

Skills Development for Economic Growth

## **2015 Annual General Meeting**

**7 October 2015** 

training, educating & developing the skills workforce

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### Agenda

- Introduction of the W&RSETA Board
- ☐ Presentation and Approval of the 2014/15 Annual Financial Statements
- ☐ Presentation and Approval of the 2014/15 Annual Report
- Report of the Auditor-General on the Accounting Authority for 2014/15
- ☐ Presentation and Recommendation of the 2016/17 Strategic Plan





- 15 member Board comprises of 3 Ministerial Appointees, Organised Labour / Employee representation (6)
- Term: 1<sup>st</sup> April 2011 31<sup>st</sup> March 2016

#### MINISTERIAL APPOINTEES

- Ms. Pearl Maphoshe Chairperson (appointed in July 2014)
- Mr. Thami Skenjana
- ☐ Mr. Sibusiso Busane





### **Organised Labour/ Employee Organisations (6)**

Mr. Ivan Molefe – South African Commercial Catering & Allied Workers Union (SACCAWU
Mr. Mike Tau – (SACCAWU)
Mr. Phillemon Sito – Entertainment, Catering, Commercial Allied Workers of South Africa (ECCAWUSA)
Ms. Abieda Abrahams – Southern African Clothing and Textiles Union (SACTWU)
Mr. Nat Ketlele – Federal Council of Retail and Allied Workers (FEDCRAW)
Mr. Peter Madisa – National Union of Metalworkers of South Africa (NUMSA) - Deceased

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### **Organised Business / Employer Organisations (6)**

	Mr. Isaac Motaung – Retailers Association (RA)
	Ms. Patricia Pillay – South African Retail Council (SARC)
	Mr. Michael Lawrence – National Clothing Retail Federation (NCRF)
	Ms. Carin Strydom – Fuel Retailers Association (FRA)
(E	Ms. Sizakele Moloko – Enterprise Mentorship Organisation of South Africa EMOSA)
	Ms. Margaret Bango – Black Business Council (BBC)

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### Alternate Members

	Ms. Marie	tte Mentz -	- Retail <i>F</i>	Association (	(RA)	)
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- Ms. Sheila van Rensburg (SACTWU)
- ☐ Mr. Reggie Sibiya (FRA)
- ☐ Ms. Xolile Titus (EMOSA)
- ☐ Mr. Mogomotsi Masoabi (ECCAWUSA)
- ☐ Mr. Ezekiel Seitei (FEDCRAW)
- Board Secretary: Vacant





# ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015





Skills Development for Economic Growth

### STATEMENT OF PERFORMANCE

2014/15

2013/14

DESCRIPTION

R'm

R'm

TOTAL REVENUE

894,260m

819,085m

TOTAL EXPENDITURE

(911,925m)

(707,902m)

SURPLUS (DEFICIT)

(17,665 m)

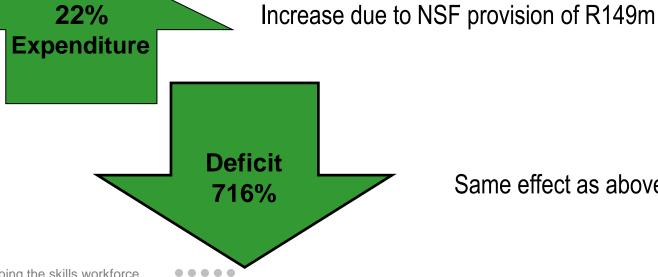
111,183m





### STATEMENT OF PERFORMANCE

8% Increase mainly due to 6% average salary increases in the Revenue sector. 2% = Int. earned and SARS Pen. & Int.



Same effect as above

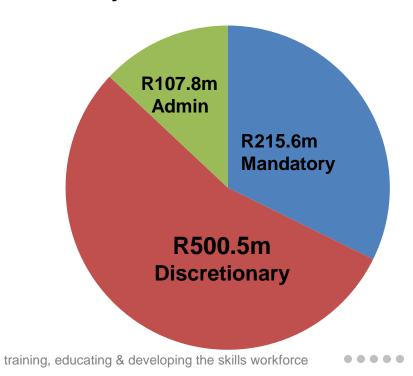




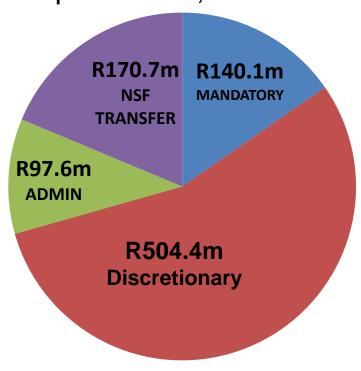
Skills Development for Economic Growth

# MANDATORY AND DISCRETIONARY GRANTS 2014/15

Levy Received R823.9m



**Expenditure R912,8m** 







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### **MANDATORY GRANTS 2014/15**

Levies Available - Total R215,6m

Grants Disbursed - Total R140m (65%)



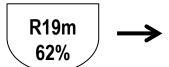






R31m

**Medium** 



**→** R65m

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**Small** 

R21,7m ->





### STATEMENT OF FINANCIAL POSITION

2014/15 2013/14

**DESCRIPTION** R'm R'm NOTE 1 113,411m TOTAL ASSETS 975,2m 303,008m TOTAL LIABILITIES 147,165m **NET ASSETS** 810,404m 828<u>,069m</u> 810,404m **FUNDS AND RESERVES** 828,069m





### STATEMENT OF FINANCIAL POSITION

Note 1 13% Cash

Low disbursements in Mandatory and Discretionary Grants

Note 2
Current
Liabilities

Increase due to NSF provision





# REPORT OF THE AUDITOR GENERAL FOR THE YEAR ENDED 31 MARCH 2015





#### **QUALIFIED OPINION**

- Material misstatements due to inaccurate determination of all amounts meeting the definition of a contractual commitment in accordance with section 1 of SETA grant regulations.
- In my opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the W&RSETA as at 31 March 2015 and its financial performance and its cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the PFMA and SDA.





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## 2014/15 ANNUAL REPORT

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# SUMMARY OF NON FINANCIAL PERFORMANCE

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# MANDATORY GRANTS PARTICIPATION 2014/15

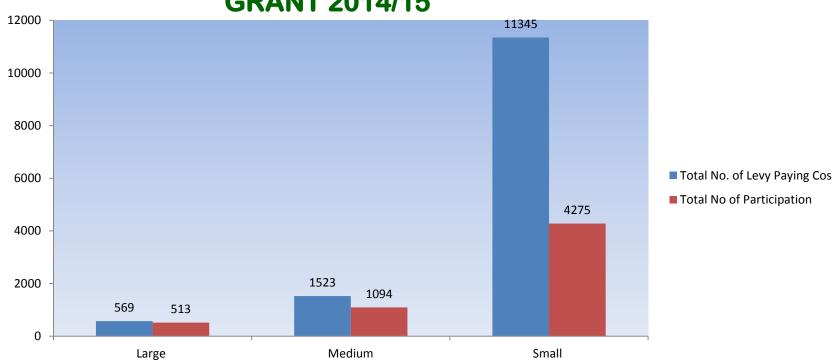
Stakeholder Category	#Levy Paying	#Participating	Percentage
Large	569	513	90%
Medium	1523	1094	72%
Small	11345	4275	38%

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# NO. OF LEVY PAYING COMPANIES PARTICIPATING ON THE MANDATORY GRANT 2014/15

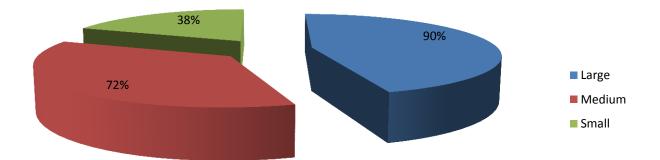


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# % OF LEVY PAYING COMPANIES PARTICIPATING ON THE MANDATORY GRANT 2014/15



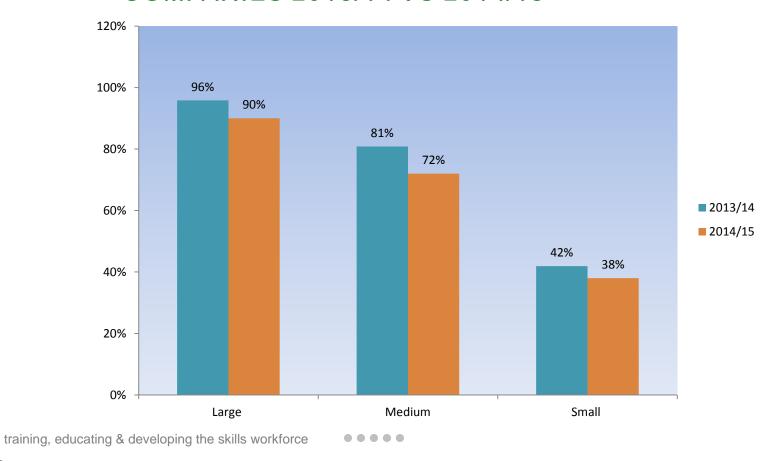
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### % OF PARTICIPATING LEVY PAYING **COMPANIES 2013/14 VS 2014/15**





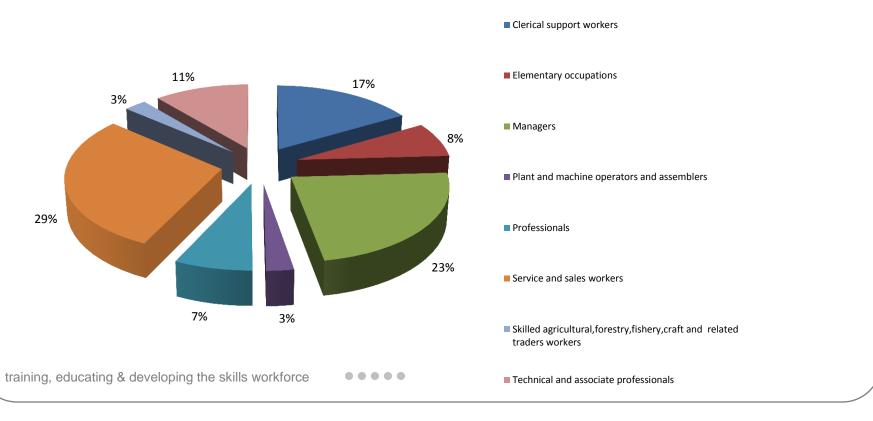






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#### **Total No. of People Trained Per Occupational class**







## DISCRETIONARY GRANTS PARTICIPATION Development for Economic Growth 2014/15

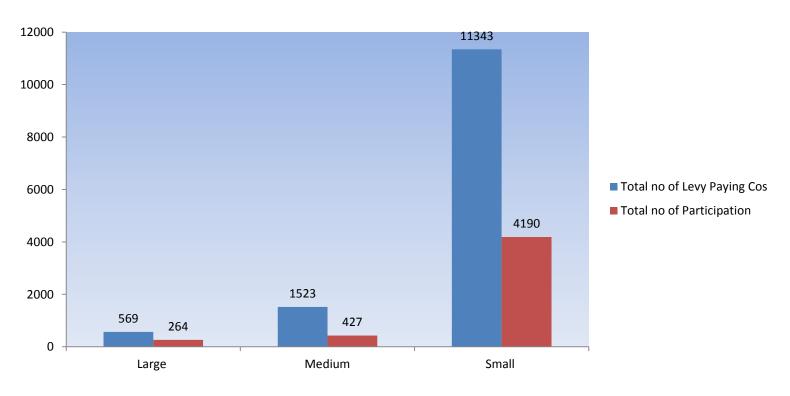
Stakeholder Category	#Levy Paying	#Participating	% of Participation
Large	569	264	46%
Medium	1523	427	28%
Small	11343	4190	37%

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# NO. OF LEVY PAYING COMPANIES PARTICIPATING ON THE DISCRETIONARY GRANT 2014/15



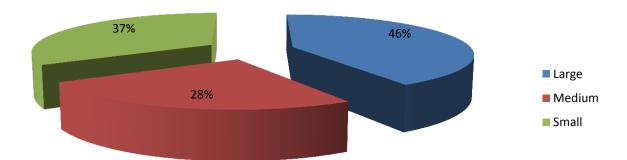


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### **% OF LEVY PAYING COMPANIES** PARTICIPATING ON THE DISCRETIONARY **GRANT 2014/15**



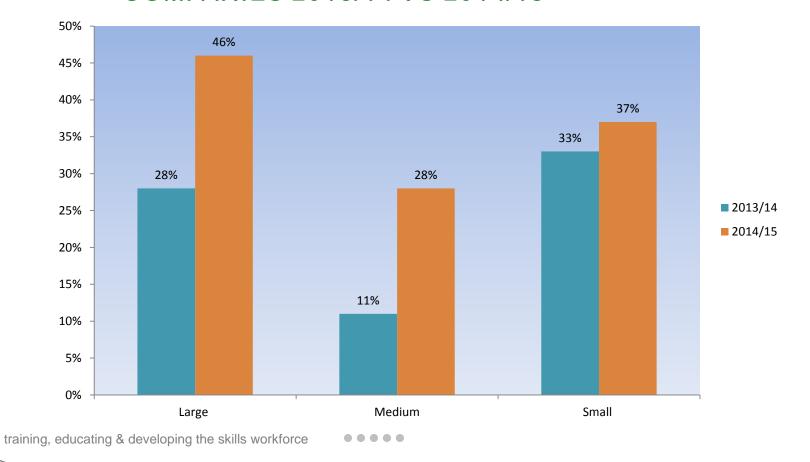


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## % OF PARTICIPATING LEVY PAYING COMPANIES 2013/14 VS 2014/15







**OVERALL NON FINANCIAL PERFORMANCE** 



Achieved a performance of 83% against the APP targets

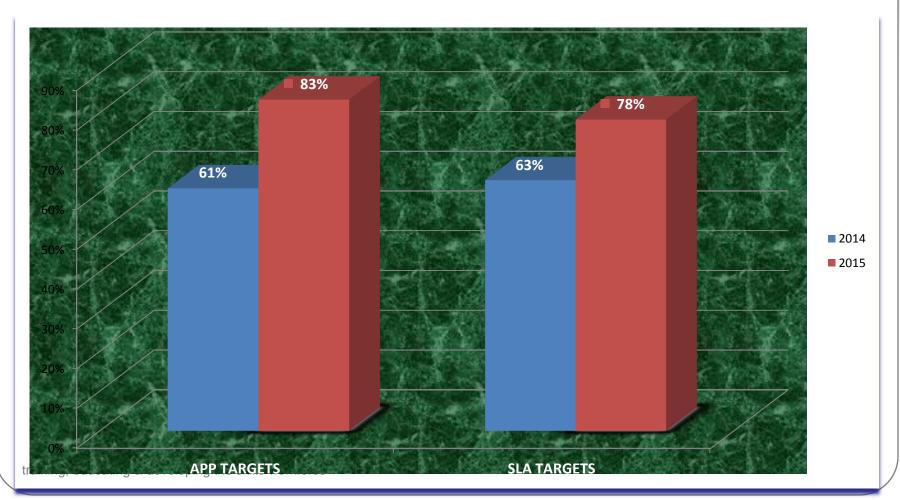
Achieved 78% against the SLA with DHET

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higher education & training









### **CELEBRATING SUCCESSES**

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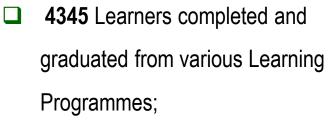


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### **Completions and Related Achievements**











- The development and re-curriculation of **4** qualifications developed in support of SOE Project,
- Career guidance provided to 524 schools
- 4 Schools of Excellence were established.- 90% success rate



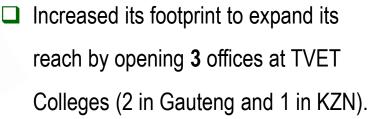


### **Completions and Related Achievements (Cont..)**









■ Established the first ever Retail

Simulation Centre, CPUT in CT followed by Gert Sibande TVET College in Mpumalanga and Vuselela TVET College in North West.

**1 46** Interns were permanently employed as Skills Facilitators.



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### Registrations





☐ 6 111 learners on NQF Levels 2 – 4 Learning Programmes

☐ 1129 TVETC graduates work placement



■ Bursaries allocated – Universities: 2728,

TVET Colleges: 497

□ 848 employees on RPL

☐ **564** on artisan programmes

**□ 481** on AET (NQF Level 1)



## **SMME Development**



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- 5199 small companies assisted to submit WSPs/ATRs; 4104 received Mandatory Grants
- 2379 SMEs benefited from skills development programmes
- 1571 NLP micro and informal traders benefitted from skills development programmes
- 14 co-operatives and 18 NGOs registered learners on programmes



### **Rural and Cooperative Development**





■ 515 learners from Rharhabe Royal Kingdom in the EC,Batlokoa Traditional Council in the FS, Kwandebele Royal Mgibe II in Mpumalanaga and the Mhlontlo Local Municipality in the EC benefited from the skills development programmes

■ **465** beneficiaries are now operating their own informal businesses.





## **International Leadership Development Programme**



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- NQF Level 7 qualification
- **48** delegates completed in 2014;
- 46 registered for 2015 Programme



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#### **Retail Management Development Programme**

- NQF 6 qualification
- 298 delegates successfully completed 2014 RMDP;
- 376 delegates registered2015 RMDP







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# ANNUAL PERFORMANCE PLAN 2015/16

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INTERVENTION	BENEFICIARIES	BUDGET
Bursaries for University Students (18.2)	630	R68,9m
Bursaries for TVETC Students	195	R6,5m
Bursaries for University and TVET students	800	R38,7m
MBA	2	R323
PHD	2	R1,0m
NQF 2-4 Learning Programmes registered	2800	R58,9m
NQF 2-4 Learners certificated	1680	
RMDP	350	R55,1m
Learners registered on NQF5 at HET's	500	Included above
ILDP	40	Included above
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INTERVENTION	BENEFICIARIES	BUDGET	
AET-NQF 1	500	R8,0m	
AET – NQF 1 qualified	200		
Rural Development Learnership Programmes Rural Development Learnership	500	R21,0m	
Programmes completed	250		
Rural Dev. Cooperatives	20	R3,2m	
Rural Dev. NGO's	9	R1,0m	
SMME Support	3500	R43,5m	
NLP Micro and Informal Traders Support	1500	Included above	
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INTERVENTION	BENEFICIARIES	BUDGET	
Career Guidance	250	R8,0m	
RPL entered	300	R6,0m	
RPL completed	150		
Critical Skills – Skills Programmes	500	R1,0m	
Learners complete skills programmes	300		
Artisan Development entered	200	R13,9m	
Artisans certificated	120		

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INTERVENTION	BENEFICIARIES	BUDGET
	4	D0 0
SOEs established	4	R8,0m
FET colleges awarded Extension of Scope	9	R2,2m
Capacity Building for Trade Unions	1000	R9,7m
Trade Union members complete their training	400	
WEEG- TVET Graduates	1000	R42,6m
WEEG – University Graduates	1000	R68,2m
Internships	300	R9,0m

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# 2015-2016 Annual Targets Skills Development for Economic Growth

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INTERVENTION	BENEFICIARIES	BUDGET
Research Agenda	4	R8,0m
Participating Levy paying companies paid mandatory grants	5000	R191,1m
Small and medium companies assisted to submit Annexure 2 (WSP/ATR/PIVOTAL)	6000	R13,1m
Employed learners complete their studies at HETs	548	

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INTERVENTION	BENEFICIARIES	BUDGET
SSP updated and submitted to DHET	1	R1,2m
Wholesale and Retail Academy established QMB develops, aligns and submits	1	R8,6m
qualifications to QCTO	4	R6,0m
Retail Chair Maintenance	1	R8,0m
Establish Wholesale and Retail Academy	1	R8,6m
TOTAL		R729,329m

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### **Moving forward**

### STRATEGIC PLAN 2016-19

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#### Proposed targets for the 2016-2019 Strategic Plan

- 50% of levy paying companies will receive mandatory grants R657 696m
- 2 682 employees will benefit from academic programmes R221 246m
- 900 artisans confectionary bakers, butchers, Spray painters and Motor mechanics will be trained – R55 740m
- 7 100 students will benefit from our Bursary programme and 6 000 graduates will be placed in workplaces to gain workplace experience – R717 482m
- 1 500 employed learners will benefit from training in critical skills R11 642m
- 15 000 companies will benefit from our small and micro enterprise development programmes R180 965m
- 10 800 learners will benefit from Learnership programmes: NQF2-4, Recognition of Prior Learning, and Adult Education and Training – R279 626m





#### Proposed targets for the 2016-2019 Strategic Plan

- Learnership programmes will be offered to 1 500 learners in rural areas R66 409m
- 900 N6 TVET College students will undergo internship programmes at Wholesale and Retail organisations - R32 220m
- 60 Co-operatives, 27 NGOs and 3 000 union officials from 5 unions will be trained -R45 533m
- 12 Schools of Excellence at TVET colleges and 2 Retail Academies at HETIs will be established - R26 150m
- 54 TVET College lecturers will be capacitated in Wholesale and Retail Qualifications and 27 TVET colleges will be awarded Extension of Scope to offer Wholesale and Retail Qualifications – R8 383m
- 12 additional relevant research papers will be produced R40 783m





## 2015/16 SECTOR SKILLS PLAN UPDATE

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☐ Final SSP submitted to DHET on the 30<sup>th</sup> September 2015

The following approach was followed in developing the SSP:

- Consultation with stakeholders
- ☐ Literature review on Wholesale and Retail economic growth trends
- ☐ Interviews with senior industry representatives
- Focus group discussions with industry key role players
- Analysis of WSP/ATR submissions
- ☐ Analysis of various research reports from research institutions.





	Included in the 2015/16 update is an analysis of the following key areas:
	☐ Key international trends
	☐ Inflation trends
	☐ Distribution of youth in the labour market
	☐ Business & Consumer confidence
	☐ Top management workforce profile for people with disabilities
	☐ Priority occupations
	☐ Scarce & Critical occupations (including Scarce & Critical skills for e-Retail and
	Fuel retail)
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#### SSP UPDATE for 2014/15

Number of people required per Scarce skill/occupation (Source: PIVOTAL Applications)

Occupations common to both scarce and priority Top 10 lists	Number of training interventions		
Shop Floor Assistant	7 000		
Administration Clerk / Officer	3232		
Store Assistant	5400		
Teller	2336		
Retail Store Manager	2087		
Forecourt attended	1931		
Sales Department Supervisor	1624		
Shelf Stacker	1482		
Cashier	1263		
After sales Service Adviser	542		





Critical skills for the e-Retail sector:

Analytical thinking/ Problem-solving

Communication

Computer (advanced Excel)

Customer relationship management

Customer service

Digital awareness

Entrepreneurially-minded

Networking

Web coding

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#### Top 10 PIVOTAL List:

Occupation	OFO Code	Number Required
Sales Assistant (General)	522301	16 895
General Clerk	411101	8 163
Store Person	833402	6 118
Checkout Operator	523101 -	5 850
Retail Manager (General)	142103	5 272
Service Station Attendant	524501	4 877
Retail Supervisor	522201	4 102
Shelf Filler	833401	3 744
Office Cashier	523102	3 191
Sales Representative (Personal and Household Goods)	332203	1 371

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Scarce occupations for the e-Retail sector

Scarce occupations
Technical
e-Retail Web Developer
Marketing
e-Retail Sales & Marketing Manager
e-Retail Marketing Manager
e-Retail Marketing Assistant
e-Retail Analyst
Operations
e-Retail Operations Manager
Business Intelligence
Business Analyst

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\*OFO Codes for occupations yet to be created/





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