverty and inequality • Respond to the needs of the sector with regards to artificial intelligence • Capacity building of SMMEs and informal traders

NATIONAL STRATEGIES OR POLICIES	IMPLICATIONS FOR W&RSETA
<ul style="list-style-type: none"> Improving education and training Transforming urban and rural spaces. Transitioning to low-carbon economy Fighting corruption and enhancing accountability. Facilitate rural and urban development projects that foster social cohesion 	
National Skills Development Plan	<ul style="list-style-type: none"> NSDP seeks to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development The NSDP outcomes, sub-outcomes and indicators set the basis for the W&RSETA strategic plan
White Paper for Post-School Education and Training (WPPSET)	<ul style="list-style-type: none"> Review of curriculum to respond to sector needs Increase the number of accredited training providers. Expand partnerships with college sector. SMME development and support Redressing through skills development initiatives Support skills development centres in rural and urban setting through infrastructure development projects

2. Updates to Institutional Policies and Strategies

The following institutional policies will guide the implementation of the W&RSETA strategy between 2020 and 2025

POLICY/STRATEGY	LINKAGE TO NATIONAL PRIORITIES
1. Infrastructure Funding and Development Policy	Outcome 5: Support the growth of the public college system
2. W&RSETA Rural Development Strategy	Sub-Outcome 5.1: Support the TVET Colleges Sub-Outcome 5.2: Support the CET Colleges Outcome 8: Support career development services
3. Strategy for implementation of Disability Programmes	NSDP Principle 5.2: Advancing an equitable and integrated system
4. Strategy for implementation of youth unemployment Programmes	NSDP Principle 5.2: Advancing an equitable and integrated system
5. Strategy for implementation of SMME and Co-Operatives development Programmes	Outcome 6: Skills development support for entrepreneurship and cooperative Development
6. Skills development grants policy	NSDP Principle 5.2: Advancing an equitable and integrated system Outcome 6: Skills development support for entrepreneurship and cooperative Development

2.1. Policy for Funding of Infrastructure Development

The following are the facets/aspects that are considered for funding in terms of the infrastructure development policy:

- Mounted Equipment
- Industrial Machinery
- Branded Vehicles for Service Delivery
- Security Features
- Robotics and Tools
- ICT Tools to Support 4th Industrial Revolution
- Mobile Classrooms
- Creation of a Technical and Skill Development Centres for the Retail Industry within an existing institution
- Social infrastructure to house equipment and machinery
- Ancillary Support for SMME and Informal Traders

2.2. Strategies

2.2.1. W&RSETA Turnaround Strategy

Background

The W&RSETA has been through a very challenging period over the past few years which has cost the SETA valuable relationships with relevant stakeholders who are crucial for the execution of the W&RSETA mandate, which had to be restored as a matter of urgency. Some strategies have been adopted to assist the SETA to restore its credibility in the sector. The Board approved a Short-Term Turnaround Strategy to address the identified challenges and to lay a proper foundation for the future. The Turnaround Strategy focuses on People, Policy, Procedures and Systems issues, as well as on eradicating the backlog of stalled projects and finding a mechanism to deal with expired contracts.

Review of the SETA's Delivery model – Decentralisation

The Centralised Model of doing business was identified as an impediment to service delivery and as creating unnecessary bottlenecks.

The Decentralised Delivery Model would ensure the devolution of powers and the empowerment of Regional Offices to take certain decisions in order to expedite delivery of Services.

The new operating model has been developed to meet the evolving needs of the Wholesale and Retail Sector. The planned decentralisation inherent in the new model will ensure that the W&RSETA is efficient, capacitated and positioned to manage projects at regional level.

The strategy focused on the following pillars:

- People Issues:
 - o Structural realignment
 - o Skills Audit
 - o Remuneration issues
- Policies, Procedures and Systems
- Reviewing of the Delivery Model
- Eradication of the Backlog

Implications for the SETA

- Need for structural alignment of policies with the sector and the economy
- Cultural renewal to better live the SETA values
- Delivery model enhancement
- Capacitation of regions with more power to make decisions
- Development of the service delivery charter to communicate the turnaround times with stakeholders

3. Updates to relevant Court Rulings

There are currently no court rulings relevant to the W&RSETA 2020/21-2022/23 Annual Performance Plan

4. Updated Situation Analysis

An extensive situational analysis for the W&RSETA was conducted using SWOT analysis, PESTEL analysis and the SSP research. This informed the 2020/21 – 2024/25 strategy which is articulated through the impact statements, the resultant outcomes and outcome indicators. During the upcoming MTSF period, the SETA will aim to concentrate service in priority areas as outlined by the NSDP 2030 (such as the increase in artisanship and occupationally directed programmes) while simultaneously addressing skills needs identified through internal and external environmental analysis. This section summarises the performance environment, internal environment analysis and external environment analysis.

4.1. External Environment Analysis

The SETA continues to recognise the influence that the external environment has on the SETA's overall performance as well as total levies received per financial year. The performance of the South African economy and the W&R sector also significantly affect overall performance of the SETA, hence influencing priority areas in the allocation of levy resources.

4.1.1. Wholesale and Retail Sector environment

The W&R sector is divided into two main subsectors; the wholesale and retail. Wholesale trade deals with the bulk buying of goods from various manufacturers and the breaking down of these bulk purchases into smaller quantities, which are then sold to retailers. Retail trade deals with the buying of goods from the wholesaler and the selling thereof to the consumer. The actual activities that fall within the scope of the wholesale and retail sector are demarcated according to Standard Industrial Classification (SIC) code, as shown in the table below.

PART B: OUR STRATEGIC FOCUS

Table 3: Standard Industrial Classification (SIC) code for the W&R Sector

SIC CODE	TRADE CATEGORY
WHOLESALE	
61000	Wholesale and commission trade, except for motor vehicles and motorcycles
61100	Wholesale trade on a fee or contract basis
61220	Wholesale trade in food, beverages and tobacco
61310	Wholesale trade in textiles, clothing and footwear
61310	Wholesale trade in textiles, clothing and footwear
61391	Wholesale trade in household furniture requisites and appliances
61392	Wholesale trade in books and stationery
61393	Wholesale trade in precious stones, jewellery and silverware
61394	Wholesale trade in pharmaceuticals, toiletries and medical equipment
61420	Wholesale trade in metal and metal ores
61430	Wholesale trade in construction materials, hardware, plumbing and heating equipment
61501	Office machinery and equipment, including computers
61509	Other machinery
61901	General wholesale trade
61909	Other wholesale trade not elsewhere classified (nec)
RETAIL	
62000	Retail trade, except for motor vehicles and motorcycles; repair of personal and household goods
62110	Retail trade in non-specialised stores with food, beverages and tobacco dominating
62190	Other retail trade non-specialised stores

SIC CODE	TRADE CATEGORY
62201	Retail trade in fresh fruit and vegetables
62202	Retail trade in meat and meat products
62203	Retail trade in bakery products
62204	Retail trade in beverages (bottle stores)
62209	Other retail trade in food, beverages and tobacco (nec)
62311	Retail of non-prescribed medicine and pharmaceutical products other than by pharmacists
62321	Retail trade in men's and boy's clothing
62322	Retail trade in ladies' and girls' clothing
62323	Retail trade by general outfitters and by dealers in piece goods, textiles, leather and travel accessories
62324	Retail trade in shoes
62330	Retail trade in household furniture appliances, articles and equipment
62340	Retail trade in hardware, paints and glass
62391	Retail trade in reading matter and stationery
62392	Retail trade in jewellery, watches and clocks
62393	Retail trade in sports goods and entertainment requisites
62399	Retail trade by other specified stores
62400	Retail trade in second-hand goods in stores
63122	Retail sale of used motor vehicles
63311	Sale of tyres
63500	Retail sale of automotive fuel

4.1.2. Key stakeholders

The key stakeholders which contribute to the SETA's achievement of its outcomes in the sector are grouped into groups of organised employers, the W&RSETA board, training providers,

organised labour, government, community and others as shown on Table 4.

Table 4: W&RSETA Stakeholders

ORGANISED EMPLOYERS	ROLES AND RESPONSIBILITIES
Retailers Association (RA) Consumer Goods Council of South Africa (CGCSA) National Clothing Retail Federation (NCRF) Black Business Council (BBC) Enterprise Mentorship of South Africa (EMOSA) Business Unity South Africa (BUSA) Fuel Retailers Association (FRA) South African Petroleum Retailers Association Retail Motor Industry Organisation Wholesale and retail enterprises (small, medium and large)	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA BOARD • Represent and articulate employer (small, medium and large) interests. • Contribute to education and training, negotiations, marketing, finance, human resources and legal.
W&RSETA BOARD	ROLES AND RESPONSIBILITIES
W&RSETA Board	<ul style="list-style-type: none"> • Ensure good corporate governance principles are adhered to • Provide strategic direction and leadership • Identify strategic risks and ensure mitigation thereof • Ensure regulatory compliance • Ensure policy and strategy development • Oversight and monitoring of implementation
TRAINING PROVIDERS	ROLES AND RESPONSIBILITIES
Higher Education and Training Committee Association of Private Providers of Education Training and Development Southern African Society for Cooperative Education; Universities; TVET Colleges; Private training providers; Community colleges	<ul style="list-style-type: none"> • Represent interests of training providers, both public and private. • Contribute to education and training, quality assurance, curriculum development.
ORGANISED LABOUR	ROLES AND RESPONSIBILITIES
Congress of South African Trade Unions COSATU Federal Council of Retail Allied Workers - FEDCRAW Development Institute for Training, Support and Education for Labour South Africa Commercial Catering and Allied Workers Union SACCAWU Entertainment Catering Commercial and Allied Workers Union – ECCAWUSA National Union of Metal Workers of South Africa – NUMSA Southern African clothing and Textile Workers Union - SACTWU	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA. • Represent and articulate worker interests • Contribute to education and training, negotiations, public management and dispute resolution.

COMMUNITY	ROLES AND RESPONSIBILITIES
South African Community at large.	<ul style="list-style-type: none"> • Represent interests of communities and co-operatives. • Contribute to education and training, small enterprise and co-operative development, advancement of women.
OTHER	ROLES AND RESPONSIBILITIES
Public Skills Development Forums Learners (employed and unemployed) WRSETA Staff	<ul style="list-style-type: none"> • Represent interests of consumers and the public. • Contribute to education and training, consumer rights and legal.
GOVERNMENT	ROLES AND RESPONSIBILITIES
Department of Higher Education and Training Department of Trade and Industry Provincial Economic Departments	<ul style="list-style-type: none"> • As shareholders, represent interests of the state • Hold the SETA to account • Support and direct the SETA • Communicate government priorities and direction

4.1.3. Wholesale and Retail sector performance and state of the economy

This section assesses the economic performance of the W&R sector based on recent statistics.

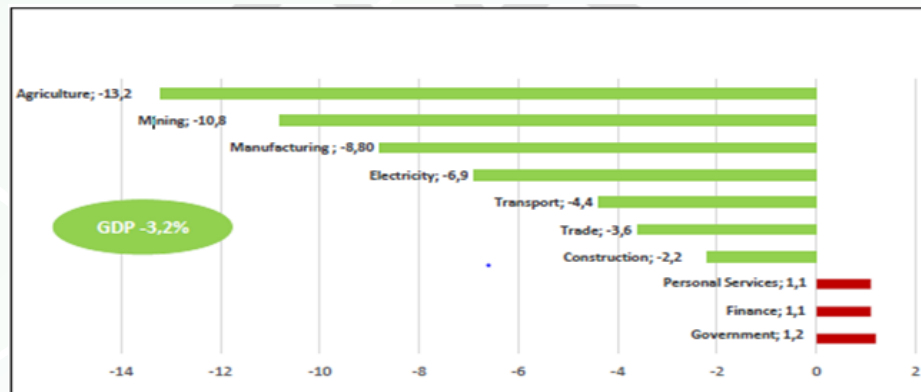


Figure 1: SA Economic performance by sector • (Source: Statistics South Africa (29))

South Africa's gross domestic product (GDP) growth rate declined by 3,2% in the first quarter of 2019. The three largest negative contributors to growth in GDP in the first quarter was

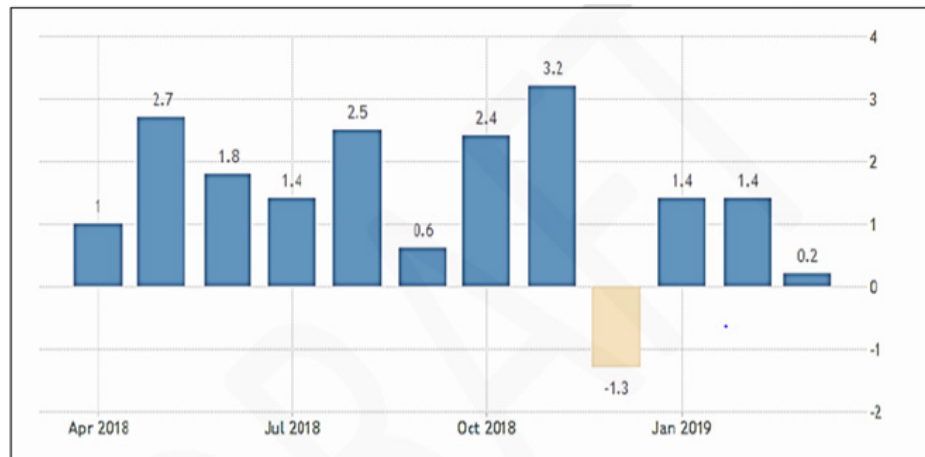
the manufacturing, mining and trade, catering and accommodation industries. The manufacturing industry decreased by 8.8% and contributed -1.1% percentage points to GDP growth.

The manufacturing industry decreased by 8.8% in the first quarter. Negative growth was reported by seven out of the ten manufacturing divisions. The three largest contributions to the decrease were petroleum, chemical products, rubber and plastic products; motor vehicles parts and accessories and other transport equipment; and wood and wood products, paper, publishing and printing.

8.1.4. Economic Performance of W&R Sector

This section assesses the economic performance of the W&R sector for the 2017-2019 period.

Figure 2: Year on year retail sales growth, 2016-2019 • (Source: Trading Economics (2019))



South Africa's retail sales rose 0.2% percent year-on-year in March of 2019, following an upwardly revised 1.4% increase in February and missing market expectations of a 0.6% percent rise. Sales increased less for household furniture, appliances & equipment (1.9% vs 4.8% in February) and they fell for food, beverages & tobacco (-3.6% vs -1.3%); pharmaceuticals and medical goods, cosmetics & toiletries (-4%, after being unchanged

in February); textiles, clothing, footwear & leather goods (-1.8% vs 5.7%) and hardware, paint and glass (-0.9% vs -1%).

In contrast, sales grew faster for general dealers (1.8% vs 1.2%) and rebounded for all other retailers (1.5% vs -0.7%).

On a seasonally adjusted monthly basis, retail trade fell 0.7% compared to an upwardly revised 0.6% gain in the prior month. Retail Sales year-on-year in South Africa averaged 4.4% from 2003 until 2019, reaching an all-time high of 15.5% in September of 2006 and a record low of -6.3% in April of 2009.

Figure 3: Disposable personal income of South Africans, 2014-2019 • (Source: Trading Economics (2019))



Disposable Personal Income in South Africa increased to R2 978 037 in the fourth quarter of 2018 from R2 965 713 in the third quarter of 2018. Disposable Personal Income in South Africa averaged R583 157.73 from 1960 until 2018, reaching an all-time high of R2 978 037 in the fourth quarter of 2018 (Trading Economics, 2019). It also increased the

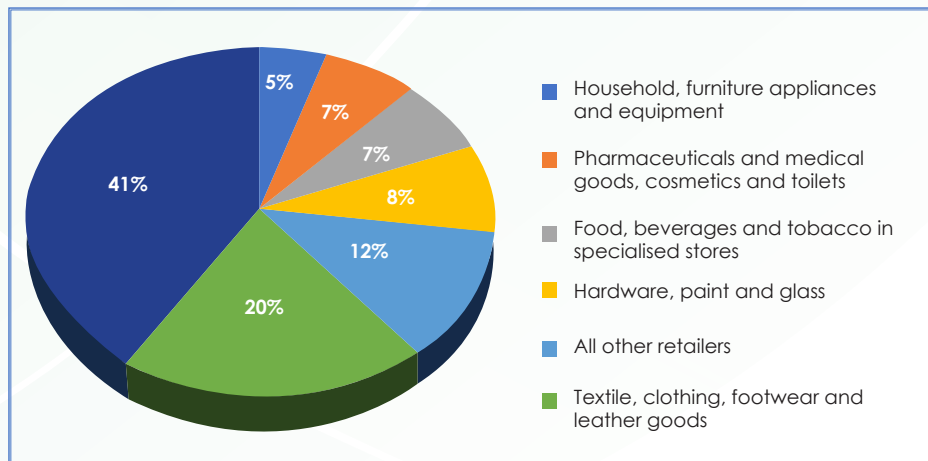
revenue of the W&RSETA and enabled an expansion of skills development projects with an increasing number of grants for apprenticeships, learnerships, bursaries and internships. Since the economy is now in a recession, growth is expected to slow.

The positive trend in disposable personal income is a healthy trend since households with higher disposable personal income are likely to spend more on goods and services, thus providing revenue to companies who in turn pay levies to the SETA. However, the increase in disposable personal income may soon slow down or decline due to the increase in the unemployment rate and general economic growth slowdown.

4.1.3 The biggest role players in the South African retail sector

The South African retail sector is constituted by subsectors such as household furniture, pharmaceuticals, food, beverages and tobacco as well as textile, clothing and footwear who all share portions of the sector as highlighted on Figure 4.

Figure 4: Biggest role players in the SA retail sector • (Sources: Statistics South Africa (2018))



As indicated by the Figure 4, household furniture, appliances and equipment retailers make up the majority of the sub-sector with 41% representation. The second sub-sector includes textiles, clothing, footwear and leather goods retailers which constitute 20%. This is despite the fact that retail sales decreasing by 1,4% year-on-year in December

2018. Five of the seven types of retailer reported negative growth rates over this period. Textiles, clothing and footwear and leather goods at -2,7% and general dealers at -1,0%. Retail sales increased by 2.1% in 2018. The main contributors were all 'other' retailers at 7.6% and retailers in household furniture, appliances and equipment at 10.6%. December is generally the most important month of the year for retail trade.

In ensuring that the SETA collects maximum possible levy amounts, relations will be enhanced with key industry role players through partnerships that seek to enhance retail organisations' capacity to provide products and services. Meanwhile, the SETA will also pursue capacitation for small and informal enterprises as an intervention to spearhead job creation in the sector, formalisation of informal enterprises and the increases in levies earned.

4.1.5. W&R sector employer profile

This section provides an employer profile of the W&R Sector for the period 2018-2019.

The highest number of levy paying companies was in Gauteng (3990), followed by Western Cape (2131) and Kwa-Zulu Natal (1430). This is due to the higher concentration of companies in these regions.

Figure 5: Number of levy paying companies per province, 2018/19 • (W&RSETA Annual Report 2018/19)

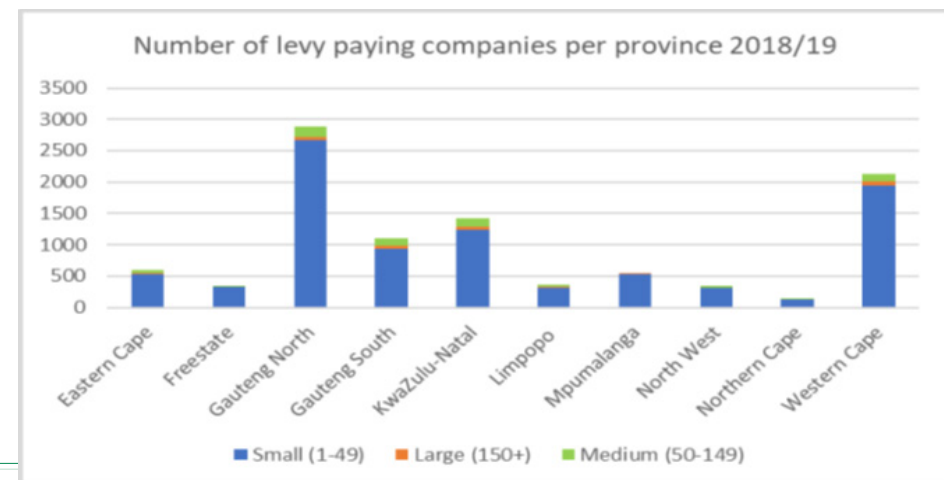
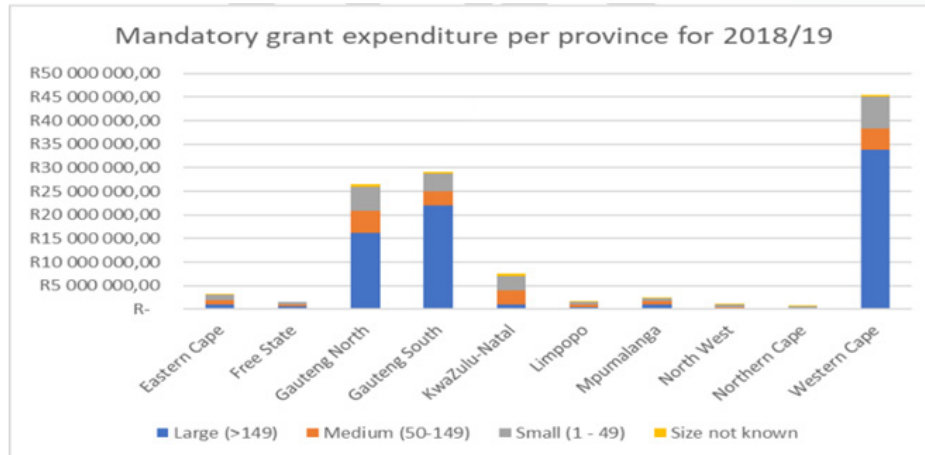


Figure 6: Mandatory grant expenditure per province, 2018/19 • W&RSETA Annual Report 2018/19



Western Cape Province had the highest mandatory grant expenditure followed by Gauteng.

4.1.6. Employee demographic information of the W&R sector

The NDP and NSDP 2030 strategy documents both underline the importance of investment in equality in all sectors and elimination of discrimination. This section assesses the demographic data of people employed in the W&R sector in terms of gender, age and disability among other factors.

Figure 7: Employees in the W&R trade, 2014-2019 • (Source: W&RSETA SSP 2020-2025)

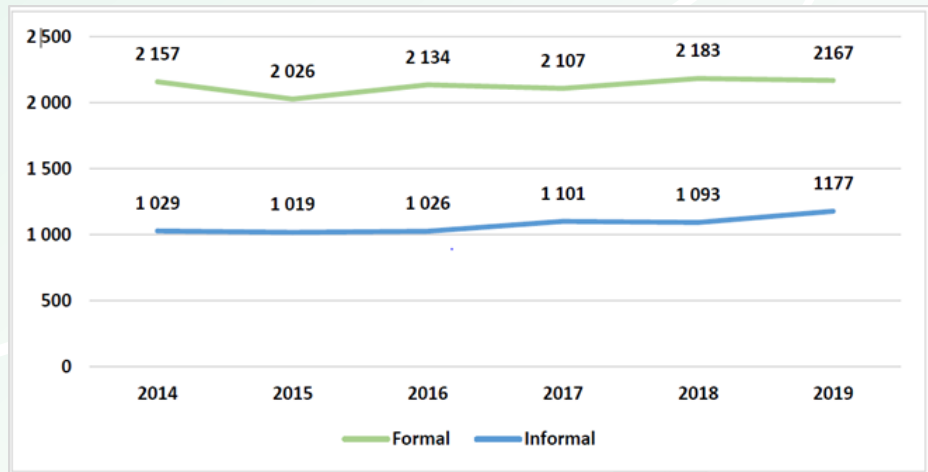


Figures 8 and 9 reveal the following:

- The wholesale and retail sector employed about 3.3 million people in 2019, which is 21% of the total active labour force.
- In 2014, there were 3.186 million employees compared to 3.345 million employees in 2019. This represents an increase of 159 000 (5%) of employees in this period (Statistics South Africa, 2019).
- Employment declined between Q1: 2014 and Q1: 2015 and has shown steady growth between 2016 and 2019. Correspondingly, between Q1: 2018 and Q1: 2019, employment levels increased by 69 000.
- The W&R sector is a major absorber of unskilled and semi-skilled workers. Hence, it is necessary to ensure healthy economic growth to provide employment for this unskilled and semi-skilled segment of the labour market, which consists of most of the labour force.

The SETA will continue to provide skills development interventions to the employed in the W&R sector to enhance their skills and ensure greater job stability. This will be achieved through investment in relevant skills required by the sector. Figure 9 shows the distribution of W&R sector employees between the formal and informal institutions.

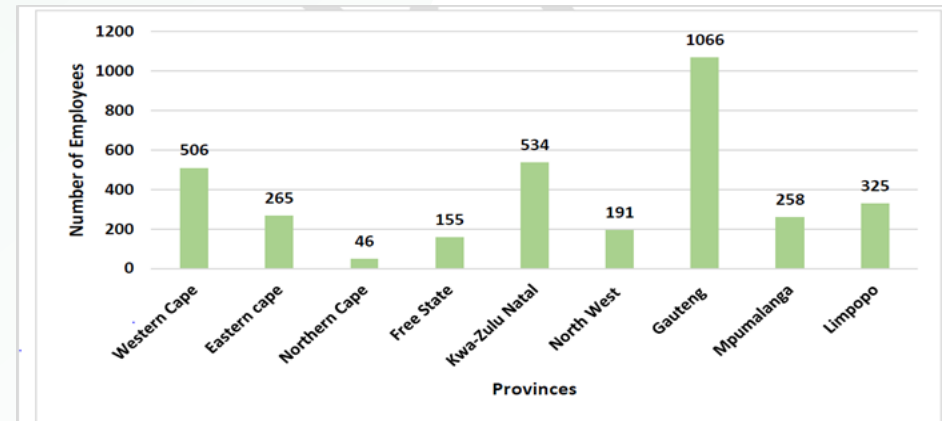
Figure 8: Employees by formal and informal sector • (Source: W&RSETA SSP 2020-2025)



There were 2.167 million (65%) in formal employment and 1.177 million (35%) in informal employment in the sector. Formal sector employment experienced a steady decline over the period.

As shown on Figure 9, the W&R sector appears to be steadily shedding formal jobs whilst increasing the informal sector jobs. This is a challenge to the SETA's priorities of formalising the informal sector organisations. Accordingly, the SETA will seek to strengthen interventions aimed towards formalising the informal sector, thus enhancing their participation in the mainstream economy. SSP priority action 1 calls for the capacitation of SMMEs and cooperatives with skills development initiatives and alternative training models meant to meet their needs. Through research therefore, the SETA will explore needs of SMMEs and cooperatives in order to tailor skills development programmes to their needs.

Figure 9: Employees by province (000s) for 2019 • (Source: W&RSETA SSP 2020-2025)



Gauteng province has the highest number of employees with 1066, followed by KZN with 534 and Western Cape, 506. Whilst SETA interventions for the employed will be maximised in areas with the highest concentration of the employed, special attention will be given to the spatial distribution of skills development programmes to include rural areas and other remote areas in the country.

Figure 11 shows the demographics of employees according to the Commission for Employment Equity (CEE) Annual Report 2017-2018.

Figure 10: Distribution of employees by occupational level • (Source: CEE (2017))

OCCUPATIONAL LEVEL	MALE (%)				FEMALE (%)				FOREIGN NATIONAL		TOTAL (%)
	A	C	I	W	A	C	I	W	M	F	
Top Management	4,6	2,4	10,7	57,3	2,6	1,5	3,3	14,3	2,7	0,5	100
Senior Management	8,8	4,3	10,9	39,6	5,3	3,3	4,9	20,3	2,1	0,7	100
Professional	15,0	5,3	7,2	28,1	10,1	4,6	5,1	22,5	1,7	0,5	100
Technician	27,2	6	4,8	14,1	19,2	7,1	4,4	14,7	1,8	0,7	100
Semi-Skilled Workers	42,1	5,4	2	3,2	31,6	6,5	2,5	4,8	1,4	0,4	100
Unskilled Workers	46,4	5,3	0,9	1	38	4,9	0,6	0,5	1,7	0,7	100

The figures in Figure 11 show that:

- In top management, 7.2% (4.6+2.6) of Africans compared to 71.6% (57.3 +14.4) of Whites are represented.
- Female representation across the board for top management is 22.2% with 2.6% Africans, 1.5% Coloureds and 3.3% Indians and 0.5% foreigners. The corresponding figure for White females is 14.3%.
- A similar picture emerges for senior management and professionals.
- In the unskilled category, African males make up 4.4%, White males 1%, Coloured males 5.3% and Indian males 0.9%. The corresponding figures for females are 38%, 0.5%, 4.9% and 0.6% respectively.

Lack of equitable representation at the Top Management level creates challenges for the future sustainable economic growth of the country due to the lack of inclusive and representation of the demographic population distribution in the workplace in terms of population groups, gender and disability. In order to reach equity at the Top Management level, the CEE believes that multi-pronged strategies should either be strengthened or developed (CEE, 2017). To address the imbalances in terms of gender and race as shown in Figure 11, the SETA will enhance investment in spatial distribution of skills development interventions to promote participation of women, black and black people in general. Employers will accordingly be encouraged to send their black employees; in particular black female employees, to leadership development programmes offered by the SETA such as the RMDP and ILDP programmes.

Figure 11: Number of employees by age group ('000) • (Source: CEE (2017))

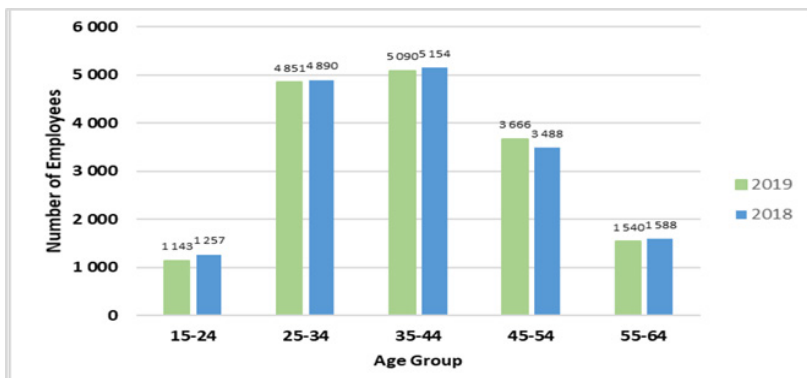


Figure 13

Figure 13 shows that the number of employees below the age of 24 years has decreased in 2019 when compared to the same period of time in 2018.

The 45 to 54-year age group is the only age group that has increased the number of employed people. The trend shows the number of employed people has dropped across most age groups. The SETA remains committed to curbing unemployment in the country especially among the youth; and with programmes such as workplace based learning, the focus is will be on enhancing employability of the youth. On the other hand, the RMDP programme will grow leadership skills among youths and increase the number of youth employed in top positions in the sector. Youth employment addresses priority action 2 of the SSP which discusses the need for career development among youths to create permanent job positions.

Figure 14 shows the percentage of the workforce made up by people with disabilities in the W&R sector over the three years from 2015 to 2017.

Figure 12: Percentage of Workforce with Disabilities from 2015 to 2017

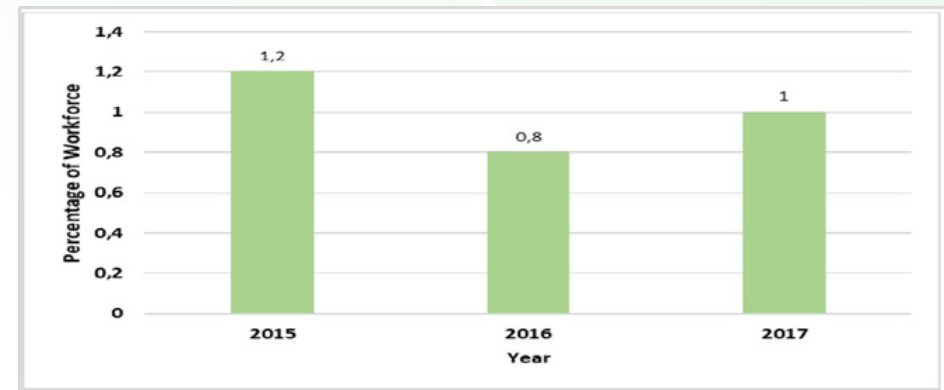


Figure 14 shows that the number of employed people with disabilities has remained relatively flat over the three years, decreasing slightly from 2015 onwards.

According to a report by Commission for Employment Equity (2016), people with disabilities were least represented in the South African labour market and access

remains a challenge. South African people with disabilities are featured more prominently in the public sector as compared to the private sector. The national disability prevalence rate is 7.5% in South Africa. More than half of persons aged 65 years and older reported having a disability. Furthermore, people who report having a disability are highest among the elderly (those aged 85+).

It is widely acknowledged that persons with disabilities tend to have lower educational levels in the countries of the Organization for Economic Co-operation and Development (OECD) and many other societies. Historically, most persons with disabilities have always occupied the lower socioeconomic status rungs of the ladder due to marginalisation and exclusion from various aspects of life such as education and employment. Research has shown that generally, women report higher incidents of disability than men including OECD20 countries.

Also noted is that women with disabilities tend to be doubly disadvantaged, experiencing exclusion on account of their gender and their disability (Statistics South Africa, 2016) white population group had the highest proportion of persons with disabilities (9,2%) followed by Indian/ Asian population group (8,4%). Results showed that coloured persons recorded the lowest disability prevalence (7.5%) in 2016 (Statistics South Africa, 2016). To respond to some of the challenges facing people with disability in the sector W&RSETA has identified disability as a sector priority and interventions will be implemented to ensure representation. In the realisation of SSP priority 5, the SETA will ensure that people with disabilities are included in skills development programmes especially those which unlock their potential to grow at their respective workplaces.

Table 5: Political, Economic, Social, Technological, Environmental and Legal (PESTEL) Analysis

EMERGING ISSUES		IMPLICATIONS FOR THE W&RSETA
POLITICAL FACTORS	<ul style="list-style-type: none"> • Macro-reorganisation of the state e.g. the merging of departments • Instability in the Informal Sector • SOE governance Framework 	<ul style="list-style-type: none"> • Support rural and township economy through skills development initiatives • Drive social cohesion in the Informal Sector
ECONOMIC FACTORS	<ul style="list-style-type: none"> • State of economy: • Lower economic growth levels • Retrenchments by various Sectors • Rising unemployment especially among youth • High poverty and rising inequality 	<ul style="list-style-type: none"> • Accelerate implementation of strategies that support employment and placement • Entrepreneurship support initiatives
SOCIAL FACTORS	<ul style="list-style-type: none"> • Unemployment especially among youths • Instability in the townships 	<ul style="list-style-type: none"> • Grow participation in bursary, learnerships and artisans • Come up with skills development initiatives for small businesses
TECHNOLOGICAL FACTORS	<ul style="list-style-type: none"> • The fourth industrial revolution which is driven by artificial intelligence (AI) and cyber-physical systems (CPS) 	<ul style="list-style-type: none"> • Invest in the use of artificial intelligence particularly in curriculum development • Support initiatives to build infrastructure that supports 4IR technology • Support dialogue and research to understand and benchmark for the 4IR • Invest in research on 4IR • Ensure regional, national and international partnerships • Investing in future skills responding to the 4IR as identified in the SSP. These include: <ul style="list-style-type: none"> * Data analyst; * System analyst; * IT specialist; * Product manager; * E-learning Designer. • Investing in new and emerging top-up skills as identified in the SSP. These include: <ul style="list-style-type: none"> * Digital marketing skills; * Digital customer communication skills; * Problem solving skills; * Financial literacy skills; * Data analytics skills; * Ethics & discipline; * Information Communication Technology (ICT) skills.
ENVIRONMENTAL FACTORS	<ul style="list-style-type: none"> • Consumer awareness of, example the green economy • Movement towards organic foods • Plastic pollution awareness, recycling and alternatives to plastic 	<ul style="list-style-type: none"> • Facilitate skills development programmes that support the green economy • Support community-based initiatives that address environmental challenges and unemployment • Cooperatives formation
LEGAL FACTORS	<p>Legislation affecting the sector in business including:</p> <ul style="list-style-type: none"> • SETA Grant Regulations (December 2012) • National Qualifications Framework Act, No. 67 of 2008 • Workplace Based Learning programme Agreement Regulations, 2018 	<ul style="list-style-type: none"> • Ensuring Regulatory Compliance • Capacity to adhere to relevant pieces of legislation

4.1.8. Opportunities and Threats

The following opportunities and threats might affect the W&RSETA strategy as shown on Table 6:

Table 6: Opportunities and Threats

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> National legislation which mandates all corporate organisations to participate and pay levies The new SETA landscape which has renewed SETA operations up to 2030 provides growth opportunities High youth unemployment is an opportunity to expand training programmes. Accordingly, the SETA will pursue priorities for youth skills development for employment creation as well as career advancement, in line with NSDP 2030 principles and SSP priority action 1. Opportunity to capitalise on the 4th Industrial Revolution (4IR). This gives a chance to change the way things are done e.g. class delivery. To make impact in the sector, the SETA will pursue the development and revision of a curriculum which is relevant to the sector. Research interventions into industry trends will inform the development and revision of the curriculum; which will seek to respond to sector dynamics. Opportunities for partnerships with international organisations, higher education institutions and other SETAs. In line with NSDP 2030 outcome 5, the SETA will pursue partnerships aimed at the capacitation of TVET and CET colleges through infrastructure development, equipment and lecturer capacitation. Meanwhile, partnerships with other SETAs and international institutions will be made in the fields of research, exchange learning and curriculum development. 	<ul style="list-style-type: none"> Movement of W&RSETA stakeholders to other SETAs – This is a recurring occurrence; and is likely to reduce the amount of levies collected by the W&RSETA by a significant percentage if the trend persists. The SETA will focus on improving stakeholder relations during the strategic plan implementation period to enhance retaining of levy paying firms. The general perception of rife corruption in the SETA system – This generally leads to lack of trust in the SETA to deliver on its promises, and might also lead to the reluctance of W&R firms to pay their levies. The W&RSETA will accordingly aim to interact with all stakeholders with dignity by delivering on all obligations. Building, maintaining and enhancing trust with stakeholders will be among the key overall priorities for the W&RSETA’s approach to the 2020/21-2024/25 SP implementation processes. Overall poor performance of the economy which decreases levies obtained by the W&RSETA – As at the third quarter 2019; unemployment in SA is at its highest, whilst growth rates has also declined. A continuation of the trend will result in the decline in levies received; thereby affecting the SETA’s ability to meet targets set in the APPs. Accordingly, the SETA will focus on improving efficiency in the utilisation of limited resources; through investment in extensive research into W&R sector dynamics.

4.2. Internal Environment Analysis

4.2.1. SETA’s capacity to deliver: Human resources

The total current staff complement of the W&RSETA is 258. Of these, 221 are permanent positions and 37 are contract appointments. There are 12 vacant positions (a vacancy rate of 4%). The W&RSETA has a total of ten regional offices, with one regional office in each of the nine provinces of the Republic of South Africa, except for Gauteng Province, which has two regional offices.

These offices facilitate access to W&RSETA services and projects; and are adequately resourced with skilled and competent SETA officials whose duties include management and monitoring of skills interventions through learner verifications, monitoring, evaluation and reporting. Regional offices are also responsible for ensuring quality standards in the implementation of learning programmes through assessments, moderation and learner certification.

In addition, the SETA has 20 TVET regional co-ordinators, some placed at TVET colleges situated in various rural and township communities. Once the vacancies are filled, the human resource capacity can be deemed to be adequate to deliver on the SETA mandate.

Organisational Design (OD)

In the journey to deliver on the Turnaround Strategy, the W&RSETA has embarked on various initiatives. One of these initiatives is the Organisational Design (OD) process which involves the realignment of the SETA organisational structure with the mandate to respond adequately to changing demands and needs of the sector.

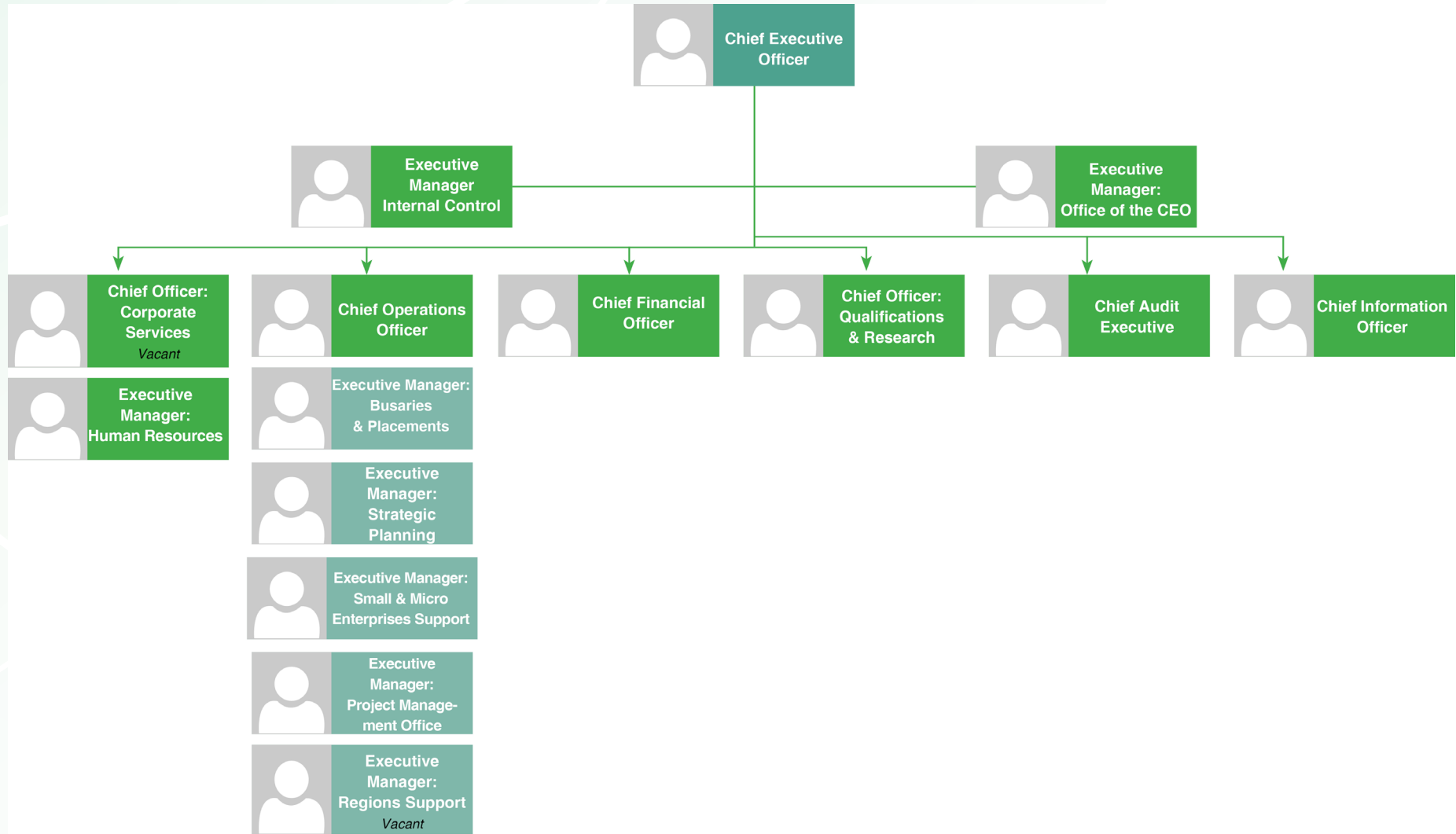
The intent of the OD process is meant to yield the following results/outputs:

- Greater effectiveness and efficiency
- Meeting of the desired results/outputs
- Use of resources economically
- Ensuring a mechanism for clean administration is in place
- Ensuring the SETA becomes an employer of choice
- Bringing services closer to the major role players
- Supporting, developing and growing the informal sector

Implications of the new structure:

- Clustering of regions for greater efficiencies
- Revisions of the naming conventions
- Clear job profiles and descriptions
- Migration to the new structure and remuneration framework
- Devolution of powers/ responsibilities
- Decentralisation of identified services
- Sharing of enablers/ support services

CURRENT MACRO STRUCTURE



APPROVED MACRO STRUCTURE

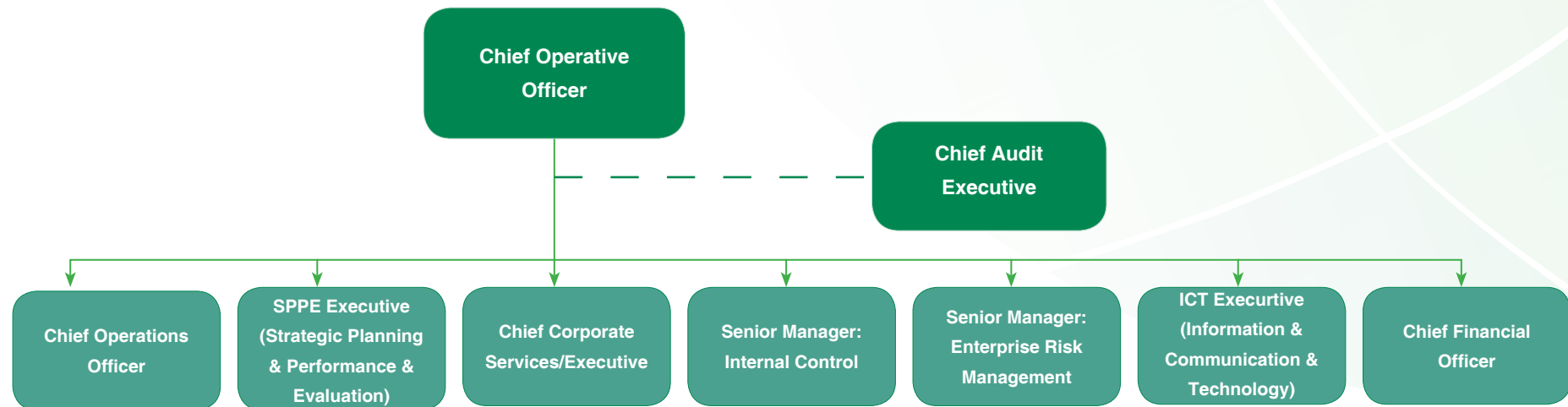
The approved macro structure is the culmination of the second phase of organisational design (OD) process for the SETA. The macro structure includes the following;

- Executive management structure; and
- Functional structure

It is the output of work led by the CEO and his Management team and represents the design intent of the Board approved turnaround strategy. The design was guided by the Board approved decentralized service delivery model and the design principles developed aligned with the service delivery model and turnaround strategy. It is structured around three key focus areas:

- Value creators
- Value enablers
- Value defenders

Approved W&RSETA Structure: Executive Management



APPROVED W&R SETA: FUNCTIONAL STRUCTURE



4.2.2. SETA's capacity to deliver: Financial resources

The W&RSETA receives 80% of the 1% of payroll paid by levy paying companies. Revenue streams projected for 2019/20-2021/22 are based on actual levies received during 2018/19 and the forthcoming years, taking into account the state of the economy and the CPI percentiles (part of the MTEF guidelines) issued by the National Treasury.

Revenue streams in past budgets have always been conservatively projected at an average increase of 5–6% per year. The revenue streams are also based on salary negotiations within the sector that forms the basis for the calculation of the 1% skills levy.

Goods and services

Goods and services is expected to increase by 28% in the 2020/21 financial year and this is mainly due to the following:

- Advertising and marketing is expected to increase by 64% in 2020/21 due to the planned relocation of the W&RSETA Head Office and Provincial Offices in 2020/21.
- Board expenditure is expected to increase by 21% due to induction costs of newly appointed board members as well as the filling of three vacancies in the current board composition. It is expected that these vacancies will be filled in 2020/21 with the appointment of the new Board.
- Professional fees are budgeted to increase by 61% due to the cost of Information Technology (IT) services. The W&R SETA took a decision in the 2019/20 financial year to develop and own critical IT systems and platforms and this was a significant departure from prior years whereby these systems were outsourced and the SETA was paying a monthly service fee and had no ownership rights. Included in the 61% increase are annual license costs, system maintenance costs, connectivity costs and relocation costs of IT equipment to new leased premises. The benefit of this investment to IT will result in greater efficiencies through the automation of various business processes and functions.
- All the 11 office leases of the W&RSETA are due to expire on 31 March 2020. A 24% increase to operating lease expenditure has been budgeted for to ensure that we provision for initial lease costs and relocation costs. The budget also takes into account increases to the size of leased space in order to deal with historic challenges of space shortages.
- Other expenses have been adjusted for inflation over the MTEF.

Employee Costs

Employee cost are expected to increase by 10.7% and this is mainly due to:

- Changes to the leave policy that were approved and effective during the 2019/20 financial year. The annual impact of these changes will be accounted for the full year in 2020/21
- Performance remuneration is expected to increase from 4% of total cost of employment in 19/20 to 6% in 2020/21. This increase is directly linked to the plan to significantly improve organisational performance and service delivery to the sector.
- The annual cost of living adjustment for all qualifying employee.

It is important to note that the total salary cost of the W&RSETA is distributed as presented on Table 7.

R thousand	Medium Term Estimates		
	2020/21	2021/22	2022/23
Programme 1: Administration	70,566	58,066	62,596
Programme 2: Skills Planning	3,576	3,862	4,163
Programme 3: Learning Programmes and Projects	67,022	90,529	97,591
Programme 4: Quality Assurance	13,837	14,944	16,109
Total employee costs	155,001	167,401	180,459
Funding areas for employee costs			
- 10% administrative costs	70,566	76,212	82,156
- 7.5% project administrative costs	84,435	91,190	98,302

Revenue

Levy revenue is expected to increase by at 7%, 6.8% and 6.8% over the MTEF. This is arrived at after taking into account:

- Historic trend analysis of revenue
- Economic data on overall performance (including forecasts) of the sector and the South African economy. This includes inflation estimates over the medium term.
- Unemployment in the country continues to be high and the 4th Industrial Revolution is likely to negatively impact W&R salary costs over the medium term.

Transfers and subsidies

Transfers and subsidies expenditure represents the total value of both mandatory and discretionary grant expenditure for the SETA. This expenditure is expected to increase by at 7%, 6.8% and 6.8% over the MTEF in line with the revenue estimate.

4.2.3. SETA's compliance with the B-BBEE Act and disability requirements

Context: In South Africa, Broad-Based Black Economic Empowerment (BBBEE, or BEE as it is more commonly known) is a complex system of rules and guidelines designed to effect socio-economic transformation by levelling the playing field for people of all races. Broad-Based Black Economic Empowerment: While the major legislation involved is the Broad-Based Black Economic Empowerment Act, No.53 of 2003 as supplemented by the Codes of Good Practice, it is supported by and intertwined with other laws and one key example is the Employment Equity Act, No. 55 of 1998. The Employment Equity (EE) Act and BEE Act have many overlapping aims and functions – and here we explore what these are.

Under the old BEE legislation, EE was one of the seven pillars of the BEE scorecard. To ensure a good score, businesses had to show compliance with the requirements of the EE Act in their workplace. Employment Equity Act: Section 15 of the Employment Equity Act no 55 of 1998 stipulates that a Designated Employer must implement affirmative action measures intended to ensure that suitably qualified employees from Designated Groups have equal opportunity and are equitably represented in all occupational categories and levels of the workforce. In line with the provisions of the Act and the said Section 15, the W&RSETA workforce as at end of October 2019 was as on Table 8:

Table 8: HR Statistical picture

Item	Numbers	Comment
Total Staff (including fixed term)	277	61 or 22% of staff members are fixed term.
Women (including fixed term)	184	66 % in the SETA are women
People with disability	2	0.72% is the number representing the people with disability.

The above table indicates that W&RSETA employs 66% women while people with disability is 0.72 %. According to the Employment Equity Commission Report of 2018/2019, 45.3% of economically active population (EAP) is women and this suggests that the SETA has far outpaced the national picture. The same report mentions that the statistics for people with disability were not available during the compilation from Stats SA since these come from various sources. It is also worth noting that the SETA (annually) prepares and submits an online EE Report as required by law.

This HR Report is based on the law and/or compliance with specific reference to: status of employment equity, women and people with disability. The approached interrogated the current the provisions of the law and 2018/19 EE Report as a benchmark. The conclusion is that W&RSETA is far ahead of the national picture on EAP while the comparison with people with disability could not be determined. The Stats SA Census 2011, on People with Disability shows that 7.5 of the population were people with disability. The challenge is that the age group ranges from 05 to 85 and it's difficult to draw conclusion as to how many are adults (example 18 to 65). Inference can however be drawn that the SETA number at 0.72% is low and could be improved.

4.2.1. Challenges in the external environment and interventions for addressing challenges

The SETA's performance in terms of meeting its priorities set in the 2015-20 strategic plan was affected by a number of challenges which emanated from the internal and external environments.

Table 9: Challenges experienced by the W&RSETA in the performance environment

Challenges experienced by the SETA	Mitigations over the 2020/21 – 2024/25 period
1. Failure to meet targets due to the mismatches between employers and learning institutions' financial years	<ul style="list-style-type: none"> Activities and reporting will be streamlined to ensure maximum registrations are conducted and reported on during the SETA's financial period. Registrations for skills development programmes will proceed throughout all periods when employers and educational institutions are open
2. Failure of some companies to submit compliant Annexure II documents, thus leading to rejection of applications	<ul style="list-style-type: none"> Companies will be educated and informed on the process of submitting compliant documents, to reduce the number which fails to submit compliant documents
3. Misalignment between the SETA's outcomes, the external environment, internal environment and national priorities	<ul style="list-style-type: none"> Service Level Agreements between departments will define relationships and guide interaction to ensure smooth service provision to stakeholders
4. Misalignment between the SETA's outcomes, the external environment, internal environment and national priorities	<ul style="list-style-type: none"> The SETA's impact statements for the 2020/21 – 2024/25 MTSF period were formulated based on the situational analysis, and aligned to NSDP outcomes Targets will be revised over the period based on dynamics in the operating environment as reflected in the SSP documents

4.2.4. Strengths and Weaknesses

Table 10: Strengths and Weaknesses (APP)

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Availability of financial resources due to numerous levy-paying firms Existing national footprint with regional offices in all nine provinces Availability of W&RSETA offices at nearly all of the TVET branches in South Africa. Staff complement with substantive understanding of clients and the wholesale and retail sector Since W&RSETA is statutory created, government support is available Organisational stability Leadership commitment 	<ul style="list-style-type: none"> An organisational culture which does not support business – Staff and management are so far working with a SILO mentality which stifles team work. To mitigate this, contracts of employees could be based on overall performance rather than narrowly defined roles and responsibilities Inadequate investment in change management – A rigid approach to organisational activities can cripple the SETA's ability to swiftly respond to the dynamics of the W&R environment such as the recent 4th IR introduction. Target owners should hence be more flexible towards embracing change; and communicating it to their subordinates Poor communication internally and externally – Poor internal communication results in lack of coordination in doing business, especially due to existing interdependencies between functional units and support units.

Outcome-oriented Goals of the W&RSETA

The following are the eight Outcome-oriented goals for the W&R sector, as identified in the Strategic Plan:

Table 11: Outcome-oriented Goals of the W&RSETA (APP)

W&RSETA (APP)	OUTCOME INDICATOR
Outcome 1: Identify and increase production of occupations in high demand	Outcome 1: Improved operational efficiency
Outcome 2: Linking education and the workplace	Outcome 4: Sector responsive research conducted
Outcome 3: Improving the level of skills in the South African workforce	Outcome 8: Reduction of skills shortages in the W&R sector
Outcome 4: Increase access to occupationally directed Programmes	Outcome 5: Increased access to wholesale and retail occupationally directed programmes
Outcome 5: Support the growth of the public college system	Outcome 3: Growth focused partnerships with the college system
Outcome 6: Skills development support for entrepreneurship and cooperative development	Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy
Outcome 7: Encourage and support worker-initiated training	Outcome 7: Capacitated trade unions within the W&R sector
Outcome 8: Support career development services	Outcome 2: An integrated career guidance strategy

PART C: MEASURING OUR PERFORMANCE

5. Institutional Programme Performance Information

Programme 1: Administration

The purpose of this Programme is to provide effective and efficient support functions within the organisation. The Programme is responsible for creating an enabling environment for the W&RSETA to deliver on its Outputs and goals.

The success of this Programme over the next five years will be measured in terms of its ability to establish organisational capacity and capability that will enable a culture of high-performance productivity which will enable delivery of the SETA's mandate. This will be attained through the deployment of robust business processes and systems; embedding effective corporate governance, strengthening oversight and compliance, as well as monitoring and evaluation capabilities for measuring impact of skills interventions in the sector.

Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets							
			Audited/ Actual Performance				Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Outcome 1: Improved operational efficiency	Output 2: Allocate resources to implement Programmes aligned to the SSP, SP and APP	[1.1] Percentage of levy resources directed towards high level skills by 2023	New target	-	-	-	-	20%	20%	20%
		[1.2] Percentage of levy resources directed towards intermediate level skills	New target	-	-	-	-	15%	15%	15%
		[1.3] Percentage of levy resources directed towards elementary level skills by 2030	New target	-	-	-	-	65%	65%	65%
	Output 3: Identify, prioritise and form partnerships to address priority occupations	[1.4] Number of stakeholder sessions conducted annually to advocate for participation in skills development programmes	-	-	-	15 stakeholder session	15 stakeholder Sessions	15 stakeholder sessions	15 stakeholder sessions	15 stakeholder sessions
	Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery	[1.5] % Implementation of approved structure	New target	-	-	-	-	90% Implementation of the approved structure	-	-
		[1.6] Percentage reduction of manual processes resulting in the efficient and optimised W&RSETA business operational and transactional processes	New target	-	-	-	-	80% reduction of manual processes	20% reduction of manual processes	-
		[1.7] Improved audit opinion during the period	-	-	Un-qualified	Un-qualified	Un-qualified audit opinion	Unqualified opinion	Unqualified audit opinion	Unqualified audit opinion

Indicators, Annual and quarterly targets

Outputs	Output Indicators	Annual target	Q1	Q2	Q3	Q4
Output 2: Allocate resources to implement Programmes aligned to the SSP, SP and APP	[1.1] Percentage of levy resources directed towards high level skills by 31 March 2021	20%	-	-	-	20%
	[1.2] Percentage of levy resources directed towards intermediate level skills by 31 March 2021	15%	-	-	-	15%
	[1.3] Percentage of levy resources directed towards elementary level skills by 31 March 2021	65%	-	-	-	65%
Output 3: Identify, prioritise and form partnerships to address priority occupations	[1.4] Number of stakeholder sessions conducted annually to advocate for participation in skills development programmes	15 sessions	4 sessions	4 sessions	4 sessions	3 sessions
Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery	[1.5] % Implementation of approved structure	90% implementation of approved structure	-	-	-	90% implementation of approved structure
	[1.6] Percentage reduction of manual processes resulting in the efficient and optimised W&RSETA business operational and transactional processes	80% reduction in manual processes	20% reduction in manual processes	20% reduction in manual processes	20% reduction in manual processes	20% reduction in manual processes
	[1.7] Improved audit opinion during the period 1 April 2020 to 31 March 2021	Unqualified audit opinion	n/a	Un-qualified audit opinion	n/a	n/a

Risks and Mitigation

RISKS	MITIGATING FACTOR
Non operationalisation of the approved Delivery Model	Conclude the OD process before March 2020
ERP Functionality by end of March 2020	Proper monitoring and follow-up of capacity
Non-adherence to Regulatory Compliance	Ensure capacity in the Legal function

Programme 2: Skills Planning and Research

Outcomes, Indicators and Annual Targets

Outcome	Outputs	Output indicators	Annual Targets							
			Audited/ Actual Performance				Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Outcome 4: Sector responsive research conducted	Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	[2.1] Board approved SSP annually	1	1	1	1	1	1	1	1
		[2.2] Board approved SP/ APP annually	1	1	1	1	1	1	1	1
	Output 3: Identify, prioritise and form partnerships to address priority occupations.	[2.3] Number of Memorandums of Understanding signed with strategic partners addressing sector needs, annually	-	-	-	4	4	4	4	2
		[2.4] Number of research interventions responding to strategic partnerships with National and International institutions annually	New target	-	-	-	-	2	2	2
	Output 6: Facilitate access and provide support for interventions towards occupationally directed learning Programmes.	[2.5] Number of research reports completed annually	6	7	4	3	4	4	4	4
		[2.6] Number of sector directed tracer, evaluation and impact study reports completed, annually	-	-	-	1	2	2	3	3

Programme 2: Skills Planning and Research

Programme purpose

Functions falling within the ambit of this Programme include; skills planning, monitoring, evaluation, reporting and research Programmes. These Programmes provide key inputs in advancing skills development in the sector.

Programme 2 implements its mandate through robust planning, improving the quality and quantity of research outputs, as well as strengthening the integrity of monitoring, evaluation and reporting on performance information

Outputs	Output Indicators	Annual target	Q1	Q2	Q3	Q4
Output 1: Research and develop a Sector Skills Plan (SSP) in response to the sector skills demand and supply	[2.1] Board approved SSP annually	1	-	-	1	-
	[2.2] Board approved SP /APP annually	1	-	-	1	-
Output 3: Identify, prioritise and form partnerships to address priority occupations.	[2.3] Number of Memorandums of Understanding signed with strategic partners addressing sector needs, annually	4	-	-	2	2
	[2.4] Number of research interventions responding to strategic partnerships with National and International institutions annually	2	-	-	-	2
Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.	[2.5] Number of research reports completed annually	4	-	-	-	4
	[2.6] Number of occupationally directed tracer, evaluation and impact study reports completed annually,	2	-	-	-	2

Risks and Mitigation

RISKS	MITIGATING FACTOR
Delays in project closure hamper impact studies	Invest in a credible Project Management System
Inadequate internal and external resources	Establish partnerships in research
Limited Stakeholder Participation per subsector	<ul style="list-style-type: none"> Develop and communicate a Service Delivery Charter and Improvement Plan Develop and implement stakeholder management strategy
Delays in the OD project	Monitored Project Plan and Consultation
Changes in leadership and governance	Transfer to DHET

Programme 3: Learning Programmes and Projects

Programme purpose

The purpose of this Programme is to contribute to addressing the HTFVs identified in the SSP; and reducing HTFVs in the wholesale and retail sector through the provisioning of quality learning programmes. Sub programmes under this Programme include career guidance and the implementation of learnerships, apprenticeships, skills Programmes, internships, workplace based learning programmes (learnerships) and bursaries for students at TVET Colleges and Higher Education institutions.

Outcomes, Indicators and Annual Targets

Outcome	Outputs	Output indicators	Annual Targets								
			Audited/ Actual Performance					Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Outcome 8: Reduction of skills shortages in the W&R sector	Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	[3.1] Number of WSPs and ATRs approved for small firms annually	-	-	4391	4208	3386	4000	4000	4000	
		[3.2] Number of WSPs and ATRs approved for medium firms annually	-	-	1122	1123	762	1000	1000	1000	
		[3.3] Number of WSPs and ATRs approved for large firms annually	-	-	521	533	341	500	500	500	
	Output 13: A skilled, competent and professional workforce in the wholesale and retail sector through provision of Bursaries to W&RSETA employed and unemployed beneficiaries	[3.4] Number of new entries and continuing students awarded bursaries annually for studies in priority occupations resulting in demand driven qualifications	Unemployed new entries: 631	1306	119	0	3500	2000	2000	2000	
			Continuing learners :825	626	0	509	2000	500	500	500	
			Masters and/ PHD: 4	20	0	0	25	10	10	10	
			RMDP -	-	-	59	400	100	150	200	
			ILDLP -	-	-	60	-	60	60	60	
			Employed bursaries (NQF 5-8): 770	1026	57	313	1250	1250	1250	1250	
[3.5] Number of W&RSETA bursars completing priority occupation qualifications annually	Completing learners: 0	279	0	540	400	200	300	300			

Outcome	Outputs	Output indicators	Annual Targets							
			Audited/ Actual Performance					Est. performance	MTEF Period	
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 4: Facilitate innovative workplace based learning opportunities within the sector	[3.6] Number of unemployed learners registered in NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually	2954	2239	2479	2100	6536	7000	7500	8000
		[3.7] Number of unemployed learners completing NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually	1708	1399	709	1200	2000	3500	3750	4000

Outcome	Outputs	Output indicators	Annual Targets								
			Audited/ Actual Performance					Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 4: Facilitate innovative workplace based learning opportunities within the sector	[3.8] Number of unemployed learners registered on NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually	-	-	123	500	800	800	800	800	
		[3.9] Number of unemployed learners complete NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually	-	-	354	400	400	400	400	400	
		[3.10] A needs analysis report on candidacy Programmes in demand compiled by the 3rd quarter of 2020-2021	New target	-	-	-	-	1	-	-	
		[3.11] Number of learners participating in Candidacy Programmes annually through partnership with professional bodies / institutions	Enrolled: New target	-	-	-	-	100	100	100	
			Completing: New target	-	-	-	-	-	96	96	
	Output 4: Facilitate innovative workplace based learning opportunities within the sector	[3.12] Number of learners from TVET colleges and HETs are placed in workplace based learning, annually	Unemployed Graduates: 108	791	107	1190	2750	1200	1500	1800	
		[3.13] Number of partnerships with TVET colleges and HETs for workplace opportunities, annually	10	9	9	5	4	10	10	10	
		[3.14] Number of enrolments and completions in workplace based learning programmes for graduate internships addressing wholesale and retail HTFVs as identified in the SSP annually	Enrolled: 108 Completed: 459	791 0	18 21	700 114	1600 350	1200 350	1200 350	1200 350	

Outcome	Outputs	Output indicators	Annual Targets							
			Audited/ Actual Performance				Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 5: Facilitate and create opportunities for skills development for the employed	[3.15] Number of employed learners registered in NQF 2-5 learnerships or occupational Programme addressing Wholesale and Retail HTFVs as identified in the SSP annually	3066	1977	2191	2300	3066	3500	4000	4500
		[3.16] Number of employed learners completing NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually	1635	1373	569	1200	1250	1500	1750	2000
		[3.17] Number of employed learners registered on NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually			657	1000	10000	6500	7000	7500
		[3.18] Number of employed learners complete NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually			613	800	3000	3250	3500	3500
	Output 5: Facilitate and create opportunities for skills development for the employed	[3.19] Number of employed learners registered on RPL learning programmes annually	311	168	150	245	300	200	200	200
		[3.20] Number of employed learners completing their RPL Programmes annually	358	73	334	241	150	100	100	100
		[3.21] Number of employed learners registered on NQF 1 Learnership (AET) annually	232	344	392	116	-	1000	1000	1000
		[3.22] Number of employed learners completing NQF 1 Learnership (AET) per year	232	190	9	99	-	920	920	920

Outcome	Outputs	Output indicators	Annual Targets							
			Audited/ Actual Performance				Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Outcome 8: Reduction of skills shortages in the W&R sector	Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.	[3.23] Number of artisans/ technicians enrolled annually	382	96	360	200	200	200	200	300
		[3.24] Number of artisans/ technicians completing annually	268	261	0	100	200	100	0	0
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Output 8: Assist CET colleges to increase capacity to offer retail and related Programmes	[3.25] Number of learners assisted to participate in skills development initiatives annually	New target	-	-	-	-	-	1000	1000
Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy	Output 9: Provide skills development support to SMMEs, Cooperatives and Informal traders to enable them to participate in the mainstream economy.	[3.26] Number of Small and Medium Enterprises supported to participate in W&RSETA skills development interventions annually	3771	2837	0	1349	3500	2400	2400	2400
		[3.27] Number of Informal traders and micro enterprises participating in W&RSETA capacitation workshops annually	1954	1507	1466	988	1500	2400	2400	2400
		[3.28] Number of people trained annually on Entrepreneurship Development Programmes to enable them to start their own businesses or grow their existing businesses	New target	-	-	-	-	100	100	200
		[3.29] Number of Cooperatives supported in order to participate in mainstream economy annually	20	0	0	20	20	20	20	20
		[3.30] Number of CBOs, NGOs, and NPOs supported in order to participate in mainstream economy annually	16	0	0	100	100	100	100	100

Outcome	Outputs	Output indicators	Annual Targets							
			Audited/ Actual Performance				Est. performance	MTEF Period		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Outcome 7: Capacitated trade unions within the W&R sector	Output 10: Facilitate and create the potential for collaborations in support of worker initiated Programmes at retail workplaces	[3.31] Number of trade union beneficiaries supported to enter and complete capacitation Programmes annually	0	300	0	0	800	800	800	800
Outcome 2: An integrated career guidance strategy	Output 11: Develop and support an integrated career guidance and development strategy	[3.32] Number of career development exhibitions annually in urban areas on occupations in high demand	New target	-	-	-	-	100	100	100
		[3.33] Number of career development exhibitions annually in rural areas on occupations in high demand	New target	-	-	-	-	100	100	100
		[3.34] Number of career development practitioners trained annually	New target	-	-	-	-	10	10	10
		[3.35] Life Orientation Educators capacitated in use of the career guide annually	New target	-	-	-	-	400	400	400
		[3.36] Number of learners/unemployed persons assisted to access W&RSETA opportunities annually	New target	-	-	-	-	500	500	500

Risks and Mitigation

RISKS	MITIGATING FACTOR
Insufficient resources to meet the needs of the sector (finance; people and integrated systems)	Proper timeous planning and alignment
Insufficient resources to meet the needs of the sector (finance; people and integrated systems)	Proper timeous planning and alignment
SETA-Sector misalignment (targets; funding; Programmes; - limited to Top 10 national skills)	Propose the funding of top 50 PIVOTAL Programmes
Long, complicated and tedious contractual process	Automation of processes
Lack of stakeholder buy-in / stakeholder confidence in the SETA	Stakeholder Management Strategy development and implementation
Lack of stakeholder engagement or understanding of SETA processes and lack of comprehensive traditional and political needs analysis	Involvement of key role-player from the planning phases of a project
Lack of retail experience within the TVET/HET space	Programmes to build TVET capacity

Programme 3: Learning Programmes and Projects

Indicators, Annual and Quarterly Targets

Outputs	Output indicators	Annual Target	Q1	Q2	Q3	Q4
Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	[3.1] Number of WSPs and ATRs approved for small firms per annum	4000	500	2000	1000	500
	[3.2] Number of WSPs and ATRs approved for medium firms per annum	1000	200	400	200	200
	[3.3] Number of WSPs and ATRs approved for large firms per annum	500	100	200	100	100

Outputs	Output indicators	Annual Target	Q1	Q2	Q3	Q4
Output 13: A skilled, competent and professional workforce in the wholesale and retail sector through provision of Bursaries to W&RSETA employed and unemployed beneficiaries	[3.4] Number of new entries and continuing students awarded bursaries annually for studies in priority occupations resulting in demand driven qualifications	Unemployed new entries: 2000	-	-	1000	1000
		Continuing: 500	-	-	250	250
		Masters/PHD: 10	-	-	-	10
		RMDP: 100	-	-	50	50
		ILDLP: 60	-	-	60	-
		Employed (NQF 5-8): 1250	-	-	250	1000
	[3.5] Number of new entries and continuing students awarded bursaries annually for studies in priority occupations resulting in demand driven qualifications	Completing: 200	-	-	-	200
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.6] Number of unemployed learners registered in NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually	7000	0	2500	2500	2000
	[3.7] Number of unemployed learners completing NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually	3500	0	1000	1000	1500
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.8] Number of unemployed learners registered on NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually	800	0	200	200	400
	[3.9] Number of unemployed learners complete NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually	400	0	100	100	200
	[3.10] A needs analysis report on candidacy Programmes in demand compiled by the 3rd quarter of 2020	1	-	-	1	-
	[3.11] Number of unemployed learners enrolled and completing Candidacy Programmes annually	Enrolled: 100	0	0	50	50
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	[3.12] Number of learners from TVET colleges and HETs placed in workplace based learning, annually	1200	0	0	300	900
	[3.13] Number of partnerships with TVET colleges and HETs for workplace opportunities, annually	10	2	3	3	2
	[3.14] Number of enrolments and completions in workplace based learning programmes for graduate internships addressing wholesale and retail HTFVs as identified in the SSP annually	Enrolled: 1200	250	500	250	200
		Completed: 350	50	100	100	100

Outputs	Output indicators	Annual Target	Q1	Q2	Q3	Q4
Output 5: Facilitate and create opportunities for skills development for the employed	[3.15] Number of employed learners registered in NQF 2-5 learnerships or occupational Programme addressing Wholesale and Retail HTFVs as identified in the SSP annually	3500	0	1000	1000	1500
	[3.16] Number of employed learners completing NQF 2-5 learnerships or occupational Programmes addressing Wholesale and Retail HTFVs as identified in the SSP annually	1500	0	500	500	500
	[3.17] Number of employed learners registered on NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually	6500	0	2000	2000	2500
	[3.18] Number of employed learners complete NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually	3250	0	250	1500	1500
	[3.19] Number of employed learners registered on RPL learning programmes annually	200	0	50	75	75
	[3.20] Number of employed learners completing their RPL Programmes annually	100	0	0	50	50
	[3.21] Number of employed learners registered on NQF 1 Learnership (AET) annually	1000	0	0	500	500
	[3.22] Number of employed learners completing NQF 1 Learnership (AET) per year	920	-	-	460	460
Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.	[3.23] Number of artisans/ technicians enrolled annually	200	-	-	100	100
	[3.24] Number of artisans/ technicians completing annually	100	-	-	50	50

Outputs	Output indicators	Annual Target	Q1	Q2	Q3	Q4
Output 9: Provide skills development support to, SMMEs, Cooperatives and Informal traders participate in the mainstream economy.	[3.26] Number of Small and Medium Enterprises supported to participate in W&RSETA skills development interventions annually	2400	0	0	1000	1400
	[3.27] Number of Informal traders and micro enterprises participating in W&RSETA capacitation workshops annually	2400	0	0	1000	1400
	[3.28] Number of people trained on Entrepreneurship Development Programmes to enable them to start their own businesses or grow their existing businesses	100	0	0	50	50
	[3.29] Number of Cooperatives supported in order to participate in mainstream economy annually	20	-	-	10	10
	[3.30] Number of CBOs, NGOs, and NPOs supported in order to participate in mainstream economy annually	100	0	0	50	50
Output 10: Facilitate and create the potential for collaborations in support of worker-initiated Programmes at retail workplaces	[3.31] Number of trade union beneficiaries supported to enter and complete capacitation Programmes annually	800	0	200	300	300
Output 11: Develop and support an integrated career guidance and development strategy	[3.32] Number of career development exhibitions annually in urban areas on occupations in high demand	100	25	25	25	25
	[3.33] Number of career development exhibitions annually in rural areas on occupations in high demand	100	25	25	25	25
	[3.34] Number of career development practitioners trained annually	10	0	0	0	10
	[3.35] Life Orientation Educators capacitated in use of the career guide annually	400	50	200	50	100
	[3.36] Learners/ unemployed persons assisted to access the W&RSETA opportunities annually	500	0	0	0	500

Programme 4: Quality Assurance

Programme purpose

The purpose of this Programme is to execute the QCTO delegated quality assurance functions with regards to the accreditation of training providers, registration of assessors, facilitators and moderators, evaluating of assessments and facilitation of moderation including certification of learners as proof of successful completion of the 'historical' unit standard based qualification, until 2024.

Indicators and Annual Targets

Outcome	Outputs	Output indicators	Annual Targets								
			Audited/ Actual Performance				Est. performance	MTEF Period			
			2015/16	2016/17	2017/18	2018/19		2019/20	2020/21	2021/22	2022/23
Outcome 3: Growth focused partnerships with the college system	Output 3: Identify, prioritise and form partnerships to address priority occupations	[4.1] Number of partnerships formed with higher education institutions offering retail qualifications annually	New target	-	-	-	-	-	2	2	2
	Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.2] A W&RSETA model is developed annually for centres of specialisation for the sector	New target	-	-	-	-	-	1	0	0
		[4.3] Number of centres of specialisation supported annually	New target	-	-	-	-	-	0	3	4
		4.4] Number of TVET colleges supported through capacitation workshops and/ provision of equipment, in implementing occupationally directed programmes annually	Workshops: new target	-	-	-	-	-	9	9	9
			Equipment: new target	-	-	-	-	-	5	5	10
		[4.5] Working groups established annually for the sector curriculum review	New target	-	-	-	-	-	1	0	0
		[4.6] Number of lecturers registered for capacitation to offer NCV Retail subjects annually	30	33	34	30	30	20	20	20	
		[4.7] Number of lecturers certificated to offer NCV Retail subjects annually	26	27	20	20	20	18	18	18	
[4.8] Number of TVETs supported to become assessment centres for Retail occupational Programmes annually	New target	-	-	-	-	-	3	3	3		

Outcome	Outputs	Output indicators	Annual Targets									
			Audited/ Actual Performance				Est. performance	MTEF Period				
			2015/16	2016/17	2017/18	2018/19		2019/20	2020/21	2021/22	2022/23	
	Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.9] Number of TVET colleges where the SETA has a presence, annually	New target	-	-	-	-	-	32	32	32	
	Output 8: Assist CET colleges to increase capacity to offer retail and related Programmes	[4.10] A needs analysis study report of the CET sector is compiled during the period 1 April 2020 to 31 March 2021	New target	-	-	-	-	-	1	0	0	
		[4.11] Number of partnerships entered into with CET colleges after the completion of the study, annually	New target	-	-	-	-	-	0	3	3	
		[4.12] Number of CET colleges supported annually with learning material, institutional capacitation and infrastructure development	Learning material		-	-	-	-	-	3	3	3
			Capacitation		-	-	-	-	-	3	3	3
			infrastructure		-	-	-	-	-	3	3	3
		[4.13] Number of CET College Lecturers registered on lecturer development Programmes annually		New target	-	-	-	-	-	3	3	3
	[4.14] Number of CET College Managers registered on Management Development programmes annually		New target	-	-	-	-	-	3	3	3	

Indicators, Annual and Quarterly Targets

Outputs	Output indicators	Annual target	Q1	Q2	Q3	Q4
Output 3: Identify, prioritise and form partnerships to address priority occupations	[4.1] Number of partnerships formed with higher education institutions offering retail qualifications annually	2	-	-	-	2
Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	[4.2] A W&RSETA model is developed for centres of specialisation for the W&R sector during the period 1 April 2020-31 March 2021	1	-	-	-	1
	[4.4] Number of TVET colleges supported through capacitation workshops and/ provision of equipment, in implementing occupationally directed programmes annually	Workshops: 9	-	2	4	3
		Equipment: 5	-	2	2	1
	[4.5] Working groups established annually for the sector curriculum review	1	-	-	-	1
	[4.6] Number of lecturers registered for capacitation to offer NCV Retail subjects annually	20	-	-	10	10
	[4.7] Number of lecturers certificated to offer NCV Retail subjects annually	18	-	5	5	8
	[4.8] Number of TVETs supported to become assessment centres for Retail occupational Programmes annually	3	-	1	1	1
[4.9] Number of TVET colleges where the SETA has a presence, annually	32	32	32	32	32	
Output 8: Assist CET colleges to increase capacity to offer retail and related Programmes	[4.10] A needs analysis study report of the CET sector is compiled during the period 1 April 2020 to 31 March 2021	1	-	-	-	1
	[4.12] Number of CET colleges supported annually with learning material, institutional capacitation and infrastructure development	Learning materials – 3	-	-	1	2
		Equipment – 3	-	-	1	2
		Capacitation – 3	-	-	1	2
	[4.13] Number of CET College Lecturers registered on lecturer development Programmes annually	3	-	-	-	3
[4.14] Number of CET College Managers registered on Management Development programmes annually	3	-	-	-	3	

Risks and Mitigation

RISKS	MITIGATING FACTOR
<ul style="list-style-type: none"> Lack of community expert practitioner participation in occupational qualification development 	<ul style="list-style-type: none"> Capacity building and partnerships
<ul style="list-style-type: none"> Lack of readiness of CET to implement W&RSETA approved Qualifications. 	<ul style="list-style-type: none"> Develop a checklist and support for compliance
<ul style="list-style-type: none"> Lack of infrastructure 	<ul style="list-style-type: none"> Support through the mechanisms available in the W&RSETA Infrastructure Development Policy

6. Explanation of planned performance over the medium term planning period

In crafting the Strategic and Annual Performance Plans, the W&RSETA has considered and integrated the objectives of the NDP, NDP Five-Year Implementation Plan and the NSDP to inform its Outputs. The strategic focus areas of the framing documents (NDP and NSDP) have been relied upon to inform the strategic focus of the W&RSETA with a view to ensure clear contribution to the priorities of the NDP. The discussion below outlines the key delivery imperatives as outlined in both the NDP and the NSDP and explains how expected impacts from the W&RSETA Outputs link to these priorities.

5.1. National Development Plan

Eliminating poverty and reducing inequality by 2030 are central to the National Development Plan. Of critical importance in realising the objectives of the plan, the NDP focuses on the need to grow an inclusive economy through enhancing the capacity of the state, promoting leadership and partnerships throughout society. The following are the priorities of the NDP:

- An economy that will create more jobs;
- Improving infrastructure;
- Transition to a low -carbon economy;
- An inclusive and integrated rural economy;
- Reversing the spatial effects of apartheid;
- Improving the quality of education, training and innovation;
- Quality health care for all;
- Social protection;
- Building safer communities;
- Reforming the public sector;

- Fighting corruption;
- Transforming society and uniting the country.

In line with the NDP priorities of promoting an economy that creates employment and improving the quality of education, training and innovation, W&RSETA's contribution to the achievement of the NDP's goals includes the following:

- Partnerships with TVET and other HET institutions with the objective of improving accessibility to education;
- Learning Programmes targeted at unemployed youth aiming at increasing employability of the youth in the economy;
- Mainstreaming women, youth and people with disabilities in all projects implemented;
- Partnerships with employers and labour in order to improve training delivery and employability across the sector.

5.2. National Development Plan Five-Year Implementation Plan

The NDP Five-Year Implementation plans seeks to reinforce a coherent vision and plan to achieve the long-term priorities expressed in the NDP. Its specific objectives include to:

- Enable the achievement of the NDP through five-year building blocks;
- Outline results to which government, the private sector and civil society must contribute;
- Coordinate the harmonization of the different levels of the sector plans to achieve alignment and consistency;
- Foster spatial and economic reforms for development planning; and,
- Provide a basis for a monitoring framework to measure progress towards achievement of the NDP Five-Year Implementation Plan.

In developing the Strategic Plan and APP, W&RSETA has considered the objectives of the NDP Five-Year Implementation Plan. This alignment has also been achieved through linking the NSDP Outcomes and the W&RSETA Outputs as discussed below.

5.2. National Skills Development Plan

The purpose of the National Skills Development Plan (NSDP) is to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development . In line with these objectives, the following outcomes have been set for NSDP:

1. Identify and increase production of occupations in high demand;
2. Linking education and workplace;
3. Improving the levels of skills in the workforce;
4. Increase access to occupationally directed Programmes;
5. Support the growth of public colleges;
6. Skills development support for entrepreneurship and cooperative development;

7. Encourage and support worker-initiated training; and,
8. Support career development services.

Link between Outputs and, Outcomes and national priorities

In order to contribute to delivery of national priorities, the W&RSETA has aligned its Outputs to the NSDP outcomes and SSP priority actions as shown on Table 12.

Table 12: Alignment of National Outcomes, Outcomes and National Imperatives (APP)

OUTPUTS	SSP PRIORITIES	NSDP 2030 PRIORITIES
Outcome-oriented goal 1: Respond to skills demand and supply in the wholesale and retail sector		
Output 1: Research and develop a Sector Skills Plan (SSP) in reply to the sector skills demand and supply	SSP Priority 3 Hard-To-Fill Vacancies and skills gaps	Sub-Outcome 1.4: Identification of interventions required to improve enrolment and completion of priority occupations
Output 2: Allocate resources to implement Programmes aligned to the SSP, SP and APP	SSP Priority 3 Hard-To-Fill Vacancies and skills gaps SSP Priority 2: Youth unemployment SSP Priority 5: Training and employment of people with disabilities (PWD)	Sub-Outcome 1.1: National enrolment and resource ratios for the high, intermediate and elementary skills level Sub-Outcome 1.2: Targets for priority occupations
Output 3: Identify, prioritise and form partnerships to address priority occupations	SSP Priority 4: Stakeholder engagement	Sub-Outcome 1.2: Targets for priority occupations Sub-Outcome 1.3: Targets for priority qualifications
Output 12: Efficient and effective use of resources to ensure good governance, compliance with laws and regulations and excellent service delivery		
Output 13: A skilled, competent and professional workforce in the wholesale and retail sector through provision of Bursaries to W&RSETA employed and unemployed beneficiaries		
Outcome-oriented Goal 2: Develop strategic partnerships between employers and training institutions		
Output 4: Facilitate innovative workplace-based learning opportunities within the sector	SSP Priority 1: SMME and Co-Operatives development SSP Priority 5: Training and employment of people with disabilities (PWD)	Sub-Outcome 2.1: Opening of workplace-based learning opportunities increased

OUTPUTS	SSP PRIORITIES	NSDP 2030 PRIORITIES
Outcome-oriented Goal 3: Facilitate the delivery of learning programmes in line with the needs of the W&R sector		
Output 5: Facilitate and create opportunities for skills development for the employed	SSP Priority 7: Alignment with national strategies and plans SSP Priority 5: Training and employment of people with disabilities (PWD)	Sub-Outcome 3.1: To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address, critical skills required by various sectors of the economy, to transform workplaces, improve productivity and to improve economic growth prospects in various sectors of the economy
Outcome-oriented Goal 4: Increasing access to Wholesale and Retail sector learning programmes		
Output 6: Facilitate access and provide support for interventions towards occupationally directed learning programmes.	SSP Priority 3: Hard-To-Fill Vacancies and skills gaps	Sub-Outcome 4.2: Increase access for Intermediate and high-level skills
Outcome-oriented Goal 5: Developing strategic partnerships with the College system		
Output 7: Assist public colleges to increase capacity to offer Retail and related learning programmes	SSP Priority 4: Stakeholder engagement SSP Priority 5: Training and employment of people with disabilities (PWD)	Sub-Outcome 5.1: Support the TVET Colleges
Output 8: Assist CET colleges to increase capacity to offer retail and related programmes	SSP Priority 2: Youth Unemployment SSP Priority 4: Stakeholder engagement SSP Priority 7: Alignment with national strategies and plans	Sub-Outcome 5.2: Support the CET colleges
Outcome-oriented Goal 6: Support for skills development within entrepreneurship and cooperative development		
Output 9: Provide skills development support to SMMEs, Cooperatives, Informal traders and emerging entrepreneurs	SSP Priority 1: SMMEs, Co-operatives and entrepreneurship development SSP Priority 5: Training and employment of people with disabilities (PWD)	Sub-Outcome 6.1: To increase skills development support to stimulate entrepreneurial activity and the establishment of new enterprises and cooperatives
Outcome-oriented Goal 7: To support the worker-initiated capacity building Programmes at the workplace		
Output 10: Facilitate and create the potential for collaborations in support of worker-initiated Programmes at retail workplaces	SSP Priority 6: Trade union capacity-building	Outcome 7: Encourage and support worker-initiated training
Outcome-oriented Goal 8: Develop and implement an integrated career guidance Programme		
Output 11: Develop and support an integrated career guidance and development strategy	SSP Priority 4: Stakeholder engagement SSP Priority 2: Youth unemployment	Outcome 8: Support career development services

7. Programme Resource Considerations

The following are the Medium-term expenditure framework for the MTEF period 2020/21-2022/23:

Table 13: Medium-term Expenditure Framework for the MTEF period 2020/21-2022/23 (APP)

	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Financial Performance data	Audited Outcome/			Approved Budget	Medium Term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Revenue							
Non-tax revenue	93 051	114806	160 443	72 153	131 066	139 278	134 547
Interest income	90 304	113738	157 320	72 153	131 066	139 278	134 547
Other	2 747	1068	3 123				
Transfers received	966 972	1 096 757	1 147 013	1 139 272	1 310 655	1 399 780	1 494 965
Administration Grant (10.5%)	121 225	135 731	143 068	145 300	163 799	174 937	186 833
Mandatory Grant (20%)	232 965	259 736	271 330	276 763	310 646	331 770	354 330
Discretionary Grant (49.5%)	569 981	638 588	675 866	684 987	773 799	826 417	882 614
Penalties and interest on levies	42 801	62 702	56 749	32 222	62 412	66 656	71 189
Total revenue	1 060 023	1 211 563	1 307 456	1 211 425	1 441 721	1 539 058	1 629 512
Expenses							
Current expenses	114 675	129 662	146 137	145 300	163 799	174 937	186 833
Compensation of employees	55 398	68 600	77 778	75 259	70 566	76 212	82 156
Goods and services	57 758	57 758	64 470	66 552	85 232	89 920	94 417
Depreciation	1 519	3 304	3 889	3 489	8 000	8 805	10 260
Transfers and subsidies	497 002	732 912	721 600	1 634 439	1 277 922	1 364 121	1 442 679
Transfers and subsidies excluding project costs				1 538 968	1 170 505	1 248 685	1 318 918
- Compensation of employees				73 687	84 435	91 190	98 302

	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Financial Performance data	Audited Outcome/			Approved Budget	Medium Term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
- Other Project Expenses			20 687	21 784	22 983	24 247	25 459
Total expenses	611 677	862574	867 737	1 779 739	1 441 721	1 539 058	1 629 512
Surplus / (Deficit)	448 346	348 989	439 719	(568 314)	-	-	-
Revenue Breakdown per Grant Category							
Total Revenue Budget	1 060 023	1 214 323			1 441 721	1 539 058	1 629 512
1. Administration Grant (10.5%)	121 225	135 731	143 068	145 300	163 799	174 937	186 833
2. Mandatory Grant (20%)	232 965	259 736	270 894	276 763	310 646	331 770	354 330
3. Discretionary Grant (49.5%)	569 981	638 588	675 866	684 987	773 799	826 417	882 614
4. Other Income	135 852	180 268	217 628	104 375	193 478	205 934	205 736
Expense Breakdown per Grant Category							
Total Expenditure Budget	611 677	827 376	867 737	1 779 739	1 441 721	1 539 058	1 629 512
1. Administration Grant (10%)	110 101	121 391	139 177	138 381	155 938	166 644	178 084
2. QCTO (0.5%)	4 574	5 375	6 959	6 919	7 860	8 292	8 749
3. Mandatory Grant (20%)	165 608	186 979	193 690	207 572	310 646	331 770	354 330
4. Discretionary Grant (49.5%)	265 115	410 904	422 329	789 362	967 277	1 032 352	1 088 349
4.1 Project Expenses (7.5% Admin)				95 471	107 417	115 436	123 761
- Compensation of employees				73 687	84 435	91 190	98 302
- Other Project Expenses			20 687	21 784	22 983	24 247	25 459
4.2 Discretionary Grant: Pivotal (80%+ of 49.5%)	265 115	410 904	422 329	1 280 652	687 887	733 532	771 670
4.3 Discretionary Grant: Various Projects (20%- of 49.5%)	66 279	102 727	105 582	48 583	171 972	183 383	192 918
Programme 1: Administration	114 675	129 662	146 137	145 300	163 799	174 937	186 833
1.1 Compensation of employees	55 398	68 600	77 778	75 259	70 566	76 212	82 156

	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Financial Performance data	Audited Outcome/			Approved Budget	Medium Term Estimates		
R thousand	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1.2 Good and services	57 758	57 758	64 470	66 552	85 232	89 920	94 417
1.3 Depreciation	1 519	3 304	3 889	3 489	8 000	8 805	10 260
Programme 2: Skills Planning	169 608	194 772	202 262	218 322	324 778	346 330	359 312
2. Project Expenses	300	584	642	750	3 576	3 644	4 163
2.1 Research (Chairs and SOEs)	3 074	5 637	6 201	6 000	6 336	6 697	502
2.2 Sector Skills Plans	626	1572	1729	4 000	4 220	4 220	317
2.3 Work Skills Plans and Annual Training Reports (Mandatory Grant)	165 608	186 979	193 690	207 572	310 646	331 770	354 330
Programme 3: Learning Programmes and Projects	325 811	504 537	494 332	1 378 284	901 710	961 924	1 024 287
3. Project Expenses	25 587	24 182	43 109	96 159	106 537	109 378	122 736
3.1 Implementation of learning Programmes per NSDS goals	280737	455020	423 354	1 261 075	773 202	830 294	899 881
3.2 Special projects (including partnerships)	10 564	14 500	15 950	15 120	15 120	15 120	1 134
3.3 Monitoring, Evaluation and Reporting	3 727	835	919	-	-	-	-
3.4 Career and vocational guidance	5 196	10 000	11 000	5 930	6 851	7 132	535
Programme 4: Quality Assurance	3 037	1 301	25007	37 833	51 435	55 868	59 080
4. Project Expenses	228	98	1 876	2 640	13 837	14 944	16 109
4.1 Provider Accreditations	36	-	6 629	17 269	18 688	20 974	22 023
4.2 Learning Programmes	185	293	-	-	-	-	-
4.3 Certifications	-	-	-	-	-	-	-
4.4 Qualification Development	2588	910	16502	17 924	18 910	9 950	20 948
Total expense	611 677	827 376	867 737	1 779 739	1 441 721	1 539 058	1 629 512

8. Updated Key Risks

Table 14: Key Risks and Mitigation Factors (APP)

Outcome	Key risk	Risk mitigation
Outcome 1: Improved operational efficiency	Rigid internal operational systems that do not support business, resulting in poor overall performance	<ul style="list-style-type: none"> • Contracts of employees could be based on overall performance rather than narrowly defined roles and responsibilities • Target owners should be more flexible towards embracing change; and communicating it to their subordinates • Ensuring that SLAs between departments are adhered to within each financial year
Outcome 2: An integrated career guidance Programme	Inadequate and/incomplete engagement with schools	A well-distributed career development Programme that's integrated to the school system's calendar
Outcome 3: Growth focused partnerships with the College system	Inadequate engagement process with the public College system	<p>W&RSETA to timeously commence engagement processes at TVET and CET colleges to ensure:</p> <ul style="list-style-type: none"> • Local W&RSETA offices at colleges are fully supported • Timeous submissions of bursary applications are made • Centres of specialisation are fully supported • HDI learners are prioritised
Outcome 4: Sector responsive research conducted	Inadequate stakeholder engagement exercise	<p>Extensive stakeholder engagement to be conducted to ensure the most accurate information on the performance environment is obtained. These stakeholders will involve:</p> <ul style="list-style-type: none"> • Employees, management & other internal stakeholders • Experts in the W&R sector • Labour Unions • Employer unions • Other external stakeholders
Outcome 5: Increased access to wholesale and retail occupationally directed programmes	Resource and capacity challenges	Management to appropriately allocate available resources to ensure critical functions are fully resourced
Outcome 6: Increased skills levels within the cooperative sector and small, medium and informal business enterprises to enhance their participation in the mainstream economy	<p>Team capacity and capability constraints</p> <p>Funding for new initiatives</p>	<ul style="list-style-type: none"> • The W&RSETA should ensure that the right people are appointed at the right posts; doing the right things • Work should be appropriately allocated throughout the organisation • The SILO working system should be replaced by a project-based working system • Enter into partnerships with potential funders.
Outcome 7: Capacitated trade unions within the W&R sector	Limited stakeholder participation levels	<ul style="list-style-type: none"> • W&RSETA to maintain open engagements with Labour Unions • Teams working in supporting worker-initiated Programmes should be well capacitated
Outcome 8: Reduction of skills shortages in the W&R sector	Possible mismatches between skills demand in the sector and Programmes provided	<ul style="list-style-type: none"> • Continuous evaluation of implementation to ensure alignment between skills demand and Programmes provided • Investment into research and constant update to the curriculum to ensure relevant skills development programmes are funded • Targets will be constantly revised based on SSP research evidence for each financial year

9. Public Entities

Not applicable

10. Infrastructure Projects

Not applicable

11. Public Private Partnerships

Not applicable

PART D: TECHNICAL INDICATOR DESCRIPTORS (TIDS)

Programme 1: Administration

Targets [1.1]; [1.2] and [1.3]

Indicator Title	Percentage of levy resources directed towards high, intermediate and low-level skills by end of March 2021							
Definition	This target measures the amount of levy resources directed towards high, intermediate and elementary level skills to ensure participation at key skills levels and equitable distribution of levy resources							
Source of data	Audited Annual Report							
Method of Calculation/ Assessment	Determine the proportion used to disburse levy resources to beneficiaries							
Means of verification	Audited Annual Report							
Assumptions	Demand for high, intermediate and low-level skills is sustained over the period 2020-21							
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • 50% allocated to women • 4% allocated to people with disabilities • 12.5% allocated to people in rural areas 							
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • All 9 provinces of SA • Rural and urban beneficiaries supported 							
Calculation Type	Cumulative							
Reporting Cycle	Quarterly							
Desired performance	Percentage of levy resources directed towards high, intermediate and low-level skills by 2030 <table border="1" data-bbox="642 1202 1382 1316"> <tr> <td>High level skills</td> <td>20%</td> </tr> <tr> <td>Intermediate level skills</td> <td>15%</td> </tr> <tr> <td>Elementary level skills</td> <td>65%</td> </tr> </table>		High level skills	20%	Intermediate level skills	15%	Elementary level skills	65%
High level skills	20%							
Intermediate level skills	15%							
Elementary level skills	65%							
Indicator Responsibility	Chief Operations Officer							

Target [1.4]

Indicator Title	Number of stakeholder sessions conducted annually to advocate participation in skills development programmes	
Definition	This indicator aims to ensure that stakeholder outreach programmes are conducted to publicise the W&RSETA's programmes, advocate for participation in skills development and communicate to stakeholders the benefits of participation in W&RSETA skills development programmes	
Source of data	Attendance registers of stakeholder outreach sessions	
Method of Calculation Assessment	Simple count of the number of stakeholder outreach sessions	
Means of verification	Attendance registers of stakeholder outreach simple	
Assumptions	Stakeholders contacted will respond and participate in W&RSETA outreach sessions	
Disaggregation of Beneficiaries (where applicable)	Not applicable	
Spatial Transformation (where applicable)	Throughout the 9 provinces of South Africa	
Calculation Type	Cumulative	
Reporting Cycle	Quarterly	
Desired performance	Number of stakeholder sessions conducted annually to advocate participation in skills development programmes	
	Stakeholder sessions	15
Indicator Responsibility	Chief of Corporate Services	

Target [1.5]

Indicator Title	% implementation of the approved structure
Definition	The approved SETA organisational structure is implemented up to 90% throughout the organisation
Source of data	W&RSETA vacancy list
Method of Calculation/Assessment	Assess the percentage implementation of the approved organisational structure
Means of verification	Head count compared to organisational structure
Assumptions	Availability of relevant and skilled resources
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	90% implementation of the approved organisational structure
Indicator Responsibility	Chief Corporate Services

Target [1.6]

Indicator Title	Percentage Percentage reduction of manual processes resulting in the efficient and optimised W&RSETA business operational and transactional processes
Definition	This target measures operational efficiencies that are enabled by technological capabilities which include: Seamless verification of Annexure 2 for all levy paying companies; Efficient registration, verification and monitoring process; Streamlined and optimised business processes; Reduction of manual and fragmented stakeholder business interactions with the W&RSETA; Provision of stable and responsive ICT environment.
Source of data	IT quarterly report on process automation
Method of Calculation/Assessment	Assess the percentage reduction of manual processes
Means of verification	Quantify the reduction of manual processes
Assumptions	ICT systems will be implemented in the organisation to ensure operational efficiency improvement

Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	Reduction of manual processes by 80% per annum
Indicator Responsibility	Chief Information Officer

Target 1.7

Indicator Title	Improved audit opinion during the period
Definition	Annual audit reports on the W&RSETA's operations reflect an improved opinion from the present 'qualified' to 'unqualified' during the period 2020/21-2022/23
Source of data	Signed Auditor General report
Method of Calculation/Assessment	Determine achievement of target by assessing the Auditor General's report. An unqualified Audit opinion with no findings indicates achievement of the target
Means of verification	Signed Auditor General report
Assumptions	Internal processes are implemented while complying to all regulations as required by the Auditor General
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative (Year-End)
Reporting Cycle	Annually
Desired performance	Unqualified opinion with no findings
Indicator Responsibility	Chief Financial Officer

Programme 2: Skills Planning and Research

Target [2.1]

Indicator Title	Board approved SSP annually
Definition	A board approved SSP reflective of skills requirements in different W&R subsectors is developed annually
Source of data	SSP document signed by the W&RSETA board Chair
Method of Calculation/Assessment	Performance is measured by the board signed SSP
Means of verification	DHET final SSP acknowledgement Letter
Assumptions	Credible information provided during the SSP consultation process
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative (Year-End)
Reporting Cycle	Annually
Desired performance	1 Board approved SSP annually
Indicator Responsibility	Chief of Qualifications and Research

Target [2.2]

Indicator Title	Board approved SP /APP annually
Definition	To ensure the SP/APP is developed and approved
Source of data	DHET acknowledgement letter
Method of Calculation/Assessment	Performance is measured by the board signed SP/APP and the receipt acknowledgement letter from DHET as per SP/APP framework requirements
Means of verification	Acknowledgement letter from DHET
Assumptions	An aligned SP/APP to the W&RSETA SSP
Disaggregation of Beneficiaries (where applicable)	Not applicable

Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative (Year-End)
Reporting Cycle	Annually
Desired performance	Board approved SP /APP annually
Indicator Responsibility	Chief of Qualifications and Research

Target [2.3] and [2.4]

Indicator Title	Number Memorandums of Understanding with strategic partners addressing sector needs, annually	
Definition	Total number of formal agreements entered into with strategic partners that address sector needs and the number of resultant interventions responding to these strategic partnerships with national and international institutions	
Source of data	Signed partnership agreements Completed research interventions	
Method of Calculation/Assessment	The sum of approved partnership projects implemented and MOUs signed	
Means of verification	Signed MOUs and research partnerships projects implemented	
Assumptions	The strategic partners will provide inputs into the research interventions as per the signed MOU.	
Disaggregation of Beneficiaries (where applicable)	Not applicable	
Spatial Transformation (where applicable)	Not applicable	
Calculation Type	Non-Cumulative	
Reporting Cycle	Annual	
Desired performance	Number of Memorandums of Understanding signed with strategic partners addressing sector needs, annually	
	Memorandums of Understanding	4
	Number of research interventions responding to strategic partnerships	2
Indicator Responsibility	Chief Operations Officer/ Chief of Qualifications and Research	

Target [2.5]

Indicator Title	Number of research reports completed annually	
Definition	Number of research reports completed on SETA funded projects conducted	
Source of data	Research reports	
Method of Calculation/Assessment	Count number of research reports completed annually	
Means of verification	Completed research reports	
Assumptions	Credible and quality research reports that contribute to the sector	
Disaggregation of Beneficiaries (where applicable)	Not applicable	
Spatial Transformation (where applicable)	Not applicable	
Calculation Type	Cumulative – Counting each research intervention implemented	
Reporting Cycle	Annually	
Desired performance	Research reports undertaken in the Wholesale and Retail sector for the purpose of providing insight to W&RSETA skills development interventions	
	Research interventions	4
Indicator Responsibility	Chief of Qualifications and Research	

Target [2.6]

Indicator Title	Number of occupationally directed tracer, evaluation and impact studies reports completed annually	
Definition	Number of research studies impacting the W&R sector and the W&RSETA conducted	
Source of data	Research reports	
Method of Calculation/Assessment	Count number of research reports	
Means of verification	Completed research reports	
Assumptions	Credible and quality research reports that contribute to the sector	
Disaggregation of Beneficiaries (where applicable)	Not application	
Spatial Transformation (where applicable)	Not applicable	

Calculation Type	Cumulative – Counting each research completed
Reporting Cycle	Annually
Desired performance	2 research reports undertaken in the Wholesale and Retail sector for the purpose of providing insight to W&RSETA
Indicator Responsibility	Chief of Qualifications and Research

Programme 3: Learning Programmes and Projects

Target [3.1]; [3.2] and [3.3]

Indicator Title	Number of WSPs and ATRs approved for small, medium and large firms
Definition	Number of compliant Annexure II submission made by small, medium and large firms approved annually.
Source of data	SETA Management System report reflecting approved Annexure II documents
Method of Calculation/Assessment	Count the number of approved Annexure II documents for small, medium and large firms.
Means of verification	System report indicating the approved small, medium and large firms.
Assumptions	Small, medium and large firms will continue to participate in the submission of Annexure II documents.
Disaggregation of Beneficiaries (where applicable)	Small firms (0-49 employees) Medium firms (50-149 employees) Large firms (150+ employees)
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative
Reporting Cycle	Annual
Desired performance	4 000 small, 1 000 medium and 500 large firms approved.
Indicator Responsibility	Chief Operations Officer

Target [3.4]

Indicator Title	Number of new entries and continuing students awarded bursaries annually for studies in priority occupations resulting in demand driven qualifications													
Definition	Bursary beneficiaries receive bursaries from W&RSETA to study at TVETs/HETs, ILDP Programmes, RMDP Programmes, NQF 5-8 Programmes and MBA / Masters or Doctoral degrees during the financial year 01 April 2019 to 31 March 2020.													
Source of data	Signed and registered bursary agreements													
Method of Calculation/Assessment	Count the number of signed and registered bursary agreements													
Means of verification	System report reflecting registered bursary beneficiaries													
Assumptions	Employed and unemployed beneficiaries will register for RMDP Programmes, NQF 5-8 Programmes and MBA/Masters or Doctoral degrees													
Disaggregation of Beneficiaries (where applicable)	Beneficiaries from TVET & HETIs (new entries and continuing) RMDP beneficiaries ILDP Programmes Employed NQF 5-8 Programmes MBA/Masters of Doctoral degree Programmes													
Spatial Transformation (where applicable)	Rural, Township and Urban													
Calculation Type	Cumulative													
Reporting Cycle	Quarterly													
Desired performance	<table border="1"> <tr> <td>Unemployed new entries: 2000</td> <td></td> </tr> <tr> <td>Continuing</td> <td>500</td> </tr> <tr> <td>Masters/PhD</td> <td>10</td> </tr> <tr> <td>RMDP</td> <td>100</td> </tr> <tr> <td>ILDP</td> <td>60</td> </tr> <tr> <td>Employed (NQF 5-8)</td> <td>1250</td> </tr> </table>		Unemployed new entries: 2000		Continuing	500	Masters/PhD	10	RMDP	100	ILDP	60	Employed (NQF 5-8)	1250
Unemployed new entries: 2000														
Continuing	500													
Masters/PhD	10													
RMDP	100													
ILDP	60													
Employed (NQF 5-8)	1250													
Indicator Responsibility	Chief Operations Officer													

Target [3.5]

Indicator Title	Number of W&RSETA bursars completing priority occupation qualifications annually	
Definition	This indicator measures the number completing bursars in priority occupation qualifications annually	
Source of data	Signed and registered bursary agreements	
Method of Calculation/Assessment	Count the number of signed and registered bursary agreements	
Means of verification	System report reflecting registered bursary beneficiaries	
Assumptions	Bursars who registered and continued with their occupational qualifications will complete	
Disaggregation of Beneficiaries (where applicable)	n/a	
Spatial Transformation (where applicable)	Rural, Township and Urban	
Calculation Type	Cumulative	
Reporting Cycle	Quarterly	
Desired performance	Completing	200
Indicator Responsibility	Chief Operations Officer	

Target [3.6] and [3.15]

Indicator Title	Number of learners registered and completing in NQF 2-5 learnerships or occupational Programme annually	
Definition	Number of employed and unemployed learners registered on learnerships or occupational Programmes on NQF level 2 – 5 addressing Hard to Fill Vacancies (HTFVs) as identified in the SSP.	
Source of data	Signed and registered learnership agreements.	
Method of Calculation/Assessment	Count each learner enrolled in learnerships or occupational Programmes addressing HTFVs as identified in the SSP.	
Means of verification	Number of registered learner agreements meeting the DHET validation framework.	
Assumptions	Companies will accept allocations and submit learner agreements for registration.	

Disaggregation of Beneficiaries (where applicable)	The Learnership unemployed (18.2) target will comprise: 4% Learners with disabilities 60% Female learners 12,5% rural learners 100% Unemployed youth (35 years of age and below)		
Spatial Transformation (where applicable)	Rural, Township, Urban		
Calculation Type	Cumulative		
Reporting Cycle	Quarterly		
Desired performance	Learning Programme	Employed (18.1)	Unemployed (18.2)
	Learnerships/ Occupational Qualifications	3500	7000
Indicator Responsibility	Chief Operations Officer		

Target [3.7] and [3.16]

Indicator Title	Number of learners completing NQF 2-5 learnerships or occupational Programmes annually		
Definition	Number of employed and unemployed learners complete learnerships or occupational Programmes on NQF level 2 – 5 addressing Hard to Fill Vacancies (HTFVs) as identified in the SSP.		
Source of data	Signed and registered learnership agreements and certificates / statement of results.		
Method of Calculation/Assessment	Count each learner certificated in learnerships or occupational Programmes addressing HTFVs as identified in the SSP.		
Means of verification	Number of registered learner agreements meeting the DHET validation framework and certificates/statement of results.		
Assumptions	Learners will complete the Programme		
Disaggregation of Beneficiaries (where applicable)	Women, youth, disability (Unemployed)		
Spatial Transformation (where applicable)	Rural, Township, Urban		
Calculation Type	Cumulative		
Reporting Cycle	Quarterly		
Desired performance	Learning Programme	Employed (18.1)	Unemployed (18.2)
	Learnerships/ Occupational Qualifications	1750	3500
Indicator Responsibility	Chief Operations Officer		

Target [3.8] and [3.17]

Indicator Title	Number of learners registered on NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually								
Definition	Number of employed and unemployed learners registered on skills Programmes or part qualifications on NQF level 2 – 5 addressing Hard to Fill Vacancies (HTFVs) as identified in the SSP.								
Source of data	Signed and registered skills Programmes agreements.								
Method of Calculation/Assessment	Count each learner enrolled in skills Programmes or part qualifications addressing HTFVs as identified in the SSP.								
Means of verification	Number of registered skills Programme agreements meeting the DHET validation framework.								
Assumptions	Companies will accept allocations and submit skills Programme agreements for registration.								
Disaggregation of Beneficiaries (where applicable)	Employed and Unemployed								
Spatial Transformation (where applicable)	Rural and Urban								
Calculation Type	Cumulative								
Reporting Cycle	Quarterly								
Desired performance	<table border="1"> <tr> <td>Learning Programme</td> <td>Employed (18.1)</td> <td>Unemployed (18.2)</td> </tr> <tr> <td>Skills Programmes</td> <td>6500</td> <td>800</td> </tr> </table>			Learning Programme	Employed (18.1)	Unemployed (18.2)	Skills Programmes	6500	800
Learning Programme	Employed (18.1)	Unemployed (18.2)							
Skills Programmes	6500	800							
Indicator Responsibility									

Target [3.9] and [3.18]

Indicator Title	Number of learners completing NQF 2 to 5 skills Programmes or part qualifications addressing Wholesale and Retail HTFVs as identified in the SSP annually		
Definition	Number of employed and unemployed learners completing skills Programmes or part qualifications on NQF level 2 – 5 addressing Hard to Fill Vacancies (HTFVs) as identified in the SSP.		
Source of data	Signed and registered skills Programmes agreements and certificates/ statements of results.		
Method of Calculation/Assessment	Count each learner completing skills Programmes or part qualifications addressing HTFVs as identified in the SSP.		
Means of verification	Number of registered skills Programme agreements meeting the DHET validation framework and certificates/ statements of results.		
Assumptions	Learners will complete the skills Programmes.		

Disaggregation of Beneficiaries (where applicable)	Employed and Unemployed		
Spatial Transformation (where applicable)	Rural and Urban		
Calculation Type	Cumulative		
Reporting Cycle	Quarterly		
Desired performance	Learning Programme	Employed (18.1)	Unemployed (18.2)
	Skills Programmes	3250	400
Indicator Responsibility	Chief Operations Officer		

Target [3.10] and [3.11]

Indicator Title	Number of unemployed learners enrolled and completing Candidacy Programmes annually upon the identification of candidacy Programmes on demand through a needs analysis research
Definition	Unemployed learners are assisted to obtain professional designation through financial assistance by the W&RSETA as identified by the needs analysis research conducted in the 2020/21 financial year
Source of data	Signed and registered agreements
Method of Calculation/Assessment	Count each unemployed candidate registered and completing a candidacy Programme (obtaining a professional designation) as funded by the W&RSETA annually
Means of verification	Number of registered agreements meeting the DHET validation framework.
Assumptions	Unemployed candidates in need of professional designation will accept and participate in the pilot Candidacy Programmes funded by the W&RSETA
Disaggregation of Beneficiaries (where applicable)	Women, youth, disability (Unemployed)
Spatial Transformation (where applicable)	Rural, Township, Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly (registrations and completions)

Desired performance	Learning Programme	Unemployed (18.2)
	Candidacy Programme registrations	100
	Candidacy Programme completions	96
	Needs analysis research	1
Indicator Responsibility	Chief Operations Officer	

Target [3.12]

Indicator Title	Number of learners from TVET colleges and HETs are placed in workplace based learning, annually
Definition	Unemployed graduates sponsored by W&RSETA are placed in Wholesale and Retail organisations for workplace experience to ensure that graduates gain the necessary work experience and become employable in the sector.
Source of data	A workplace agreement.
Method of Calculation/Assessment	Count each graduate placed as one placement
Means of verification	System report reflecting registered workplace beneficiaries
Assumptions	Graduates in TVET colleges and HETs will register for workplace based learning programmes
Disaggregation of Beneficiaries (where applicable)	Unemployed graduates
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Number of learners from TVET colleges and HETs are placed in workplace based learning, annually
Indicator Responsibility	Chief Operations Officer

Target [3.13] and [3.14]

Indicator Title	Number of partnerships with HETs for the provision of workplace-based learning experiences to be available for graduate/ internships annually, addressing wholesale and retail HTFVs
Definition	Number of HETs whose learners are assisted to obtain workplace learning positions within the W&R sector both enrolments and completions
Source of data	A workplace agreement.

Method of Calculation/Assessment	Count each graduate placed as one placement							
Means of verification	Count each graduate placed as one placement							
Assumptions	Universities of technology and comprehensive universities partner with the W&RSETA to ensure placement of learners in workplace learning positions in the sector							
Disaggregation of Beneficiaries (where applicable)	Graduate/internships Learners from universities of technology and comprehensive universities							
Spatial Transformation (where applicable)	Rural, Township and Urban							
Calculation Type	Cumulative							
Reporting Cycle	Quarterly							
Desired performance	<table border="1"> <tr> <td>Partnerships with TVETs and HETs</td> <td>10</td> </tr> <tr> <td>Workplace based learning experiences: Enrolled</td> <td>1200</td> </tr> <tr> <td>Completed</td> <td>350</td> </tr> </table>		Partnerships with TVETs and HETs	10	Workplace based learning experiences: Enrolled	1200	Completed	350
Partnerships with TVETs and HETs	10							
Workplace based learning experiences: Enrolled	1200							
Completed	350							
Indicator Responsibility	Chief Operations Officer							

Target [3.19]

Indicator Title	Number of employed learners registered on RPL learning programmes annually
Definition	Number of employed learners registered on RPL learning programmes.
Source of data	Signed and registered agreements.
Method of Calculation/Assessment	Count each learner enrolled on RPL learning programmes.
Means of verification	Number of registered learner agreements meeting the DHET validation framework.
Assumptions	Accredited training providers will have adequate RPL practitioners in the relevant geographical areas and learners will be willing to participate in the RPL process.
Disaggregation of Beneficiaries (where applicable)	Employed
Spatial Transformation (where applicable)	Rural, Township, Urban
Calculation Type	Cumulative

Reporting Cycle	Quarterly	
Desired performance	Learning Programme	Employed (18.1)
	RPL learning programmes	200
Indicator Responsibility	Chief Operations Officer	

Target [3.20]

Indicator Title	Number of employed learners completing their RPL Programmes annually	
Definition	Number of employed learners completing RPL learning programmes.	
Source of data	Signed and registered agreements and certificates/ statement of results.	
Method of Calculation/Assessment	Count each learner completing RPL learning programmes.	
Means of verification	Number of registered learner agreements meeting the DHET validation framework and certificate/statement of results.	
Assumptions	Learners will complete the RPL programme.	
Disaggregation of Beneficiaries (where applicable)	Employed	
Spatial Transformation (where applicable)	Rural, Township, Urban	
Calculation Type	Cumulative	
Reporting Cycle	Quarterly	
Desired performance	Learning Programme	Employed (18.1)
	RPL learning programmes	100
Indicator Responsibility	Chief Operations Officer	

Target [3.21]

Indicator Title	Number of employed learners registered on NQF 1 Learnership (AET) annually	
Definition	Number of employed learners sponsored by the W&RSETA who register for AET training in skills relevant to the W&R sector	
Source of data	Signed and registered agreements and certificates/ statement of results	

Method of Calculation/Assessment	Count each learner completing AET learning programmes					
Means of verification	Number of registered learner agreements meeting the DHET validation framework and certificate/statement of results.					
Assumptions	Learners will complete the AET programme.					
Disaggregation of Beneficiaries (where applicable)	Employed					
Spatial Transformation (where applicable)	Rural, Township, Urban					
Calculation Type	Cumulative					
Reporting Cycle	Quarterly					
Desired performance	<table border="1"> <tr> <td>Learning Programme</td> <td>Employed (18.1)</td> </tr> <tr> <td>AET learning programmes</td> <td>1000</td> </tr> </table>		Learning Programme	Employed (18.1)	AET learning programmes	1000
Learning Programme	Employed (18.1)					
AET learning programmes	1000					
Indicator Responsibility	Chief Operations Officer					

Target [3.22]

Indicator Title	Number of employed learners completing NQF 1 Learnership (AET) per year	
Definition	Number of employed learners sponsored by the W&RSETA who complete their AET training in skills relevant to the W&R sector	
Source of data	Signed and registered agreements and certificates/ statement of results.	
Method of Calculation/Assessment	Count each learner completing AET learning programmes.	
Means of verification	Number of registered learner agreements meeting the DHET validation framework and certificate/statement of results.	
Assumptions	Learners will complete the AET programme.	
Disaggregation of Beneficiaries (where applicable)	Employed	
Spatial Transformation (where applicable)	Rural, Township, Urban	
Calculation Type	Cumulative	
Reporting Cycle	Quarterly	

Desired performance	Learning Programme	Employed (18.1)
	AET learning programmes	920
Indicator Responsibility	Chief Operations Officer	

Target [3.23]

Indicator Title	Number of artisans/ technicians enrolled annually
Definition	Number of learners enrolled on Programmes addressing artisan occupations.
Source of data	Signed and registered learner agreements.
Method of Calculation/Assessment	Count each learner registered on Programmes addressing artisan occupations.
Means of verification	Learner agreement, certified copy of identity and highest qualifications.
Assumptions	There is a need for artisan training. There are enough trade centres to accommodate apprentices.
Disaggregation of Beneficiaries (where applicable)	Employed and Unemployed
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	200 artisans/ technicians enrolled
Indicator Responsibility	Chief Operating Officer

Target [3.24]

Indicator Title	Number of artisans/ technicians completing annually
Definition	Number of learners completing Programmes addressing artisan occupations.
Source of data	Signed and registered learner agreements and copy of trade test certificate signed by the QCTO.
Method of Calculation/Assessment	Count each learner completing on Programmes addressing artisan occupations.
Means of verification	Learner agreement, certified copy of identity, highest qualifications and copy of trade test certificate signed by the QCTO.
Assumptions	Learners will obtain a trade test certificate.
Disaggregation of Beneficiaries (where applicable)	Employed and Unemployed
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	100 artisans/ technicians completing annually
Indicator Responsibility	Chief Operating Officer

Target [3.25]

Indicator Title	Number of learners assisted to participate in skills development initiatives annually
Definition	Number of CET college learners funded by the W&RSETA to participate in annual skills development initiatives
Source of data	Signed and registered bursary agreements
Method of Calculation/ Assessment	Count the number of signed and registered bursary agreements
Means of verification	System report reflecting registered bursary beneficiaries
Assumptions	Employed and unemployed beneficiaries in CET colleges will register learners to participate in skills development initiatives
Disaggregation of Beneficiaries (where applicable)	Unemployed graduates Employed graduates
Spatial Transformation (where applicable)	Rural, Township and Urban

Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	1000 learners from TVET colleges and HETs are placed in workplace based learning, annually
Indicator Responsibility	Chief Operations Officer

Target [3.26]

Indicator Title	Number of Small and Medium Enterprises supported to participate in W&RSETA skills development interventions
Definition	Registered Small and Medium companies that operate in the Wholesale and Retail Sector participate in W&RSETA's skills development projects during the period
Source of data	Application Form and/or Signed Contract between the Small and/or Medium companies and W&RSETA and the Allocation Letter
Method of Calculation/Assessment	Count each registered Small and Medium companies that operate in the Wholesale and Retail Sector that have participated in W&RSETA skills development interventions in the financial year
Means of verification	Registered Small and Medium companies participating in W&RSETA skills development interventions in the financial year
Assumptions	Small and Medium companies apply for the SME Discretionary Grants
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Small Registered Companies in the Wholesale and Retail Sector • Medium Registered Companies in the Wholesale and Retail Sector • Holding Companies applying on behalf of their subsidiaries or members or franchises or branches who operate in the Wholesale and Retail Sector.
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	2400 Small and Medium companies supported in order to participate in mainstream economy
Indicator Responsibility	Chief Operations Officer

Target [3.27]

Indicator Title	Number of informal traders and micro enterprises participating in W&RSETA capacitation workshops annually
Definition	Informal traders and micro enterprises participate in training interventions and capacitation workshops.
Source of data	Attendance registers; attendance certificates and reports.
Method of Calculation/Assessment	Count each informal trader or micro enterprise as per signed attendance register for financial period
Means of verification	Each participate informal trader and micro enterprise owner signs the attendance register and is issued with an attendance certificate
Assumptions	Informal traders and micro enterprises participate in training interventions and workshops organised by the W&RSETA
Disaggregation of Beneficiaries (where applicable)	Non-levy paying enterprises such as: <ul style="list-style-type: none"> • Spaza Shop / Tuck Shop Owners • Street Traders / Hawkers • Market Traders • General Dealers • All other township and rural areas businesses have an element of retail in their value chain
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	2400 Informal traders and micro enterprises participating in W&RSETA training interventions and capacitation workshops annually
Indicator Responsibility	Chief Operations Officer

Target [3.28]

Indicator Title	Number of people trained on Entrepreneurship Development Programmes to enable them to start their own businesses or grow their existing businesses
Definition	Emerging Young Entrepreneurs are supported through training interventions, capacitation programmes, mentorship and coaching programmes and are provided with infrastructure support by the W&RSETA to improve their business skills in the sector
Source of data	Attendance registers; completion certificates/externally endorsed moderation report; assessment reports; and Portfolio of Evidence
Method of Calculation/Assessment	Count the number of start-up and existing emerging entrepreneurs that participate in the W&RSETA funded Entrepreneurship Development Programme in the financial year.

Means of verification	Each participating start-up and existing emerging entrepreneur signs the consent form, signs the attendance register and is issued with the completion certificate/externally endorsed moderation report at the end of the Programme.
Assumptions	Funding will be made available to support the W&RSETA's Entrepreneurship Development Programme
Disaggregation of Beneficiaries (where applicable)	Young people wishing to start their own businesses Existing emerging businesses that are owned by young people
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	100 people between the ages of 18 and 35 and are South African Citizens complete W&RSETA Entrepreneurship Development Programme and are supported to start or grow their own businesses (e.g. new venture creations)
Indicator Responsibility	Chief Operations Officer

Target [3.29]

Indicator Title	Number of Cooperatives supported in order to participate in mainstream economy
Definition	Number of Cooperatives supported with skills development initiatives that address HTFVs as identified in the Sector Skills Plan
Source of data	Cooperatives registration papers or attendance registers
Method of Calculation/Assessment	Count the number of cooperatives
Means of verification	Cooperatives registration papers or attendance registers
Assumptions	Cooperatives will participate in W&RSETA skills development initiatives
Disaggregation of Beneficiaries (where applicable)	Unemployed and Youth
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	20 cooperatives are registered with the W&RSETA
Indicator Responsibility	Chief Operating Officer

Target [3.30]

Indicator Title	Number of CBOs, NGOs, and NPOs supported in order to participate in mainstream economy
Definition	Number of CBOs, NGOs, and NPOs supported with skills development initiatives that address HTFVs as identified in the Sector Skills Plan
Source of data	Registration certificate or attendance registers
Method of Calculation/Assessment	Count the number of CBOs, NGOs, and NPOs
Means of verification	Registration certificate or attendance registers
Assumptions	CBOs, NGOs, and NPOs will participate in W&RSETA skills development initiatives
Disaggregation of Beneficiaries (where applicable)	Employed and Youth
Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	100 CBOs, NGOs, and NPOs are registered with W&RSETA
Indicator Responsibility	Chief Operating Officer

Target [3.31]

Indicator Title	Number of trade union beneficiaries supported to enter and complete capacitation Programmes
Definition	Number of Trade Union beneficiaries capacitated on Programmes that address Trade Unions skills needs
Source of data	Registration certificate of the Trade Union and attendance registers
Method of Calculation/Assessment	Count the number of trade union beneficiaries capacitated.
Means of verification	System report reflecting capacitated Trade Unions beneficiaries and Attendance registers.
Assumptions	Trade Unions beneficiaries will participate on the Programmes that they have identified.
Disaggregation of Beneficiaries (where applicable)	Employed beneficiaries

Spatial Transformation (where applicable)	Rural, Township and Urban
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	800 Beneficiaries supported
Indicator Responsibility	Chief Operating Officer

Target [3.32] and [3.33]

Indicator Title	Number of career development exhibitions in rural and urban areas on occupations in high demand	
Definition	Provision of advice to learners about career choices and career related opportunities in the W&R Sector	
Source of data	Attendance registers of attendees of events.	
Method of Calculation/ Assessment	Number of events	
Means of verification	Attendance Registers	
Assumptions	There is a demand for career information for the target audiences	
Disaggregation of Beneficiaries (where applicable)	Young people, learners and unemployed	
Spatial Transformation (where applicable)	Rural areas Urban areas	
Calculation Type	Cumulative	
Reporting Cycle	Quarterly	
Desired performance	Career guidance events hosted/attended by the W&RSETA	
	Rural areas	100
	Urban areas	100
Indicator Responsibility	Chief of Qualifications and Research	

Target [3.34]

Indicator Title	Number of career development practitioners trained annually
Definition	Number of career development practitioners trained to better offer W&R related career development advice and support
Source of data	Attendance registers and Certificate of Competence
Method of Calculation/ Assessment	Number of practitioners trained and competent
Means of verification	Attendance register, Certificate of competence
Assumptions	Career Development practitioners will serve as ambassadors of the W&RSETA
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	10 of practitioners trained
Indicator Responsibility	Chief of Qualifications and Research

Target [3.35]

Indicator Title	Number of Life Orientation Educators capacitated in using the Wholesale and Retail Seta Career Guide
Definition	Number of life orientation educators capacitated with resources funded by the W&RSETA
Source of data	Attendance registers and Certificate of Competence
Method of Calculation/Assessment	Count the number of life orientation educators completing capacitation courses
Means of verification	Attendance register, Certificate of competence
Assumptions	Resources are available to fund the capacitation of life orientation educators
Disaggregation of Beneficiaries (where applicable)	N/A

Spatial Transformation (where applicable)	N/A
Calculation Type	<ul style="list-style-type: none"> Cumulative
Reporting Cycle	<ul style="list-style-type: none"> Quarterly
Desired performance	400 Life Orientation Educators capacitated in using the Wholesale and Retail Seta Career Guide
Indicator Responsibility	Chief of Qualifications and Research

Target [3.36]

Indicator Title	Number of learners/unemployed persons are assisted to access W&RSETA opportunities
Definition	Learners and unemployed persons are assisted to access W&RSETA opportunities
Source of data	Learnership contract, Bursary Contract, Placement Contract, Skills Programme Contract,
Method of Calculation/Assessment	Number of learners/unemployed persons
Means of verification	Learnership contract, Bursary Contract, Placement Contract, Skills Programme Contract,
Assumptions	Career Guidance Department will work in conjunction with relevant units in assisting with the opportunities
Disaggregation of Beneficiaries (where applicable)	Young people, unemployed people
Spatial Transformation (where applicable)	N/A
Calculation Type	<ul style="list-style-type: none"> Cumulative
Reporting Cycle	<ul style="list-style-type: none"> Quarterly
Desired performance	500 learners/unemployed persons are assisted to access the W&RSETA opportunities
Indicator Responsibility	Chief Operations Officer

PROGRAMME 4: Quality Assurance

Target [4.1]

Indicator Title	Number of partnerships formed with higher education institutions offering retail qualifications annually
Definition	Partnerships are entered into with HETs who offer retail qualifications to afford lecturers opportunities to gain workplace exposure in retail stores.
Source of data	Partnership agreements with universities
Method of Calculation/Assessment	Count the number of partnership agreements
Means of verification	Dually signed partnership agreements
Assumptions	W&R employers apply for W&R lecturer workplace exposure grant HETs avail lecturers for workplace exposure
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Historically disadvantaged institutions are also supported
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	2 partnerships formed with higher education institutions offering retail qualifications annually
Indicator Responsibility	Chief of Qualifications and Research

Target [4.2]

Indicator Title	A W&RSETA model is developed for centres of specialisation for the sector
Definition	Research is conducted into the best model to use for establishing centres of specialisation for non- trade occupations at TVETs with a clear focus on retail occupations
Source of data	Research report
Method of Calculation/Assessment	Count the number of research reports
Means of verification	Board approved research report depicting the retail sector centre of specialisation model
Assumptions	Appointment of a credible research institute to conduct the research and develop the model Sector input is obtained on the appropriate model

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	A W&RSETA model is developed for centres of specialisation for the sector
Indicator Responsibility	Chief of Qualifications and Research

Target [4.3]

Indicator Title	Number of centres of specialisation supported annually
Definition	Centres of specialisation for retail occupations are identified and supported at Public TVETs
Source of data	Partnership agreements with TVETs for retail centres of specialisation
Method of Calculation/Assessment	Count the number of partnership agreements
Means of verification	Dually signed partnership agreements
Assumptions	TVETs are willing to participate
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	Both urban and rural institutions may be supported
Calculation Type	Non-Cumulative
Reporting Cycle	Bi-Annual
Desired performance	3 centres of specialisation supported annually
Indicator Responsibility	Chief of Qualifications and Research

Target [4.4]

Indicator Title	Number of TVET colleges supported through capacitation workshops and/ provision of equipment, in implementing occupationally directed programmes annually
Definition	TVET colleges are supported with equipment and capacitation workshops annually through the W&RSETA
Source of data	Signed Agreements specifying the support to be provided to the TVET college
Method of Calculation/Assessment	Count the number of workshops hosted on occupational Programmes with the TVET colleges Count the number of TVET colleges that have entered into agreements with the W&RSETA equipment support
Means of verification	Duly signed agreements
Assumptions	Support will be provided in line with outcomes of the TVET needs analysis report linked to the retail sector needs
Disaggregation of Beneficiaries (where applicable)	N/ A
Spatial Transformation (where applicable)	N/ A
Calculation Type	Cumulative (Year-End)
Reporting Cycle	Quarterly, Bi-Annual or Annual
Desired performance	5 TVET colleges supported with equipment and 9 supported with capacitation workshops annually through the W&RSETA
Indicator Responsibility	Chief of Qualifications and Research

Target [4.5]

Indicator Title	Working groups established for the sector curriculum review annually
Definition	A Working group consisting of industry, CET, TVET and HET institutional representatives is established to provide inputs for the review of retail curriculum across NQF bands to ensure relevancy, currency and articulation of various curriculums. Working groups will also identify green skills as well as fourth industrial revolution advancements in retail workplace practices and pedagogical practices that impact on curriculum.
Source of data	Terms of Reference for the Working Group signed by the Working Group Chairperson
Method of Calculation/Assessment	Assessment of Terms of Reference and minutes
Means of verification	Performance will be measured by determining from Terms of Reference, Agenda and Minutes if a Working Group was established for sector curriculum review within the pre-determined period
Assumptions	Existing Qualifications Management Body (QMB) and its two sub committees the Technical, Vocational and Community Education and Training (TVET) subcommittee and Higher Education Training (HET) subcommittee structure is transformed into working groups for sector curriculum review.

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	A working group is established for the W&R sector curriculum review during the period 01 April 2020 to 31 March 2021
Indicator Responsibility	Chief of Qualifications and Research

Target [4.6]

Indicator Title	Number of lecturers registered for capacitation to offer NCV Retail subjects
Definition	TVET lecturers from public TVETS who will offer the NCV retail subjects in their institutions are capacitated on the knowledge and practical components of the retail subjects and are provided with workplace exposure and are certificated by the W&RSETA for level 2,3 and 4
Source of data	Completed registration forms and proof of employment
Method of Calculation/Assessment	Count the number of lecturers registered for capacitation Programmes to offer NCV Retail Subjects
Means of verification	Signed attendance registers
Assumptions	TVETs will identify the lectures for capacitation The TVET directorate will send out communication to the TVET principals on the Programme
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	20 TVET lecturers are capacitated to offer the National Certificate Vocational (NCV) retail subjects
Indicator Responsibility	Chief of Qualifications and Research

Target [4.7]

Indicator Title	Number of lecturers certificated to offer NCV Retail subjects
Definition	TVET lecturers from public TVETS who will offer the NCV retail subjects in their institutions are certificated on the knowledge and practical components of the retail subjects and are provided with workplace exposure and are certificated by the W&RSETA for level 2,3 and 4
Source of data	Attendance certificates issued
Method of Calculation/Assessment	Count the number of certificates
Means of verification	Signed off W&RSETA attendance certificates
Assumptions	TVETs will avail lectures for capacitation W&R employers apply for W&R lecturer workplace exposure grant
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	18 TVET lecturers are certificated to offer the National Certificate Vocational (NCV) retail subjects
Indicator Responsibility	Chief of Qualifications and Research

Target [4.8]

Indicator Title	Number of TVETs supported to become assessment centres for Retail occupational Programmes
Definition	Potential assessment centres for various registered retail occupational qualifications on the NQF are identified supported towards accreditation with the QCTO
Source of data	Count the number of partnership agreements for assessment centre support
Method of Calculation/Assessment	Count the number of TVETs supported for assessment Centres
Means of verification	Dually signed contract
Assumptions	TVETs will apply to become assessment centres with the QCTO

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	3 TVETs supported to become assessment centres for retail occupational qualifications
Indicator Responsibility	Chief of Qualifications and Research

Target [4.9]

Indicator Title	Number of TVET colleges and/ HETs where the SETA has a presence, annually
Definition	Number of TVET colleges where the SETA has managed to maintain presence through having a physical office at the campuses, having an office at a university nearby to a TVET college or maintaining presence through the respective regional office
Source of data	
Method of Calculation/Assessment	Count the number of TVET colleges where W&RSETA presence is maintained and provable
Means of verification	
Assumptions	TVET colleges or their neighbouring universities will allow the W&RSETA to maintain presence at their various campuses
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	CETs across township and rural areas
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	32 TVET colleges where the SETA has a presence, annually
Indicator Responsibility	Chief of Qualifications and Research

Target [4.10]

Indicator Title	A needs analysis study report on the CET sector is compiled annually
Definition	A needs analysis study report is compiled on the Community Education Training colleges sector and how they can be improved and utilised in line with their mandate and that of the W&RSETA for the supply of skills in the retail sector.
Source of data	Research Report
Method of Calculation/Assessment	Assessment of Research Report
Means of verification	A research report will indicate the successful completion of the needs analysis study. The report will also be checked to determine if the needs analysis study was conducted within the set period.
Assumptions	CETs are willing to participate in the research and identify actual needs.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	CETs across township and rural areas
Calculation Type	Non-cumulative
Reporting Cycle	Annual
Desired performance	A needs analysis study of the CET sector is conducted during the period 01 April 2020 to 31 March 2021
Indicator Responsibility	Chief of Qualifications and Research

Target [4.11]

Indicator Title	Number of partnerships entered into with CET colleges
Definition	Total number of formal agreements entered into with CET colleges
Source of data	Signed partnership agreements
Method of Calculation/Assessment	Count the number of partnership agreements entered into with CET colleges
Means of verification	Duly signed partnership agreements
Assumptions	CETs will be supported based on their needs and the skills needs of the sector
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative

Reporting Cycle	Quarterly
Desired performance	1 partnerships entered into with CET colleges during the period 01 April 2020 to 31 March 2021
Indicator Responsibility	Chief of Qualifications and Research

Target [4.12a]

Indicator Title	Number of CET colleges supported annually with institutional capacitation annually
Definition	This indicator aims to ensure that the capacitation of CET colleges through lecturer and management development Programmes.
Source of data	Number for agreements signed with identified interventions (learning material, capacitation, infrastructure)
Method of Calculation/Assessment	Count the number of agreements and the identified interventions
Means of verification	Dually signed agreements
Assumptions	CETs will be supported based on their needs and the skills needs of the sector
Disaggregation of Beneficiaries (where applicable)	N/ A
Spatial Transformation (where applicable)	N/ A
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	3 CET colleges supported annually
Indicator Responsibility	Chief of Qualifications and Research

Target [4.12b]

Indicator Title	Number of CET colleges supported annually with learning material annually
Definition	CET colleges are supported with regard to learning material
Source of data	Signed Agreements specifying the support to be provided to CET college
Method of Calculation/Assessment	Count the number of CET colleges that have entered into agreements with the W&RSETA for learning material support
Means of verification	Duly signed agreements

Assumptions	Support will be provided in line with outcomes of the CET needs analysis report linked to the retail sector needs
Disaggregation of Beneficiaries (where applicable)	N/ A
Spatial Transformation (where applicable)	N/ A
Calculation Type	Cumulative (Year-End)
Reporting Cycle	Quarterly, Bi-Annual or Annual
Desired performance	3 colleges supported annually with learning material for Wholesale and Retail qualifications
Indicator Responsibility	Chief of Qualifications and Research

Target [4.12c]

Indicator Title	Number of CET colleges supported annually through W&RSETA infrastructural development annually
Definition	This indicator aims to contribute towards the growth of identified CET colleges by providing infrastructural development support.
Source of data	Signed Agreements specifying the support to be provided to CET college
Method of Calculation/Assessment	Count the number of CET colleges that have entered into agreements with the W&RSETA for participation in the W&RSETA CET college infrastructural development Programmes.
Means of verification	Duly signed agreements
Assumptions	Support will be provided in line with outcomes of the CET needs analysis report linked to the retail sector needs
Disaggregation of Beneficiaries (where applicable)	N/ A
Spatial Transformation (where applicable)	N/ A
Calculation Type	Cumulative (Year-End)
Reporting Cycle	Bi-Annual
Desired performance	3 CET colleges supported annually through W&RSETA Infrastructural Development Programmes
Indicator Responsibility	Chief of Qualifications and Research

Target [4.13]

Indicator Title	Number of CET College Lecturers registered on lecturer and management development Programmes annually
Definition	CET lecturers from public CETs are awarded bursaries to help capacitate them on the knowledge and practical components of the retail subjects and are provided with workplace exposure and are certificated by the W&RSETA

Source of data	Completed registration forms and proof of employment
Method of Calculation/Assessment	Count the number of lecturers and managers registered for capacitation Programmes
Means of verification	Signed attendance registers
Assumptions	CETs will identify the lectures in need of capacitation
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	3 CET college lecturers awarded bursaries
Indicator Responsibility	Chief of Qualifications and Research

Target [4.14]

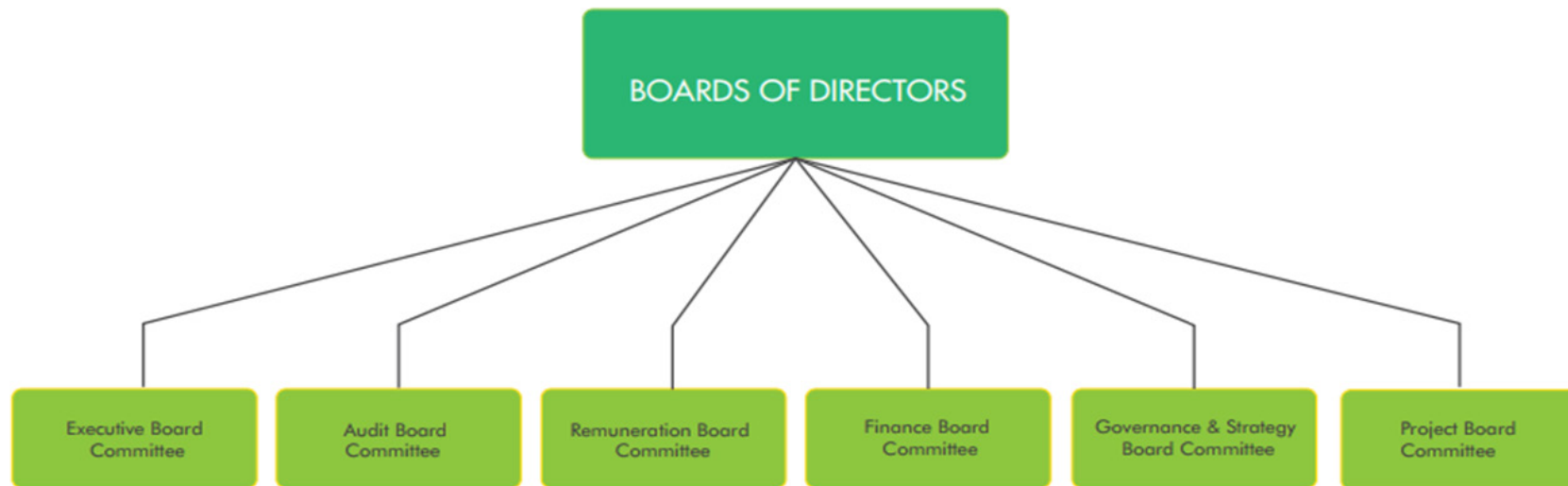
Indicator Title	Number of CET College Managers registered on management development Programmes annually
Definition	CET managers from public CETs are awarded bursaries to help capacitate them on the knowledge and practical components of the retail subjects and are provided with workplace exposure and are certificated by the W&RSETA
Source of data	Completed registration forms and proof of employment
Method of Calculation/Assessment	Count the number of managers registered for capacitation Programmes
Means of verification	Signed attendance registers
Assumptions	CETs will identify the managers in need of capacitation
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	3 CET college managers awarded bursaries
Indicator Responsibility	Chief of Qualifications and Research



ANNEXURE A

ANNEXURE A: W&RSETA GOVERNANCE STRUCTURE

STRUCTURE OF W&RSETA BOARD AND BOARD COMMITTEE



LEGEND

Board of Directors	Audit Committee	Board Committees
15 Members 1 Independent Chairperson 6 Organised Labour 6 Organised Employer 2 Community Organisations	6 Members 4 External Members 2 Board Members	4 Board Members 2 Organised Labour 2 Organises Employer



ANNEXURE B

ANNEXURE B: MATERIALITY FRAMEWORK

In terms of Treasury Regulations 28.3.1 for purposes of material [sections 50(1), 55(2) and 66(1) of the Act] and significant [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.

The Wholesale & Retail SETA has developed a materiality and significance framework which outlines materiality and significance as follows:

TREASURY REGULATION 28.1.5		Materiality approach adopted
Section 50 (1)	(1) The accounting authority for a public entity must - (a) Exercise the duty of utmost care to ensure reasonable protection of the assets and records of the public entity; (b) Act with fidelity, honesty, integrity and in the best interest of the public entity in managing the financial affairs of the public entity; (c) On request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way influence the decision or actions of the executive authority or that legislature; and (d) Seek, within the sphere of influence of that accounting authority, to prevent any prejudice to the financial interests of the state.	<p>Appropriate systems of control and risk management are maintained as well as a corporate risk management policy which is reviewed annually for effectiveness and a high level of compliance.</p> <p>W&RSETA sets high standards for good governance and ethical behavior. The best interest of the public entity is always relevant and reflected in the business plan as approved by the Chairperson of the Board (accounting authority) and the implementation of the business plan is of the utmost importance.</p> <p>W&RSETA is committed to an open and transparent culture and in revealing any relevant information to its stakeholders. Materiality can only be determined if the nature of the information which will affect the decision of the stakeholder is known. W&RSETA employs risk management plans and reviews. Identified processes are aimed at preventing any prejudice to the financial interest of the state.</p>
Section 55 (2)	(2) The annual report and financial statements referred to by PFMA Subsection 55 (1)(d) must – (a) Fairly present the state of affairs of the public entity, its business, its financial results, its performance against pre-determined objectives and its financial position as at the end of the financial year concerned;	W&RSETA makes use of independent assurance providers and is involved with disclosure forums for the presentation of annual financial statements to ensure that its affairs are fairly represented in the AFS.

TREASURY REGULATION 28.1.5

“For purposes of “material” [sections 50(1), 55(2) and 61(1) (c) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.”

	<p>(b) include particulars of –</p> <p>(i) Any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;</p> <p>(ii) Any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</p>	<p>All losses are disclosed in the AFS. All activities are disclosed in the AFS.</p>
	<p>(iii) Any losses recovered or written off;</p> <p>(iv) Any financial assistance received from the state and commitments made by the state on its behalf; and</p> <p>(v) Any other matters that may be prescribed; and</p> <p>(c) Include the financial statements of any subsidiaries.</p>	<p>All losses are disclosed in the AFS.</p> <p>All financial assistance received or committed is disclosed. W&RSETA will apply any other matters that become prescriptive. Not applicable.</p>
Section 54 (2)	<p>(1) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction</p> <p>(a) Establishment or participation in the establishment of a company;</p> <p>(b) Participation in a significant partnership, trust, unincorporated joint venture or similar arrangement</p> <p>(c) Acquisition or disposal of a significant shareholding in a company</p> <p>(d) Acquisition or disposal of a significant asset</p> <p>(e) Commencement or cessation of a significant business activity; and</p> <p>(f) A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.</p>	<p>Not applicable.</p> <p>Not applicable. Management attains the approval of Accounting Authority. Not applicable. Not applicable.</p>
Section 61(1)(c)	<p>(a) The report of an auditor appointed in terms of section 58(1)(b) must be addressed to the executive authority responsible for the public entity concerned and must state separately in respect of each of the following matters whether in the auditor’s opinion –</p> <p>(b) The transactions that had come to the auditor’s attention during auditing were in all material respects in accordance with the mandatory functions of the public entity determined by law or otherwise.</p>	<p>Materiality of 0.5% of the total value of the sum of the revenue received for the year is applied. Budgeted Revenue 2020/21 = R1 442 million (based on MTEF estimate) Materiality for 2020/21 = R7,2 million</p>

TREASURY REGULATION 28.1.5

“For purposes of “material” [sections 50(1), 55(2) and 61(1) (c) of the Act] and “significant” [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority in consultation with the external auditors.”

Section 66 (1)	<p>(1) An institution to which this Act applies may not borrow money or issue a guarantee, indemnity or security, or enter into any other transaction that binds or may bind that institution or the Revenue Fund to any future financial commitment, unless such borrowing, guarantee, indemnity, security or other transaction –</p> <p>(2)</p> <p>(a) Is authorised by this Act; and</p> <p>(b) In the case of public entities, is also authorised by other legislation not in conflict with this Act; and</p> <p>(c) In the case of loans by a province or a provincial government business enterprise under the ownership control of a provincial executive, is within the limits as set in terms of the Borrowing Powers of Provincial Governments Act, 1996 (Act No 48 of 1996).</p>	W&RSETA operates within the ambit as set by this clause and its related Act.
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Quantitative aspects

Materiality level for consideration:

The level of materiality for 2018/2019 has been set as follows:

Financial Statement Base	Base Amount	Materiality %	Materiality value for 18/19
Total assets	R 2 800 572 000	1%	R28 005 720
Total revenue	R 1 442 000 000	0.5%	R7 200 000
Total Surplus	Not relevant as there W&RSETA is not budgeting for a surplus		

The total revenue amount is based on the MTEF Estimates for the 2020/21 financial year while total assets value is based on the audited financial statements for the 2018/19 financial year.

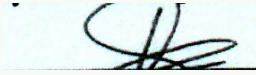
Therefore, final materiality is set at R7 200 000 for the 2020/21 financial year.

Qualitative aspects

Materiality is not merely related to the size of the entity and the elements of its financial statements. Obviously, misstatements that are large either individually or taken together may affect a “reasonable” user’s judgement. However, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst others:

- New contracts that the SETA has entered into.
- Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature thereof due to knowledge thereof affecting the decision making of the user of the financial statements.
- Transactions entered into that could result in reputational risk to the SETA.
- Any fraudulent or dishonest behaviour of an officer or staff of the SETA.
- Any infringement of W&RSETA’s agreed performance levels.
- Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations)

This Materiality Framework is re assessed and adjusted on an annual basis with the Audit Committee, Internal and External Auditors and assessed and approved by the Accounting Authority.



CHIEF FINANCIAL OFFICER



ANNEXURE C

ANNEXTURE C: GLOSSARY OF TERMS

Artisan	the person who has been certified as competent to perform a listed trade in accordance with the skills development act, 1998 (Act of 97 Of 1998)
Candidacy	The structured work experience component part of an occupational qualification as determined by the relevant professional body and may follow the completion of an academic qualification required for access to the assessment for the issuing of a professional designation. This may lead to the designated registered on the NQF.
Certification	the formal recognition of a student who successfully completed all courses required to obtain a qualification or part qualification
Continuing Education Training	all learning and training Programmes leading to qualifications or part qualifications at Levels 1-4 of the NQF contemplated in the National Framework Act, 2008 (Act No. 67 of 2008)
Data source	a record, organisation, individual or database from which data is obtained
Data verification	the process by which data is checked, assessed reviewed and audit
Higher Education Institution	any institution that provides higher education on full time, part time or distance basis and which is established deemed to be established or declared as a public higher education institution or registered or conditionally registered as a private higher education institution under the higher Education Act No 101 of 1997
Hard to Fill Vacancies (HTFVs)	hard to fill vacancies are defined as those vacancies that take the employer a period longer than six months to find suitable candidates to fill the vacancy (with mainly skills-related reasons)
Leashership	a learning Programme that leads to an occupational qualification or part qualification
Recognition of prior learning	the principles and processes, through which the prior knowledge and skills of a person are made visible, mediated and assessed for the purpose of alternative access and admission, recognition and certification, or further learning and development
Work place based learning	an educational approach with a quality assured curriculum through which a person internalizes knowledge, gain insights and acquire skills and competences through exposure to a workplace to achieve specific outcomes applicable to employability



ANNEXURE D

ANNEXTURE D: SERVICE LEVEL AGREEMENT



higher education
& training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

SERVICE LEVEL AGREEMENT

entered into by and between

DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by GF Qonde, duly authorized thereto by virtue of his capacity as the Director-General),

and

WHOLESALE AND RETAIL SETA

(hereinafter referred to as "SETA" represented by Ms. Sionne Mbane duly authorised thereto in his/her capacity as Accounting Authority (Chairperson))

1. PURPOSE OF THE SERVICE LEVEL AGREEMENT

This service level agreement is entered into between the above mentioned parties to agree on the targets required by the SETA in performing its statutory functions, meeting the National Skills Development Plan (NSDP) principles, outcomes and indicators in implementing its Strategic Plan (SP) and Annual Performance Plan (APP).

2. DURATION OF THE SERVICE LEVEL AGREEMENT

The service level agreement is entered into for the period of **01 April 2020 to 31 March 2021**.

3. OBLIGATIONS OF THE SETA

3.1 The SETA undertakes to:

- 3.1.1 perform its functions as required by the Skills Development Act No, 97 of 1998 as amended (SDA), Skills Development Levy Act No.9 of 1999 (SDL), Public Finance Management Act No. 1 of 1999 (PFMA), and all Related Regulations (RR), notices and guidelines promulgated currently and in the future and other related legislation;
- 3.1.2 implement the approved SP, APP, and budget;
- 3.1.3 provide adhoc reports that may from time to time be required by the Minister, Cabinet and Parliament within specified timelines;
- 3.1.4 address all findings raised by the Auditor-General South Africa (AGSA) in the previous financial year;
- 3.1.5 achieve all NSDP SLA targets, as failure to do so may result in the Department of Higher Education and Training (DHET) recommending to the Minister, implementation section 14 of the SDA, subsequently section 15;
- 3.1.6 advance economic growth, job creation and labour market development drivers through skills in current and future skills needed for development in technological advancement and digitalisation (4th Industrial Revolution);
- 3.1.7 submit Quarterly Skills Education and Training Management Information System (SETMIS) Reports and Annual Reports (AR) in accordance with National Treasury (NT), Department of Planning, Monitoring and Evaluation (DPME) and DHET requirements, including reporting on Sector funded interventions;
- 3.1.8 establish policies, processes and systems for credible research, monitoring, reporting and evaluation to support evidence based planning decisions (including the development of Sector Skills Plan (SSP), SP, APP) and operational decisions;
- 3.1.9 conduct tracer and impact evaluation studies inclusive of but not limited to determining employment (including self-employment) absorption rates of unemployed learners completing the SETA's priority occupations;
- 3.1.10 integrate in its interventions targets for women, differently-abled persons, youth, rural and other economically excluded beneficiaries;

- 3.1.11 establish a functional operational structure and staff establishment appropriate to the size of the sector, levy income and the administration budget limit thereof;
- 3.1.12 establish collaborations to implement the approved SP and APP including but not limited to partnerships with departments and public entities at all three spheres of government, inter SETA partnerships, public – private partnerships, and other organisations as permitted by the SDL Acts, RRs and the SETA Grants Policy;
- 3.1.13 support the imperatives contained within Job Summit Agreements and the temporary employee and employer relief scheme through delivery of flexible programmes that ensure that young people are suitably prepared and skilled to fill every entry level roles, particularly where companies need to scale their operations, these may include inter alia work readiness programme, short courses (accredited or no-accredited) that allow candidates to respond to changing economy;
- 3.1.14 support the collaboration in the establishment of public college Centres of Specialisation in partnership with employers and labour organisation.
 - 3.1.14.1 ring-fence grants annually and allocate as employers become available to take apprentices for Centres of Specialisation (CoS);
 - 3.1.14.2 prioritise the allocation of grants and report to DHET on the results annually;
- 3.1.15 support the implementation of rural development programmes for women, youth and people with disability;
- 3.1.16 support the revitalisation of rural and townships to uplift local economy through skills development;
- 3.1.17 provide financial support to World Skills South Africa;

3.2 achieve all targets for the planning period as reflected in the table below:

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
1. Identify and increase production of occupations in high demand	1.1 National enrolment and re-source ratios for the high, intermediate and elementary skills level.	• Percentage of discretionary grant budget allocated at developing high level skills	New Target	20%	n/a
		• Percentage of discretionary grant budget allocated at developing intermediate skills	New Target	15%	n/a
		• Percentage of discretionary grant budget allocated at developing elementary skills	New Target	65%	n/a
	1.4 Identification of interventions required to improve enrolment and completion of priority occupations:	• Number of WSPs and ATRs approved for Small firms	4208	4000	n/a
		• Number of WSPs and ATRs approved for Medium firms	1123	1000	n/a
		• Number of WSPs and ATRs approved for Large firms	533	500	n/a
		• Number of sector research agreements signed for TVET growth occupationally directed programmes	New Target	1	n/a
		• Number of learners in employment (Internships, Skills programmes, Bursaries, Learnerships completed)	New Target	1000	n/a
		• SETAs identify in their skills planning research, established and emergent cooperative and their skills needs	n/a	n/a	n/a
		• SETAs through their skills planning research, identify skills needs of small and emerging enterprises	n/a	n/a	n/a
• Number of people to be trained on entrepreneurial skills	New Target	100	n/a		

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
2. Linking education and the workplace	2.1: Opening of workplace based learning opportunities increased	• Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces	n/a	n/a	n/a
		• Number of TVET students completed their work integrated learning placements.	New Target	175	n/a
		• Number of universities students requiring work integrated learning to complete their qualifications placed in workplaces	n/a	n/a	n/a
		• Number of university students completed their Work Integrated Learning placements	New Target	175	n/a
		• Number of unemployed learners enrolled Internships	700	1200	n/a
		• Number of unemployed learners completed Internship	114	350	n/a
		• Number of unemployed learners enrolled Skills programmes	500	800	n/a
		• Number of unemployed learners completed Skills programmes	400	400	n/a
		• Number of unemployed learners enrolled Learnerships programmes	2100	7000	2000
		• Number of unemployed learners completed Learnerships programmes	1200	3500	n/a
		• Number of unemployed learners enrolled for Candidacy programmes	New Target	100	n/a
• Number of unemployed learners completed Candidacy programmes	0	0	n/a		
3. Improving the level of skills in the South African workforce	3.1: To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address, critical skills required by various sectors of the economy, to transform workplaces, improve productivity and to improve economic growth prospects in various sectors of the economy.	• Number of workers enrolled in Learnerships programmes	2300	3500	3000
		• Number of workers completed Learnerships programmes	1200	1500	1200
		• Number of workers granted Bursaries (new entries)	432	1420	n/a
		• Number of workers granted Bursaries (continuing)	0	0	n/a
		• Number of workers granted Bursaries completed their studies	0	0	n/a
		• Number of workers enrolled Skills programmes	1000	6500	2000
		• Number of workers completed Skills programmes	800	3250	1750
		• Number of workers enrolled AET programmes	116	1000	n/a
		• Number of workers completed AET programmes	99	920	n/a

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
4. Increase access to occupationally directed programmes	4.2: Increase access for Intermediate and high level skills	• Number of artisan learners enrolled	200	200	n/a
		• Number of artisan learners completed	100	100	n/a
		• Number of unemployed learners granted Bursaries (new enrollments)	0	2000	n/a
		• Number of unemployed learners granted Bursaries (continuing)	509	500	n/a
		• Number of unemployed learners granted Bursaries completed their studies	540	200	n/a
		• Number of learners enrolled RPL/ARPL	150	200	n/a
		• Number of learners completed RPL/ARPL	334	100	n/a
		• Number of TVET partnerships established	9	9	n/a
		• Number of HEI partnerships established	2	2	n/a
		• Number of CET partnerships established	New Target	3	n/a
	• Number of SETA-Employer partnerships established	4	4	n/a	

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
5. Support the growth of the public college system	5.1: Support the TVET Colleges	• Number of SETA offices established and maintained in TVET colleges	New Target	32	n/a
		• Number of Centres of Specialisation supported	New Target	0	n/a
		• Number of TVET Lecturers exposed to the industry through Skills Programmes	30	20	n/a
		• Number of Managers receiving training on curriculum related studies	0	0	n/a
		• Number of TVET College Lecturers awarded Bursaries	0	0	n/a
	5.2 Support the CET Colleges	• TVET colleges infrastructure development (equipment/workshops)	New Target	9	n/a
		• Number of CET Colleges Lecturers awarded skills development programmes	New Target	3	n/a
		• CET colleges infrastructure development support (equipment/ workshops/ Connectivity/ ICT)	New Target	3	n/a
6. Skills development support for entrepreneurship and cooperative development	6.1: To increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives	• Number of Co-Operatives supported with training interventions or funded	20	20	n/a
		• Number of Small Businesses supported with training interventions or funded	1349	2400	n/a
		• Number of people trained on entrepreneurship supported to start their businesses	New Target	100	n/a
		• Number of CBOs/ NGOs/ NPOs supported with training interventions or funded	100	100	n/a
7. Encourage and support worker initiated training		• Number of Federations /Trade Unions supported through the relevant skills training interventions	4	4	n/a
8. Support career development services		• Number of Career Development Events in urban areas on occupations in high demand	New Target	100	n/a
		• Number of Career Development Events in rural areas on occupations in high demand	New Target	100	n/a
		• Number of Career Development Practitioners trained	New Target	10	n/a
		• Number of capacity building workshops on Career Development Services initiated	n/a	n/a	n/a
9. Governance		• Quarterly SETA Good Governance report	4	4	n/a
10. Rural Development		• Number of Rural Development Projects initiated	1	1	n/a

4. OBLIGATIONS OF DEPARTMENT OF HIGHER EDUCATION AND TRAINING

4.1 The Department undertakes to:

- 4.1.1 consult the SETA on policy and strategic matters that may affect the functioning of the SETA;
- 4.1.2 specify timelines for the submission of adhoc reports;
- 4.1.3 continuously and timeously inform the SETA of any changes to legislation, regulations, policies and strategies that impact on the strategy and functions of the SETA and provide guidance for implementation;
- 4.1.4 provide the SETA with guidance on strategic planning documents and any matter that may be requested by the SETA in relation to its functions;
- 4.1.5 provide support to SETA where applicable in performing its functions and responsibilities;
- 4.1.6 Validate and verify the accuracy of reports submitted by SETA and provide feedback quarterly.

5. GENERAL

SIGNED AT Centurion ON THIS 30th DAY OF January 2020

Done

CHAIRPERSON (Represented by Ms Suvonne Mbane who warrants that he/she is duly authorised to this agreement)

SIGNED AT _____ ON THIS ___ DAY OF _____ 20__

DIRECTOR-GENERAL (Represented by GF Qonde, duly authorised thereto)

Acronyms and Abbreviations

AGSA	Auditor-General South Africa
APP	Annual Performance Plans
ATRs	Annual Training Reports
CET	Community Education and Training Colleges
DG	Director General of Higher Education and Training
DHET	Department of Higher Education and Training
DPME	Department of Planning, Monitoring and Evaluation
HRDC ATDTT	Human Resource Development Council- Artisan Development Technical Task Team
INDLELA	National Development of Learnerships, Employment Skills and Labour Assessment
IR	4 th Industrial Revolution
M&R	Sub-directorate: Monitoring and Reporting of the (SETA Performance Management)
Minister	Minister of the Department of Higher Education and Training
NC (V)	National Certificate (Vocational)
NSDP	National Skills Development Plan
PFMA	Public Finance Management Act No. 1 of 1999
RPL	Recognition of Prior Learning
SDA	Skills Development Act No, 97 of 1998 and Skills Development Levy Act No.9 of 1999
SETA	Sector Education and Training Authority
SLA	Service Level Agreement
SP	Strategic Plans
SPM	SETA Performance Management of the DHET

SSP	Sector Skills Plans
TR	Treasury Regulations
TVET	Technical and Vocational Education and Training (formerly FET)
WBLPAR	Workplace Based Learning Programme Agreement Regulation
WIL	Work Integrated Learning
WSPs	Work Based Skills Plans



ANNEXURE E

ANNEXURE E: LIST OF TVET COLLEGES WITH W&RSETA OFFICES

NAME OF THE COLLEGE	PHYSICAL ADDRESS	REGION
Mgungundlovu TVET College	44 Burger Street Pietermaritzburg, 3201 • Tel.: 033 341 2102	KwaZulu Natal
Majuba TVET College (Madadeni Campus)	CPD Nelson Mandela Drive Section 2; Madadeni • Tel.: 034 314 1075	KwaZulu Natal
uMfolozi TVET College (Esikhawini Campus)	Lot: 11 Eskhawini Highway ESKHAWINI, 3887 • Tel.: 035 796 5568/76	KwaZulu Natal
Mthashana TVET College (Vryheid Campus)	90 Hlobane Street Vryheid: 034 981 5337	KwaZulu Natal
Esayidi TVET College (Enyenyezi Campus)	Boboyi Location N2 Main Harding Road, Portshepstone • Tel.: 039 6840110	KwaZulu Natal
Enhlanzeni TVET College	29 Bell Street, Nelspruit	Mpumalanga
Gert Sibande TVET College	No. 2 Tambourin Ave Standerton, 2430	Mpumalanga
Taletso TVET College	Carrol Street, Lichtenburg	North West
Vuselela TVET College	133 OR Tambo Street, Klerksdorp	North West
West Coast College	2 Loedolf Street, Malmesbury	Western Cape
False Bay College	Kayelitsha Campus, Mew Way	Western Cape
Boland College	85 Bird Street, Stellenbosch	Western Cape
South Cape College	125 Mitchell Street, George	Western Cape
Maluti TVET College	Central Office, Mampoi Road Phuthaditjhaba 9866	Free State
Goldfields TVET College	Cnr Toronto Road & Petrus Bosch Str. City Centre Welkom	Free State



ANNEXURE F: SECTOR SKILLS PLAN



W&RSETA SECTOR SKILLS PLAN (SSP) 2020 – 2025

01 August 2019
Updated 2019-2020

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FOREWORD

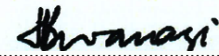
This is the draft version of the Sector Skills Plan (SSP) for the Wholesale and Retail Sector Education and Training Authority (W&RSETA) for 2020-2021. The SSP is prepared in accordance with Department of Higher Education and Training (DHET) Sector Skills Plan Framework and Requirements (Revised 2019).

The principal aim of this SSP is to develop a “roadmap” for skills development in the wholesale and retail sector in South Africa. Hence, it is necessary to identify factors driving change in the sector, occupational supply and demand imbalances, skills gaps in the internal labour market of companies, and priority skills development interventions. These are determined through extensive research, literature review and stakeholder consultations country-wide. Stakeholder consultations are currently on-going and this feedback will be incorporated in the Final SSP submission. We have also considered DHET feedback from the SSP 2019-020 submission.

We have considered national policy issues in the New Growth Path, Human Resource Development Strategy of South Africa, National Development Plan (NDP), Industrial Policy Action Plan (IPAP), National Skills Development Plan (NSDP) and Skills Accord in the development of the SSP.

The Sector Skills Plan is submitted to the Minister of Department of Higher Education and Training (DHET) in compliance with the requirement of the Skills Development Act 1998 (as amended) and the National Skills Development Plan (NDSP).

APPROVED BY:




Mr Tom Mkhwanazi

Chief Executive Officer (CEO)

31 June 2019

Date



Ms Yvonne Mbane

Board Chairperson

31 June 2019

Date

EXECUTIVE SUMMARY

The W&RSETA Executive summary highlights the key areas of the SSP per chapter and also indicates the progress made in the annual update of the SSP. Further update will be made on the various chapters outlined below as and when the research and data analysis has been concluded.

Chapter 1 (Sector Profile): The Wholesale and Retail sector employs 3 345 000 people, or 21% of the active labour force.

Economic performance: South Africa's Gross Domestic Product (GDP) growth rate declined by 3.2% in the first quarter of 2019. The three largest negative contributors to growth in GDP in the first quarter was the manufacturing, mining and trade, and catering and accommodation industries, the manufacturing industry decreased by 8,8% and contributed -1,1% percentage points to GDP growth. The mining industry decreased by 10,8% and contributed -0,8% of a percentage point. The trade, catering and accommodation industry decreased by 3,6% and contributed -0,5% of a percentage point.

Economic Performance of W&R sector: South Africa's retail sales rose 0.2% year-on-year in March of 2019, following an upwardly revised 1.4% increase in February and missing market expectations of a 0.6% percent rise. Sales increased less for household furniture, appliances & equipment (1.9% vs 4.8% in February) and the reduction for food, beverages & tobacco (-3.6% vs -1.3%); pharmaceuticals and medical goods, cosmetics & toiletries (-4%, after being unchanged in February); textiles, clothing, footwear & leather goods (-1.8% vs 5.7%) and hardware, paint and glass (-0.9% vs -1%).

Labour market profile: There are 9 945 active Wholesale and Retail levy paying enterprises. These consist of 8 924 small companies (90%), 704 medium companies (7%) and 268 (3%) large companies. Gauteng has the largest concentration of enterprises (40%); Western Cape has 21%, and KwaZulu-Natal 14%.

Representation of people with disabilities within the sector: According to report by Commission for Employment Equity (2017), people with disabilities are least represented in the South African labour market and access remains a challenge. The South African people with disabilities are featured more prominently in the public sector as compared to the private sector.

To respond to some of the challenges facing people with disability in the sector, W&RSETA has identified disability as a priority and interventions will be implemented to ensure representation and awareness. **Chapter 2 (Key Skills Change Drivers):** Key drivers of change within the sector include:

Retail chains moving into townships: National supermarkets are saturating townships and peri-urban areas causing a strain on small retailers. There have been calls for informal businesses to become formalised so they can better compete with the big chains, but there are barriers to this. The legislation, limited capacity and skills to run the business are some of the barriers identified by research conducted by Cape Peninsula University of Technology (CPUT) Retail Chair. The following are some of the key skills gaps which are responding to small business challenges: financial knowledge, competences in marketing, brand building, the ability to build up a positive relationship with suppliers and the compliance with legal requirements

Technology advancements and increased access to information: Technology is changing the wholesale and retail industry. These changes include mobile applications, online shopping, big data, social media, cyber-crime, mobile phones and internet usage.

Youth Unemployment: An Industry led collaborative and integrated approach should be adopted to promote Youth Skills to increase WIL and employment opportunities.

SMME development: The SMME sector is relatively large and source products from wholesalers. Changes include: small enterprise development, hawkers, casualisation and new training model.

Key policy drivers for the sector include: IPAP 4; New Growth Path (NGP); National Development Plan (NDP); HRD Strategy for SA, Department of Environmental Affairs Integrated Development Plan (IDP) and Tourism Sector Skills Plan.

Chapter 3 (Occupational Shortages and Skills Gaps): This section will be updated for the final SSP submission once fieldwork is complete

Sectoral Priority Occupations: Sales Assistant (General)/ Retail Buyer/ Butcher/ Confectionary Baker/ Retail Manager (General)/ Sales & Marketing Manager/ Retail Supervisor/ SHEQ Practitioner/ Retail Pharmacist/ Sales Representative. The following are new and emerging top-up skills:

- Digital marketing skills;
- Digital customer communication skills;
- Problem solving skills;
- Financial literacy skills;
- Data analytics skills;
- Ethics & discipline;
- Information Communication Technology (ICT) skills.

Skills gaps: Management and leadership skills/ Customer service skills/ Basic literacy and numeracy skills/ Basic book-keeping skills/ Labour relations skills/ Marketing and sales skills/ Computer skills/ Time management skills/ Occupational health and safety skills/ Personal budgeting skills.

Chapter 4 (Sector Partnerships): Identify partnerships in the sector to examine best practices and measures to strengthen partnerships. The W&RSETA has partnerships with TVETs and Universities nationally and internationally. There is also a need to establish new partnerships with small enterprise associations to reach retail SMMEs, co-operatives, and informal traders.

Chapter 5 SETA Monitoring and Evaluation: The W&RSETA will conducting Workplace Based Learning (WBL) tracer studies targeting learnerships, internships and bursaries offered to beneficiaries under the NSDS III. The aim of this project is to investigate the destinations of learners who completed workplace based learning (WBL) programmes that are funded by W&RSETA. M&E Information forms the basis of our plans as we use performance reports as well as evaluation findings to inform all our plans. In 2018/19 the SETA reviewed its M&E strategy and will be adopting a results based approach to M&E.

Chapter 6 (Strategic Skills Priority Actions): The W&RSETA recommends interventions to address skills needs in the sector, derived from earlier chapters. This section will be reviewed and updated once fieldwork is completed. This section will be reviewed and aligned to key finding and recommendation from the data analysis report.

This SSP identifies 7 key skills priorities for the W&R sector:

- SMME and Co-Operatives development: It is critical that these enterprises are supported with skills development. Alternative and new training models are needed to meet the training needs of SMMEs.
- Youth unemployment: The retail sector provides significant temporary employment opportunities for the youth. The challenge is to convert these into permanent employments and encourage career development in the sector.
- Hard-To-Fill Vacancies and skills gaps: The identification of Hard-To-Fill Vacancies (Occupational shortages) and skills gaps is a key deliverable of the SSP. This ensures that the SSP responds to the demands of the sector.
- Stakeholder engagement: Stakeholder partnerships are the best way to meet industry needs for skilled workers and workers' needs for better jobs. It offers a platform to focus on job growth sectors and workforce training needs.
- Training and employment of people with disabilities (PWD): Despite progressive legislation and a commitment from the government, PWD do not have the same opportunities as others. Therefore, the SETA need to prioritise skills development interventions to improve access to training, education and employment for PWD.
- Trade union capacity-building: There is a need to build capacity in trade unions by offering education programmes. This is in line with the NSDP Outcome 4.7 III to encourage and support worker initiated training
- Alignment with national strategies and plans: There is a need to align skills funding to national priorities. The programme of action to align the work of the SETA to IDP, NDP and IPAP will be developed in consultation with relevant stakeholders.
- Yours sincerely

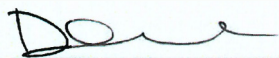


.....
31 June 2019

Mr Tom Mkhwanazi

Date

Chief Executive Officer (CEO)



.....
31 June 2019

M Yvonne Mbane

Date

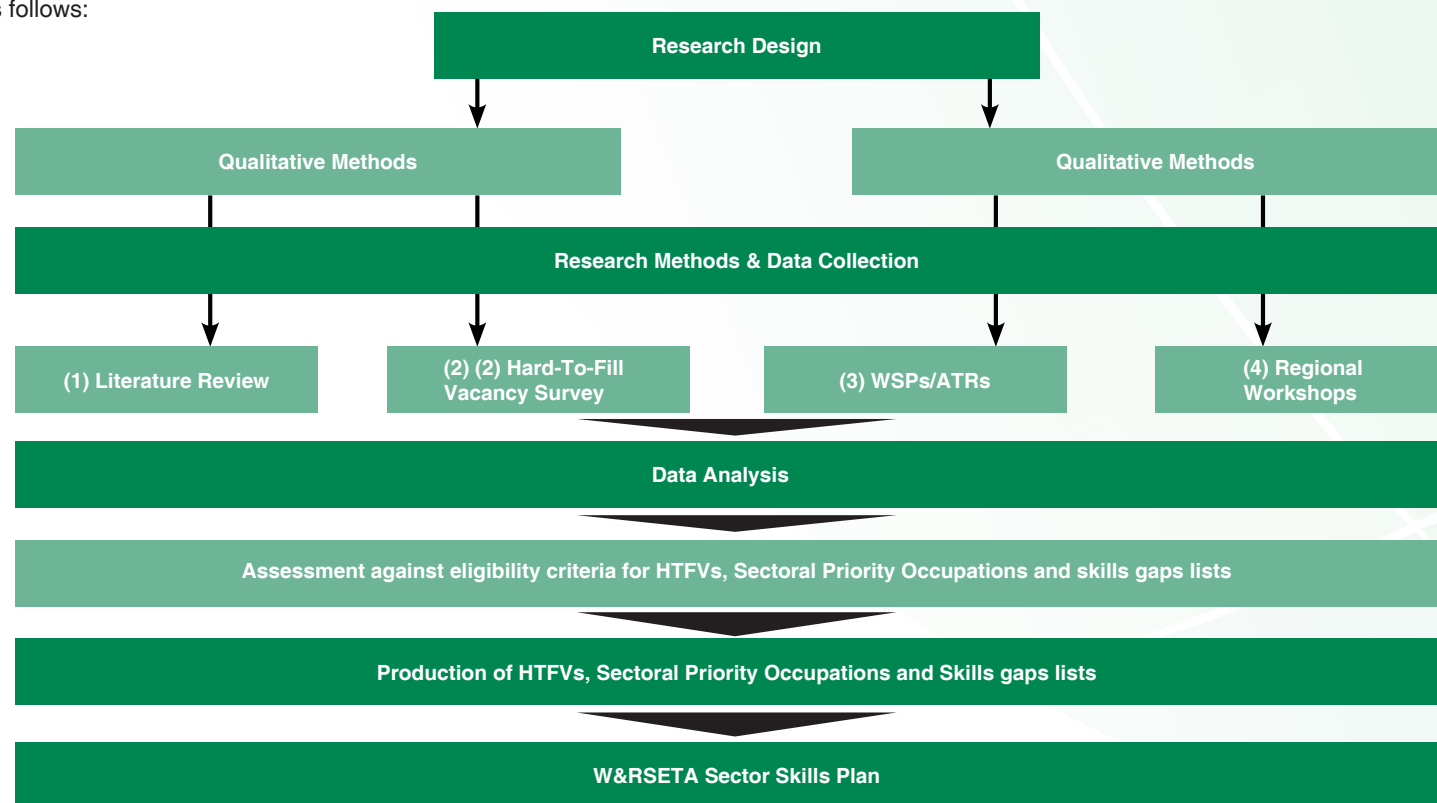
Board Chairperson

RESEARCH DESIGN AND METHODOLOGY

A multi-method research design was employed to develop the sector skills plan. This design uses qualitative and quantitative research methods to collect and analyse data for profiling the W&R sector, identifying change drivers, determining HTFVs, Skills Gaps and Sectoral Priority Occupations and devising skills development interventions.

Diagram 1: Research design and methodology

The research design is as follows:



SSP Implementation guidelines 2017/18 & DHET SSP Framework and Requirements 2019/20

Research Methodology

The research methodology used to determine critical, HTFVs and Sectoral Priority Occupations is intended to be as inclusive, transparent, replicable and simple to calculate. The methodology is designed to enable information to be incorporated year-on-year, without the need to redesign the process. By establishing a user-friendly framework for identification and anticipation of HTFVs and Sectoral Priority Occupations, all companies, including micro-enterprises can participate in the research.

The research methods involved the following:

LITERATURE REVIEW	
Objective	A literature review of W&RSETA completed research reports, economic reports and annual reports.
Data Collection Tools	The literature review involved statistics South Africa data, web search and research report analysis focusing on findings.
Scope of Study	The literature review gathered information on all chapters.
Time Frame	The literature review has been conducted for the duration of the study (3 months).
Hard-to-Fill Vacancy (HTFV) Survey and Change driver questionnaire	
Objective	The primary objective is to identify sectoral priority occupations, key change drivers and reflect on the 4th Industrial Revolution employers' perspective.
Data Collection Tools	A questionnaire was administered.
Time Frame	3 Months
Workplace Skills Plans and Annual Training Reports	
The primary objective was to conduct a comparative analysis of the WSP data submitted by employers.	
Sector Skills Plan (SSP) Consultations	
Objective	The objective of the workshops is to identify change drivers, skills gaps, HTFVs and skills priorities.
Data Collection Tools	Focus group discussions and surveys.
Number of provinces consulted	9
Time Frame	3 Months.
W&RSETA Stakeholder Interviews	
Objective	The objective of the interview is to identify change drivers, skills gaps, HTFVs and skills interventions for the sector.
Data Collection Tools	Interviews guide

LITERATURE REVIEW	
Nr. of Stakeholders	20
Sampling	Random as per DHET guidelines
Time Frame	3 months
Sector Skills Plan (SSP) SME Focus group discussion	
Objective	The objective of the focus group discussion is to identify SME skills gaps, small business needs and challenges for SMEs operating in Townships. This has contributed towards data validation of the data the data which was conducted during the SSP SME sessions through surveys.
Data Collection Tools	Survey and Focus group discussion.
Time Frame	3 months

Data Analysis and Findings:

Sector Profile (Chapter 1): Data from the literature review and WSP/ATR was used to construct the sector profile. The following are some of the data sources that were used in this chapter:

- Statistics South Africa.
- Trending Economics.
- Research agenda and W&RSETA annual reports.
- Workplace Skills Plan/ Annual Training Report (WSP/ATR).
- Commission for Employment Equity (CEE).

Key Skills Change Drivers (Chapter 2): Data from the literature review and workshops was used to identify key skills issues, sector change drivers and alignment to National Strategy and Plans.

Occupational Shortages and Skills Gaps (Chapter 3): Data from the literature review, workshops, WSP/ATR and HTFV survey was used to establish HTFVs Sectoral Priority Occupations and skills gaps. The Post-school education and training monitor report and Council for Higher Education (CHE) enrolment report were also used as part of providing an analysis of the nature of supply.

SETA Partnerships (Chapter 4): Information gathered through an analysis of the existing and planned partnership. The sector value chain analysis is being conducted as part of strengthening the outcomes and impact of W&RSETA partnerships.

SETA Monitoring and Evaluation (Chapter 5): An overview of W&R SETA monitoring and evaluation approach towards improving performance and implementation of strategic priorities. The following are data sources used in updating this chapter:

- Annual Performance Report.
- Annual Performance Plan (APP).
- Strategic Plan.
- Research agenda.

SETA Strategic Skills Priority Actions (Chapter 6): This information from chapters one to five is consolidated in chapter six as findings and recommendations. The National Skill Development Plan (NSDP) outcomes which are prioritised in the first year of implementation are also reflected. The SETA strategic priorities reflected in this chapter are also aligned to key priorities in the Integrated Development Plans for the following municipalities:

- City of Tshwane.
- City of Cape Town.
- Polokwane Municipality.
- Mbobela Municipality.
- Mangaung Municipality.
- City of Johannesburg.

ACRONYMS

ACRONYM	DESCRIPTION
ATR	Annual Training Report
CGCSA	Consumer Goods Council of South Africa
DHET	Department of Higher Education and Training
FET	Further Education and Training
FRA	Fuel Retailers Association South Africa
GDP	Gross Domestic Product
HTFV	Hard-To-Fill Vacancy
HET	Higher Education and Training
IDP	Integrated Development Plan
ILDP	International Leadership Development Programme
IPAP	Industrial Policy Action Plan
NDP	National Development Plan
NSDP	National Skills Development Plan
NGP	New Growth Path
NQF	National Qualifications Framework
NSDS	National Skills Development Strategy
OFO	Organising Framework for Occupations
PIVOTAL	Professional, Vocational, Technical and Academic Learning
PWC	Price Waterhouse Coopers
QCTO	Quality Council for Trades and Occupations
QLFS	Quarterly Labour Force Survey

ACRONYM	DESCRIPTION
RA	Retailers Association
RMI	Retail Motor Industry Organisation
RMDP	Retail Management Development Programme
SETA	Sector Education and Training Authority
SIC	Standard Industrial Classification
SIPs	Strategic Infrastructure Projects
SMME	Small, Medium and Micro Enterprises
SSP	Sector Skills Plan
STATSSA	Statistics South Africa
TVET	Technical and Vocational Education and Training
USD	United States Dollar
W&RSETA	Wholesale and Retail Sector Education and Training Authority
WP-PSET	White Paper for Post-School Education and Training
WSP	Workplace Skills Plan

CHAPTER ONE: SECTOR PROFILE

1. Introduction

Chapter one provides a sector profile of the Wholesale and Retail (W&R) sector. It gives a picture of the size and shape of the sector, allowing the reader to understand the contribution of the sector in economic and employment terms. Input and research into this section includes literature review (such as reports written on sector trends) and data analysis (such as statistics released by Statistics South Africa).

1.1. Key Questions

This chapter will respond to:

KEY QUESTIONS

- What is the scope of coverage of the sector?
- Who are the key role-players in the sector?
- What is the contribution of the sector to the economy?
- What is the employer profile of the sector?
- What are the implications for sector skills planning?

1.2. Scope of Coverage

The Wholesale and Retail Sector Education and Training Authority (W&RSETA) was established in 2000 in terms of the *Skills Development Act 97 of 1998 (as amended)*. This public entity is responsible for supporting skills development in the wholesale and retail (W&R) sector of South Africa through the implementation of learning programmes, disbursement of grants and monitoring of education and training as outlined the *Act, accompanying regulations and the National Skills Development Strategy III (NSDS III)*.

Wholesale trade deals with the bulk buying of goods from various manufacturers and the breaking down of this bulk into smaller quantities which is then sold direct to consumers. Retail trade deals with the buying of goods from the wholesaler and selling of such goods to the consumer.

The actual activities that fall within the scope of the wholesale and retail sector is demarcated according to Standard Industrial Classification (SIC) codes.

The scope of coverage of the W&RSETA in terms of the Skills Development Act 97 of 1998 is as follows:

SIC CODE	DESCRIPTION
61430	Wholesale trade in construction materials, hardware, plumbing and heating equipment
61501	Office machinery and equipment, including computers
61509	Other machinery
61901	General wholesale trade
61909	Other wholesale trade not elsewhere classified (nec)
Retail	
62000	Retail trade, except for motor vehicles and motor cycles; repair of personal and household goods
62110	Retail trade in non-specialised stores with food, beverages and tobacco dominating
62190	Other retail trade non-specialised stores
62201	Retail trade in fresh fruit and vegetables
62202	Retail trade in meat and meat products
62203	Retail trade in bakery products
62204	Retail trade in beverages (bottle stores)
62209	Other retail trade in food, beverages and tobacco (nec)
62311	Retail of non-prescribed medicine and pharmaceutical products other than by pharmacists
62321	Retail trade in men's and boy's clothing
62322	Retail trade in ladies' and girls' clothing
62323	Retail trade by general outfitters and by dealers in piece goods, textiles, leather and travel accessories
62324	Retail trade in shoes
62330	Retail trade in household furniture appliances, articles and equipment
62340	Retail trade in hardware, paints and glass
62391	Retail trade in reading matter and stationery
62392	Retail trade in jewelry, watches and clocks
62393	Retail trade in sports goods and entertainment requisites

SIC CODE	DESCRIPTION
62399	Retail trade by other specified stores
62400	Retail trade in second-hand goods in stores
63122	Retail sale of used motor vehicles
63311	Sale of tyres
63500	Retail sale of automotive fuel

1.3. Key Role Players

The following table provides the key role players in the Wholesale and Retail sector along with roles and expertise:

Table 2: Key Role Players

ORGANISED EMPLOYERS	ROLES AND AREAS OF EXPERTISE
Retailers association (RA) Consumer Goods Council of South Africa (CGCSA) National Clothing Retail Federation (NCRF) Black Business Council (BBC) Enterprise Mentorship of South Africa (EMOSA) Business Unity South Africa (BUSA) Fuel Retailers Association (FRA) South African Petroleum Retailers Association Retail Motor Industry Organisation Wholesale and retail enterprises (small, medium and large)	<ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA. • Represent and articulate employer (small, medium and large) interests. • Contribute to education and training, negotiations, marketing, finance, human resources and legal.
W&RSETA Board	Roles and Areas of Expertise
W&RSETA Board	<ul style="list-style-type: none"> • To govern and control the W&RSETA by providing strategic direction and leadership • To provide corporate government guidance • To approve the W&RSETA SSP • To approve the Strategic plan and budget

ORGANISED EMPLOYERS	ROLES AND AREAS OF EXPERTISE
<p>Organised Labour</p> <p>Congress of South African Trade Unions (COSATU) Southern African Clothing and Textiles Workers Union (SACTWU) South African Commercial, Catering and Allied Workers Union (SACCAWU) Federal Council of Retail Allied Workers (FEDCRAW) Development Institute for Training, Support and Education for Labour (DITSEL) Entertainment Catering Commercial and Allied Workers Union (ECCAWUSA) National Union of Metal Workers of South Africa (NUMSA) Southern African clothing and Textile Workers Union (SACTWU)</p>	<p>Roles and Areas of Expertise</p> <ul style="list-style-type: none"> • Represented equally on the committees of the W&RSETA. • Represent and articulate worker interests • Contribute to education and training, negotiations, public management and dispute resolution.
<p>Training Providers</p> <p>Further Education and Training Committee Higher Education and Training Committee Association of Private Providers of Education Training and Development Southern African Society for Cooperative Education; Universities; TVET Colleges; Private training providers; Community colleges</p>	<p>Roles and Areas of Expertise</p> <ul style="list-style-type: none"> • Represent interests of training providers – public and private. • Contribute to education and training, quality assurance, curriculum development.
<p>Community</p> <p>South African Community at large.</p>	<p>Roles and Areas of Expertise</p> <ul style="list-style-type: none"> • Represent interests of communities and co-operatives. • Contribute to education and training, small enterprise and co-operative development, advancement of women.
<p>Government</p> <p>Department of Higher Education and Training Department of Trade and Industry Provincial Economic Departments</p>	<p>Roles and Areas of Expertise</p> <ul style="list-style-type: none"> • Represent interests of the state. • Contribute to education and training, trade and industry and provincial growth.
<p>Other</p> <p>South African Community at large.</p>	<p>Roles and Areas of Expertise</p> <ul style="list-style-type: none"> • Represent interests of communities and co-operatives. • Contribute to education and training, small enterprise and co-operative development, advancement of women.

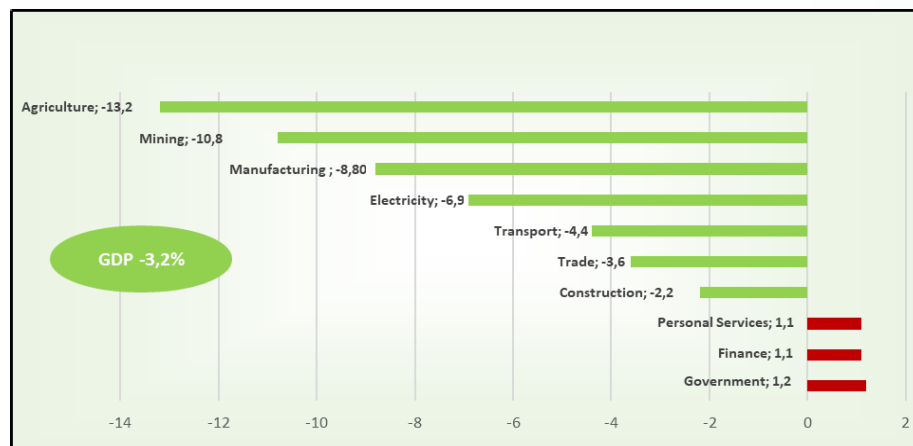
1.4. Economic Performance

This section provides an economic profile of the W&R sector for 2018-2019.

1.4.1. Wholesale and Retail Sector Performance and State of the Economy

This section assesses the economic performance of the W&R sector.

Graph 1: Performance of South African Industries (2019)



Source: (Statistics South Africa, 2019)

South Africa's gross domestic product (GDP) growth rate declined by 3,2% in the first quarter of 2019. The three largest negative contributors to growth in GDP in the first quarter was the manufacturing, mining and trade, catering and accommodation industries. The manufacturing industry decreased by 8,8% and contributed -1,1% percentage points to GDP. The mining industry decreased by 10,8% and contributed -0,8% of a percentage point. The trade, catering and accommodation industry decreased by 3,6% and contributed -0,5% of a percentage point.

The agriculture, forestry and fishing industry decreased by 13,2%, and contributed -0,3% of a percentage point to GDP. The decrease was mainly due to a drop in the production of field crops and horticulture.

The mining and quarrying industry decreased by 10,8% and contributed -0,8% of a percentage point to GDP. Decreased production was reported for 'other' mining and quarrying (including diamonds), iron ore and coal.

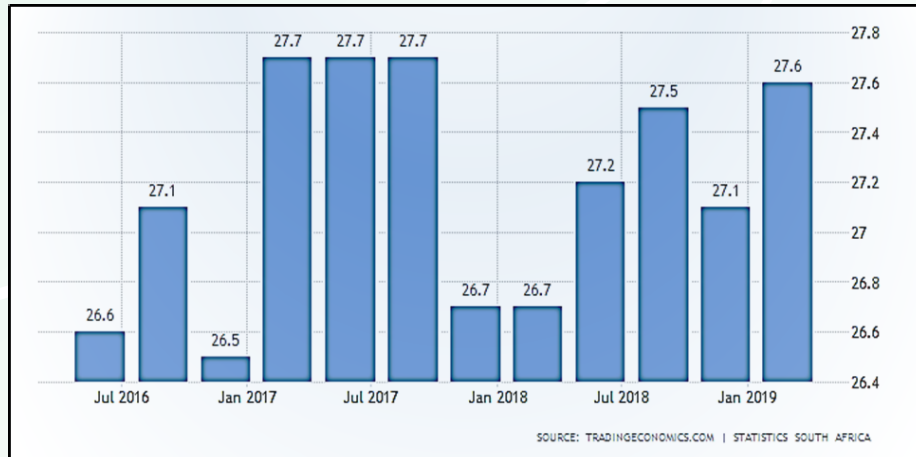
The manufacturing industry decreased by 8,8% in the first quarter. Negative growth was reported by seven out of the ten manufacturing divisions. The three largest contributions to the decrease were petroleum, chemical products, rubber and plastic products; motor vehicles parts and accessories and other transport equipment; and wood and wood products, paper, publishing and printing.

The electricity, gas and water industry decreased by 6,9% in the first quarter, due in large part to a decrease in electricity and water distributed. The construction industry by 2,2%. Decreases were reported for residential buildings, non-residential buildings and construction works. The trade, catering and accommodation decreased by 3,6%. Decreased economic activity was reported in retail, wholesale and motor trade.

There was a 4,4% decrease in transport, storage and communication as a result of decreases in both passenger and freight land transport. Finance, real estate and business services increased by 1,1% in quarter one. The increased economic activity was reported for financial intermediation, real estate and business services. There was a 1,2% in general government services which was mainly attributed to an increase in employment. Personal services increased by 1,1%. (Statistics South Africa, 2019).

1.4.2. South Africa's Unemployment

Graph 2: South Africa's Unemployment



Source: (Trading Economics, 2019)

³ (Trading Economics, 2019)

⁴ Statistics SA, 2019, Quarterly Employment Statistics December 2018.

⁵ Investec, 2019, SA credit rating unchanged, no update from Moody's.

⁶ Trading Economics, South Africa – Credit Rating.

South Africa's unemployment rate came in at 27.6% in the first quarter of 2019, an increase from 27.1% in the previous period, making it the highest jobless rate since the third quarter in 2017. The number of unemployed increased by 62,000 to 6.2 million and the number of employed decreased by 237,000 to 16.29 million. The W&RSETA continues to prioritise unemployment skills development interventions for the sector as part of creating employment opportunities for young people.

Job Losses: The number of unemployed persons jumped by 62,000 to 6.2 million from 6.14 million in the fourth quarter of 2018. Employment declined by 237,000 to 16.29 million from 16.53 million in the prior period. Jobs shedding occurred in formal sector (-126,000), informal (-68,000), private household (-31,000), construction (-142,000), agriculture (-12,000), mining (-20,000), finance (-94,000), and community and social services (-50,000) while gains were recorded in manufacturing (+24,000), utilities

(+16,000), trade (+25,000), trade (+25,000) and transport (+59,000).

The labour force decreased by 176,000 to 22.49 million from 22.67 million in the prior quarter and those detached from it rose by 325,000 to 15.79 million from 15.47 million in the fourth quarter. The expanded definition of unemployment, including people who have stopped looking for work, rose to 38% in the first quarter of 2019 from 37% in quarter four of 2018.

Earnings: Total earnings paid to employees amounted to R725 billion in December 2018, up from R685 billion in September 2018. Increases in gross earnings were led by the trade industry with R11 billion, manufacturing industry with R8,2 billion, business services industry with R7,1 billion, community services industry with R5,5 billion, construction industry with R3,5 billion, transport industry with R2,6 billion, electricity industry with R1,5 billion and mining industry with R544 million. Year on-year, total gross earnings, increased by R46 603 million or (6,9%). The average monthly earnings paid to employees in the formal non-agricultural sector remained unchanged quarter to quarter, amounting to R21,190 in the fourth quarter of 2018. However, the annual increase was 4,9%.

Upgrade: According to Investec, credit ratings agency Moody's left South Africa's key credit ratings at investment grade (Baa3) and upgraded the sovereign's outlook from negative to stable in March 2018. This was due to the market and business sector's more positive outlook following the election of Cyril Ramaphosa as president. Moody's did not update ratings for South Africa in March 2019 as expected but is set to review South Africa again on 1 November 2019. Standard & Poor's credit rating stands at BB with stable outlook and Fitch's credit rating was last reported at BB+ with stable outlook.

Political Uncertainty: High and rising concerns regarding high-level corruption, 'state capture' and pressures on the mandate and independence of key policy-making institutions such as the Reserve Bank have negatively impacted economic confidence and effective policy-making, increasing the erosion of the government's balance sheet.

Service Delivery Protests and regulatory issues: Service delivery protests is almost a daily occurrence that flares up in local communities. These are often violent protests resulting in damage to public and private property, confrontation with law enforcement, and closure of

roads. The reasons for service delivery protests include: high unemployment, lack of housing, high transport, water and electricity costs, lack of proper sanitation, and generally poor services on the part of municipalities, particularly in outlying areas of the country.

Grant Thornton's International Business Report for 2016 reveals that 61% of South African businesses have been negatively affected by government service delivery issues or regulatory requirements in the past six months. Of these, 60% stated that increased service costs such as electricity, water, e-tolls and rising rates and taxes have had the greatest negative impact on their businesses. 56% stated disruption to the supply of utilities, 46% lamented strikes by government employees, and 45% complained about the cost of red tape legislative compliance as key concerns which are negatively affecting their businesses.

1.4.3. Economic Performance of W&R Sector

This section assesses the economic performance of the W&R sector for the 2017-2019 period.

Graph 3: Year-on-year retail sales growth 2016-2019



Source: (Trading Economics, 2019)

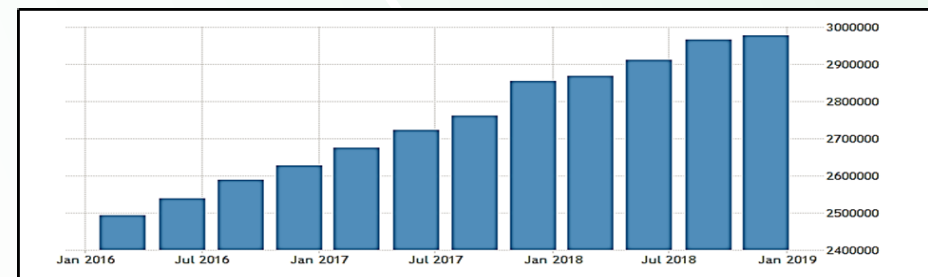
South Africa's retail sales rose 0.2% percent year-on-year in March of 2019, following an upwardly revised 1.4% increase in February and missing market expectations of a 0.6% percent rise. Sales slightly increased less for household furniture, appliances &

equipment (1.9% vs 4.8% in February) and they fell for food, beverages & tobacco (-3.6% vs -1.3%); pharmaceuticals and medical goods, cosmetics & toiletries (-4%, after being unchanged in February); textiles, clothing, footwear & leather goods (-1.8% vs 5.7%) and hardware, paint and glass (-0.9% vs -1%).

In contrast, sales grew faster for general dealers (1.8% vs 1.2%) and rebounded for all other retailers (1.5% vs -0.7%).

On a seasonally adjusted monthly basis, retail trade fell 0.7% compared to an upwardly revised 0.6% gain in the prior month. Retail Sales year-on-year in South Africa averaged 4.4% from 2003 until 2019, reaching an all-time high of 15.5% in September of 2006 and a record low of -6.3% in April of 2009.

Graph 4: Disposal personal income 2014-2019



Source: (Trading Economics, 2019)

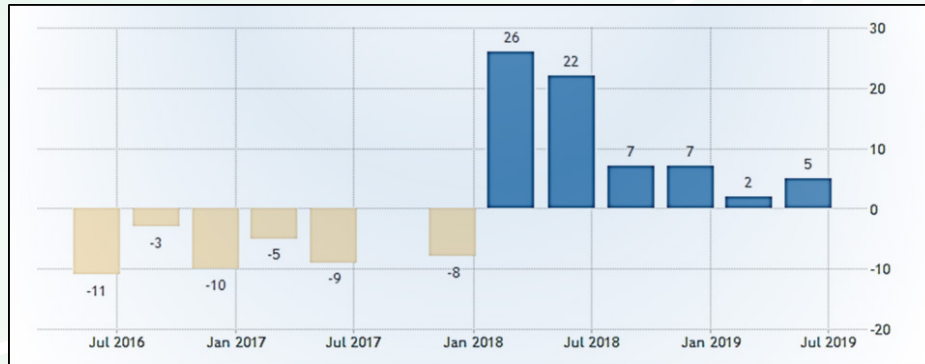
⁷ Trading Economics, 2019 – South African Retail Sales YoY. 2019.

⁸ Statistics SA, 2019, Quarterly Labour Force Survey, Q1; Trading Economics: South African Retail Sale. 2019.

Disposable Personal Income in South Africa increased to R2 978 037 in the fourth quarter of 2018 from R2 965 713 in the third quarter of 2018. Disposable Personal Income in South Africa averaged R583 157.73 from 2016 until 2018, reaching an all-time high of R2 978 037 in the fourth quarter of 2018. (Trading Economics, 2019).

It also increased the revenue of the W&RSETA and enabled an expansion of skills development projects with an increasing number of grants for apprenticeships, learnerships, bursaries and internships. Since the economy is now in a recession, growth is expected to slow.

Graph 5: Consumer confidence 2014-2019



Source: (Trading Economics, 2019)

⁹ Trading Economics, 2019 – South Africa Consumer Confidence. 2019.

¹⁰ Trading Economics, 2019 – South Africa Consumer Spending. 2019.

The Consumer Confidence Index in South Africa rose to 5 Index Points in the second quarter of 2019, as compared to 2 Index Points in the previous quarter. It was boosted by recent elections and the stabilisation of the country's power supply which likely offset substantial increases in fuels as well as growing unemployment. Still, "household budgets were expected to remain constrained by higher personal income taxes, sharp fuel and electricity price hikes and rising unemployment rates", FNB Chief Economist Mamello Matikinca-Ngwenya said. Consumer Confidence in South Africa averaged 1.53 Index Points from 1982 until 2019, reaching an all-time high of 26 Index Points in the first quarter of 2018 and a record low of -33 Index Points in the second quarter of 1985.

Consumer spending in South Africa decreased to R1 946 237 in the first quarter of 2019 from R1 950 359 in the fourth quarter of 2018. Consumer spending in South Africa averaged R943 055.10 from 1960 until 2019, reaching an all-time high of R1 950 359 in the fourth quarter of 2018.

Graph 6: Consumer spending 2014-2019



Source: (Trading Economics, 2019)

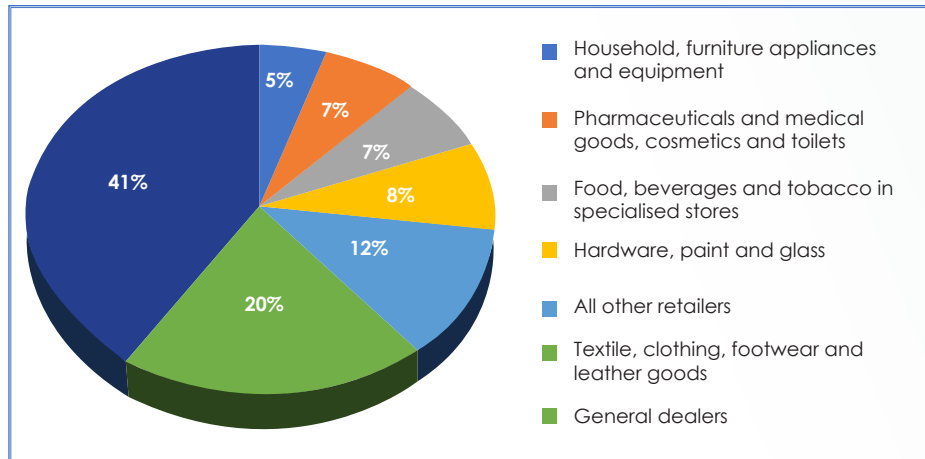
Comparison with other economic sectors:

After growing by 1,4% in the fourth quarter of 2018, the South Africa economy wobbled in the first quarter of 2019, shrinking by 3,2%. Manufacturing, mining and trade, catering and accommodation were the main contributors to the slowdown, with the transport, agriculture, construction and electricity industries also recording negative growth. The 3,2% fall is the largest quarter-on-quarter decline since the first quarter of 2009. In that quarter, the economy contracted by 6,1%. After recording three consecutive quarters of growth in 2018, the manufacturing industry lost ground in the first quarter of 2019, contracting by 8,8%. Mining also failed to make a positive contribution to economic growth, falling by 10,8%.

The decline was driven largely by a fall in production of 'other' mining and quarrying (including diamonds), iron ore and coal. The transport, agriculture, construction and electricity industries also recorded negative growth in the first quarter of 2019. Agriculture activity fell by 13,2%, and trade, catering and accommodation industry decreased by 3,6% due to decreased economic activity in retail, wholesale and motor trade. (Statistics South Africa, 2019).

The figure below indicates the make-up of the Retailer sector by the main types of retailers.

Pie Chart 1: The Biggest Role Players in the South African Retail Sector



Sources: Statistics South Africa. Quarterly Labour Force Survey (QLFS). 2018.

As indicated by the figure above, household furniture, appliances and equipment retailers make up most of the sector with 41% representation. These are followed by textiles, clothing, footwear and leather goods retailers with 20%.

Despite retail sales decreasing by 1,4% year-on-year in December 2018. Five of the seven types of retailer reported negative growth rates over this period. Textiles, clothing and footwear and leather goods at -2,7% and general dealers at -1,0%. Retail sales increased by 2,1% in 2018. The main contributors were all 'other' retailers at 7,6% and retailers in household furniture, appliances and equipment at 10,6%.

December is generally the most important month of the year for retail trade. But December 2018 was a tough month for retail sales in South Africa. However Black Friday in November boosted sales to 2,9% year-on-year (volume) resulting in a partial shift of sales from December to November.

The table below provides year-on-year growth for retailers by type

Type of retailer	Less than -30%	-30% to -21%	-20% to -11%	-10% to 0%	0% to 10%	11% to 20%	21% to 30%	More than 30%
General dealers (supermarkets)	1,4	3,1	5,4	22,3	45,5	15,7	3,1	3,5
Food, beverages and tobacco in specialised stores	4,1	3,4	10,1	27,0	23,6	14,9	8,1	8,8
Pharmaceuticals and medical goods, cosmetics and toiletries	0,0	1,8	3,6	30,9	49,1	10,9	0,0	3,6
Textiles, clothing, footwear and leather goods	4,7	4,7	6,3	26,6	31,3	21,9	0,0	4,7
Household furniture, appliances and equipment	5,2	5,2	6,9	31,0	25,9	10,3	5,2	10,3
Hardware, paint and glass	3,1	3,1	6,2	25,6	37,2	14,0	5,4	5,4
All other retailers	7,8	9,1	5,2	26,0	15,6	15,6	7,8	13,0

Statistics South Africa. Retail Sales Trade December 2018.

The above table shows that in quarter four in 2018, 45,5% of retailers had year-on-year growth in the 0%-10% range and 15,7% in the 11%-20% range.

Retail sales are, however, highly seasonal, with December being the most active month. In 2012, December accounted for 11,8% of annual sales. This proportion dropped to 11,3% in 2018. Over the same period, November's sales rose from 8,9% of annual sales to 9,5%, largely because of Black Friday promotions. For November and December combined, the proportion of sales was relatively steady between 2012 and 2018, averaging just under 21%. This shifting from December to November has made the seasonal adjustment of retail sales difficult, as seasonal adjustment relies on regular or repeated patterns over a long period, whereas the Black Friday effect does not have a long track record. The distortion that this causes to seasonal adjustment effects will subside over time.

Retail spending has been in decline in 2017 and 2018 with several major retailers closing. The most notable big story being Steinhoff. In a weak trading environment and VAT increase, consumers tend to stick to essentials. Hence, food sales are expected to hold.

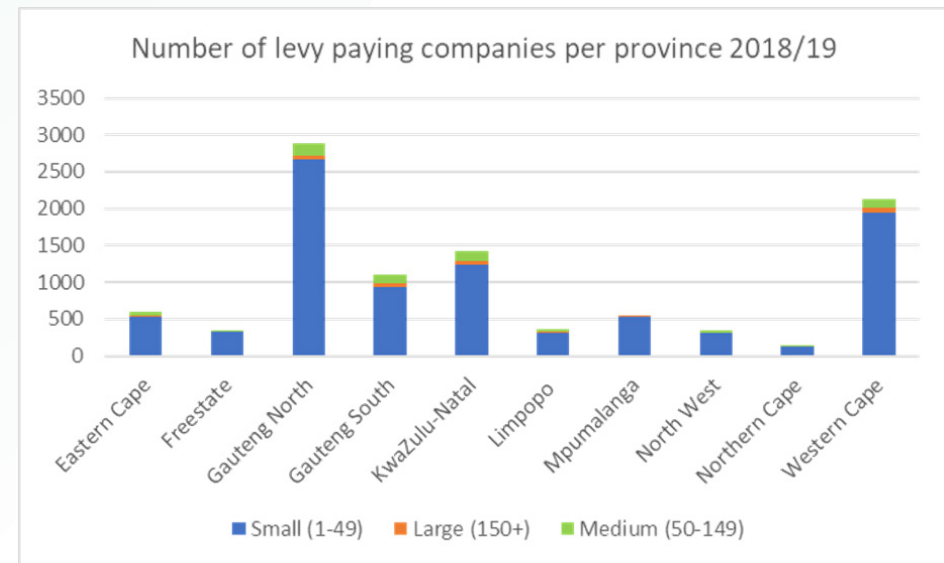
Technology continues to be a major driver in the sector and it reduces prices as people can buy online from warehouse to consumer. Online shopping is on the rise. According to World Wide Worx (2019) survey on Online retail in South Africa, online sales make up 1.4% or R14bn of total retail sales. The E-commerce sub-sector positive sales have resulted in more businesses implementing a variety of digital initiatives to transform the customer experience. Hardware sales decreased by 1,5% between the fourth quarter in 2017 to the fourth quarter in 2018.

SA is in a recession with GDP decline at negative 3.2% year-on-year in the first quarter of 2019, declining from a 1,4 percent expansion in the previous period. It was the weakest growth rate since the first quarter of 2018. This has a negative effect on the sector. There are several foreign retailers in the domestic market. They are putting pressure on local retailers to lower costs and increase quality. Inflation is at 2%. Consumer confidence is down due to the economic environment. Unemployment is at an all-time high at 27,6%, making it the highest jobless rate since the third quarter in 2017. The economic downgrade and fragile economic growth increases the cost of borrowing and frightens off foreign investment. This is reducing consumer confidence in the economy.

1.5. Employer Profile

This section provides an employer profile of the W&R Sector for the period 2018-2019.

Graph 8: Number of levy paying companies per province 2018/19



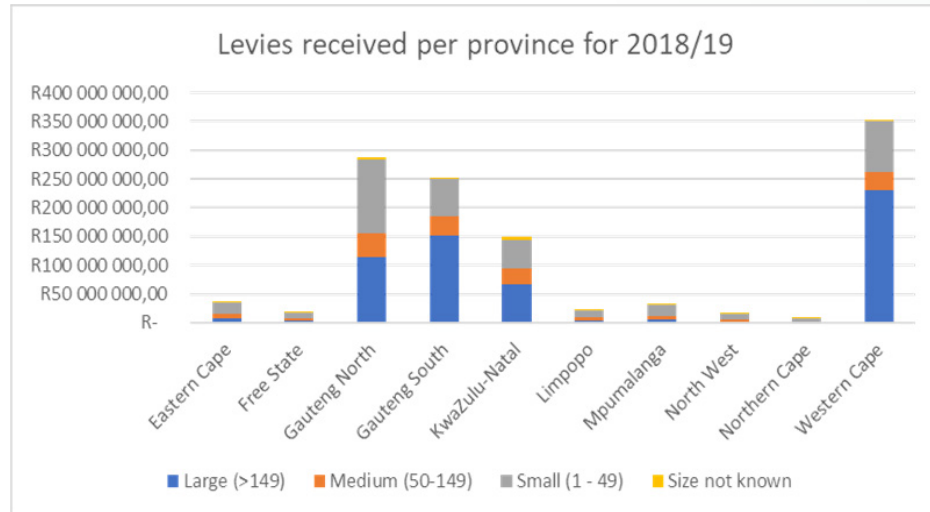
Source: (W&RSETA Annual Report (2018/19, 2018))

¹¹ The W&RSETA Annual Report 2018/19 has not been audited yet.

The highest number of levy paying companies was in Gauteng (3990), followed by Western Cape (2131) and Kwa-Zulu Natal (1430). This is due to the higher concentration of companies in these regions

1.5.1. Levy Income Trends

Graph 9: Levies received per province 2018/19



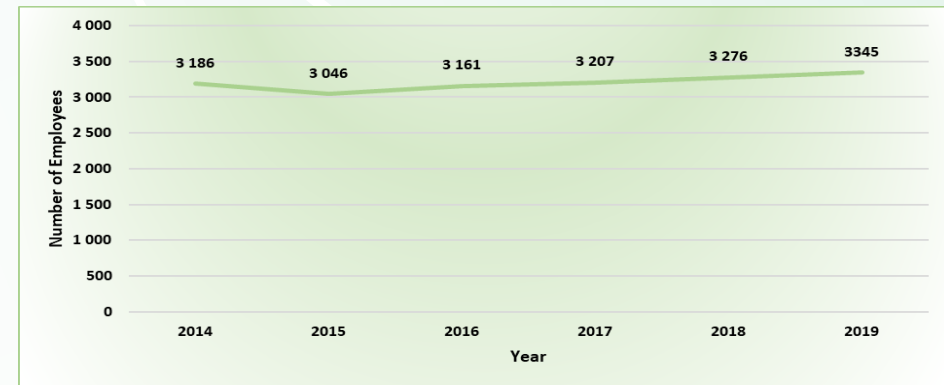
Source: (W&RSETA Annual Report (2018/19, 2018))

Western Cape had the highest mandatory grant expenditure followed by Gauteng.

1.6. Employee Profile

The employee profile of the W&R sector illustrates that job growth has been subdued between 2004 and 2019. This is consistent with sluggish growth of the economy. The fortunes of the sector are tied to GDP growth.

Graph 11: Employees in W&R Trade 2014-2019 ('000)

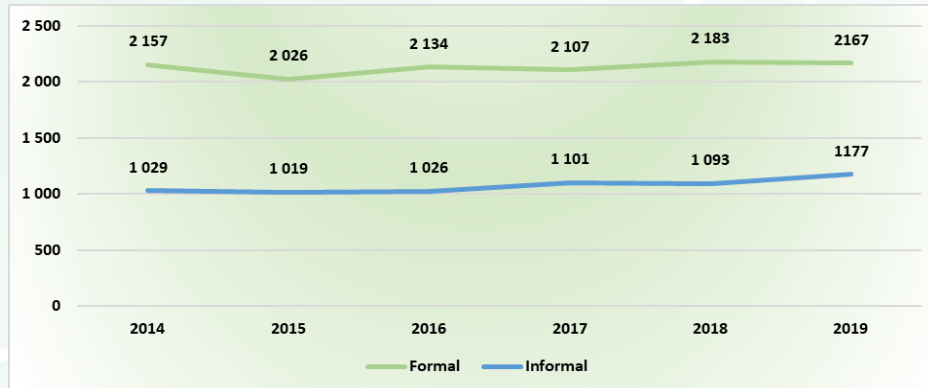


Source: (Statistics South Africa, 2019)

The graph above reveals the following:

- The wholesale and retail sector employed about 3,3 million people in 2019, which is 21% of the total active labour force.
- In 2014, there were 3.186 million employees compared to 3.345 million employees in 2019. This represents an increase of 159000 (5%) of employees in this period. (Statistics South Africa, 2019).
- Employment declined between Q1: 2014 and Q1: 2015 and has shown steady growth between 2016 and 2019. Correspondingly, between Q1: 2018 and Q1: 2019, employment levels increased by 69 000.
- The W&R sector is a major absorber of unskilled and semi-skilled workers. Hence, it is necessary to ensure healthy economic growth to provide employment for this unskilled and semi-skilled segment of the labour market, which consists of most of the labour force.

Graph 12: Employees by Formal and Informal Sector ('000)



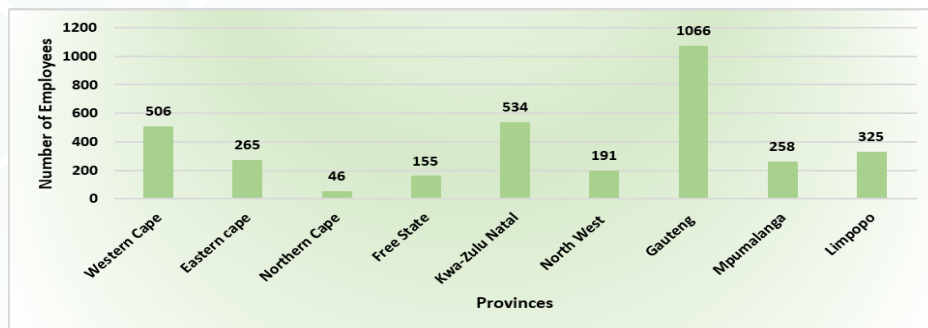
Source: (Statistics South Africa, 2019)

The graph reveals the following:

- There were 2.167 million (65%) in formal employment and 1.177 million (35%) in informal employment in the sector.
- Formal sector employment experienced a steady decline over the period.

The Graph below provides statistics on employment by province.

Graph 13: Employees by province ('000) for 2019



Source: (Statistics South Africa, 2019)

Gauteng has the highest number of employees, followed by KZN and Western Cape.

1.6.1. Employee Demographics

The demographics of formal employment in the W&R sector is a challenge. According to the Commission for Employment Equity the racial profile of the sector is as follows:

Table 3: Employees demographics

OCCUPATIONAL LEVEL	MALE (%)				FEMALE (%)				FOREIGN NATIONAL		TOTAL (%)
	A	C	I	W	A	C	I	W	M	F	
Top Management	4,6	2,4	10,7	57,3	2,6	1,5	3,3	14,3	2,7	0,5	100
Senior Management	8,8	4,3	10,9	39,6	5,3	3,3	4,9	20,3	2,1	0,7	100
Professional	15,0	5,3	7,2	28,1	10,1	4,6	5,1	22,5	1,7	0,5	100
Technician	27,2	6	4,8	14,1	19,2	7,1	4,4	14,7	1,8	0,7	100
Semi-Skilled Workers	42,1	5,4	2	3,2	31,6	6,5	2,5	4,8	1,4	0,4	100
Unskilled Workers	46,4	5,3	0,9	1	38	4,9	0,6	0,5	1,7	0,7	100

(CEE, 2017/2018)

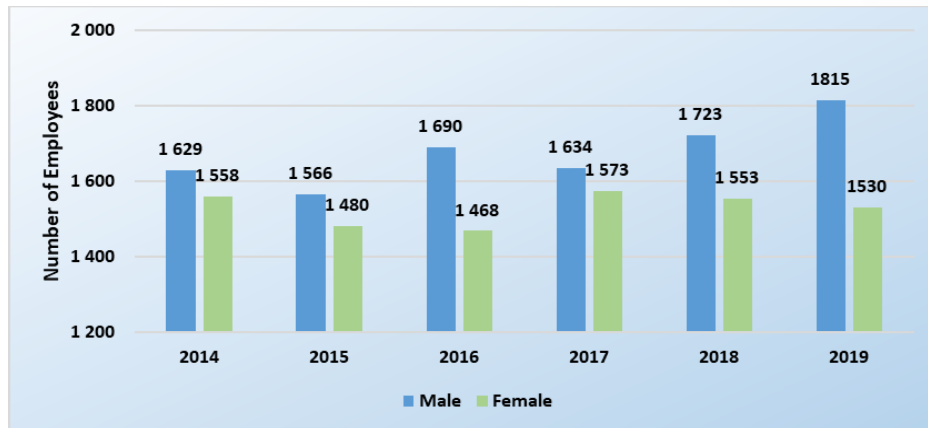
The Table above, indicates the following over two decades after the advent of democracy, post 1994:

- In top management, 7.2% of Africans compared to 71.6% of Whites are represented.
- Female representation across the board for top management is 22.2% with 2.6% Africans, 1.5% Coloureds and 3.3% Indians and 0.5% foreigners. The corresponding figure for White females is 14.3%.
- A similar picture emerges for senior management and professionals. In the unskilled category, African males make up 46.4%, White males 1%, Coloured males 5.3% and Indian males 0.9%. The corresponding figures for females are 38%, 0.5%, 4.9% and 0.6% respectively.

- Lack of equitable representation at the Top Management level does not bode well for the future sustainable economic growth of the country as we continue not to be inclusive and representative of the demographic population distribution in the workplace in terms of population groups, gender and disability. In order to reach equity at the Top Management level, the CEE believes that multi-pronged strategies should either be strengthened or developed. (CEE.2017 Commission for Employment Equity Annual Report 2017-2018).

The Graph below illustrates the number of employees in the sector by gender between 2014 and 2019:

Graph 14: Employees by gender ('000)

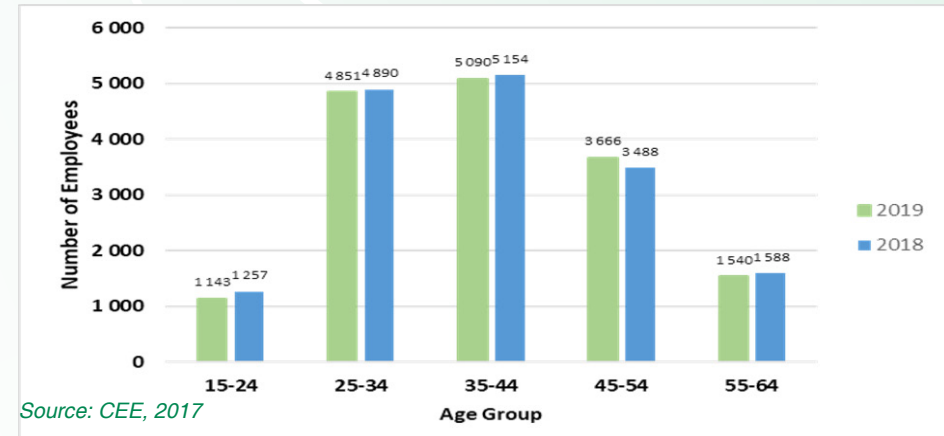


Source: (Statistics South Africa, 2019)

The Graph reveals the following:

- The number of females has increased from 2014 to 2017. Between 2014 and 2019, the number of males increased substantially.
- Male employment has increased since 2014, while female employment has relatively remained the same.
- The figure above shows that the number has remained relatively flat over the three years, decreasing slightly from 2015 onwards.

The graph below illustrates the number of employed people per age group in thousands:

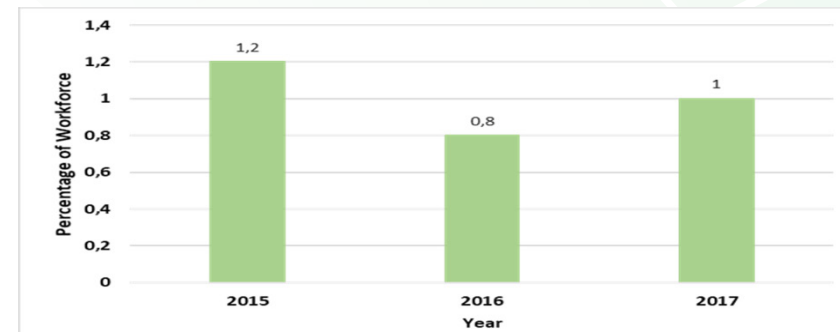


Source: CEE, 2017

The figure above shows that those below 24 have a lower number of employed people in 2019 when compared to the same period of time in 2018. The age group 45 to 54 is the only age group that has increased the number of employed people. The trend is that the number of employed people has dropped across most age groups.

The following figure shows the percentage of the workforce made up by people with disabilities over the three years from 2015 to 2017

Figure 16. Percentage of Workforce with Disabilities from 2015 to 2017.



Source: CEE, 2017

Figure 16. Percentage of Workforce with Disabilities from 2015 to 2017

The figure above shows that the number has remained relatively flat over the three years, decreasing slightly from 2015 onwards.

Representation of people with disabilities within the sector: According to a report by Commission for Employment Equity (2016), people with disabilities are least represented in the South African labour market and access remains a challenge. South African people with disabilities are featured more prominently in the public sector as compared to the private sector. The national disability prevalence rate is 7,5% in South Africa. Disabilities are more prevalent among females compared to males (8, 9% and 6,5% respectively). (Statistics South Africa, 2016) More than half of persons aged 65 years and older reported having a disability. Furthermore, people who report having a disability are highest among the elderly (those aged 85+).

It is widely acknowledged that persons with disabilities tend to have lower educational levels in the countries of the Organization for Economic Co-operation and Development (OECD) and many other societies. Historically, most persons with disabilities have always occupied the lower socioeconomic status rungs of the ladder due to marginalisation and exclusion from various aspects of life such as education and employment. Research has shown that generally, women report higher incidents of disability than men including OECD20 countries. Also noted is that women with disabilities tend to be doubly disadvantaged, experiencing exclusion on account of their gender and their disability (Statistics South Africa, 2016) white population group had the highest proportion of persons with disabilities (9,2%) followed by Indian/ Asian population group (8,4%). Results showed that coloured persons recorded the lowest disability prevalence (7,5%) in 2016. (Statistics South Africa, 2016). To respond to some of the challenges facing people with disability in the sector W&RSETA has identified disability as a sector priority and interventions will be implemented to ensure representation and awareness (Statistics South Africa, 2016).

1.7. Conclusion

From this chapter, the following conclusions can be drawn, with direct implications for skills development for the W&RSETA:

- The sector is a major contributor to national employment. The job creation opportunities in the sector, ranging from unskilled to top management, are enormous. The sector requires workers who have the skills to create value through their work. It also requires elevated levels of training and skills to succeed in an increasingly competitive global market. W&RSETA should play a more active role in supporting job creation and skills development efforts, especially when considering the increase in unemployment.
- The sector is particularly sensitive to economic instability in the wider economy. Currently, the economy is not performing well, with a bleak outlook. The trade sector declined 3,6% in the first quarter of 2019.
- There is a need for the W&RSETA to actively support the concept of decent work and implement a sector programme to improve conditions of employment.
- Growing prosperity among the black population provides tremendous opportunities for local businesses to meet growing consumer demand. Businesses require a good understanding of changing retail markets, which has implications for skills development at firm level. In this respect, the SETA should devise customised workshops and training programmes to assist businesses.
- There is potential to improve the skills base of the sector, particularly at the lower and middle management level.
- Sector employee demographics are still misaligned with a high percentage, of 71,6%, of white employees occupying top management positions.
- The gender disparity has been steadily increasing since 2017, reaching the largest gap since before 2014. W&RSETA should provide training opportunities for women to help them enter the sector.
- In a weak trading environment, such as is being experienced currently, with increasing VAT, consumers tend to stick to the essentials. This means that food sales are expected to hold.
- The employee profile of the W&R sector illustrates that job growth has been subdued between 2014 and 2019. This is consistent with sluggish growth of the economy.
- The W&R sector is a major absorber of unskilled and semi-skilled workers. Hence, it is necessary to ensure healthy economic growth to provide employment for this unskilled and semi-skilled segment of the labour market, which consists of most of the labour force.
- Lack of equitable representation at the Top Management level does not bode well for the future sustainable economic growth of the country as we continue not to be inclusive and representative of the demographic population distribution in the workplace in terms of population groups, gender and disability.

CHAPTER TWO: KEY SKILLS CHANGE DRIVERS

2. Introduction

This chapter identifies factors driving change in the W&R sector and influencing it to change either positively or negatively. Since there are a multitude of change drivers, the intention is to identify those that are skills-related and assess its implications for human resource development.

Another issue addressed in this chapter is the alignment of sector skills planning to national strategies and plans such as the National Development Plan, New Growth Path, Human Resource Development Strategy for South Africa, Industrial Policy Action Plan 3.

Input and research into this section includes literature review (such as reports written on sector trends)

2.1. Key Questions

This chapter will respond to:

KEY QUESTION

- What are the major factors impacting on skills demand and supply in the sector?
- What are the implications of these for skills planning in the sector?
- What research methods have been employed to arrive at findings?
- Which national plans and strategies are aligned to the sector?

2.2. Scope of Coverage

1. RETAIL CHAIN MOVING INTO TOWNSHIPS

National supermarkets are saturating townships and peri-urban areas causing a strain on small retailers. There have been calls for informal businesses to become formal so they can better compete with the big chains but there are a series of barriers facing them.

1.1. Implications for Skills Planning in the Sector

This movement brings about changes in the way business is conducted and how consumers and retailers respond to these changes is different. Townships cover half of SA's population whereas incomes generated is low and high unemployment with most households depending on government social grants. The movement is beneficial to consumers as it provides access to a wide range of products at lower prices. Small and independent retailers may be affected negatively because they cannot compete with bigger stores on price, quality and range of products. It may decimate small and independent retailers, as has been the case in the urban areas. Small retailers may need to improve on stock planning and negotiation skills in order to access cheaper products, which will assist them in remaining competitive. The W&RSETA should make funding available for cluster projects – clustering a group of SMMEs in a locality with a major retail chain. A prototype of this nature has been developed by the old CTFL SETA (now FP&MSETA).

1.2. Skills Gaps Needs

All skills required in retail environment (refer to skills gaps list section 3.7).

1.3. Occupational Needs

Tellers, packagers, cleaners, securities, sales managers, buyers, merchandisers, sales assistants, bakers, butchers

2. TECHNOLOGY ADVANCEMENTS AND ACCESS TO INFORMATION

The wholesale and retail industry are rapidly changing due to technological advancements. These advancements offer wholesalers and retailers opportunity to increase their efficiency and revise their business models. However, these advancements have also given consumers more power in relation to retailers. This power is often through constant connectivity, communication and access to information. Furthermore, consumers are more inclined to support businesses who operate ethically with a sustainable ecological footprint. With the rise in access to information consumers are able to seek out retailers who demonstrate these characteristics

2.1. Implications for Skills Planning in the Sector

Mobile Applications: Smartphones, tablets and wearable devices present retailers with new opportunities for engagement with customers. Retailers can build personal relationships with customers based on their preferences, shopping styles, and mobile interaction .

Online Shopping: Online shopping is growing rapidly in popularity. Companies are increasingly marketing online in order not to be outdone by rivals.

Big Data: Large, complex datasets from multiple sources. Provides information on consumer behavior and is a strong predictive sales indicator.

Social Media: A platform for retailers to expand marketing to a wider range of consumers. Major platforms are Facebook, twitter, LinkedIn and others. Conversely, social media offers Consumers an opportunity to gather information about retailers. This includes negative publicity (e.g. retailers being accused of unethical conduct, poorly thought out marketing campaigns, etc.).

Cyber Crime: Retailers are a target for cybercriminals. Retailers experience nearly three times as many cyber-attacks as those in the finance sector. With 77% of organisations being affected .

Mobile phones and internet usage: Africa's claim to be the "mobile continent" is even stronger than previously thought, with researchers predicting internet use on mobile phones will increase 20-fold in the next five years. This will double the rate of growth in the rest of the world. Retailers are taking advantage of that by increasing the online shopping and marketing.¹⁴

Ethical issues: Apart from saving, consumers also consider ethical issues when buying i.e. Buying from sweatshops; workshop or factory where manual workers are employed at very low wages for long hours and under poor condition is considered a vote for worker's exploitation which most consumers are against .

2.1. Implications for Skills Planning in the Sector (cont.)

Eco Friendliness: Consumers are now concerned with the natural environment; they prefer buying products that are with minimal detrimental impact on the natural Environment .

Greening sustainability: Businesses are becoming more conscious of protecting the environment. Increased legislation and consumer pressure are driving the demand for eco-compliance. Businesses must show that they are environmentally friendly in their business processes and in the products and services they offer.

The future of work is changing as technology is rapidly advancing towards latest trends such as automation and artificial intelligence, which will change the traditional roles leading to some jobs becoming absolute.

Employers and employees will require skills in the ICT and data analytics space.

Re-capacitation and reskilling of workers is critical to ensure their readiness to embrace the new technological changes.

Retailers may have an increased need for environmental managers, social corporate managers, public relations managers and HR Managers. Furthermore, it is increasingly important that companies have the skills to make the correct decision quickly (both in terms of business sustainability and ethically).

Should the business make a decision that is unpopular (as was the recent case when a major retailer was accused of appropriating someone's product idea as their own) it is imperative that they have the required public relations skills to mitigate the negative impact this incident may pose.

2.2. Skills Gaps Needs

ICT, analytics, graphic design, photography, programming, cloud computing, web development, data mining, statistics, research, forecasting, marketing and sales, management, networking, mobile device management, cyber security and ICT law.

Re-capacitation and reskilling of workers is critical to ensure their readiness to embrace the new technological changes.

2.3. Occupational Needs

Software Developer/ Web Designer/ Web Administrator/ ICT Security Specialist/ Graphic Designer/ Analyst/ Researcher/ Marketing and Sales Manager Digital skills/Cognitive based work/ Programming/ machine device management/ Customer Service optimization.

3. SMME DEVELOPMENT

The W&R sector in South Africa is made up of many SMMEs.

3.1. Implications for Skills Planning in the Sector

Small enterprise development: SMMEs should build a sustainable business model given that the gestation period for success in the retail sector is long. Sustainable product pricing, offering products that imply longevity, expanding operations in a calibrated but determined manner.

Hawkers: Hawkers are a vulnerable group, since many are women with little family support. A major characteristic of hawkers is their mobility since they traverse on foot.

Casualization: The entire retail sector is characterized by high casualization – the “permanent temporary worker”. Most workers employed by unorganized businesses do not receive healthcare, educational and minimum wages.

New Training Model: A new training model is required to upgrade the skills of SMMEs, since they cannot leave the business for skills training. Training for SMMEs should include e-training; toolkits; on-the-job training; digitization of training; industry clusters; mentoring and coaching. An SMME Strategy for skills development is needed.

¹⁵ Euromonitor International, Retailing in South Africa, Market Research Report, 2018

¹⁶ PWC, Global Economic Crime and Fraud Survey South Africa 2018, 2018

¹⁷ <http://www.ethicalconsumer.org/shoppingethically/whybuyethical.aspx>

¹⁸ Rachna, M., 2011, 'Eco- friendly products and Consumer perceptions', Vol.1 Issue 5, September, ISSN 2231 5780

¹⁹ NEDLAC, Future of Work in South Africa, 2019

3.2. Skills Gaps Needs
Financial management, product knowledge, marketing and sales, communication, merchandising negotiation, technical, conflict management, buying, pricing, time management, customer relations, ICT, life skills and coaching.
3.3. Occupational Needs
Coach/ Mentor/ SMME specialist/ Finance/ Business Management.
4. YOUTH UNEMPLOYMENT
There is an increasing number of young people entering the sector that require employment and training. Many of these young people find themselves without employment and without the requisite skills to find employment.
4.1. Implications for Skills Planning in the Sector
This change driver has brought about the need for the W&RSETA to develop interventions that address skills development issues related to the youth entering the sector. The W&RSETA is in consultation with stakeholders to develop sector database for millennials. The millennials on the database will be offered skills programmes to prepare them for the labour market
4.2. Skills Gaps Needs
<ul style="list-style-type: none"> • Basic literacy and numeracy skills • Personal budgeting skills • Computer skills and time management skills • Customer service skills • Information Communication Technology (ICT) Skills

2.3. Alignment with National Strategy and Plans

National policies and legislation should inform the W&RSETA's Strategic Plan and Annual Performance Plan.

Below is a table summarising the national policies that guide the operations of the W&RSETA. It demonstrates the alignment of the W&RSETA's Strategic Plan to government's national policies and strategies.

NATIONAL STRATEGIES / POLICIES	IMPLICATIONS & MEASURES FOR W&RSETA
National Skills Development Plan (NSDP)	<ul style="list-style-type: none"> • Increase research outputs focusing on sector economic development and job creation. • Promote sector collaboration with relevant public and private institutions aligned to labour market demands. • Increase training of occupations in high demand in the sector.
National Skills Accord 8 commitments to be followed: <ul style="list-style-type: none"> • Expand training using existing facilities • Create internship and placement opportunities 	The implications are: <ul style="list-style-type: none"> • Increase learnerships, apprenticeships, internships and bursaries. • Increase the number of accredited training providers. • Expand partnerships with TVET Colleges.

NATIONAL STRATEGIES / POLICIES	IMPLICATIONS & MEASURES FOR W&RSETA
<ul style="list-style-type: none"> • Set ratios for trainees and artisans, as well as across the technical vocations, to improve training • Improve training funding and incentives for companies to train • Set annual targets for training in state-owned enterprises. • Improve SETA governance, fiscal management, and stakeholder involvement • Align training to the New Growth Path and improve SSPs • Improve the role and performance of TVET colleges. 	
<p>Industrial Policy Action Plan II (IPAP II) IPAP has identified several growth sectors that address high unemployment.</p>	<ul style="list-style-type: none"> • Increase learnerships, apprenticeships, internships and bursaries in clothing, textiles, footwear and leather goods and automotive. • Develop projects for promoting green industries.
<p>New Growth Path (NGP) The New Growth Path identifies 5 job drivers:</p> <ul style="list-style-type: none"> • Infrastructure for employment and development • Improving job creation in employment and development • Seizing the potential of new economies • Investing in social capital • Spatial development. 	<ul style="list-style-type: none"> • Create projects to increase college-to-work transitions. • Increase learnerships, apprenticeships, internships and bursaries in clothing, textiles, footwear and leather goods and automotive. • Develop projects for promoting green industries.
<p>National Development Plan 2030 (NDP) The National Development Plan 2030 has identified the following 9 key areas to achieve a development approach that is sustainable and inclusive:</p> <ul style="list-style-type: none"> • Creating jobs and livelihoods • Expanding infrastructure • Transitioning to low-carbon economy • Transforming urban and rural spaces • Improving education and training • Providing quality healthcare • Building a capable state • Fighting corruption and enhancing accountability • Transforming society and uniting the nation 	<p>The implications are:</p> <ul style="list-style-type: none"> • Build capabilities of W&RSETA staff and Board members. • Increase learnerships, apprenticeships, internships and bursaries. • Increase the number of accredited training providers. • Expand partnerships with TVET Colleges. • Create projects to increase college-to-work transitions. • Develop projects for promoting green industries
<p>White Paper for Post-School Education and Training (WPPSET)</p> <ul style="list-style-type: none"> • It is a vision for an integrated system of post-school education and training with all institutions playing their roles • Set out strategies to improve the capacity of post-school education and training system to meet SA's needs. 	<ul style="list-style-type: none"> • Increase learnerships, apprenticeships, internships and bursaries. • Increase the number of accredited training providers. • Expand partnerships with TVET Colleges

2.4 .Conclusion

From the multiplicity of factors driving change in the W&R sector, we have identified 5 major change drivers that are likely to change the sector in significant ways in the future. These factors have major implications for skills development and the work for the W&RSETA.

There is an increased formalisation in the sector, primarily in townships and peri-urban areas, putting pressure on small local retailers. Technology continues to be a driving force in the sector, with mobile applications becoming important players in the way the sector operates. There is an increase in alternatives for consumers to use which has increased their power, which they have used to move the market towards eco-friendlier and ethical products. The importance of SMMEs is large and requires the assistance of W&RSETA to ensure their sustainability. The youth needs to be trained to effectively enter the W&R sector.

CHAPTER THREE: OCCUPATIONAL SHORTAGES AND SKILLS GAPS

3. Introduction

Having profiled the sector, employment, and the key issues driving change, this chapter focuses on understanding occupation-specific skills mismatches in the sector. The issue of skills gaps is also addressed. The following are the data sources used in responding to chapter 3:

- WSP/ ATR data
- Hard-To-Fill Vacancy (HTFV) survey
- Change driver questionnaires
- Research reports

This chapter is set out as follows:

- Occupational shortages (also called Hard-To-Fill Vacancies) and skills gaps (also called skills gaps) are identified.
- Skills supply issues are discussed.

3.1. Key Questions

KEY QUESTION

Hard-To-Fill Vacancies (HTFVs) and skills gaps

- What are HTFVs and skills gaps in the sector?

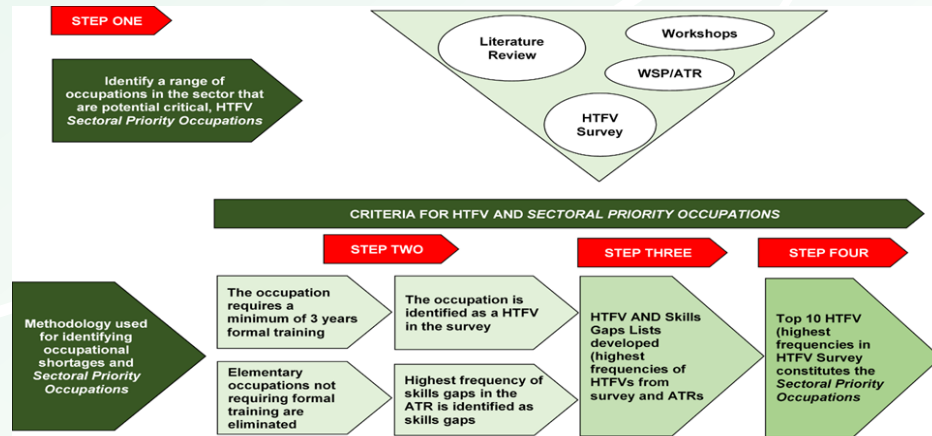
Demand

- What occupations are Hard-To-Fill Vacancies? Why are these occupations HTFVs?

Supply

- What is the extent of occupational skills supply in the sector? What is the state of education and training provision? What supply problems are firms experiencing?

Diagram 2: The methodology and criteria to compile critical, HTFV and Sectoral Priority Occupations is as follows



Source: DHET SSP Framework and Requirements 2019/20, SSP survey template, 2019

Step One:

The range of possible occupations for the HTFV, Sectoral Priority Occupations and skills gaps lists are identified through workshops, literature reviews and the administration of a HTFV survey.

Step Two:

Four eligibility criteria are used to eliminate occupations: (1) 3 years formal training; (2) elementary occupations eliminated; (3) administer HTFV survey; and (4) skills gaps mentioned in ATRs.

Step Three:

After elimination, the highest frequency of occupations (above the median) are included on the HTFV list. The highest frequency of skills gaps mentioned in the ATRs (above the median) are included on the Skills Gaps List.

Step Four:

The Top 10 HTFV (highest frequencies) become the Sectoral Priority Occupations.

3.2. Occupational Shortages (Hard-To-Fill Vacancies)

For the current training year, the following occupations were identified as HTFVs using WSP/ATR data and the HTFV survey.

The following table provide the Hard-to fill occupations along with the reasons that have been provided by the stakeholders. The table also provide the vacancies in respective sub-sectors as per the WSP/ATR and HTFV survey data analysis. The reasons for the occupations being hard to fill is listed below Table 4.

Table 4: Hard-To-Fill Vacancies (HTFV)

OCCUPATION	OFO CODE	REQUESTED IN PIVOTAL	VACANCIES	REASONS
Retail Manager (General)	142103	5 293	305	A-B-C
Confectionary Baker	681201	602	67	A-B
Stock Clerk / Officer	432101	792	56	B
Retail Supervisor	522201	5 545	316	A-B-C
Corporate Services Manager	121902	17	72	A-B-C
Service Station Attendant	524501	8 877	6	D-G
Dispatching and Receiving Clerk	432102	766	81	D-G
Visual Merchandiser	343203	1 676	149	A-B
Blockman	681103	620	67	A-B
Sales Representative (Industrial Products)	243301	978	61	A-B
Retail Buyer	332301	193	105	A-B
Accounts Clerk	431101	638	38	A-B
Sales Representative (Personal and Household Goods)	332203	483	140	A-B
Sales and Marketing Manager	122101	217	42	A-B
Warehouse Manager	432104	231	55	A-B
Pharmacy Sales Assistant	332208	120	39	A-B-C



OCCUPATION	OFO CODE	REQUESTED IN PIVOTAL	VACANCIES	REASONS
Human resource manager	121201	130	69	A-B
SHE&Q Practitioner	226302	42	15	A-B-C
Forklift Driver	734402	294	102	A-B-C
Operations Manager (non-man)	134915	128	55	A-B-C
Stock Clerk/officer	432101	792	56	A-B-C
Supply and distribution manager	132401	149	60	A-B-C
Truck Driver (General)	733201	473	27	A-B-C
Service station supervisor	none		48	A-B-C
e-commerce manager	none		25	A-B-C
e-commerce planner	none		11	A-B-C
Customer service manager	122105	179	92	A-B
Dispatching and receiving clerk	432102	766	81	A-B

Source: WSP/ATR data, 2019/20 & HTFV Survey data 2019/20

KEY: The key below provides reasons for HTFVs:

REASONS FOR VACANCY	CODE
Lack of Skills	A
Lack of Experience	B
Lack of Qualifications	C
Poor Pay	D

REASONS FOR VACANCY	CODE
Organisational Fit	E
Long Working Hours	F
Travel Long Distances	G

3.3. Hard-To-Fill Vacancy (HTFV) Survey

The HTFV survey was conducted across the provinces at provincial SSP workshops. Representatives at these workshops completed the surveys, in groups the majority of the time, and these have been analysed to represent the following:

3.3.1. Respondents

A HTFV survey was administered to member companies during the SSP National Consultations. The following provinces have been consulted:

- Gauteng;
- Durban, Kwa-Zulu Natal;
- Cape Town, Western Cape;
- East London, Eastern Cape;
- Port Elizabeth, Eastern Cape;
- Nelspruit, Mpumalanga;
- Bloemfontein Cape, Free State;
- Kimberly, Northern Cape; and
- Rustenburg, North West.

The Sub-sector interviews with stakeholders on Hard-To-Fill-Vacancies (HTFV) have been conducted. The interviews were targeted at key informants in the following regions:

- Cape Town.
- Free State.
- Gauteng.
- Durban.
- Northern Cape.

Respondents identified 59 occupations that were HTFV in the sector. The occupations with the highest frequency (above the median) were identified as HTFVs.

The following 28 occupations were above the median in terms of HTFVs survey administered during the SSP consultations:

SSP (2019) HTFV	OFO CODE	NUMBER OF VACANCIES	REASONS
Butcher	2017 – 681103	293	A-B
Checkout Operator	2017 – 523101	138	A-B
Chef	2017 – 343401	58	C-A
Confectionary Baker	2017 – 681201	358	A-B
Dispatching and Receiving Clerk / Officer	2017 – 432102	21	C-B
Fast Food Cook	2017 – 841101	12	A-D
Finance Manager	2017 – 121101	32	B-C
Food Trade Assistant	2017 – 841202	82	E
Forklift Driver	2017 – 734402	83	C-A
Fresh Produce Packing Controller	2017 – 313906	23	A-B
General Clerk	2017 – 411101	34	B-A
Health and Safety Manager	2017 – 121206	40	A-G
Industrial Products Sales Representative	2017 – 243301	106	A-B-C
Logistics Manager	2017 – 132402	9	B-C
Office Administrator	2017 – 334102	32	B-C
Office Cashier	2017 – 523102	94	B-A
Retail Buyer	2017 – 332301	283	B-A
Retail Manager (General)	2017 – 142103	1144	B-A
Retail Supervisor	2017 – 522201	629	C-A-B
Sales and Marketing Manager	2017 – 122101	53	B-C
Sales Assistant (General)	2017 – 522301	516	B-A-C
Sales Manager	2017 – 122102	55	B-C-A

SSP (2019) HTFV	OFO CODE	NUMBER OF VACANCIES	REASONS
Sales Representative (Building and Plumbing Supplies)	2017 – 332202	61	A-B
Service Station Attendant	2017 – 524501	102	A-B
Software Developer	2017 – 251201	47	C-A-B
Store Person	2017 – 833402	72	B-A
Truck Driver (General)	2017 – 733201	61	C-B-A
Visual Merchandiser	2017 – 343203	172	A-B

3.3.2. Reasons for HTFVs

The three most common reasons for HTFVs were:

REASONS FOR VACANCY	OFO CODE
Lack of Skills	A
Lack of Experience	B
Lack of Qualifications	C
Poor Pay	D
Organisational Fit	E
Long Working Hours	F
Travel Long Distances	G

Source: WSP/ATR 2019/20, HTFVs survey 2019/20

3.4. Hard-To-Fill Vacancies (HTFVS) by Province

The following is the HTFV list by province:

GAUTENG		KWA-ZULU NATAL	
OCCUPATION	REASONS	OCCUPATION	REASONS
Sales Manager	Lack of experience & Lack of skills	Retail Manager (General)	Equity Consideration & Lack of skills
Retail Buyer	Lack of experience & Lack of skills	Blockman	Unsuitable working hours & Lack of skills
Sales Representative (Building and Plumbing Supplies)	Unsuitable job location & Lack of experience	Retail Supervisor	Unsuitable job location & Lack of relevant experience
Sales and Marketing Manager	Lack of experience & Lack of skills	Retail buyer	Lack of relevant qualifications & Lack of relevant experience
Finance Manager	Equity Consideration & Lack of skills	Marketing digital officer	Lack of relevant experience & Lack of skills
Industrial Products Sales Representative	Lack of experience & Lack of skills	Finance Manager	Lack of relevant qualifications & Lack of relevant experience
Retail Supervisor	Equity Consideration & Lack of skills	Confectionary Baker	Lack of relevant qualifications & Poor wages and benefits
Health and Safety Manager	Lack of experience & Lack of skills	Digital e-retail marketers	Lack of relevant experience & Lack of skills
Retail Manager (General)	Lack of experience & Lack of skills	Retail planner	Lack of experience & Lack of skills
Sales Assistant (General)	Unsuitable working hours & Lack of experience	Health and Safety Manager	Lack of experience & Lack of skills
Accountant	Lack of experience & Poor benefits and wages	Accountant	Equity Consideration & Lack of skills
Retail Supervisor	Lack of experience & Lack of skills	Risk Manager	Unsuitable working hours & Lack of skills
Retail buyer	Unsuitable job location & Lack of experience	Retail Supervisor	Unsuitable job location & Lack of relevant experience
Data analyst	Lack of experience & Equity consideration	Retail buyer	Lack of relevant qualifications & Lack of relevant experience
Confectionary Baker	Lack of experience & Lack of skills	Marketing analyst	Lack of relevant experience & Lack of skills
Sales Assistant (General)	Lack of experience & Lack of skills	Floor Manager	Lack of relevant qualifications & Lack of relevant experience
ICT Specialist	Unsuitable job location & Lack of skills	Confectionary Baker	Lack of relevant qualifications & Poor wages and benefits

GAUTENG		KWA-ZULU NATAL	
OCCUPATION	REASONS	OCCUPATION	REASONS
Marketing officer	Lack of experience & Lack of skills	Sales Representative (Building and Plumbing Supplies)	Lack of relevant experience & Lack of skills
Retail Manager (General)	Lack of experience & Lack of skills	Retail planner	Lack of experience & Lack of skills
Sales Assistant (General)	Lack of experience & Lack of skills	Health and Safety Manager	Lack of experience & Lack of skills

Source: WSP/ATR 2019/20, SSP Workshop Feedback, HTFVS Survey 2019/20

In the Northern Cape, only one positions is at manager level. In the Free State, 3 manager level occupations were identified. The key finding is that there is an increase in the ICT related occupations that are HTFV.

Table 7: HTFV list for Eastern Cape and Mpumalanga

EASTERN CAPE		MPUMALANGA	
OCCUPATION	REASONS	OCCUPATION	REASONS
Data analyst	Lack of experience & Lack of skills	Retail Manager	Lack of skills & Poor wage and benefits
Retail Manager	Lack of experience & Lack of skills	Accountant	Lack of relevant qualifications hours & Lack of relevant experience
IT Specialist	Lack of experience & Poor wage and benefits	Customer services Manager	Unsuitable job location & Lack of relevant experience
Retail Buyer	Lack of experience & Lack of skills	Confectionary Baker	Lack of relevant qualifications & Lack of relevant experience
Finance Manager	Unsuitable job location and Company cutting wage bill	Dispatching and receiving clerk	Lack of relevant experience & Lack of skills
Administrator	Lack of experience & Lack of skills	Forklift Driver	Lack of relevant qualifications & Lack of relevant experience
Retail Supervisor	Equity Consideration & Lack of skills	Electrician	Lack of relevant qualifications & Poor wages and benefits
Marketing and Sales Officer	Lack of experience & Lack of skills	Human Resource Advisor	Lack of relevant experience & Lack of skills
Food and Safety Team Leader	Lack of skills & Lack of experience	Retail Buyer	Lack of experience & Lack of skills

EASTERN CAPE		MPUMALANGA	
OCCUPATION	REASONS	OCCUPATION	REASONS
Confectionary Baker	Lack of skills & Lack of experience	Sales Representative	Lack of experience & Lack of skills

Source: WSP/ATR 2019/20, SSP Workshop Feedback, Stakeholder Survey 2018

In the Eastern Cape, there are two occupations was at manager level. In the Mpumalanga, 2 occupations at manager level occupations were identified. A potential reason is the unwillingness of experienced managers to settle in a smaller province. It also indicates that the W&RSETA needs to give greater attention to management training in responding to the demand.

Table 8: HTFV list for North West and Limpopo

NORTH WEST		LIMPOPO	
OCCUPATION	REASONS	OCCUPATION	REASONS
Retail Supervisor	Lack of experience & Lack of skills	Sales and Marketing Officer	Poor wage and benefits & Lack of relevant qualification
Retail Manager (General)	Lack of experience & Lack of skills	Confectionary Backer	Lack of relevant qualifications & Lack of relevant experience
Operations Manager	Unsuitable job location & Lack of experience	IT Specialist	Unsuitable job location & Lack of relevant experience
Sales Assistant (General)	Lack of experience & Lack of skills	Chef	Lack of relevant qualifications & Lack of relevant experience
Finance Manager	Equity Consideration & Lack of skills	Retail Buyer	Lack of relevant experience & Lack of skills
Corporate General Manager	Lack of experience & Lack of skills	Dispatching and Receiving Clerk	Lack of relevant qualifications & Lack of relevant experience
Sales and Marketing Officer	Equity Consideration & Lack of skills	Corporate General Manager	Lack of relevant qualifications & Poor wages and benefits
Butcher	Lack of experience & Lack of skills	Forklift Driver	Lack of relevant experience & Lack of skills
Chef	Lack of experience & Lack of skills	Human Resource Advisor	Lack of experience & Lack of skills
Health and Safety Manager	Unsuitable working hours & Lack of experience	Stock Clerk/Officer	Lack of experience & Lack of skills

Source: WSP/ATR 2019/20, SSP workshop feedback, HTFVs survey 2018/19

In the North West, Five occupations at manager level. In Limpopo, 1 manager level occupation was identified. The province is small and majority of businesses that operate SMEs. There were occupations that require short skills training such as Forklift driver and stock clerk.

Table 9: HTFV list for Western Cape

WESTERN CAPE	
OCCUPATION	REASONS
Retail Supervisor	Lack of experience & Lack of skills
Retail Manager (General)	Lack of experience & Lack of skills
Retail Buyer	Unsuitable job location & Lack of experience
Sales and Marketing Manager	Lack of experience & Lack of skills
Supply and Distribution Manager	Equity Consideration & Lack of skills
Visual Merchandiser	Lack of experience & Lack of skills
Corporate General Manager	Equity Consideration & Lack of skills
Dispatching and Receiving Clerk	Lack of experience & Lack of skills
Warehouse Manager	Lack of experience & Lack of skills
Customer services Manager	Unsuitable working hours & Lack of experience

Source: WSP/ATR 2019/20, SSP Workshop Feedback, HTFVS Survey 2018/19

In Western Cape, there is a high demand of occupational at managerial level. The W&RSETA needs to give greater attention to management training in responding to the demand.

With respect to the top 5 HTFVs by sub-sector below, it is varied. However, retail manager, supervisor and buyer are common.

Table 10: HTFV list by sub-sector: clothing, textiles & leather

RETAIL: CLOTHING, TEXTILES & LEATHER	
OCCUPATION	REASONS
Retail Manager	Lack of experience
Retail Buyer	Lack of experience

RETAIL: CLOTHING, TEXTILES & LEATHER	
OCCUPATION	REASONS
Retail Supervisor	Lack of skills
Visual Merchandiser	Lack of experience
Sales Assistant (General)	Unsuitable working hours

Source: WSP/ATR 2019/20, SSP Workshop Feedback, HTFVs Survey 2018/19

Table 11: HTFV list by sub-sector: food, beverage & tobacco

RETAIL: FOOD, BEVERAGE & TOBACCO	
OCCUPATION	REASONS
Retail Manager	Equity Consideration
Retail Buyer	Lack of experience
Retail Supervisor	Lack of skills
Customer Service Manager	Equity Consideration
Blockman	Lack of experience
Cook	Unsuitable working hours

Source: WSP/ATR 2019/20, SSP Workshop Feedback, HTFVs Survey 2018/19

Table 12: HTFV list by Sub – Sector: Wholesale

GENERAL WHOLESALE	
OCCUPATION	REASONS
Warehouse Manager	Lack of experience
Logistics Manager	Equity Consideration
Fleet Manager	Lack of skills
Supply & Distribution Manager	Lack of experience
Finance Manager	Unsuitable working hours

Source: WSP/ATR 2019/20, SSP Workshop, Feedback, HTFVs Survey 2018/19

Table 13: HTFV list for e-Retail

E-RETAIL	
OCCUPATION	REASONS
e-Commerce Manager	Lack of skills
e-Commerce Planner	Lack of experience
Web Integrator	Lack of experience
e-Retail Managers	Lack of relevant qualification
ICT Specialist	Lack of relevant qualification

Source: WSP/ATR 2019/20, SSP Workshop, Feedback, HTFVs Survey 2018/19

Table 14: HTFV list for Fuel Retail

FUEL RETAIL	
OCCUPATION	REASONS
Service Station Manager	Lack of experience

FUEL RETAIL	
OCCUPATION	REASONS
Service Station Site Supervisor	Unsuitable working hours
Administration Manager	Lack of skills

Source: WSP/ATR 2019/20, SSP Workshop, Feedback, HTFVs Survey 2018/19

3.4.1. Skills Gaps

Skills gaps refer to skills gaps within an occupation or 'top up' skills. Training for skills gaps usually takes the form of short courses delivered in-house or externally. Such programmes, due to their short duration, do not require accreditation and thus does not lead to national qualifications on the NQF.

Both HTFVs and skills gaps must be identified at the occupational level, with occupational shortages being considered against the occupation itself and skills gaps being reflected as specific skills within the occupation.

The following skills gaps skills were identified from WSP/ATR 2018/19, interviews, workshops and the literature:

Table 15: Skills Gaps

<p>SOFT SKILLS: Decision making/ Interpersonal skills/ Emotional intelligence/ Assertiveness/ Teamwork/ People skills such as managing diversity/ Communication/ Presentation skills/ Listening skills/ Life skills (personal, finance, time management, resilience, stress management) / Decision making / Innovation and creativity Morals/ Ethics skills.</p>
<p>MANAGEMENT: Leadership and management skills/ Mentoring and coaching/ Planning and project management/ Conflict management/ Negotiation and persuasion/ Business skills/ Analytical skills/ Scenario planning skills/ Report-writing skills/ Leadership and management skills.</p>
<p>TECHNICAL: Financial Skills (basic Bookkeeping such as Control and accounting)/ Product development/ Basic understanding of business/ Pharmacy/ IT literacy (PC trained people)/ Selling skills/ Product knowledge/ Merchandising, especially visual/ Personal hygiene/ Food safety/ First aid/ Care of HIV/AIDS patients, & care of disability)/ Numeracy the Green Economy Agenda/ Project management/ Teamwork/ Labour law/ Labour economics/ Case management Production and product knowledge/ Knowledge of contracts/ FAIS Act – qualification in development/ Consumer Protection Act/ Waste management and green legislation.</p>
<p>OTHER: Customer relations/ Customer service/ Communication skills/ Telephone etiquette/ ABET/ Numeracy and literacy/ Ability to apply knowledge/ Access to information / Selling skills/ Interpersonal relations skills/ Problem solving and decision-making skills/ Conflict resolution skills/ Time management skills/ Anger management skills/ Listening Skills/ Business and general skills training for Shop stewards.</p>

Source: WSP/ATR 2019/20, Workshops 2019/20 &, Employer interviews 2019/20

The most important Skill Gaps by major occupation group as are:

Table 16: Skill Gaps by Major Occupation Group

OCCUPATIONAL CATEGORY	FIRST SKILLS GAP	SECOND SKILLS GAP	THIRD SKILLS GAP
Managers	Leadership	Decision making	Mentoring and Coaching
Professionals	Planning	Managing	Interpersonal
Technicians & Associate Professionals	Team work	Planning	Labour relations
Clerical Support Workers	Report writing	Numeracy and Literacy	Time Management
Service & Sales Workers	Marketing and Sales	Customer Service	Product knowledge
Craft & Related Trades Workers	First Aid	Project Management	Team Work
Plant & Machine Operators	Time Management	First Aid	Productivity
Elementary Occupations	Team Work	Conflict Management	Customer Services

Source: WSP/ATR 2019/20, SSP workshop Feedback, HTFVs survey 2019/20

The key finding from the focus group discussion is that numeracy, literacy and ICT skills are important for middle and lower occupations in the sector

SME Top 10 Skills Gaps

Table 23: SSP SME Survey and Focus Group Results on Training Demands

SKILLS GAPS
1. Customer Service
2. Financial Management
3. Stock Management
4. Marketing
5. Pricing and Selling
6. Numeracy and Literacy
7. Business Management
8. Communication
9. Computer literacy
10. Product knowledge

SSP SME Survey 2017/18, SSP SME Focus Groups 2019/20

As per the SMEs consulted, the following are priorities which will enable growth and sustainability of small businesses:

- Branding.
- Infrastructure support and improvement.
- Access to the market.
- Pricing.

3.5. Skills Supply

This section examines skills supply for Universities and TVET Colleges:

3.5.1. Enrolment in Post-School Education and Training Institutions

The Technical and Vocational Education and Training (TVET) colleges provide technical and vocational education and training programmes to learners who completed at least Grade 9 at school level. However, there are also opportunities for learners with a Grade 12 certificate. In general, public TVET colleges provide three broad categories of qualifications and part-qualifications.

Enrolment in TVET colleges reached 688 028 in 2017, reflecting a 2.5% (17 369) decline when compared with 2016. The major contributor to the decrease was enrolment in NC(V) (decrease of 34 888). The figures from 2016 onwards are calculated using enrolment cycle headcount, meaning students enrolled for trimester and semester programmes are counted more than once if they enrol throughout the year, whereas the NC(V) qualification is an annual programme and students are counted once. These figures should be interpreted having this methodology in mind.

Majority of enrolments in TVET colleges in 2017 were youth aged 15-29 years, which accounted for almost 90% of total enrolment (89.6% or 616 573). Enrolment was lower for students who were 30 years and older. More than 60% of students enrolled for NC(V) programmes were youth aged 20-24 years (63.5% or 90 351). A large number of enrolments in TVET colleges in 2017 were for Africans (92.4% or 635 717). Coloured, White and Indian/Asian students accounted for 6.3% (43 640), 1.0% (6 826) and 0.2% (1 699) of total enrolment.

There were 2 159 students enrolled in TVET colleges who reported to have some disability in 2017. Over 60% of students with disabilities were females (60.4% or 1 304) while 39.6% (855) were males. The highest proportion of students reported to have a sight problem (45.2% or 975), followed by physical disability (20.3% or 438). Gender disparities were high for the sight disability, where 347 more female students reported to have a problem with seeing compared to males.

The Higher Education (HE) Sector is intended to perform the following three functions as outlined in the National Development Plan (NDP): a) Educate and equip people with high-level skills to meet the employment needs of the public and private sectors; b) produce new knowledge and assess and find new applications for existing knowledge;

and c) provide opportunities for social mobility while strengthening equity, social justice and democracy to deal with the injustices brought about by the apartheid system. In 2017, the HE sector comprised of 26 universities and 125 private higher education institutions (PHEIs).

The total number of student enrolment in public and private HEIs in 2017 was 1 222 030, which represents a 6.9% (78 785) increase compared with 2016 enrolment (1 143 245). This was mainly due to enrolment increases in both public HEIs (61 147) and private HEIs (17 638). Out of 1 222 030 students enrolled in HEIs in 2017, more than three quarters of them enrolled in public HEIs (84.9% or 1 036 984), while fewer students enrolled in private HEIs (15.1% or 185 046). A similar trend can be observed throughout the period under review.

Almost three quarters of the students enrolled in public HEIs in 2017 were Africans (73.7% or 763 767), followed by White students (14.3% or 148 802), Coloured students (6.2% or 64 772) and Indian/Asian students (4.8% or 50 131). The largest gender difference was within the African population group, where 130 138 more female students enrolled compared to males, while the Indian/Asian population group recorded the lowest gender difference (9 905 more males compared to females).

In higher education, the number of students enrolled and graduating for business and management qualifications, which are related to the W&R sector are as follows:

Table 17: PSET Enrolment in South Africa 2016/17

INSTITUTION	ENROLMENT
TVET Colleges	688 028
Universities	1 222 030

Source: *Statistics on post-school education and training in South Africa: 2017, 2019.*

Enrolment at public and private HEIs reached 1.2 million in 2017, with public HEIs enrolling 1 036 984 students and private HEIs 167 408 students. In 2018 private HEIs had 185 046 students. The target set out in the National Development Plan (NDP) 2 is 1.6 million enrolments by 2030.

Table 18: Number of Students Enrolled in TVET Colleges 2012 – 2017

QUALIFICATION CATEGORY	2012	2013	2014	2015	2016	2017
NC(V)	140 575	154 960	166 433	165 459	154 739	142 373
Report 191 (N1-N6)	359 624	442 287	486 933	519 464	513 026	510 153
Occupational Qualifications	62 359	19 000	19 825	20 533	13 472	10 969
Other	95 132	23 371	29 192	32 424	22 468	24 533
TOTAL	657 690	639 618	702 383	737 880	705 397	688 028

Source: *DHET Annual Performance Plan (2019/2020) (DHET, 2019)*

The number of students enrolled in TVET colleges reached 688 028 in 2017. During this period, 7.5 in 10 students enrolled for Report 191 programmes 74.1% and 20% enrolled for NC(V) programmes. Fewer students enrolled for occupational qualifications (1.6% or 10 969) and 'other' qualifications (3.6% or 24 533). Majority of enrolments were for Report 191 programmes and fewer enrolments were for occupational qualifications throughout the period under review.

Table 19: TVET College Registration and Completion in N6

QUALIFICATION	ENROLMENT	COMPLETION	COMPLETION RATE
N6 Hospitality and Catering	1 766	1 151	66.4%
N6 Marketing Management	5 718	2 850	51.3%
N6 Financial Management	9 955	6 722	68.9%
N6 Business Management	13 573	7 520	56.9%

Source: *DHET: Statistics for PSET (2016/17)*

A total of 111 460 students completed key exit levels N6 and NC(V) Level 4) in TVET colleges in 2016, translating to a completion rate of 62.2%. Higher completion rates were recorded for N6 (66.1%), followed by N3 (65.8%) and lower for NC(V) Level 4 (41.7%).²¹

Table 20: TVET College NCV Level 4 Registration and Completion 2016

PROGRAMME	TOTAL REGISTERED	TOTAL COMPLETED	COMPLETION RATE
Information Technology & Computer Studies	1 525	313	22.3%
Finance, Economics and Accounting	2 292	800	38.0%
Management	1 328	670	54.9%
Marketing	1 533	529	37.8%
Office Administration	8 548	3 808	48.4%
Total:	15 226	61 20	

Source: DHET: Statistics for PSET (2016/17)

Table 21: Public universities: Enrolment in major fields of study by gender, 2010-2016

YEAR	SCIENCE, ENGINEERING		EDUCATION		EDUCATION		EDUCATION		TOTAL	
	Male	Female	Male	Female	Male	Female	Male	Female		Total
2010	138 590	112 748	122 268	156 573	38 094	107 321	81 397	135 935	380 349	512 577
2011	146 022	118 421	125 796	162 688	42 580	122 295	80 718	139 592	395 116	542 996
2012	149 766	123 513	122 689	159 607	42 511	125 950	83 402	145 770	398 368	554 840
2013	154 612	129 009	122 998	156 954	43 255	129 735	89 124	158 000	409 989	573 698
2014	155 555	131 664	119 923	152 484	41 462	124 636	87 425	156 001	404 365	564 785
2015	158 665	136 267	121 023	152 805	42 417	128 130	88 419	157 476	410 524	574 678
2016	158 854	136 520	117 001	147 931	45 434	131 549	87 407	151 119	408 696	567 119
GROWTH	2.3%	3.2%	-0.7%	-0.9%	3.0%	3.5%	1.2%	1.8%	1.2%	1.7%

Source: Post-School Education & Training Monitor, 2019; CHE, 2019.

A majority of university students are enrolled in contact institutions. This proportion increased from 61% in 2010 to 65% in 2016. This trend partially explains the rise in the FTE to headcount ratio over this period since, on average, distance students are more likely to be part-time students and, thus, more inclined to enrol for fewer course credits than their contact (and full-time) counterparts.

There were 1.2 million students enrolled at public and private HEIs in 2017, with majority of enrolments in public HEIs (1 036 984) while private HEIs enrolled 185 046 students. The target in the National Development Plan (NDP) is 1.6 million enrolments by 2030. There were 258 199 students enrolled in Community Education Training (CET) colleges in 2017, which was 5.6% (15 232) lower compared with 2016. The NDP target for enrolment in this sector is 1 million students by 2030.²³

3.5.2. W&RSETA Supported Programmes

The enrolments and graduates for the W&RSETA for 2017/18 were as follows:

Table 21: W&RSETA enrolments and certification (2017/18)

PROGRAMME	LEARNERSHIPS	SKILLS PROGRAMMES	INTERNSHIPS	RECOGNITION OF PRIOR LEARNING (RPL)	APPRENTICESHIPS	TOTAL
Number of workers enrolled for programmes	2149	3547	n/a	245	n/a	5 941
Number of workers certified for programmes	1413	1762	n/a	241	n/a	3 416
Number of unemployed learners enrolled for programmes	3698	590	700	n/a	n/a	4 988
Number of unemployed learners certified for programmes	1499	220	114	n/a	n/a	1 833
Number of Apprenticeship registered	n/a	n/a	n/a	n/a	260	260
Number of Apprenticeship completions	n/a	n/a	n/a	n/a	0	0

Source: W&RSETA Annual Report (2018/19)

²² Statistics on Post-School Education & Training in South Africa, 2017.

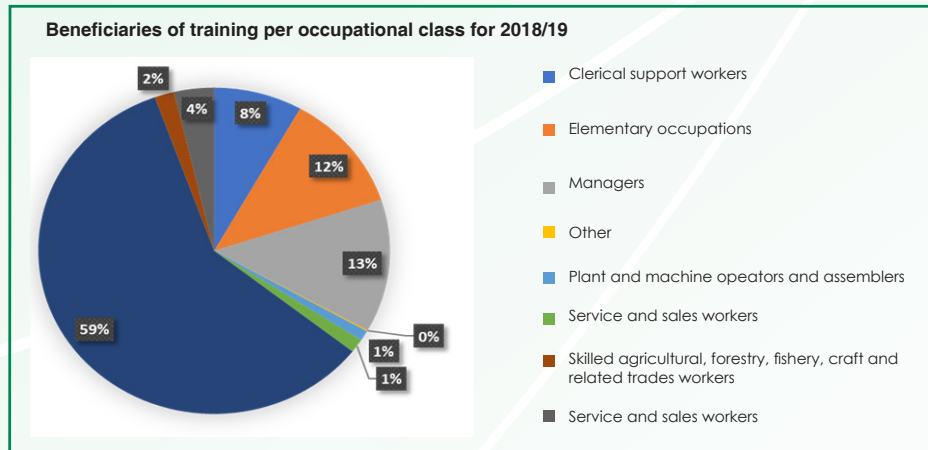
²³ Statistics on Post-School Education & Training in South Africa, 2017

The number of workers that enrolled for programmes was 5 941. The number of completions was 3 416. The number of unemployed learners that enrolled for programmes was 4 988. The number of completions was 1 833. The W&RSETA registered 260 apprenticeships with no completions in the same year.

3.5.3. Annual Training Reports

A total of 1 845 867 employees in the sector received training in various occupational classes.

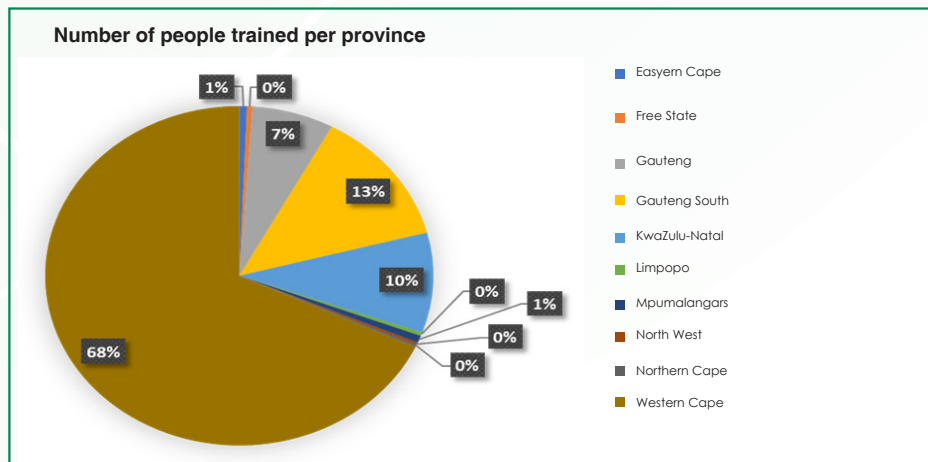
Pie Chart 3: Beneficiaries of Training per Occupational Class for 2018/19



Source: (W&RSETA Annual Report (2018/19, 2018))

The largest numbers of trainees were in the service and sales worker's category.

Pie Chart 4: Beneficiaries of training by province 2018/19



Source: (W&RSETA Annual Report (2018/19, 2018))

Most training occurred in Gauteng due to the highest concentration of wholesale and retail industries in this province.

3.6. State of Education and Training

Currently, the Post-School Education and Training (PSET) system comprises:

- 26 public Higher Education Institutions (HEIs);
- 50 Technical and Vocational Education and Training (TVET) colleges;
- Community Education and Training (CET) colleges.
- 136 private HEIs; and
- 323 private FET colleges (registered with the Department).

Of these, there are 611 accredited training providers that offer W&RSETA qualifications on the NQF.

However, the following major education and training challenges exist, which impacts directly on the productivity of the sector:

- Most universities and TVET colleges offer general programmes in areas such as business, management, finance, accounting, marketing, human resources, and so on. In view of the enormous size of the sector in terms of employers and employees, there is a business case for establishment schools or departments of wholesale and retail in these institutions. These institutions will then be able to offer wholesale and retail specific programmes.
- The W&RSETA sponsors university chairs at several universities to conduct research on the sector. There is a need for these chairs to conduct applied business research that can be used for skills planning in the W&R sector. There is also a need for action research that can be used in enterprises.
- At senior management level, there is a need to offer an MBA programme specialising in wholesale and retail.
- There is a need for the W&RSETA to provide workshops for teachers' country-wide on career opportunities in the sector to equip them to guide learners in their career choices and subjects.
- The NCV and NATED courses in business and management is in urgent need of curriculum revision.

- The sector has a very large proportion of contract, temporary and casual workers, which are out of the training loop.
- There is a need for a bigger focus on training entrepreneurs in the informal sector and in micro-enterprises.²⁴

3.7. Sectoral Priority Occupations and Interventions List

Based on the research activities (literature review, surveys, WSP/ATR analysis, online recruiting data, interviews and workshops), the following Sectoral Priority Occupations and occupational shortages are identified.

Table 22: Sectoral Priority Occupations

OCCUPATION	OFO CODE	NO. REQUIRED
Sales Assistant (General)	522301	3305
Retail Manager (General)	142103	1177
Retail Supervisor	522201	389
Confectionary Baker	681201	375
Safety, Health, Environment and Quality (SHE&Q) Practitioner	226302	1540
Blockman	681103	320
Sales & Marketing Manager	122101	245
ICT Specialist	226203	1671
Sales Representative	332203	164
Retail Buyer	322301	112

Source: WSP ATR submission 2019/20, HTFV survey 2019/20 & SSP workshops 2019/20

The method to establish the Sectoral Priority Occupations was as follows (refer to research design and methods in earlier section):

- **Methods to identify occupations in the Sectoral Priority Occupations:** The following methods were used – literature review, workshops, HTFV survey and WSP/ATR analysis.
- **Main findings that informed the Sectoral Priority Occupations:** Occupations that were most consistently identified in these 4 studies were included in the Sectoral Priority Occupations. This occurred through a process of elimination of occupations.
- **Quantities indicated in the SETA Sectoral Priority Occupations:** The quantities were informed by additional questions inserted into the WSP template: What occupations are HTFVs? How many did you require in the previous 12 months?
- **Ranking:** The Sectoral Priority Occupations are ranked in descending order in terms of the highest number of HTFVs.
- **Consultative Processes:** Ten workshops were held – one in each province and an SSP SME focus group discussion in Gauteng and Western Cape.
- **Interventions:** The interventions are informed by feedback received by workshop participants and approved by the Board.
- **Outcomes:** The outcome is demand-led skills planning by the W&RSETA.

3.8. Conclusion

Chapter Three is primarily focused on the identification of skills gaps and hard-to-fill vacancies in the W&R sector. The primary methods used to determine HTFVs and skills gaps are interviews with key informants, regional workshops with stakeholders, literature reviews and analysis of WSP/ATRs.

A primary means for identifying and anticipating skills training are workplace skills plans (WSPs) and annual training reports (ATRs). These are submitted by member companies to qualify for mandatory grant rebates from the skills development levies paid to the South African Revenue Services. The WSPs and ATRs provide a representative sample of the training planned for the next 12 months and training that occurred in the previous 12 months.

It is interesting to note that most training is being done at the lower levels of the occupational class structure. This is due to most of the workers in the sector being at the lower end of the occupational structure.

CHAPTER FOUR: SECTOR PARTNERSHIPS (SETA)

4. Introduction

The purpose of this chapter is to assess the effectiveness of existing SETA partnerships in the sector with reference to value-add partnerships. The chapter presents an analysis of existing partnerships, including the successes and limitations thereof. In addition, planned partnerships intended to further promote skills development are also explored. In producing this chapter available literature (including past SSPs and Strategic Plans) and internal stakeholders were consulted.

4.1 Key Questions

AN ANALYSIS OF EXISTING SETA PARTNERSHIPS

- What institutions/organizations is the SETA partnering with?
- What is the nature of each of the partnerships? (Term and duration)
- What are the objectives of each of the partnerships?
- What value is each of the partnerships adding to the SETA? (gaps)
- Which partnerships are working successfully and why?
- Which partnerships are not working successfully and why?
- What should be done to strengthen partnerships that are not working well?

AN ANALYSIS OF EXISTING SETA PARTNERSHIPS

- What new partnerships are needed for the SETA?
- What gaps/objectives will these partnerships be addressing?
- What is the SETA's most successful partnership approach/ model?

4.2. An Analysis of Existing SETA Partnerships

The SETA partnered with following training providers and other key stakeholders in the past year:

NO.	NAME OF PARTNER	OBJECTIVE	VALUE OF PARTNERSHIP	DURATION (START & END DATE)
1.	Cape Peninsula University of Technology (CPUT)	The main purpose of the establishment of Wholesale & Retail Leadership Chair is to contribute towards Research & Qualifications development at higher level (NQF 5 -10) through collaboration between the industry and institutions of higher learning and most important establish Wholesale and Retail centres of excellence	The Retail Chair conducted 16 research studies that have resulted in the following: <ul style="list-style-type: none"> • Three CPUT students and three German students participated in an International student exchange programme • Recommendation to support beneficiaries of the graduate bursary project and current post graduate students at CPUT on thesis writing. This intervention would result in an increase in the number of research students focusing on the wholesale and retail field 	30 Sept 2012 to 31 Mar 2020
	Durban University of Technology (DUT)	The DUT retail chair addressed same objectives as above with regional focus on skills issues.		31 Aug 2017 to 31 Mar 2020
2.	Retail Simulations Centres with the following TVET colleges: <ul style="list-style-type: none"> • Gert Sibande TVET college • Vuselela TVET college • Buffalo City TVET colleges. • College of Cape Town. 	This project is aimed at capacitating colleges to deliver W&RSETA programmes with a two-pronged purpose of fostering collaboration between institutions and the sector and to produce graduates that meet the needs of the industry.	The KZN Schools of Excellence initiative was launched in partnership with TVET colleges and DUT, and retail simulation centres set up at 8 TVET colleges	01 Apr 2015 to 31 Mar 2020
3.	Regenesys Business School: International Leadership Development Programme (ILDP)	This project is aimed at accelerating the development of talented and high potential senior/ executive managers who have been identified to assume the next level of leadership within their companies. ILDP exposes leaders to best practices in Wholesale and Retail through exposure to best practice and global companies, thought leadership as well as leading local and international faculty on the functional areas of retail and leadership.	<ul style="list-style-type: none"> • The ILDP boasts a 290-member Alumni of highly skilled and influential leaders • The intake for the ILDP has increased by over 100% since 2009 from 15 to 57 delegates in 2017. The number of women increased from 3 to 26 during the same period • In 2016/17, the SETA targeted to register 60 delegates for the ILDP to complete the Programme with the Gordon Institute of Business Science (GIBS) and Henley Business School Africa 	01 Apr 2019 to 31 Mar 2020
4.	Bureau of Market Research (BMR)	To conduct research for the sector and assist with the implementation of W&RSETA research agenda	Increased economic and labour market data	20 Apr 2016 to 31 Mar 2020

NO.	NAME OF PARTNER	OBJECTIVE	VALUE OF PARTNERSHIP	DURATION (START & END DATE)
5.	Department of Social Development	To deliver a disability project for the sector and to do awareness programmes in the sector	R20.5 million was budgeted to undertake: <ul style="list-style-type: none"> • Sign language training for 2 000 employees; • Sensitisation programme for 2 000 employees; • 100 unemployed youths registered on the Wholesale and Retail; • Distribution NQF Level 2 qualification; and • Life skills training for 1 685 unemployed youth 	01 Apr 2018 to 31 Mar 2019
6.	Panyapiwat Institute of Management (PIM) Thailand.	Joint Research and Student exchange programme.	<ul style="list-style-type: none"> • Joint research on retail innovation, 4th industrial revolution retail trends and curriculum development. • Information sharing on the planning tools • Advance Retail Management Programme (ARMP), Targeted at improving supply of skilled and capable Wholesale and Retail sector management. • RetailPrenur, Targeting at informal business owners 	05 Nov 2018 to 31 Mar 2020

4.3. Planned Partnerships

Table 24: Planned Partnerships

NO.	NAME OF INSTITUTION	OBJECTIVE	DURATION
1.	Suranaree University Of Technology (SUT, Thailand)	<ul style="list-style-type: none"> • Information sharing on sector research • Joint Research on innovation 	Planning Phase
2.	Nelson Mandela University (NMU)	<ul style="list-style-type: none"> • Joint Research focusing on innovation • Joint special project partnership with TVET colleges. 	Planning Phase
3.	Buffalo City College and Mthashana TVET College	<ul style="list-style-type: none"> • Research capacity development. • Lecture capacity and development. • Joint special project partnership with other institutions of learning. 	Planning Phase

The following are planned Memoranda of Understanding with private and public skills development organisations:

Table 26: Planned Partnerships (Other Key Role Players)

NO.	NAME OF INSTITUTION	OBJECTIVE	DURATION
1.	Council for Scientific and Industrial Research (CSIR)	<ul style="list-style-type: none"> Promote industry collaborative research around evidence-based skills planning and innovation 	Initiation Phase
2.	Statistics South Africa (SSA)	<ul style="list-style-type: none"> To improve the quality of the data used in the development of the SSP Promote industry specific collaborative research 	Initiation Phase
3.	North West University	<ul style="list-style-type: none"> Information sharing Joint research 	Initiation Phase
4.	University of South Africa	<ul style="list-style-type: none"> Information sharing Joint research 	Initiation Phase
5.	Fuel Retailer Association of Southern Africa (FRA)	<ul style="list-style-type: none"> Provide skills development support to promote economic growth Promote industry specific collaborative research 	Initiation Phase

The W&RSETA partnership model is stakeholder driven and allow stakeholders to initiate special projects which respond to the sector strategic objectives. The adopted partnership model is also based around strategic objectives alignment with potential partners. This model has contributed significantly into ensuring that sector stakeholders are part of the W&RSETA skills development interventions and implementation.

The challenge that has been identified with regard to International partnerships has been delays in finalization of some of the agreements, however; the W&RSETA has made significant progress with regard to ensuring effective engagements with potential partners as part of value chain analysis. The commitment level within a partnership does also contribute towards the failures or successes of a project.

To ensure higher commitment level and active participation, W&RSETA continues to prioritize effective stakeholder engage and sector partnership value chain analysis to identify key relevant institutions for partnerships.

4.4. Conclusion

The existing partnerships appear to be working very well. However, will be a better monitoring, evaluation and impact assessments of these partnerships. The sector partnership value chain analysis will contribute towards ensuring that new partnerships with potential partners does serve sector priorities and respond to National imperatives.

CHAPTER FIVE: MONITORING AND EVALUATION (M&E)

5. Introduction

Chapter five provides a reflection on W&RSETA Monitoring and Evaluation (M&E) data and performance on strategic priorities. This chapter also provides an action plan and mechanisms to address strategic skills priorities that were not achieved. It is important that impact and tracer studies on W&RSETA funded projects be conducted on a regular basis, as part of improving the effectiveness of sector skills development interventions. On annual basis the W&RSETA performance evaluation is conducted as part of ensuring that the strategic priorities are achieved.

The quarterly monitoring and reporting tools are used as part of ensuring that relevant mechanisms are implemented to achieve strategic objectives. The W&RSETA is also currently undergoing Organizational Development (OD) as part of aligning the structural and strategic priorities to ensure improved performance and sector impact. The OD process will also contribute towards improving M&E processes.

5.1 Key Questions

SECTOR SKILLS PLANNING REFLECTIONS

- What is the SETA's approach to Monitoring and Evaluation? (Status quo currently)
- How does the SETA use information from previous year's Annual Report and Reports from Tracer Studies to inform research and planning?
- Which Strategic priorities in the previous SSP were captured in the Strategic Plan and Annual Performance Plan?
- What Strategic priorities were not achieved, if any, and why? (those outlined in the previous year's SSP)

PLAN OF ACTION

- What mechanisms should be employed to address strategic skills priorities that were not achieved previously?
- What measures should be initiated to ensure that currently set strategic skills priorities are achieved?

5.2. W&RSETA approach to M&E

The W&RSETA Monitoring and Evaluation (M&E) policy, (June 2019) approved by the SETA Board, sets out M&E practices within the W&RSETA. The aim of the policy is to document the approach, standards and minimum requirements that shall be adopted and implemented by the W&RSETA to ensure institutionalization of M&E within the SETA. The scope of M&E across the SETA to achieve the following; coordinated planning and reporting efforts between plans, regional and departmental plans and performance; increased accountability across all performance levels; credible, accurate, useful and verifiable performance information and alignment between input records and output records. Following the recent policy review, W&RSETA applies M&E as per an M&E Framework within which the SETA outlines within the context of the W&RSETA, the approach and implementation of M&E. (M&E Framework, 2016). The framework addresses the requirements for a successful M&E approach. It emphasizes the 'why' and 'what' of M&E and roles and responsibilities in relation to the framework.

An outcomes approach, a foundation for meaningful M&E, is designed to ensure that the SETA is focused on achieving the expected real improvements in the sector, clarifies what we expect to achieve, how we expect to achieve it and how we will know whether we are achieving it. The SETA adopted an outcomes based approach to Monitoring and Evaluation in 2014. The aim was to move away from past practices of setting quantitative

targets and monitoring outputs in relation to these targets. For the past 3 years, our performance information has been used to inform the SETA on the progress towards achievement of our strategic objectives as well as our outcomes oriented goals.

This shift in terms of our M&E approach resulted in changes to our Strategic Plan in 2016/17 to address the challenges identified through our research initiatives. In 2018/19 the SETA reviewed its M&E policy and subsequent strategy (June 2019). The outcomes approach forms the basis of W&RSETA monitoring and evaluation process. It enables the W&RSETA, throughout the results chain, to keep sight of the improvements it aims to achieve as articulated in W&RSETA's outcomes orientated goals (W&RSETA M&E Policy, 2019). The intention of an outcomes approach is to enable the W&RSETA to draw causal links between its outcomes orientated goals and objectives, programme outputs, skills planning and development activities as well as the resources allocated for the implementation and achievements of the objectives. Such causal links can also be ascertained at programme and project levels.

5.3. Use of M&E Data

Information forms the basis of our plans as we use performance reports as well as evaluation findings to inform all our plans. Strategic Changes e.g. changes to the SETA's plans, delivery models as well as interventions are motivated by performance information as well as findings from our evaluation and tracer studies. The W&RSETA will also be conducting Workplace Based Learning (WBL) tracer studies, focusing on SETA funded bursaries, internships and learnerships. This is part of monitoring the return on investment and improve on future implementation of similar programmes.

The following reflect the use of M&E data as part of improving W&RSETA performance and programme implementation:

- To assess the effectiveness of W&RSETA interventions in responding to transformational imperatives.
- To evaluate the implementation of learning programmes targeted at sector occupational shortages list.
- To provide data for policy development and qualification development.
- To provide data for planning and implementation of future projects.

- To provide reports used to assess the outcomes and impact of NSDS and W&RSETA strategic objectives.

5.4. Plan of Action

The M&E plan provides information on how performance against set objectives are measured. It details expected input, activities and outputs; as well as how data will be collected and analyzed to provide information as to targets.

STRATEGIC PRIORITIES	SSP PRIORITY ALIGNED: Y/N	ACHIEVEMENTS	REASONS FOR NON-ACHIEVEMENT	PLAN OF ACTION TO ACHIEVE THE PRIORITIES
Programme 2: <ul style="list-style-type: none"> • Research agenda implementation to improve SSP data. • Conduct impact studies. • Establish research partnerships addressing needs for the sector. • Increase the number of stakeholders submitting Annexure II. 	Yes	Targets Achieved = Two	<ul style="list-style-type: none"> • Delays in finalising MOU with potential research institutions. • Late Approval and Start of Project. • Target not achieved after system clean-up. 	<ul style="list-style-type: none"> • The 2019/20 projects as per strategic objectives have been approved to avoid delays in implementation. • The Annexure II data collection system to be improved through capacity stakeholder building. • The Monitoring and Evaluation (M&E) data will be improved by the implementation of tracer and impact studies.
Programme 3 <ul style="list-style-type: none"> • Youth unemployment and sector training: Learnerships, Internships and Bursaries for both employed and unemployed addressing Hard-To-Fill-Vacancies (HTFV) and support sector transformation. • Sector capacity building to enhance planning and implementation of training in the workplace. • Identify and implement sector special projects focusing on youth, gender and racial equity. • Small Medium Enterprise and Cooperative development through sustainable projects. 	Yes	Targets Achieved = Four	<ul style="list-style-type: none"> • Not enough uptake from sector (183 contracted). • Late start of project. Recommended provider refused to review price as per approved APP budget. • Target was reliant on unemployed bursaries being advertised. • No registrations from previous years for trade union capacity building. • No registrations in 2017/2018 for disability learnerships (New target) 	<ul style="list-style-type: none"> • The 2019/20 projects as per strategic objectives have been approved to avoid delays in implementation. • The impact studies report will be used as part of improving project implementation.
Programme 4 <ul style="list-style-type: none"> • A responsive, qualified and transformed skills development provider base. • To develop a new growth and niche areas through the development and updating of qualifications in the sector. • A sufficient and sustainable Assessment Centre base is established for W&R occupational qualifications. 	Yes	Targets Achieved = Five	Late Approval and Start of Project.	<ul style="list-style-type: none"> • The 2019/20 projects as per strategic objectives have been approved to avoid delays in implementation. • The current Organizational Development (OD) will contribute significantly towards strengthening M&E processes and data across W&RSETA.

5.5. Conclusion

The W&RSETA is committed to improving M&E data as part of a process towards creating a platform to enable the achievement of the strategic objectives. In the current financial year, 4 impact studies will be conducted and tracer study focusing on Workplace Based Learning (WBL) programmes.

The primary objective of these studies is to ensure effective monitoring of return on investment and impact of National Skills Development Strategy III (NSDS) SETA funded projects. This is part of transition towards first year implementation of the National Skills Development Plan (NSDP) and to ensure that the SETA skills development interventions are responsive to the sector strategic priorities. The completion of OD process will contribute in building and improving capacity for M&E data within the SETA, which will result in improved performance

CHAPTER FIVE: MONITORING AND EVALUATION (M&E)

6. Introduction

This chapter consolidates the findings of previous chapters and reflects on priority actions for the sector. The previous chapters provided the information and analysis and thus enable a response in the form of recommended actions that are realistic, consistent and achievable. The purpose of this chapter is to provide a set of priority actions and not a detailed strategic or operational plan.

6.1. Key Questions

KEY QUESTIONS

- What the key findings of previous chapters?
- What are the skills priorities for the sector?
- What measures should be initiated to support national strategies and plans?

6.2. Key Findings from Previous Chapters

This section draws insights from previous chapters on skills priorities

CHAPTER ONE: SECTOR PROFILE

- The sector is a major contributor to employment. The job creation opportunities range from low level to advanced skills.
- SMMEs make up most levy-paying enterprises but are under-represented in terms of skills development initiatives. Informal retailers have a great need for skills development.
- Black people constitute most of the workforce but are under-represented at management levels. This is more acute for females.
- The entire SA economy is under pressure and Wholesale and Retail Sectors are no different. Necessities may withstand this pressure but there will be less demand on luxury goods and a shift in demand from higher priced necessary items to lower priced items.

The sector is a major contributor to national employment. The job creation opportunities in the sector, ranging from unskilled to top management, are enormous. The sector requires workers who have the skills to create value through their work. It also requires elevated levels of training and skills to succeed in an increasingly competitive global market. W&RSETA should play a more active role in supporting job creation and skills development efforts, especially when considering the increase in unemployment.

Given the difficult economic conditions currently being faced, with the latest GDP statistics indicating a 3.2% decline in the first quarter of 2019, it is likely that all retailers and wholesalers, but with emphasis on SMMEs, will require strong managerial skills to

withstand the economic decline. The difficult economic climate can be seen in food, beverages & tobacco, pharmaceuticals and medical goods, cosmetics & toiletries; textiles, clothing, footwear & leather goods, and hardware, paint and glass, and reporting little to no growth for the last quarter.

CHAPTER TWO: KEY SKILLS CHANGE DRIVERS

The W&RSETA will be prioritizing skills development interventions that respond to the following key skills issue for the sector:

- Technology
- SMME development
- Youth focused skills development initiatives

Retailers will need to outlast a difficult economic climate and will need to be equipped with the skills to adjust to consumer preferences that will be shifting due to constrained budgets

This Chapter highlighted the fact that South Africa is facing a large degree of youth unemployment. The W&R sectors have the potential to absorb some of these people, provided that they are equipped with the necessary entry level skills set.

Furthermore, a large part of the retail sector is made up of many SMMEs. It has been indicated that many SMME owners require management skills in order to maintain a sustainable business.

The following are SSP HTFV survey and focus group findings on sector change drivers:

CHANGE DRIVER	IMPLICATIONS FOR SKILLS DEVELOPMENT
<ul style="list-style-type: none"> • E-learning platforms 	<ul style="list-style-type: none"> • Improve access to training and move away from the traditional way of learning.
<ul style="list-style-type: none"> • Information Communication Technology (ICT) 	<ul style="list-style-type: none"> • The need to prioritise reskilling and retraining of sector employees.
<ul style="list-style-type: none"> • Millennials 	<ul style="list-style-type: none"> • Poor performance as a result of lack of basic skills and high turnover among youth.

The Chapter further highlighted the fact there is a shift in the way retail businesses interact with their consumers, with businesses expected to be more responsive to client needs. This shift is being enabled through the use of technology in the sector. As a result, retail store owners and workers need to be equipped with relevant customer management/relationship skills as well as the ability to work on IT powered systems.

CHAPTER THREE: SKILLS GAPS

The following are key outputs from chapter 3 as per the data sources used:

- SSP SME top 10 skills gaps
- HTFV List
- Sectoral Priority occupations
- Sectoral Priority Occupations

Sales Assistant (General)/Retail Buyer /Butcher / Confectionary Baker/ Retail Manager (General)/ Sales & Marketing Manager /Retail Supervisor/Visual Merchandiser/ Office Administrator /Sales Representative

The following are future skills identified as per sector trends:

- Data analyst;
- System analyst;
- IT specialist;
- Product manager;
- E-learning Designer.

The following are new and emerging top-up skills:

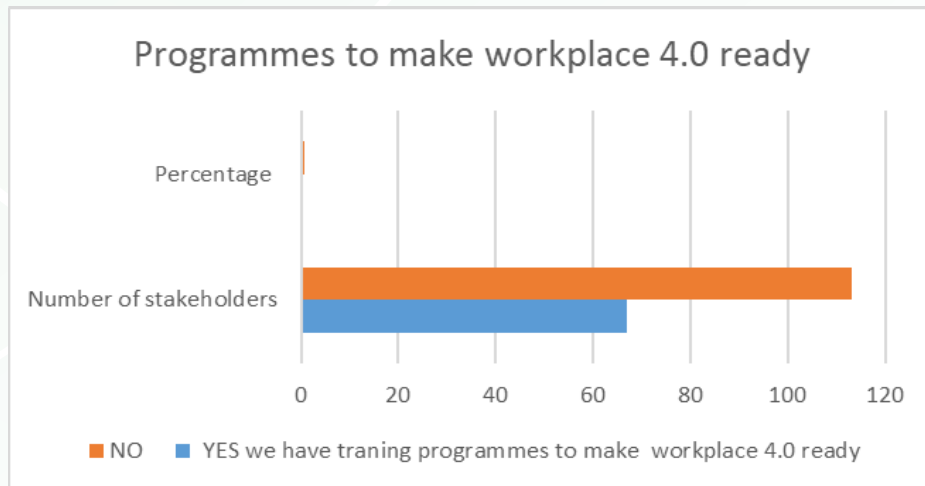
- Digital marketing skills;
- Digital customer communication skills;
- Problem solving skills;
- Financial literacy skills;
- Data analytics skills;
- Ethics & discipline;
- Information Communication Technology (ICT) skills.

The SSP HTFV survey has been updated to reflect sector readiness with regard to 4.0 Technologies. The following are some of the findings as per the stakeholders consulted:

The best ways to prepare sector employees for 4.0 Technologies:

- ICT literacy training aligned to trends need to be prioritised across the sector;
- Strengthen Inter-SETA collaboration;
- E-learning platforms need to be developed to promote access to training within rural areas and townships;
- Increase employee competitiveness through reskilling and retraining aligned to change management;
- Skills development interventions which prepares youth for employability and entrepreneurship need to be implemented from high school;
- Investing in research and innovation to better understand ICT sector trends to inform training

Training programme to make workplace 4.0 ready. The table below is a reflection of stakeholder's response:



Sector Skills Plan (SSP) HTFV Survey, 2019/20

As part of ensuring workplace 4.0 ready, 37.22% of stakeholder have indicated that training programmes have been developed to actively review employees skills set, however; 62.78% of stakeholders have indicated lack of readiness in the implementation programmes which make workplace 4.0 ready.

CHAPTER FOUR: PARTNERSHIPS

- The SETA has initiated several very successful projects: ILDP and RMDP (flagship projects to build the managerial skills base); business simulation centres (forge partnerships with TVETs and enable entry into the sector for TVET students); and a range of programmes geared towards the SMME sector (rural, community, cooperative and traditional leader projects).
- The challenge for the SETA is to improve monitoring, evaluation and impact assessment of these projects to determine a return-on-investment.
- The following new projects should be initiated going forward:
 - o Building organisational and individual capacities of trade union movement cadres at all levels, along a similar prototype as the ILDP and RMDP.
 - o Career guidance and counselling project to inform teachers and TVET staff on career opportunities in the sector.
 - o A green skills project aligned to the sector focussing on awareness, supply chain efficiencies, critical and occupational shortages.
 - o A project on training and employment of the disabled for entry into the sector.
 - o Reintroduction of a robust plan of action on stakeholder engagement on a regular basis such as “how to” workshops that were a regular event in the past.
 - o Research partnership to be established with 4 local Universities and 2 International partnerships.

CHAPTER FIVE : SETA MONITORING AND EVALUATION

- The tracer and impact studies need to be prioritised to ensure quality M&E data to be used for planning and implementation of skills development interventions.
- The completion of OD process will contribute towards creating a platform for M&E data collection within the SETA, which will also result in improved performance.
- The successful achievement of sector strategic objectives is dependent on early submission and approval of Annual Performance Plan (APP) projects.

6.3. Recommended Actions

There are a multitude of recommended actions needed in the sector. In this section, we identify 7 key skills priorities that the W&RSETA should consider. These align both to national priorities and sectoral needs, and link clearly to skills issues and skills gaps identified:

SMME AND COOPERATIVES DEVELOPMENT	
SMMEs, cooperatives, and informal traders have tremendous potential to create jobs and grow the sector. It is critical that these enterprises are supported with skills development. New training models are needed to meet the training needs of SMMEs. The unemployed graduates should be involved in the interventions targeted at supporting SMEs in rural areas and townships.	1
Actions	
<p>New Training Delivery Models: SMMEs cannot take leave to attend training since they are the business. It is recommended that new training models should be implemented such as coaching, mentoring, on-site training and “each one teach one”.</p> <p>Research: Conduct training needs research on SMME and cooperatives in the sector. Develop a SMME and cooperatives strategy for the sector.</p> <p>Access: W&RSETA should adopt mobile office model in partnership with municipalities, this will ensure that W&RSETA skills development information is accessible to SMEs and cooperatives in rural areas and townships.</p> <p>SSP SME and Research Reports Recommendations</p> <ul style="list-style-type: none"> • Rural and township development mentorship programme. • Conduct research to identify best approaches and strategies to be used to support small businesses. To increase accessibility and visibility in the township and rural areas. • Skills: Resources should be allocated to undertaking training needs for small businesses. • Awareness campaigns for small business owners in collaboration with local business associations. • Formalizing informal traders by providing branding and infrastructure support. 	
Youth Unemployment	
The retail sector provides significant temporary employment opportunities for the youth. School-leavers and graduates are employed as packers, cashiers and clerks. The challenge is to convert these into permanent employments and encourage career development in the sector. This will encourage students to join the sector, rather than view it as a “second option”. The Workplace Based Readiness (WBR) programmes need to be prioritised as part of increasing employability opportunities for youth entering the sector.	2
Actions	
<p>Career guidance: The SETA should create a compelling case for the youth to join the sector. This requires the development of career guides, career pathways, and career guidance support for teachers in schools. The level of awareness of opportunities in the sector should be highlighted. Career paths are mapped to qualifications in all sectors and sub-sectors, and communicated effectively, contributing to improved relevance of training and greater mobility and progression.</p> <p>Capacity development: The W&RSETA should work with TVETs and HETs to offer courses specific to the sector, particularly in retailing. These should be aligned to the occupational shortages identified in the SSP.</p>	

SMME AND COOPERATIVES DEVELOPMENT	
<p>Provision of Workplace Experience & Work Readiness Opportunities: The W&RSETA should increase funding for workplace placement and internships. Companies should be incentivised with grants for taking on learners.</p> <ul style="list-style-type: none"> • Align youth unemployment programmes with artisan and apprenticeship for the sector. • A collaborative and integrated approach to Workplace Integrated Learning (WIL). <p>Bursaries: Due to the announcement of free education, it imperative for the W&RSETA to review and enhance the delivery model for bursaries. Target achievement in the bursary unit is very critical to cover the crisis of educational funding and to shorten the gap of scarce and skills gaps.</p> <ul style="list-style-type: none"> • Revise the W&RSETA Bursary delivery model. • Review the W&RSETA Bursary policy to include Private and Public educational institutions. • Develop proper planning mechanisms which enhance implementation. • Bursary disbursement must be aligned to the educational institution time lines. <p>Rural Youth Development: The SETA should expand its existing projects for youth in rural areas to enable entry into the formal economy.</p>	
Hard-To-Fill Vacancies (HTFVS) and Skills Gaps	
<p>The identification of critical and occupational shortages is a key deliverable of the SSP. This is necessary to ensure that the work of the SETA responds to the changing, demand-side needs of the sector. It also ensures that an investment in skills development is effective and efficient since priority skills are addressed. The identification of occupational shortages is also necessary to inform the DHET's National List of Occupations in High Demand.</p>	3
Actions	
<p>Research initiatives: Instead of sector skills planning being an annual event nearer the due date, it should be institutionalised as an all-year activity in the SETA. A recommendation that should be integrated into the W&RSETA Research Strategy is shown below:</p>	



JAN	F	M	A	M	J	J	A	S	O	N	DEC
SSP RESEARCH A CONTINUOUS PROCESS											
SETA RESEARCH STRATEGY & IMPLEMENTATION PLAN											
Tracer		Employer Survey		Industry Analysis		Occupation Studies			WSP/ATR Analysis Opinion Survey		
DHET SUPPORT PROCESS IS A CONTINUOUS PROCESS <i>(Meetings, workshops, seminars, training programme, etc.)</i>											
MORNITORING				EVALUATION				CYCLE			
RESEARCH FROM OTHER GOVT DEPTS AND AGENCIES (EDD)											
SS IMPACT ASSESSMENT											

Continuation of OCCUPATIONAL SHORTAGES provision: Learnerships, apprenticeships, internships, and bursaries in the sector for occupational shortages should be intensified based on the outcomes of the research findings.

Responsiveness of TVET to OCCUPATIONAL SHORTAGES: The W&RSETA should assist TVET Colleges to develop and offer wholesale and retail qualifications (e.g. levels 4 and 5).

Green skills: Businesses are becoming more conscious of protecting the environment. Increased legislation and consumer pressure are driving the demand for eco-compliance. Businesses now must show that they are environmentally friendly in their business processes and in the products and services they offer.

Some companies are subscribing to the green agenda by making it a key competitiveness factor in their business strategy. The W&RSETA should take cognisance of this emerging issue and its impact on skills development of existing and new employees.

Some actions include:

- Greening skills programs, learnerships and apprenticeships; toolkits for businesses to go “green”; code of conduct for sustainable practices; “green” projects; promoting “green” occupations and jobs; awareness campaigns.
- The qualification development need to match sector occupational demand. This will contribute towards increasing pipeline for capable and skilled sector employees (Buyer / Planner/ ICT related occupations).

Stakeholder Engagement	
Stakeholder partnerships are increasingly becoming the adopted approach to meeting industry needs for skilled workers and workers' need for better jobs. Partnerships address current and emerging occupational needs and skill gaps. It offers a mechanism to focus scarce resources on industries that are major job providers in an area, as well as to focus comprehensively on the workforce skills, from entry level to advanced, required in the economy. Partnerships provide a means for the W&RSETA to engage directly with industry across traditional boundaries better aligning training programmes and resources.	4
Youth Unemployment	
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Actions	
<ul style="list-style-type: none"> • A developmental approach to stakeholder engagement has been adopted. This is to ensure that data for the SSP update and development is being collected on a continuous basis. • The Retail business strategy will be taken into consideration when developing and updating the SSP. This will assist with economic growth for the country. • Initiate regional forums in all regions to keep stakeholders abreast of SETA activities to promote skills development. • The Research desk platform will be developed to ensure that stakeholder queries are addressed timeously and improve dissemination of research findings and recommendations. • Conduct "how to" workshops for sector employers, SMEs and informal traders. • Stakeholder satisfaction survey should be conducted on regular basis, internally and externally. 	
Training and Employment of People With Disabilities	
Despite a very progressive legislation and a clear commitment from the government, many people with disabilities (PWD) still do not access the same opportunities of leading an independent life as abled people do. Access to employment is low among people with disabilities. Therefore, improving access to mainstream training and access to employment are priorities to ensure that people with disabilities can fully participate in society.	5
Actions	
<ul style="list-style-type: none"> • A bursary scheme should be customised and implemented for PWD to access training in the sector. • An internship programme should be started to assist PWD. • Companies should be encouraged to employ graduates who have disabilities. • The W&RSETA need to prioritise the awareness programmes for the sector as part of disability programme. 	
Trade Union Capacity Building	
There is a need to build institutional and individual capacities in trade unions. Individual capacities should be developed at all levels from general secretary to union members.	6
Actions	
<ul style="list-style-type: none"> • There should be a project to build capacity of employees in trade unions along similar lines of the ILDP and RMDP but focused on pertinent labour issues. • This programme should go beyond shop stewards training. • Partnership should be forged between the international trade union movements and members should be exposed to their practices. 	

Measures to Support National Strategies and Plans	
<p>There is a need for the W&RSETA to engage with national strategies and plans. The following are the NSDP outcomes which are prioritised for first year implementation:</p> <ul style="list-style-type: none"> • Skills development support for entrepreneurs and cooperative development. • Linking education and the workplace. <p>The above NSDP outcomes will contribute towards responding to the following challenges:</p> <ul style="list-style-type: none"> • Workplace difficulties for graduates. • Limited practical workplace experience. • Limited access of education and training at rural areas. 	7
Actions	
<ul style="list-style-type: none"> • The SETA should align retail business strategy, National imperatives with sector mandate. The out-put of this intervention should be special projects which are funded by the W&RSETA. • The Integrated Development Plan (IDP) for municipalities will be part of the W&RSETA strategy to respond to the National imperatives. • The SETA should convene a workshop to unpack NDP and IPAP. The outcomes of the workshop should be a set of actions to support these initiatives. • It should convene a meeting with the Dti (IPAP) and National Planning Commission (NDP) to engage them on the outcomes of the workshop. • It should develop a programme of action to align the work of the SETA to NDP and IPAP in consultation with these entities. <p>The W&RSETA strategic priorities are aligned to the following Integrated Development Plan (IDP) outcomes:</p> <ul style="list-style-type: none"> • Job creation projects for the unemployed youth in rural areas and townships. • Identify the Hard-To-Fill-Vacancies and implement the relevant skills development interventions. • TVET and University lectures exposure to the workplace. • Improve partnership and collaboration focusing on access to training and education. • Ensure pro-poor and vulnerable members of the community benefit from the skills development interventions. • Promote employability and entrepreneurship interventions to ensure sustained economic growth to minimize job losses. 	

6.4. Other findings and recommendations

The following are some of the key findings and recommendations from stakeholder engagement:

- Retrenched Employee Programme (REP) should be implemented as part of responding to sector job losses. The programme should focus on building capacity for entrepreneurship aligned to the skills sets.
- Information Communication Technology (ICT) programmes should be prioritise as part of ensuring sector readiness to respond to 4.0 technologies.
- The importance Ethics and Discipline in the workplace contribute to productivity.
- More research on 4th Industrial Revolution need to be conducted to improve knowledge and understanding.
- Inter-SETA collaboration need to be strengthened to ensure relevance, responsiveness and impact.
- The W&RSETA need to adopt “bridge the gap” initiative, as part of work readiness for learners and graduates.
- The “How To” workshops need to be prioritised as part of increasing stakeholder participation and access to information.
- Access to training at rural areas and townships should be prioritised.
- Recognition of small businesses through RPL like programme targeting business owners who have been in business for over 5 years. The unemployed graduates should be involved in this initiative.

6.5. Conclusion

This chapter constitutes a summation of the findings of the previous chapters. It concludes with the identification of seven key skills priorities that should inform skills planning in the W&RSETA which includes:

- SMME and cooperatives development
- Youth unemployment
- HTFVs and skills gaps
- Stakeholder engagement
- Training and employment of the disabled
- Trade union capacity-building
- Measures to support national strategies and plans

We have confined interventions to a limited number of major skills priorities that can make a difference to skills formation in the sector. The surveys and interviews data analysis will provide more action items for the sector and strengthen alignment to sector skills priorities.

- Ensure pro-poor and vulnerable members of the community benefit from the skills development interventions.
- Promote employability and entrepreneurship interventions to ensure sustained economic growth to minimize job losses.

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